# ANNUAL STATEMENT <br> OF THE <br> NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION 

OF
ARMONK
IN THE
STATE OF NEW YORK

# TO THE <br> INSURANCE DEPARTMENT 

OF THE
STATE OF

FOR THE YEAR ENDED
DECEMBER 31, 2012


## ANNUAL STATEMENT

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

## National Public Finance Guarantee Corporation



OFFICERS

| President and Chief Executive Officer | William Charles Fallon | Managing Director, Chief Financial Officer and Treasurer | Christopher Harris Young |
| :---: | :---: | :---: | :---: |
| Managing Director, Chief Compliance Officer, General Counsel and Secretary | Daniel Eugene McManus, Jr. \# | Managing Director, Chief Risk Officer and Assistant Secretary | Adam Thomas Bergonzi |

DIRECTORS OR TRUSTEES

| William Charles Fallon | $\frac{\text { Sandra Polk Guthman }}{\text { Lester Harvey McKeever, } \mathrm{dr} .}$ | Andrea Eileen Randolph |
| :--- | :--- | :--- |$\quad$| Douglas Charles Hamilton |
| :--- |
| Ernest Roger Wish |

Slate of New York
County of Westchester
The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of to herein described assets were the absolute propety the said feporing enty, free and clear from any liens or claims thereon, except as herein stated, and that this slatement affairs of the reated exhiblts, schedules and explanations. the NAIC Annual Statement Instructions and Accounting Plated above, and of is income and deductions therefrom for the period ended, and have been completed in accordance with differences in reporting nol rolated to and and and except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require attestation by the ing electronic fling) of the enclosed statement The electronic fing corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to


President and Chief Execulive Officer

Subscribed and sworn to before me this
$27^{\text {th }}$ day of February, 2013


Notary Public, State of New York No. 01G05033021
Qualified in Westchester County
Commission Expires September 6,2014


|  | $\begin{gathered} 1 \\ \text { Current Year } \\ \hline \end{gathered}$ | $\stackrel{2}{{ }_{\text {Prior Year }}}$ |
| :---: | :---: | :---: |
| 1. Losses (Part 2A, Line 35, Column 8) | $(76,689,003)$ | 18,778,551 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) |  | 0 |
| 3. Loss adjustment expenses (Part 2A, Line 35, Column 9) | $(32,355,006)$ | $(22,137,381)$ |
| 4. Commissions payable, contingent commissions and other similar charges |  | 0 |
| 5. Other expenses (excluding taxes, licenses and fees) | 8,154,306 | 11,765,139 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) |  | 0 |
| 7.1 Current federal and foreign income taxes (including \$ ...............38,093,551 on realized capital gains (losses)) | 16,418,329 | 12,194,600 |
| 7.2 Net deferred tax liability. |  | 0 |
| 8. Borrowed money \$ .-a and interest thereon \$ |  | 0 |
| 9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ $\qquad$ 6,210 and including warranty reserves of \$ $\qquad$ and accrued accident and health experience rating refunds including \$ $\qquad$ for medical loss ratio rebate per the Public Health Service Act) $\qquad$ <br>  | 2,040,719,631 | 2,484,900, 153 |
| 10. Advance premium |  | 0 |
| 11. Dividends declared and unpaid: |  |  |
| 11.1 Stockholders |  | 0 |
| 11.2 Policyholders |  | 0 |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) | 43 | 32 |
| 13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19) |  | 0 |
| 14. Amounts withheld or retained by company for account of others | 2,166,040 | 1,118,574 |
| 15. Remittances and items not allocated |  | 0 |
|  | 0 | 0 |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates |  | 0 |
| 18. Drafts outstanding |  | 0 |
| 19. Payable to parent, subsidiaries and affiliates | 283,088 | 835,269 |
| 20. Derivatives |  | 0 |
| 21. Payable for securities | 38,771,846 | 2,104,941 |
| 22. Payable for securities lending |  | 0 |
| 23. Liability for amounts held under uninsured plans |  | 0 |
|  |  | 0 |
| 25. Aggregate write-ins for liabilities | 1,730,148,185 | 2,722,852,493 |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) | 3,727,617,459 | 5,232,412,371 |
| 27. Protected cell liabilities |  | 0 |
| 28. Total liabilities (Lines 26 and 27) | 3,727,617,459 | 5,232,412,371 |
| 29. Aggregate write-ins for special surplus funds | 0 | 0 |
| 30. Common capital stock | . 15,000,000 | 15,000,000 |
| 31. Preferred capital stock |  | 0 |
| 32. Aggregate write-ins for other than special surplus funds | 0 | 0 |
| 33. Surplus notes |  | 0 |
| 34. Gross paid in and contributed surplus | 574,441,220 | 574,441,220 |
| 35. Unassigned funds (surplus) | -1,409,097,584 | 834,220,892 |
| 36. Less treasury stock, at cost: |  |  |
|  |  | 0 |
|  |  | 0 |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) | 1,998,538,804 | 1,423,662,112 |
| 38. Totals (Page 2, Line 28, Col. 3) | 5,726,156,263 | 6,656,074,483 |
| DETAILS OF WRITE-INS |  |  |
| 2501. Cont ingency reserves. | 1,249,080,125 | 1,385,341,512 |
| 2502. Securities sold under agreement to repurchase. | 481,068,060 | 1,336,194,083 |
| 2503. Other Liabilities. |  | 1,316,898 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 1,730,148,185 | 2,722,852,493 |
| 2901. |  | 0 |
| 2902. |  | 0 |
| 2903. |  | 0 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) | 0 | 0 |
| 3201. |  | 0 |
| 3202. |  | 0 |
| 3203. |  | 0 |
| 3298. Summary of remaining write-ins for Line 32 from overflow page | 0 | 0 |
| 3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above) | 0 | 0 |


|  | $\begin{gathered} 1 \\ \text { Current Year } \\ \hline \end{gathered}$ | $\begin{gathered} 2 \\ \text { Prior Year } \\ \hline \end{gathered}$ |
| :---: | :---: | :---: |
| UNDERWRITING INCOME |  |  |
| 1. Premiums earned (Part 1, Line 35, Column 4). DEDUCTIONS: | 439,343,808 | 365,824,686 |
| 2. Losses incurred (Part 2, Line 35, Column 7) | 6,660,011 | 2,721,648 |
| 3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) | 17,623,047 | 2,141,120 |
| 4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) | 133,804,130 | 60,304,424 |
| 5. Aggregate write-ins for underwriting deductions |  |  |
| 6. Total underwriting deductions (Lines 2 through 5) | 158,087,188 | 65,167,192 |
| 7. Net income of protected cells |  | 0 |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) | 281,256,620 | 300,657,494 |
| INVESTMENT INCOME |  |  |
| 9. Net investment income earned (Exhibit of Net Investment Income, Line 17) | 215,740,392 | 213,666,134 |
| 10. Net realized capital gains (losses) less capital gains tax of \$ .-..........-38,093,551 (Exhibit of Capital Gains (Losses)) | 70,745,165 | 91, 164,369 |
| 11. Net investment gain (loss) (Lines $9+10$ ) | 286,485,557 | 304,830,503 |
| OTHER INCOME |  |  |
| 12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ $\qquad$ amount charged off \$ $\qquad$ ). |  | 0 |
| 13. Finance and service charges not included in premiums. |  | 0 |
| 14. Aggregate write-ins for miscellaneous income | $(2,757)$ | $(6,113)$ |
| 15. Total other income (Lines 12 through 14) | $(2,757)$ | $(6,113)$ |
| 16. 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 | 605,481,884 |
| 17. Dividends to policyholders |  | 0 |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (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 |
| 23. Net transfers (to) from Protected Cell accounts |  |  |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ ............. 5,406,082 | 7,946,732 | 1,643,014 |
| 25. Change in net unrealized foreign exchange capital gain (loss). |  | 0 |
| 26. Change in net deferred income tax | $(56,036,859)$ | $(43,711,132)$ |
| 27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) | 58,174,810 | 45,744,072 |
| 28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) |  | 0 |
| 29. Change in surplus notes |  | 0 |
| 30. Surplus (contributed to) withdrawn from protected cells |  | 0 |
| 31. Cumulative effect of changes in accounting principles | 13,017,655 | 0 |
| 32. Capital changes: 32.1 Paid in |  | 0 |
| 32.2 Transferred from surplus (Stock Dividend) |  | 0 |
| 32.3 Transferred to surplus |  | 0 |
| 33. Surplus adjustments: 33.1 Paid in |  | 0 |
| 33.2 Transferred to capital (Stock Dividend) |  | 0 |
| 33.3 Transferred from capital |  | 0 |
| 34. Net remittances from or (to) Home Office |  | 0 |
| 35. Dividends to stockholders |  | 0 |
| 36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) |  | 0 |
| 37. Aggregate write-ins for gains and losses in surplus | 136,261,389 | 34,377,012 |
| 38. Change in surplus as regards policyholders for the year (Lines 22 through 37) | 574,876,691 | 515,942,567 |
| 39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) | 1,998,538,804 | 1,423,662,113 |
| DETAILS OF WRITE-INS |  |  |
| 0501. |  | 0 |
| 0502. |  | 0 |
| 0503. |  | 0 |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) | 0 | 0 |
| 1401. Miscel laneous expense | $(2,757)$ | $(6,113)$ |
| 1402. |  | 0 |
| 1403. |  | 0 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 |
| 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) | $(2,757)$ | $(6,113)$ |
| 3701. Allocation of surplus to contigency reserves... | 136,261,389 | 88,152,809 |
| 3702. Correction of error. |  | $(53,775,797)$ |
| 3703. |  |  |
| 3798. Summary of remaining write-ins for Line 37 from overflow page | 0 | 0 |
| 3799. Totals (Lines 3701 through 3703 plus 3798 ) (Line 37 above) | 136,261,389 | 34,377,012 |

CASH FLOW

| Cash from Operations | $\begin{gathered} 1 \\ \text { Current Year } \end{gathered}$ | $\stackrel{2}{\text { Prior Year }}$ |
| :---: | :---: | :---: |
| 1. Premiums collected net of reinsurance | $(4,836,703)$ | $(128,613,982)$ |
| 2. Net investment income | 146,990,573 | 255,970,846 |
| 3. Miscellaneous income | $(2,757)$ | $(6,113)$ |
| 4. Total (Lines 1 through 3) | 142,151,113 | 127,350,751 |
| 5. Benefit and loss related payments | 102,127,565 | 111,169,537 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts. |  | $11 .-{ }^{0}$ |
| 7. Commissions, expenses paid and aggregate write-ins for deductions ..-- | 165,255,642 | 26,174,840 |
| 8. Dividends paid to policyholders ..-_ |  |  |
| 9. Federal and foreign income taxes paid (recovered) net of \$ ............. $20,432,601$ ) tax on capital gains (losses) | 186,096,279 | 258,512,454 |
| 10. Total (Lines 5 through 9) | 453,479,486 | 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 | 2,470,871,431 | 3,933,338,719 |
| 12.2 Stocks | 1,038,000 | 2,328,950 |
| 12.3 Mortgage loans | 0 | 0 |
| 12.4 Real estate. | 0 | 0 |
| 12.5 Other invested assets | 11,232,084 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 |
| 12.7 Miscellaneous proceeds | 20,884,655 | 0 |
| 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 | 1,991,400,734 | 1,800,834,423 |
| 13.2 Stocks | $\xrightarrow{1,291,100,730}$ | 152,214,705 |
| 13.3 Mortgage loans | 0 | 0 |
| 13.4 Real estate | 0 | 0 |
| 13.5 Other invested assets | 20,510,586 | 1,205,216 |
| 13.6 Miscellaneous applications | 443,000,000 | 1,142,430,210 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 2,454,911,320 | 3,096,684,554 |
| 14. Net increase (decrease) in contract loans and premium notes | 0 | 0 |
| 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): <br> 16.1 Surplus notes, capital notes | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock. | 0 | 0 |
| 16.3 Borrowed funds | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities |  | 0 |
| 16.5 Dividends to stockholders. | 0 | 0 |
| 16.6 Other cash provided (applied). | $(851,446,878)$ | $(488,337,240)$ |
| 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 <br> 18. 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 ................ | 1,963,946, 148 | 1,881,806,353 |
| 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

|  | Line of Business | 1 Net Premiums Written per Column 6, Part 1B | 2 <br> 2 <br> Unearned Premiums Dec. 31 Prior Year per Col. 3, Last Year's Part 1 | 3 <br> Unearned Premiums <br> Dec. 31 Current <br> Year - per Col. 5 <br> Part 1A | 4 <br> Premiums Earned <br> During Year <br> (Cols. $1+2-3$ ) |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1. | Fire |  | $\cdots$ | 0 | 0 |
| 2. | Allied lines |  | $\ldots$ | 0 | 0 |
| 3. | Farmowners multiple peril | 0 | $\ldots$ | 0 | 0 |
| 4. | Homeowners multiple peril | 0 | -............ 0 | 0 | 0 |
| 5. | Commercial multiple peril | 0 | 0 | 0 | 0 |
| 6. | Mortgage guaranty | 0 | 0 | 0 | 0 |
| 8. | Ocean marine |  | $\cdots$ | 0 | 0 |
| 9. | Inland marine | 0 | 0 | 0 | 0 |
| 10. | Financial guaranty | $\ldots(4,836,713)$ | $\ldots 2,484,900,152$ | 2,040,719,631 | 439,343,808 |
| 11.1 | Medical professional liability-occurrence | 0 | 0 | 0 | 0 |
| 11.2 | Medical professional liability-claims-made | 0 | 0 | 0 | 0 |
| 12. | Earthquake | 0 | 0 | 0 | 0 |
| 13. | Group accident and health |  | 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 | 0 | 0 |
| 17.3 | Excess workers' compensation. | 0 | 0 | 0 | 0 |
| 18.1 | Products liability-occurrence | 0 | $\ldots$ | 0 | 0 |
| 18.2 | Products liability-claims-made | 0 | 0 | 0 | 0 |
| 19.1,19.2 | 2 Private passenger auto liability . | 0 | 0 | 0 | 0 |
| 19.3,19.4 | 4 Commercial auto liability. | 0 | 0 | 0 | 0 |
| 21. | Auto physical damage | 0 | - -0 | 0 | 0 |
| 22. | Aircraft (all perils) | 0 | 0 | 0 | 0 |
| 23. | Fidelity | 0 | $\ldots$ | 0 | 0 |
| 24. | Surety | 0 | -............. 0 | $\ldots$ | 0 |
| 26. | Burglary and theft | 0 | 0 | 0 | 0 |
| 27. | Boiler and machinery | 0 | 0 | 0 | 0 |
| 28. | Credit | 0 | $\ldots$ | 0 | 0 |
| 29. | International | 0 | $\ldots$ | 0 | 0 |
| 30. | Warranty | 0 | $\ldots$ | 0 | 0 |
| 31. | Reinsurance-nonproportional assumed property ... | 0 | $\cdots 0$ | 0 | 0 |
| 32. | Reinsurance-nonproportional assumed liability. | 0 | 0 | 0 | 0 |
| 33. | Reinsurance-nonproportional assumed financial lines | 0 | $\ldots$ | 0 | 0 |
| 34. | Aggregate write-ins for other lines of business | 0 | 0 | 0 | 0 |
| 35. | TOTALS | $(4,836,713)$ | 2,484,900,152 | 2,040,719,631 | 439,343,808 |
| details Of WRITE-INS |  |  |  |  |  |
| 3401. |  |  |  |  |  |
| 3402. |  |  |  |  |  |
| 3403. |  |  |  |  |  |
| 3498. | Sum. of remaining write-ins for Line 34 from overflow page ... | $\cdots$ | $\ldots$ | 0 | 0 |
| 3499. | Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) | 0 | 0 | 0 | 0 | UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

|  | 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) <br> (a) | 3 Earned but Unbilled Premium | $\qquad$ <br> 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 . |  |  |  |  | 0 |
| 11.2 | Medical professional liability-claims-made |  |  |  |  | 0 |
| 12. | Earthquake |  |  |  |  | 0 |
| 13. | Group accident and health |  |  |  |  | 0 |
| 14. | Credit accident and health (group and individual) ... |  |  |  |  | 0 |
| 15. | Other accident and health |  |  |  |  | 0 |
| 16. | Workers' compensation |  |  |  |  | 0 |
| 17.1 | Other liability-occurrence |  |  |  |  | 0 |
| 17.2 | Other liability-claims-made |  |  |  |  | 0 |
| 17.3 | Excess workers' compensation |  |  |  |  | 0 |
| 18.1 | Products liability-occurrence |  |  |  |  | 0 |
| 18.2 | Products liability-claims-made |  |  |  |  | 0 |
| 19.1,1 | 2 Private passenger auto liability |  |  |  |  | 0 |
| 19.3,1 | Commercial auto liability |  |  |  |  | 0 |
| 21. | Auto physical damage |  |  |  |  | 0 |
| 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 ....... |  |  |  |  | 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 |
| 36. | Accrued retrospective premiums based on experience |  |  |  |  |  |
| 37. | Earned but unbilled premiums |  |  |  |  |  |
| 38. | Balance (Sum of Lines 35 through 37) |  |  |  |  | 2,040,719,631 |
| DETAILS OF WRITE-INS |  |  |  |  |  |  |
| 3401. |  |  |  |  |  | 0 |
| 3402. |  |  |  |  |  | 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 |

[^0]PART 1B - PREMIUMS WRITTEN

| Line of Business |  | 1 <br> Direct <br> Business <br> (a) | Reinsurance Assumed |  | Reinsurance Ceded |  | 6 <br> Net Premiums Written Cols. $1+2+3-4-5$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 2 From Affiliates | 3 From Non-Affiliates | 4 To Affiliates | $\begin{gathered} \hline 5 \\ \text { To } \\ \text { Non-Affiliates } \\ \hline \end{gathered}$ |  |
| 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 | . 923 | $\ldots(1,258,226)$ | $(3,579,395)$ | 0 | --..... 15 | ( $4,836,713$ ) |
| 11.1 | Medical professional liability-occurrence |  |  |  |  |  | 0 |
| $11.2$ | Medical professional liability-claims-made |  |  |  |  |  | 0 |
| 12. | Earthquake |  |  |  |  |  | 0 |
| 13. | Group accident and health . |  |  |  |  |  | 0 |
| $14 .$ | Credit accident and health (group and individual) |  |  |  |  |  | 0 |
| 15. | Other accident and health |  |  |  |  |  | 0 |
| 16. | Workers' compensation |  |  |  |  |  | 0 |
| 17.1 | Other liability-occurrence |  |  |  |  |  | 0 |
| 17.2 | Other liability-claims-made... |  |  |  |  |  | 0 |
| $17.3$ | Excess workers' compensation |  |  |  |  |  | 0 |
| 18.1 | Products liability-occurrence |  |  |  |  |  | 0 |
| 18.2 | Products liability-claimsmade |  |  |  |  |  | 0 |
| 19.1,19.2 | 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 |  |  |  |  |  | 0 |
| 24. | Surety |  |  |  |  |  | 0 |
| 26. | Burglary and theft |  |  |  |  |  | 0 |
| 27. | Boiler and machinery |  |  |  |  |  | 0 |
| 28. | Credit |  |  |  |  |  | 0 |
| 29. | International |  |  |  |  |  | 0 |
| 30. | Warranty |  |  |  |  |  | 0 |
| $31 .$ | Reinsurancenonproportional assumed property $\qquad$ | XXX |  |  |  |  | 0 |
| $32 .$ | Reinsurancenonproportional assumed liability | XXX |  |  |  |  | 0 |
| $33 .$ | Reinsurancenonproportional assumed financial lines | XXX |  |  |  |  | 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 | $(4,836,713)$ |
| DETAILS OF WRITE-INS |  |  |  |  |  |  |  |
| 3401. |  |  |  |  |  |  | 0 |
| 3402. |  |  |  |  |  |  | 0 |
| 3403. |  |  |  |  |  |  | 0 |
| $3498 .$ | Sum. of remaining writeins for Line 34 from overflow page $\qquad$ | 0 | $\ldots$ | 0 | $\ldots$ | 0 | 0 |
| $3499 .$ | Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) | 0 | 0 | 0 | 0 | 0 | 0 |

[^1]
## ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation

UNDERWRITING AND INVESTMENT EXHIBIT


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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

| Line of Business |  | Reported Losses |  |  |  | Incurred But Not Reported |  |  | Net LossesUnpaid(Cols. $4+5+6-7$ ) | Net Unpaid Loss Adjustment Expenses |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Direct | $\begin{gathered} \text { Reinsurance } \\ \text { Assumed } \\ \hline \end{gathered}$ | 3 <br> Deduct Reinsurance <br> Recoverable from <br> Authorized and <br> Unauthorized <br> Companies | 4 Net Losses Excl. Incurred But Not Reported (Cols. 1+2-3) | Direct | 6 <br>  <br> Reinsurance <br> Assumed | 7 <br>  <br> Reinsurance <br> Ceded |  |  |
| 1. | Fire |  |  |  |  |  |  |  |  |  |
| 2. | Allied lines |  |  |  |  |  |  |  |  |  |
| 3. | Farmowners multiple peril |  |  |  | 0 |  |  |  | - 0 |  |
| 4. | Homeowners multiple peril | - | 1 | - |  | - |  |  |  |  |
| 5. | Commercial multiple peril. |  |  |  | - -1. |  |  |  | - $-\times$ |  |
| 6. | Mortgage guaranty ........ |  |  |  | ․a- |  |  |  | $\square \bigcirc 0$ |  |
| 8. | Ocean marine |  |  |  | - |  |  |  | $\begin{aligned} & 0 \\ & 0 \end{aligned}$ |  |
| 9. | Inland marine |  |  |  | $0$ |  |  |  | $\square \quad 0$ |  |
| 10.1 | Financial guaranty $\qquad$ Medical professional liability-occurrence | $0$ | ...... $(76,689,003)$ | .-........... 0 | $\cdots$ | - .ana............ 0 | $0$ | - (-a) - $-\cdots$ | -....(76,689,003) | $\ldots . .$. |
| 11.2 |  |  |  |  | $\square \times$ |  |  |  | $\cdots$ |  |
| 12. | Earthquake. |  |  |  | - 0 |  |  |  |  |  |
| 13. | Group accident and health |  |  |  | - 0 |  |  |  | (a) ...- 0 |  |
| 14. | Credit accident and health (group and individual) |  |  |  |  |  |  |  |  |  |
| 15. | Other accident and health .............................- |  |  |  | 0 |  |  |  | (a) .................. 0 |  |
| 16. | Workers' compensation |  |  |  | 0 |  |  |  |  |  |
| 17.1 | Other liability-occurrence |  |  |  | -- 0 |  |  |  | $\ldots 0$ |  |
| 17.2 | Other liability-claims-made. |  |  |  |  |  |  |  | - --- 0 |  |
| 17.3 | Excess workers' compensation |  |  |  | - --- |  |  |  | $\square 0$ |  |
| 18.1 | Products liability-occurrence |  |  |  | $\begin{array}{rr} 0 \\ \hdashline \quad 0 \\ 0 \end{array}$ |  |  |  | $\ldots 0$ |  |
| 18.2 19.1 | Products liability-claims-made |  |  |  | $0$ |  |  |  | $\begin{array}{r} 0 \\ \hdashline-\quad 0 \\ \hline \end{array}$ |  |
|  | Commercial auto liability ....... |  |  |  | $\cdots$ |  |  |  | $\bigcirc$ |  |
| 21. | Auto physical damage |  |  |  | - .-........ 0 |  |  |  | - - - - - |  |
| 22. | Aircraft (all periss) ..... |  |  |  | -- | $\cdots$ |  |  | - $-\cdots$ | $\cdots$ |
| 23. | Fidelity |  |  |  | - 0 |  |  |  | $0$ |  |
| 24. | Surety .......... |  |  |  | $\begin{aligned} & 0 \\ & 0 \end{aligned}$ |  |  |  | $\begin{aligned} & 0 \\ & 0 \end{aligned}$ |  |
| 26. 27. | Burglary and theft Boiler and machinery |  |  |  |  |  |  |  | 0 <br> $-\quad-\quad 0$ <br> $-\quad-\quad 0$ <br> $-\quad . \quad . \quad$ |  |
| 28. | Credit..............- |  |  |  | - - - - - - - 0 |  |  |  | 0 |  |
| 29. | International |  |  |  | - $-\cdots$ - $-\cdots$ |  |  |  |  |  |
| 30. | Warranty -..-- |  |  |  |  |  |  |  |  | - |
| 31. | Reinsurance-nonproportional assumed property | XXX |  |  | - -0 | - xxx |  |  | $\square 0$ |  |
| 32. 33. | Reinsurance-nonproportional assumed liability Reinsurance-nonproportional assumed financial lines | $\begin{gathered} \quad x x x \\ \quad x \times x \end{gathered}$ |  |  | 0 | $\begin{aligned} & x \times x \\ & x \times x \\ & \end{aligned}$ |  |  | $0$ | $\cdots$ |
| 33. 34. | Reinsurance-nonproportional assumed financial lines Aggregate write-ins for other lines of business | XXX |  | - | $0$ | $x x x$ <br> 0 | 0 |  | $00$ |  |
| 35. |  | 0 | (76,689, 003) | $\cdots$ | (76,689,003) | 0 | 0 | 0 | $(76,689,003)$ | $(32,355,006)$ |
| DETAILS OF WRITE-INS |  |  |  |  |  |  |  |  |  |  |
| 3401.3402. |  |  |  |  | - - - - 0 |  |  |  |  |  |
|  |  |  |  |  | 0 |  |  |  | $\cdots 0$ |  |
| 3402.3403.3498 |  |  |  |  | - 0 |  |  |  |  |  |
| 3498. 3499. | Sum. of remaining write-ins for Line 34 from overflow page Totals (Lines 3401 through $3403+3498$ ) (Line 34 above) | $\begin{aligned} & 0 \\ & 0 \end{aligned}$ | $\begin{aligned} & 0 \\ & 0 \\ & 0 \end{aligned}$ | 0 | 0 | 0 | 0 | 0 | - |  | (a) Including \$ Totals (Lines 3401 through $3403+3498$ ) (Line 34 above)


|  | $\begin{gathered} 1 \\ \hline \text { Loss Adjustment } \\ \text { Expenses } \\ \hline \end{gathered}$ | 2 <br> $\begin{array}{c}2 \\ \text { Other Underwriting } \\ \text { Expenses }\end{array}$ | 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 |  |  |  | 0 |
| 4. Advertising |  | 142,901 | 146,767 | 289,668 |
| 5. Boards, bureaus and associations |  | .3,254,210 | 9,100 | 3,263,310 |
| 6. Surveys and underwriting reports | 21 | 142,111 | 384,973 | 527,105 |
| 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 | 69,816 | . 1,509,424 | .196,640 | . 1,775,880 |
| 9. Employee relations and welfare | 375,182 | .7,853,811 | 889,198 | . 9,118, 191 |
| 10. Insurance |  | 1,103,031 | 115,040 | 1,218,071 |
| 11. Directors' fees |  | 195,181 |  | 195,181 |
| 12. Travel and travel items | .5,337 | 604,857 | 261,185 | .871,379 |
| 13. Rent and rent items |  | 427,395 | 67,126 | 494,521 |
| 14. Equipment | 7,573 | 292,393 | 322,393 | 622,359 |
| 15. Cost or depreciation of EDP equipment and software |  | 494,876 | 57,177 | .552,053 |
| 16. Printing and stationery | 132 | ..16,320 | -...8,079 | 24,531 |
| 17. Postage, telephone and telegraph, exchange and express | 2,264 | .95,602 | 41,323 | 139,189 |
| 18. Legal and auditing | 154,834 | 93,803,825 | 122,256 | 94,080,915 |
| 19. Totals (Lines 3 to 18) | .1,692,697 | 134,703,967 | 6,714,778 | .143,111,442 |
| 20. Taxes, licenses and fees: |  |  |  |  |
| 20.1 State and local insurance taxes deducting guaranty association credits of \$ $\qquad$ |  | 38,980 |  | 38,980 |
| 20.2 Insurance department licenses and fees | 122 | .55,964 | .....11,904 | .67,990 |
| 20.3 Gross guaranty association assessments |  |  |  |  |
| 20.4 All other (excluding federal and foreign income and real estate) |  | 10,250 |  | 10,250 |
| 20.5 Total taxes, licenses and fees ( $20.1+20.2+20.3+20.4)$ | 122 | .105,194 | .-...11,904 | 117,220 |
| 21. Real estate expenses |  | 13,313 |  | .13,313 |
| 22. Real estate taxes. |  |  |  | 0 |
| 23. Reimbursements by uninsured plans |  |  |  | 0 |
| 24. Aggregate write-ins for miscellaneous expenses. | 7,537 | $(40,049)$ | 0 | $(32,512)$ |
| 25. Total expenses incurred | .17,623,047 | 133,804,130 | 6,726,682 | . $158,153,859$ |
| 26. Less unpaid expenses-current year | $(32,355,006)$ | 8,154,306 |  | . $(24,200,700)$ |
| 27. Add unpaid expenses-prior year | . $(22,137,381)$ | . 11,765,139 | 0 | . $(10,372,242)$ |
| 28. Amounts receivable relating to uninsured plans, prior year |  | 0 | 0 | 0 |
| 29. Amounts receivable relating to uninsured plans, current year |  |  |  | 0 |
| 30. TOTAL EXPENSES PAID (Lines $25-26+27-28+29$ ) | 27,840,672 | 137,414,963 | 6,726,682 | 171,982,317 |
| DETAILS OF WRITE-INS |  |  |  |  |
| 2401. Contributions and other miscellaneous expenses. |  | 325,445 |  | 325,445 |
| 2402. Consulting, temporary help net of reimbursement fees. | 7,537 | $\ldots . . .365,494)$ |  | $(357,957)$ |
| 2403. |  |  |  |  |
| 2498. Summary of remaining write-ins for Line 24 from overflow page |  |  | 0 | 0 |
| 2499. Totals (Lines 2401 through 2403 plus 2498 ) (Line 24 above) | 7,537 | $(40,049)$ | 0 | $(32,512)$ |

[^2]23,517,548
to affiliates and \$
to non-affiliates

EXHIBIT OF NET INVESTMENT INCOME


| (a) Includes | $3,252,612$ accrual of discount less \$ | 26,875,526 amortization of premium and less \$ | $5,542,871$ paid for accrued interest on purc |
| :---: | :---: | :---: | :---: |
| (b) Includes \$ | ..........accrual of discount less \$ | ...amortization of premium and less \$ | 0 paid for accrued dividends on purchases. |
| (c) Includes \$ | 0 accrual of discount less \$ | 0 amortization of premium and less \$ | paid for accrued interest on purchases. |
| (d) Includes \$ | for company's occupancy | n buildings; and excludes \$ | nterest on encumbrances. |
| (e) Includes \$ | 111,104 accrual of discount less \$ | 347,553 amortization of premium and less \$ | $(846,923)$ paid for accrued interest on purchases. |
| (f) Includes \$ | accrual of discount less \$ | amortization of premium. |  |
| (g) Includes \$ segregated | investment expenses and eparate Accounts. | investment taxes, licenses and fe | ees, excluding federal income taxes, attributable to |
| (h) Includes \$ | .....-interest on surplus notes | terest on capital notes. |  |
| (i) Includes \$ | depreciation on real estate | depreciation on other investe | assets. |

## EXHIBIT OF CAPITAL GAINS (LOSSES)

|  | 1 Realized Gain (Loss) On Sales or Maturity | 2 <br> Other <br> Realized Adjustments | 3 Total Realized Capital Gain (Loss) (Columns 1 + 2) | $\qquad$ | 5 <br> Change in Unrealized Foreign Exchange Capital Gain (Loss) |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1. U.S. Government bonds | 8,223,086 |  | 8,223,086 |  |  |
| 1.1 Bonds exempt from U.S. tax | 66,395,553 |  | 66,395,553 | 770,954 |  |
| 1.2 Other bonds (unaffiliated) | 34,080,235 |  | 34,080,235 | 229,418 |  |
| 1.3 Bonds of affiliates | 0 | 0 | .-.. 0 | 0 | 0 |
| 2.1 Preferred stocks (unaffiliated) | .. $(15,752)$ | 0 | $\ldots . . . . . ~(15,752)$ | 0 | 0 |
| 2.11 Preferred stocks of affiliates | 0 | 0 | 0 | 0 | 0 |
| 2.2 Common stocks (unaffiliated) | 0 | 0 | 0 | 14,445,578 | 0 |
| 2.21 Common stocks of affiliates | 0 | 0 | 0 | 0 | 0 |
| 3. Mortgage loans | 0 | 0 | 0 | 0 | 0 |
| 4. Real estate | 0 | 0 | 0 |  | 0 |
| 5. Contract loans |  |  | 0 |  |  |
| 6. Cash, cash equivalents and short-term investments | 27,567 |  | 27,567 | 0 | 0 |
| 7. Derivative instruments |  |  | 0 |  |  |
| 8. Other invested assets | 128,027 | 0 | . 128,027 | - $(2,093,136)$ | 0 |
| 9. Aggregate write-ins for capital gains (losses) | 0 | 0 | 0 | 0 | 0 |
| 10. Total capital gains (losses) | 108,838,716 | 0 | 108,838,716 | 13,352,814 | 0 |
| DETAILS OF WRITE-INS |  |  |  |  |  |
| 0901. |  |  | 0 |  |  |
| 0902. |  |  | 0 |  |  |
| 0903. |  |  | 0 |  |  |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | ---30 | 0 | 0 |
| 0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above) | 0 | 0 | 0 | 0 | 0 |

EXHIBIT OF NONADMITTED ASSETS

|  | Current Year Total Nonadmitted Assets |  | Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
| :---: | :---: | :---: | :---: |
| 1. Bonds (Schedule D) | 0 | 0 | 0 |
| 2. Stocks (Schedule D): |  |  |  |
| 2.1 Preferred stocks | 0 | 0 | 0 |
| 2.2 Common stocks |  | 0 | 0 |
| 3. Mortgage loans on real estate (Schedule B): |  |  |  |
| 3.1 First liens | 0 | 0 | 0 |
| 3.2 Other than first liens | 0 | 0 | 0 |
| 4. Real estate (Schedule A): |  |  |  |
| 4.1 Properties occupied by the company | 0 | 0 | 0 |
| 4.2 Properties held for the production of income | 0 | 0 | 0 |
| 4.3 Properties held for sale | 0 | 0 | 0 |
| 5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) | 0 | 0 | 0 |
| 6. Contract loans | 0 | 0 | 0 |
| 7. Derivatives (Schedule DB). | 0 | 0 | 0 |
| 8. Other invested assets (Schedule BA) | 0 | 0 | 0 |
| 9. Receivables for securities | 0 | 485,853 | 485,853 |
| 10. Securities lending reinvested collateral assets (Schedule DL) | 0 | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 0 | 485,853 | 485,853 |
| 13. Title plants (for Title insurers only) | 0 |  | 0 |
| 14. Investment income due and accrued |  | 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 |
| 16. Reinsurance: |  |  |  |
| 16.1 Amounts recoverable from reinsurers | 0 | 0 | 0 |
| 16.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 0 | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans |  | 0 | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon |  | 0 | 0 |
| 18.2 Net deferred tax asset | 487, 117,551 | 557,968,892 | 70,851,341 |
| 19. Guaranty funds receivable or on deposit |  |  | 0 |
| 20. Electronic data processing equipment and software. | 372,107 | 258,321 | $(113,786)$ |
| 21. Furniture and equipment, including health care delivery assets. | 66,379 | 35,975 | $(30,404)$ |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates |  | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 0 | 0 | 0 |
| 24. Health care and other amounts receivable. |  |  | 0 |
| 25. Aggregate write-ins for other than invested assets | .733,341 | 732,802 | (539) |
| 26. 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 | 0 | 0 |
| 28. Total (Lines 26 and 27) | 488,289,378 | 559,481,843 | 71, 192,465 |
| DETAILS OF WRITE-INS |  |  |  |
| 1101. |  | 0 | 0 |
| 1102. |  | 0 | 0 |
| 1103. |  | 0 | 0 |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198 ) (Line 11 above) | 0 | 0 | 0 |
| 2501. Prepaid expenses. | .733,341 | 732,802 | (539) |
| 2502. |  | 0 | 0 |
| 2503. |  |  | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page |  | 0 | 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.

## NET INCOME

(1) Net income, state basis
(2) Effect of prescribed practices
(3) Effect of state permitted practices
(4) Net income, NAIC SAP basis (1-2-3=4)

SURPLUS
(5) Policyholders' surplus, state basis
(6) Effect of state prescibed practices
(7) Effect of state permitted practices Gross paid in and contributed surplus Unassigned surplus
(8) Policyholders's surplus, NAIC SAP basis (5-6-7=8)

| State of <br> Domicile | 2012 |  | 2011 |  |
| :---: | :---: | :---: | :---: | :---: |
| New York | \$ | 415,513 | \$ | 477,890 |
| New York |  | - |  | - |
| New York |  | - |  | - |
| New York | \$ | 415,513 | S | 477,890 |
| New York | \$ | 1,998,539 | \$ | 1,423,662 |
| New York |  | - |  |  |
| New York |  | $(1,623,146)$ |  | $(1,623,146)$ |
| New York |  | 1,623,146 |  | 1,623,146 |
| 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

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

## 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-thantemporarily 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

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

## 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-tomaturity 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


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

## 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

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

## 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 thousands

As of December 31, 2012
a. The aggregate amount of unrealized losses:

| 1. Less than 12 Months | $\$$ |
| :--- | :--- |
| 2. 12 Months or Longer | $\$$ |

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
a. The aggregate amount of unrealized losses:
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.

# ANNUAL STATEMENT FOR YEAR 2012 OF THE National Public Finance Guarantee Corporation <br> 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)

| 12/31/2012 |  |  |
| :---: | :---: | :---: |
| $(1)$ | (2) | (3) |
|  |  | (Col 1+2) |
| Ordinary | Capital | Total |

In thousands
(a) Gross deferred tax assets

| $\$$ | 515,539 | $\$$ | - | $\$ 15,539$ |
| :---: | ---: | :---: | ---: | ---: |
|  | - | - | - |  |
|  | 515,539 | - | 515,539 |  |
| 497,809 | $(10,692)$ | 487,117 |  |  |
|  | 17,730 | 10,692 | 28,422 |  |
|  | 25 | 10,692 | 10,717 |  |
|  |  |  |  |  |
| $\$$ | 17,705 | $\$$ | - | 17,705 |

Gross deferred tax assets
Statutory valuation allowance adjustments
Adjusted gross deferred tax assets (1a-1b)
Deferred tax assets nonadmitted
Subtotal net admitted deferred tax asset (1c-1d)
Deferred tax liabilities
Net admitted deferred tax asset/
(Net deferred tax liability) (1e-1f)

Gross deferred tax assets
Statutory valuation allowance adjustments
Adjusted gross deferred tax assets ( $1 \mathrm{a}-1 \mathrm{~b}$ )
Deferred tax assets nonadmitted
Subtotal net admitted deferred tax asset (1c-1d )
Deferred tax liabilities
Net admitted deferred tax asset/
(Net deferred tax liability) (1e-1f)

| 12/31/2011 |  |  |
| :---: | :---: | :---: |
| $(1)$ | $\mathbf{( 2 )}$ | (3) |
|  |  |  |
|  | (Col 1+2) |  |
| Ordinary | Capital | Total |


| $\$$ | 574,595 | $\$$ | - | $\$$ |
| :---: | ---: | :---: | :---: | ---: |
|  | - | - | 574,595 |  |
|  | 574,595 | - | 574,595 |  |
| 565,108 | $(7,139)$ | 557,969 |  |  |
|  | 9,487 | 7,139 | 16,626 |  |
|  | 1,191 | 7,139 | 8,330 |  |
|  |  |  |  |  |
| $\$ 8,296$ | $\$$ | - | $\$$ | 8,296 |


| Change |  |  |
| :---: | :---: | :---: |
| (7) | (8) | (9) |
|  |  |  |
| (Col 1-4) | (Col 2-5) | (Col 7+8) |
| Ordinary | Capital | Total |


| $\$$ | $(59,056)$ | $\$$ | - |
| :---: | :---: | :---: | :---: |
|  | - | - | $(59,056)$ |
|  | $(59,056)$ | - | $(59,056)$ |
|  | $(67,299)$ | $(3,553)$ | $(70,852)$ |
|  | 8,243 | 3,553 | 11,796 |
|  | $(1,166)$ | 3,553 | 2,387 |
|  | 9,409 | $\$$ | - |
| $\$$ |  | $\$$ | 9,409 |

## NOTES TO FINANCIAL STATEMENTS

(2) Admission Calculation Components SSAP 101.


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

## NOTES TO FINANCIAL STATEMENTS

(3) Other Admissibility Criteria

(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:

| In thousands | (1) |  | (2) |  | (3) <br> (Col 1-2) |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| (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 |

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

## NOTES TO FINANCIAL STATEMENTS

(2) Deferred Tax Assets:

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

| In thousands |  | 2012 |  | 2011 |  | 1-2) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Ordinary: |  |  |  |  |  |  |
| (1) Losses incurred | \$ | - | \$ | - | \$ | - |
| (2) Unearned premium reserve |  | 71,513 |  | 87,601 |  | $(16,088)$ |
| (3) Contingency Reserves |  | 437,178 |  | 484,870 |  | $(47,692)$ |
| (4) Investments |  | - |  | - |  | - |
| (5) Deferred acquisition costs |  | - |  | - |  | - |
| (6) Policyholder dividends accrual |  | - |  | - |  | - |
| (7) Fixed assets |  |  |  |  |  | - |
| (8) Compensation and benefits accrual |  | 1,381 |  | 1,604 |  | (223) |
| (9) Pension accrual |  | - |  | - |  | - |
| (10) Receivables - nonadmitted |  | - |  | - |  | - |
| (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 |
| (99) Subtotal |  | 515,539 |  | 574,595 |  | $(59,056)$ |
| Statutory valuation allowance adjustment |  | - |  | - |  | - |
| Nonadmitted |  | 487,117 |  | 557,969 |  | $(70,852)$ |
| Admitted ordinary deferred tax assets (2a99-2b-2c) |  | 28,422 |  | 16,626 |  | 11,796 |

(d) Admitted ordinary deferred tax assets (2a99-2b-2c)
(e) Capital:
(1) Investments
(2) Capital loss carryovers and OTTI
(3) Real estate
(4) Other (including items $<5 \%$ of total capital tax assets) (99) Subtotal

|  | - |  | - |  | - |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | - |  | - |  | - |
|  | - |  | - |  | - |
|  | - |  | - |  | - |
| \$ | 28,422 | \$ | 16,626 | \$ | 11,796 |

(3) Deferred Tax Liabilities

| In thousands | (1) |  | (2) |  | (3) <br> (Col 1-2) <br> Change |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| (a) Ordinary: |  |  |  |  |  |  |
| (1) Unrealized Gains | \$ | - | \$ | - | \$ | - |
| (2) Fixed assets |  | - |  | - |  | - |
| (3) Deferred and uncollected premium |  | - |  | - |  | - |
| (4) Policyholder reserves |  | - |  | - |  | - |
| (5) Other (including items $<5 \%$ of total ordinary tax liabilities) |  | 25 |  | 1,191 |  | $(1,166)$ |
| (99) Subtotal |  | 25 |  | 1,191 |  | $(1,166)$ |
| (b) Capital: |  |  |  |  |  |  |
| (1) Investments |  | 3,464 |  | 5,318 |  | $(1,854)$ |
| (2) Unrealized Gains |  | 7,228 |  | 1,821 |  | 5,407 |
| (3) Other (including items $<5 \%$ of total capital tax liabilities) |  | - |  | - |  | - |
| (99) Subtotal |  | 10,692 |  | 7,139 |  | 3,553 |
| (c) Deferred tax liabilities (3a99+3b99) | \$ | 10,717 | \$ | 8,330 | \$ | 2,387 |
| 4. Net deferred tax assets/liabilities (2i-3c) | \$ | 17,705 | \$ | 8,296 | \$ | 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 assets | \$ | 515,539 | \$ | 574,595 | \$ | $(59,056)$ |
| Total deferred tax liabilities |  | $(10,717)$ |  | $(8,330)$ |  | $(2,387)$ |
| Net deferred taxasset (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 |
| :--- |
| Income before taxes |
| Permanent adjustments |
| Prior year adjustment - return to provision |
| Prior year true-up adjustments |
| Change in contingency reserve |
| Other items |
| Total statutory income taxes |
| Federal income tax incurred |
| Change in net deferred income tax |
| Total statutory income taxes |


| Amount |  | Tax Effect |  | Effective Tax |
| :---: | :---: | :---: | :---: | :---: |
| \$ | 605,833 | \$ | 212,042 | 35\% |
|  | $(29,351)$ |  | $(10,273)$ | -2\% |
| \$ | 576,482 |  | 201,769 | 33\% |
|  |  |  | (878) | 0\% |
|  |  |  | $(2,345)$ | 0\% |
|  |  |  | 47,691 | 8\% |
|  |  |  | 120 | 0\% |
|  |  | \$ | 246,357 | 41\% |
|  |  |  | 190,320 | 31\% |
|  |  |  | 56,037 | 9\% |
|  |  | \$ | 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 thousan |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Year |  |  | 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

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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 $1 \not / 2 \%$ 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

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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 $/ 401(\mathrm{k})$ expense for the years ended December 31, 2012 and 2011 was $\$ 134$ thousand and $\$ 108$ thousand, respectively.

## NOTES TO FINANCIAL STATEMENTS

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 12month 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

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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 MBIAinsured 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 $\S \S 273,274,276$ 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

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

## NOTES TO FINANCIAL STATEMENTS

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 | (Level 1) |  | (Level 2) |  | (Level 3) |  | Balance as of December 31, 2012 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| a. Assets at fair value |  |  |  |  |  |  |  |  |
| Bonds |  |  |  |  |  |  |  |  |
| Industrial and Miscellaneous | \$ | - | \$ | 5,595 | \$ | 16,424 | \$ | 22,019 |
| Hybrid Securities |  | - |  | - |  | 1,713 |  | 1,713 |
| Total Bonds | \$ | - | \$ | 5,595 | \$ | 18,137 | \$ | 23,732 |
| Investment in unaffiliated common stock |  |  |  | 168,297 |  | - |  | 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 assetbacked 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.

| In thousands | Fair Value Measurements in Level 3 of the Fair Value Hierarchy for the vear ended December 31, 2012 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & \text { Balance at } \\ & 12 / 31 / 2011 \end{aligned}$ |  | Transfers into <br> Level 3 |  | Transfers out of$\qquad$ |  | Total gains and (losses) included in <br> Net Income | Total gains and (losses) included in Surplus |  | Purchases |  | Issuances |  | Sales |  | Settlements |  | Balance at <br> 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 | \$ | - | S | - | \$ | - | \$ | $(8,575)$ | \$ | 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.

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

## 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.

Fixed-maturity securities and Short-term investments - 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.

Cash and cash equivalents, Accrued investment income, Receivable for investments sold and Payable for investments purchased - 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.

Securities purchased under agreements to resell - 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.

Secured loan to an affiliate - 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.

Deferred premium revenue - 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.
Loss and LAE reserves - 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.

Securities sold under agreements to repurchase - 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.

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

## 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

| $\underline{\text { Type of Financial Instrument }}$ |  | Fair Value |  | Admitted Value |  | evel 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 | \$ | $\underline{ }$ |
| 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

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

## 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-thanexpected 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.

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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.

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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 | Actual Cost |  | Book/Adjusted Carrying Value (excluding interest) |  | Fair Value |  | Other Than <br> Temporary <br> Impairment <br> Losses <br> 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 | Assumed Reinsurance |  |  |  | Ceded Reinsurance |  |  |  | Net Reinsurance |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | (1) <br> Premium <br> Reserve |  | (2)CommissionEquity |  | (3) <br> Premium <br> Reserve |  | (4) <br> Commission Equity |  | (5) <br> Premium <br> Reserve |  | (6) <br> Commission 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.

# ANNUAL STATEMENT FOR YEAR 2012 OF THE National Public Finance Guarantee Corporation <br> <br> NOTES TO FINANCIAL STATEMENTS 

 <br> <br> NOTES TO FINANCIAL STATEMENTS}
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 fixedincome 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.

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

## 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 $2022 \quad \$ \quad 73,121$
(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 $2047 \quad \$ \quad 19,340$
(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:

In thousands

| (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-Medium," "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:
"Caution List - Low" - 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.
"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.
"Caution List - High" - 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.
"Classified List" - 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:

In millions

1. Number of policies
2. Remaining weighted-average contract period (in years)

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 |  | - |  | - |  | - |  | - |  | - |

## GENERAL INTERROGATORIES PART 1 - COMMON INTERROGATORIES <br> GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?
Yes [ X ] No [
] N/A [ ]
1.3 State Regulating?
.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?
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.
3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.
3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).
3.4 By what department or departments? Illinois Department of Insurance \& New York State Department of Financial Services
3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?
3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ X ] No [ ] N/A [ ]
4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct
premiums) of:
4.11 sales of new business?
4.12 renewals?

Yes [ ] No [ X ]
Yes [ ] No [ X ]

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

| Name of Entity | 2 NAIC Company Code | $\begin{gathered} \hline 3 \\ \text { State of Domicile } \\ \hline \end{gathered}$ |
| :---: | :---: | :---: |
|  |  |  |
| ................................................................................................... | $\ldots$ | .............-............-- |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

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

Yes [ ] No [ X ]
2 If yes, give full information
7.1 Does any foreign (non-United States) person or entity directly or indirectly control $10 \%$ or more of the reporting entity?

Yes [ ] No [ X ] If yes,
7.21 State the percentage of foreign control
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)


## GENERAL INTERROGATORIES

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

Yes [ ] No [ X ]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company
8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

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

| 1 | 2 | 3 | 4 | 5 | 6 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Affiliate Name | Location <br> (City, State) | FRB | OCC | FDIC | SEC |
|  |  |  |  |  |  |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit? PricewaterhouseCoopers LLP, 300 Madison Avenue, New York, NY 10017.
10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?
10.2 If the response to 10.1 is yes, provide information related to this exemption:
10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes [ ] No [ X ]
10.4 If the response to 10.3 is yes, provide information related to this exemption:
10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [ X ] No [ ] N/A [ ]
10.6 If the response to 10.5 is no or $\mathrm{n} / \mathrm{a}$, please explain
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Mark Littmann, Actuary, PricewaterhouseCoopers LLP, 185 Asylum Street, Suite 2400, Hartford, CT 06103
12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?
12.11 Name of real estate holding company
12.12 Number of parcels involved
12.13 Total book/adjusted carrying value

Yes [ X ] No [ National Real Estate Holdings of Armonk, LLC
\$ ...........................66,713,365
12.2 If yes, provide explanation

Refer to Note 10, "Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties."
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?
13.3 Have there been any changes made to any of the trust indentures during the year?
13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?
14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [ X ] No [ ]
. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
c. Compliance with applicable governmental laws, rules and regulations;
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
e. Accountability for adherence to the code.
14.11 If the response to 14.1 is no, please explain
14.2 Has the code of ethics for senior managers been amended?

Yes [ ] No [ X ]
14.21 If the response to 14.2 is yes, provide information related to amendment(s)
14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ No ]
14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

## GENERAL INTERROGATORIES

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?

Yes [ ] No [ X ]
15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered

| 1 |  |  |
| :---: | :---: | :---: | :---: | :---: |
| American <br> Bankers <br> Association <br> (ABA) Routing <br> Number | 2 <br> Issuing or Confirming <br> Bank Name | Circumstances That Can Trigger the Letter of Credit |

## BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes [ X ] No [ ]
8. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

## FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes [ ] No [ X ]
\$ 0.12 To
20.13 Trustees, supreme or grand (Fraternal only)
20.21 To directors or other officers
\$
0.22 To stockholders not officers \$
20.23 Trustees, supreme or grand (Fraternal only) obligation being reported in the statement?
21.2 If yes, state the amount thereof at December 31 of the current year:

> 21.21 Rented from others 21.22 Borrowed from others
> 21.23 Leased from others
> 21.24 Other
22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?
22.2 If answer is yes
22.21 Amount paid as losses or risk adjustment
22.22 Amount paid as expenses
22.23 Other amounts paid

Yes [ X ] No [ ]
23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

INVESTMENT
24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)

Yes [ ] No [ X ]
24.02 If no, give full and complete information, relating thereto

Securities are held pursuant to a custodial agreement with the custodian listed in Interrogatory 28
24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
Refer to Note 5, Section E of the Notes to Financial Statements for a detailed description of security lending programs.
24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capita Instructions?
24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.
24.06 If answer to 24.04 is no, report amount of collateral for other programs.
\$
24.07 Does your securities lending program require $102 \%$ (domestic securities) and $105 \%$ (foreign securities) from the counterparty at the outset of the contract?
24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100\%? No [ ] NA [ X ]
24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?
24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
24.103 Total payable for securities lending reported on the liability page
s.

## GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes [ X ] No [ ]
25.2 If yes, state the amount thereof at December 31 of the current year:

| 25.21 | Subject to repurchase agreements |
| :--- | :--- |
| 25.22 | Subject to reverse repurchase agreements |
| 25.23 | Subject to dollar repurchase agreements |
| 25.24 | Subject to reverse dollar repurchase agreements |
| 25.25 | Pledged as collateral |
| 25.26 | Placed under option agreements |
| 25.27 | Letter stock or securities restricted as to sale |
| 25.28 | On deposit with state or other regulatory body |
| 25.29 | Other |

25.3 For category (25.27) provide the following:

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

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ If no, attach a description with this statement.
27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?
27.2 If yes, state the amount thereof at December 31 of the current year.
28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook?
28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| 1 Name of Custodian(s) | $\stackrel{2}{2}$ Custodian's Address |
| :---: | :---: |
| J.P. Morgan Chase Bank. | 1 Chase Manhattan Plaza, New York, NY 10005 |

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

| $\begin{gathered} 1 \\ \text { Name(s) } \\ \hline \end{gathered}$ | $\begin{gathered} \hline 2 \\ \text { Location(s) } \\ \hline \end{gathered}$ | 3 Complete Explanation(s) |
| :---: | :---: | :---: |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

| 1 Old Custodian | 2 New Custodian | 3 <br> Date of Change | 4 Reason |
| :---: | :---: | :---: | :---: |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

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

| 1 <br> Central Registration Depository Number(s) | $\begin{gathered} 2 \\ \text { Name } \\ \hline \end{gathered}$ | $\begin{gathered} \hline 3 \\ \text { Address } \end{gathered}$ |
| :---: | :---: | :---: |
| 107200. | Cutwater Investors Service Corp. | 113 King Street, Armonk, NY 10504. |

## 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)])?
29.2 If yes, complete the following schedule:

| $\begin{gathered} 1 \\ \text { CUSIP \# } \\ \hline \end{gathered}$ | $\stackrel{2}{2}$ | Book/Adjusted Carrying Value |
| :---: | :---: | :---: |
|  |  |  |
|  |  |  |
|  |  |  |
| 29.2999 TOTAL |  | 0 |

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

| $1$ <br> Name of Mutual Fund (from above table) | $2$ <br> Name of Significant Holding of the Mutual Fund | 3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding | $4$ <br> 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.

|  | Statement (Admitted) Value | $2$ <br> Fair Value | $3$ <br> Excess of Statement over Fair Value (-), or Fair Value over Statement (+) |
| :---: | :---: | :---: | :---: |
| 30.1 Bonds | 3,472,994,276 | 3,581,630,887 | 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?

Yes [ X ] No [ ]
Yes [ ] No [ X ]
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 portfoio valuations received
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?

## GENERAL INTERROGATORIES

OTHER
33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any?
\$
3,143,727
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.

| $\begin{gathered} 1 \\ \text { Name } \end{gathered}$ | $2$ <br> Amount Paid |
| :---: | :---: |
| Standard \& Poor's Financial Services. | \$....-..........-1,826,475 |
| Moody's Investors Service, Inc | \$...............1,258,134 |

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

| $\begin{gathered} 1 \\ \text { Name } \end{gathered}$ | $2$ <br> Amount Paid |
| :---: | :---: |
| Kasowitz, Benson, Torres \& Friedman. | \$._--.........-22,692,937 |

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

| $\begin{gathered} 1 \\ \text { Name } \\ \hline \end{gathered}$ | 2 Amount Paid |
| :---: | :---: |
| Looper, Reed, \& McGraw P.C. | \$.................-153,649 |
| Holland \& Knight. | \$..................-120,000 |

# GENERAL INTERROGATORIES <br> PART 2 - PROPERTY \& CASUALTY INTERROGATORIES 

| 1.1 | Does the reporting entity have any direct Medicare Supplement Insurance in force? |  |  |  |  |  | Yes [ ] No [ X ] |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1.2 | If yes, indicate premium earned on U. S. business only |  |  |  |  |  |  |  | 0 |
| 1.3 | What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? |  |  |  |  |  | \$ |  |  |
| 1.4 | Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. |  |  |  |  |  | \$ |  |  |
| 1.5 | Indicate total incurred claims on all Medicare Supplement insurance. |  |  |  |  |  | \$ |  |  |
| 1.6 | Individual policies: |  |  |  |  |  |  |  |  |
|  | Most current three years: |  |  |  |  |  |  |  |  |
|  | 1.61 Total premium earned |  |  |  |  |  | \$ |  | 0 |
|  | 1.62 Total incurred claims |  |  |  |  |  | \$. |  | 0 |
|  | 1.63 Number of covered lives. |  |  |  |  |  |  |  | 0 |
|  | All years prior to most current three years: |  |  |  |  |  |  |  |  |
|  | 1.64 Total premium earned |  |  |  |  |  |  |  | 0 |
|  | 1.65 Total incurred claims |  |  |  |  |  | \$..-W-a 0 |  |  |
|  | 1.66 Number of covered lives. |  |  |  |  |  |  |  | 0 |
| 1.7 Group policies: |  |  |  |  |  |  |  |  |  |
|  | Most current three years: |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| 1.72 Total incurred claims |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| 1.74 Total premium earned |  |  |  |  |  |  | \$. ${ }^{-1-\mathrm{O}} 0$ |  |  |
| 1.75 Total incurred claims |  |  |  |  |  |  |  |  |  |
| 1.76 Number of covered lives |  |  |  |  |  |  |  |  |  |
| 2. Health Test: | Health Test: |  |  |  |  |  |  |  |  |
|  |  |  |  | $\stackrel{1}{\text { Current Year }}$ |  | $\stackrel{2}{\text { Prior } Y \in}$ |  |  |  |
|  | 2.1 | Premium Numerator | \$ |  | \$ |  | -- 0 |  |  |
|  | 2.2 | Premium Denominator | \$ | -a.e. 0 | \$ |  | . 0 |  |  |
|  |  | Premium Ratio (2.1/2.2) |  | $\cdots-\mathrm{Ca}$ |  |  | . 0.000 |  |  |
|  |  | Reserve Numerator | \$ | $\cdots 0$ | \$ |  | 0 |  |  |
|  |  | Reserve Denominator | \$ | (a)- 0 | \$ | $\cdots$ | 0 |  |  |
|  |  | Reserve Ratio (2.4/2.5) |  |  |  | $\cdots$ | $\ldots 0.000$ |  |  |
| 3.1 |  |  |  |  |  |  |  |  |  |
| 3.2 | If yes, state the amount of calendar year premiums writte | on: |  |  |  |  |  |  |  |
|  | 3.21 Participating policies. |  |  |  |  |  | \$ |  |  |
|  | 3.22 Non-participating policies \$ |  |  |  |  |  |  |  |  |
| 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 contingent liability of the policyholders? |  |  |  |  |  |  |  |  |
| 4.4 | Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. |  |  |  |  |  | \$ |  |  |
| 5.5. | For Reciprocal Exchanges Only: |  |  |  |  |  |  |  |  |
|  | Does the exchange appoint local agents? |  |  |  |  |  | Yes [ ] No [ ] |  |  |
|  | If yes, is the commission paid: $\quad 521$ Out of Attorney's-in-fact compensation |  |  |  |  |  |  |  |  |
| 5.2 |  |  |  |  |  |  | $\begin{aligned} & \text { Yes [ ] No [ ] N/A [ ] } \\ & \text { Yes [ ] No [ ] N/A [ ] } \end{aligned}$ |  |  |
|  | What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact? |  |  |  |  |  |  |  |  |
| 5 |  |  |  |  |  |  | What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact? |  |  |
|  | Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? $\qquad$ Yes [ If yes, give full information |  |  |  |  |  |  |  |  |
| 5.5 |  |  |  |  |  |  |  |  |  |  |  |  |

## GENERAL INTERROGATORIES <br> 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 osses.
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 [ ] No [ X ]

Yes [ ] No [ X ]

Yes [ ] No [ ]
Yes [ ] No [ X ] reated differently for GAAP and SAP.
9.6 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 supplement; or
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
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 [ ] No [ X ]
Yes [ ] No [ X ]
Yes [ ] No [ X ]

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

## GENERAL INTERROGATORIES <br> PART 2 - PROPERTY \& CASUALTY INTERROGATORIES



* Disclose type of coverage:


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

## GENERAL INTERROGATORIES PART 2 - PROPERTY \& CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5.

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F - Part 5. Provide the following information for this exemption

Gross amount of unauthorized reinsurance in Schedule F - Part 3

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........................................

17.17 Contingent commission portion of Interrogatory 17.11....................................................

Provide the following information for all other amounts included in Schedule F - Part 3 and excluded from Schedule F - Part 5, not included above.

Gross amount of unauthorized reinsurance in Schedule F - Part 3

17.19 Unfunded portion of Interrogatory 17.18...................................................... \$
17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 \$

17.22 Incurred but not reported portion of Interrogatory 17.18..........................................
17.23 Unearned premium portion of Interrogatory 17.18 .....................................................

18.1 Do you act as a custodian for health savings accounts?
18.2 If yes, please provide the amount of custodial funds held as of the reporting date.
\$
18.3 Do you act as an administrator for health savings accounts?

Yes [ ] No [ X ]
18.4 If yes, please provide the balance of the funds administered as of the reporting date.

FIVE-YEAR HISTORICAL DATA


FIVE-YEAR HISTORICAL DATA

|  |  | ontinued) |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} 1 \\ 2012 \end{gathered}$ | $\begin{gathered} 2 \\ 2011 \end{gathered}$ | $\begin{gathered} 3 \\ 2010 \end{gathered}$ | $\begin{gathered} \hline 4 \\ 2009 \end{gathered}$ | $\begin{gathered} \hline 5 \\ 2008 \end{gathered}$ |
| Capital and Surplus Accounts (Page 4) |  |  |  |  |  |
| 51. Net unrealized capital gains (losses) (Line 24) | 7,946,732 | 1,643,014 | $(4,331,703)$ | $(122,120)$ | 0 |
| 52. Dividends to stockholders (Line 35) | 0 | 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 | 0 |
| 55. Property lines (Lines 1, 2, 9, 12, 21 \& 26) | 0 | 0 | 0 | 0 | 0 |
| 56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 \& 27) | 0 | - - - -0 | - .a..... 0 | 0 | 0 |
| 57. All other lines <br> (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 \& 34) | .102, 127,566 | 111,169,536 | 73,180,328 | 20,218,928 | $(1,032,843)$ |
| 58. Nonproportional reinsurance lines (Lines 31, 32 \& 33) | 0 | 0 | 0 | 0 | 0 |
| 59. Total (Line 35) | $\ldots 102,127,566$ | 111,169,536 | 73,180,328 | 20,218,928 | $(1,032,843)$ |
| Net Losses 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 | 0 |
| 61. Property lines (Lines 1, 2, 9, 12, 21 \& 26) | 0 | 0 | 0 | 0 | 0 |
| 62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 \& 27) | 0 | 0 | 0 | 0 | 0 |
| 63. All other lines <br> (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 \& 34) | .102,127,566 | .....111,169,536 | ..............73, 180,328 | $\ldots . . . .20,218,928$ | 0 |
| 64. Nonproportional reinsurance lines (Lines 31, 32 \& 33) | 0 | 0 | 0 | 0 | 0 |
| 65. Total (Line 35) | .102,127,566 | 111,169,536 | 73,180,328 | 20,218,928 | 0 |
| Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0 |  |  |  |  |  |
| 66. Premiums earned (Line 1) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 67. Losses incurred (Line 2) | 1.5 | 0.7 | 10.2 | 1.5 | 0.0 |
| 68. Loss expenses incurred (Line 3) | 4.0 | 0.6 | 4.3 | 23.2 | 0.0 |
| 69. Other underwriting expenses incurred (Line 4) | 30.5 | 16.5 | 20.7 | 214.9 | 0.0 |
| 70. Net underwriting gain (loss) (Line 8) | 64.0 | $\ldots$ | - .-.............. 68.5 | ..................(135.9) | 0.0 |
| Other Percentages |  |  |  |  |  |
| 71. Other underwriting expenses to net premiums written (Page 4, Lines 4+5-15 divided by Page 8, Part 1B, Col. 6, Line $35 \times 100.0$ ) | $(2,766.5)$ | (275.8) | 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 $1 \times 100.0$ ) | 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. $1 \times 100.0$ ) | (0.2) | .-...................... 1.5 | 12.1 | 537.3 | 0.0 |
| One Year 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 | 0 |
| 75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4 , Line 21, Col. $1 \times 100.0$ ) $\qquad$ | (7.8) | .-...................... 0.5 | 4.3 | - .a.a............... 105.3 | 0.0 |
| Two Year Loss Development (000 omitted) |  |  |  |  |  |
| 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. 12) | .. $(112,228)$ | 15,840 | 220,869 | ..................171,293 | 0 |
| 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. $2 \times 100.0$ ) | (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 requirement of SSAP No. 3, Accounting Changes and Correction of Errors?
If no, please explain

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation
EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)

(a) Finance and service charges not included in Lines 1 to $35 \$$
$\ldots 0$ and number of persons insured under indemnity only products

SCHEDULE F - PART 1

| 1 | 2 | 3 | 4 | 5 | Reinsurance On |  |  | 9 <br> Contingent <br> Comissions <br> Payable | 10 | 11 | 12 | 13 |  | 15 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Federal ID Number | NAIC Company Code | Name of Reinsured | Domiciliary Jurisdiction | Assumed Premium | 6 <br> Paid Losses and <br> Loss Adjustment <br> Expenses | $\begin{array}{\|c\|} \hline 7 \\ \\ \text { Known Case } \\ \text { Losses and LAE } \\ \hline \end{array}$ | 8 Cols. $6+7$ |  | Assumed <br> Premiums Receivable | Unearned Premium | Funds Held By or Deposited With Reinsured Companies | Letters of Credit | Amount of Assets Pledged or Compensating Balances to Secure Letters of Credit | Amount of Assets Pledged or Collateral Held in Trust |
| $\frac{\text { Affileates - .S. Intercompany Pool ing }}{\text { Affiliates - U.S. No.-Pool }}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 43-0899449. | \| ...12041..| | WBEIA INS CORP. | NY | (1,258) |  | (120,620) | (120,620) |  |  | 1,508,377 |  |  |  |  |
| 0299999 - Total Affili iates - U.S. Non-Pool |  |  |  | $(1,258)$ | 0 | $(120,620)$ | $(120,620)$ | 0 | 0 | 1,508,377 | 0 | 0 | 0 | 0 |
| Affiliates - Other (Non-U.S.) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 0499999 - Total Affiliates - Total Affiliates |  |  |  | $(1,258)$ | 0 | $(120,620)$ | $(120,620)$ | 0 | 0 | 1,508,377 | 0 | 0 | 0 | 0 |
| Other U.S. Unaff fi liated Insurers |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 13-2710717..... | \|...12815..| | FIINACCIAL GUAR INS CO. | NY. | (3,580) |  | 9,978 | 9,978 |  |  | 531,990 |  |  |  |  |
| 0599999 - Total Other U.S. Unaffiliated Insurers |  |  |  | $(3,580)$ | 0 | 9,978 | 9,978 | 0 | 0 | 531,990 | 0 | 0 | 0 | 0 |
| Pools and Associations - Mandatory Pools |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Pools and Associations - Voluntary Pools <br> Other Non-U.S. Insurers |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $\cdots \square$ |  |  |  |  |  |  |  |  |  |  |  | , |  |  |
|  |  | $\cdots$ |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | $\cdots$ |  |  |  | $\square \times \square$ | $\square$ |  |  | $\cdots$ |  | $\cdots$ | $\cdots$ |  |
| $\cdots$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| - |  |  |  |  |  |  |  |  |  |  |  |  | $\cdots$ |  |
| $\cdots \cdots \cdots \cdots \cdots$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| - |  |  |  |  |  |  |  |  |  |  | - | $\ldots$ | $\cdots \cdots \cdots \cdots$ |  |
| - |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | $\cdots$ |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  | - |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 9999999 T | otals |  |  | $(4,838)$ | 0 | $(110,642)$ | (110,642) | 0 | 0 | 2,040,367 | 0 | 0 | 0 |  |

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation
SCHEDULE F - PART 2
Premium Portfolio Reinsurance Effected or (Canceled) during Current Year


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

## SCHEDULE F - PART 3



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 $\$ 50,000$ :
Name of Reinsurer Commission Rate Ceded Premium

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.

|  |  | Name of Reinsurer | Total Recoverables | Ceded Premiums | Affiliated |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1. | ASSURED GUAR CORP. |  |  | $\cdots$ | Yes |
| 2. |  |  |  | - | Yes |
| 3. |  |  |  |  | Yes |
| 4. |  |  |  |  | Yes |

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



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

| Years in Which Premiums Were Earned and Losses Were Incurred | Premiums Earned |  |  | Loss and Loss Expense Payments |  |  |  |  |  |  |  | 12 <br> Number of <br> Claims <br> Reported <br> Direct and <br> Assumed |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1 | 2 | 3 | Loss Payments |  | Defense and Cost Containment Payments |  | Adjusting and Other Payments |  | 10 <br> Salvage and Subrogation Received | 11 <br> Total Net Paid (Cols. $\begin{aligned} & 4-5+6- \\ & 7+8-9) \\ & \hline \end{aligned}$ |  |
|  | Direct and Assumed | Ceded | $\begin{array}{\|c} \text { Net } \\ \text { (Cols. } 1-2) \\ \hline \end{array}$ | $4$ <br> Direct and Assumed | 5 Ceded | $6$ <br> Direct and Assumed | 7 Ceded | $8$ <br> Direct and Assumed | 9 Ceded |  |  |  |
| 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 |  |  |  | Defense and Cost Containment Unpaid |  |  |  | Adjusting and OtherUnpaid |  | 23 | $\begin{gathered} 24 \\ \text { Total } \end{gathered}$ | $25$ <br> Number of |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Case Basis |  | Bulk + IBNR |  | Case Basis |  | Bulk + IBNR |  | $21$ | 22 |  |  |  |
|  | $13$ <br> Direct and Assumed | Ceded | $15$ <br> Direct and Assumed | 16 | $17$ <br> Direct and Assumed | 18 | $19$ <br> Direct and Assumed | 20 |  | Ceded | Salvage and Subrogation Anticipated | $\begin{gathered} \text { Net } \\ \text { Losses } \\ \text { and } \\ \text { Expenses } \\ \text { Unpaid } \\ \hline \end{gathered}$ | Claims Outstanding 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 | XXX |
| 3. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 65 | 0 | 0 | 65 | XXX |
| 4. |  |  | $\ldots$ | 0 | -.... 0 | ... 0 | $\ldots$ | ... 0 | . 196 | . 0 | $\ldots$ | -...-196 | XXX |
| 5. | - 0 | 0 | 0 | 0 | .... 0 | . 0 | ... 0 | - 0 | 98 | 0 | 0 | . 98 | XXX |
| 6. | 0 |  | 0 | 0 | -...... 0 | 0 | $\ldots$ | . 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 |


|  | TotalLosses and Loss Expenses Incurred |  |  | Loss and Loss Expense Percentage (Incurred/Premiums Earned) |  |  | Nontabular Discount |  |  | Net Balance Sheet Reserves After Discount |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 26 <br> Direct and Assumed | 27 Ceded | 28 Net | $29$ <br> Direct and Assumed | $30$ <br> Ceded | 31 Net | 32 Loss | $33$ <br> Loss Expense |  | 35 Losses Unpaid | 36 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 | $(76,689)$ | $(32,355)$ |

[^3]SCHEDULE P - PART 2 - SUMMARY

|  | INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END$(\$ 000$ OMITTED) |  |  |  |  |  |  |  |  |  | DEVELOPMENT |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{gathered} \text { Years in Which } \\ \text { Losses Were } \\ \text { Incurred } \end{gathered}$ | $\begin{gathered} 1 \\ 2003 \\ \hline \end{gathered}$ | $\begin{gathered} 2 \\ 2004 \\ \hline \end{gathered}$ | $\begin{gathered} 3 \\ 2005 \\ \hline \end{gathered}$ | $\begin{gathered} 4 \\ 2006 \\ \hline \end{gathered}$ | $\begin{gathered} 5 \\ 2007 \\ \hline \end{gathered}$ | $\begin{gathered} 6 \\ 2008 \\ \hline \end{gathered}$ | $\begin{gathered} 7 \\ 2009 \\ \hline \end{gathered}$ | $\begin{gathered} 8 \\ 2010 \\ \hline \end{gathered}$ | $\begin{gathered} 9 \\ 2011 \\ \hline \end{gathered}$ | $\begin{gathered} 10 \\ 2012 \\ \hline \end{gathered}$ | $11$ <br> One Year | $12$ <br> Two Year |
| 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 | - 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 | 0 | 336 | .7,015 | $\ldots$-. 5,556 | - 5,556 | 0 | $\ldots(1,460)$ |
| 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) | .-..... ${ }^{\text {(772) }}$ |
| 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 | $\ldots$.... $(3,322)$ | . XXX |
| 11. 2012 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | $(18,019)$ | XXX | XXX |

SCHEDULE P - PART 3 - SUMMARY

|  | CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000OMITTED) |  |  |  |  |  |  |  |  |  | 11 <br> Number of <br> Claims <br> Closed With <br> Loss <br> Payment | 12 <br> Number of <br> Claims <br> Closed <br> Without <br> Loss <br> Payment |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Years in Which 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 | . 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 | . 2433,923 | 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

| Years in Which Losses Were Incurred | BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED) |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} 1 \\ 2003 \end{gathered}$ | $\begin{gathered} \hline 2 \\ 2004 \end{gathered}$ | $\begin{gathered} 3 \\ 2005 \end{gathered}$ | $\begin{gathered} \hline 4 \\ 2006 \end{gathered}$ | $\begin{gathered} 5 \\ 2007 \\ \hline \end{gathered}$ | $\begin{gathered} \hline 6 \\ 2008 \end{gathered}$ | $\begin{gathered} \hline 7 \\ 2009 \end{gathered}$ | $\begin{gathered} \hline 8 \\ 2010 \end{gathered}$ | $\begin{gathered} \hline 9 \\ 2011 \end{gathered}$ | $\begin{gathered} \hline 10 \\ 2012 \end{gathered}$ |
| 1. Prior | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. 2003 |  | 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 |  |  | 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
NONE
Schedule P - Part 1E - Comm Multi Peril
NONE
Schedule P - Part 1F - Med Pro Liab Occ
NONE
Schedule P - Part 1F - Med Pro Liab CIm
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)

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[t]{3}{*}{\begin{tabular}{|c}
\hline Years in \\
Which \\
Premiums \\
Were \\
Earned \\
and Losses \\
Were \\
Incurred
\end{tabular}} \& \multicolumn{3}{|c|}{Premiums Earned} \& \multicolumn{8}{|c|}{Loss and Loss Expense Payments} \& \multirow[t]{2}{*}{12} \\
\hline \& 1 \& 2 \& 3 \& \multicolumn{2}{|l|}{Loss Payments} \& \multicolumn{2}{|l|}{Defense and Cost Containment Payments} \& \multicolumn{2}{|l|}{Adjusting and Other Payments} \& 10 \& \[
11
\] \& \\
\hline \& Direct and Assumed \& Ceded \& \begin{tabular}{l}
Net \\
(Cols. 1-2)
\end{tabular} \& \begin{tabular}{l}
\[
4
\] \\
Direct and Assumed
\end{tabular} \& Ceded \& \begin{tabular}{l}
\[
6
\] \\
Direct and Assumed
\end{tabular} \& 7 7 \& \begin{tabular}{l}
\[
8
\] \\
Direct and Assumed
\end{tabular} \& 9

Ceded \& Salvage and Subrogation Received \& Total Net Paid (Cols. 4-5

$$
+6-7
$$

$$
+8-9)
$$ \& Number of Claims Reported Direct and Assumed <br>

\hline 1. Prior \& XXX \& XXX \& XXX \& 95,844 \& 0 \& 19,253 \& 0 \& 1,284 \& 0 \& 32,734 \& -116,381 \& XXX <br>
\hline 2. 2011. \& 365,843 \& 18 \& 365,825 \& 239 \& 0 \& 3,282 \& 0 \& 373 \& 0 \& 5,627 \& 3,893 \& XXX <br>
\hline 3. 2012 \& 439,360 \& 16 \& 439,344 \& 7,426 \& 0 \& 6,140 \& 0 \& 208 \& 0 \& 529 \& 13,774 \& XXX <br>
\hline 4. Totals \& XXX \& XXX \& XXX \& 103,509 \& 0 \& 28,675 \& 0 \& 1,865 \& 0 \& 38,890 \& 134,048 \& XXX <br>
\hline
\end{tabular}

|  | Losses Unpaid |  |  |  | Defense and Cost Containment Unpaid |  |  |  | Adjusting and Other Unpaid |  | 23 | 24 | 25 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Case Basis |  | Bulk + IBNR |  | Case Basis |  | Bulk + IBNR |  | 21 | 22 |  |  |  |
|  | $13$ <br> Direct and Assumed | 14 | $15$ <br> Direct and Assumed | 16 | $17$ <br> Direct and Assumed | 18 | $19$ <br> Direct and Assumed | 20 | Direct and Assumed | Ceded | Salvage and Subrogation Anticipated | Total Net Losses and Expenses Unpaid | Number of Claims Outstanding 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 |
| 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 |


|  | TotalLosses and Loss Expenses Incurred |  |  | Loss and Loss Expense Percentage (Incurred/Premiums Earned) |  |  | Nontabular Discount |  | 34 <br> Inter- <br> Company <br> Pooling <br> Participation <br> Percentage | Net Balance Sheet Reserves After Discount |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $26$ <br> Direct and Assumed | 27 Ceded | 28 Net | $29$ <br> Direct and Assumed | 30 Ceded | 31 Net | 32 Loss | 33 Loss Expense |  | $\begin{gathered} \hline 35 \\ \text { Losses } \\ \text { Unpaid } \\ \hline \end{gathered}$ | 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 <br> 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 21
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


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

| 1. Prior |  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2. 2003 |  | 0 | 0 | 0 | 0 |  |  | 0 | $\ldots$ | 0 | 0 | 0 |
| 3. 2004 | xxx | 0 | 0 | 0 | 0 | 0 |  | 0 | 0 | 0 | 0 | 0 |
| 4. 2005 | xxx | xxx | 0 | 0 | 0 | 0 | . 0 | 0 | $\ldots$ | 0 | $\ldots$ | 0 |
| 5. 2006 | xxx | xxx | xxx | 0 |  |  | 0 | 0 | $\ldots$ | 0 | 0 | 0 |
| 6. 2007 | . xxx | XxX | xxx | xxx |  |  |  | 0 | . | 0 | .... | . 0 |
| 7. 2008 | xxx | xxx | xxx | xxx |  |  |  |  | ..... 0 | .... 0 | - | . 0 |
| 8. 2009 | xxx | xxx | xxx | xxx | xxx | xxx | 0 | 0 | $\ldots$ | 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 | $\ldots$ | 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



SCHEDULE P - PART 2T - WARRANTY


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 CIm
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 30
NONE
Schedule P - Part 3P
NONE

|  | CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END(\$000 OMITTED) |  |  |  |  |  |  |  |  |  | $\|c\|$ <br> 11 <br> Number of <br> Claims <br> Closed With <br> Loss <br> Payment | 12 <br> Number of <br> Claims <br> Closed <br> Without <br> Loss <br> Payment |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Years in Which 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 | 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 |
| 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 | 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


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


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 CIm
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


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 |  |  | 0 | 0 | 0 | 0 | . 0 |
| 6. 2007 | XXX | XXX | XXX |  |  | 0 | -... 0 | .... 0 | . 0 | . 0 |
| 7. 2008 | 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 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 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


## 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
NONE

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
NONE

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
NONE

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 6O-SN1
NONE
Schedule P - Part 6O-SN2
NONE

Schedule P - Part 6R - SN1A
NONE
Schedule P - Part 6R - SN2A
NONE
Schedule P - Part 6R - SN1B
NONE

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 INTERROGATORIES

1. The following questions relate to yet-to-be-issued Extended Reporting Endorsements (EREs) arising from Death, Disability, or Retirement (DDR) provisions in Medica Professional Liability Claims Made insurance policies. EREs provided for reasons other than DDR are not to be included.
1.1 Does the company issue Medical Professional Liability Claims Made insurance policies that provide tail (also known as an extended reporting endorsement, or "ERE") benefits in the event of Death, Disability, or Retirement (DDR) at a reduced charge or at no additiona
fost? questions:
1.2 What is the total amount of the reserve for that provision (DDR Reserve), as reported, explicitly or not, elsewhere in this statement (in dollars)?

Yes [ ] No [ ]
Yes [ ] No [ ]
.4 Does the company report any DDR reserve as loss or loss adjustment expense reserve?
1.5 If the company reports DDR reserve as Unearned Premium Reserve, does that amount match the figure on the Underwriting and Investment Exhibit, Part 1A - Recapitulation of all Premiums (Page 7) Column 2, Lines 11.1 plus 11.2?
es [ ] No [ ] N/A [
1.6 If the company reports DDR reserve as loss or loss adjustment expense reserve, please complete the following table corresponding to where these reserves are reported in Schedule P.

| Years in Which Premiums Were Earned and Losses Were Incurred |  | DDR Reserve Included in Schedule P, Part 1F, Medical Professional Liability Column 24: Total Net Losses and Expenses Unpaid |  |
| :---: | :---: | :---: | :---: |
|  |  | Section 1: Occurrence | Section 2: $\stackrel{2}{\text { Claims-Made }}$ |
| 1.601 | Prior |  |  |
| 1.602 | 2003 |  |  |
| 1.603 | 2004 |  |  |
| 1.604 | 2005 |  |  |
| 1.605 | 2006 |  |  |
| 1.606 | 2007 |  |  |
| 1.607 | 2008 |  |  |
| 1.608 | 2009 |  |  |
| 1.609 | 2010 |  |  |
| 1.610 | 2011 |  |  |
| 1.611 | 2012 |  |  |
| 1.612 | Totals | 0 |  |

The definition of allocated loss adjustment expenses (ALAE) and, therefore, unallocated loss adjustment expenses (ULAE) was changed effective January 1, 1998. This change in definition applies to both paid and unpaid expenses. Are these expenses (now reported as "Defense and Cost Containment" and "Adjusting and Other") reported in compliance with these definitions in this statement?

The Adjusting and Other expense payments and reserves should be allocated to the years in which the losses were incurred based on the number of claims reported, closed and outstanding in those years. When allocating Adjusting and Other expense between
companies in a group or a pool, the Adjusting and Other expense should be allocated in the same percentage used for the loss amounts
and the claim counts. For reinsurers, Adjusting and Other expense assumed should be reported according to the reinsurance contract. For Adjusting and Other expense incurred by reinsurers, or in those situations where suitable claim count information is not available, Adjusting and Other expense should be allocated by a reasonable method determined by the company and described in Interrogatory 7, below. Are they so reported in this Statement?

Do any lines in Schedule $P$ include reserves that are reported gross of any discount to present value of future payments, and that are reported net of such discounts on Page 10?

If yes, proper disclosure must be made in the Notes to Financial Statements, as specified in the Instructions. Also, the discounts must be reported in Schedule P - Part 1, Columns 32 and 33

Schedule P must be completed gross of non-tabular discounting. Work papers relating to discount calculations must be available for examination upon request.

Discounting is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.
What were the net premiums in force at the end of the year for: (in thousands of dollars)
5.1 Fidelity \$
5.2 Surety \$

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

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

| States, etc. | 1 | Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken |  | 4 <br>  <br> Dividends <br> Paid <br> or Credited to <br> Policyholders <br> on Direct <br> Business | 5 <br>  <br>  <br> Direct Losses <br> Paid <br> (Deducting <br> Salvage) | $6$ <br> Direct Losses Incurred | $7$ <br> Direct Losses Unpaid | 8 <br> Finance and Service Charges Not Included in Premiums | Premium Written for Federal Purchasing Groups (Included in Col. 2) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Active Status | 2 Direct Premiums Written | 3 Direct Premiums Earned |  |  |  |  |  |  |
| 1. Alabama ......................... AL | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 2. Alaska .................................. | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 3. Arizona ...................... AZ | L | 0 | 29,606 | 0 | 0 | 0 | 0 | 0 |  |
|  | L. | 0 | --. 0 | 0 | 0 | 0 | 0 | 0 |  |
| 5. California ......................- CA | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 6. Colorado ........................ CO.- | L. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 7. Connecticut .-.-.....-..........- CT. | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 8. Delaware ...................... DE | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 9. Dist. Columbia ..............- DC | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 10. Florida ......................... FL | L | 0 | 73 | 0 | 0 | 0 | 0 | 0 |  |
| 11. Georgia ....................... GA | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 12. Hawaii .-........................ HI | L. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 13. Idaho .......................... ID | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 14. Illinois ........................... IL | L | 0 | 385 | 0 | 0 | 0 | 0 | 0 |  |
| 15. Indiana _--------------------1/ IN | L | 0 | 7,001 | 0 | 0 | 0 | 0 | 0 |  |
|  | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
|  | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 18. Kentucky ........................ KY | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 19. Louisiana ..................... LA | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 20. Maine .......................... ME | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 21. Maryland ....................... MD | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 22. Massachusetts ...-..........- MA | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 23. Michigan ......................... MI | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 24. Minnesota .------------------.- MN | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 25. Mississippi ................... MS | L. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 26. Missouri .-..-.-.-.-.-.-.-.-.- MO | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 27. Montana -...-...-...............- MT | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 28. Nebraska ....................... NE | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 29. Nevada ......................... NV | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 30. New Hampshire ............ NH. | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 31. New Jersey ................... NJ | L | 0 | 3,444 | 0 | 0 | 0 | 0 | 0 |  |
| 32. New Mexico ................... NM | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 33. New York ...................... NY | L | 923 | 38,183 | 0 | 0 | 0 | 0 | 0 |  |
| 34. No.Carolina ...-....-...-..... NC | L | 0 | -...... 0 | 0 | 0 | 0 | 0 | 0 |  |
| 35. No.Dakota ..................... ND | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
|  | L. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 37. Oklahoma ..................... OK | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 38. Oregon .-...................... OR | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 39. Pennsylvania ............... PA | L | 0 | 8,033 | 0 | 0 | 0 | 0 | 0 |  |
| 40. Rhode Island ................. RI | L. | 0 | -...-11,041 | 0 | 0 | 0 | 0 | 0 |  |
| 41. So. Carolina ................. SC | L | 0 | -........... 0 | 0 | 0 | 0 | 0 | 0 |  |
| 42. So. Dakota .................... SD | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 43. Tennessee ..................... TN | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
|  | L. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 45. Utah .............................. UT. | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 46. Vermont .-....................- VT. | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 47. Virginia .........................- VA. | L | 0 | 912 | 0 | 0 | 0 | 0 | 0 |  |
| 48. Washington .-..................WA | L. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 49. West Virginia ................. WV... | L. | 0 | 0 | . 0 | 0 | 0 | 0 | 0 |  |
| 50. Wisconsin ...................... WI.... | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 51. Wyoming ..................... WY | L. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 52. American Samoa .......... AS | N | 0 | 0 | 0 | 0 | - 0 | 0 | 0 |  |
| 53. Guam ........................... GU | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 54. Puerto Rico ................... PR. | L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 55. U.S. Virgin Islands ......... VI ... | N | 0 | 0 | 0 |  |  |  | 0 |  |
| 56. Northern Mariana <br> Islands $\qquad$ MP | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
|  | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 |  |
| 58. Aggregate other <br> alien $\qquad$ OT. | ${ }_{\text {a) }} \mathrm{XXX}$ | - 0 |  |  | 0 |  | 0 | 0 | 0 |
| 59. Totals | a) 52 | 923 | 98,678 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS |  |  |  |  |  |  |  |  |  |
| 58001. | XXX |  |  |  |  |  |  |  |  |
| 58002. | XXX |  |  |  |  |  |  |  |  |
| 58003. | XXX |  |  |  |  |  |  |  |  |
| 58998. Sum. of remaining write-ins for Line 58 from overflow page | XXX |  | .... 0 | . 0 | . 0 | . 0 | $\ldots$ | $\ldots$ | 0 |
| $\begin{aligned} & \text { 58999. Totals (Lines 58001 through } \\ & 58003+58998 \text { ) (Line } 58 \\ & \text { above) } \end{aligned}$ | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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

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


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


ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP PART 1 - ORGANIZATIONAL CHART


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

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


## SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| Group Code | Group Name | NAIC Company Code | Federa ID Number | Federal RSSD | CIK | 7 Name of Securities Exchange if Publicly Traded (U.S. or International) | Name of Parent Subsidiaries or Affiliates | Domiciliary Location | 10 <br> Relationship to <br> Reporting <br> Entity | 11Directly Controlled by <br> (Name of Entity/Person) | 12 <br> Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | 13 If Control is Ownership Provide Percentage | 14 Ultimate Controlling Entity(ies)/ Person(s) | 15 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 00528. | MBIA. |  | 06-1185706 |  | 0000814585 | NYSE.....-- - - - - - | MBIA INC.... | CT. | UIP. |  |  |  |  |  |
| 00528 | MBIA |  | 27-1070081 |  |  |  | Opt inuity Alliance Resources 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. |  |
| 00528 | MBIA. |  | 13-3594521. |  | 0001088357 |  | Cutwater Investor Servic Corp. | DE. | NIA | Cutwater Holdings, LLC | Ownership. | 100.0 | MBIA INC. |  |
| 00528 | MBIA. |  | 13-3750425 |  | 0000931369 |  | Cutwater Asset Management Corp. | DE | NIA | Cutwater Holdings, LLC | Ownership. | 100.0 | MBIA INC. |  |
| 00528 | MBIA |  | 26-3847823 |  |  |  | National Publ ic Finance |  |  |  | Ounersip |  |  |  |
|  |  |  |  |  |  |  | National Publ ic Financ |  |  | Nat ional Public Finance |  |  |  |  |
| 00528. | MBIA. | 23825 | 37-6025608 |  |  |  | Guarantee Corporation. | NY. |  | Guarantee Holdings, Inc. | Ownership. | 100.0 | MBIA INC. |  |
| 00528 | MBIA |  | 27-1845124 |  |  |  | National Real Estate Hol | DE | DS | Nat ional Publ ic Finance Guarantee Corporation | Ownership | 100.0 | MBIA INC. |  |
| 00528 | MBIA | 12041 | 43-0899449 |  | 0001360541 |  | MBIA Insurance Corporation | NY | 1 A . | MBIA INC. | Ownership. | 100.0 | MBIA INC. |  |
| 00528. | MBIA |  | AA-2730041 |  |  |  | MBIA Mexico S.A. de C.V. | MEX | 1 A | MBIA Insurance Corporation.. | Ownership. | 99.9 | MBIA INC. |  |
| 00528 | MBIA |  | AA-2730041 |  |  |  | MBIA Mexico S.A. de C.V. | MEX | 1 A | MBIA INC. | Ownership. | 0.1 | MBIA INC. |  |
| 00528 | MBIA |  |  |  |  |  | MBIA UK (Holdings) Limited | GBR. | NIA. | MBIA Insurance Corporation.. | Ownership. | 100.0 | MBIA INC. |  |
| 00528. | MBIA |  | AA-1120063. |  |  |  | MBIA UK Insurance Limited. | GBR | 1 A. | MBIA UK (Holdings) Limited | Ownership. | 100.0 | 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. Trifinium Infrastructure GP |  |  | Trifinium Holdings Limited Trifinium Advisors (UK) | Ownership.. | 100.0 | MBIA INC. |  |
| 00528 | MBIA. |  |  |  |  |  | Limited. | GBR. | NIA. | Limited. | Ownership. | 100.0 | MBIA INC. |  |
| 00528 | MBIA. |  |  |  |  |  | TIF Infrastructure LP. | GBR. | NIA. | MBIA Infrastructure LP Limited | Ownership. | 99.0 | MBIA INC. |  |
|  |  |  |  |  |  |  |  |  |  | Trifinium Infrastructure GP |  |  |  |  |
| 00528. | MBIA. |  |  |  |  |  | TIF Infrastructure LP. | GBR. | NIA.. | Limited. | Ownership... | 1.0 | MBIA INC. |  |
| 00528 | MBIA. |  |  |  |  |  | TIF Holdco Limited. | GGY | NIA. | TIF Infrastructure LP. | Ownership. | 100.0 | MBIA INC. |  |
| 00528 | MBIA. |  |  |  |  |  | Limited. | GBR. | NIA. | TIF Holdco Limited | Ownership | 66.0 | MBIA INC. |  |
| 00528 | MBIA. |  |  |  |  |  |  |  | NIA. | AvantAge (Cheshire) Holdings Limited | Ownership | 100.0 | MBIA INC. |  |
| 00528 | MBIA. |  |  |  |  |  | Grove Village Holdings Limited. | GBR | NIA | TIF Holdco Limited. | Ownership. | 74.5 | MBIA INC. |  |
|  |  |  |  |  |  |  |  |  |  | Grove Village Holdings |  |  |  |  |
| 00528. | MBIA. |  |  |  |  |  | Grove Vill lage Limited | GBR. | NIA. | Limited. | Ownership.. | 100.0 | MBIA INC. |  |
| 00528 | MBIA |  |  |  |  |  | Limited | GBR. | NIA. | TIF Holdco Limited. | Ownership. | 66.0 | MBIA INC. |  |
| 00528 | MBIA. |  |  |  |  |  | Chrysal is (Stanhope) Limited. | GBR. | NIA. | Chrysal is (Stanhope) Holdings Limited | Ownership | 100.0 | MBIA INC. |  |
| 00528 | MB/A. |  |  |  |  |  | VNBR Advisors Limited. | GBR | NIA | Trifinium Holdings Limited. | Ownership. | 100.0 | MBIA INC. |  |
| 00528. | MBIA. |  |  |  |  |  | Trifinium Services Limited... | GBR. | NIA. | Trifinium Holdings Limited. | Ownership. | 100.0 | MBIA INC.... |  |
| 00528 | MBIA |  | 13-2689375 |  |  |  | Municipal Issuers Service Corporation |  |  |  |  |  |  |  |
| 00528 | MBIA. |  | 06-1185706 |  | 0001252950 |  | MBIA Global Funding, LLC | DE | $\cdots$ NIA | MBIA INC. | Ownership. | - 1000 | MBIA INC. |  |
| 00528 | MBIA |  | 13-3670828 |  | 0000889906 |  | CapMAC Holdings Inc..... | DE | NIA | MBIA INC. | Ownership | 100.0 | MBIA INC. |  |
| 00528. | MBIA. |  | 13-3670831. |  |  |  | LatAm Capital Advisors, Inc | . DE | NIA. | CapMAC Holdings Inc | Ownership. | 100.0 | MBIA INC |  |

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

## SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM


## SCHEDULE Y

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

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline NAIC Company Code \& \begin{tabular}{l}
2 \\
Federal ID Number
\end{tabular} \& Names of Insurers and Parent, Subsidiaries or Affiliates \& \begin{tabular}{l}
4 \\
Shareholder Dividends
\end{tabular} \& \begin{tabular}{l}
5 \\
Capital Contributions
\end{tabular} \& Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments \& \(\stackrel{7}{7}\) isbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s) \& \begin{tabular}{l}
8 \\
Management Agreements and Service Contracts
\end{tabular} \&  \& 10 \& \begin{tabular}{l}
11 \\
Any Other Material Activity Not in the Ordinary Course of the Insurer's Business
\end{tabular} \& 12

Totals \& | Reinsurance |
| :--- |
| Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability) | <br>

\hline 23825 \& 37-6025608. \& nal Public Finance Guarantee Corpor.... \& \& \& 2,239,586,533 \& \& - (187, 383, 593) \& -..... $126,377,110$ \& \& \& 1,925,825,830 \& $\ldots(1,387,756,359)$ <br>
\hline \& 06-1185706 \& MBIA INC. \& \& \&  \& \& 187,383,593 \& \& \& \& $\bigcirc(1297,424,805)$ \& <br>
\hline 12041..... \& 43-0899449.. \& MBIA Insurance Corporation.... \& \& \& ..(1,754,778, 135) \& \& \& 126,377,110 \& \& \& (1,628,401,025) \& . 1,387,756,359 <br>
\hline \& \& \& \& \& \& \& \& \& \& \& \& <br>
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\hline $\bigcirc$ \& \& Qo.*) \& \& - \& - \& $\cdots$ \& - \& \& \& $\bigcirc$ \& \& <br>
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\hline 9999999 \& Control Totals \& \& 0 \& 0 \& 0 \& 0 \& 0 \& 0 \& XXX \& 0 \& 0 \& <br>
\hline
\end{tabular}

## ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation 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 |  |
| :---: | :---: |
| 1. | Will an actuarial opinion be filed by March 1? |
| 2. | Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? |
| 3. | Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? |
| 4. | Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1 ? |
| APRIL FILING |  |
| 5. | Will the Insurance Expense Exhibit be filed with the state of domicile and the NAIC by April 1 ? |
| 6. | Will Management's Discussion and Analysis be filed by April 1? |
| 7. | Will the Supplemental Investment Risks Interrogatories be filed by April 1? |
| MAY FILING |  |
| 8. | Will this company be included in a combined annual statement that is filed with the NAIC by May 1 ? |
| JUNE FILING |  |
| 9. | Will an audited financial report be filed by June 1? |
| 10. | Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1 ? |
| AUGUST FILING |  |
| 11. | Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1 ? |
|  | 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 FILING

12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1 ?
13. Will the Financial Guaranty Insurance Exhibit be filed by March 1?
14. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1 ?
15. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed by March 1 ?
16. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?
17. Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1 ?
18. Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1 ? $\qquad$ ..NO...
19. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?
20. Will the confidential Actuarial Opinion Summary be filed with the state of domicile, if required, by March 15 (or the date otherwise specified)?
21. Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?
22. Will the Exceptions to the Reinsurance Attestation Supplement be filed with the state of domicile by March 1 ?
23. Will the Bail Bond Supplement be filed with the state of domicile and the NAIC by March 1 ? $\qquad$
24. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC by March 1? $\qquad$
$\qquad$
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?
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?

NO
27. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?

NO

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation 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?
29. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?
30. Will the Accident and Health Policy Experience Exhibit be filed by April 1?
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?
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 ?
33. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?

## Explanation:

8. National Public Finance Guarantee Corporation ("National") is a subsidiary of the intermediate holding company, National Public Finance Guarantee Holdings, Inc., which is itself a wholly-owned subsidiary of MBIA Inc
9. National Public Finance Guarantee Corporation is not a U.S. Branch of an Alien Insurer

## Bar Code







## 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)
3. Current year change in encumbrances: $\quad \square$



 6.1 Totals, Part 1, Column 15 6.2 Totals, Part 3, Column 13

0
Deduct current year's other than temporary impairment recognized: 7.1 Totals, Part 1, Column 12

0 7.2 Totals, Part 3, Column 10 $\qquad$
8. Deduct current year's depreciation: 8.1 Totals, Part 1, Column 11

0
Book/adjusted carrying value at the end of current period (Lines $1+2+3+4-5+6-7-8$ )
... 00Deduct total nonadmitted amounts
11. Statement value at end of current period (Line 9 minus Line 10)

## SCHEDULE B - VERIFICATION BETWEEN YEARS


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 13 0 9.2 Totals, Part 3, Column 13 0
0. Deduct current year's other than temporary impairment recognized 0.1 Totals, Part 1, Column 11

0
10.2 Totals, Part 3, Column 10

0
Book value/recorded investment excluding accrued interest at end of current period (Lines $1+2+3+4+5+6-7-8+9-10$ )
2. Total valuation allowance

Subtotal (Line 11 plus Line 12)
4. 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
2. Cost of acquired:

2.2 Additional investment made after acquisition (Part 2, Column 9)
3. Capitalized deferred interest and other:
a..........................................................................................................................
3.2 Totals, Part 3, Column 12 -.................................................................................................................................................... 0
4. Accrual of discount
5. Unrealized valuation increase (decrease):
5.1 Totals, Part 1, Column 13
$(2,093,136)$
5.2 Totals, Part 3, Column 9 _-........................... 19
$(2,093,136)$

6. Deduct amortization of premium and depreciation.
7. Total foreign exchange change in book/adjusted carrying value. 9.1 Totals, Part 1, Column 17

8. Deduct current year's other than temporary impairment recognized:

10.2 Totals, Part 3 , Column $11 \ldots$...............................................

- 

1. Book/adjusted carrying value at end

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

## SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks
Book/adjusted carrying value, December 31 of prior year_............................................................................................................................................................... $3,430,757,349$
Cost of bonds and stocks acquired Part 3 Column 7
$1991,400,734$
Accul of discount
.-3,252,612
4. Unrealized valuation increase (decrease)
4.1 Part 1, Column 12

376,688


4.4 Part 4, Column 11

623,683
5. Total gain (loss) on disposals, Part 4, Column 19
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7
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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation
SCHEDULE D - SUMMARY BY COUNTRY


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

SCHEDULE D - PART 1A - SECTION 1

| Quality Rating per the NAIC Designation | 1 Year or Less | $\underset{\substack{2 \\ \text { Over } 1 \text { Year Through } 5 \\ \text { Years }}}{ }$ |  | $\begin{gathered} 4 \\ \text { Over } 10 \text { Years } \end{gathered}$ $\text { Through } 20 \text { Years }$ | 5 Over 20 Years | 6 Total Current Year | $\begin{gathered} 7 \\ \text { Col. } 6 \text { as a } \\ \% \text { of Line } 9.7 \\ \hline \end{gathered}$ |  | $\begin{gathered} 9 \\ \begin{array}{c} 9 \text { From Col. } 7 \\ \text { Prior Year } \end{array} \end{gathered}$ | $\begin{gathered} 10 \\ \hline \text { Total Publicly } \\ \text { Traded } \\ \hline \end{gathered}$ | 11 Total Privately Placed <br> (a) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1. U.S. Governments |  |  |  |  |  |  |  |  |  |  |  |
| 1.1 Class 1. | . $115,365,054$ | $\ldots$....249,027,422 | ...137, 976,983 | $\ldots . . . . . .20,060,745$ | $\ldots$ | . $547,073,346$ | 15.8 | .655,517,326 | . 12.8 | .547,073,346 |  |
| 1.2 Class 2 |  |  |  |  |  |  | 0.0 | $\cdots$ | 0.0 |  |  |
| 1.3 Class 3 |  |  |  |  |  | - - - 0 | 0.0 |  | $\cdots$ |  |  |
| 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 | 0 |
| 2. All Other Governments |  |  |  |  |  |  |  |  |  |  |  |
| 2.1 Class 1. |  | 686,955 |  |  |  | 686,955 | 0.0 | 0 | 0.0 | 686,955 |  |
| 2.2 Class 2 |  |  |  |  |  | 0 | 0.0 | - 0 | 0.0 |  |  |
| 2.3 Class 3 |  |  |  |  |  | $\cdots$ | 0.0 | - 0 | 0.0 |  |  |
| 2.4 Class 4 |  |  |  |  |  | 0 | 0.0 | - 0 | 0.0 |  |  |
| 2.5 Class 5 |  |  |  |  |  | 0 | 0.0 | $\cdots$ | 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 | 0 |
| 3. U.S. States, Territories and Possess | , etc., Guaranteed |  |  |  |  |  |  |  |  |  |  |
| 3.1 Class $1 . \ldots \ldots$ | . 53,164 | .....15, 193,384 | .120,675,990 |  | . $59,800,914$ | 233,562,459 | 6.7 | 272,836,872 | 5.3 | 233,562,459 |  |
| 3.2 Class 2 |  |  |  |  |  | - 0 | 0.0 | - 0 | 0.0 |  |  |
| 3.3 Class 3 |  |  |  |  |  | $\cdots$ | 0.0 | -- -0 | 0.0 |  |  |
| 3.4 Class 4 |  |  |  |  |  | $\cdots$ | 0.0 | $\cdots$ | 0.0 |  |  |
| 3.5 Class 5 |  |  |  |  |  | 0 | 0.0 | $\bigcirc 0$ | 0.0 |  |  |
| 3.6 Class 6 |  |  |  |  |  | 0 | 0.0 | 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 | 0 |
| 4. U.S. Political Subdivisions of States, | itories and Possess | ions, Guaranteed |  |  |  |  |  |  |  |  |  |
| 4.1 Class 1. | 4,772,795 | - | 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 |  |  |  |  |  |  | 0.0 | $\ldots$ | 0.0 |  |  |
| 4.3 Class 3 |  |  |  |  |  | $\cdots$ | 0.0 | - $\quad 0$ | 0.0 |  |  |
| 4.4 Class 4 |  |  |  |  |  | $\cdots$ | 0.0 | --00 | 0.0 |  |  |
| 4.5 Class 5 |  |  |  |  |  | 0 | 0.0 | 0 | 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 | ment Obligations, et | c., Non-Guaranteed |  |  |  |  |  |  |  |  |  |
| 5.1 Class $1 \ldots-\quad$ - | . $169,459,538$ | -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 | $\ldots$ - 5,035,720 |  | - - - - - $\quad$-9,929,587 | $\ldots$-.....1,500,000 | $\ldots$ - $\quad . \quad$ 26,756,191 | . 0.8 | $\ldots$ | 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 |  |  |
| 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 |

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

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

| Quality Rating per the NAIC Designation | 1 Year or Less | Over 1 Year Through 5 <br> Years | 3 Over 5 Years Through 10 Years | $\begin{gathered} 4 \\ \text { Over } 10 \text { Years } \\ \text { Through } 20 \text { Years } \\ \hline \end{gathered}$ | 5 <br> Over 20 Years | 6 Total Current Year | $\begin{gathered} 7 \\ \text { Col. } 6 \text { as a } \\ \% \text { of Line } 9.7 \end{gathered}$ | $\begin{gathered} 8 \\ \hline \text { Total from Col. } 6 \\ \text { Prior Year } \end{gathered}$ | $\begin{gathered} 9 \\ \hline \begin{array}{c} 9 \\ \text { From Col. } 7 \\ \text { Prior Year } \end{array} \end{gathered}$ | $\begin{gathered} 10 \\ \text { Total Publicly } \\ \text { Traded } \end{gathered}$ | (a) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 6. Industrial and Miscellaneous (unaffiliated) |  |  |  |  |  |  |  |  |  |  |  |
| 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 | 36.9 | 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, 1, 196,419 | .1,489,484 | . 1,555,283 | ..130,482 |  | 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 |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  | 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 | - -a.i. 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 |

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

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

| Quality Rating per the NAIC Designation | 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 <br> Over 5 Years Through <br> 10 Years 10 Years | Over 10 Years Through 20 Years | \|c|c $\begin{gathered}5 \\ \text { Over } 20 \text { Years }\end{gathered}$ | 6 Total Current Year | $\begin{gathered} 7 \\ \text { Col. } 6 \text { as a } \\ \% \text { of Line } 9.7 \end{gathered}$ | $\underset{\substack{\text { Total from Col. } 6 \\ \text { Prior Year }}}{8}$ | $\begin{gathered} 9 \\ \hline \text { \% From Col. } 7 \\ \text { Prior Year } \end{gathered}$ | $\begin{gathered} 10 \\ \hline \text { Total Publicly } \\ \text { Traded } \\ \hline \end{gathered}$ | 11 <br> Total Privately Placed <br> (a) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 9. Total Bonds Current Year |  |  |  |  |  |  |  |  |  |  |  |
| 9.1 Class 1 |  | 929, 004,071 | 848,399,888 | 313,258,229 | - 351, 407,616 | 3,322,062,352 | 95.7 | XXX | XXX | 3,251, 136,762 | 70,925,591 |
| 9.2 Class 2 | (d) $-\quad 6, \quad 6343,147$ | 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 | (d) ...........-1,793,577 | .4,472,077 | 4,408,482 | .3,646 | $\ldots$. 3 ,118,453 | 13,796,235 | 0.4 | XXX | XXX | 12,248,030 | 1,548,204 |
| 9.4 Class 4 | (d) .............1,196,419 | 1,489,484 | 1,555,283 | 130,482 |  | 4,371,714 | 0.1 | XXX | XXX | 4,119,950 | 251,764 |
| 9.5 Class 5 |  | 235,463 | 71,508 |  |  | (c) | 0.0 | XXX | XXX | 306,971 |  |
| 9.6 Class 6 | (d) $4,928,810$ | 11,124,339 | 1,417,370 | 0 | 0 | 17,470,519 | 0.5 | XxX | XXX | 15,624,726 | 1,845,793 |
| 9.7 Totals | 894,254,501 | 974,782,536 | 891, 117, 114 | 328,454,953 | .384,385, 172 | 3,472,994,276 | 100.0 | XXX | XXX | 3,384,365,585 | 88,628,691 |
| 9.8 Line 9.7 as a \% of 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 Class 1 | 2,268,091,931 | 919,941,120 | 899, 101,527 | 377,081,381 | 477,636,002 | XXX | XXX | 4,941,851,961 | 96.8 | 4,924,679,643 | 17, 172,318 |
| 10.2 Class 2 | .1,505,659 | .17,307,896 | .29,841,431 | .36,259,049 | 40, 131, 326 | XXX | XxX | 125,045,361 |  | .118,792,042 | 6,253,318 |
| 10.3 Class 3 | 726,399 | . 3,310,473 | .4,635,244 |  | 2,696,146 | XXX | xxx | 11,368,262 | 0.2 | .11,368,261 |  |
| 10.4 Class 4 | 0 | 3,070,613 | 263,345 | 0 |  | XxX | Xxx | 3,333,958 | 0.1 | 3,333,958 |  |
| 10.5 Class 5 | 131,977 | 626,589 | 207,508 | 4,646 | 0 | XXX | XxX | .970,720 | 0.0 | .970,720 |  |
| 10.6 Class 6 | 7,136,366 | 15,128,104 | 1,578,758 | 0 | 0 | xxx | xxx | 23,843,228 | 0.5 | 23,378,223 | 465,005 |
| 10.7 Totals. | 2,277,592,332 | 959,384,795 | 935,627,813 | 413,345,076 | . $520,463,474$ | XXX | XXX | ${ }^{\text {(b) }}$..... 5 , 106,413,490 | 100.0 | 5,082,522,847 | 23,890,641 |
| 10.8 Line $10.7 \mathrm{as} \mathrm{a} \mathrm{\%} \mathrm{of} \mathrm{Col}$. | 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 Class 1. | 877, 091,553 | 872,464,010 | 838,548, 174 | -312, 232,618 | .350, 800,407 | 3, 251, 136,762 | 93.6 | 4,924,679,643 | 96.4 | 3, 251,136,762 | $\underbrace{x}_{x y x}$ |
| 11.2 Class 2. | 6,319, 148 | . $25,592,928$ | -28,787,242 | .11,899,345 | $\begin{array}{r} 28,330,484 \\ 2,399 \end{array}$ | $\begin{array}{r} 100,929,147 \\ 12,248 \end{array}$ | $\begin{array}{r} 2.9 \\ -\quad 0.4 \end{array}$ | 118,792,043 | $\begin{array}{r}2.3 \\ \hline \quad 0 \quad 0.2 \\ \hline-\quad 0.1\end{array}$ | $\begin{array}{r} 100,929,147 \\ 12,248,029 \end{array}$ | $\underbrace{x X X}_{x \times X}$ |
| 11.4 Class 4 11.5 Class 5 | -1,196,419 | $\begin{array}{r} -1,489,484 \\ -\quad 235,463 \end{array}$ | $\begin{array}{r} 1,303,519 \\ -\quad-\quad . \quad 71,500 \end{array}$ | ---....130,482 |  | $\begin{array}{r} 4,119,950 \\ -\quad . \quad 306,971 \end{array}$ | $\begin{array}{r} 0.1 \\ 0.0 \end{array}$ | $\begin{array}{r} 3,333,958 \\ \mathbf{-} \\ \hline 970,720 \end{array}$ | $\begin{array}{r} 0.1 \\ -\quad 0.0 \end{array}$ | $\begin{array}{r} 4,119,950 \\ -\quad . \quad 30,971 \end{array}$ | $\begin{gathered} x X x \\ \text { XxX } \end{gathered}$ |
| 11.6 Class 6 | 4,802,410 | 10,777,613 | 44,704 |  |  | 15,624,727 | 0.4 | 23,378,223 | 0.5 | 15,624,727 | xxx |
| 11.7 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. |
| 11.8 Line 11.7 as a \% of Col. 6 | 6.3 | 27.0 | 25.8 |  |  | 100.0 | XxX | XxX | xxx | 100.0 | XxX |
| 11.9 Line 11.7 as a \% of Line 9.7, 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 Class 1 | -2,900,650 | 56,539, 844 | 9,851,997 | . 1,025,857 | 607,244 | 70,925,592 | 2.0 | - 17, , 172, 318 | 0.3 | XXX | 70,925,592 |
| 12.2 Class 2 | 24,000 | 2,864,173 | 6,477,340 | 3,163,251 | 1,528,574 | 14,057,338 | 0.4 | - 6...253,318 | 0.1 | XxX | 14,057,338 |
| 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 |
| 12.4 Class 4 |  |  | 251,764 |  |  | 251,764 | 0.0 | -......... 0 | 0.0 | XXX | .251,764 |
| 12.5 Class 5 |  |  |  |  |  |  | 0.0 |  | 0.0 | XxX |  |
| 12.6 Class 6 | 126,400 | 346,726 | 1,372,667 |  |  | 1,845,793 | 0.1 | 465,005 | 0.0 | XXX | 1,845,793 |
| 12.7 Totals | 3,095,514 |  |  | 4,192,754 | 2,854,481 | 88,628,691 | 2.6 | 23,890,641 | 0.5 | XXX | 88,628,691 |
| 12.8 Line 12.7 as a \% of Col. 6 |  |  |  |  |  |  | XXX |  | XXX | XXX |  |
| 12.9 Line 12.7 as a \% of Line 9.7, Col. | 0.1 | 1.7 | 0.5 | 0.1 | 0.1 | 2.6 | XXX | XXX | XXX | XXX | 2.6 |


(b) Includes $\$ \ldots$ current year, $\$ \ldots \ldots . \quad$ prior year of bonds with $Z$ designations and $\$ \ldots \ldots \ldots$

Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation becaus



; NAIC $3 \$$
NAIC $4 \$$

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

SCHEDULE D - PART 1A - SECTION 2

| Distribution by Type | $1 \text { Year or Less }$ | $\begin{aligned} & 2 \\ & \text { Over } 1 \text { Year } \\ & \text { Through } 5 \text { Years } \end{aligned}$ | $3_{3}^{3}$ Over 5 Years Through 10 Years |  | 5 <br> Over 20 Years | $\begin{gathered} 6 \\ \text { Total Current } \\ \text { Year } \end{gathered}$ | $\begin{array}{c\|} \hline 7 \\ \text { Col. } 6 \text { as a } \% \\ \text { of Line } 9.5 \end{array}$ | $\begin{gathered} 8 \\ \hline \text { Total from Col } 6 \\ \text { Prior Year } \end{gathered}$ | $\begin{gathered} 9 \\ \text { \% From Col. } \\ 7 \text { Prior Year } \end{gathered}$ | $\begin{gathered} 10 \\ \hline \text { Total Publicly } \\ \text { Traded } \\ \hline \end{gathered}$ | $\begin{gathered} 11 \\ \hline \text { Total Privately } \\ \text { Placed } \\ \hline \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1. U.S. Governments <br> 1.1 Issuer Obligations $\qquad$ <br> 1.2 Residential Mortgage-Backed Securities <br> 1.3 Commercial Mortgage-Backed Securities <br> 1.4 Other Loan-Backed and Structured Securities | $64,100,994$ $\cdots \quad 47,721,462$ $\cdots \quad-\quad 3,542,598$ | $141,417,477$ $\cdots-\quad 106,135,811$ $\cdots \quad-\quad 1,474,134$ | $\begin{array}{r} 90,766,891 \\ -\quad-\quad 46,805,211 \\ -\quad 4 \quad 404,881 \end{array}$ | $\begin{array}{r} 19,827,461 \\ \hdashline-\quad 233,283 \end{array}$ | $\begin{array}{r} 18,410,029 \\ -\quad 6,224,201 \\ \hdashline-\quad 8,912 \end{array}$ | $\begin{array}{r} 314,695,391 \\ \hdashline \quad 226,714,146 \\ \hdashline \quad 5 \quad 563,808 \\ \hdashline \quad 0 \quad 0 \\ \hline \end{array}$ | 9.1 <br> $--\quad-\quad 6.5$ <br> $-\quad-\quad 0.2$ <br> $-\quad 0.0$ <br> $-\quad-\quad$ | $383,873,760$ <br> $-\quad 271,643,566$ <br> $-\quad$ <br> $-\quad$ <br> $\quad 0$ <br> $\quad 0$ | 7.5 <br> $-\quad 5.3$ <br> $-\quad 0.0$ <br> $\quad 0.0$ <br> $\quad 0.8$ | $314,695,391$ <br> $-\quad 226,714,146$ <br> $-\quad-\quad .636,808$ |  |
| 1.5 Totals | 115,365,054 | 249,027, 422 | 137,976,983 | 20,060,744 | 24,643,142 | 547,073,345 | 15.8 | 655,517,326 | 12.8 | 547,073,345 | 0 |
| 2. All Other Governments <br> 2.1 Issuer Obligations <br> 2.2 Residential Mortgage-Backed Securities <br> 2.3 Commercial Mortgage-Backed Securities <br> 2.4 Other Loan-Backed and Structured Securities. |  |  |  |  |  |  |  <br> 0.0 <br> $-\quad 0.0$ <br> $-\quad 0$ <br> $-\quad 0.0$ <br> - | 0 <br> $-\quad 0$ <br> $-\quad 0$ <br> $-\quad-\quad 0$ <br> $-\quad-\quad 0$ | $-\quad 0.0$ <br> $-\quad 0$ <br> $-\quad 0$ <br> $-\quad 0.0$ <br> $-\quad 0.0$ |  |  |
| 2.5 Totals | 0 | 686,955 | 0 | 0 | 0 | 686,955 | 0.0 | 0 | 0.0 | 686,955 | 0 |
| 3. U.S. States, Territories and Possessions, Guaranteed <br> 3.1 Issuer Obligations <br> 3.2 Residential Mortgage-Backed Securities <br> 3.3 Commercial Mortgage-Backed Securities <br> 3.4 Other Loan-Backed and Structured Securities <br> 3.5 Totals |  | $\begin{array}{r}15,193,384 \\ \hline 15193,384 \\ \hline\end{array}$ | $\begin{array}{r}120,675,990 \\ \hline 120.675,990 \\ \hline\end{array}$ | $\begin{array}{r}37,839,007 \\ \hline \mathbf{3 7} 839,007 \\ \hline\end{array}$ | $\begin{array}{r}\text { 59,800,914 } \\ \mathbf{8} \\ \hline \\ \hline 9,800,914\end{array}$ | $233,562,459$ <br> $\quad 0$ <br> $-\quad 0$ <br> $-\quad 0$ <br>  <br> $233,562,459$ | $\begin{array}{r} 6.7 \\ 0 \quad 0.0 \\ 0.0 \\ \hline 0.0 \\ \hline 6.7 \end{array}$ |  | 5.3 <br> $-\quad-\quad 0.0$ <br> $-\quad-\quad-\quad 0.0$ <br> $-\quad-\quad-\quad 0.0$ | $\begin{array}{r}\text { 233,562,459 } \\ \cdots \\ \hdashline-\quad 233,562.459 \\ \hline\end{array}$ |  |
| 4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed <br> 4.1 Issuer Obligations <br> 4.2 Residential Mortgage-Backed Securities <br> 4.3 Commercial Mortgage-Backed Securities <br> 4.4 Other Loan-Backed and Structured Securities <br> 4.5 Totals | ---- - - ${ }^{\text {4,772,795 }}$ | .82,306,697 | -.-. 104,681,645 | -...-. 51,831,459 | -. $-\quad 73,835,469$ |  | 9.1 <br> $\quad-\quad$9.0 <br> $-\quad$ <br> $-\quad 0.0$ <br> ${ }^{0.1}$ |  | 9.0 <br> $-\quad 0.0$ <br> $-\quad 0.0$ <br> $-\quad 0.0$ <br>  <br> 9.0 | ......-317,428,065 $\qquad$ <br> 317,428,065 |  |
| 5. U.S. Special Revenue \& Special Assessment Obligations, etc., Non-Guaranteed <br> 5.1 Issuer Obligations <br> 5.2 Residential Mortgage-Backed Securities <br> 5.3 Commercial Mortgage-Backed Securities <br> 5.4 Other Loan-Backed and Structured Securities <br> 5.5 Totals | $\begin{array}{r} 33,093,910 \\ -\quad-\quad 37,994,923 \end{array}$ | $\begin{array}{r} 94,662,523 \\ .306,234,222 \end{array}$ | $158,235,796$ <br> $\cdots \quad 133,131,914$ <br> $-\quad 1 \quad 1,868,619$ <br> $-\quad-\quad-\quad 450,000$ <br> $293,686,329$ | $140,684,841$ <br> $\cdots \quad 58,348,087$ <br> $\quad 691,823$ <br> $-\quad 199,724,751$ | $\begin{array}{r} 141,457,294 \\ \ldots-\quad . \quad . \quad 21,497,746 \end{array}$ | $317,428,065$ <br> $-\quad 568,134,364$ <br> $\cdots \quad 657,26,892$ <br> $-\quad-\quad 1,868,619$ <br> $-\quad 1,141,823$ |  | $459,887,119$ <br> $-\quad 868,250,844$ <br> $\cdots \quad 864,964,573$ <br> $-\quad 0$ <br> $-\quad 0$ <br> $-\quad 0$ | 9.0 <br> $\quad 17.0$ <br> $\quad 16.9$ <br> $-\quad 0.0$ <br> $-\quad 0.0$ <br> $\quad 3$ | $568,134,364$ <br> $\quad 657,206,892$ <br> $\quad 1 \quad 1,868,619$ <br> $\quad 1,141,823$ |  <br>  |
|  | $578,891,808$ <br> $\quad 57,897,399$ <br> $\quad 1,210,740$ <br> $\quad 18,94,010$ <br> $601,973,957$ | $161,551,985$ <br> $\quad-\quad ., 228,262$ <br> $\cdots \quad-\quad 4,904,380$ <br> $-\quad 54,986,705$ <br> $226,671,332$ |  |  | $55,153,747$ <br> $\quad$$1,032,46$ <br> $\quad-\quad 718,663$ <br> $\quad$ <br> $56,905,256$ | $1,020,885,835$ <br> $-\quad 14,234,519$ <br> $-\quad . \quad 12,554,486$ <br> $-\quad 87,884,724$ <br> $1,135,559,564$ |  | $1,829,154,276$ <br> $\cdots-\quad .827$ <br> $-\quad 15,930,074$ <br> $\quad 15,830,371$ <br> $1,55,73,175$ <br> $1,978,645,896$ |  |  | $64,366,822$ <br> $\quad$$3,398,744$ <br> $-\quad 20,83,125$ <br> $-\quad 88,628,691$ |
| 7. Hybrid Securities <br> 7.1 Issuer Obligations <br> 7.2 Residential Mortgage-Backed Securities <br> 7.3 Commercial Mortgage-Backed Securities <br> 7.4 Other Loan-Backed and Structured Securities <br> 7.5 Totals |  | 0 |  | $\begin{array}{r}1,756,390 \\ \hline 1,756,390 \\ \hline\end{array}$ | $\begin{array}{r}6,245,350 \\ \hdashline 6 . \quad \\ \hline 6,245,350 \\ \hline\end{array}$ |  | 0.3 <br> $\quad 0.0$ <br> $-\quad 0.0$ <br> 0.0 <br> 0.3 |  | $\quad$ <br> $\quad 0.1$ <br> $-\quad 0.0$ <br> $-\quad 0.0$ <br> $-\quad 0.0$ <br> $-\quad 0.1$ | 10,332,191 <br> $\cdots 10,332,191$ | 0 |
| 8. Parent, Subsidiaries and Affiliates <br> 8.1 Issuer Obligations <br> 8.2 Residential Mortgage-Backed Securities <br> 8.3 Commercial Mortgage-Backed Securities <br> 8.4 Other Loan-Backed and Structured Securities <br> 8.5 Totals | 0 | \% | 0 |  | 0 |  <br> 0 <br> $-\quad-\quad-\quad-\quad 0$ <br> $-\quad-\quad-\quad-\quad 0$ <br> $-\quad-\quad 0$ | 0.0 <br> $-\quad 0.0$ <br> $-\quad 0 \quad 0.0$ <br> $-\quad 0.0$ |  |  | ${ }_{0}$ |  |

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

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

| Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Distribution by Type | 1 <br> 1 Year or Less | $\begin{gathered} 2 \\ \text { Over } 1 \text { Year } \\ \text { Through } 5 \text { Years } \\ \hline \end{gathered}$ | 3 <br> Over 5 Years Through 10 Years | 4 <br> Over 10 Years Through 20 Years | 5 <br> Over 20 Years | $\begin{gathered} \hline 6 \\ \text { Total } \\ \text { Current Year } \\ \hline \end{gathered}$ | $\begin{array}{c\|} \hline 7 \\ \text { Col. } 6 \text { as a \% } \\ \text { of Line 9.5 } \\ \hline \end{array}$ | $\begin{gathered} 8 \\ \text { Total From Col. } 6 \\ \text { Prior Year } \end{gathered}$ | $\begin{gathered} 9 \\ \% \text { From Col. } 7 \\ \text { Prior Year } \\ \hline \end{gathered}$ | $\begin{gathered} 10 \\ \text { Total Publicly } \\ \text { Traded } \\ \hline \end{gathered}$ | $\begin{gathered} \hline 11 \\ \text { Total Privately } \\ \text { Placed } \\ \hline \end{gathered}$ |
| 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 | xxx. | .2,401, 358,437 | 64,366,822 |
| 9.2 Residential Mortgage-Backed Securities | 188, 593. 784 | .417,598,295 | .183,015,657 | .80, 193,028 | .28,754,793 | .898,155,557 | 25.9 | XxX | XXX | .898,155,557 |  |
| 9.3 Commercial Mortgage-Backed Securities. | 4,753,338 | 6,378,514 | .7,868,605 | . 358,881 | .727,575 | .20,086,913 | 0.6 | .xx才 | 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 | 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 | XXX. | 3,384,365,585 | 88,628,691 |
| 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 | .xx | 1,164,538,213 | 22.8 | . 1, 164,538,213 |  |
| 10.3 Commercial Mortgage-Backed Securities. | 1,135,579 | .5,040,268 | 9,503,820 | .150,704 |  | . XX | xxx | 15,830,371 | 0.3 | .15,830,371 |  |
| 10.4 Other Loan-Backed and Structured Securities.. | 30,101,744 | 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 $10.5 \mathrm{as} \mathrm{a} \%$ of Col. 8 | 44.6 | 18.8 | 18.3 | 8.1 | 10.2 | Xxx | XxX | 100.0 | XXX | 99.5 | 0.5 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 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 | .xx. |
| 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 | 1,164,538,213 | 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 | . $15,830,371$ | 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 | 94,107,219 | 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 | .xx | XXX | 100.0 | . XX . |
| 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 |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 12.2 Residential Mortgage-Backed Securities |  |  |  |  |  |  | 0.0 |  | 0.0 | XxX |  |
| 12.3 Commercial Mortgage-Backed Securities | 286,895 | .1,516,226 | .873,314 | 3,646 | .718,663 | 3,398,744 | 0.1 |  | 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 | 0.6 | 11,623,956 | 0.2 | Xxx | 20,863,125 |
| 12.5 Totals | 3,095,514 | .60,517,126 | .17,968,815 | 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 | . Xx | .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 |

SCHEDULE DA - VERIFICATION BETWEEN YEARS

| Shor-Term Investments |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1 | 2 | 3 | 4 | 5 |
|  | Total | Bonds | Mortgage Loans | Other Short-term Investment Assets(a) | Investments in Parent, Subsidiaries and Affiliates |
| 1. Book/adjusted carrying value, December 31 of prior year | 1,734,990,452 | 1,734,990,452 | . 0 | . 0 | 0 |
| 2. Cost of short-term investments acquired. | .4,684,018,110 | 4,684,018,110 |  |  |  |
| 3. Accrual of discount. | - $6.62,073$ | .62,073 |  |  |  |
| 4. Unrealized valuation increase (decrease) |  |  |  |  |  |
|  |  |  |  |  |  |
| 5. Total gain (loss) on disposals | 27,172 | 27,172 |  |  |  |
| 6. Deduct consideration received on disposals | .5,828,214,698 | 5,828,214,698 |  |  |  |
| 7. Deduct amortization of premium. | . 3468,834 | $\ldots$.....346,834 |  |  |  |
| 8. Total foreign exchange change in book/adjusted carrying value |  |  |  |  |  |
| 9. Deduct current year's other than temporary impairment recognized. |  |  |  |  |  |
| 10. Book adjusted carrying value at end of current period (Lines $1+2+3+4+5-6-7+8-9$ ) | .590, 536, 275 | . $590,536,275$ | 0 | 0 | 0 |
|  |  |  |  |  |  |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 590,536,275 | 590,536,275 | 0 | 0 | 0 |

(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
NONE

SCHEDULE E - VERIFICATION BETWEEN YEARS

(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
NONE

## SCHEDULE BA - PART 1



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

## SCHEDULE BA - PART 2



SCHEDULE BA - PART 3


SCHEDULE D - PART 1


## SCHEDULE D - PART 1



SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \& 1 \& 2 \& \& Cod \& \& 6 \& 7 \& Fair \& Value \& 10 \& 11 \& \& nge in Book / Adjust \& Carrying Value \& \& \& \& Interes \& \& \& \& \\
\hline \& \(\underset{\text { Identification }}{\text { CUSI }}\) \& Description \& Code \& \[
\begin{array}{|l|}
\hline \left.\begin{array}{l}
o \\
o \\
r \\
e \\
i \\
g
\end{array} \right\rvert\,
\end{array}
\] \& \[
\begin{aligned}
\& \text { Bond } \\
\& \text { CHAR }
\end{aligned}
\] \& NAIC Designation \& Actual
Cost \& \begin{tabular}{l}
Rate Used \\
to Obtain \\
Fair \\
Value
\end{tabular} \& Fair Value \& Par \& Book/ Adjusted Carrying Value \& \begin{tabular}{l}
12 \\
Unrealized Valuation Increase/ (Decrease)
\end{tabular} \& \begin{tabular}{l}
13 \\
Current Year's (Amortization)/ Accretion
\end{tabular} \& \begin{tabular}{c|c} 
14 \\
Current \\
Year's \\
Other \\
Than \\
Temporary \\
Impairment \\
Recognized \\
\hline
\end{tabular} \& 15
Total
Foreien
Exchange
Change
In
B.IA.C.V. \& \begin{tabular}{l}
16 \\
Rate \\
of
\end{tabular} \&  \&  \& 19

Admitted
Amount
Due $\&$
Accrued \& 20

Amount
Rec.
During
Year \& 21

Acquired \& Stated
Contractual Maturity Date <br>
\hline \& 246380-7H-6 \& State of Delaware Build \& \& \& \& 1FE \& 5219,827 \& 110.8190 \& 5,790, 293 \& 5.225,000 \& 5,220,487 \& \& 394 \& \& \& 3.500 \& 3.511 \& गJ \& 91.438 \& 182.875 \& 10/21 12010 \& 07/01/2022 <br>
\hline \& \& State of Florida General \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& $341150-\mathrm{RS}$-1. \&  \& \& \& 1 \& 1 FE . \& .20,036 \& . 103.2080 \& .20,642 \& 20,000 \& .20,011 \& \& \& \& \& 5.000 \& 4.960 \& . JJ. \& \& 1,000 \& 02/17/2009 \& 07/01/2033 ... <br>
\hline \& 452151-6W-8.8. \& Obl igat ion. \& \& \& 1 \& 1 FE . \& - 1,049,960 \& -. 110.2830 \& - 1,102,830 \& - 1,000,000 \& -1,035,779 \& \& $(5,969)$ \& \& \& 5.000 \& 4.233 \& A0 \& 12,500 \& .50,000 \& 07/13/2010 \& .04/01/2021... <br>
\hline \& 452151-A2-9. \& Obl igat ion - \& \& \& 1. \& 1 FE \& . $4,776,266$ \& . 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... <br>
\hline \& 452152-GS-4. \& Ster ${ }^{\text {Amer ica onds. }}$ Sta \& \& \& 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 <br>
\hline \& 56052A-WW-2. \& Sate of trane General \& \& \& \& 1 FE \& 4,830,840 \& . 118.1950 \& 4,727,800 \& 4,000,000 \& 4,638,791 \& \& (139,746) \& \& \& 5.000 \& 1.270 \& Jo. \& 16,667 \& 200,000 \& 08/10/2011 \& 06/01/2017 <br>
\hline \& 574193-BQ-0. \& Sol igat ion. \& \& \& 1. \& 1FE. \& .2,898,500 \& . 121.7320 \& .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... <br>
\hline \& 57582N-58-9. \& General ob in Massachusetts \& \& \& 1. \& 1FE. \& .646,950 \& .109.4720 \& .623,990 \& .570,000 \& .598,977 \& \& . $(12,847)$ \& \& \& 5.000 \& 2.572 \& .ns. \& 9,500 \& 28,500 \& 02117/2009 \& 03/01/2017 ... <br>
\hline \& $57582 \mathrm{~N}-\mathrm{\chi}-9$. \& Commoneal th of Massachusetts \& \& \& \& 1FE \& . 3,931,552 \& .128.9020 \& .4,124,864 \& 3, 200,000 \& . $3,840,403$ \& \& (65,695) \& \& \& 5.250 \& 2.630 \& FA. \& 70,000 \& 168,000 \& 08/04/2011. \& 08/01/2021 ... <br>
\hline \& 57582P-|IK-2 \& Commonveal th of Massachusetts \& \& \& \& 1FE \& 28,423,500 \& 113.9390 \& 28.484,750 \& 25,000,000 \& 28,361,378 \& \& (62, 122) \& \& \& 4.200 \& 2.508 \& Jo \& 87.500 \& 525,000 \& 10/19/2012 \& <br>
\hline \& \& Commonweal th of Massachusetts \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& 57582P-2L-7. \& General ob \& \& \& \& 1FE \& -1,303,148 \& . 121.4560 \& -1,336,016 \& -1,100,000 \& -1,261,009 \& \& (26,803) \& \& \& 5.000 \& 2.200 \& FA. \& 22,917 \& 64,167 \& 05/25/2011 \& 08/01/2018... <br>
\hline O \& 605580-4X-4. \& Amer ica Bonds.... \& \& \& 2 \& 1FE. \& .11,141,307 \& 123.9200 \& .11,921,104 \& .9,620,000 \& .11,096,442 \& \& $(33,866)$ \& \& \& 5.669 \& 4.550 \& A0. \& 136,339 \& 545,358 \& 10/31/2011. \& . $10 / 01 / 2034 . .$. <br>
\hline N \& 605580-5W-5. \& State of \& \& \& \& 1FE. \& . $5,000,000$ \& . 118.6140 \& 5,930,700 \& . $5,000,000$ \& . 5,000,000 \& \& \& \& \& 4.681 \& 4.681 \& W. \& 39,008 \& 234,050 \& 10/21/2010 \& .11/01/2025 <br>
\hline \& 605580-6V-6. \& Sole \& \& \& \& 1FE. \& 7,542,375 \& 108.8690 \& 8,165,175 \& 7,500,000 \& 7,540,117 \& \& (1,992) \& \& \& 4.053 \& 4.005 \& ${ }^{\text {a }}$ \& 75,994 \& 282,866 \& 11/08/2011 \& 10/01/2027.... <br>
\hline \& 605581 -BE-6. \& \& \& \& 1 \& 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 <br>
\hline \& 646039 -TB-3. \& \& \& \& \& 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 \& \& 08/15/2020 <br>
\hline \& \& City of Neer York NY Build \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& 64966-1-1-8-8-4. \& Amer ica Bonds York Micicipa \& \& \& \& 1 1FE \& $\begin{array}{r}14,738,700 \\ \hline 11,777\end{array}$ \& -114.7550 \& - \& $13,000,000$

$9,610,000$ \& .14,697,540 \& \& \[
\underset{-(36,022}{-(33,70)}

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12 / 01 / 2036 \ldots \ldots \\
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\hline \& 658256-44-7. \& State of North Carol ina \& \& \& \& 1FE. \& -3,657,180 \& . 121.7410 \& .3,652,230 \& 3,000,000 \& 3,527,776 \& \& . 94,218$)$ \& \& \& 5.000 \& -1.550 \& w \& 25,000 \& . 150,000 \& 08/10/2011. \& 05/01/2018.... <br>
\hline \& 677520 -PR-3 \& State of onio General \& \& \& \& 1 FE \& 223,965 \& -115.6220 \& \& \& \& \& \& \& \& \& \& \& \& \& 11/14/2008 \& <br>
\hline \& $67721-L Y-0$. \& State of Ohio School District. \& \& \& \& 1 FE . \& 4,663,840 \& ...126.8930 \& 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.... <br>
\hline \& 68608-A3-2. \& Bonds. \& \& \& \& 1FE. \& .8,135,960 \& .126.1280 \& .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 <br>
\hline \& 688083 -NF-1. \& Obl igat ion \& \& \& \& 1FE, \& 12,166,300 \& 121.3450 \& . $12,134,500$ \& 10,000,000 \& . $12,119,310$ \& \& $(43,156)$ \& \& \& 5.902 \& 4.499 \& FA \& 245,917 \& 590,200 \& 11/21/2011. \& 08/01/2038 <br>
\hline \& 68808k-2s-0. \& State of Oregon General Obligat ion \& \& \& \& 1FE. \& 5,830,400 \& 116.6570 \& 5,832,850 \& 5,000,000 \& 5,811,001 \& \& $(19,399)$ \& \& \& 4.361 \& 1.742 \& FA. \& 90,854 \& \& 10/26/2012 \& 08/01/2019 <br>
\hline \& \& Commonveal th of Pennsy Vania \& \& \& \& 1FE \& 5,391,200 \& 115.3400 \& 5767,000 \& 5000000 \& 5,318,142 \& \& (33, 117) \& \& \& 4.550 \& . 638 \& F \& 85944 \& \& \& <br>
\hline \& \& Commonweal th of Pennsy vania \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& 70914P-ME-9.9. \& Build Amer i \& \& \& \& 1 FE. \& 4,691,030 \& .115.7840 \& ., 833,982 \& 4,175,000 \& 4,659,816 \& \& $(28,497)$ \& \& \& 4.650 \& 3.536 \& FA. \& .73,341 \& 194,138 \& .11/21/2011. \& 02/15/2026 <br>
\hline \& 70914P-PQ-9 \& Build Amer \& \& \& 1. \& 1 FE \& 22,384,900 \& 118.5820 \& 23,716,400 \& 20,000,000 \& 22,121,735 \& \& . $(234,568)$ \& \& \& 5.850 \& 4.194 \& JJ \& .539,500 \& 1,170,000 \& 11/09/2011 \& 07/15/2030 <br>
\hline \& 76222N-kz-3 \& State of Rhode Island General \& \& \& \& 1FE \& 1,224,670 \& 125.3010 \& 1,253,010 \& 1,000,000 \& 1,211,904 \& \& (12,766) \& \& \& \& 2.499 \& FA. \& 33,056 \& \& 04/24/2012 \& 08/01/2022 <br>
\hline \& 76222R-JW-3. \& State of Rhode Is land General. \& \& \& $\ldots$ \& 1 FE \& 4,023,999 \& ${ }^{124.6990}$ \& 4 4,355,640 \& 3,525,000 \& 3,968,422 \& \& (43, 1236 \& \& \& 5.500 \& 3.771 \& FA \& ${ }^{80,781}$ \& 178,257 \& 09/09/2011 \& $08 / 01 / 2027$ <br>
\hline \& 76222R-KF-8. \& State of Rhode Is land General. \& \& \& \& 1 FE . \& . $5,071,115$ \& 124.5110 \& 5,329,071 \& 4,280,000 \& 4,966,691 \& \& \& \& \& 5.000 \& 2.650 \& FA. \& 89, 167 \& 196,761 \& . 09/09/2011. \& .08/01/2020.. <br>
\hline
\end{tabular}

## SCHEDULE D - PART 1



SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline 1 \& 2 \& \multicolumn{3}{|r|}{Codes} \& 6 \& 7 \& \multicolumn{2}{|r|}{Fair Value} \& \multirow[t]{2}{*}{\begin{tabular}{l}
10 \\
Par
\end{tabular}} \& 11 \& \multicolumn{4}{|c|}{Change in Book / Adjusted Carrying Value} \& \multicolumn{5}{|c|}{Interest} \& \multicolumn{2}{|r|}{Dates} \\
\hline \[
\left\lvert\, \begin{gathered}
\text { CUSIP } \\
\text { Identification }
\end{gathered}\right.
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\text { Designation }
\end{array}
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Rate Used \\
to Obtain Fair Value
\end{tabular} \& \begin{tabular}{l}
Fair \\
Value
\end{tabular} \& \& Book/ Adjusted Carrying Value \& 12
Unrealized Valuation Increase/ (Decrease) \& 13
\begin{tabular}{c} 
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Rate \\
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Admitted
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22 <br>

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| Maturity |
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\hline 184062-CU-9 \& \& \& \& \& 1FE \& 334,484 \& 108.5870 \& 352.008 \& 325,000 \& 331.070 \& \& (1,201) \& \& \& 3250 \& 2820 \& us \& 3.521 \& 10.563 \& 01/13/2010 \& 09/01/2017 <br>
\hline \& Clayton Boro Sch Dist School \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 184062-CV-7. \& District. \& \& \& \& 1 1FE. \& 350,700 \& ...111.2180 \& .378,141 \& .340,000 \& .347,373 \& \& . $(1,174)$ \& \& \& 3.500 \& 3.080 \& .ns. \& 3,967 \& 11,900 \& .01/13/2010. \& 09/01/2018 <br>
\hline 184062-CW-5. \& District \& \& \& \& 1 FE \& . 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 <br>
\hline 184062-CX-3. \& District ................ \& \& \& \& 1 FE . \& .380,097 \& . 114.7640 \& . 424,627 \& .370,000 \& . 377,672 \& \& . 8611 \& \& \& 3.750 \& . 3.440 \& MS. \& 4,625 \& 13,875 \& ..01/13/2010.. \& .09/01/2020.... <br>
\hline 184062-CY-1. \& Clayton Boro Sch Dist School \& \& \& 1. \& 1 FE \& .394,072 \& ....-114.0700 \& .444,873 \& .390,000 \& .393,108 \& \& (346) \& \& \& 3.750 \& 3.630 \& ws \& 4,875 \& 14,625 \& . $01 / 13 / 2010$ \& 09/01/2021 <br>
\hline 184062-CZ-8. \& District \& \& \& 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 <br>
\hline 184062-DA-2. \&  \& \& \& 1. \& 1 FE. \& 438,557 \& ...113.0210 \& . 485,990 \& 430,000 \& . 436,534 \& \& (723) \& \& \& 4.000 \& 3.770 \& ws. \& 5,733 \& 17,200 \& ..01/13/2010 \& 09/01/2023 <br>
\hline 184062-DB-0. \& District. \& \& \& 1 \& 1 FE . \& 456,201 \& . 1112.1950 \& . $\mathbf{5 0 4 , 8 7 8}$ \& .450,000 \& . 454,743 \& \& . 523 ) \& \& \& 4.000 \& 3.840 \& ms \& 6,000 \& 18,000 \& . $01 / 13 / 2010$ \& .09/01/2024 <br>
\hline 184062-DC-8. \& District \& \& \& 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 <br>
\hline 184062-DD-6. \& District. \& \& \& 1. \& 1 FE. \& 495,832 \& ....111.4750 \& ...551,801 \& 495,000 \& . 495,651 \& \& (71) \& \& \& 4.000 \& 3.980 \& wS. \& 6,600 \& 19,800 \& . $01 / 13 / 2010$ \& .09/01/2026 <br>
\hline 184062-DE-4. \& District \& \& \& 1. \& 1 FE . \& 516,734 \& . 1111.4750 \& 579,670 \& 520,000 \& .517,151 \& \& 140 \& \& \& 4.000 \& 4.050 \& ws \& 6,933 \& 20,800 \& . $01 / 13 / 2010$ \& .09/01/2027. <br>
\hline 184062-DF-1. \& Clayton Boro Sch Dist School \& \& \& 1 \& 1 FE . \& .536,542 \& ....111.1780 \& -. 605,920 \& .545,000 \& .537,508 \& \& 335 \& \& \& 4.000 \& 4.120 \& us \& .7,267 \& 21,800 \& . $01 / 13 / 2010$ \& .09/01/2028 <br>
\hline 184062-DC-9. \& District \& \& \& 1. \& 1FE. \& 560,476 \& ....110.8820 \& . 637,572 \& 575,000 \& .561,993 \& \& 531 \& \& \& 4.000 \& 4.190 \& ms. \& 7,667 \& 23,000 \& . $01 / 13 / 2010$ \& .09/101/2029 <br>
\hline 184062-DH-7. \& Clayton Boro Sch Dist Schoo \& \& \& 1. \& 1FE. \& 578,730 \& . 110.6610 \& -663,966 \& 600,000 \& .580,775 \& \& 718 \& \& \& 4.000 \& 4.260 \& ws \& 8,000 \& 24,000 \& . $01 / 13 / 2010$ \& 09/01/2030 <br>
\hline 184062-DJ-3. \&  \& \& \& 1. \& 1 FE. \& .611,976 \& ...111.1600 \& 700,308 \& 630,000 \& .613,585 \& \& 562 \& \& \& 4.125 \& 4.330 \& Ms \& 8,663 \& 25,988 \& . $01 / 13 / 2010$ \& .09/01/2031... <br>
\hline 184062-DK-0. \& District... \& \& \& 1. \& 1 FE . \& 650,782 \& -.111.9520 \& .744,481 \& 665,000 \& .651,966 \& \& 410 \& \& \& 4.250 \& 4.400 \& Ms. \& 9,421 \& 28,263 \& . $01 / 13 / 2010$ \& .09/101/2032... <br>
\hline 184062-DL-8. \& Clayton Boro Sch Dist School \& \& \& 1. \& 1 FE . \& 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... <br>
\hline 184062-DU-6. \& District.... \& \& \& 11 \& 1 FE \& 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. <br>
\hline 194740-BZ-8. \& Cobl igat ion-Preref..... \& \& \& 1. \& 1 FE . \& 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 <br>
\hline 194740-CJ-3 \& obl igat ion-Unrefu. \& c \& \& 1. \& 1 FE . \& 589,003 \& . 10.108 .9950 \& 626,721 \& 575,000 \& 586,484 \& \& $(2,520)$ \& \& \& 5.000 \& 4.009 \& FA. \& 10,861 \& 14,375 \& . $07 / 03 / 2012$ \& 02/15/2020 <br>
\hline 213185-EE-7. \& Obl igat ion. \& \& \& 1 \& 1 FE . \& 1,082,270 \& ....114.7200 \& . 1,147,200 \& . 1,000,000 \& . $1,066,962$ \& \& ( 7,108$)$ \& \& \& 5.000 \& 4.000 \& w. \& 6,389 \& 50,000 \& . $09 / 17 / 2010$ \& .11/15/2028 <br>
\hline 213185-EU-1. \& Cook Cnty \& \& \& 1. \& 1FE. \& 10,200,600 \& - 1114.1510 \& ..11,415,100 \& .10,000,000 \& ...10,182,837 \& \& (15,566) \& \& \& 5.240 \& 4.982 \& wn. \& . 66,956 \& 550,200 \& . $11104 / 2011$ \& .11/15/2025 <br>
\hline 213185-Ev-9. \& Cook Cnty IL General \& \& \& 1 \& 1FE. \& 6,716,750 \& ....114.7150 \& 7,685,905 \& 6,700,000 \& 6,715,521 \& \& (985) \& \& \& 5.390 \& 5.357 \& w \& 46, 144 \& 379,187 \& 10/28/2011 \& 11/15/2026. <br>
\hline 215777 -JF-1. \& Corthf ield School di \& \& \& 1. \& 1 FE. \& . $2,147,560$ \& ....117.0760 \& 2,400, 058 \& . 2,050,000 \& 2,111,662 \& \& $(9,889)$ \& \& \& 5.000 \& 4.370 \& Jd. \& 8,542 \& .102,500 \& . $02 / 17 / 2009$ \& . $12 / 101 / 2026 .$. <br>
\hline 228129-63-0. \& Crowley Ind Sch Dist Sc District \& \& \& 1. \& 1 FE \& 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 <br>
\hline 249174-RK-1. \& Denver CO City \& Cnty Sch Dist School Di \& \& \& \& 1FE. \& 5,000,000 \& 99.6000 \& 4,980,000 \& 5,000,000 \& 5,000,000 \& \& \& \& \& 1.097 \& 1.097 \& ...jo. \& 1.828 \& \& . $12 / 05 / 2012$ \& . 12/01/2017 <br>
\hline 263021-DN-4. \& durage Cnty Sch\# 41 Glen \& Q \& \& \& 1 FE . \& $\bigcirc \quad . \quad 841,314$ \& - $\quad .97 .5900$ \& - - 1,005,177 \& - \& - . - . 959,613 \& \& .32,057 \& \& \& \& 3.427 \& N/A \& \& \& .02/17/2009 \& .02/01/2015 <br>
\hline 263021-DP-9. \& DuPage Cnty Sch\# 41 Glen 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 <br>
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\end{tabular}

SCHEDULE D - PART 1


SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[t]{2}{*}{} \& \multirow[b]{2}{*}{Description} \& \multicolumn{3}{|c|}{Codes} \& \multirow[b]{2}{*}{NAIC} \& \multirow[b]{2}{*}{Actual} \& \multicolumn{2}{|r|}{Fair Value} \& \multirow[t]{2}{*}{10
Par} \& 11 \& \multicolumn{4}{|c|}{Change in Book / Adjusted Carrying Value} \& \multicolumn{5}{|c|}{Interest} \& \multicolumn{2}{|r|}{Dates} \\
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Value
\end{tabular} \& \begin{tabular}{l}
12
Unrealized \\
Valuation Increase/ (Decrease)
\end{tabular} \& \begin{tabular}{l}
13 \\
Current Year's (Amortization)/ Accretion
\end{tabular} \& \begin{tabular}{c} 
Current \\
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\end{tabular} \& 15
Total
Foreien
Exchange
Change
In
B./A.C.V. \& Rate
of \& Effective Rate of \& \begin{tabular}{l}
18 \\
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\end{tabular} \&  \& Amount Rec. During Year \& 21

Acquired \&  <br>
\hline 520394-41-7 \& Laur ence Tweship/Cumber land \& \& \& 1 \& 1FE \& \& 111910 \& \& \& \& \& \& \& \& \& \& us \& \& \& 01107/2010 \& 011 <br>
\hline \& Laurence Twish ip/ Cumber land \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 520394-AX-5. \& School Distr \& \& \& 1. \& 1FE \& 186,875 \& 111.4920 \& .211,835 \& . 190,000 \& . 1878785 \& \& 212 \& \& \& 3.625 \& . 3.790 \& ..Ms. \& 2,296 \& -6,888 \& .01/07/2010 \& 09/01/2022 <br>
\hline 520394-AY-3. \& School Distr. \& \& \& 1. \& 1FE. \& 197,680 \& 110.9460 \& 221,892 \& 200,000 \& . 198,093 \& \& 142 \& \& \& 3.750 \& 3.860 \& .ns \& 2,500 \& 7,500 \& .-01/07/2010 \& 09/01/2023 <br>
\hline 520394-Az-0. \&  \& \& \& 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 <br>
\hline 526678 -FN-2. \& Leonia Brd of Education \& \& \& 1. \& .1FE. \& .1,173,702 \& . 111.7410 \& ..1, 285,022 \& - 1,150,000 \& 1,168,724 \& \& ( 2,113$)$ \& \& \& 4.000 \& 3.750 \& ..ju \& 21,211 \& 46,000 \& .07/16/2010 \& .07/15/2026... <br>
\hline 53915-FJ-9 \& Schol \& \& \& \& 1 FE . \& 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 <br>
\hline 53915-FK-6. \& Livingston Twnship Sch Dist \& \& \& \& 1 FE . \& .1,019,220 \& 101.1960 \& . $1.011,960$ \& - 1,.000,000 \& 1,007,626 \& \& ( 4,894$)$ \& \& \& 1.500 \& 0.999 \& .ju \& 6,917 \& 15,000 \& 08/04/2010 \& .07/15/2014 <br>
\hline 53915-FL-4. \& School Distr. \& SD \& \& \& 1 FE \& 205,696 \& . 102.8880 \& 205,776 \& 200,000 \& 202,988 \& \& (1,148) \& \& \& 2.000 \& 1.399 \& ...j. \& 1,844 \& 4,000 \& 08/04/2010 \& .07/15/2015 <br>
\hline 539158-FL-4. \& Schol ${ }^{\text {Liv ingsion }}$ Sistr \& \& \& \& 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 <br>
\hline 539158-FM-2. \& Livingston Twnship Sch Dist \& \& \& \& 1FE. \& 1,011, 190 \& 103.6880 \& -1,036,880 \& - 1, 1,000,000 \& 1,006,863 \& \& ... $(1,862)$ \& \& \& 2.000 \& 1.799 \& .jJ. \& 9,222 \& 20,000 \& .08/04/2010 \& .07/15/2016 <br>
\hline $54438-$ PC-0 \&  \& \& \& \& 1FE \& 24,181,800 \& 129.5530 \& 25,910,600 \& 20,000,000 \& 24,082,694 \& \& (86,412) \& \& \& 6.680 \& 5.172 \& FA \& 556,667 \& 1,336.000 \& 10/27/2011 \& 08/01/2036 <br>
\hline $544646-\mathrm{yy}-3$ \& Los Angeles Unified Sch Dist \& \& \& \& 1 FE \& . $3,299,015$ \& . 116.9890 \& -3,451,176 \& ....2,950,000 \& - 3 , 284,868 \& \& .(13, 123) \& \& \& 5.755 \& 4.755 \& ..... \& 84,886 \& 169,773 \& 11/22/2011 \& 07/01/2029 <br>
\hline 544646 -XZ-0. \& Lui ld Ameri..... \& \& \& \& 1 FE . \& 5,638,200 \& 119.7540 \& . 5,987,700 \& .5,000,000 \& 5,619,917 \& \& . $(16,164)$ \& \& \& 5.750 \& 4.818 \& .jus \& 143,750 \& 287,500 \& .11/01/2011. \& .07/01/2034... <br>
\hline 59333F-EF-3. \& Miami-Dade Cnty FL General \& \& \& 1. \& 1FE \& 8,662,668 \& 110.4540 \& -9,278,136 \& ....8,400,000 \& - . 8 8,512,055 \& \& . (115,073) \& \& \& 5.000 \& 4.430 \& JJ \& 210,000 \& 420,000 \& 02/17/2009 \& .07/01/2024 <br>
\hline 59333-EE-1. \& Miami -Dade Cnty FL General Obligation \& \& \& 1. \& 1 FE . \& 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 <br>
\hline 645020-PQ-5. \& ( City of New Haven CT Genera \& \& \& 1. \& .1FE. \& 281,969 \& . 105.1640 \& 252,394 \& 240,000 \& . 249,621 \& \& ... (8,545) \& \& \& 5.250 \& 1.584 \& .nv. \& 2.100 \& .12,600 \& 02/17/2009 \& 11/01/2014 <br>
\hline 645020-00-3. \& \& \& \& 1 \& 1FE. \& 3,613,434 \& 104.6120 \& 3,326,662 \& 3,180,000 \& 3,286,178 \& \& ( 87,415$)$ \& \& \& 5.250 \& 2.373 \& wn \& 27.825 \& 166,950 \& 02/17/2009 \& 11/01/2014 <br>
\hline 64966 -PP-1. \& \& \& \& 1. \& 1 FE \& .15,320 \& . 100.4440 \& .15,067 \& ..15,000 \& ...15,000 \& \& \& \& \& 5.625 \& 3.071 \& FA. \& 352 \& 844 \& 02/17/2009 \& 08/01/2016 <br>
\hline 659154-4H-8. \& North East Ind Sch Dist/TX
School Distri \& c \& \& 1. \& 1 FE \& 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 <br>
\hline 659154-5N-4. \& \& c \& \& 1 \& 1 FE \& 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 <br>
\hline 684575-R9-6. \& \& \& \& 1. \& 1 FE . \& 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 <br>
\hline 684575-52-0. \& Orange Cnty NY General \& \& \& 1. \& 1FE \& .771,960 \& . 112.5880 \& 843,960 \& 750,000 \& .762,120 \& \& ( 2 , 422) \& \& \& 4.250 \& 3.855 \& ju \& 15,938 \& 31,875 \& 07/11/2008 \& .07/01/2020. <br>

\hline 684575-33-8. \& | Orange Cnty NY General |
| :--- |
| Obligat ion | \& \& \& 1. \& 1FE, \& 1,087,991 \& 112.9400 \& 1,180,223 \& . 1,045,000 \& 1,068,701 \& \& ( 4,725$)$ \& \& \& 4.500 \& 3.945 \& .JJ, \& 23,513 \& 47,025 \& 07/11/2008 \& 07/01/2021 <br>

\hline 684575-55-3. \& Orange Cnty NY General \& \& \& 1 \& 1 FE \& 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 <br>
\hline 686659-FA-6. \& Or eans Par ish Sch Dist
School District....ata \& \& \& \& .1FE. \& . 1, 134,310 \& . 112.8520 \& . $1.128,520$ \& - 1,000,000 \& 1,084,493 \& \& . 217,708$)$ \& \& \& 5.000 \& 2.570 \& .ns. \& .16,667 \& .50,000 \& .07/28/2010. \& 09/01/2016... <br>
\hline 718814-2Z-2. \& Amer i ca Bonds. \& c. \& \& \& 1 FE \& 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 <br>
\hline 718814-27-2. \& . City of Phoenix A2 Build \& \& \& \& 1 FE \& .563,035 \& .117.0710 \& .585,355 \& 500,000 \& .561,122 \& \& . 11,684 \& \& \& 5.269 \& 4.385 \& Ju \& .13,173 \& .26,345 \& .11/01/2011.. \& .07/01/2034. <br>
\hline 734260-2C-5. \& Port of Houston Auth General Obligation. \& \& \& 1. \& 1FE. \& 1,095,560 \& 120.7580 \& 1,207,580 \& 1,000,000 \& 1,076,432 \& \& $(8,319)$ \& \& \& 5.000 \& 3.850 \& . 40 \& 12,500 \& 50,000 \& 07/30/2010.. \& 10/01/2029 <br>
\hline
\end{tabular}

## SCHEDULE D - PART 1



SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline 1 \& 2 \& \& Cod \& des \& 6 \& 7 \& Fair \& Value \& 10 \& 11 \& \& ange in Book / Adjuste \& Carrying Value \& \& \& \& Intere \& \& \& \& \\
\hline \(\underset{\text { Identification }}{\text { CUSI }}\) \& Description \& Code \& \[
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o \\
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\mathrm{~g} \\
\mathrm{n}
\end{array}
\] \&  \& \[
\begin{array}{|c|}
\text { NAIC } \\
\text { Designation }
\end{array}
\] \& Actual
Cost \& \begin{tabular}{l}
Rate Used \\
to Obtain Fair Value
\end{tabular} \& Fair
Value \& \[
\begin{gathered}
\text { Par } \\
\text { Value }
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\] \& \begin{tabular}{l}
Book/ \\
Adjusted Carrying Value
\end{tabular} \& 12

Unrealized
Valuation
Increase/

(Decrease) \& \begin{tabular}{c}
13 <br>
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| Current Year's |
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| (Amortization)/ | <br>

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\end{tabular} \&  \& 19

Admitted
Amount
Due \&
Accrued \& 20
Amount
Rec.
During
Year \& Acquired ${ }^{21}$ \&  <br>
\hline \& Connecti icut State Dev Auth \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 207728-CW-6. \& Devel ooment. \& \& \& \& Itre \& 1,000,000 \& .-100.5940 \& -1,005,940 \& 1,000,000 \& -1,000,000 \& \& \& \& \& 1.550 \& .1.550 \& ...aO \& 3,875 \& 7,07 \& -03/28/2012 \& .05/01/2031... <br>
\hline 20774-68-6. \& Aut Higher Ed. \& \& \& 1. \& . 1 FE \& . $10,240,200$ \& . 108.2360 \& -10,823,600 \& ...10,000,000 \& ...10,102,764 \& \& ( 123,984 ) \& \& \& . 5.000 \& 4.560 \& ..... J \& 250,000 \& .500,000 \& .02/17/2009 \& .07/01/2035... <br>
\hline 20774U-PP-4. \& Aut Higher Ed \& \& \& 1 \& 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 <br>
\hline 235416-28-0. \& las virurks \& \& \& 1 \& 1FE \& 5,585,845 \& .113.6970 \& 5,855,396 \& 5,150,000 \& 5,500,759 \& \& (37,970) \& \& \& 5.000 \& 3.970 \& ${ }^{40}$ \& 64.375 \& 257.500 \& 0170912010 \& <br>
\hline \& Denver City \& Cnty Brd of Wtr \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 24916P-FP-7. \& Bui Id Amer \& \& \& 1 \& 1 FE \& 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 <br>
\hline 303823-K0-0. \& Medical \& \& \& 1. \& 1 \& 1,488,450 \& .117.6470 \& ..1,470,588 \& 1,250,000 \& ..1,487,762 \& \& (688) \& \& \& 5.000 \& 2.691 \& .n. \& 1,910 \& \& .12/13/2012 \& 05/15/2028... <br>
\hline 31359M-EU-3. \& Federal Nat ional Mor tage
Asco FNMA 611 \& \& \& \& 1 \& 656,116 \& . 143.3980 \& 716,991 \& 500,000 \& .642,215 \& \& (6,117) \& \& \& 6.250 \& 3.886 \& WN \& 3.993 \& 31.250 \& 08/25/2010 \& .05/15/2029 <br>
\hline \& deral National Mor tgage \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline $313600-65-9$. \& Assc MNAA O9, \& \& \& 1. \& 1 \& .1,100,000 \& 100.2090 \& -.1,102,297 \& 1,100,000 \& .1,100,000 \& \& \& \& \& 0.700 \& 0.700 \& mins. \& 2,160 \& \& 09/18/2012 \& 09/20/2017 <br>
\hline 34160W-6Q-1. \& Protection General. \& \& \& 1 \& 1FE, \& 5,515,322 \& . 103.3420 \& . $5,378,951$ \& . $5,205,000$ \& 5,288,765 \& \& (61,703) \& \& \& 5.000 \& 3.721 \& . JJ. \& 130,125 \& 260,250 \& . $02 / 17 / 2009$ \& .07/01/2019 <br>
\hline 34281P-KB-8. \& Auth Build Ame....... \& \& \& 1. \& 1 FE . \& 4,025,000 \& . 112.1260 \& . $4,513,072$ \& . $4,025,000$ \& 4,025,000 \& \& \& \& \& 6.641 \& 6.641 \& . A0 \& .66,825 \& 267,300 \& .02/26/2010. \& .10/01/2020 <br>
\hline 34281P-KC-6. \& Flor ida Governmental Util \& \& \& 1. \& 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 <br>
\hline \& Flori ida Goverrmental Util \& \& \& \& 15 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 34281P-र-4.4. \&  \& \& \& 1 \& fre \& . $4,255,000$ \& .109.9490 \& 4,678, \& . $4,255,000$ \& 4,255,000 \& \& \& \& \& \& . 630 \& $\ldots$ \& 81,164 \& 324,657 \& .02126/2010... \& 10/01/2030 <br>
\hline 34281P-KE-2. \& Auth Build Ame. \& \& \& 1. \& 1FE \& . $5,445,000$ \& . 108.9310 \& . $5,931,293$ \& . 5,445,000 \& . 5,445,000 \& \& \& \& \& 7.880 \& 7.880 \& Aо. \& 107,267 \& 429,066 \& .02/26/2010 \& 10/01/2035.. <br>
\hline 34281 P-KF-9. \& Auth Build Ame. \& \& \& 1. \& 1 FE. \& 7,005,000 \& 109.0860 \& 7,641,474 \& 7,005,000 \& 7,005,000 \& \& \& \& \& 8.080 \& 8.080 \& . 40 \& 141,501 \& 566,004 \& 02/26/2010 \& .10/01/2040 <br>
\hline \& Fredericksburg Econ Dev Auth Medica \& \& \& \& 2 FF \& 1109760 \& \& 1166.740 \& \& \& \& \& \& \& \& \& JD \& \& \& $08 / 02 / 2010$ \& 06/15/2019 <br>
\hline 41473 E-FJ -5 \& Harr isburg Auth Poil lut ion. \& \& \& 2 \& 1 FE \& -7,212,595 \& -100.3770 \& 6,524,505 \& -6,500,000 \& .1,643,165 \& \& (152,504) \& \& \& \& \& N- Jo \& 27,083 \& 325,000 \& 02/17/2009 \& 12/01/2033 <br>
\hline 419771-AM-0. \& Hawai i Paci i ic Hlth Medical. \& \& \& 1 \& 1 FE \& -489,715 \& -112.4730 \& - 562,365 \& 500,000 \& -490,422 \& \& 309 \& \& \& 5.625 \& 5.801 \& $\cdots$ \& 14,063 \& .28,125 \& -07/08/2010. \& 07/01/2030... <br>
\hline 438701 -PT-5 \& Honolulu Waste Wtr Sys Rev \& \& \& 1 \& 1FE \& 8,889,297 \& 115.4350 \& 10.215,998 \& 8,850,000 \& 8,879,692 \& \& (3,611) \& \& \& 6.339 \& 6.275 \& J \& 280.501 \& 561,002 \& 09/16/2009 \& .07/01/2035 <br>
\hline \& Houston Higher Educ Fin Corp \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline $442378-\mathrm{CX}-1$. \& Higher Educ. \& \& \& 1. \& 1FE. \& 1,036, 170 \& 111.9110 \& .1,119, 110 \& 1,000,000 \& 1,018,020 \& \& $(3,649)$ \& \& \& 5.000 \& 4.541 \& .n. ${ }^{\text {In }}$ \& 6,389 \& 000 \& .07/02/2007. \& .05/15/2032. <br>
\hline $442435-\mathrm{KN}-2$. \& Water..... \& \& \& 11 \& . 1 FE \& ..1,983,020 \& ...112.7570 \& . 2, 255, 140 \& . 2,000,000 \& ....1,984,646 \& \& 407 \& \& \& 5.000 \& 5.060 \& .nv. \& ..12,778 \& .100,000 \& . $02 / 17 / 2009$ \& . $11 / 15 / 2033 .$. <br>
\hline 452010-AL-8. \& Educat ion.. \& \& \& 1. \& .1FE. \& 697,681 \& . 102.3950 \& 624,610 \& 610,000 \& 620,337 \& \& ( 20,432 \& \& \& 5.000 \& 1.584 \& JJ \& .15,250 \& 30.500 \& 02/17/2009 \& 233... <br>
\hline 462467 -Nu-1. \& Iowa Finance Author ity Single
Fami ly Hsg \& \& \& 1. \& 1FE. \& 2,803,591 \& 99.5190 \& . 2,790, 106 \& . 2,803,591 \& 2,803,591 \& \& \& \& \& 2.300 \& 2.300 \& now \& 716 \& \& 12/13/2012 \& .09/01/2040.... <br>
\hline $462465-\mathrm{EE}-5$. \& lowa St Fin Auth Midwstrn \& \& \& 1 \& 2 FE \& .500,000 \& 101.2260 \& 506,130 \& . 500,000 \& .500,000 \& \& \& \& \& 4.750 \& 4750 \& Fa \& 9.038 \& \& \& $08 / 01$ <br>
\hline \& JEA Water \& Sewer Sys Rev \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 46613-R4-0. \& Utilities ... \& \& \& 1. \& 1 FE \& 497,420 \& 101.5380 \& ,690 \& 500,000 \& 497,426 \& \& \& \& \& 4.000 \& 4.030 \& ${ }^{\text {AO }}$ \& 5,000 \& 2,500 \& 07/19/20 \& 2041 <br>
\hline 469487-8W-1. \& Amer ica Bo........ \& \& \& 1. \& 1 FE \& 6,000,000 \& . 115.0260 \& 6,901,560 \& 6,000,000 \& 6,000,000 \& \& \& \& \& 6.259 \& 6.259 \& . . A0. \& 93,885 \& 375,540 \& . 09/24/2009 \& .10/01/2030... <br>
\hline 495289-A2-6. \& King Cnty WA Sur Rev Wate \& \& \& 1 \& 1 FE . \& 3,560,730 \& 123.4490 \& .3,703,470 \& .3,000,000 \& 3,493,250 \& \& . 54,541$)$ \& \& \& 5.000 \& \& . JJ. \& .75,000 \& .110,833 \& . 08/23/2011 \& . $01 / 01 / 2022$. <br>
\hline 516839-At-4. \& Education \& \& \& 1 \& 1 FE \& 979,950 \& 100.1370 \& 1,001,370 \& 1,000,000 \& 983,616 \& \& 1,010 \& \& \& 5.000 \& 5.190 \& FA. \& 20,833 \& 50,000 \& 02/17/2009 \& 08/01/2024 <br>
\hline 52349M-EP-3. \& Water.....ast dev Auth/FL \& \& \& 1. \& . 1 FE \& 3,892,900 \& . 104.3180 \& 4, 198,800 \& 4,025,000 \& 3,916,437 \& \& 6,452 \& \& \& 5.000 \& 5.310 \& .n.w. \& .33,542 \& 201,250 \& . $02 / 17 / 2009$ \& .11/01/2024... <br>
\hline 542690-27-0. \& Long Is and Power Auth \& \& \& 1 \& 1 FE \& .1,096,279 \& . 1113.5690 \& - \& -....1,000,000 \& 1,092,652 \& \& . $(3,627)$ \& \& \& 5.000 \& 3.842 \& MS \& 16,667 \& 6,250 \& 07/17/2012 \& 09/01/2037 <br>
\hline 544525-KH-0. \& Los Angeles Dept of Wtr \& Pwr Water \& \& \& 1 \& 1 FE \& 7,506,792 \& 111. 1870 \& 8,005,464 \& 7,200,000 \& 7,413,114 \& \& $(42,103)$ \& \& \& 5.000 \& 4.270 \& J. \& 180,000 \& 360,000 \& 09/09/2010... \& 07/01/2044 <br>
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SCHEDULE D - PART 1

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\hline \multirow[t]{2}{*}{} \& \multirow[t]{2}{*}{( ${ }^{2}$} \& \multicolumn{3}{|c|}{Codes} \& \multirow[b]{2}{*}{NAIC} \& \multirow[b]{2}{*}{Actu} \& \multicolumn{2}{|r|}{Fair Value} \& \multirow[t]{2}{*}{10} \& 11 \& \multicolumn{4}{|c|}{Change in Book / Adjusted Carrying Value} \& \multicolumn{5}{|c|}{Interest} \& \multicolumn{2}{|c|}{Dates} <br>
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\hline - \& Louisiana LCCI Gov Env Fac Dev \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 54627R-AC-4. \& Facinties. \& \& \& 2 \& 1 FE \& 999,621 \& -..109.4800 \& .1,094,800 \& -1,000,000 \& .999,701 \& \& \& \& \& 3.450 \& 3.456 \& ...FA... \& . 144,375 \& .34,500 \& .07/15/2010... \& .02/01/2022... <br>
\hline 54627R-AD-2. \& Facilities \& \& \& 2 \& 1 FE \& 999,507 \& . 113.2910 \& . $1.132,910$ \& .1,000,000 \& 999,560 \& \& 40 \& \& \& 3.960 \& 3.966 \& . FA. \& 16,500 \& 39,600 \& 07/15/2010 \& .08/01/2024 <br>
\hline 546395-44-7. \&  \& \& \& 1. \& 1FE \& 987,650 \& 110.1740 \& 1,101,740 \& 1,000,000 \& 988,441 \& \& 380 \& \& \& 5.250 \& 5.351 \& .nv. \& 8,750 \& 52,500 \& 08/09/2010 \& 11/01/2030 <br>
\hline 575718-AA-9. \& Massachusetts
MASSIN 5.607 \& \& \& \& 1 FE. \& 497.905 \& 143.5060 \& .717,530 \& 500,000 \& .497,962 \& \& \& \& \& 5.600 \& 5.623 \& . JJ.. \& 14,000 \& \& 05/11/2011 \& 07/01/2111 <br>
\hline 575832 -UH-1. \& Massachuset ts Col lege Bldg
Aut Bui d Ame \& \& \& \& 1FE \& 5,971,789 \& 130.5560 \& 6,358,077 \& 4,870,000 \& 5,929,033 \& \& $(39,253)$ \& \& \& 6.390 \& 4.561 \& UN \& 51,866 \& 311,193 \& 11/22/2011. \& 05/01/2030... <br>
\hline \& Commonveal th of Massachusetts \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>

\hline $590545-\mathrm{KH}-1$. \& City of Mesa AZ Uutilities. \& \& \& \& 1 FE \& $$
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$07 / 01 / 2015$ <br>
\hline 59259N-ZV-6. \& Metropol Itan \& \& \& \& 1FE \& 4,126,225 \& 128.3270 \& 4,292,538 \& . 3,345,000 \& 4,111,822 \& \& $(13,255)$ \& \& \& 6.089 \& 4.618 \& . NW \& 26,025 \& 203,677 \& . 11/23/2011 \& .11/15/2040 <br>
\hline 59259 -By-4. \& Met \& \& \& \& 1FE \& 12,477,800 \& 130.7910 \& 13,079,100 \& 10,000,000 \& .12,429,868 \& \& $(42,186)$ \& \& \& 6.668 \& 5.012 \& wn \& 85,202 \& 666,800 \& 11/07/2011 \& .11/15/2039 <br>
\hline 59259-6E-3. \& Metropol itan Transport Auth \& \& \& \& 1FE \& 7,658,595 \& 127.3700 \& . 8,024,310 \& 6,300,000 \& 7,625,973 \& \& $(32,622)$ \& \& \& 6.734 \& 4.946 \& .un \& 54,209 \& \& 04/05/2012 \& 11/15/2030 <br>
\hline 592646-58-7. \& Metro Washington Air Auth Airport \& \& \& 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 <br>
\hline 59266-EC-1 \& Metro Wtr Dist of Southern Ca \& \& \& 1 \& \& 6.909 .590 \& 123.9810 \& \& $6.370,000$ \& 6,833,346 \& \& \& \& \& \& \& - \& \& \& $11 / 0812011$ \& 07/01/2040 <br>
\hline 5206 \& Wiami -Dade Witr \& Swr Sys Rev \& \& \& \& \& 0,00,500 \& 23.910 \& \& ,37,00 \& 6,83,3 \& \& \& \& \& \& \& \& \& \& -107201 \& , <br>
\hline 59333P-HV-3 \& Airport \& \& \& 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 <br>
\hline 59333P-RQ-3 \& Ai rport - \& \& \& 1 \& 1 FE . \& 4,510,500 \& . 109.3190 \& -...5,465,950 \& . $5,000,000$ \& 4,578,576 \& \& 19,030 \& \& \& 5.250 \& 6.168 \& . A0 \& .65,625 \& 262,500 \& 02/17/2009 \& .10/01/2026 <br>
\hline 59333P-26-6. \& Ai riport...... \& Sur Sys Rev \& \& \& \& 1 FE . \& 581,698 \& 109.9540 \& - 571,761 \& .520,000 \& .553,912 \& \& $(11,765)$ \& \& \& 5.000 \& 2.529 \& A0. \& 6,500 \& 26,000 \& 07/22/2010 \& 10/01/2015 <br>
\hline 59465H-PD-2. \& Wedi cal.... \& \& \& 1. \& 1 FE . \& .415,206 \& ...110.5890 \& . 453,415 \& 410,000 \& .413,930 \& \& .(894) \& \& \& 5.000 \& 4.729 \& .jod. \& 1,708 \& 20,500 \& ..07/13/2011. \& 12/01/2026... <br>
\hline 594691-AT-6. \& Michigan Strategic Fund Pol lution \& \& \& \& 2 FE \& 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... <br>
\hline 595679-CJ-8. \& Middle Bucks Area Voc-Tech Sch General \& \& \& 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... <br>
\hline 64579F-2P-7. \& New Jersey HIth Care Fac Fin \& \& \& 1 \& 2 FE \& 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 <br>
\hline 645918-52-0. \& Vew Jersey Econ Dev Authority \& \& \& \& \& 500,000 \& . 2100 \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& New Jersey Tran Trst Fund \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline $646136-$ XS-5. \& Auth Bui Id Ane. \& \& \& 2. \& 1 FE \& 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 <br>
\hline 646136-XT-3. \& Auth Build Ame \& \& \& 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 <br>
\hline 646136 - YA -3. \& Auth Transport \& \& \& \& 1FE \& 1,110,630 \& 122.8690 \& 1,228,690 \& 1,000,000 \& 1,097,189 \& \& $(6,244)$ \& \& \& 5.000 \& 3.971 \& $\ldots$ \& 2,222 \& 50,000 \& 10/14/2010. \& 12/15/2024 <br>
\hline 64970-U8-8. \& auth Water.............. \& \& \& 1 \& 1 FE . \& 12,517,875 \& 106.7740 \& 13,346,750 \& 12,500,000 \& 12,506,893 \& \& $(10,849)$ \& \& \& 5.000 \& 4.970 \& .jo. \& 27,778 \& 625,000 \& 02/17/2009 \& 06/15/2036... <br>
\hline 64970M-B7-7. \& New York City Hsg Dev Corp \& \& \& 1. \& 1 FE \& . 2,084,450 \& 106.7010 \& . 2,443,453 \& . 2, 290,000 \& .2,111,030 \& \& 7,387 \& \& \& 5.100 \& 5.898 \& .n. \& 19,465 \& .116,790 \& 02/17/2009 \& 11/01/2027.... <br>
\hline 64970M-C9-2. \& New York City Hsg Dev Corp \& \& \& 1 \& 1 FE . \& 2,275,600 \& 106.7010 \& .2,667,525 \& 2,500,000 \& 2,304,618 \& \& 8,064 \& \& \& 5.100 \& 5.898 \& W. \& 21,250 \& 127,500 \& 02/17/2009 \& 11/01/2027. <br>
\hline 649710-6W-7. \& General \& \& \& \& 1 FE \& 4,285,480 \& 107.2600 \& 4,290,400 \& 4,000,000 \& .4,279,866 \& \& $(5,614)$ \& \& \& 3.450 \& 2.514 \& w. \& 23,000 \& .69,000 \& 10/19/2012 \& 05/01/2021 <br>
\hline 64971 Q-RA-3. \& NYC Trans Fin Ftr Tax Sec Rev General \& \& \& \& 1FE. \& 9,763,900 \& 103.5770 \& - .10,357,700 \& 10,000,000 \& 9,786,396 \& \& 20,632 \& \& \& 2.900 \& 3.179 \& .n. \& 48,333 \& 277,111 \& 11/22/2011.. \& .11/01/2021... <br>
\hline 649710-TW-3. \& NYC Tras \& \& \& \& 1FE \& 7,084,210 \& 100.4730 \& 7,033,110 \& 7,000,000 \& 7,083,192 \& \& $(1,018)$ \& \& \& 2.150 \& 1.975 \& WN. \& 25,083 \& \& 11/20/2012 \& 05/01/2020 <br>
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SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[b]{2}{*}{CUSIP} \& \multirow[b]{2}{*}{Description} \& \multicolumn{3}{|c|}{Codes} \& \multirow[b]{2}{*}{NAIC} \& \multirow[b]{2}{*}{Actual} \& \multicolumn{2}{|r|}{Fair Value} \& \multirow[t]{2}{*}{\begin{tabular}{l}
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\end{tabular}} \& 11 \& \multicolumn{4}{|c|}{Change in Book / Adjusted Carrying Value} \& \multicolumn{5}{|c|}{Interest} \& \multicolumn{2}{|c|}{Dates} \\
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\hline 649710-M\%-7 \& NYC Trans Fin Ftr Tax Sec Rev \& \& \& 1 \& 1FE \& 8704059 \& 100.3570 \& 8736 \& 8705000 \& 8705320 \& \& 360 \& \& \& 5.000 \& 00 \& FA \& 181354 \& \& 9111 \& $2201 / 2033$ <br>
\hline \& NVC Trans Fin Ftr Tax Sec Rev \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline $649710-\mathrm{yz}-0$. \& General- U- \& \& \& 1. \& 1FE \& 1,294,994 \& . 100.3170 \& - 1,299, 105 \& - 1,295,000 \& 1,295,048 \& \& \& \& \& 5.000 \& 5.000 \& FA \& 26,979 \& \& 09/11/2012 \& 02/01/2033 <br>
\hline 64983X-CD-4. \& Higher Edu - \& \& \& \& .1FE \& 238,118 \& . 116.4290 \& 232,858 \& 200,000 \& .218,709 \& \& ( 5,218$)$ \& \& \& 5.750 \& 2.822 \& .n. N \& 1,469 \& 11,500 \& .02/17/2009 \& 05/15/2016 <br>
\hline 649842-CD-1. \& Auth Power \& \& \& \& .1FE \& . 1,980,000 \& -84.000 \& -1,890,000 \& --.2,250,000 \& 2,009,829 \& \& - 17,789 \& \& \& 0.529 \& 1.473 \& \& 132 \& .13,538 \& 04/13/2011 \& .06/01/2025 <br>
\hline 649845-GW-8. \& Nem York Ergy Rscch \& Dev
Auth Pol lutions. \& \& \& \& 2 FE \& 1,000,000 \& 101.7590 \& \& \& 1,000,000 \& \& \& \& \& \& \& US \& \& \& 09/22/2011 \& <br>
\hline 64985W-5K-6. \& New York Env Fac Corp Water. \& $c$ \& \& 1 \& 1 FE \& , 201, 144 \& -101.8950 \& - .-.203,790 \& --..100,000 \& ...200, 133 \& \& 283 \& \& \& 5.000 \& \& $\cdots$ \& \& -10,000 \& 02/17/2009 \& 06/15/2033 <br>
\hline 64985W-5K-6. \& Nen York Env Fac Corp Mater.. \& \& \& 1. \& 1 FE . \& 14,884,656 \& 101.8950 \& 15,080,460 \& -14,800,000 \& 14,809,865 \& \& (20,937) \& \& \& 5.000 \& \& - Jo \& 32,889 \& 740,000 \& -02/17/2009 \& .06/15/2033... <br>
\hline 64986-U8-2. \& Corp Water ..ne. \& \& \& 1. \& 1 FE. \& .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 <br>
\hline 649902-2E-2. \&  \& $c$ \& \& 2 \& 1 FE. \& 5,515,436 \& . 117.8650 \& 6,682,946 \& 5,670,000 \& 5,523,474 \& \& 3,882 \& \& \& 5.289 \& 5.502 \& us \& 88.300 \& 299.886 \& 11/09/2010 \& <br>
\hline \& New York State Dormi tory Auth \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 649902-T3-7. \& Build Amer \& \& \& \& 1 FE \& 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 <br>
\hline 64990 -FE-2. \&  \& \& \& 1. \& .1FE. \& . $1,194,900$ \& . 1119.3060 \& ..1,193,060 \& .-...000,000 \& -.1,187,224 \& \& . $(7,676)$ \& \& \& 5.000 \& 2.690 \& .ns. \& 21,528 \& \& .-07/23/2012 \& .03/15/2030 <br>
\hline $650035-\mathrm{PE}-2$. \& 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 \& . $01 / 1 / 1 / 2021 .$. <br>
\hline 655909-BB-4. \& Norfolk ReDev \& Hsg Auth \& \& \& \& 1FE. \& 251, 494 \& 100.3420 \& 255.872 \& 255,000 \& 254,712 \& \& 298 \& \& \& 5.500 \& 5.628 \& 10 \& \& \& 02/28/1997 \& <br>
\hline 657902-K2-7. \& North Carol ina Med Care Comm \& \& \& 1 \& 1 FE \& 496,030 \& 102.9980 \& 514,990 \& .500,000 \& . 497 , 123 \& \& 292 \& \& \& \& \& \& \& \& \& <br>
\hline \& rth Carol ina Eastern P \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 658196-314-0. \& Power \& \& \& 1. \& 1FE. \& .562,865 \& .117.5890 \& .587,945 \& .500,000 \& .550,793 \& \& ( 6,747$)$ \& \& \& 5.000 \& 3.531 \& ...ju \& .12,500 \& 25,000 \& .09/09/2010... \& .01/01/2023 <br>
\hline $658203-47-7$. \& Poner.. \& \& \& \& 1 FE . \& 1,000,000 \& 99.6620 \& 996,620 \& - \& 1,000,000 \& \& \& \& \& 2.447 \& 2.447 \& JJ \& 1,359 \& \& 11/30/2012 \& 01/01/2021... <br>
\hline 658203-U8-5. \& North Carol ina 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 <br>
\hline \& North Carol ina Mun Pr Agency \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 658203-09-3. \& Power - ...t. - \& \& \& \& 1FE. \& 1,040,000 \& 6340 \& 1,036 \& ,000 \& 1,040,000 \& \& \& \& \& 2.942 \& 2.942 \& JJ \& 1,700 \& \& 11/30/2012 \& 12023... <br>
\hline 663903-DM-1. \& Muild Amer ic...... \& \& \& 1. \& 1 FE . \& . $5,026,905$ \& . 115.6140 \& . $.5,202,630$ \& . $4,500,000$ \& 4,970,458 \& \& (48,931) \& \& \& 6.038 \& 4.449 \& . WN. \& 34,719 \& 271,710 \& .-11/01/2011 \& .11/15/2040 <br>
\hline 67755-113-9 \& Ohio State Building Auth \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>

\hline 677659-14-7. \& Ohio State Wtr Dev Auth Water. \& \& \& 2 \& $\cdots$ \& $$
\begin{array}{r}
.3,983,690 \\
\ldots \\
\hline ., 193,290
\end{array}
$$ \& 126.6150 \& $4,353,515$

$.1,266,150$ \& \[
$$
\begin{array}{r}
.3,515,000 \\
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\] \& \[

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\begin{array}{r}
.3,931,884 \\
. .1,152,929
\end{array}
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\cdots(10,178)

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5.000 \\
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3.420 \\
-\quad . \quad 2.830
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\begin{aligned}
& 43,938 \\
& \ldots, 167
\end{aligned}
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\] \& \[

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\begin{aligned}
& .183,561 \\
& . .50,000
\end{aligned}
$$
\] \& $\cdots$ \& 12/101/2020 <br>

\hline 678505-CM-8. \& oklahoma Agri \& Mech College \& \& \& 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 <br>
\hline 67910H-LH-1 \& Oklahoma Muni Power Auth \& \& \& 2 \& 1FE \& 905,000 \& 100.1000 \& 905,905 \& 905,000 \& 905.000 \& \& \& \& \& 0.880 \& 1.051 \& MoN \& 635 \& 8.295 \& 08111/2010 \& 01/01/2023 <br>
\hline \& Pasco Cnty FL Wtr \& Sur Rev \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 702541-GR-8. \& Build Amer ic. \& \& \& 1. \& 1 FE . \& 3,858,890 \& 115.5280 \& .4,314,971 \& 3,735,000 \& 3,826,635 \& \& $(10,641)$ \& \& \& 6.660 \& 6.209 \& . 40 \& .62,188 \& 248,751 \& .-.09/21/2009 \& 10/01/2034 <br>
\hline 70917N-75-7. \& Auth Higher Ed.. \& \& \& 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. <br>
\hline 709223-2R-1. \&  \& \& \& 1. \& 1 FE \& . 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 <br>
\hline 717817-PW-4. \& Phi ladelphia PA Wtr \& Swr Rev Airport \& \& \& 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. <br>
\hline 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 \& 021712009 \& 07101 <br>
\hline \& Phi ladel lohia PA Wtr \& Swr Rev \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& Phoenix Civic Imp Corp \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& .08/01/2018.. <br>
\hline 718831 \& Airport. \& \& \& 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. <br>
\hline
\end{tabular}

SCHEDULE D - PART 1


SCHEDULE D - PART 1


SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[t]{2}{*}{} \& \multirow[b]{2}{*}{Descriptio} \& \multicolumn{3}{|c|}{Codes} \& \multirow[b]{2}{*}{NAIC} \& 7 \& \multicolumn{2}{|r|}{Fair Value} \& \multirow[b]{2}{*}{Par} \& 11 \& \multicolumn{4}{|c|}{Change in Book / Adjusted Carrying Value} \& \multicolumn{5}{|c|}{hterest} \& \multicolumn{2}{|c|}{Dat} \\
\hline \& \& Code \& \[
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\& \text { CHAR }
\end{aligned}
\] \& \& Actual
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Value \& 12
Unrealized Valuation Increase/ (Decrease) \&  \& 14
Current
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Impairent
Recognized \& 15
Total
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In
B.IA.C.V. \& \({ }^{16}\) \& Effective Rate of \& \begin{tabular}{l}
18 \\
When Paid
\end{tabular} \& 19

Admitted
Amount
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Amount
Rec.
During
Year \& 21

Acquired \& \begin{tabular}{c}
22 <br>

| Stated |
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| Contractual |
| Maturity |
| Date | <br>

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\end{tabular} <br>

\hline \& Freddie Mac Gold Pool FG60 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 312847-AZ-9. \& $605124 \times \sim$ \& \& \& 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... <br>
\hline 312817-XY-7. \&  \& c. \& \& 2 \& 1. \& 23,982,110 \& . 111.8090 \& 24,139,950 \& 21,590,309 \& 23,941,164 \& \& $(40,946)$ \& \& \& 4.500 \& 1.863 \& noN \& 80,964 \& \& 11/26/2012 \& 02/01/2040... <br>

\hline 312817 -XY-7. \& $$
\begin{array}{|l|}
\text { Freddie } \\
\text { G05795 }
\end{array}
$$ \& \& \& 2 \& 1. \& .2,659,951 \& . 1111.8090 \& 2,677,458 \& 2,394,667 \& 2,655,410 \& \& $(4,541)$ \& \& \& 4.500 \& 1.863 \& MON. \& 8,980 \& \& . 11/26/2012 \& 02/01/2040 <br>

\hline 312817-45-9. \&  \& \& \& 2 \& 1 \& . $1.243,424$ \& . 107.8400 \& ...1,284,123 \& ..1,190,762 \& ...1,242,293 \& \& \& \& \& 5.000 \& . 3.712 \& WON. \& 4,962 \& .59,538 \& ..01/26/2011. \& 03/01/2040... <br>

\hline 312848-A4-6. \& $$
\begin{aligned}
& \text { Freddi } \\
& \text { G06027 }
\end{aligned}
$$ \& \& \& 2 \& 1. \& .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... <br>

\hline 3128m9. JV-5. \& Foditic \& \& \& 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... <br>
\hline 3128MJ-AR-1. \& Freddie Wac Gold Pool Fglin \& c. \& \& 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 <br>
\hline 31288J-EZ-9 \& 608151 \& c \& \& 2 \& 1. \& . 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 <br>
\hline 31288J - H| - 3 \&  \& \& \& 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 <br>
\hline 3128NC-XF-6. \& Freddie Mac Non Gold Pool \& c \& \& 2 \& 1 \& .629,666 \& .107.9440 \& .654,764 \& .600,576 \& ..629,892 \& \& 529 \& \& \& 5.405 \& 3.269 \& wov. \& 2.732 \& 33,085 \& 02/17/2009 \& 01/01/2036 <br>
\hline $3128 N C-X F-6$ \& Freddie Mac
FHARM 160678 \& \& \& 2 \& 1 \& 2,627.229 \& 107.9440 \& 2,731,944 \& 2.530,888 \& 2,628,168 \& \& 2,206 \& \& \& 5.405 \& 3.269 \& MON \& 11.400 \& 133,042 \& 02/17/2009 \& 01/01/2036 <br>
\hline 312887-0t-3. \& ${ }^{\text {Freddie Mac Gold Pool FGiw }}$ \& \& \& 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... <br>

\hline 3128PR-4M-8. \& $$
\begin{array}{|l|l|}
\hline \text { reddale } \\
\text { J12628. }
\end{array}
$$ \& \& \& 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.. <br>

\hline 3128UH-JA-4. \& ${ }^{\text {F }}$ \& \& \& 2 \& 1 \& 453,432 \& 105.4560 \& .457,445 \& 433,777 \& 453,212 \& \& (221) \& \& \& 3.229 \& 1.817 \& moN \& 1,167 \& .0,512 \& 03/16/2012 \& 10/01/2041 <br>

\hline 31292H-U2-8. \& $$
\begin{aligned}
& \text { Freddie } \\
& \text { Co1501. }
\end{aligned}
$$ \& .. 0 \& \& 2 \& 1 \& 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... <br>

\hline 31292K-2Y-2. \& Freadie liac bold Pool Fould \& \& \& 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... <br>
\hline 31292R-7M-8. \& Freddie Mac Gold Pool Fglic
C00000 \& \& \& 2 \& 1 \& 13,061,983 \& . 106.6410 \& 13,207, 145 \& 12,384,695 \& .13,051,830 \& \& (10, 153) \& \& \& 3.500 \& 1.1 .94 \& MON \& 36, 122 \& 144,488 \& 07/09/2012 \& 06/01/2042 <br>
\hline 312935-HY-8. \& Freddie Mac Gold Pool FGLMC A88347. \& \& \& 2 \& 1. \& . 840,426 \& .106.7870 \& 869,611 \& . 814,342 \& 839,906 \& \& (392) \& \& \& 4.000 \& 2.944 \& noN \& 2,714 \& 36,166 \& - 10/12/2011. \& 09/01/2039 . <br>
\hline 312941 -7F-8. \& Freddie
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... <br>
\hline 312941 -NJ-2. \& Freddie Mac Gold Pool FGLMC Freddie
A93093 \& \& \& 2 \& 1 \& 852,860 \& .110.3400 \& 892,695 \& 809,037 \& 851,695 \& \& (19) \& \& \& 4.500 \& 2.518 \& yon \& 3,034 \& 36,407 \& 10/12/2011 \& 07/01/2040 <br>
\hline 312945-20-3. \& ${ }_{\text {A97040 }}$ Predie lla \& \& \& 2 \& 1 \& .693,134 \& 106.8490 \& 745,502 \& 6997,713 \& 693,208 \& \& \& \& \& 4.000 \& 4.210 \& MON \& 2,326 \& .27,909 \& 03/16/2011 \& 02/01/2041... <br>
\hline 31294K-JC-0. \& Freddie Mac Gold Pool FGC
E01159 \& c \& \& 2 \& 1 \& . 1, 249,844 \& 108.5490 \& . $1.296,673$ \& . $1,194,548$ \& $\ldots$ \& \& $(5,973)$ \& \& \& 6.500 \& 4.4548 \& WON. \& 6,470 \& 78,462 \& 02/17/2009 \& 06/01/2017... <br>
\hline 312944-L8-6. \& Freddie Mac Gold Pool FGCI E01251 \& c \& \& 2 \& 1 \& .982,085 \& 107.5960 \& .1,005,298 \& .943,625 \& 970,321 \& \& $(4,277)$ \& \& \& 5.500 \& 3.706 \& MON \& 4,325 \& .52,545 \& 02/17/2009 \& 11/01/2017... <br>
\hline 31294K-P4-1. \&  \& c. \& \& 2 \& 1 \& 1,279,015 \& 107.1530 \& .1,324,016 \& . $1,235,632$ \& . $1.267,951$ \& \& $(3,393)$ \& \& \& 5.000 \& -3.277 \& WON. \& 5,148 \& .62,401 \& 0.02/17/2009 \& 04/01/2018 <br>
\hline 31294K-P4-1. \& Freddie Mac Gold Pool
E01333. \& \& \& 2 \& 1. \& \& 107.1530 \& \& \& \& \& \& \& \& 5.000 \& -3.277 \& WON. \& \& \& -02/17/2009 \& .04/01/2018... <br>
\hline 31294K-07-3. \& Freddie Mac Gold Pool FGCI E01378. \& c \& \& 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 \& . $05 / 01 / 2018 .$. <br>
\hline 31294K-07-3. \& Freddie Mac Gold Pool FGCl \& \& \& 2 \& 1. \& 416,052 \& 107.1420 \& 430,807 \& .402,089 \& 412,149 \& \& $(1,49)$ \& \& \& 5.000 \& 3.509 \& . MON. \& 1,675 \& 20,296 \& 0.02/17/2009 \& 05/01/2018... <br>

\hline 312962-68-0. \& $$
\begin{aligned}
& \text { Freddie } \\
& \text { B10223. }
\end{aligned}
$$ \& c. \& \& 2 \& \& 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 <br>

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\end{tabular}

SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[t]{2}{*}{\begin{tabular}{|c|}
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\\
cuSIP \\
Identification
\end{tabular}} \& \multirow[b]{2}{*}{Description} \& \multicolumn{3}{|c|}{Co} \& \multirow[b]{2}{*}{NAIC} \& \multirow[b]{2}{*}{Actual} \& \multicolumn{2}{|r|}{Fair Value} \& \multirow[b]{2}{*}{Par} \& 11 \& \multicolumn{4}{|c|}{Change in Book / Adjusted Carrying Value} \& \multicolumn{5}{|c|}{Interes} \& \multicolumn{2}{|c|}{Dat} \\
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\] \& Bond
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Value \& \& Book/ Adjusted Carrying Value \& 12
Unrealized
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(Decrease) \& \begin{tabular}{c}
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Current Year's \\
(Amortization)/ \\
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\end{tabular} \\
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\end{tabular} \& \begin{tabular}{c}
14 \\
Current \\
Year's \\
Other \\
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Impairment \\
Recognized \\
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\end{tabular} \& 15
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B./A.C.V. \& \[
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\hline 16 \\
\\
\begin{array}{c}
\text { Rate } \\
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\] \& Effective
Rate of \&  \& 19

Admitted
Ammount
Due \&
Accrued \& 20
Amount
Rec.
During
Year \& 21

Acquired \& \begin{tabular}{c}
22 <br>

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\hline \& ${ }^{\text {Freddie Ma Gold Pool FGCl }}$ \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& HoN \& \& \& \& <br>
\hline $312962-68-0$. \& Ereddie Nac Gold Pool Faluc \& \& \& 2 \& $\ldots$ \& \& .107.5490 \& \& \& \& \& \& \& \& 5.500 \& \& Mrov. \& \& \& -021712009. \& 10/01/2018... <br>
\hline 312960-RV-4. \& A15990 \& c. \& \& 2 \& 1 \& . $1,277,323$ \& . 108.8090 \& $\ldots$ \& $\ldots$ \& ...1,275,815 \& \& (385) \& \& \& 5.500 \& 4.486 \& MON \& .5,684 \& .68,755 \& -.02/17/2009 \& 11/01/2033... <br>
\hline 312960-RV-4. \& Fredaje (lac Gold Pool Fgluc \& \& \& 2 \& 1 \& \& 108.8090 \& \& \& \& \& \& \& \& 5.500 \& 4.486 \& MON \& \& \& 02/17/2009 \& /01/2033. <br>
\hline 31296R-U3-0 \& Freddie Mac Gold Pool Fgluc \& c \& \& 2 \& 1 \& 974,672 \& .114.8130 \& 1, 062, 146 \& .925,113 \& .972,577 \& \& (619) \& \& \& 6.500 \& 4.904 \& . MON. \& 5,011 \& .60,540 \& . $02 / 17 / 2009$ \& 12/01/2033... <br>
\hline 312978-CH-3 \& ie lac Gold Pool FGlina \& c \& \& 2 \& 1 \& 2210792 \& 110.0120 \& 2338901 \& 2120,036 \& 207167 \& \& \& \& \& \& \& \& \& \& \& <br>
\hline  \& Freddie Nac Gold Pool Fe \& \& \& \& \& \& 10.012 \& 2,330,901 \& 2,126,03 \& 2,207, \& \& , \& \& \& \& \& \& \& 128,363 \& -021712009 \& 34. <br>
\hline 312978 -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 <br>
\hline 312976-83-4. \& A28158. \& c. \& \& 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. <br>
\hline 31297H-LQ-O. \&  \& c \& \& 2 \& 1 \& 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 <br>
\hline 31297K-MH-1. \& Freddie Mac Gold Pool Fglic \& c \& \& 2 \& 1 \& . 2,851,291 \& .111.7030 \& 3,096,234 \& - 2, 2,711,847 \& 2,848,062 \& \& .(942) \& \& \& 5.500 \& 4.641 \& MON. \& 12,704 \& 154,166 \& 02/17/2009 \& 12/01/2034... <br>
\hline 31297K-MH-1. \& Fredate llac Gold Pool \& \& \& 2 \& 1 \& . $1,299,598$ \& . 111.7030 \& . 1,411, 242 \& - \& 1,298,127 \& \& (429) \& \& \& 5.500 \& 4.641 \& MON \& 5.791 \& 70.268 \& 02/17/2009 \& 1201 <br>
\hline 31300 L \& die Mac Non Gold Pool fr \& \& \& 2 \& 1 \& $1,182,656$ \& 105.7120 \& \& \& \& \& 595 \& \& \& \& \& \& \& \& \& <br>
\hline \& Freddie Mac Remics FHR 2155 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 3133TL-4A-3. \& \& \& \& 2 \& 1. \& 677,315 \& . 115.5880 \& .749,821 \& .648,748 \& .674,534 \& \& $(7,784)$ \& \& \& 6.000 \& 4.684 \& MON. \& 3,24 \& 38,925 \& . $02 / 17 / 2009$ \& 05/15/2029 <br>
\hline 31355H-HV-0. \& 2 \% \& 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... <br>
\hline 313603-2H-4. \& nie wae remics fri 1990-3 \& \& \& 2 \& 1 FE \& .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 <br>

\hline 313667-0M-1. \& $$
\begin{aligned}
& \text { Famn } \\
& \text { DC }
\end{aligned}
$$ \& \& \& 2 \& \& 1,025,176 \& .105.2990 \& 1,018,994 \& \& 1,023,046 \& \& \& \& \& \& \& woN \& \& \& 08/24/2012 \& 06/25/2032 <br>

\hline 313771-2u-0. \& Fannie Mae Pool FNCL 255580. \& \& \& 2 \& 1 \& 11,394,910 \& .109.4030 \& - $-1.414,258$ \& $\begin{array}{r}1,292,706 \\ \hline-\quad 1029\end{array}$ \& - 1,392,009 \& \& - (1842) \& \& \& 5.500 \& 3.016 \& MON. \& -5,925 \& 71,099 \& -07/14/2010 \& 02/01 /2035... <br>
\hline  \& Fannie Mae Pool FNCT 255994
Fannie Mae Pool FNCL 256436 \& $c$ \& \& 2 \& 1 \& $11,584,157$
3,773, 699 \& 109.9480
109.4810 \& $\begin{array}{r}11,745,513 \\ \hline-9.900740 \\ \hline\end{array}$ \& $\begin{array}{r}10,682,796 \\ \hline \text { 3 } 645 \\ \hline\end{array}$ \&  \& \& -(28,942) \& \& \& 5.500

6.000 \& | 2.725 |
| :--- |
| 4.598 | \& MON \&  \& $\begin{array}{r}\text { - } 587,554 \\ \hline 164.441\end{array}$ \& -09114/2010 \& 11/01/2025

$10101 / 2036$ <br>
\hline $31377 \mathrm{~N}-\mathrm{BD}-6$. \& Fannie Mae Pool FNCL 256636. \& c. \& \& 2 \& 1 \& -10,568,204 \& 108.6690 \& -10,747,914 \& - --..9,890,547 \& - 10,553,391 \& \& (3,265) \& \& \& 5.500 \& 2.477 \& MON \& 45, 332 \& 548,862 \& 09/15/2010 \& 03/01/2037. <br>
\hline ${ }^{313711-80-6.6 .}$ \& Fannie Mae Pool FNCL 256636 \& \& \& 2 \& 1 \& \& 108.6690 \& \& \& \& \& \& \& \& 5.500 \& 2.477 \& HON \& \& \& 09/15/2010 \& 03/101 12037. <br>
\hline 31376K-ON-9 \& Fannie Mae Pool FNCl 357861. \& c. \& \& 2 \& 1 \& .2,599,320 \& .108.3380 \& 2,716,995 \& -....5,577,887 \& 2,579,967 \& \& (7, 11262$)$ \& \& \& 5.500 \& 4.111 \& MON. \& -...11,494 \& . 138,625 \& -02/17/2009 \& 06/01/2020 <br>
\hline 31376 K -0N-9. \& Fannie Mae Pool FNCl 357861. \& \& \& 2 \& 1 \& 422,070 \& 108.3380 \& .441, 178 \& ...407, 224 \& \& \& \& \& \& 5.500 \& 4.111 \& MON. \& 1,866 \& 22,510 \& -02/17/2009 \& 06/01/2020 <br>
\hline 31377M-Ty-3 \& \& \& \& 2 \& 1 \& 2,932,502 \& 107.8140 \& 2,940,758 \& . $2,727,612$ \& 2,918,964 \& \& (13,538) \& \& \& 4.000 \& 2.375 \& now \& 9,092 \& 81,828 \& 03/16/2012 \& 12/15/2041 <br>

\hline 31382-CF-4. \& Fanie Mae Pool FNCI AHO969, \& \& \& 2 \& 1 \& .773, 315 \& .106.1430 \& 783,597 \& 738,248 \& .772,044 \& \& (7704) \& \& \& 3.500 \& | -1.162 |
| :--- |
| -3.155 |
| 1 | \& HoN \& -2,153 \& -25,839 \& 099191/2011. \& ${ }^{12 / 1012025}$ <br>

\hline  \& Fannie Mae Pool FNCl AH1519 \& $c$ \& \& $\stackrel{2}{2}$ \& $\square 1$ \& -12.414, 81384 \& .106.1430
107.3060 \& -12.436,496 \&  \& -12.4141, 41.597 \& \& (11.474) \& \& \& 3.500
4.000 \& $\begin{array}{r}3.055 \\ 1 \\ 1 \\ \hline\end{array}$ \& ${ }_{\text {HON }}$ \& \& \& $04125 / 2011$

$\times 11 / 0212012$ \& | $12 / 101212025$ |
| :--- |
| $01 / 101 / 2041$ | <br>

\hline 313844-A2-1. \& Fannie Mae Pool FNCL AH2724. \& \& \& 2 \& 1 \& 759,567 \& 107.3060 \& -758,526 \& 706,882 \& .758,850 \& \& \& \& \& 4.000 \& 1.794 \& moN \& 2,356 \& 2,362 \& 11/02/2012 \& 01/01/2041... <br>
\hline $31388 \mathrm{~B}-\mathrm{NX}$-3 \& Fannie Mae Pool FNCL AH9405 \& \& \& 2 \& 1 \& 1,086,420 \& 110.0250 \& 1,152,999 \& 1,047,940 \& 1,085,572 \& \& \& \& \& 4.500 \& 3.269 \& HoN \& 3,930 \& 47, 157 \& 05/18/2011 \& 04/01/2041 <br>
\hline 313 \& Fannie Mae Pool FNCL AJ4895... \& \& \& 2 \& 1 \& 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 \& $01 / 01 / 2042$ <br>
\hline E2-1 \& Fannie Mae Pool FNCL AJ9169 \& \& \& 2 \& 1 \& 972,787 \& 108.9310 \& 1,001,455 \& 919,349 \& 971,919 \& \& ${ }_{8811}$ \& \& \& 4.000 \& ${ }^{2.618}$ \& MoN \& 3,065 \& 30,645 \& $01 / 26 / 2012$ \& $01 / 0112042$ <br>
\hline 3 $313882-1 / 20-4$ \& Fannie Mae Pool FNCl A A9355, \& \& \& 2 \& 1 \& $\begin{array}{r}\text {-676,495 } \\ \hline 910,882 \\ \hline\end{array}$ \& $\begin{array}{r}105.6280 \\ \hline 117.5000\end{array}$ \& $\begin{array}{r}\text { 686,673 } \\ \hline 915 \\ \hline 1826\end{array}$ \& $\begin{array}{r}650,085 \\ \hline 778,947\end{array}$ \& .675,664
$.909,119$ \& \& ${ }_{(1,762}$ \& \& \& \& \& MON \& \& 16,252
3,895 \& - $011 / 26 / 2012$ \& 01/0112027
071012040 <br>
\hline 3138EH-AX-0. \& Fannie Mae Pool FNCL ALO921 \& \& \& 2 \& - 1 \& 7,553,133 \& ${ }^{1088.3690}$ \& 7,583,325 \& 6,997,691 \& 7,541,404 \& \& (11,729) \& \& \& 4.500 \& 1.228 \& WON \& 26,241 \& \& .11/29/2012 \& 06/01/2038... <br>
\hline 3138E-HL-5. \& Fanie Mae Pool FNCL AL2034... \& \& \& 2 \& 1 \& 18,622,016 \& 108.5560 \& 18,705,786 \& -17, 231, 389 \& .18,619, 181 \& \& \& \& \& 4.500 \& 1.917 \& HoN \& .64,618 \& .64,618 \& $\cdots$ \& 04/01/2042 <br>
\hline 38EJ-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 <br>
\hline  \& Fannie Mae Pool FNCL AO7692. \& \& \& 2 \& 1 \& . $26,205,525$ \& 107.5280 \& -26,567,509 \& 24,707,666 \& . $26,188,968$ \& \& (16,557) \& \& \& 3.500
3 \& 2.429 \& HoN \& 72,064 \& 288,256 \& -07109/2012 \& 07/01 2042 <br>
\hline 退3811-35-5. \& Fannie Mae Pool FNCL A09808. \& c. \& \& $\stackrel{2}{2}$ \& 1 \&  \& 106.9180 \& - $26,433,253$

19843,989 \& | 24,722,875 |
| :--- |
| 189009 |
|  | \&  \& \& \& \& \& 3.500

3.000 \& ${ }_{2}^{2.250}$ \& HON \& \& \& 11128/2012
$11 / 0212012$ \& 09101212042
$11 / 1012042$ <br>
\hline 3138MK-PM-2 \& Fannie Mae Pool FNCT A04027. \& \& \& 2 \& 1 \& - $20,895,190$ \& ${ }^{10505.2550}$ \& - 20,945,882 \& -19,900,181 \& -20,891,583 \& \& \& \& \& 3.000 \& 1.794 \& MoN \& 49, 750 \& 99,501 \& 10/25/2012 \& 11/01/2032 <br>
\hline $31390 A-J 8-4$
$31390 Y-C 4-8$ \& Fannie Mae Pool FNCL 640287

Fannie Mae Pool FNCL 658991. \& c \& \& 2 \& \& $\begin{array}{r}1,538,548 \\ \hline 1,532,908 \\ \hline\end{array}$ \& - 1113.3090 \& \[
$$
\begin{array}{r}
1, \quad 1,653,693 \\
-\quad-\quad 1,647,631
\end{array}
$$

\] \& \[

$$
\begin{array}{r}
1,459,452 \\
\hline \\
\hline
\end{array}
$$

\] \& \[

$$
\begin{array}{r}
1,534,749 \\
.1,529,047 \\
\hline
\end{array}
$$

\] \& \& \[

$$
\begin{array}{r}
(1,152) \\
-\quad(1,253) \\
\hline
\end{array}
$$
\] \& \& \& 6.500

6.500 \& 4.794

4.866 \& HON \& $\begin{array}{r}7,905 \\ \hline 7,876\end{array}$ \& $$
\begin{array}{r}
.95,169 \\
.94,645
\end{array}
$$ \& $\begin{array}{r}02117 / 2009 \\ \hline 0217 / 2009\end{array}$ \& O7/0112032

$0901 / 1 / 2032$ <br>
\hline
\end{tabular}

SCHEDULE D - PART 1

| 1 <br>  <br> CusIP <br> Identification <br> $31390 y-$ C4-8 | Descrip | Codes |  |  | NAIC | 7 | Fair Value |  | 10Par | 11 | Change in Book / Adjusted Carrying Value |  |  |  | Interest |  |  |  |  | Dates |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 3 | 4 | 5 |  |  | 8 | 9 |  |  | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|  |  |  | $\stackrel{+}{\circ}$ |  |  |  |  |  |  |  |  |  | $\begin{aligned} & \text { Current } \\ & \text { Year's } \end{aligned}$ | Tota |  |  |  |  |  |  |  |
|  |  | Code | $\begin{aligned} & e \\ & i \\ & g \\ & \mathrm{~g} \end{aligned}$ | Bond CHAR |  | $\begin{aligned} & \text { Actual } \\ & \text { Cost } \end{aligned}$ | Rate Used to Obtain Fair Value | Fair Value |  | Book/ Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Than Temporary Impairment Recognized | Exchange Change <br> B.IA.C.V | Rate of | Effective Rate of of | When Paid | Admitted Amount Due \& Accrued | Amount Rec. During Year | Acquired | $\left.\begin{array}{c}\text { Stated } \\ \text { Contractual } \\ \text { Maturity } \\ \text { Date }\end{array}\right]$ |
|  | Fannie Mae Pool FNCL |  |  | 2 |  |  | 113.3090 |  |  |  |  |  |  |  | 6.500 | 4.866 | W0N. |  |  | 02/17/12009 | 09/01/2032 |
| 313921-6F-0 | Fannie Mae Mhole Loan fin | c |  | 2 | 1 | 1.248 .957 | 118.2930 | 1.388 .068 | 1.173.418 | 1.244 .721 |  | 2.676 |  |  | 7000 | 6.556 | von | 6.845 | 82,357 | 02117/2009 | 09/25/2041 |
|  | Fannie Mae Whole Loan FNW |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $31392 \mathrm{CHJ}-\mathrm{O}$ | 2002-11 144 | $c$ |  | 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. |
| 31392-MJJ-0. | 2002-W11 144 |  |  | 2 | 1 |  | . 116.7120 |  |  |  |  |  |  |  | 6.000 | -.6.421 | MON |  |  | 02/17/2009 | .02/25/2042 |
| 31395A-SR-7. | $\stackrel{-}{\text { Fred }}$ | c. |  | 2 | 1FE | 1,165,498 | .103.060 | ..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 |
| 31395M-AS-8 | Freddie Mac Remics FHR 2929 | 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 |
|  | Freddie Mac Remics FHR 2929 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 31395M-As-8. |  |  |  | 2 | 1 FE . |  | 100.2690 |  |  |  |  |  |  |  | 5.000 | 3.361 | moN |  |  | 02/17/2009 | 11/15/2032 |
| 31398N-X2-5. | Federal National Mortgage |  |  |  | 1 | 735,175 | 100.6400 | 741,733 | 737,018 | 735,459 |  |  |  |  | 0.660 | 0.728 | woN. | 81 | 5,097 | 08/12/2011. | 11/25/2040. |
| 31400A-0, | Fannie Mae Pool FNCL 681857. |  |  | 2 | 1 | .904,220 | 111.7000 | 972,084 | 870,264 | .902,571 |  | (562) |  |  |  | 4.817 | MoN |  | 52,398 | 02/17/2009 | 03/01/2033 |
| 31400H-2X-4. | Fannie Mae Pool FNCL 688458. |  |  | 2 | 1 | 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 |
| $314000-22-9$. | Fannie Mae Pool FNCL 694760. | $c$ |  |  |  | 1,910,735 | 109.9030 | 2,037, 730 | 1,854, 118 | 1,908,410 |  |  |  |  | 5.500 | 4. 246 |  |  | - 102,824 | 02/17/2009 | .04/01/2033 |
| ${ }^{314000}$-6W-6. | Fannie Mae Pool FACI 695785 | c. |  | 2 | 1. | 103,337 | -107.7130 | -107,101 | -99,432 | -102,118 |  | (501) |  |  | 5.500 5 5 5 | 3.915 3915 | YoN |  |  | 02117/2009 | . $04 / 101 / 2018$ |
| 314000-618-6.6. | Fannie Mae Pool FNCI 703712 | c |  | 2 | 1 | $1,1,255,094$ $1,936,982$ | $\begin{array}{r}\text { - } 107.73130 \\ -107.7130 \\ \hline\end{array}$ | $\begin{array}{r}1,1,300,815 \\ -2,007,544 \\ \hline 1.7\end{array}$ | -1,207, 667 $-1,863,789$ | $1,1,240,289$ 1,914,031 |  | - $\begin{array}{r}(6,087) \\ (9,017\end{array}$ |  |  | 5.500 5.500 | $\begin{array}{r}3.915 \\ 3.847 \\ \hline\end{array}$ | MON |  | -66,533 | O2/17/2009 <br> $02 / 17 / 2009$ | O4/01/2018. $02 / 01 / 2018$. |
| 31401C-M6-7. | Fannie Mae Pool FNCL 704281. |  |  | 2 | 1 | 2,633,480 | - 109.8250 | -2,800,515 | 2,555,447 | 2,630,121 |  | (820) |  |  | 5.500 | 4.368 | WON. | 11,712 | .141,174 | 02171/2009 | -05/01/2033. |
| $314020 \cdot \mathrm{Cl}$ | Fannie Mae Pool FNCL 725584 |  |  | 2 | , | 3,736,700 | 108.7000 | 3,968,680 | 3,651,046 | 3,733,277 |  |  |  |  | 5.000 | 4.100 | MoN | .15,213 | 184,236 | 02/17/2009 | 07/01/2034. |
| 314026-UD-3. | Fannie Mae Pool FNCL 728880 | c. |  | 2 | 1 | .1,510,627 | . 112.1690 | $\cdots \quad 1.630,817$ | -.1,453,899 | .1,507,661 |  | . $(1,212)$ |  |  | ${ }^{6.000}$ | 4.974 | HoN | .7,270 | . 87,881 | -02171/2009 | .07/0112033 |
| 3140230-00-3.-6. | Fannie Mae Pool NNCL 745751... |  |  | 2 | 1 | 1,256,649 | -109.9030 | 1,281,386 | 1,165,926 | 1,253,772 |  |  |  |  | 6.000 5.500 |  | WON. |  |  | -07/14/2010 | -070112033 |
| 31403U-MG-3. | Fannie Mae Pool FNCL 758259. | $c$. |  | 2 | 1 | 1,784,664 | 111.7000 | - - 1, 1,918,606 | - - - 1,717,645 | -1,781,736 |  |  |  |  | 6.000 | 4.774 | mon | 8,588 | 103,059 | 02/17/2009 | 12/01/2033 |
| 314030 | Fannie Mae Pool Fncl 758259 |  |  | 2 | 1 |  | 111.7000 |  |  |  |  |  |  |  |  | 4.774 | moN |  |  | 02/17/2009 | 12/01/2033 |
| , | Fannie Mae Pool FNCL 777710 | c. |  | 2 | 1 | 393,155 | 109.4030 | 417,885 | 381,969 | -392,642 |  | - $-(1771)$ |  |  | 5.500 | 4.634 | MON | 1,751 | 21,080 | 02/17/2009 | -06611/2034 |
| 31404 - -14 -9 | Fannie Mae Pool FNCL 777710 |  |  | 2 | 1 | $1,316,214$ <br> 5, 364 | 109.4030 111 | 1 <br> $1,399,006$ <br> 5 <br> 5 | -1,278,764 | $1,314,499$ <br> 5 <br> 5 <br> 35686 |  |  |  |  |  | ${ }^{4} 4.634$ |  | $\begin{array}{r}\text { 5, } 861 \\ \hline 2583\end{array}$ | $\begin{array}{r}70,573 \\ \hline \quad 30994\end{array}$ | -02171/2009 | .06/0112034. |
| 31405M-L6-2. | Fanne Mae Pool FNCL 193349 Fannie Mae Pool FNCL 793340 | c. |  | 2 | 1 | $\begin{array}{r}\text { 5, } 3 \text {, } 884,921 \\ \hline, 674\end{array}$ | $\begin{array}{r}111.6690 \\ \hline 110.6220\end{array}$ | $\begin{array}{r}\text { 5,769,425 } \\ \hline \\ \hline\end{array}$ | - $5,166,561$ $-\quad .778,031$ | 5, 356,686 3,884,416 |  | $(2,383)$ |  |  | 6.000 5.500 | ${ }_{4}^{4.7981}$ |  | 25,833 $.17,316$ | - 309,994 $-\quad 207,792$ | 02/17/2009. $001 / 17 / 2009$ | . $08 / 1 / 121234$. |
| 31405M-LV-7-7. | Fannie Mae Pool FNCL 793340 | 0 |  | 2 | 1 | .3,888,674 | -110.6220 |  |  | -3,884,416 |  |  |  |  | 5.500 5 | 4.382 4 | WON |  | .207,792 | $00217 / 20099$ | -08/0112034. |
| 31405M-M7 | Fannie Mae Pool FNCL 793670 | c. |  | 2 | 1 | 4,516,284 | 111.2000 | .4,836,414 | 4,349,301 | 4,510, 185 |  | $(1,183)$ |  |  | 6.000 | 4.491 | woN. | 21,747 | 260,961 | 02/17/2009 | 09/01/2034. |
| 31450 | Fannie Mae Pool FNCL 796281. |  |  | 2 | 1 | 1,760,452 | . 109.4030 | 1,871,186 | 1,710,362 | 1,758,467 |  | (485) |  |  | 5.500 | 4.484 | MON | .7,839 | 94,070 | 02/17/2009 | 12/01/2034 |
| 31405V-OS-9.9. | Fannie Mae Pool FNCL 800665 | c. |  | 2 | 1 | 2,701,636 | -.111.2000 | - .2,893, 138 | 2,601, 747 | 2,697,844 |  |  |  |  | 6.000 | 4.643 | MON. |  | $\cdots \quad 157.314$ | .02/17/2009. | . $10 / 101 / 2034$. |
| 314060-06-0. | Fannie Mae Pool FNCL 806625. |  |  | 2 | 1 | . $3,322,356$ | -111.2000 | . $3,5578,7857$ | - 3 , 1999,517 | -3,317,409 |  | (1, 381) |  |  | ${ }^{6.000}$ | 4.784 | YoN | $\begin{array}{r}15,998 \\ \hline \\ \\ \hline\end{array}$ | - | 02117/2009 | 12/01/2034. |
| 3144090-6C--1-1 | Fannie Mae Pool FNCI 888595... |  |  | - 2 | 1 | $\begin{array}{r}\text { + } \\ \hline \quad .7534,649 \\ \hline\end{array}$ | +112420 -108.6740 |  | - 7 [798,8900 | $\begin{array}{r}\text {-173,577 } \\ \hline . .531,484\end{array}$ |  | ${ }_{(1,746)}$ |  |  |  | ${ }_{2}^{2.812}$ | MON |  | $\begin{array}{r}\square \\ \times \quad .424,473 \\ \hline\end{array}$ | -03/08/2011 | 111/01/2036. $01 / 1 / 12022$ |
| 31410 K -XV- | Fannie Mae Pool FNCL 889992 |  |  | 2 | 1 | 796,087 | - - - 109.3000 | 808,475 | .739,686 | 794,637 |  | (249) |  |  | 5.500 | 2.386 | MON. | 3,390 | - $\quad 40,683$ | 03/17/2011 | .06/01/2038 |
| 31410--H5-4. | - Fanie Mae pool FNCl 8900452 | $c$ |  | 2 | 1 | - $43,011,532$ | 1007.0970 | -43,284, 342 58 | -40,416,063 | 42,984,670 |  |  |  |  | 3.000 | 1.551 | MoN | -101,040 | - 10101,072 | 10125/2012 | 07/01/2027 |
| ${ }^{3} 141422-H 5-66-9$ | Fannie Mae Pool FNCL 929957 |  |  | 2 | $\bigcirc$ | $\begin{array}{r}\text { - } \\ -\quad, 0401,1808 \\ \hline\end{array}$ | 1103280 | --3,871, 058 | .4,786, 182 | 5,035, 770 |  |  |  |  |  |  | yov |  | 11,844 47371 | -102515212 |  |
| $314120-\mathrm{NW}-5$. | Fannie Mae Pool FNCL 933997... |  |  | 2 | 1 | 973,469 | -110.6370 | 1,022,291 | 924,002 | 972,271 |  |  |  |  | ${ }_{5}^{6.000}$ |  | MON. | 3,850 | ${ }_{46,200}$ | 05/20/2011 | -09/01/2039 |
| $314120-X \mathrm{C}-9$ | Fannie Mae Pool FNCL 932279 | c. |  | 2 | 1 | 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 |
| $20-\mathrm{XC}$ | Fannie Mae Pool FNCL 932279 |  |  | 2 | 1 | 7,883,485 | 111.0120 | 8,088,157 | 7, 7 , 85,820 | 7,879,395 |  | $(4,056)$ |  |  | 5.000 | 2.853 | MON | 30,358 | 365,262 | 10/26/2011 | 12/01/2039 |
| $31412 \times-6 Y-4$ | Fannie Mae Pool FNCL 933715 | c. |  | 2 | 1 | 7,102,512 | 111.6690 111660 | $\begin{array}{r}\text { 7, } \\ \hline\end{array}$ | -6,468,774 |  |  |  |  |  |  |  | moN | 32,344 44647 | $\begin{array}{r}389,005 \\ \text { 536 } \\ \hline 129\end{array}$ | ${ }^{101222212010}$ | $06 / 0122037$ <br> 061011237 |
|  | ${ }^{\text {Fannie Mae Poll }}$ Fannie Mae Pool NACL 9995020... | c. |  | 2 | -1 | $\begin{array}{r}\text { 9,804,16 } \\ \hline\end{array}$ | 111.6690 -108.6530 | $\begin{array}{r}\text { - } 0,971,245 \\ -\quad 4,016,136 \\ \hline\end{array}$ | $\begin{array}{r}\text { - } \\ \hline \text { 3,9996,298 }\end{array}$ | - 9 ,778,646 $-3,794,958$ |  | $-(2,770)$ |  |  | 6.000 5.500 |  | WON |  | - $\quad$ 207,9895 | -02117/2009 | .061/20037. <br> $.09 / 01 / 2038$ |
| 31415-k9-5. | Fannie Mae Pool Fncl 990520 |  |  | 2 | 1 |  | . 108.65330 |  |  |  |  |  |  |  |  | 4.173 | moN. |  |  | 02/17/2009 | 099/01/2038 |
| 314168-6\%-9. | Fannie Mae Pool FNCL 995587 |  |  | 2 | 1 | 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 | Fannie Mae Pool FNCI AB2452 |  |  | 2 | 1 | 691,228 | 108.2050 | 722,325 | 667,551 | 689,960 |  |  |  |  | 4.000 | 2.765 | moN. | 2,225 | 26,702 | 03/16/2011 | 03/01/2026 |
| 31416\%-3T-3. | Fanie Mae Pool FNCL AB3 |  |  | 2 | 1 | 1,325,043 | 108.9310 | 1,383,916 | 1, 1270,454 | 1,323,906 |  |  |  |  | 4.000 | ${ }^{2} .551$ | MoN |  | 50,818 | 11117200111 | 09/01/2041. |
| 31417A-TW-9. | Fannie Mae pool fict Ab4i64, |  |  | 2 | 11 | $\begin{array}{r}19,005,003 \\ 7 \\ \hline\end{array}$ | 106.9180 | -19,099, 246 | -17,863,419 | 18,988,365 |  |  |  |  |  |  | MoN |  |  | -11/2012012 | $01 / 0122032$ |
| $\left\lvert\, \begin{aligned} & 314717-6-4-4 \\ & 3147 C-3 C-7\end{aligned}\right.$ | Fannie Mae Pool NNCI AB61994... | C |  | 2 | 1 | -27,000,660 | -104.9580 | -27, 2788,308 | .25,770,520 | 266,992,900 |  | (7,761) |  |  | ${ }_{2} .500$ | 1.482 | WON. | 53,689 | ${ }_{53,689}^{20,63}$ | -11/20/2012 | $09 / 101 / 22027$ |
| 31417C-3C-7.]. | Fannie Mae Pool FNCI AB6194. |  |  | 2 | 1 | 4,314,603 | 104.9580 | 4,322,217 | 4,118,032 | 4,313,363 |  | $(1,240)$ |  |  | 2.500 | 1.482 | moN. | 8,579 | 8,579 | .11/20/2012. | 09/01/2027 |

## SCHEDULE D - PART 1



SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \& 1 \& 2 \& \& \& \& 6 \& 7 \& Fair \& Value \& 10 \& 11 \& \& nge in Book / Adjust \& Carrying Value \& \& \& \& Interes \& \& \& \& \\
\hline \& \(\underset{\text { Identification }}{\text { CUSI }}\) \& Description \& Code \& e \& \[
\begin{aligned}
\& \text { Bond } \\
\& \text { CHAR }
\end{aligned}
\] \& NAIC Designation \& Actual
Cost \& \begin{tabular}{l}
Rate Used \\
to Obtain \\
Fair \\
Value
\end{tabular} \& Fair Value \& Par \& Book/ Adjusted Carrying Value \& \begin{tabular}{l}
12 \\
Unrealized Valuation Increase/ (Decrease)
\end{tabular} \& \begin{tabular}{l}
13 \\
Current Year's (Amortization)/ Accretion
\end{tabular} \& \begin{tabular}{c|c} 
14 \\
Current \\
Year's \\
Other \\
Than \\
Temporary \\
Impairment \\
Recognized \\
\hline
\end{tabular} \& 15
Total
Foreien
Exchange
Change
In
B.IA.C.V. \& \begin{tabular}{l}
16 \\
Rate \\
of
\end{tabular} \&  \&  \& 19

Admitted
Amount
Due $\&$
Accrued \& 20

Amount
Rec.
During
Year \& 21

Acquired \& Stated
Contractual Maturity Date <br>
\hline \& 026874-CV-7. \& Amer ican International Group AIG 2.3750 \& \& \& \& 2 FE \& 249,770 \& 103.4400 \& .258,600 \& 250,000 \& 249,796 \& \& 26 \& \& \& 2.375 \& 2.407 \& FA. \& \& \& 08/20/2012 \& 08/24/2015 <br>
\hline \& \& Amsouth Bank/Bi imingham AL RF \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& 032166-AR-1. \& ${ }^{5.2}$ Anadarko Petrol eum Corp APC \& \& \& \& 3 FE \& -1,035,818 \& . 105.5250 \& $\cdots$ \& .-...050,000 \& -1.042,670 \& 51,638 \& 2,982 \& \& \& 5.200 \& 5.534 \& Aо. \& .13,650 \& 54,600 \& 08/23/2010 \& 04/01/2015... <br>
\hline \& 032511-AX-5. \& $5.9509 / 15 / 11$ - \& \& \& \& 2 FE . \& .995,000 \& ...115.2280 \& - . $1.1152,280$ \& 1...000,000 \& ..996,747 \& \& 762 \& \& \& 5.950 \& 6.049 \& .ms. \& . 17,519 \& .59,500 \& 08/25/2010. \& .09/15/2016 <br>
\hline \& 03523T-BP-2. \& Anor Idvi ide ABI BB 2.5 \& \& \& \& 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 <br>
\hline \& 03523T-BQ-O. \&  \& \& \& \& 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 <br>
\hline \& 04044T-AL-0. \& Express Scripts Holding Co ESRX $2.6502 /$ \& \& \& \& 2 FE . \& 641,709 \& . 104.1950 \& 640,799 \& .615,000 \& ..641,133 \& \& (576) \& \& \& 2.650 \& 1.581 \& FA \& 6,157 \& \& 11/21/2012 \& 02/15/2017 <br>
\hline \& 049560-AH-8. \& Atmos Energy Corp ATO 6.35 \& \& \& \& 2 FE . \& 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 <br>
\hline \& 049560-AK-1. \& Atmos Energy Corp ato 5 1/2 \& \& \& 1. \& 2 FE \& .996,780 \& .125.7950 \& $\ldots$ \& ..1,000,000 \& .996,859 \& \& . 45 \& \& \& 5.500 \& 5.522 \& .j0. \& 2,444 \& .55,000 \& 06/07/2011. \& 06/15/2041.... <br>

\hline \& 055650-CB-2. \& $$
2.5 \text { 11/06/22. }
$$ \& \& E \& \& 1 FE . \& 4,965,400 \& 97.8700 \& 4,893,500 \& 5,000,000 \& 4,965,867 \& \& 467 \& \& \& 2.500 \& 2.579 \& WN. \& 19,097 \& \& 11/01/2012 \& .11/06/2022 <br>

\hline \& 060505-DP-6. \& | Bank of America Corp BAC 5 |
| :--- |
| 3/4 12/01/17 | \& \& \& \& 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 <br>

\hline \& 060516-EE-5. \& 7 7180105121 \& \& \& \& 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 <br>
\hline $\stackrel{\rightharpoonup}{0}$ \& 060516-EN-5. \& 8ank or Amer \& \& \& \& 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 <br>

\hline $\checkmark$ \& 06423-AS-2. \& $$
\left.\right|_{\text {Bank One }} ^{\text {Ba/ }}
$$ \& \& \& \& 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 <br>

\hline \& 06849R-AG-7. \& babco 5.7 \& \& \& \& 2 FE . \& 890,188 \& 115.3310 \& .893,815 \& .775,000 \& .889,696 \& \& (492) \& \& \& 5.700 \& 4.746 \& w \& 3,804 \& 22,088 \& 09/12/2012 \& .05/30/2041... <br>
\hline \& 073902-PR-3. \& ${ }^{\text {bear Stearn cos LLC JPM } 6.6}$ \& \& \& \& 1FE \& 739.161 \& 120.5930 \& .735,617 \& 6, 610,000 \& .733,704 \& \& (5,457) \& \& \& 6.400 \& 1.915 \& Aо \& 9.652 \& \& 10/09/2012 \& 10/02/2017 <br>
\hline \& 079867-AQ-0. \& Bel ISouth Te lecommuni cat ions \& \& \& 2 \& 1FE \& 264.276 \& . 106.3020 \& -304,734 \& 286,668 \& 281,712 \& \& 1.360 \& \& \& 6.300 \& \& In \& 803 \& 18.062 \& \& 12/15/2015 <br>
\hline \& 084664-BT-7 \& Berkshi re Hathaway Finance Cor BRK 3.00 \& \& \& \& 1FE \& 10,548,900 \& 104.2820 \& 10,428,200 \& 10,000,000 \& 10,538.723 \& \& (10, 177) \& \& \& \& \& w \& \& 150,000 \& 10/16/2012 \& 05/15/2022 <br>
\hline \& 09247 -AE-1. \& BlackRock Inc BiLK $512 / 10119$ \& \& \& \& 1FE, \& 504,545 \& 119.7540 \& 568,832 \& .475,000 \& 499,603 \& \& $(3,003)$ \& \& \& 5.000 \& 4.134 \& JD. \& 1,385 \& 23,750 \& 04/25/2011 \& 12/10/2019 $\ldots$ <br>
\hline \& 096630-AA-6. \&  \& \& \& \& 2 FE . \& 1.119,280 \& . 113.1980 \& -1,131,980 \& . 1,000,000 \& -1,077,821 \& \& . 18,371 \& \& \& 5.875 \& 3.699 \& wn. \& 7. 507 \& .58,750 \& 09/02/2010 \& .11/15/2016 <br>
\hline \& 1248EP-AS-2. \& cco hold dings LLC / CCO \& \& \& 1 \& 3 FE \& . 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 <br>
\hline \& \& CIIS Energy Corp Civs $23 / 4$ \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& 125896-BH-2
$126408-G U-1$ \& CSX Corp CSX $51 / 1 / 204 / 151$ \& \& \& 1 \& ${ }_{2}{ }_{2} \mathrm{FEE}$ \& 4999,710

744,945 \& 102.0150 \& .....010,075 \& $$
\begin{aligned}
& .500,000 \\
& 770,000
\end{aligned}
$$ \& \[

$$
\begin{array}{r}
499,865 \\
.745,105
\end{array}
$$

\] \& 3,515 \& \[

$$
\begin{aligned}
& .95 \\
& .70
\end{aligned}
$$

\] \& \& \& \[

$$
\begin{array}{r}
2.750 \\
-5.500
\end{array}
$$

\] \& \[

2.770 .546

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$$
\begin{array}{r}
1,757 \\
. .8,708
\end{array}
$$

\] \& \[

$$
\begin{array}{r}
.13,750 \\
. .41,250
\end{array}
$$
\] \& 05/09/2011

$05 / 20 / 2011$ \& 05/15/2014 04/15/2041 <br>
\hline \& 144141-CY-2 \& Carol ina Power \& Light Co DUK 6.3 04/01/ \& \& \& \& 1FE. \& 480, 845 \& 136.7820 \& 581,324 \& 425,000 \& 479,162 \& \& (994) \& \& \& 6.300 \& 5.372 \& . 40 \& 6,694 \& 26,775 \& 04/05/2011. \& 04/01/2038 <br>
\hline \& 14916R-AB-O. \& Cathol ic Heal th Initiat ives CATMED 161 \& \& \& \& 1FE, \& 9,573,805 \& 101.0700 \& 9,601,650 \& 9,500,000 \& 9,572,532 \& \& (1,273) \& \& \& 1.600 \& 1.435 \& w \& 25,756 \& \& 11/26/2012 \& 11/01/2017 <br>
\hline \& \& Catho ic Heal th Initiatives \& \& \& \& 1FE \& 6,981,380 \& 101.4090 \& 7.098,630 \& 7.000 .000 \& 6.981.652 \& \& 272 \& \& \& 2.950 \& 2981 \& w \& 34990 \& \& 10125120 \& <br>
\hline \& \& Centel Capital Corn cti 9 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& 15133K-AC-7. \& 10/15/19. \& \& \& \& 2 FE \& . 1,141,340 \& 117.1160 \& 1,118,458 \& 955,000 \& -1,112,238 \& \& (18,276) \& \& \& 9.000 \& 6.010 \& . 10 \& .18,145 \& .85,950 \& .-05/11/2011 \& 10/15/2019 $\ldots$ <br>
\hline \& 166764-AB-6. \& 12/05/22. \& \& \& 1 \& 1 FE \& 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 <br>
\hline \& 17121E-AD-9. \& Chrysler Group LLC/CG Co-Iss CHRYGR 8 1/ \& \& \& 1. \& 4 FE \& 253,750 \& .110.7500 \& 276.875 \& 250,000 \& 253.488 \& \& \& \& \& 8.250 \& 7.969 \& \& 917 \& 20.625 \& 04/24/2012 \& .06/15/2021 <br>
\hline \& 172967-00-1 \& Cit igroup Inc 5 5.85 08/02/16. \& \& \& \& 1 FE \& 1,436,688 \& 114.8960 \& 1,436,200 \& ,250,000 \& .426,900 \& \& 9,788 \& \& \& 5.850 \& 1.760 \& FA \& 30,266 \& \& 10/1212012 \& 08/02/2016 <br>
\hline \& 172967 -0R-9. \& Citigroup Inc C 6.125 8/25/36. \& \& \& \& 2 FE . \& 624,168 \& .110.5380 \& .635,594 \& 575,000 \& 623,901 \& \& \& \& \& 6.125 \& 5.479 \& FA. \& 12,327 \& \& . $09 / 17 / 2012$ \& .08/25/2036... <br>
\hline
\end{tabular}

SCHEDULE D - PART 1


SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline 1 \& 2 \& \multicolumn{3}{|c|}{Codes} \& \multirow[b]{2}{*}{NAIC} \& 7 \& \multicolumn{2}{|r|}{Fair Value} \& \multirow[b]{2}{*}{Par} \& 11 \& \multicolumn{4}{|c|}{Change in Book / Adjusted Carrying Value} \& \multicolumn{5}{|c|}{Interest} \& \multicolumn{2}{|c|}{Date} \\
\hline \(\underset{\text { Identification }}{\text { CUSI }}\) \& \multirow[t]{2}{*}{Description} \& Code \& \[
\begin{array}{|l|}
\hline \\
\mathrm{F} \\
\mathrm{~F} \\
\mathrm{o} \\
\mathrm{r} \\
\mathrm{e} \\
\mathrm{i} \\
\mathrm{~g} \\
\mathrm{n}
\end{array}
\] \& Bond
CHAR \& \& Actual
Cost \& Rate Used to Obtain Fair Value \& \begin{tabular}{l}
Fair \\
Value
\end{tabular} \& \& Book/ Adjusted Carrying
Value \& 12
Unrealized Valuation Increase/ (Decrease) \& 13
\begin{tabular}{c} 
Current Year's \\
(Amortization)/ \\
Accretion
\end{tabular} \& \begin{tabular}{c}
14 \\
Current \\
Year's \\
Other \\
Than \\
Temporary \\
Impairment \\
Recognized \\
\hline
\end{tabular} \&  \& \[
\begin{aligned}
\& \text { Rate } \\
\& \text { of }
\end{aligned}
\] \& \({ }^{17}\) \&  \& 19

Admitted
Amount
Due $\&$

Accrued \& 20 \& Acquired \& \begin{tabular}{c}
22 <br>

| Stated |
| :---: |
| Contractual |
| Maturity |
| Date | <br>

\hline
\end{tabular} <br>

\hline \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 369626-3U-6. \& GE $55 / 80$ \& \& \& \& 1 FE . \& . 1,144,227 \& -118.5640 \& . 1,227, 137 \& ..1,035,000 \& ..1, 125,149 \& \& ( 14,977$)$ \& \& \& 5.625 \& 3.804 \& IN. \& 9,703 \& .58,219 \& ..12/08/2011. \& . $05 / 01 / 2018 .$. <br>
\hline 36962-6F-6. \& GE 3.1509._. \& \& \& \& 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. <br>
\hline 369620-64-1. \& GE 1.0 12l \& \& \& \& 1FE. \& ..1,003,460 \& ...100.4210 \& . 1,004,210 \& - 1 -.,000,000 \& ..1,003,447 \& \& (13) \& \& \& 1.000 \& 0.881 \& .jo. \& 528 \& \& 12/21/2012 \& 12/11/2015 <br>
\hline 373334-JS-1. \& - Georgia Power Co SO 4 3/4 \& \& \& \& 1FE \& .990,360 \& ...111.3130 \& .-...1,113,130 \& .-...1,000,000 \& ..990,720 \& \& . 158 \& \& \& 4.750 \& 4.811 \& WS \& .15,833 \& 47,500 \& .08/26/2010 \& .09/01/2040 <br>
\hline 373334-J2-5. \& Georgia Power Co SO . 625 \& \& \& \& 1FE \& . 3,497,515 \& 99.7760 \& .-3,492,164 \& 3,500,000 \& 3,497,620 \& \& 105 \& \& \& 0.625 \& 0.649 \& w \& 2,795 \& \& .11/08/2012 \& .11/15/2015 <br>
\hline 38141E-46-6. \& 06/15/20 \& \& \& \& 1 FE. \& 1,081,470 \& - \& 1,186,290 \& 1,000,000 \& 1,065,500 \& \& $(7,110)$ \& \& \& 6.000 \& 4.939 \& jo. \& 2,667 \& 60,000 \& 08/25/2010 \& .06/15/2020 <br>
\hline $38143 U$-SC-6. \& ${ }^{\text {cold dman Sachs Group Inc } 653}$ \& \& \& \& 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 <br>
\hline 391164-AD-2. \&  \& \& \& \& 2 FE . \& 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 <br>
\hline 406216-BA-8. \& 11/ /5/41. \& \& \& 1. \& 1 FE . \& 646,711 \& .111.8070 \& 726,746 \& 650,000 \& .646,772 \& \& 54 \& \& \& 4.500 \& 4.531 \& WN. \& 3,738 \& 29,331 \& 11/08/2011 \& .11/15/2041 <br>
\hline 413627-8L-3. \& Caesars Ent Operating Co Inc CZR 11 1/4 \& \& \& 1. \& 4 FE . \& 261,875 \& -... 108.83670 \& .270,918 \& .250,000 \& .258,531 \& \& $(3,003)$ \& \& \& 11.250 \& 9.633 \& .jo. \& 2,344 \& 28,125 \& .1109/2011. \& .06/01/2017 <br>
\hline 422317-AC-1 \& Hearst-Argyle Television Inc \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& 061312012 \& <br>
\hline 42809 H -AD-9. \& Hess Corp HeS $5.602 / 15 / 41$ \& \& \& \& 2 FE \& 779,040 \& 118.0740 \& -885,555 \& 750,000 \& 778,111 \& \& (424) \& \& \& 5.600 \& 5.341 \& FA \& 15,867 \& 42,000 \& -08/24/2010 \& -02/15/2041... <br>

\hline 45822P-AA-3. \& $$
\begin{aligned}
& \text { Integrys El E1 } \\
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$$ \& \& \& \& 2 FE \& 499,685 \& - 111.9280 \& .559,640 \& .500,000 \& 499,736 \& \& 28 \& \& \& 4.170 \& 4.178 \& w. \& 3,475 \& 20,850 \& .11/09/2010 \& .11/01/2020 <br>

\hline 45920-6x-3. \& 07/22/16. \& \& \& \& 1 FE. \& 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 \& . $07 / 22 / 2016 . .$. <br>
\hline $460690-\mathrm{AV}$-2. \& ITPG $61 / 41$ 1 \& \& \& \& 2 FE . \& .545,000 \& . 108.5080 \& . 542,540 \& .500,000 \& . 531,229 \& \& (13,771) \& \& \& 6.250 \& 2.801 \& wn. \& 3,993 \& .31,250 \& 02/16/2012 \& .11/15/2014... <br>
\hline 46625H-At-7. \& .01/02/13. \& \& \& \& 1 FE . \& . $5,017,910$ \& . 100.0300 \& .5,001,500 \& .5,000,000 \& 5,000,014 \& \& . $(5,101)$ \& \& \& 5.750 \& 5.644 \& .jJ. \& 142,951 \& 287,500 \& . $021 / 17 / 2009$ \& .01/02/2013... <br>
\hline 46625-H0-6. \&  \& \& \& \& 1FE. \& 899,085 \& -115.9430 \& .898,558 \& .775,000 \& .895,919 \& \& $(3,166)$ \& \& \& 4.950 \& 2.572 \& мs. \& 10,230 \& \& . $10 / 11 / 2012$ \& .03/25/2020 <br>
\hline 46625H-JC-5. \& JPMorgan Chase \& Co JPM 4.35 08/15/21 \& \& \& \& 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 ... <br>
\hline $46625 \mathrm{H}-\mathrm{J}-3$. \& \& \& \& \& 1FE. \& 521,225 \& . 11113.7420 \& . $.568,710$ \& 500,000 \& . $.519,737$ \& \& . $(1,488)$ \& \& \& 4.500 \& 3.977 \& .j」. \& 9,813 \& 11,313 \& 02/22/2012 \& 01/24/2022 <br>
\hline $46625 \mathrm{H}-\mathrm{JE}-1$. \& \& \& \& \& 1FE \& 10,219,400 \& . 103.2470 \& 10,324,700 \& 10,000,000 \& 10,216,226 \& \& $(3,174)$ \& \& \& 3.250 \& 2.992 \& us \& 87.569 \& \& 10/25/2012 \& 09/23/2022 <br>

\hline 478160-AY-0. \& | Johnson \& Johnson JNJ 2.15 |
| :--- |
| 05/15/16 | \& c \& \& \& 1FE. \& .11,569,910 \& ..... 104.8790 \& . $11,536,690$ \& . $11,000,000$ \& ..11,547,184 \& \& $(22,726)$ \& \& \& 2.150 \& 0.656 \& wn. \& 30,219 \& .118,250 \& . 11/07/2012 \& .05/15/2016 <br>

\hline 478160-Ay-0. \& 05/15/16 \& \& \& \& 1FE \& . 9,466, 290 \& . 104.8790 \& 9,439, 110 \& 9,000,000 \& 9,447,696 \& \& . 18,594 ) \& \& \& 2.150 \& 0.656 \& w \& 24,725 \& 96.750 \& 11/07/2012 \& 05/15/2016 <br>
\hline 48126E-AA-5. \& JPVorgan Chase \& Co JPII \& \& \& \& 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 <br>
\hline 494550-Az-9. \& Kinder Morgan Energy Partners KMP 9 02/0 \& \& \& \& 2 FE . \& 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 <br>
\hline $494550-\mathrm{BH}-8$. \& Kinder Morgan Energy Partners KMP 6 3/8 \& \& \& \& 2 FE . \& .1,747,218 \& . 124.8140 \& 2,184,245 \& - $\quad$ 1,750,000 \& - \& \& 34 \& \& \& 6.375 \& 6.387 \& MS \& 37,188 \& .111,563 \& .02/23/2011 \& .03/01/2041 <br>
\hline 502413-BA-4. \& ${ }_{4}^{\text {L-3 Communicat ions Corp LLL }}$ \& \& \& 1 \& 2 FE . \& .508,520 \& . 1112.7200 \& - 563,600 \& 500,000 \& .507,314 \& \& (747) \& \& \& 4.950 \& 4.726 \& FA. \& 9,350 \& 24,750 \& 04/18/2011 \& .02/15/2021 <br>
\hline 53079E-Az-7. \&  \& \& \& \& 2 FE . \& 399,060 \& .111.0970 \& 444,388 \& 400,000 \& 399,064 \& \& 4 \& \& \& 6.500 \& 6.518 \& w \& 4.333 \& 12.783 \& 05/01/2012 \& $05 / 01 / 20$ <br>
\hline \& Lockheed Mart in Corp LMT 4.85 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& - \& \& \& \& 1FE \& \& \& \& ,000 \& 570,943 \& \& 66 \& \& \& 4.850 \& 4.896 \& MS \& 8,211 \& 28,352 \& . 09/06/2011. \& .09/15/2041. <br>
\hline 565849 -AJ-5. \& . 90 11/01/ . \& \& \& \& 2 FE \& 814,902 \& 100.4900 \& 818,994 \& 815,000 \& 814,908 \& \& 6 \& \& \& 0.900 \& 0.90 \& WN. \& 1,263 \& \& 10/24/2012 \& .11/01/2015 <br>
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\end{tabular}

SCHEDULE D - PART 1

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\hline 571903 -4 - - \& Mar iott International Inc/DE \& \& \& \& 2 FE \& 849.510 \& 1005840 \& 806,684 \& 802.000 \& 804,435 \& \& (19,693) \& \& \& 25 \& 103 \& FA \& 17.043 \& 45.113 \& 08/25/2010 \& 215120 <br>
\hline \& Mem. Sloan-Kettering Cancer \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 586054-AB-4. \& WSKCC 4. 125 .__ USET 875 \& \& \& \& 1 FE . \& . $5,962,680$ \& .98.9410 \& . $5,936,460$ \& - 6,000,000 \& .5,962,680 \& \& \& \& \& 4.125 \& 4.157 \& ...J.. \& .17,875 \& \& . $11 / 28 / 2012$ \& 07/001/2052. <br>
\hline 594918-AP-9. \& 11/15/17........... \& \& \& \& 1 FE . \& .994,230 \& 99.9050 \& 999,050 \& -....1,000,000 \& .994,398 \& \& 168 \& \& \& 0.875 \& 0.993 \& w \& 1,313 \& \& . $11 / 02 / 2012$ \& .11/15/2017... <br>
\hline 60871R-AB-6. \& Molson coors Brew ing co tap \& \& \& \& 2 FE \& 199,434 \& . 102.7920 \& 205,584 \& 200,000 \& . 199,506 \& \& 72 \& \& \& 2.000 \& 2.060 \& WN. \& 667 \& - 1.978 \& .04/26/2012 \& 05/01/2017 <br>
\hline $615369-\mathrm{AB}-1$. \& Moody 's Corp MCO 4.50
09/01/22 \& \& \& 1. \& 2 FE \& 2,058,862 \& . 107.0110 \& 2,209,777 \& - 2,065,000 \& 2,059,289 \& \& \& \& \& \& \& US \& \& \& 12/18/2012 \& 09/01/2022 <br>
\hline $61747 Y$-CF-0. \& Morgan Stan ley MS $605 / 13 / 14 .$. \& \& \& \& 1 FE . \& ..527,830 \& .106.0120 \& $\cdots$ \& - 500,000 \& ...514,285 \& \& (9,999) \& \& \& 6.000 \& 3.833 \& .n. \& 4,000 \& .30,000 \& .08/06/2011 \& .05/13/2014.... <br>
\hline 626717-AF-9. \& $12 / 101 / 22$ 2 \& \& \& 1. \& 2 FE . \& 995,940 \& . 100.1210 \& . $1,001,210$ \& - 1,000,000 \& .995,969 \& \& 29 \& \& \& 3.700 \& 3.749 \& $\ldots \mathrm{Jd}$ \& 3,186 \& \& 11/27/2012 \& 12/01/2022 <br>
\hline $626717-A G-7$. \& Murphy 0il Field MUR 5.125
$12 / 01 / 42$ \& \& \& 1. \& 2 FE . \& .698,187 \& 97.8980 \& .685,286 \& 700,000 \& . 698,189 \& \& \& \& \& 5.125 \& 5.142 \& ...JD \& 3,089 \& \& .11/27/2012 \& 12/01/2042 <br>
\hline $628530-\mathrm{AL}-1$ \& ${ }^{\text {My an In Inc/PA MYL }} 77 / 18$ \& \& \& 1. \& 2 FE \& .563,469 \& . 118.5000 \& .562,875 \& 475,000 \& .562,736 \& \& (733) \& \& \& 7.875 \& 1.908 \& JJ. \& 17.248 \& \& 12/18/2012 \& 07/15/2020 <br>
\hline 628530-AV-9. \& My lan Inc/PA MYL 3.125 \& \& \& \& 2 FE \& .803,334 \& . 99.0190 \& .797,103 \& 805,000 \& ..803,334 \& \& \& \& \& 3.125 \& 3.149 \& - \& 699 \& \& 12/12/2012 \& <br>
\hline 64952H-BK-8. \& New York Life Global Funding \& \& \& \& 1 FE \& 19,963.400 \& . 100.3550 \& 20,070,920 \& 20,000,000 \& 19,964,622 \& \& 1.222 \& \& \& \& \& \& \& \& \& <br>
\hline \& NextEra Energy Capital \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& 101302017 <br>
\hline 65339-AA-8. \& Hldings NEE $41 / 2$ \& \& \& 1. \& 2 FE \& 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 <br>
\hline $65364 \mathrm{U}-\mathrm{A}-4$. \& NGGLN 4.88108 \& \& \& \& 1 FE \& 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 <br>
\hline 67021B-AE-9. \& 04/01/21 \& \& \& 1 \& 4 FE \& 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... <br>
\hline $68233 \mathrm{~J}-\mathrm{AH}-7$. \& Oncor Electric Delivery Co LLC ONCRTX 5 \& \& \& \& 2 FE \& 992,748 \& . 113.2770 \& 1,132,770 \& 1,000,000 \& .992,995 \& \& 109 \& \& \& \& \& MS \& 13,271 \& 52,500 \& .05/31/2011. \& 09/30/2040 <br>
\hline 68389X-AN-5. \& Oracle Corp ORCL 1.2 10/15/17. \& \& \& \& 1 FE \& 9,982,700 \& -100.8160 \& 10,081,600 \& -10,000,000 \& 9,983,317 \& \& 617 \& \& \& 1.200 \& 1.236 \& ${ }^{10}$ \& 22,000 \& \& 10/18/2012 \& 10/15/2017... <br>
\hline 69352P-AE-3. \& 3.50 12/01/2 \& \& \& 1. \& 2 FE \& .552,733 \& . 102.2320 \& .562,276 \& .550,000 \& .552,676 \& \& (57) \& \& \& 3.500 \& 3.440 \& .jD. \& 4,064 \& \& 10/10/2012 \& 12/01/2022 <br>
\hline 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 <br>
\hline 740816-AH-6. \& President \& Fellows of Harvard HARVRD 4 \& \& \& \& 1 FE \& 496,665 \& . 119.0220 \& .595,110 \& .500,000 \& .496,760 \& \& 54 \& \& \& 4.875 \& 4.918 \& . ${ }^{\text {a }}$ \& 5,146 \& 24,375 \& .11/04/2010 \& 10/15/2040 <br>
\hline 745332-CD-6. \&  \& \& \& 1. \& 1FE. \& .999,950 \& .127.0250 \& 1,270,250 \& 1,000,000 \& 999,997 \& \& \& \& \& 5.638 \& 5.638 \& . 10. \& . 11,902 \& 56,380 \& .03/22/2011. \& 04/15/2041 <br>
\hline 75946-AC-5. \& Rel iance Holdi ing USA Inc
RiLIN 5.40211 \& \& \& \& 2 FE \& 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 <br>

\hline 761713-AM-6. \& $$
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$$ \& \& \& \& 2 FE \& 966,215 \& . 100.5830 \& 980,686 \& 975,000 \& .966,238 \& \& 23 \& \& \& 4.750 \& 4.807 \& WN. \& 7,847 \& \& 10/24/2012 \& 11/01/2042 <br>

\hline 761713-AX-4. \& ${ }_{3.25}^{\text {Reynold } 11 / 01 / 1 / 22}$ Amer ican Inc \& \& \& \& 2 FE \& .499,320 \& . 100.3320 \& .501,660 \& . 500,000 \& ..499,330 \& \& \& \& \& 3.250 \& 3.266 \& un. \& 2,753 \& \& 10/24/2012 \& 11/01/2022 <br>
\hline 779382-AQ-3. \& Rowan Cos Inc RDC 5.4 \& \& \& 1. \& 2 FE . \& 749,783 \& . 100.9870 \& 757,404 \& .750,000 \& .749,783 \& \& \& \& \& 5.400 \& 5.402 \& .JD. \& 2,250 \& \& 12/13/2012 \& 12/01/2042 <br>
\hline 78573-AC-4. \& $4.9501 / 151$ \& \& \& \& 2 FE \& 496,675 \& . 114.6310 \& .573,155 \& .500,000 \& .496,721 \& \& 46 \& \& \& 4.950 \& 4.993 \& ..j. \& .11,413 \& 12,238 \& .01/10/2012 \& 01/15/2042 <br>
\hline 796038-AA-5. \& Samson Investment Co SAIvST \& \& \& 1. \& 4 FE \& 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 <br>
\hline 842400-FQ-1. \& Southern Cal ifornia Edison Co EIX 4 1/2 \& \& \& 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 <br>
\hline 842400-FT-5. \& SIX 3912 \& \& \& 1. \& 1FE. \& 8,003,760 \& . 101.4640 \& 8,117, 120 \& 8,000,000 \& 8,003,762 \& \& 44 \& \& \& 3.900 \& 3.897 \& .jD. \& .26,000 \& 319,800 \& ..11/18/2011. \& 12/01/2041... <br>
\hline 843646-AH-3. \& Southern Power co so 5.15 \& \& \& \& .2FE \& .771,489 \& ...113.6640 \& ...880,896 \& 775,000 \& .771,545 \& \& \& \& \& 5.150 \& .5.180 \& MS. \& -11,752 \& 39,136 \& 09/14/2011. \& .09/15/2041... <br>
\hline 854403 -AB-8. \& Stanford University STNFRD 4.25 05/01/16 \& \& \& \& 1 FE \& 4,695,086 \& 111.0370 \& 4,658,002 \& 4,195,000 \& 4,668,603 \& \& $(26,483)$ \& \& \& 4.250 \& 0.810 \& WN. \& 29,715 \& 89, 144 \& 10/18/2012 \& 05/01/2016 <br>
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SCHEDULE D - PART 1


SCHEDULE D－PART 1


## SCHEDULE D - PART 1



SCHEDULE D - PART 1


SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
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\hline 05775-AD-1 \& ${ }^{\text {BUWW Vehicle Lease Trust BuILT }}$ \& \& \& 2 \& 1FE \& 499.910 \& 100.9710 \& 55 \& \& \& \& \& \& \& \& \& \& \& \& \& $0121 / 2015$ <br>
\hline O55/b-A0-1. \& 2012-1 44.1. suran \& \& \& 2 \& ...... \& \& .... 00.970 \& 504,05 \& \& \& \& \& \& \& \& 0.940 \& M10N. \& \& 3,023 \& 04/18/2012 \& 12015 <br>
\hline 06423R-AY-2. \& 2003-c3 c3. \& \& \& 2. \& 3an \& . 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 <br>
\hline 125634-AE-5. \& Founing LLO CLIF 2012-1 \& \& \& 1 \& 1FE \& 940,005 \& 104.8610 \& 985,821 \& 940,122 \& 940,008 \& \& \& \& \& 4.210 \& \& mon \& \& \& 06/14/2012 \& 06/18/2027 <br>
\hline 126185-AA-5. \& CPS Auto Trust CPS 2012-A \& \& \& 2 \& 1 FE \& 357,553 \& . 101.7970 \& . 362 2,224 \& 355,829 \& .357,802 \& \& 249 \& \& \& 2.780 \& 2.605 \& MON. \& \& 5,770 \& .05/23/2012 \& . $06117 / 2019 \ldots$ <br>
\hline 126802-B11-8. \& Trst CABuT 201. \& \& \& 2 \& . 1 FE \& 1,010,000 \& . 104.0880 \& - 1, 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... <br>
\hline 126802-BV-8. \& Trst CABMT 201 \& \& \& 2 \& . 1 FE. \& 499,801 \& .103.4790 \& ..517,395 \& . 500,000 \& 499,847 \& \& 38 \& \& \& 1.900 \& $\underline{1.916}$ \& MON \& 422 \& 7.917 \& 12/27/2011 \& . $10 / 15 / 2019$ <br>
\hline 13056R-AA-4 \& California Republic Au \& \& \& 2 \& 1 FE \& 927, 357 \& 99.9560 \& 927,030 \& 927,438 \& .927,362 \& \& \& \& \& 1.180 \& 1.189 \& moN \& 486 \& 1,125 \& 11/02/2012 \& 08/15/2017 <br>
\hline 14312Y-AF-6. \& 2010-3 \& \& \& 2 \& 1 FE \& 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 \& 08/15/2016 <br>
\hline 14313C-AD-8. \& Carmax Auto omer trust
CARVAX 2010-1 A4 \& \& \& 2 \& 1 FE \& 506,035 \& .101.2480 \& .506,240 \& .500,000 \& . 505,914 \& \& (121) \& \& \& 2.400 \& 0.644 \& noN \& 533 \& \& 12/20/2012 \& 04/15/2015 <br>
\hline 14366U-AA-0. \& CNART 2012 \& \& \& 2 \& .1FE \& 398,877 \& 99.9030 \& .398,496 \& .398,883 \& .398,879 \& \& 2 \& \& \& 2.090 \& 2.101 \& MoN. \& 371 \& 5,141 \& .04/30/2012 \& . $01 / 15 / 2015 . \ldots$ <br>
\hline 15200-AB-3. \& Co CNP 2008- \& \& \& 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 <br>
\hline 15200-AB-1 \& Centerpoint Ergy trans Bond \& \& \& 2 \& 1 FE, \& 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 <br>
\hline 161571-CP-7. \& ${ }_{\text {2008-A4 A4 }}$ \& \& \& 2 \& . 1 FE \& 1,047,656 \& . 100.8890 \& - .-.,008,890 \& - 1 1,000,000 \& -1,008,009 \& \& ( 38,789$)$ \& \& \& 4.650 \& .0.751 \& moN \& 2,067 \& 46,500 \& .-12/20/2011. \& .03/15/2015 <br>
\hline 17305E-CX-1 \& CCI IT 2005
CCI \& \& \& 2 \& 1 FE . \& . $1,144,688$ \& ....112.8850 \& .....1,128,850 \& - 1 1,000,000 \& -1,103,132 \& \& ( 42,819 \& \& \& 5.100 \& -1.439 \& .nv. \& 5,808 \& .51,000 \& . $10 / 17 / 2011 \ldots$ \& .11/20/2017 <br>
\hline 17305E-EE-1. \& CCCIT 2008 \& \& \& 2 \& .1FE. \& 1,659,438 \& .120.7380 \& ..1,690,332 \& .1,400,000 \& 1,617,584 \& \& $(39,995)$ \& \& \& 5.350 \& 2.118 \& .FA. \& 29,960 \& 74,900 \& . 12/09/2011. \& .02/07/2020 <br>
\hline 185506-AB-8. \& Cleco 2008-A \& \& \& 2 \& 1 FE . \& 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. <br>
\hline 210795-Ps-3. \& Cont inental Airl ines 2012-1 \& \& \& \& 4 FE \& 872,765 \& - 98.78060 \& .936,382 \& 948,658 \& .932,864 \& \& 35,872 \& \& \& 3.436 \& 7.456 \& MSSD. \& 2,625 \& 34,819 \& 04/11/2011.. \& 06/02/2013 <br>
\hline 23336т-AB-9. \& 2012-2A B .-......... \& \& \& 2 \& . 1 FE \& 999,949 \& 99.9920 \& .999,920 \& -...1,000,000 \& .999,958 \& \& \& \& \& 1.850 \& .1.860 \& moN \& 822 \& 7,143 \& .07/17/2012 \& .04/17/2017 <br>
\hline $254683-A c-9$. \& Discover Card \& \& \& 2 \& 1FE \& . $1,812,486$ \& . 121.1710 \& - .-.1,884,209 \& - 1,.555,000 \& . 1.7399015 \& \& $\ldots(35,923)$ \& \& \& 5.650 \& 2.971 \& moN \& 3,905 \& .87,858 \& .11/30/2010. \& .03/16/2020 <br>
\hline 25755T-AC-4. \& Dominos Pizza Mstr Issuer LLC DPABS 2012 \& \& \& 2 \& 2 AM \& .1,582,000 \& .112.3150 \& .1,776,823 \& 1,582,000 \& 1,582,000 \& \& \& \& \& 5.216 \& 5.250 \& Jajo \& 15,128 \& 50,427 \& 03/06/2012 \& .01/25/2042 <br>
\hline 29372E-AP-3. \& Lic Eff 2012-......and \& \& \& 2 \& 1FE. \& 999,910 \& . 100.4820 \& . 1,004,820 \& 1,000,000 \& .999,939 \& \& 29 \& \& \& 1.140 \& 1.147 \& moN \& 348 \& 7,220 \& 04/25/2012 \& 11/20/2017 <br>
\hline 302583-AD-1. \& FPL Recovery Funding LIC 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 <br>
\hline 345280-AQ-7. \& Ford Credit Floorplan Mstr Trs FORDF 201 \& \& \& 2 \& 1 FE \& 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 <br>
\hline 345280-BP-8. \& Ford Credit floorplan Mistr \& \& \& 2 \& 1FE \& 999,707 \& 809 \& 1,028,090 \& 1,000,000 \& 9,757 \& \& \& \& \& \& \& mon \& 853 \& \& 020712012 \& <br>
\hline \& Ford Credit Floorplan \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline $345280-B x-1$. \& Trs Ford 201 \& \& \& 2 \& 2 AM \& 1,57 \& .100.1480 \& 1,580,335 \& -..1,578,000 \& -1,577,974 \& \& \& \& \& 2.090 \& 2.100 \& MoN \& 1,466 \& 7,879 \& -.09/12/2012 \& .09/15/2016 <br>
\hline 34529G-AG-0. \& FORDO 2009-1. \& \& \& 2 \& 1FE. \& 278,911 \& . 100.6390 \& .268,988 \& 267,280 \& .268,512 \& \& $(3,868)$ \& \& \& 2.980 \& .1.248 \& mon \& 354 \& 7,965 \& .-07/23/2010. \& 08/15/2014. <br>
\hline 34529M-AE-2. \& Ford Credit Auto Owner Trust Ford Cred
FORDO 2010- \& \& \& 2 \& 1 FE \& 999,826 \& . 101.2580 \& . $1,012,580$ \& 1,000,000 \& 999,924 \& \& 42 \& \& \& 2.540 \& 2.558 \& von \& 1,129 \& 25,400 \& .07/27/2010. \& .02/15/2016 <br>
\hline 34529U-AE-4. \& OORDO 2012..... \& \& \& 2 \& 1 FE \& 499,887 \& . 101.8230 \& . 509,115 \& 500,000 \& 499,911 \& \& 24 \& \& \& 1.880 \& 1.893 \& MON \& 418 \& 8,356 \& . 01/18/2012 \& ...8/15/2017.... <br>
\hline 36159J-CC-3. \& Trst GEMNT 201. \& \& \& 2 \& . . 1 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. <br>
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SCHEDULE D - PART 1

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\hline 446144 -AE-3 \& Hunt ington Auto Trust hUNT \& \& \& 2 \& 1FE \& 099.967 \& 101.0980 \& 1010.980 \& 1,000,000 \& 999974 \& \& \& \& \& 1710 \& 1717 \& von \& 760 \& 13.158 \& 03/01/2012 \& 08/15/2017 <br>
\hline \& JCPaL Transition Funding LLC \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 47215b-AD-9. \& JCPL 2006-A
Hawai Heal $\# 37$ Series \& \& \& 2 \& 1 FE . \& . $1,646,468$ \& . 122.4080 \& - . $\quad 1.621,906$ \& - 1, 1,325,000 \& - 1, 1,625,255 \& \& ( 21,213$)$ \& \& \& 5.610 \& 2.125 \& M.sso \& 5,368 \& 37,166 \& .06/13/2012 \& 06/05/2023 <br>
\hline 552636 -cs-7. \&  \& \& \& 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 \& . $12 / 31 / 2010$ \& . $01 / 15 / 2015 .$. <br>
\hline 552636-DA-5. \& MBIA CC - T.E. Grantor \& \& \& 2 \& $6^{*}$ \& . 2,074,932 \& 97.5000 \& ...2,007,998 \& ...,059,486 \& . 2,007,998 \& .52,857 \& .... $(1,370)$ \& \& \& 5.553 \& .5.131 \& MON. \& 5,083 \& 106,786 \& 12/31/2010. \& . $01 / 15 / 2016 . .$. <br>
\hline 552636-00-9. \& Savannah GA ECO Dev Auth Rev Series 2002 \& \& \& 2 \& $6^{*}$ \& 7,848,237 \& 98.5000 \& .....672,966 \& .7,789,814 \& 7,672,966 \& 164,568 \& . $(8,772)$ \& \& \& 4.990 \& 4.805 \& WON. \& 17,276 \& 383,756 \& 12/31/2010 \& .09/15/2017. <br>
\hline 552636 -DL-1. \& Series 2003......antor \& \& \& 2 \& $6^{*}$ \& 1,765, 139 \& 97.2500 \& - $1,703,819$ \& ....7,751,999 \& -1,703,819 \& 46, 183 \& $(2,383)$ \& \& \& 5.577 \& 5.298 \& \& 4,343 \& 95,946 \& 12/31/2010 \& .01/15/2018... <br>
\hline 552636-DM-9. \& Ser ies 2003-D.0.0. \& \& \& 2 \& $6^{*}$ \& 90,329 \& 99.2500 \& .-.88,985 \& . 89,657 \& .-88,985 \& 2,774 \& (308) \& \& \& 6.350 \& 5.720 \& yow \& 253 \& 4,874 \& 12/31/2010 \& 03/15/2013 <br>
\hline 578875-AA-4. \& Series 2003 \& \& \& 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 <br>
\hline $578875-\mathrm{AB}-2$. \& MBIA CC - - .E. Grantor trus \& \& \& 2 \& $6^{*}$ \& 301,804 \& 99.2500 \& 297,310 \& 299,557 \& 297,310 \& 6,820 \& (829) \& \& \& 5.681 \& 5.085 \& now \& 756 \& 10.871 \& 12/31/2010 \& 10/15/2013 <br>
\hline 578875-AD-8. \& MBIA Cap tax Exempt Tr \& \& \& 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 <br>
\hline 587681-4A-1 \& Mercedes-Benz Master Owner \& \& \& 2 \& 1 AM \& 999.749 \& 99.8540 \& 998,541 \& $1.000,000$ \& 999.754 \& \& 4 \& \& \& 0.790 \& \& von \& 417 \& \& 12042 \& <br>
\hline \& Nissan Auto Rec Owner Trust \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& 1204/2012 \& -1527... <br>
\hline 65476-AD-4. \& NAROT 2012-B. \& \& \& 2 \& 1 FE . \& 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... <br>
\hline 65566 V -AE-0. \& NORD 2011. \& \& \& 2 \& . 1 FE \& .1,249,534 \& . 103.3840 \& . $1,292,300$ \& ..1, 250,000 \& 1, 249,634 \& \& 91 \& \& \& 2.280 \& 2.299 \& voN \& 1,267 \& 28,500 \& ..11/16/2011 \& .11/15/2019 <br>
\hline 7332811-AC-5. \& Porsche $\begin{aligned} & \text { Innor Plovat } 201\end{aligned}$ \& \& \& 2 \& 1FE \& 499,917 \& 100.0280 \& 500,140 \& 500,000 \& 499,925 \& \& \& \& \& 0.540 \& 0.549 \& now \& 75 \& 473 \& 10/10/2012 \& 12/21/2015 <br>
\hline 78445P-AA-1. \& SLM Student Loan Trust SLMA 2010-B A1 \& \& \& 2 \& 1 FE . \& 9,242 \& . 100.1180 \& -9,253 \& .9,242 \& -9,242 \& \& \& \& \& 2.176 \& 2.186 \& mon \& \& 206 \& .-07/14/2010 \& 07/15/2016... <br>
\hline 80282U-AD-6. \& Santander Drive Auto Rec \& \& \& 2 \& 1 FE \& 1.079,917 \& 100.1600 \& 1,081, 728 \& 1,080,000 \& 1.079 .926 \& \& 9 \& \& \& 1560 \& 1568 \& mon \& 749 \& \& \& <br>
\hline \& Santander Drive Auto Rec \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 80282 V -A-2. \& Irust Soart 201 \& \& \& 2 \& 1FE \& ,899 \& 522 \& 1,035 \& 1,000 \& 99,920 \& \& 21 \& \& \& 200 \& 225 \& noN \& 1,422 \& 23,467 \& 03/14/2012 \& 02/15/2018 <br>
\hline 80282X-AA-6. \& Trust SoAR 201 \& \& \& 2 \& . 1 FE \& 1,459,074 \& . 100.0030 \& - \& - 1,459,074 \& -1,459,074 \& \& \& \& \& .0.432 \& .0.433 \& voN \& 298 \& .2,926 \& ..06/26/2012 \& . $07 / 15 / 2013 .$. <br>
\hline $82651 \mathrm{U}-\mathrm{AB}-9$. \&  \& \& \& 2 \& 2 AM \& .775,643 \& .100.1860 \& .-777,144 \& -.775,701 \& .775,638 \& \& \& \& \& 3.420 \& . 3.447 \& moN \& 811 \& .11,201 \& .07/11/2012 \& 03/20/2029 <br>
\hline 835460-AA-6. \& Sonic Capital LLC SONIC 2011-
1A A2 \& \& \& 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. <br>
\hline 92867-AC-2. \& Volkswagen Auto Lease Trust \& \& \& 2 \& 1FE. \& .183,467 \& 100.0510 \& 183,578 \& .183, 484 \& 183,484 \& \& 7 \& \& \& 0.990 \& 0.997 \& moN \& 56 \& 1.816 \& 10/27/2010 \& 11/20/2013 <br>
\hline 98157H-AD-9. \& Mor Id Omi Aut Receivabl
Tr WoART 201 \& \& \& 2 \& 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 <br>
\hline 00162U-AD-9 \& ALM Loan Funding ALM 2010-3A \& \& F. \& 1. \& \& 1,000,000 \& 101.6270 \& 1,016,270 \& 1,000,000 \& 1,000,000 \& \& \& \& \& 2.812 \& 2.821 \& fuan. \& 3,280 \& 30,093 \& 04/11/2011 \& .11/20/2020... <br>
\hline 03763T-AA-5. \& Apidos CDO APID 2012-9A SUB \& \& F. \& 1 \& $6^{*} \ldots$ \& 940,000 \& 89.0000 \& 890,000 \& 1,000,000 \& 890,000 \& $(55,642)$ \& 5,642 \& \& \& \& 1.242 \& Jajo. \& \& \& .06/14/2012 \& .07/15/2023.... <br>
\hline 040131M-AD-0. \& AELIS 2008-1...an \& \& F. \& 1. \& . 1 FE \& .753,750 \& 103.6890 \& .777,668 \& 750,000 \& .750,129 \& \& $(1,807)$ \& \& \& 4.317 \& 4.058 \& jajo. \& 6,296 \& .34,020 \& .03/16/2011 \& .10/16/2020 <br>
\hline 040131H-AG-3. \& \& \& F. \& 1. \& 2 AM \& 1,001, 250 \& 99.7170 \& 997,170 \& 1,000,000 \& 997,170 \& (3,902) \& (178) \& \& \& 6.317 \& 6.338 \& jajo \& 12,284 \& 49,420 \& 02/10/2012 \& 10/16/2020 <br>
\hline \& \& \& \& 1 \& 1FE \& 902209 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& Babson CLO \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 05616X-AC-6. \& ABSN 2007 \& \& F. \& 1 \& . 1 FE \& .1,294,214 \& 96.2100 \& . 1,346,851 \& . 1,399,907 \& 1,341,305 \& \& 17,867 \& \& \& 0.540 \& 2.065 \& Jajo. \& 1,574 \& -9,783 \& .-.08/12/2010. \& . $01 / 28 / 2021 .$. <br>
\hline 09624S-AG-0. \& 2007-3A A1B................ \& \& F. \& 1 \& 1FE \& 1,880, 184 \& 96.4000 \& 1,907,390 \& 1,978,620 \& 1,915,315 \& \& 22,269 \& \& \& 0.558 \& 51 \& mus \& 60 \& 4,451 \& 06/03/2011.. \& 03/17/2021... <br>
\hline
\end{tabular}

## SCHEDULE D - PART 1

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[t]{2}{*}{\begin{tabular}{|c|}
\hline 1 \\
\\
Identification \\
\hline
\end{tabular}} \& \multirow[b]{2}{*}{Description} \& \multicolumn{3}{|c|}{Codes} \& \multirow[b]{2}{*}{NAIC} \& \multirow[b]{2}{*}{Actual} \& \multicolumn{2}{|r|}{Fair Value} \& \multirow[t]{2}{*}{\begin{tabular}{l}
10 \\
Par
\end{tabular}} \& 11 \& \multicolumn{4}{|c|}{Change in Book / Adjusted Carrying Value} \& \multicolumn{5}{|c|}{Interest} \& \multicolumn{2}{|r|}{Dates} \\
\hline \& \& Code \& \[
\begin{aligned}
\& \hline \begin{array}{l}
4 \\
\mathrm{~F} \\
o \\
\mathrm{r}
\end{array} \mathrm{r}^{2} \\
\& \mathrm{e}
\end{aligned}
\] \& \begin{tabular}{|c|}
\hline 5 \\
\\
\hline
\end{tabular} \& \& \& Rate Used to Obtain Fair
Value \& Fair Value \& \& Book/ Adjusted Carrying
Value \& 12

Unrealized
Valuation
Increase/

(Decrease) \& | 13 |
| :--- |
| Current Year's (Amortization)/ Accretion | \& 14

Current
Year's
Other
Than
Temporary
Impairment

Recognized \& \begin{tabular}{c}
15 <br>
Total <br>
Foreign <br>
Exchange <br>
Change <br>
In <br>
B.A.C.V. <br>
\hline

 \& 

16 <br>
Rate <br>
of

 \& 

17 <br>

| Effective |
| :---: |
| Rate |
| of | <br>

\hline

 \& 

\hline 18 <br>
<br>
When <br>
Waid <br>
Pa <br>
\hline
\end{tabular} \&  \& 20

Amount
Rec.
During

Year \& ${ }^{21}$ \& \begin{tabular}{c}
22 <br>

| Stated |
| :---: |
| Contractual |
| Maturity |
| Date | <br>

\hline
\end{tabular} <br>

\hline \& Call idus Debt Partners Fnd \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 13124T-AC-4. \& Ltd CALD 54 A . \& \& F. \& $\cdots$ \& 1 FE \& .903,925 \& -96.3870 \& ..915,677 \& -950,000 \& .920,984 \& \& .10,737 \& \& \& 0.552 \& 1.753 \& Funan. \& 611 \& 6,820 \& .06/01/2011. \& 11/20/2020 <br>
\hline 26250-AA-7. \& - DRSLLF 2011-....or Loan Fund \& \& F. \& $\ldots$ \& .1FE \& 1,000,000 \& 100.0830 \& - 1,000,830 \& -1,000,000 \& -1,000,000 \& \& \& \& \& 1.865 \& -1.869 \& Javo \& 4,041 \& . 18,600 \& .03/14/2012. \& 1/15/2022 <br>
\hline 262500-AC-7. \& Dryden DRLI 2012 . \& \& F. \& 2 \& 1FE \& 1,400,000 \& .99.6320 \& $\ldots$ \& .1,400,000 \& 1,400,000 \& \& \& \& \& 1.797 \& - 1.801 \& Fruan. \& 5,312 \& \& 09/25/2012. \& .11/15/2023... <br>
\hline 363184-AC-6. \& ${ }_{B}^{\text {Galaxy CLO }}$ Ltd GALXY 2006-7A \& \& F. \& 1. \& 1 FE \& .888,584 \& .92.8240 \& .974,652 \& 1,050,000 \& .938,572 \& \& 29,267 \& \& \& 0.730 \& 4.003 \& Jajo. \& 1,661 \& -9,277 \& 04/11/2011 \& .10/13/2018... <br>
\hline 37184V-AA-9. \& ${ }^{\text {Geness is Funding Ltd GNFL }}$ \& \& \& 1 \& 1 FE . \& 731,611 \& . 89.5000 \& .738,487 \& 825,126 \& .756,960 \& \& 11,915 \& \& \& 0.450 \& 3.347 \& MON \& \& \& 04/11/2011 \& 12/19/2032 <br>
\hline 38136T-AB-9. \& Goldent ree Loan Opp V Ltd
$60 L 052007-5 A$ \& \& \& 1. \& 1 FE . \& 1,333,500 \& .95.6000 \& . $1.434,000$ \& 1,500,000 \& 1,356,907 \& \& 23,407 \& \& \& 1.425 \& 3.655 \& jajo. \& 4,452 \& 18,210 \& 02/24/2012 \& .10/18/2021... <br>
\hline 40537D-AB-5. \& ${ }^{\text {Hel }}$ Halcyon Struct Mgmt L/S CLO \& \& F. \& 1 \& 1 FE \& 830,000 \& 91.4530 \& 914,530 \& 1,000,000 \& .859,309 \& \& .29,309 \& \& \& 0.762 \& 4.435 \& fuan. \& 1,164 \& 9,319 \& .01/04/2012 \& 08/07/2021... <br>
\hline 513275-AD-9. \& ${ }^{\text {Lancta }}$ L ${ }^{\text {a }}$ Finance Bv LAVBD 2005 - \& \& F. \& 2 \& . 1 AM. \& 1,456,000 \& .98.5000 \& - 1,576,000 \& 1,600,000 \& -1,548,431 \& \& .56,108 \& \& \& 0.930 \& 4.554 \& Fuan. \& 1,943 \& 17,633 \& 04/11/2011. \& .11/15/2029 <br>
\hline 65537-AA-5. \& ${ }^{\text {AIA }}$ Mora \& \& F. \& 1 \& 1 An . \& 968,796 \& 85.4540 \& 1,061,378 \& 1,242,046 \& 1,060,923 \& \& 43,788 \& \& \& 0.562 \& 6.247 \& Fuan \& 794 \& 9.071 \& 04/11/2011 \& 05/21/2042 <br>
\hline \& NYLIM Flati iron CLO Ltd/Cayman \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline $67073 \mathrm{~N}-\mathrm{AD}-2$. \& NVLIM 2005 \& \& F. \& 1. \& 1FE. \& .554,561 \& 97.0450 \& .630,793 \& 650,000 \& .606,220 \& \& 35,540 \& \& \& 0.710 \& 5.967 \& FUAN. \& 628 \& 5,758 \& .04/11/2011. \& 17 <br>
\hline 74982-AC-3. \& 2012-7A INC \& \& F \& 2 \& $6^{*}$. \& 955,000 \& 97.0000 \& 970,000 \& 1,000,000 \& 955,793 \& \& 793 \& \& \& \& 0.554 \& Funan. \& \& \& .10/26/2012 \& .11/08/2024 <br>
\hline 80282-AD-7. \& Stust SDART 201 \& \& F \& 2 \& 1 FE \& 1,999,713 \& 100.6300 \& 2,012,600 \& 2,000,000 \& 1,999,952 \& \& 73 \& \& \& 2.240 \& 2.256 \& W0N. \& 1,991 \& 44.800 \& 08/19/2010 \& .12/15/2014... <br>
\hline \multicolumn{6}{|l|}{3599999 - Bonds - Industr rial and Mi scel laneous (Unaff i liated) - Other
Loan-Backed and Structured Secur it ies} \& 88, 489, 150 \& xxx \& 89,885,257 \& 87,565,277 \& 87,884,723 \& 356,384 \& $(111,313)$ \& 0 \& 0 \& xxx \& xxx \& xxx \& 334,261 \& 2,535,810 \& xxx \& xxx <br>
\hline \multicolumn{6}{|l|}{3899999 - Bonds - Industr ial and Miscellaneous (Unaffi I iated) - Subtotals

- Industrial and Miscel laneous (Unaffi I iated)} \& 572,222,790 \& xxX \& 581,375,377 \& 560,179,634 \& 570,059, 573 \& (40,822) \& $(1,191,737)$ \& 0 \& 0 \& xxx \& xxx \& xxx \& 4,149,214 \& 10,493,278 \& xxx \& xxx <br>
\hline \multicolumn{22}{|l|}{Bonds - Hybrid Secur it ies - Issuer obligations} <br>
\hline \& All state Corp ALL $61 / 2$ \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& w \& \& \& 1420 \& 05/15/2067 <br>
\hline 02002-AU-5. \& American International Grour \& \& \& 1. \& 2 LE \& \& .105.8000 \& .740,620 \& \& .744,399 \& \& \& \& \& 6.500 \& \& w. \& 5,81 \& 22,750 \& -081472012. \& 05/15/2067... <br>
\hline 026874-BS-5. \& AlG 8.1750 \& \& \& 1. \& 2 FE . \& 655,875 \& 129.8210 \& .714,016 \& .550,000 \& .655,365 \& \& (510) \& \& \& 8.175 \& 6.608 \& . M N \& 5,745 \& 22,481 \& .08/14/2012. \& 05/15/2058 <br>
\hline 293791-Al|-9. \& Enterpr 7.034 Pe Products Operat ing \& \& \& 1. \& 3 FE \& 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... <br>
\hline 369622-SP-1. \& General Electric Capital Corp \& \& \& 1. \& 2 FE . \& 1,310,000 \& .108.4840 \& . 1,410,292 \& 1,300,000 \& 1,309,670 \& \& (330) \& \& \& 6.250 \& 6.149 \& Jo. \& 3,611 \& .31,146 \& 07/26/2012 \& 12/15/2049 <br>
\hline 46625H-HA-1. \& JPMorgan Chase \& Co JPM 7.9 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline $591568-$-P- 3 . \& WetLife Inc MEET 6.412 1215/36. \& \& \& 1 \& 2 FE \& 1,387,500 \& -107.2090 \& 1,608, 135 \& 1,500,000 \& 1,391,547 \& \& 1,711 \& \& \& 6.400 \& -7.028 \& …jo... \& 4,267 \& 96,000 \& 08/18/2010. \& 12/15/2036... <br>
\hline 744320-A1-6 \& Prudential Financial Inc PRU \& \& \& 1 \& 2 E \& 303,000 \& 104.8710 \& 4.613 \& 300,000 \& 302920 \& \& \& \& \& \& \& Us \& 6.952 \& \& 0806 \& 9/15/2042 <br>
\hline \& Westrpac Capital Trust IIII \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 961228 -AA-4. \& HSTP 0 09/30/2 \& \& \& 1. \& 2 FE . \& 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 <br>
\hline 40427L-AB-0. \& $012 / 29 / 49$ \& \& 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 \& .jo. \& 389 \& .139,920 \& .09/13/2011.. \& 12/29/2049 <br>
\hline 404290-20-0. \&  \& \& F. \& 1. \& 2 FE \& . 372,400 \& .99.8100 \& . 379,279 \& 380,000 \& .372,520 \& 23,040 \& 79 \& \& \& 4.610 \& 4.723 \& Jo \& 195 \& 17,518 \& 06/08/2011 \& .12/29/2049 <br>
\hline 83367-AB-5. \& Societe Generale SA SOCGEN \& \& F \& 1. \& 3 FE . \& 2,070,000 \& 57.0920 \& 1,712,760 \& 3,000,000 \& 1,712,760 \& 292,669 \& 23198 \& \& \& \& \& \& \& \& \& <br>
\hline \multicolumn{6}{|l|}{4299999 - Bonds - Hybrid Secur ities - Issuer Obl igations} \& 10,714,004 \& xxx \& 10,952,327 \& 11, 104,993 \& 10,332, 181 \& 400,447 \& 9,631 \& \& 0 \& xxx \& xxx \& xxx \& 72,653 \& 460,439 \& xxx \& XxX <br>
\hline \multicolumn{22}{|l|}{\multirow[t]{2}{*}{Bonds - Hybric Secur It les - Resident lal Mor tage-backed Secur t t es}} <br>
\hline \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \multicolumn{6}{|l|}{\multirow[t]{2}{*}{}} \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \& \& \& \& \& \& 10,714,004 \& XxX \& 10,952,327 \& 11, 104,993 \& 10,332,181 \& 400,447 \& 9,631 \& \& 0 \& XxX \& XxX \& XxX \& 72,653 \& 460,439 \& XxX \& XxX <br>
\hline \multicolumn{6}{|l|}{Bonds - Parent, Subsidiaries and Aff il iates - Issuer obligations} \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline \multicolumn{22}{|l|}{Bonds - Parent, Subsidiaries and Affili iates - Resident ial Mor tgage-Backed Secur it ies} <br>
\hline
\end{tabular}


## SCHEDULE D - PART 1



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

## SCHEDULE D - PART 2 - SECTION 1



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

## SCHEDULE D - PART 2 - SECTION 2



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

SCHEDULE D - PART 3


SCHEDULE D - PART 3

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| CUSIP <br> 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.......... |  | 12.077.2012 | Deut sche Bank. | .xxX. | 4,036,484 | 3,850,000 |  |
| .01F032-61-7. | Fannie Mae Pool FNCL TBA |  | 12/06/2012 |  | xxx | 7,645,584 | 7,170,000 |  |
| . 01 1F040-61-0. | Fannie Mae Pool FNCL TBA. |  | 121.07/2012 | BNP Par ibas/NY. | .xxx | 2,965,631 | 2,770,000 | 4,001 |
| - . 0 -74876-H1-9 | Beaver County Indust Dev Auth Deve lopmen. |  | .09.1212012 | Morgan Stanley \& Co., Inc | .xxX | 1,000,000 | 1,000,000 |  |
| - $\quad 130666-178.8$ | Cal ifornia St Dept Wtr Resour Nater. |  | 10/19/2012 | J.P. Morgan Chase \& Co. | xxx | 5,009,600 | 5,000,000 | 9,889 |
| --. 207728 -CU-6. | Connect i cut State Dev Auth Deve Iopment. |  | 03/28/2012 | Morgan Stanley \& Co., Inc. | xxX | 1,000,000 | 1,000,000 |  |
| 303823-K0-0. | Fairfax Cnty va Indl Dev Auth Medical. |  | 121/13/2012 | Morgan Stanley \& Co., Inc. | xxx | 1,488,450 | 1,250,000 |  |
| - 3128E6-AF-4 | Freddie Mac Gold Pool FGTM D99006. |  | 11/02 /2012 | Nonura Securities IntI Inc. | .xxX | 11,213,739 | 10,449,611 | 13,207 |
| - $\quad 3128877$-AZ-9 | Freddie Mac Gold Pool FGG0 605124 |  | 11/16/2/2012 | Nomura Secur it ies Intı Inc. | xxx | 1,756,814 | 1,519,817 |  |
| - $3128877-X Y-7$ | Freddie Mac Gold Pool FG60 605795 |  | 11/.26/2012 | BNY Capital Markets, LLC | xxx | 26,642,061 | 23,984,976 |  |
| --312899-JV-5 | Freddie Mac gold Pool Fg 607176. |  | 111.0212012 | Wachovia-Wel I s Fargo Sec | .xxX | -2,552,000 | .2,392,033 |  |
|  | Freddie Mac Gold Pool Fgluc 608361 |  | . $22 / 107 / 2012$ | Banc of Amer ica Secur it ies LLC. | xxx | 1,524,671 | -1,432,246 | 2,1488 |
| - $\quad 312820 \mathrm{H}-\mathrm{JA}-4$. | Freddie Mac Non Gold Pool FHARM 1889006. |  | 03/16/2012 | Oppenhe imer. | xxx | 453,432 | 433,777 |  |
| 312922-7M-8. | Freddie Mac gold Pool FGLMC cosoono |  | .07/199/2012 | Nonura Securities Int। Inc | .xxX | 13,061,983 | 12,384,695 |  |
| 31300 -PP-7. | Freddie Mac Non Gold Pool 18888722 |  | -05/10/2012 | Oppenhe imer | .xXX | -.1,182,656 | -..1,123,497 |  |
| $\begin{array}{r}313647-\text { - } M-1 \\ \hline-\quad 31367\end{array}$ | Fannie Mae Remics FNR 2012-68 DC |  | 088.24.2012 | Nomura Secur it ies IntI Inc. | xxx | $1,025,176$ $-\quad 110,100$ | 967,717 | 2,258 |
| $\begin{array}{r}313660-85-9 \\ \hline-\quad 3137 \mathrm{M}-\mathrm{TV}-3 \\ \hline\end{array}$ | Federal Nat ional Mor tgage Assc FNMA 009 Freddie Mac Remics |  | 09118/2012 | BBET (Clearvierr) | ${ }_{\text {xxx }}^{\text {xx }}$ |  | -1,100,000 |  |
|  |  |  | -031.16/2012 |  | -xxx | ${ }^{12} \times 2,912,638$ |  | $\begin{array}{r}\text { 8, } \\ \hline 17.789 \\ \hline\end{array}$ |
| 3138AN-MN-1 | Fannie llae Pool FNCL A.48995. |  | -0802 2012 | Banc of America Securities LIC. | .xx | 20,833,214 | 19,148,725 | .25,532 |
| - 3138E2-FK-6 | Fannie Mae Pool FNCL AJ9169 |  | 01126/2012 | Nomura Securities IntI Inc. | xxx | .972,787 | 919,349 |  |
| 3138E2-MD-4 | Fannie Mae Pool FNCI AJ9335 |  | 01/26/2012 | Wachovia-Wel Is Fargo Sec. | xxx | 676,495 |  |  |
| 3138EG-SD-7. | Fannie Mae Pool FNCL AL0515 |  | 11/.08/2012 | Nomura Securities Int1 Inc | .xxX | 910,882 | .778,947 | 1,558 |
| 3138EH-AX-0- | Fannie Mae Pool FNCL ALO921 |  | 11129292012 | J.P. Moroan Chase \& Co | xxx | 7,553,133 | 6,997,691 |  |
| 3138EJ-HL-5. $31385 \mathrm{~J}-\mathrm{HH}-8$ | Fannie Mae Pool ANCL AL2034. |  | -1126612012 |  | xxx | $\begin{array}{r}18,622,016 \\ 41,380,095 \\ \hline\end{array}$ | $\begin{array}{r}117,231,389 \\ 38880 \\ \hline 180\end{array}$ |  |
| 3138LY-RN-9 | Fannie Mae Pool FNCL A07692. |  | 077.09/2012 | Barclays Capital. | .xxx | 26,205,525 | -24,707,626 | 28,826 |
| .3138M1-35-5. | Fannie Mae Pool FNCL A09808. |  | 11/288/2012 | J.P. Morgan Chase \& Co | .xxx | 26,492,106 | 24,722,875 | 26,440 |
| 3138HH-LF-8 | Fannie Mae Pool FNCL A02125 |  | 111.02/2012 | Nomura Securities Intı Inc. | .xx | 19,837,188 | 18,900,998 | 20,476 |
| 3138MK-PM-2 | Fannie Mae Pool FNCT A04027. |  | 10/25/2012 | Capital Markets, LLC. | .xXX | 20,895,190 | 19,900, 181 |  |
| 31398V-99-8. | FHLMC Mult i fami ly Struc PT FHMS K006 A2. |  | 077.20:2012 | Credit Suisse First Boston LLC. | .xxX | -1,883,096 | 1,625,000 |  |
| 31410L-H5-4. | Fannie Mae Pool FNCI 890452 |  | -10/25/2012 | Machovia-Wells fargo Sec | xxx | 48,051,866 | 45,152,245 |  |
| $\begin{array}{r}\text { a } \\ \hline\end{array}$ | - |  | -11.202.20022 | G.X. Clarke \& Company | -xxx | $\begin{array}{r} 19,005,003 \\ 7,562,620 \end{array}$ | $11,863,419$ $7.074,067$ |  |
| 31417C-3C-7 | Fannie Mae Pool FNCI AB6194 |  | 11/20/2012 | BNY Capital Markets, LLC | .xxx | 31,315,263 | 29,888,552 | 51, 890 |
| $31417 C-T 4.7$ | Fannie Mae Pool FNCI AB5970. |  | -08/10/2012 | Wachovi a-Wel Is Fargo Sec. | .xxx | 1,507,410 | .1,420,201 |  |
| $31419 A-N 5-2$ | Fannie Mae Pool FNCL AE0411 |  | 09,271/2012 | envi ich Capi tal - -RBS | xxx |  |  |  |
| $31419 A-V D-6$ | Fannie Mae Pool FNCL AE0611. |  | -11/2929.2012 | Salomon Smbarney (Cit igroup) | XxX |  | 17,836,105 | 27,250 |
| 31419A-VZ-7 | Fannie Mae Pool FNCL AE0631. |  | 09.7.20.2012 102612012 | G.X. Clarke \& Company. | xxx | -30.215, 817 | - | 95.757 |
| - 462467 -NU-1 |  |  | -121.1312012 | RBC Dain Rauscher Inc. | xxx | 2,803,591 | 2,803,591 |  |
| 46246S-AE-5 | Iowa St Fin Auth Midwstrn Disaster Area. |  | 09/111.2012 | Salomon SmBarney (Cit igroup) | XXX. |  |  | 1,979 |
| 46613P-R4-0. | JEA Water \& Sever Sys Rev Utilitites. |  | 07/19/2012 | Peppa 1st Alb-Jeffer ies (Persh). | xxx | 497,420 | .500,000 |  |
| . $549259 Y-6 E-3$ | Leetropol itan Transn Auth NY Buil id Amer ic. |  | -04105 2012 | (Morgan Stanley \& co., l Nc. | xxX | 7,658,595 | -6,300,000 | 172,054 |
| 64579F-2P-7. | New Jersey HIth Care Fac Fin Medical |  | 111/29/2012 | J.P. Morgan Chase \& Co.. | xxx | 1,183,260 |  |  |
| 645918-S2-0. | New Jersey Econ Dev Author ity General. |  | 099191/2012 | RBC Dain Rauscher Inc. | xxx | 500,000 |  |  |
| 649710.7W-3 | NVC Trans Fin Ftr lax sec Rev General |  | 11120120022 | J.P. Mor gan Chase \& Co. | - xxx | 4,285,480 | 4,000,000 |  |
| $\begin{array}{r}664910-1 \mathrm{~W}-3 \\ \hline 649710-\mathrm{WW}-7\end{array}$ | NYC Trans Fin Ftr Tax Sec Rev General - P |  | 091112012 | Convers ion.... | xxx | 8,704,959 | 8,705,000 |  |
| 649710-Y2-0 | NYC Trans Fin Ftr Tax Sec Rev General - U' |  | 09/11/2012 | Conversion. | .xXX | 1,294,994 | 1,295,000 | 7,194 |
| 64986A-U8-2. |  |  | $\begin{array}{r}051171 / 2012 \\ \hline 0723 / 2012 \\ \hline\end{array}$ | Morgan Stanley \& Co.. Inc | $x_{x \times x} \times$ |  | 1.000,000 |  |
| 64990E-FE-2 |  |  | - 11.13012012 | Werr ill lynch... ${ }^{\text {S.P. }}$. | xxx | 1,000,000 | - $\quad 1,0000000$ |  |
| 658203-U8-5. | North Carol ina Mun Pr Agency Power. |  | 111/30/2012 | Werrill Lynch. | xxx | 1,300,000 | 1,300,000 |  |
| 658203-49-3. | North Carol ina Mun Pr Agency Power. |  | 11/130/2012 | Werrill Lynch | XxX | 1,040,000 | 1,040,000 |  |
| 709223-2R-1. | Pennsy vania Turnpike conm Transpor tat |  | 077.182/2012 | oop Capital lukts (Ridge ol | xxx |  | 1,000,000 |  |
| 74529-NX-9 | Puerto Rico Sales tax Fin Corp general. |  | 03/26/2012 | $\int_{J . P}^{\text {Var IOS. Morgan Chase \& } \& 0}$ | xxx |  | 715,000 | 3,802 |
| 796253-29-6 | city of San Antonio XX Utili |  | -05/23/2012 | J.P. Morgan Chase \& o. | xxx | 1,2095,820 | 1,009,000 |  |
| 837152-SL-2 | S Carol ina Transprtn Infras Bk Transport |  | -101:10/2012 | \|Merrill Lynch. | xxx | 1,460,388 | 1,200,000 | , 67 |
| .880591-EP-3.. | Tennessee Val ley Author ity TVA $3.512 / 15$. |  | 121.18/2012. | Worgan Stanley \& Co., Inc. | xxx. | 755,579 | 775,000 |  |

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

SCHEDULE D - PART 3

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{gathered} \text { CUSIP } \\ \text { Identification } \end{gathered}$ | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends |
| 89602N-2N-7. | Triborough Brdge \& Tunnel Auth Transport. |  | 08103/2012 | Goldman Sachs | xxX | 195,420 | ,000,000 |  |
| 89837R-AB-8. | Trustees of Dar mouth Col lege DARMTH 40 |  | 01212612012 | J.P. Mor gan Chase \& Co. | .xx | . 3844,076 | .385,000 |  |
| . 9141212 -HA-6. | Universi ty of Cal i fornia Higher Educat io. |  | .022222012 | Goldman Sachs. | xxx | $\begin{array}{r}7,000,000 \\ \hline 9854 \\ \hline\end{array}$ | 7,000,000 |  |
| - 927781-U2-5 | Virginia Coll lege Building Auth Build Ame. |  | 0121262012 $08 / 1612012$ | - Col dman Sachs. | xxx | $\begin{array}{r}\text { 9,854, } 835 \\ \hline 882.983\end{array}$ | .8,960,000 |  |
|  | Vir ${ }^{\text {Virginia }}$ Resources Auth Unre funded- Wate. |  | - 08.12161212012 | Convers ion..... | xxx | -6,384,434 | 6,345,000 |  |
| $977100-$ CP-9 | State of Wiscons in General. |  | 11/06/2012 | Depfa 1st Alb-Jefferies (Persh) | xxx | 5,000,000 | 5,000,000 |  |
| 977108-4J-8. | Wiscons in HIth \& Educ Fac Auth Medical. |  | 09/13/2012. | Werrill Lynch. | XXX. | 590,295 | 500,000 |  |
| 3199999 - Bonds | U.S. Special Revenue and Special Assessmei |  | of Agencies and | Authorities of Govermments and Their Political Subdivisions |  | 530,517,135 | 496,977,792 | 1,258,095 |
| Bonds - Industrial and Miscellaneous (Unaf fil i iated) |  |  |  |  |  |  |  |  |
|  | \|AT\&T Inc T 2.4 08/15/16 |  | 01/31/2012 | Deutsche Bank | xxX | 5,193,800 | 5,000,000 |  |
| 02005H-AE-3 | Al ly Auto Receivables Trust ALLYA 2010-1. |  | 05111/2012 | Barclays Capital. | xxx | 1,035,547 | 1,000,000 |  |
| 025815-AA-9 | Amer ican Express Centurion Bk AXP . 8751. |  | 11/08/2012 | Goldman Sachs... | .xx | 2,998,860 | - - - - - - - - - - - ${ }^{\text {a }}$ |  |
| 025816-AX-7. | Amer ican Express co AXP $6.1508 / 288177$ |  | .0110312012 | Goldman Sachs. | xxx | -335,774 | $\square \square-\quad 290,000$ | 6,341 |
| . 026874 -CV-7. | Amer ican Internat ional Group AIG 2.3750 . |  | 08/2012012 | Salomon Smbarney (Cit i igrup). | .xxx | $\begin{array}{r}249,770 \\ \hline 999\end{array}$ |  |  |
|  | Amer icredit Auto Rec Trust AMCAR 2012-3 |  | 06/.19.2012. $10126 / 2012$ | J.P. Mor gan Chase \& Co, | xxx $\times$ |  |  | 72.917 |
| .03523T-8Q-0 | Anheuser - -uusch InBev Wor Idwide AB1BB 3.7 |  | $07 / 1112012$ | Deutsche Bank.... | xxX | $\cdots$ | $\bigcirc$ |  |
| 04044T-AL-0. | Express Scripts Holding Co ESRX 2.65021 |  | 11/21/2012 | First Tennessee Sec - BI, | Xxx | 641,709 | 615,000 | 4,618 |
| 055650-CB-2 | BP Capi tal Markets PLC BPLN $2.511 / 06 / 22$ | E | 11/101/2012 | HSBC Securities Inc. | .xx | -4,965,400 | - - . 5 , 000,000 |  |
| -0575B-AD-1. | $f$ Bun vehicle Lease Trust binle $2012-144$ |  | -4.1.18.2012 | -eutsche Bank Mo. | Xxx | - 55559790 | -500,000 <br> 500 |  |
| 060516 -EE-5 | Bank of America Corp BAC $57 / 801 / 05 / 21$ |  | 09911/2012 | Nomura Securities IntI Inc. | xxx | ${ }_{850,637}$ | 740,000 |  |
| 060516-EN-5 | Bank of America Corp BAC $5.87502 / 07 / 42$ |  | .0712712012 | Banc of Amer ica Securities LLC. | .xxx |  |  |  |
| .06849R-AG-7 | Barrick North Amer ica Fin LLC ABXCN 5.7 |  | 0.9121/2012 | Barclays Capital. | .xxX | 890, 188 | ...775,000 | 13,130 |
| 07388N-AX-4 | Bear Stearns Comm Mig Sec BSCMS 2006-724. |  | 033/271.2012 | KGS-Alpha Capi ital Mkts. | xxx |  |  |  |
| .073902-PR-3 | Bear Stearns cos LLC JPM 6.4101020217. |  | -10109212012 | Banc of Amer ica Securi it ies LLC. | xxx |  |  |  |
| - $1204634-$-E--5 | Cerkshire Hathaway finance cor bre 3.0 |  | -06/14/2012 | Nachovi - -We I I s Fargo Sec | xxx |  | -10,000,000 | 128,333 |
| 126185-AA-5 | CPS Auto Trust CPS 2012-A A |  | 05/23/2012 | Morgan Stanley \& Co., Inc | .xx | 357,553 |  |  |
| 13056 -AA-4 | Cal i fornia Republ ic Auto Rcvbl CRART 201 |  | 11/02/2012 | Credit Suisse First Boston LLC | .xxX |  |  |  |
| 14312 Y-AF-6 | Carmax Auto Owner Trust CARNX 2010-3 |  | .05/24/2012 | Banc of Amer ica Securities LLC. | .xxX | -1, 1,018,242 | -..1,000,000 | 1,079 |
| . 143313 - $-\mathrm{AD}-8.8$ | Carmax Auto Owner Trust CARVAXX 2010-1 A4 |  | -1212020012 | Peutsche Bank. | -xxx |  |  |  |
| 14916R-AB-0 | Carnow Auto Recei ivabes Irust CNART 2012. |  | - $11 / 26812012$ | Greenwich | xxx | 9,573,805 | 9,500,000 |  |
| 14916R-AC-8. | Cathol ic Heal th Init iat ives CATMED 2.95 |  | 10/25/2012 | J.P. Morgan Chase \& Co | .xxx |  |  |  |
| $166764-A B-6$. | Chevron Corp CVX 2.355 12105/22 |  | 11/28/2012 | Morgan Stanley \& Co., Inc. | .xx | .15,000,000 | 15,000,000 |  |
| 17121E-AD-9 | Chrys ler Group LLC/CG Co- Iss CHR |  | 04/24/2012. | Credit Suisse First Boston | .xXX |  |  | 7,563 |
| 172967-D0. 1 | citigroup Inc C $5.8508 / 0216$. |  | 10/12/2012 | Salomon SmBarney (Citi igroup) | XxX. |  |  |  |
| 172967-0R-9 | Citi igroup Inc C $6.1258125 / 36$. |  | $09 / 17 / 2012$ | Salomon Smbarney (Citi igroup). | .xxX | 624,168 | 575,000 | 2,446 |
| -17322X-AG-4 |  |  | $01.103 / 20012$ | Barclays Capi tal ( ${ }^{\text {Sal }}$ ( igroup). | x xxx | 722, ${ }^{\text {22,00 }}$ | ${ }^{7500} 0000$ |  |
| 20826F-AA-4 | ConocoPhil I I ips Co COP 2.4 12/15/22 |  | 12104/2012 | J.P. Morgan Chase \& Co | xxx | 4,995,100 | 5,000,000 |  |
| 20826F-AB-2. | ConocoPhillips Co COP 1.05 12/15/17. |  | 12/.04/2012 | anc of Amer ica Securities LLC. | XXX. |  |  |  |
| 23306A-AA-8. | - DBRR Trust DBRR 2012-EZ1 A. |  | 09/20/2012 | Deutsche Bank. | .xxX | -992,552 | .991,409 |  |
| ${ }^{23317 F-A C-0 .}$ | DOR Corp DoR 2009-DOR1 C |  | 05/11.2012 | roclays capital | xxx | 1,618,945 | 1,500,000 |  |
| 23366-AB-9. $23851-\mathrm{AG}-9$ |  |  | 07.17120022 | Machovia-Mells Fargo Sec. | -xxx |  | 1,000,000 |  |
| 233851 -A0-7 | Daimler Finance North Amer ica DAIGR 1.3. |  | 07/25/2012 | omon SmBarney (Citi igroup) | xxX | ---7-748,635 | -750,000 |  |
| 25459H-AX-3 | DIRECTV Holdings LLC DTV 6.0 08/15/40. |  | .121032/2012 | J.P. Morgan Chase \& Co.. | .xx | 1,180,630 | 1,075,000 |  |
| 25459H-6F-1. | DIRECTV Holdings LLC DTV 3.8 03/15/22 |  | 12/211/2012 | rclays Capital | XXX | 802,551 | 775,000 | 8,344 |
| $25746 U-B R-9$ | Dominion Resources, Inc. D $1.409 \mathrm{O} / 15 / 17$. |  | 0.9.10/2012. | Wachovi i-Wel I s Fargo Sec. | XXX. | 499,565 | 500,000 |  |
| 25755 -AC-4 | Dominos Pizza Mstr Issuer LLC DPABS 2012 |  | 03/106/2012 | Barclays Capital. | XxX | 1,582,000 | 1,582,000 |  |
| 264411 -AH-8. | Duke Energy Corp DUK 1.62508 0815117. |  | 08.13/2012 | Banc of Amer ica Secur it ies LLC | xxx | 498,355 | 500,000 500 |  |
| ${ }_{26884 L-A B-5}^{2684-2.0 .}$ | ERP Operat ing LP EQR 4 S/8 $12 / 15 / 21$. |  | -01/26/2012 | (3anc of Amer ica securities LLC. | xxx | 535,840 163,472 | 500,000 150,000 |  |
| 29273R-AR-0. | Energy Transfer Partners ETP $6.502 / 01 / 4$ |  | 101.16/2012 | Deutsche Bank. | .xxx | 1,797,809 | 1,425,000 | 20,069 |
| 29372E-AP-3. | Enterpr i is |  | 04425/2012 | J.P. Morgan Ch | xxX | 999,910 | ,000,000 |  |
| $293807-A S$-4-1. | Enter tainment Propert ies Trust EPR 7.75 |  | 09/277.2012 | Sanc of Amer ica Securities LLC | Xxx | 929,070 |  |  |
| $\begin{aligned} & 313747-A Q-0 \\ & 32051 H-A D-5 \end{aligned}$ | First Hor izon Alt Mtg Sec FHAMS 2006-FA3 |  | $\begin{aligned} 11 / 15 / 12012022 \\ 08 / 02 \\ \hline \end{aligned}$ |  | $\begin{gathered} x x x \\ x x x \end{gathered}$ | $\begin{array}{r}\text { [861,514 } \\ \hline 381,043 \\ \hline\end{array}$ | $\begin{array}{r}\text { 640,000 } \\ \hline 685\end{array}$ |  |

SCHEDULE D - PART 3


SCHEDULE D - PART 3


SCHEDULE D - PART 4


SCHEDULE D - PART 4


SCHEDULE D - PART 4


SCHEDULE D - PART 4

| 1 | 2 |  | 4 | 5 | 6 | 7 | 8 | 9 | 10 |  | Change in Bo | ook/djusted Car | rying Value |  | 16 | 17 | 18 | 19 | 20 | 21 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| CUSIP <br> Identi- <br> fication | Description | $\begin{array}{\|l\|l} e \\ i \\ i \\ g \\ n \end{array}$ | $\begin{gathered} \text { Disposal } \\ \text { Date } \end{gathered}$ | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year <br> Book/Adjusted <br> Carrying <br> Value | Unrealized Valuation Increase/ (Decrease) | $\begin{array}{\|c} \text { Current Year } \\ \text { (Amortization)/ } \\ \text { Accretion } \\ \hline \end{array}$ | 13 <br> Current Year's <br> Other Than <br> Temporary <br> Impairment <br> Recognized | $\begin{gathered} \text { Total Change in } \\ \text { B/A. C.V.V. } \\ (11+12-13) \\ \hline \end{gathered}$ | $\begin{gathered} 15 \\ \\ \text { Total Foreign } \\ \text { Exchange } \\ \text { Change in } \\ \text { B/A. C.V. } \\ \hline \end{gathered}$ | Bookl <br> Adjusted <br> Carrying Value <br> at <br> Disposal Date | $\begin{array}{\|c\|} \hline \text { Foreign } \\ \text { Exchange Gain } \\ \text { (Loss) on } \\ \text { Disposal } \\ \hline \end{array}$ | $\begin{gathered} \text { Realized Gain } \\ \text { (Loss) on } \\ \text { Disposal } \\ \hline \end{gathered}$ | Total Gain (Loss) on Disposal |  | $\begin{array}{\|c\|} \hline \text { Stated } \\ \text { Contractual } \\ \text { Maturity } \\ \text { Date } \end{array}$ |
| 7654V-GT-8. | City of Richmond VA General |  | 11/01/2012. | UBS/MAR. |  | 5,697,975 | 4, 4,60,000 | - $5.245,343$ | . 5, 142,848 |  | $(45,180)$ |  | $(45,180)$ |  | 5,097,668 |  | 600, 307 | 600,307 | 306,804 | 0711 |
| S4V-GV-5 | City of Richmond VA Gener |  | 1 | UBS/MAR |  | 2848.412 | 2350000 | 2.614 .140 | 2.565.529 |  | (21, 452) |  | (21,452) |  | 2.544077 |  | 304334 | 4 |  | 0715/2025 |
|  | City of San Antonio TX General |  |  |  |  |  | - $-3,00,000$ |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 796236-7x-9. |  |  | 08/01/2012. | Matur ity. |  | 3,655,000 | 3,655,000 | 4,099,704 | -3,731,785 |  | (76,785). |  | (76,785) |  | 3,655,000 |  |  |  | .191,888 | 08/01/2012. |
| 806640-SK-5. | School Dis |  | 10/18/2012. | Barclay Capital. |  | 11,012, 100 | .10,000,000 | . $10,081,500$ | 10,051,248 |  | (9,406). |  | 9,406) |  | 10,041, 842 |  | 0,258 | 970,258 | 613,889 | 2/01/2 |
| 845389-EV-3. |  |  | . $04405 / 2012$. | Morgan Stanley \& Co |  | 5,840,673 | . $5.415,000$ | . $5,398,484$ | -5,398,638 |  | . 84. |  |  |  | 5,398,722 |  | 441,951 | 441, 951 | 188,021 | $08 / 0$ |
| 955023-CL-4. | lest $\begin{aligned} & \text { West titawa III Pub Schs School } \\ & \text { District. }\end{aligned}$ |  | 11/01/2012. | Jamey loontgonery Scott |  | 999 | ,000 | . $3.987,187$ | . $4.355,164$ |  | 893 |  | 893 |  | 058 |  | 942 | 1,942 |  | 05/01/2015. |
|  | Bonds - U.S. Poplitical subdivis on |  |  | ries and |  | 212,310,473 | 188,720,000 | 196,120,747 | 194, 13, 426 |  | (673,587) |  | (673,587) | 0 | 193,45, 838 | 0 | 18,852,635 | 18,85, 635 | 10,187,948 | xxx |
| Bonds . | cial Revenue and Special As |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 0, 0 Fe400-61-0. |  |  | 01/1012012 | Greenwich Capital |  | 053,320 | 100,000 | 3,281 | (143,281 |  |  |  |  |  |  |  | 10,039 | 10,039 | ${ }_{1}^{1,222}$ | 2042. |
| (07024-0.-8. | Bay Area Toll Auth Transoor tation. |  | ${ }^{0} 10124242012$ |  |  | ${ }^{15} 5,538,700$ | ${ }^{13,500,000}$ | -13,455,595 |  |  | ,297 |  | 1,297 |  | -13,451,780 |  | 2,086, 999 | 2,086, 990 |  | 04/01/2031. |
| 072024-FE-7. | Bay Area Toll Auth Transportation... |  | 10/24/2012 | UMerill 1 Lych |  | 11,878,700 | 10,000,000 | -9,959,700 | -9,963,321 |  |  |  |  |  | 9,9664,281 |  | 1,914,419 | 1,914,419 | 538,889 | 04401/2031 |
| 13048T-6L-1. | Cal ifornia Muni Fin Auth Medical. |  | 04/1012012. | (Cit i group).. |  | 774,953 | .750,000 | .736,613 | .737,097 |  | 115 |  | 115 |  | 737,211 |  | 37,741 | .37,741 | 32,313 | 07/01/2030 |
| 181012-AY-1 | Oriol 14. |  | . $05 / 2112012$ | Goldman Sach |  |  |  |  | 1,091,222 |  | .. (14,310) |  | (14,30) |  | 1,076,912 |  | 998 | 3,998 |  | 07/01/2014 |
| 186632-VF-4. | cleveland depto of pubutit itit later |  | -010112012 | Call 100.0000 |  | -35,000 | $\begin{aligned} 2550,000 \\ \hline \end{aligned}$ | - $\quad .35 .002$ | - 535.000 |  |  |  |  |  | 355,000 |  |  |  |  | 010120126. |
| 235036 -0.0.0.0. | Coll |  | -10201/2012 |  |  | - | $\bigcirc$ | $\bigcirc$ | - |  |  |  |  |  | 1,705,000 |  |  |  |  | 11101/20213. |
| $2355036-\mathrm{DA}-5$. | Oal las Fort Worth Intl Air Ai rport. |  | 11/01/2012 | Call 100.0000 |  | 4,885,000 | 4,885,000 | - 4,378,767 | 4,410,959 |  | 6,428. |  | 6,428 |  | 4,417,387 |  | 467,613 | 467,613 | 185,47 | 11/01/2031 |
| 251237-YX-5. | Detroit wi wir Supply Sys Rev Mater. |  | 10/22212012. | NTSC. |  | 11,260,245 | -9,700,000 | . $10,675,626$ | 10,416,206 |  | . $(79,863)$. |  | (79,863) |  | 0,336,343 |  | ,902 | 923,902 | 702,442 | 07/01/2018. |
| 251256-88-1. | Sys Rev |  | 12/11/2012. | (e) |  | 1, ,097,300 | 1,000,000 | .985,220 | .985,220 |  | 226 |  | 226 |  | 985,466 |  | 111,854 | 111,854 | 51,333 | 07/01/2041 |
| $251440-$-t-0.0. | Ceneral obl. |  | . $06 / 15 / 2012$. | Jamey lon |  | 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 | 02001 12027 |
| 25776-6E-0.0 | Dist of Columbia Development. |  | . 06612612012 | Janey loyntoonery scotl |  | 2,570,783 | - . $2.515,000$ | - 1,917,688 | -1,944,085 |  |  |  |  |  | ,949,161 |  |  |  |  | 02/01/2035. |
| ${ }^{312236-112}$ | Freddie Mac Gold pool fallc coin7. |  | . 0441712012 | Oppenheiner. |  | 107, 879 |  | - $\begin{array}{r}100,882 \\ -\quad .088 \\ \hline\end{array}$ | [-100, 303 |  | (37) |  |  |  |  |  |  |  | 2,629 | ${ }^{088112035}$ |
| ${ }_{3} 3283830.02-6.6$ | Fredde |  | $\bigcirc$ | Parious |  | -29,878 |  | -727,488 | -27, 231 |  |  |  |  |  | -67,302 |  | 2,576 | -2,576 |  |  |
| 312830-02-6. |  |  | -066012012 | Paydom. |  | 1,400 | 1-4,400 | -1,492 | -1,486 |  |  |  |  |  |  |  |  |  |  | -031012026. |
| ${ }^{3}$ |  |  | -0512420122. |  |  | ${ }_{298}^{49666}$ | ${ }^{\text {c/267,493 }}$ | - 2759,007 | -278,715 |  | $\cdots$ |  | -18, 150 |  | 406,485 <br> 278,866 |  | 19,500 | 19,500 | $\xrightarrow{1}$ | 001012032- |
|  | Freddie Mac cold Pool fallc c62887. |  | . 006 | Paydom. |  | ${ }^{4} 45.416$ | -45,416 | -47,368 | - 47.304 |  | (1, 1,888$)$ |  | ${ }^{(1,8,888)}$ |  | ${ }^{45,416}$ |  |  |  |  | 01/012032- |
| 31287N- - - 3 -3 | Freddie Mac Gold pool fallic c623822 |  | . 05501212022 | Paydom |  | -47,359 | -47,359 | -.49,956 | -49,868 |  | - [2, 2,588) |  | (12,508) |  | 47, 359 |  |  |  |  | ${ }^{01111 / 2032}$ |
|  | Freddie Mac eold Pool follc creas2. |  |  | Recenot io Various.. |  | -110,6704 | $\begin{array}{r}10,610 \\ \hline 103,622\end{array}$ | 11,191 -108,012 | - 111,171 |  | ${ }_{5}^{562}$ |  |  |  | 10,660 107,924 |  | 6,870 | 6,8,870 |  | -011012032 |
|  |  |  | -050012012 | Paydom. |  |  | - ${ }^{2,9802}$ | - .3,025 | - 3.3821 |  | - $\begin{array}{r}(119) \\ (34) \\ \hline\end{array}$ |  | (119) |  | 2,982 |  |  |  |  | -011012032 |
| 31287P-EE-5.5. | Freddie Nac Gold pool FGllic C63730.. |  | -05/22/2012 | Biv Pari ibas NV . |  | 280,611 | -247,507 | -261,076 | 260,619 |  |  |  | 174. |  |  |  | 19,818 | 19,8818 |  | ${ }^{021 / 1 / 2032}$ |
|  | Freddie Mac cold Pool fallc corz30 |  | -0590120 | Paydom. |  |  | -..2, 865 | -...3022 | $\cdots$ |  | (152) |  | (152) |  |  |  |  |  |  | ${ }^{021012032.2}$ |
| $31287 \mathrm{R}-\mathrm{U}-1$ | Freddie Mac Gold pool fallic c65739. |  | -05/22/2012 | Reymond James \& Associates. |  | .249,281 | -213,975 | - 2288,339 | - 227,719 |  |  |  |  |  | 227,758 |  | 21,523 | 21,523 |  | ${ }^{04 / 1 / 12032}$ |
|  |  |  | -0660012012 |  |  | -128, ${ }^{2893}$ | $\begin{array}{r}\text { 28,593 } \\ -114,588 \\ \hline 18\end{array}$ | $\begin{array}{r}\text { 230,513 } \\ -120,828 \\ \hline\end{array}$ | - 3 - 30,430 |  | -(1, 1,837$)$ |  | $\begin{array}{r}(1,837) \\ -\quad .82 \\ \hline\end{array}$ |  | $\begin{array}{r}28,593 \\ \hline 120,799\end{array}$ |  | 9,160 |  |  |  |
| ${ }^{31287 \text { - -FF-1 }}$ | -reddie Mac cold pool fallc ccriz3- |  | -050012012 | Paydom |  |  | -1. 1.570 | -1.1, 1.656 |  |  |  |  |  |  |  |  |  |  |  | $11 / 012032$ |
| $31287 \mathrm{~V}-\mathrm{L}-1$ | Freddie Nac Gold Pool F6lllc cosior- |  | -10123/2012 | 6.x. Clarke \& Company .-... |  | 2,405,863 | - 2,104,637 | -2,220,015 | 2,216,245 |  | 973. |  | 973 |  | 2,2i7 .20 217 |  | 188,645 | 188,645 | 120,124 | 0771120232 |
| V - $\mathrm{L}-1$ | Freddie Mac Gold Pool falla cosiop. |  | ${ }^{11 / 10120212}$ | Payd |  | 625,009 | .625,009 | .659, 273 |  |  | . $(33,144)$ |  | . $(33,144)$ |  |  |  |  |  | 29,581 | 0701/23010 |
| 31285-3- 2 - | Eredie \#ac gold pool Fallc 0638881. |  | -05122 21212 | Real |  |  | $\cdots$ | $\cdots$ | $\begin{gathered} 134,082 \\ -\quad-., 063 \\ \hline 8.063 \end{gathered}$ |  | $\cdots$ |  |  |  |  |  | (430) |  |  | 090112025. |
|  | Freddie Nac eold pool follc Do3881. |  |  | Paydoun Raymod Janes \& Associales. |  | ${ }^{711.1486}$ | - $\quad .63 .1268$ |  | -6.177 |  |  |  |  |  |  |  | 4.652 | $4.65{ }^{0}$ |  | 09/112023 |
| 312854-6L-0. | Freddie Mac Gold Pool fally dos375. |  | 2012 | Paydom. |  | 1,888 | 11,888 | 2,005 | 1,995 |  |  |  | (07) |  | 1,888 |  |  |  |  | $11 / 01202$ |
| ${ }_{\text {a }}^{3121285-6 L-0.01}$ | Freddie Nac Gold Pool follc 005375) |  | -05130212012 |  |  |  |  |  |  |  |  |  |  |  |  |  | 4,100 |  |  | - $11 / 101202020$ |
| $312855-66-11$ | Eredie Mac Gold pool fallic obsh711. |  | . 060101212022 | Paydom. |  | 1,310 | --1,310 | -1,396 | -1,390 |  | (80) |  |  |  |  |  |  |  |  | 11/01/202 |
| B-2E-4 | Iredie Mac Gold pool Fallc 070773. |  | -0770172012 | Paydoun Raymod Janes \& Associaies. |  |  | - $1.4,444$ | - 1.444 | -1, 1.444 |  |  |  |  |  |  |  | . 457 |  |  | ${ }^{051017202}$ |
| 3128F-4E-5 | Freddie Nac Gold Pool fellic or7121.. |  | ${ }^{2} .056121212012$. | , ydom. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | - |

SCHEDULE D - PART 4

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  | Name of PurchaserShares of <br> Stock |  | Consideration |  | Actual cost |  <br>  <br>  <br>  <br> Prior Year <br> Bok Adjusted <br> Carying <br> Calue <br> Value | 11 <br>  <br>  <br> Unrealized <br> Valuation <br> Increase/ <br> (Decrease) | 12 <br> Current Year <br> (Amorization)/ <br> Accretion | 13 <br> Current Year's <br> Other Thary <br> TTmparary <br> Impaiment <br> Recognized | 14 <br> Total Change in <br> B/A.C.V. <br> $(11+12-13)$ | 15 <br> Total Foreign Exchange Change in B/A. C.V. | 16 <br> Book/ <br> Adiusted <br> Aarrying alue <br> Disposal Date |  |  |  |  |  |
|  | $\begin{gathered} \text { cusip } \\ \text { Identi- } \\ \text { Ification } \end{gathered}$ |  |  | $\begin{aligned} & \text { Disposal } \\ & \text { Date } \end{aligned}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Freddie Mac Gold Pool FGLIC D77889 Freddie Mac Gold Pool FGLICC 077889 |  | -05/212002 |  |  |  | (ear |  |  |  |  |  |  |  | 1,011 |  |  |  | - | , |
|  | 31289V-ET- | Freddie Mac Gold Pool FECI E91058 |  | 06 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 88/01/2017 |
|  | $312861-E 7-1$ | Fredie llac Gold Pool F6Cl E91058. |  | .0660112012. | Paydom. |  | -188, 333 | -188, 33 | -197,200 | - 195,333 |  | $\cdots \times(7)$ |  | -..77,000 |  | - ${ }^{1888,333}$ |  |  |  |  | -08012017 |
|  |  |  |  | -06512921212 | 6.x. Clarke \& Company |  |  |  | $\begin{array}{r}\text { 444,402 } \\ \hline \text { 90, } 354 \\ \hline\end{array}$ | $\begin{array}{r}\text { + } \\ -\quad 40,942 \\ \hline \quad 89,651 \\ \hline\end{array}$ |  |  |  | - |  |  |  | .20,414 |  | (10,994 | - |
|  | 31285F-60-1] | Freddie lac old Pool Feclic 152736 |  | -101232020 | vachovia-Vielis fargo sec... |  | 2,068, 254 | - $\quad 1.881,835$ | - 1, $1,950,682$ | -1, $1.948,905$ |  | - $-\left(95.85{ }^{\text {a }}\right.$ |  | - |  | -1.949,730 |  | .118,524 | $\cdots \times 118,524$ | 100, 10.046 | -090120336 |
|  |  |  |  | - $\begin{array}{r}\text { 1120012012 } \\ -051221212\end{array}$ |  |  | + | - ${ }^{2,992387}$ | - $\begin{array}{r}2,990,836 \\ -\quad .926,27 \\ \hline\end{array}$ |  |  | - - $-95,9.957)$ |  | - - - - . 9 (95,957) |  | ${ }^{2},{ }_{9}^{2,925,7337}$ |  | 76,171 | $\cdots \quad 7 \quad 76,171$ | -92,451 | -090012036. |
|  |  | Freddie Mac Gold pool follc Ah7497 |  | -066012012 | Paydom. |  | - ${ }^{42225,742}$ | ${ }^{1.2252,742}$ |  |  |  |  |  |  |  | - 1.2425 .7427 |  |  | $\bigcirc 0_{0}^{0}$ | [10,039 | -061012036 |
|  | 3128XX-F.5.5. | Freddie Mac old pool felic colysi |  | -1012420122. | Paxam clane \& Company |  | - $7.545,5353$ | - $\quad$. |  | - $\quad 1 \begin{array}{r}1,022,876 \\ \hline\end{array}$ |  |  |  | $\cdots{ }^{(1) .54,588}$ |  |  |  | .518,288 | $\cdots$ | - 301.181 | -0, 121012012035 |
|  |  |  |  | - $11 / 12123212012$. |  |  |  |  | $+3,567,983$ <br> $-\quad 3,57$ | $\bigcirc$ |  | $\cdots$ |  | $\cdots$ |  |  |  | 276,550 | -276,550 |  |  |
|  |  |  |  | - 11101212012 | Paydom. |  | +1, $1,412,200$ | - $\begin{array}{r}1,111,240 \\ \hline-47609\end{array}$ |  | - $\begin{array}{r}1,156581 \\ \hline-1.5851 \\ \hline\end{array}$ |  | ( |  |  |  | (1, 1712.2309 |  |  |  |  | -09011202才 |
|  | 312845-M-8.8. | Freddie |  | -0712092012. | Paplomm Paribas NV: |  |  | - $\quad$ 6,448,297297 |  |  |  | - |  | $\begin{gathered} (36,045) \\ -3,54 \\ \hline \end{gathered}$ |  | [6,668,5969 |  | 370,097 | -370,097 | $\begin{array}{r}14,39 \\ \hline 248 \\ \hline 18,705 \\ \hline\end{array}$ |  |
|  |  | Freddie Mac Gold pool fgllc cose96, |  | -081012012. | Paydom. |  | $\begin{array}{r}2,039,931 \\ \hline, 351873\end{array}$ |  |  | $2,104,766$ $-\quad 386,746$ |  | -(65.365) |  | - |  |  |  |  |  |  | +017012038 |
|  | 312815 -VA 4 - | Freddie lac cold Pool Fgllic cosu41. |  | -120112012. |  |  | 3,459,255 | 3,459,255 | 3,584,536 | -3,581,480 |  | (122,24) |  | (122,24) |  | 3,459, 255 |  |  |  | 110, | 021012038. |
|  | 810-H5-0 | Freddie Mac Gold Pool fallic gout52. |  | .07091201 | Mo. |  | 0,150,665 | ,155,053 | 9,966,133 | ,950,774 |  | ${ }^{11,877}$ |  | 11,877 |  | 9,962,651. |  | 188,014 | 188,014 | 338,737 | 0770112038. |
|  |  |  |  |  | Paydom. |  | 2, 2 ,959,2910 | 2,259,290 | ${ }_{2}^{2,4550,095}$ | $\xrightarrow{2,451,3151951}$ |  | (196,021) |  | (19,027) |  | ${ }^{2}, 295,2000$ |  |  |  |  |  |
|  | sur-Ts | Freddie Mac Gold Pool follc cos661. |  | 12012012 | Clect |  | 30,893,478 | 27,96, 808 | 29,864, 24 | 29,872, 499 |  | $29,567$. |  | 29.567 |  | 29,857,066. |  | 1,036,412 | 1,036,412 | 1,329,021 | 0910112039 |
| - |  | Freddie Mac Gold pool follc cos661/ |  | - 1210012012 | Paydom. |  | $\begin{array}{r}8,862,247 \\ \hline 422.35 \\ \hline\end{array}$ | ${ }^{-.88822,247}$ |  |  |  | (1599,922) |  | (1599,992) |  | $\begin{array}{r}8,862,247 \\ 422,352 \\ \hline\end{array}$ |  |  | 0 | (358, 357 | - |
|  | 312838-44-6. | Freddie Mac old pool Fclicc coso327. |  | -122012012. | Paydom. |  | -236, 6.653 | -286,653 | -308,107 | - -307,577 |  | … 20,8864 |  | - ${ }^{(120,864}$ ) |  | -286, 653 |  |  |  |  | ${ }^{041012012383}$ |
|  |  |  |  | -07092012 |  |  | [305,563 <br> 73,628 | $\begin{array}{r}\text { 2281, } \\ \hline 7301628 \\ \hline\end{array}$ | - 3030,805 | $\begin{array}{r}\square \quad 302,635 \\ \hline \quad-\quad 79,212 \\ \hline\end{array}$ |  | - 5 [5,584) |  | - 5 [5,584) |  | - 3202,548 |  |  | .3,019 |  | - |
|  |  | Freditie lac Gold Pool Fclic cosi15. |  | -121012012 | Paydom |  |  |  | $\begin{array}{r}2.199 .586 \\ \hline 5319505 \\ \hline\end{array}$ |  |  |  |  |  |  |  |  | 343,042 |  |  | 1001012034. |
|  |  | Freddie lac old pool felicic cois2 |  | ${ }^{1212012012}$ |  |  | 退 | 2,500,492 | - ${ }^{2,620,793}$ | 2, ${ }_{\text {2, } 617,700}^{2,060}$ |  | - |  | (1177,208) |  |  |  |  |  | .112,609 | (09012336 |
|  | 31281J-EL-9.9. | Freddie Maac bid pool Folic bobiti. |  | -12/01/20 |  |  |  | 1,937,869 | 2,008,766 | .2,006,912 |  |  |  |  |  |  |  |  |  |  | .090112036. |
|  | 282C-XF-6. | 160078 |  | . 12201201202 | Paydom. |  | 1, 559, ,297 | $\begin{array}{r}1,1,59,397 \\ \hline-129\end{array}$ | $\begin{array}{r}1,411,144 \\ \hline-13,430\end{array}$ | - 1,410,464 |  | ...51, 066) |  | (51, 066) |  | 1, ,399, 397 |  |  |  |  | 011012036 |
|  | E-68 | Fredie Mac old pool fccl |  | -10123220122. |  |  | 3,206,781 | 2, 2,996 ,9922 |  | - 3 , $0.52,6624$ |  | [1, 1,991 |  |  |  | +1,072,671 |  | -136,110 | 136, 110 | ,965 | (entiole |
|  |  | Fredil Mac God pool facl 02923. |  |  | Paydom. |  | - ${ }^{551,999}$ 327,53 |  |  | $\begin{array}{r}1,591,134 \\ \hline, 346,462 \\ \hline\end{array}$ |  | - (199,185) |  | ( $\left.\begin{array}{c}(39,185) \\ (18,899\end{array}\right)$ |  |  |  |  |  |  | - |
|  | 312884-66-3.3 |  |  | .01/12/2012. | BIP |  | 918,875 | 869,298 | 916,022 | 9915,200 |  | (23) |  |  |  | 915,177 |  | 3.698 | .3.698 | 2.718 | 03/01/2036. |
|  | 312884-66-3.3 | Freddie Uac Non Gold Pool frharl |  | . $01 / 1012012$. | Pay |  |  |  |  |  |  | ..8) |  |  |  | 142 |  |  |  |  | 2036. |
|  | suc.kr-2 | -1888000 |  | .11/08/2012. | BNP Paribas/MY |  | 563,088 | 547,390 | 546,744 | . 546,699 |  | 16 |  | 16 |  | 546,716 |  | 16,372 | 16,372 | 14,890 | 03/01/2041 |
|  | $31230 \mathrm{C}-\mathrm{YY}$-2 |  |  | .110012002. |  |  |  |  |  | - $\quad 1688703$ |  |  |  |  |  | 167,682 |  |  |  |  | 03/012004 |
|  | 312926-47-0 <br> 312226-4 | Freddie laac bold pool folic coos34 |  | -0512412012 | Braydo int Capi ial |  | 359,1,150 <br> 26, 57 |  |  | $\begin{array}{r}\quad 335,796 \\ -\quad 37.894 \\ \hline-\quad .\end{array}$ |  | $\left(\begin{array}{r} 1162 \\ \hline(1,137) \end{array}\right.$ |  | $(-\quad(1,132)$ |  | $\begin{array}{r}\text { [35,958 } \\ \hline 26,757 \\ \hline\end{array}$ |  | 23,193 | -23,193 | -8.716 | -07012029 |
|  | $3129296-4 T-0$ 312290 |  |  | -065121202. |  |  | - 865 |  |  |  |  |  |  |  |  |  |  | 4,57 | 4,5i6 |  |  |
|  |  | Freddie |  | -0660820120. | Reysank |  | ${ }^{4} 47,807$ | -39,500 | -42, ${ }^{\text {4,788 }}$ | - 42, |  |  |  |  |  | -62, 724 |  | 5,083 |  |  | - |
|  | ${ }^{312292-R A-6-6 .}$ | Freddie Mac Gold pool follc cootsi, |  | .066012012 | Paydom- |  |  | + ${ }^{1,555}$ | - $\begin{array}{r}1,692 \\ 34218\end{array}$ | $\begin{array}{r}1,1,683 \\ \hline 34 \\ \hline\end{array}$ |  | (128) |  |  |  |  |  |  | 2.886 |  | - $10 / 101212026$. |
|  | ${ }^{3} 312220-50.90 .9$ | Freddie Mac old pool Fclilic cossi6. |  | -0661212012. | Paydom. - |  | 5.416 | - 5,416 | -..7,746 | - 5, 5127 |  | - - (30) |  |  |  |  |  |  |  |  | ${ }^{055012027}$ |
|  |  | Freddie Mac bod pool follic coos58 |  | -051242012. |  |  |  | $\begin{array}{r}\text { +11,805 } \\ \hline 11,29\end{array}$ | +971,068 |  |  | - |  |  |  | ${ }^{9} 911,2987$ |  |  | - -7,7,910 |  | (100012288. |
|  | 31232-Y4-2. | Freddie Mac Gold pool fallic coor31 |  | . 05524121212 2. | ${ }^{\text {Broaz }}$ |  |  | +18690909 |  | $\begin{array}{r}197.170 \\ \hline-\quad 33017 \\ \hline\end{array}$ |  |  |  |  |  |  |  |  | 15,843 |  | 031012029 <br> 03012029 |
|  |  | Freddie Mac old pool fillic coor60 |  | -055242012. | Proado in Capit |  | 229, 271 | -201, 031 | .212, 463 | - 211,987 |  | - $\square^{1} 1132$ |  |  |  |  |  | 17,156 | 17,156 |  | ${ }^{0351012029}$ |
|  | $\mid$ | Freddie lua bod pool falic coorbo |  | -05012012. |  |  | 19,717 1,850 | - 119.7817 | - ${ }^{120,892}$ |  |  | $\bigcirc \times(101)$ |  |  |  | 1,850 |  |  |  | 17,150 | - |
|  |  |  |  | -051242012 |  |  | 738,663 <br> ${ }_{57} / 932$ | $\begin{array}{r}\text {. } 6477773 \\ \hline 57.732 \\ \hline\end{array}$ | $\begin{array}{r}.683689 \\ \hline 61145 \\ \hline 1.95\end{array}$ |  |  |  |  |  |  |  |  | .55,731 | 55,731 |  | $01101 / 23$ $01 / 01 / 23$ |
|  |  | (e) |  | (0) | (eate |  |  | (.988096 | \% 78.454 | \% ${ }^{\text {a }}$ |  |  |  |  |  |  |  |  |  |  | $0,1 / 12123$ 03 0312023 |
|  | 292-U2-8. |  |  | 012012 |  |  |  |  | 704,736 |  |  |  |  |  |  |  |  |  |  |  | 03012 |

SCHEDULE D - PART 4


SCHEDULE D - PART 4


SCHEDULE D - PART 4


SCHEDULE D - PART 4


SCHEDULE D - PART 4

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline 1 \& 2 \& \& 4 \& 5 \& 6 \& 7 \& 8 \& 9 \& 10 \& \& Change in \({ }^{\text {B }}\) \& ook/Adjusted Ca \& rrying Value \& \& 16 \& 17 \& 18 \& 19 \& 20 \& 21 \\
\hline \& \& F \& \& \& \& \& \& \& \& 11 \& 12 \& 13 \& 14 \& 15 \& \& \& \& \& \& \\
\hline \[
\begin{gathered}
\text { cUsIP } \\
\text { Identi- } \\
\text { fication }
\end{gathered}
\] \& Description \&  \& \[
\begin{gathered}
\text { Disposal } \\
\text { Date }
\end{gathered}
\] \& Name of Purchaser \& Number of Shares of Stock \& Consideration \& Par Value \& Actual Cost \& Prior Year
Book/Adjusted
Carrying
Value \& \begin{tabular}{l} 
Unrealized \\
Valuation \\
Increase/ \\
(Decrease) \\
\hline
\end{tabular} \& \[
\begin{array}{|c}
\begin{array}{c}
\text { Current Year } \\
\text { (Amortization)/ } \\
\text { Accretion }
\end{array} \\
\hline
\end{array}
\] \& Current Year's Other Than Temporary Recognized \& \[
\begin{gathered}
\text { Total Change in } \\
\text { B/A. C.V.V. } \\
(11+12-13) \\
\hline
\end{gathered}
\] \& Total Foreign
Exchange Exchange B/A. C.V. \&  \& \[
\begin{array}{|c|}
\text { Foreign } \\
\text { Exchange Gain } \\
\text { (Loss) on } \\
\text { Disposal } \\
\hline
\end{array}
\] \& \[
\begin{gathered}
\text { Realized Gain } \\
\begin{array}{c}
\text { (Loss) on } \\
\text { Disposal }
\end{array} \\
\hline
\end{gathered}
\] \& \[
\begin{aligned}
\& \text { Total Gain } \\
\& \text { (Loss) on }
\end{aligned}
\]
Disposal \&  \& Stated
Contractual
Maturity
Date \\
\hline \[
\begin{aligned}
\& 31412 \mathrm{R}-\mathrm{KU}-\mathrm{O} \\
\& 314122-6 \mathrm{C}-4 .
\end{aligned}
\] \& Fannie Mae Pool FNCL 193887 .
Fannie Mae Pool FNCL 93715 . \& \& - \({ }^{-110012012}\) \& Paydom.
Paydomm. \& \& \[
\begin{array}{r}
10,242,365 \\
\hline . .3,306,003
\end{array}
\] \& \[
\begin{array}{r}
10,242,365 \\
-\quad . \quad 3,306,003
\end{array}
\] \& \[
\begin{array}{r}
10,564,839 \\
-\quad . \quad 3,629,888
\end{array}
\] \& \(\begin{array}{r}-{ }^{10,559,210} \\ -\quad .621,460 \\ \hline-6\end{array}\) \& \& \[
\begin{aligned}
\& .(316,845) \\
\& .(315,457)
\end{aligned}
\] \& \&  \& \& \begin{tabular}{l}
\(10,242,365\) \\
\(3,306,003\) \\
\hline,
\end{tabular} \& \& \& \& \begin{tabular}{l} 
310,208 \\
\(.104,454\) \\
\hline
\end{tabular} \& .090172040 \\
\hline \& \& \& \& Nomura Securit ies IntI \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \\
\hline  \& Feanie lae Pool facl \& \& - \& \& \&  \& \(\begin{array}{r}755978 \\ \hline 195,285 \\ \hline\end{array}\) \& -828,5931989 \& -813,206 \& \& \& \& - - 17.12126 \& \& \begin{tabular}{l}
880,44 \\
195,285 \\
\hline
\end{tabular} \& \& \& \& 20,460 \& - \\
\hline  \& Fanie Mae pool FCCC o90550 \& \& - 121201212022 \& Paydom \& \& 4, \(4.5250,012\) \&  \&  \&  \& \& \(\cdots\) \& \& - \& \& 4,525],362 \& \& \& \& \(\cdots\) \& 0901/12038 \\
\hline \({ }^{3414168-65 \%-9}\) \& (eanie Mae Pool Fccl \& \& -121212012 \& Paydom. Baclay Capital \& \& \(\begin{array}{r}157,366 \\ \times .403,146 \\ \hline\end{array}\) \& \(\begin{array}{r}\text { + } \\ \quad \begin{array}{r}157,366 \\ -366767\end{array} \\ \hline\end{array}\) \& \begin{tabular}{r} 
+ \\
\hline\(\quad 170,127\) \\
\(-\quad 399467\)
\end{tabular} \& 1699,791
\(-\quad-\quad 398,524\) \& \& \(\cdots\) \& \&  \& \&  \& \& 4,064 \& \&  \& - \\
\hline \(314168-98-0\). \& Fannie Nae Pool FNCL 995228. \& \& .05/01/2012. \& Paydom \& \& -52,331 \& -52,331 \& -..58,595 \& -58,457 \& \& (6, 125) \& \& -(6, \(\mathbf{- 1 2 5 )}\) \& \& 52,331 \& \& \& \& \& 11/01/23 \\
\hline 31416N-TU-6. \& Fanie Mae Pool FNCL A45032 \& \& -01312012 \& Monura Seurrities Int \& \& \({ }^{182}\) \& \% 88,59 \& 810,984 \& 810,473 \& \& \& \& \& \& 10,886 \& \& 32,296 \& . 32,296 \& \& \({ }^{031012039}\) \\
\hline 34160 V - \& \& \& \& Paydoun \(\begin{aligned} \& \text { Nouna Securities Inti }\end{aligned}\) \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \\
\hline  \& Fanie Mae Pool FVCL ABB141 \& \& . 02/16/2012 \&  \& \& 1,423,688 \& 1,320,330 \& \(\begin{array}{r}1,351,276 \\ \hline 1,80 \\ \hline\end{array}\) \& \(\begin{array}{r}1,30,579 \\ \hline 1,5083 \\ \hline\end{array}\) \& \& \& \& \& \& \(\begin{array}{r}1,350,872 \\ 49 \\ \hline 1824\end{array}\) \& \& 72,816 \& 816 \& 13, 368 \& 06/012020. \\
\hline 314160-RH-7 \& Fannie eae Pool FNCL AB1387 \& \& -10123/2012 \& Biv Capital larkets, lic. \& \& -33,535,506 \& - 31, 414,416 \& - 32, 855 5,394 \&  \& \& \& \& - (4,332) \& \& \({ }^{32,450,619}\) \& \& 1,084,887 \& 1,084,887 \& 1,279,580 \& 08/01/2040 \\
\hline  \&  \& \& -100012012 \& Paydom. \& \& \(10,662,501\)
-1344822 \& \(+10,62,501\)
\(-\quad-234,822\) \&  \& \[
\begin{array}{r}
-111,121,884 \\
-\quad .124,931
\end{array}
\] \& \&  \& \& \begin{tabular}{|c}
\((459,384)\) \\
\((8,108)\) \\
\hline
\end{tabular} \& \& \(\begin{array}{r}10,662,501 \\ \hline 1234822\end{array}\) \& \& \& \& \(\begin{array}{r}1232,399 \\ -\quad 38 \\ \hline \text { 4,745 }\end{array}\) \& O8/01/2040. \\
\hline \& Fannie lae Pool FNCL AB3509 \& \& \& Nomura Securit ies IntI \& \& \& \& \& \& \& \& \& \& \& \& \& 38.040 \& \& \& \\
\hline \(31416-37-3\). \& Fanne vae Pool Ficl Ab3509 \& \& -12/012012 \& Paydom. \& \& +273,593 \& \(\bigcirc\) \& -1285, 349 \& \(\cdots\) \& \& \& \& - 111,669 \& \& -1.73, 593 \& \& \& \& 5,952 \& 09/01/2041 \\
\hline  \&  \& \& - 12120112012 \& Paydom, \& \& 2,777.603 \&  \& \(\begin{array}{r}\text { 2,893,004 } \\ -\quad 183.851 \\ \hline\end{array}\) \& \(\begin{array}{r}\text { 2,891,168 } \\ \hline \quad 183.651 \\ \hline\end{array}\) \& \& \({ }_{\text {col }}^{(112,565)}\) \& \& (-112,565) \& \& \begin{tabular}{l}
\(2,778,603\) \\
\hline 17410
\end{tabular} \& \& \& \& \& 02/01/2040. \\
\hline 31417T-TE-8.81 \&  \& \& - \&  \& \& -1746, 1170 \& - \(\quad 1774,8981\) \& - \(\quad 1 \begin{array}{r}183,81 \\ -\quad 813,643\end{array}\) \& - \(\quad 18812,691\) \& \& \& \& \(\cdots\) \& \& - \(\quad 17414,8108\) \& \& ...23,048 \& \(\bigcirc \quad 230048\) \& \({ }^{14,224}\) \& 09/1/12030 \\
\hline \({ }^{31417 T-T P-8.8}\) \&  \& \&  \& Paydomm.
Paycomm \& \& \(\begin{array}{r}44,694 \\ \\ \hline 27.620\end{array}\) \&  \& \[
\mathbf{r}_{237,724}^{42}
\] \&  \& \& \[
\left(\begin{array}{c}
(12,458 \\
(9,634) \\
\hline 9,638)
\end{array}\right.
\] \& \&  \& \& \[
\begin{array}{r}
44,694 \\
-277 \\
\hline 27
\end{array}
\] \& \& \& \& \& 09/01/2030 \\
\hline \& \& \& \& a Seurities Int1 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \\
\hline \[
\begin{aligned}
\& 31417 Y-88-4 \\
\& 31477-88-4 \\
\& 3
\end{aligned}
\] \& Fannie Mae Pool FNCT MAO734
Fannie Mae Pool FNCT MAO734 \& \& -02/01/2012 \& Pa, \& \& \[
\begin{array}{r}
.474,748 \\
\cdots \\
\hline 15,305
\end{array}
\] \&  \&  \& 465,906
\(----\quad 16,050\) \& \& \[
\begin{gathered}
(83) \\
-\quad(745)
\end{gathered}
\] \& \& \[
{ }^{(183)}(7)
\] \& \& \(+465,823\)
\(-\quad .15,305\) \& \& 8,925 \& \& 2,332
1
1
1749 \& -05012031 \\
\hline 314180-68-0. \& Fannie Mae Pool FNuARM A02922. \& \& -121012012. \& \& \& \& - \(\quad 112,136\) \& \& \& \& \& \& \& \& \& \& \& \& \& \(04 / 112040\). \\
\hline 18R-RR-7 \& Fanie Nae Pool FNC1 A03755 \& \& -012612012 \& Mrunra \& \& 801,318 \& 748,458 \& 787,284 \& 786,045 \& \& \& \& \& \& \({ }^{786,555}\) \& \& ...14,762 \& 14,762 \& \& 033012025. \\
\hline  \&  \& \& -020112012 \& Paydom Barclay Capita \& \&  \&  \& . 630,881 \& - - - . 630,116 \& \&  \& \&  \& \& \(\begin{array}{r}\text { F33, } \\ \text { 62, } 806 \\ \hline\end{array}\) \& \& (12, 12 \& \(\cdots\) \& \& 0401/2025. \\
\hline \(31418 \mathrm{R}-\mathrm{HH}-7\) 31418T-PT \&  \& \& - \(\begin{array}{r}1212012012 \\ -12012012\end{array}\) \&  \& \& 164,955 346,946 \& \(\begin{array}{r}\text {-164,955 } \\ \hline .34,946 \\ \hline\end{array}\) \&  \&  \& \& \({ }^{(12,774}\) \& \& \[
\mid
\] \& \& \& \& \& \(\cdots\) \& \& 04101/2025. \\
\hline \& \& \& \& Sal omon Snibar ey \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \\
\hline 314184-E- -0 \& Fanne Mae Pool FNCL A08246. \& \& -02/01/2012 \& Paydown. \& \& \[
\begin{aligned}
\& .899,257 \\
\& -53,408
\end{aligned}
\] \& \[
\begin{aligned}
\& .842,766 \\
\& . .53,408
\end{aligned}
\] \& \[
\begin{aligned}
\& .891,817 \\
\& . .56,516
\end{aligned}
\] \& \[
\begin{gathered}
.891,466 \\
\hline \\
\hline 56,494
\end{gathered}
\] \& \& \[
)_{(0,1786)}^{(1766)}
\] \& \& \[
\cdots(13,086)
\] \& \& \[
\begin{aligned}
\& .891,290 \\
\& .53,408
\end{aligned}
\] \& \& \& \& \& 08/01/2040. \\
\hline 31418-TC-2 \& Fannie Mae Pool fivl 109546. \& \& . \(09 / 21 / 21212\) \& le. \& \& \& \& \& 717,217 \& \& 137 \& \& \& \& 717,354 \& \& 24,34 \& 341 \& \& 08/112040 \\
\hline 边 31418 -TC-2 \& Farnie Mae Pool Ficl 100546 \& \& \begin{tabular}{|}
-1010112012 \\
-121212012 \\
\hline
\end{tabular} \& Paydom. \& \& \(\begin{array}{r}\text { 257,764 } \\ .544,731 \\ \hline\end{array}\) \&  \&  \& \(\begin{array}{r}\text { 268, } 108 \\ \hline .588268 \\ \hline 1\end{array}\) \& \& \& \& - .-. \((103,533)\) \& \& 257,764
F14,731 \& \& \& \& \(\begin{array}{r}7,509 \\ \hline 11,661\end{array}\) \& \({ }_{0}^{08101 / 2}\) \\
\hline 314199-6T-8, \& Fannie Mae Pool fv AE0209. \& \& .03/23212012 \& \#el ls Fargo \& \& \(\cdots 1,082,109\) \& - 979, \({ }^{\text {a84 }}\) \&  \& -1,032, \({ }^{1084}\) \& \& \& \& (1175) \& \& 1,031, 2 ,299 \& \& .50,200 \& .50,200 \& 13,902 \& 06101122020 \\
\hline \({ }^{3141919-G T-8.8}\) \&  \& \& -030012012 \& Paydom. \& \& 4,3,3,299

4,75688 \& r

- , 3,289
$-4,5687$ \&  \&  \& \& ${ }^{(3655} 3$ (1772) \& \& ${ }_{\text {\% }}^{(365,382)}$ \& \& \& \& \& \& 124, 257 \& 00/01/2020. <br>
\hline  \&  \& \& -12012012 \&  \& \&  \&  \&  \&  \& \& .... ${ }_{(3,2123}$ \& \& ... ${ }_{(3,2,23}$ \& \& \& \& \& \& -6,151 \& 09011/2000 <br>
\hline 31419-A-A.9. \&  \& \& - $\begin{array}{r}12124212012 \\ -111012012\end{array}$ \& Sin Pari ibas NY \& \& $\begin{array}{r}\text { - } 240,656 \\ \hline .54,242 \\ \hline\end{array}$ \& $\begin{array}{r}\square \\ -\quad . \quad 24,944 \\ -\quad 54,242 \\ \hline\end{array}$ \& $\begin{array}{r}\text { + } 2230,151 \\ -\quad .55,708 \\ \hline\end{array}$ \& $\begin{array}{r}1229,964 \\ -\quad 25,663 \\ \hline-\quad 1029\end{array}$ \& \& \& \& \& \& \& \& $\cdots \times .10,714$ \&  \& \& - $01 / 1 / 1 / 2020.1$ <br>
\hline 31419A-ZA-8 \&  \& \& -1210122012 \& Paydom. \& \& 3,869,388 \& - 3,869,388 \& - 4,0075,54 \& - $4.072,8483$ \& \& -.(203, 455) \& \& . 203,455 \& \& .3,869, 388 \& \& \& \& \& 09/01/2039 <br>
\hline  \&  \& \& - $\begin{array}{r}11 / 0112012 \\ -111212012\end{array}$ \& ${ }^{\text {and }}$ (ivy Capi tal Markets, Lle \& \& ${ }_{\text {- }}^{432} \times 2,924$ \& $\begin{array}{r}\text { 400,418 } \\ \hline .73,524 \\ \hline\end{array}$ \& $\begin{array}{r}427,818 \\ \hline 77,396 \\ \hline\end{array}$ \& $\begin{array}{r}\text {. } 427.590 \\ \hline \text { 77,355 } \\ \hline\end{array}$ \& \& \& \& \& \& $\begin{array}{r}427.71 \\ \hline \text {-73.524 } \\ \hline\end{array}$ \& \& 5,19 \& \& \& O6/0112034. <br>
\hline  \&  \& \& - $\begin{array}{r}11120212022 \\ -12012012\end{array}$ \& (eate \& \& -7,977.501 \&  \&  \&  \& \&  \& \& - 2 (20, 357 \& \&  \& \& 1,029,37 \& 1,029, 372 \& 1,0988,985 \& 0901012040. <br>
\hline \& \& \& \& Say onoon Sinbarney \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>

\hline ${ }^{3}$ \&  \& \& | 10/19/2012 |
| :--- |
| 10/01/2012 | \& (Citi igroup)

Paydoun \& \& $$
\begin{aligned}
& .32,629,727 \\
& . \\
& .8,204,174
\end{aligned}
$$ \&  \& \[

$$
\begin{array}{r}
. . .31,951,521 \\
-\quad-\quad .6836,175
\end{array}
$$

\] \&  \& \& \[

$$
\begin{gathered}
(11,560) \\
\cdots(420), 316)
\end{gathered}
$$

\] \& \& \[

.(11,560)

\] \& \& | $31,896,731$ |
| :--- |
| $8,820,774$ | \& \& 732,995 \& .732,995 \& \[

$$
\begin{array}{r}
-1,089,804 \\
-. .155,239
\end{array}
$$
\] \& 09/01/2025. <br>

\hline 319191-470-4 \& Fannie Mae Pool Frcl ae8927 \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& 01/01/2041. <br>

\hline ${ }^{3}$ \& F Forida Lotery Rev Eudaration. \& \& . $07 / 01 / 2012$ 07/16/2012 \& \[
$$
\begin{array}{ll}
\text { Call } & 101.00 \\
\text { Var ious.............. }
\end{array}
$$

\] \& \& \[

$$
\begin{aligned}
& 4,483,400 \\
& \hline 1,134,100
\end{aligned}
$$

\] \& \[

$$
\begin{gathered}
4,340,000 \\
\cdots 1,135,000
\end{gathered}
$$

\] \& \[

$$
\begin{array}{r}
4,413,377 \\
-\quad 1 \quad 1292,175
\end{array}
$$

\] \& \[

$$
\begin{array}{r}
4,4192,267 \\
\hline, 1,2689
\end{array}
$$

\] \& \& \[

$$
\begin{aligned}
& -(25,86759) \\
& -(20,759)
\end{aligned}
$$

\] \& \& \[

$$
\begin{aligned}
& (355,8689 \\
& .(20,59)
\end{aligned}
$$
\] \& \& $4,388,400$

$1,215,738$ \& \& 18,862 \& 18,862 \& $\begin{array}{r}\text { 227, } 80 \\ -57,772 \\ \hline\end{array}$ \&  <br>
\hline \& Fiori ida Govermental Util Auth \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>
\hline 359900-03-8. \& ful ton Conty Dev Guth devel lopment... \& \& -07/31/2012. \& Wachov ia-Hell 1 l F Fargo Se \& \& 1,219,960 \& 1,000,000 \& 1,115,950 \& 1,095,655 \& \& (8,729) \& \& (8,729) \& \& 1,086,926 \& \& 133,034 \& -133,034 \& 35,556 \& 111/15/2017 <br>
\hline \& Hami I ton Cnty OH ledica \& \& .08/2012012. \&  \& \& 7,088,500 \& 7,000,000 \& 5,452,580 \& 5,539, \& \& \& \& \& \& \& \& \& \& \& 05/15/2032 <br>
\hline 414004-24-6 \&  \& \& . $11 / 33012012$. \& Raymond Janes \& Associ ites. \& \& 4,175,000 \& 5,000,000 \& 3,350,000 \& 3,388,599 \& \& 46, 273 \& \& ${ }^{46,273}$ \& \& 3,434,872 \& \& 740, 128 \& 740, 128 \& 1,507 \& 08/15/2035. <br>
\hline 425558-4x-3. \& General. \& \& . $09 / 2812012$. \& (cit it oup). \& \& 11,328,200 \& 10,000,000 \& 9,875,600 \& 9,882,386 \& \& 1.764 \& \& 1,764 \& \& 9,884,150 \& \& 144,050 \& .444,050 \& 380,000 \& 12/15/2037. <br>
\hline
\end{tabular}

SCHEDULE D - PART 4

| 1 | 2 |  | 4 | 5 | 6 | 7 | 8 | 9 | 10 |  | Change in B | ook/Adjusted Ca | rrying Value |  | 16 | 17 | 18 | 19 | 20 | 21 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| cusip Identification | Description | F | $\begin{gathered} \text { Disposal } \\ \text { Date } \end{gathered}$ | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | 11 <br>  <br> Unrealized <br> Valuation <br> Increase/ <br> (Decrease) | $\begin{array}{\|c} \text { Current Year } \\ \text { (Amortization)/ } \\ \text { Accretion } \\ \hline \end{array}$ | 13 <br> Current Year's <br> Other Than <br> Temporary <br> limpairnt <br> Recognized | 14 <br>  <br> Total Change in <br> B/A.C.V. <br> $(11+12-13)$ | $\begin{gathered} 15 \\ \\ \text { Total Foreign } \\ \text { Exchange } \\ \text { Change in } \\ \text { B/A. C.V. } \\ \hline \end{gathered}$ | Bookl Adjusted Carrying Value at Disposal Date | $\begin{array}{\|c\|} \hline \text { Foreign } \\ \begin{array}{c} \text { Exchange Gain } \\ \text { (Loss) on } \\ \text { Disposal } \end{array} \\ \hline \end{array}$ | $\begin{gathered} \text { Realized Gain } \\ \text { (Loss) on } \\ \text { Disposal } \\ \hline \end{gathered}$ | Total Gain Disposal Disposa |  | $\begin{array}{\|c\|} \hline \text { Stated } \\ \text { Contractual } \\ \text { Maturity } \\ \text { Date } \end{array}$ |
| 451908-55-2. | II inois Fin Auth Wedical. |  | . 06/15/2012. | Janney lloitgonery 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. |
|  | III inois Fin Auth Medi ial.... Indiana Fin Auth Faci i ities.. |  | .08/20/2012 | dine |  | $\begin{array}{r}\text { \% } 3661115 \\ 5,950,250 \\ \hline\end{array}$ | $\begin{array}{r} 3,050,0000 \\ \hline \end{array}$ | $\begin{array}{r} 3.399,778 \\ -5,550,700 \end{array}$ | $\begin{array}{r} 348,815 \\ .5,432,640 \end{array}$ |  | (17,606) |  | (19,606) |  | $\begin{array}{r}\text { ¢ } \\ 5,383,597 \\ \hline\end{array}$ |  | -13,906 | . 13.906 | 23,690 328,472 | .077012013 |
| 472902-JJ-5. | L Leuisvi le/Jefferson Cnty luet |  | 06/21/2012. | Janney Vontgonery Scott |  | .882,640 | 880,000 | 880,070 | 880,000 |  |  |  |  |  | 000 |  | 2,640 | 2,640 | 33, | 10/01/2017. |
| 495289-Sx-9. | ${ }_{\text {King Coty }}$ |  | .10/23/2012 |  |  | -6,644,400 | $\text { . } 5,880,000$ | Co, 248, 558 |  |  | ${ }^{(38,283)}$ |  | $z_{238}^{(38,283)}$ |  | 6,152,588 <br> 62, |  | . 491,812 | 491,812 | 387,917 | -01/1212038. |
| 566475-07-7.7 |  |  | . $11 / 01 / 2012$. | Sal monon snbaratey Cit ig oup)... |  | 5,299,832 | . 4,760,000 | - 4,600,443 | - 4,670,095 $^{\text {a }}$ |  | 21,275 |  | .21,275 |  | 4,691,369 |  | .608,462 | 608,462 | 241,306 | $05 / 0$ |
| 546589-07-2. | Louisville \& Jefferson Cnty sw |  | .09/11/2012. | UBS/ |  | -1,196,460 | - 1, 1,00,000 | - 1, 1,134,880 | - 1,117,004 |  | .(9, 966 ) |  | (9, 266) |  | 1,107,737 |  | 88,723 | 88,723 | 41, 528 | .05/15/2022. |
| 575718-AA-9 |  |  | -1217172012. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 07/01/2111 |
| 57586-M1-6.6. | Wassachiseet ts lit \& Ed Fac ledical. |  | -05/24/2012. | Raymond Sanes \& Associates. |  | 445,580 | $\bigcirc \quad 400,000$ | $\bigcirc \quad 414,312$ | $\bigcirc \quad 412,562$ |  | (590) |  | 590) |  | .411,971 |  |  | - 33,609 | 18,278 | 07/01/2019. |
| 57600-40-1. | General. |  | .02166/2012. | (cititigup) |  | 500,000 | ..500,000 | ...392, 125 | . 421,373 |  | 1,584. |  | 1,584 |  | 422,957 |  | 77,043 | .77,043 | .5,385 | 01/01/2018 |
| 576099-65-4. | vassachuset I It nir Resource Aut |  | 10/24/2012. | Stit fel, , i col aus. |  | 5,835,000 | - 5,000,000 | - 5., | ..., 157,996 |  | ( 14,781$)$ |  | (14,781) |  | 5,143, 214 |  | 691,786 | -..691,786 | .311,111 | .08/01/2039 |
| 576049-12-2.2. | luaternells |  | . $09 / 28 / 2012$. | Morgan Stanley \& Co., Inc. |  | 5,359,000 | -..4,000,000 | .4,27, ,360 | 4,207,215 |  | (5,804). |  | (5,804) |  | 4,201,412 |  | 1,157,588 | 1,157,588 | 246, 167 | .08/01/2029 |
| 57604P-87-8.8. | water |  | . $10 / 22212012$. | Morgan Stanley \& Co., Inc. |  | 6,584,250 | - 5,000,000 | - 5.956,000 | - . $5,875,730$ |  | (34,413) |  | (3,413) |  | 5,841,318 |  | 742,932 | 742,932 | 323,750 | .88/11/2027. |
| 57604P-26-4. | vasser... |  | .-10118/2012. | Gooldman 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. |
| 59966-4E-5. | Wetro Wtr Dist of Southern Ca Water. |  | . $03 / 2822012$. | NTSC. |  | 752,216 | .670,000 | .680,841 | .679,640 |  | .(393) |  | .(393) |  | . 679,246 |  | 72,969 | . 72.969 | 25,218 | 07/01/2032 |
| 592663-8L-5. | Wetro Wtr Dist of Southern Ca Water. |  | . $09 / 28 / 2012$. |  |  | 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 | 0101 |
| 59333--EE-4. | Miami. Dade Cnty FL General |  | . $02 / 1612012$. | (cit igroup).. |  | 902,250 | 900,000 | 829,278 | 867,186 |  | 1,978. |  | 1,978 |  | 869, 163 |  | 33,08 | 33,08 | 2,096 | 04/01/2014. |
| 59333N-Lu-1. |  |  | 1912012. | Barclays Capital. |  | 7,588,527 | - $\quad$-,735,000 | . $7.068,921$ | 6,963,862 |  | $(32,221)$ |  | (32,221) |  | 6,931, 642 |  | . 656,885 | ..656,885 | 358,265 | .0401/2021 |
| 59333-0N-5. |  |  | 12/18/2012. | Call 100.000 |  | 5,825,000 | .5,82, 000 | 6,015,128 | 5,86, 924 |  | (41, 924). |  | (41, 224) |  | 5,825,000 |  |  |  | 388,900 | $10 / 01$ |
| 59333-0p-0.0. | Ailminitit |  | 12/18/2012. | Call 100.0000 |  | 8,635,000 | .8,63, 000 | 8,858,906 | 8,684,529 |  | (49,529). |  | (49,529) |  | 8,635,000 |  |  |  | 576,506 | 10/01/2014 |
| 59333-00-8. |  |  | 12/18/2012. | Call 100.0000. |  | 2,000,000 | 2,00, 000 | 2, 048,080 | 2,010,664 |  | (10,664) |  | $(10,644)$ |  | 2,000,00 |  |  |  | 136,563 | 10/01/2015 |
| 59333P-08-6. 6 |  |  | ${ }^{-121218122012}$ | Call 100.0000. |  | 2,000,000 | - 2,000,000 | - 2,047,620 | ....010,582 |  | (10,582) |  |  |  | 2,000,000 |  |  |  | 139,597 | 10/001/2016. |
| 59455-JC-7. | Michigan Muni Bond duth General. Wichigan State Hosp Fin Auth |  | 10/23/2012 | UBS/ /AR. |  | 6,769,319 | - . $6,085,000$ | -6,208,282 | 6,159,540 |  | 15,204) |  |  |  |  |  | .624,983 | . 624,98 |  | 10/01/2027. |
| 59465H-PA-8.8. | wedi cal |  | 04/24/2012. | UBS/IMR. |  | .106,125 | 90,000 | .91,143 | .91,059 |  | .62) |  | (62) |  | 90,997 |  | 15,129 | . ${ }^{15,129}$ | 1,825 | 12/01/2026 |
| 607142-0J-2. | lowile Brd of Wir \& Sirl Commer |  | . $01 / 101 / 2012$. | Call 100.0000. |  | 3,115,000 | 3,115,000 | 3,239,880 | 3,115,00 |  |  |  |  |  | 3,115,000 |  |  |  | 81,769 | 01011201 |
| 645916-25-9. | Eucati on |  | 11/2012012 | \#achovia-Vel Is Fargo Sec.. |  | 5,440,400 | 4,000,000 | 4,463,120 | 4,36,960 |  | (31, 623) |  | (31,623) |  | 4,338,337 |  | .702,063 | 702,063 | 198,917 | 12/15/2020 |
| 64970-45-3. |  |  | . $01 / 25 / 22012$. | Uerrill 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. |
| 64970-7P-6.6. | Water. |  | . $01 / 25 / 2012$. | Merrill Lynch |  | 5,399,500 | - 5,000,000 | . $4,984,150$ | - $4,985,178$ |  |  |  | 21 |  | 4,985, 198 |  | 414,302 | 414,302 | 31,250 | 06/15/2039 |
| 64970-133-8. | Neer York cy luni Wir Fin auth |  | . $01 / 25 / 2012$. | Werrill Lynch |  | 5,579,280 | -5,250,00 | - 5,233,358 | 5,234,437 |  |  |  |  |  | 5,234,458 |  | 344,822 | 344,822 | 32,813 | 06/15/2039 |
| 64971-PR-1.. | NYC Tran |  | .09/11/2012. | Convers ion. |  | 9,999,953 | ...10,000,000 | - $9.9999,700$ | - . $9,9999,953$ |  |  |  |  |  | 9,999,953 |  |  |  | 555,556 | .0201/2033. |
| 649711-4-4-4. | Amer |  | . $02 / 07 / 2012$. | Morgan Stanley \& Co., Inc. |  | 594,135 | 500,000 | ..481,005 | . 481,293 |  |  |  | 35 |  | 81,327 |  | 12,808 | 12,808 | 14,459 | 08/01/2037. |
| 649711-58-6.6. | Aner. |  | . $01 / 27 / 2012$. | Morgan Stanley \& Co., Inc. |  | 1,178,060 | ...1,000,000 | ..938,480 | ...939,371 |  |  |  | 70 |  | 939,441 |  | 238,619 | .238,619 | 13,68 | 05/0 |
| 64972--30-8. | Util |  | 10/19/2012. | Merrill Lynch |  | 593,712 | 525,000 | ..-505,460 | .505,602 |  | 204 |  | 204 |  | 505,806 |  | 87,906 | 87,906 | 22,531 | 06/15/204 |
| 64972--R-6.6. |  |  | . $09 / 28 / 2012$. | Weri ill Lynch. |  | 18,127,040 | ..16,000,000 | . $15,950,080$ | .-.15,953,475 |  |  |  | .$^{656}$ |  | 15,954, 131 |  | 2,172,909 | .2,72, 009 | 640,000 | 06/15 |
| 64972--26-6.6.\| | ${ }_{\text {a }}^{\substack{\text { Neen York cty muni } \\ \text { later.. }}}$ |  | . $07 / 1612012$. | UBS / / AR |  | 1,161,250 | 1,000,000 | 1,003,032 | 1,002,784. |  | (135). |  | (135) |  | 1,002,650 |  | 158,600 | 58,600 | 31,653 | 06/15/2043. |

SCHEDULE D - PART 4


SCHEDULE D - PART 4


SCHEDULE D - PART 4

| 1 | 2 |  | 4 | 5 | 6 | 7 | 8 | 9 | 10 |  | Change in B | ook/Adjusted Ca | rrying Value |  | 16 | 17 | 18 | 19 | 20 | 21 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| cusip fication | Description | i | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year (Amortization)/ Accretion | 13 <br> Current Year's Other Than Temporary Impairment Recognized | Total Change in B/A. C.V. (11+12-13) | 15 <br> Total Foreign Exchange Change in B/A. C.V. |  | $\begin{array}{\|c\|} \hline \text { Foreign } \\ \text { Exchange Gain } \\ \text { (Loss) on } \\ \text { Disposal } \\ \hline \end{array}$ | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal |  | $\begin{array}{\|c\|} \hline \text { Stated } \\ \text { Contractual } \\ \text { Maturity } \\ \text { Date } \end{array}$ |
| 2254ER-AA-4. | Jp Morgan Chase Comm M1tg Sec Csinc |  | 3/15/2012. | Paydon |  | 352,268 | .352,268 | 338,177 | . 340,581 |  | 687 |  | 1,687 |  | 52,268 |  |  |  |  | 5/2022. |
|  | Countrywide Home Eqt Loan Trst |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 23242L -AB-9. $23336 \mathrm{E}-\mathrm{AA}-4$ | Colitl 200 - |  | $\begin{aligned} & 12 / 17 / 2012 \\ & 05 / 15 / 2012 \end{aligned}$ | Paydoun. |  | $\begin{aligned} & 105,832 \\ & . \quad 256,496 \end{aligned}$ | $\begin{array}{r} 105,832 \\ . \quad 256,496 \end{array}$ | $\begin{array}{r} \text { 283,251 } \\ -2669 \end{array}$ | $\begin{array}{r} 81,263 \\ \hline \\ \hline \end{array}$ |  | $\cdots$ |  | $\cdots$ |  | $\ldots .{ }_{256}^{105,832}$ |  |  |  |  | -07515/2366. |
| $23336 \mathrm{~J}-\mathrm{A}-3$. |  |  | ..10151/2012. | Paydom. |  |  |  |  | ..262,352 |  |  |  |  |  |  |  |  |  |  | . $11 / 15 / 2012$ |
| 25766 -BL-2. | .03115/21-1. |  | . -09/10/2012. | Barclays Capital. |  | .569, 520 | - - - - 500,000 | . 498,755 | - - - - - 988,842 |  |  |  |  |  | .498,915 |  | 70,605 | .70,605 | 22,126 | 03/15/2021. |
| 26422--AD-6. |  |  | . $01 / 11 / 12012$ | Hachovia-Wells Fargo Sec. |  | . 422,492 | . 3000000 | . 3989,603 | - 395 |  |  |  |  |  | . 395 ,08080 |  | 27,413 | $\ldots$ |  | 04115/2018 |
| 26884 L-AB-5. |  |  | .04/05/2012. | Deutsche Bank.....-......- |  | 1,252,313 | -1,250,000 | - - 1,255,250 | - 1,252,216 |  |  |  |  |  | ,252,184 |  |  |  | 26,068 | 11/15/2021. |
| 29365 -AA-1. | 200-AM Anansas Rest |  | . 09/18/2012. | Horgan Stanley \& Co., Inc. |  | 799,323 | ..760,157 | ..749,942 | $\cdots \quad . \quad 750,463$ |  | 1,015 |  | . 1,1015 |  | 751,478 |  | .47,845 | .47,845 | .15,541 | .08/01/2021 |
| 29365-AA- | Entergy Arkansas Rest fnd LIC Eal |  | . .05/01/2012. | Pay |  | 42,166 | . 42,166 | .41,599 | - ${ }^{41,628}$ |  | 538 |  | . 538 |  | 42,166 |  |  |  |  | .08/01/2021. |
| 29379V-at-0. | 5.950. ${ }^{\text {a }}$ |  | . $121 / 4 / 2012$ |  |  |  |  |  |  |  |  |  |  |  |  |  | 49,914 | 49,914 |  | 02/01/2041 |
| $294751-8 \mathrm{~B}-9$. | Equity One ABS Inc Eands $2003-1 \mathrm{M1}$.- |  | . $12101 / 2012$. | Paydom. |  | -126,342 | .126, 342 | -.107,390 | -108,276 |  |  |  |  |  | 126,342 |  |  |  |  | .07/25/2033. |
| 32027N-PD-7. | 2004 -F |  | . $081 / 27 / 2012$. | Paydom. |  | 542,780 | . 542,780 | 539, 896 | . 541,452 |  | 1,328 |  | 1,328 |  | .542,780 |  |  |  | 2,038 | 01/25/2035. |
| $32051 H-40-5$. | ${ }^{\text {a }}$ |  | -. 12/26/2012. | Paydom. |  | 79,954 | .-119,488 | . 78,595 | - . $\quad$ - 77.956 |  | 1,998 |  | 1,998 |  | 79,954 |  |  |  |  | 07/25/2036 |
| 34529C-AC-8. | ${ }_{20}^{\text {Ford }}$ Crealt Auto Lease Irust foral |  | 09/15/2012. | Payd |  | 2,000,000 | 2,000,000 | 1,999,833 | - 1,999,955 |  | 45 |  | 45 |  | 2,00,000 |  |  | 0 | 8,130 | .07/15/2013. |
| 345296-A6-0. |  |  | . $12 / 15 / 2012$. | Paydom. |  | 132,720 | -132,720 | +138.495 | - 135.252 |  | (2,533) |  | (2,533) |  | . 132.720 |  |  |  | 3.589 | .08/15/2014. |
| $361590-\mathrm{N}-7$. | Ge Bus iness Loan Trust Gebl 2004-1 |  | ..12/17/2012. | Paydom. |  | 183,137 | ..183,137 | ..146,627 | $\cdots$ |  | 34,805 |  | 34,805 |  | 183,137 |  |  |  | 1,039 | 05/15/2032 |
| 361590-8V-8. | Business Loan Trust Gebl 2005-2A |  | .-12171/2012. | Paydom. |  | 219,677 | - . 219,677 | . 1477.658 | - . 5151.414 |  | .68,263 |  | 68,263 |  | 219,677 |  |  |  | 985 | 11/15/2033 |
| 36159--81-2 | ce cap croit Crd Mstr Nte |  | . 0 -7/15/2012. | Call 100.0000 |  | 1,500,000 | 1.,500,000 | - - .1,545,195 | - .1,524,433 |  | . ${ }^{24,433)}$ |  | -..(24,433) |  | 1,500,000 |  |  |  | 32,288 | 07/15/2015 |
| 36922-4x-9 | (eneral Electric Capital Corp GE |  |  | Goldman Sachs. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 01072012 |
| 37331N-AB-7. | Georgia-Pacif ic LlC GP $5.411101 / 20$. |  | 4405/2012. | Deutsche Bank. |  | 575,930 | .515, | 536,089 | 17 |  |  |  |  |  | 535,192 |  |  | 40,738 | 12,360 | 11/01/2020 |
| 41659-AR-2 | . 0881151 |  | . $09 / 1212012$. |  |  | 399,232 | 400,000 | -387,396 | .-392, 353 |  | 3,325 |  | 3,325 |  | 399,679 |  | 3,553 | 3,553 | 2,694 | 08/15/2013 |
| 428836-8C-6. | Hen |  | .-10/09/2012. | Gol dman Sachs. |  | 643,270 | .-640,000 | 632,986 | .-634, 144 |  | 1,193 |  | 1,193 |  | 635,337 |  | 7,934 | 7,934 | 14,696 | 09 13/2015 |
| 43710X-AB-4. | Hone Equily Loan Trust helt 2007 |  | -. 12/26/2012. | Paydom. |  | 103,043 | -.103,043 | .78,748 | $\cdots \quad . \quad 74,421$ |  | 28,622 |  | 28,622 |  | ..103, 043 |  |  |  |  | 04/25/2037. |
| 43813B-40-4. | Honda Auto Rec Omer Trust taro |  | . $05 / 3112012$. | Monura securities int\| |  | 722,559 | .720,000 | 719,466 | - 719,498 |  | 152 |  | 152 |  | .719,650 |  | 2,909 | 2,909 | 3.083 | 12/21/2016. |
| 449505-AA-4. |  |  | . 0112002012. |  |  | 1,104,854 | -1,020,000 | - 1,019,439 | - 1,019,502 |  |  |  |  |  | 1,019,505 |  | 85,349 | 85,349 | .15,351 | .05/01/2021. |
| 45822P-AA-3. | ${ }_{\text {Inder }}^{\text {Integrys Energy Group Inc TEG } 4.17}$ |  | . $.11 / 08 / 2012$. | SunTrust Robinson |  | 565,935 | ..500,000 | 499, 685 | - 499.708 |  | 24 |  |  |  | 499,732 |  | 66.203 | 66,203 | 21,603 | 11/01/2020 |
| 46625H-H2-6. | Plorgan Chase \& Co JPM 4 |  | .06/05/2012. | sche |  | 1, 215,510 | -1,155,000 | - 1,149,823 | - 1,150,093 |  |  |  |  |  | 1.150.277 |  | 65.233 | 65.233 |  |  |
| 46625H-A-9.-. | 16 ghase \& co JPM 3.15 |  | . $10 / 0992012$ | Banc of Ame |  | .551,689 | .-.520,000 | - . 518,653 | $\square \quad 518,763$ |  | 202 |  | 202 |  |  |  |  |  |  |  |
| 46628F-A1-3. | raan Chase Comm Itg Sec JPhica |  | . $03 / 27 / 2012$ | J.P. Morgan Chase \& Co. |  | 1,081,172 | -1,000,000 | -1,049, 297 | 1.045 .266 |  | (1.319) |  | (1.319) |  | 1.043,947 |  |  | 22 | 19,556 | 04/15/2005 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Johnson d Johnson Jivij $2.150505175 / 16$. |  | 101/11/2012. | KeyBank <br> 100.0000 |  | 978,918 | $\begin{aligned} & 930,000 \\ & \hline 100,000 \end{aligned}$ | .927, 164 |  |  | 436 |  |  |  | ${ }^{927,931}$ |  | ${ }^{50,987}$ | .50,987 |  | 051512016.6. |
| 491307-LE-4. | - Kentuck Hsg Corp Single Fanily Hsg. |  | 12/01/2012. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 07/01/2025. |
| 539830-4Z-2. | 09/15/41 |  | 03/23/2012. | Key̧ank. |  | 587,190 | .575,000 | 570,854 | --570,876 |  |  |  |  |  | 570,894 |  | 16,296 | .16,296 | 15,416 | 09/15/2041 |
| 54251P-AE-7. |  |  | 21/2612012. |  |  | ${ }^{46,952}$ | 46,952 |  | 19,482 |  |  |  |  |  |  |  |  |  | 189 | 06/125/2036 |
| 55263-AA-8.8. |  |  | .-09/15/2012. | Paydom. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 09/15/2012. |
| 552630-4t-7 | 2000 - F.E. Cantor rus series |  | . $07 / 15 / 2012$. | om. |  | 61,064 | -61,064 | 61,522 | - .60,606 |  | (291) |  | . 458 |  | 61,064 |  |  | 0 | 1,441 | .08/15/2012 |
|  | Hawail Heal th $\# 31, \# 35$ Series 2001- |  | . $01 / 15 / 22012$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 0115/2012. |
| $552630-C S$ - . | Havalil Heal th \#37 Series 2001-F. |  | 12/15/2012. | Paydom. |  | 741,777 | 741, 777 | 747, 340 | - - $\quad$ 712,106 | 34,003 | (4, 332 ) |  | 29,671 |  | 741,777 |  |  |  | 24.216 | 01/15/2015. |

SCHEDULE D - PART 4

| ficat |  | Description |  | 4 | ${ }^{5}$ | $\begin{array}{c\|} \hline 6 \\ \\ \hline \begin{array}{c} \text { Number of } \\ \text { Shares of } \\ \text { Stock } \end{array} \\ \hline \end{array}$ | Showing all <br> 7 <br> Consideration | 8 <br>  <br>  <br>  |  | $\|$10 <br>  <br> Prior Year <br> Book/Adjusted <br> Carrying <br> Value | Change in Book/Adjusted Carrying Value |  |  |  |  | 16 <br> Bookl <br> Adiusted <br> Aarrying Value <br> at <br> Disposal Date |  | 18 <br>  <br>  <br> Realized Gain <br> (Loss) on <br> Disposal |  | 20 <br>  <br> Bond <br> Interest/Stock <br> Dividends <br> Recived <br> During Year | 21 <br> Stated <br> Contaratual <br> Maturity <br> Date |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | $\begin{gathered} \begin{array}{c} \text { Disposal } \\ \text { Date } \end{array} \\ \hline \end{gathered}$ |  | Unrealized <br> Valuation <br> (Decreasese) (Decrean |  |  |  |  |  |  | $\begin{array}{\|c} \text { Current Year } \\ \text { (Amortization)/ } \\ \text { Accretion } \\ \hline \end{array}$ | 13 <br> Current Year's <br> Other Than <br> Temporary <br> Impaiment <br> Recognized | $\left.\begin{array}{\|c} \text { Total Change in } \\ \text { B/A. . . . . } \\ (11+12-13) \end{array} \right\rvert\,$ | $\begin{gathered} 15 \\ \\ \text { Total Foreign } \\ \text { Exchange } \\ \text { Change in } \\ \text { B/A. C.V. } \\ \hline \end{gathered}$ |  |  |  |  |  |  |
| $\begin{aligned} & \text { m } \\ & \stackrel{\rightharpoonup}{\perp} \\ & \stackrel{\rightharpoonup}{\perp} \end{aligned}$ | 52636-DA-5. |  | ${ }_{202}^{\text {MBIA CC - T.E.E. Grantor Tusut Series }}$ |  | 10/15/2012. | Paydom |  | 1,449,646 | 1,449,646 | 1,460,519 | - 1, 1,37,164 | $\cdots$ - ${ }^{\text {81,870 }}$ | (9,388) |  | 2,482 |  | 646 |  |  |  | - | .01/15/2016 |
|  |  | Savaman 64 Eco dev Auth Rev Series |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 552636-0.-7.7. | Syrause series 202-H |  |  | Paydom. |  | -1,275,765 | - $\quad 1,1,1275,7818$ | -1,1,280,583 |  |  | [(171,425) |  | ${ }_{\text {4, }}^{44,734}$ |  | $1,1,77,818$ <br> $1,95,785$ |  |  |  | 34,520 <br> $.86,788$ | .09715/2017 |
|  | 552636-06-2. | ${ }^{\text {Hamaxalil }}$ Health- Real Estate |  | .-11/15/2012. | Paydom. |  | 202,859 | .202,859 | .204,380 | .197,280 | 6,318 | -..739) |  | ..5,579 |  | 202,859 |  |  |  | 4,095 | .11/15/2012 |
|  | 552630-DL-1. | ${ }_{203}^{\text {ubiA CC - - } . \text { E. Grantor Trust Series }}$ |  | .-12/15/2012. | Paydom. |  | 661,810 | .661,810 | .666,774 | -627,065 | 38,891 | ..(4, 146) |  | 34,745 |  | 661,810 |  |  | 0 | 24,126 | .01/15/2018. |
|  | 552630-010-9. | ${ }^{\text {20, }}$ |  | . $-12 / 15 / 2012$. | Paydom. |  | 344,765 | - 344,765 | - 3 . 37.3 ,351 | .332,698 | .13,544 | (1,477) |  | .12,067 |  | 344,765 |  |  |  | 045 | .03/15/2013. |
|  | 578875-AA-4. | 2003 - - .e. Grant |  | -12/15/2012. | Paydom |  | 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. |
|  |  |  |  | 100\|152012. | $\left\lvert\, \begin{array}{\|l\|l} \text { Paydom. } \\ \text { Pavidomn } \end{array}\right.$ |  | $\begin{aligned} & .377,338 \\ & .345 \cdot 734 \end{aligned}$ | . 377,338 | $\begin{array}{r}380,168 \\ -387 \\ \hline\end{array}$ |  | $\begin{aligned} & .12,157 \\ & .11,192 \end{aligned}$ | $\underset{\sim}{(1,1,780)}$ |  | $\begin{array}{r} .10,377 \\ \hline 0,870 \end{array}$ |  | $\begin{array}{r}.377,338 \\ .345,734 \\ \hline\end{array}$ |  |  | 0 | 7.782 6.841 6.8 | - 1001512013. |
|  |  |  |  | 02/09/2012 | Goldman Sachs. |  | -1,681,691 | 1,645,000 | -1,641,530 | - 1,641,558 |  | 10 |  |  |  | 1,641,567 |  | 40.124 | 40.124 | 19.287 | 08/12/2043. |
|  | 59023 -AC-6.6. | Werrill Lynch Float ing Trust MILFT |  | . $01 / 115 / 2012$. | Paydom? |  | .453,286 | ..453,286 | . 400,161 | 442,483 |  | 10,803 |  | 10,803 |  | 453,286 |  |  |  | 159 | 06/15/2022 |
|  | 59024E-AC-1. | ${ }^{2007}$ Werit Lynch wig investor ist mut |  | . $12 / 26612012$. | Paydom. |  | 123,995 | 123,995 | . 47.930 | . 52.074 |  | 71,921 |  | 71,921 |  | 123.995 |  |  | 0 | 239 | 02/25/2037 |
|  | 617451-4T-7. |  |  | . $12 / 101 / 2012$ | Paydom. |  | 132,036 | -132,036 | -117,182 | - 117.789 |  | .14,247 |  | 14,247 |  | 132,036 |  |  | 0 | 2,834 | .07/25/2035. |
|  | $617498-00-5$. | Heroan Staney ABS Capital I ISACC |  | . ${ }^{12 / 26 / 2012}$ | Paydom. |  | 167,915 | .167,915 | .146,302 | .141,253 |  | 26,62 |  | 26,662 |  | 167,915 |  |  |  | 309 | 10/25/2036 |
|  | 617498-80-5. | Moroan Stanley ABS Capital I ISACAC |  | . $01 / 25 / 2012$. |  |  | .31,430 | .31,430 | . 27.384 | .26,439 |  | 4,990 |  | 4,990 |  | 31,430 |  |  | 0 | 10 | 10/25/2036 |
|  | 617501 -AX- | Worgan Stanley Capital I Insc 2006- |  | - $10 / 24 / 2012$ | Nonura Securitites Int\| |  | 734,417 | .635,000 | .671,885 | .-66,862 |  | . $(5,602)$ |  | (5,602) |  | .661,260 |  | 3,157 | 73,157 | 30,849 | 12/15/2043. |
|  | 617516-88-3.3. | ${ }^{\text {a }}$ |  | . $01 / 27 / 2012$ | Barclays Capit |  | 399,151 | 1,058, 123 | 489,617 | . 505,751 |  | 2,058 |  | 2,058 |  | .507,809 |  | ( $(113,658)$ | (113,658) | 402 | .02/25/2037. |
|  | 617516-88-3. |  |  | . $01 / 25 / 2012$. | Paydo |  | 18,235 | . 18,235 | .8,438 | - 8,716 |  | .9,519 |  | 9,519 |  | 18,235 |  |  | 0 |  | 02/25/2037. |
|  | 61756L-AA-9. | xi-9 9 ¢ |  | . $05 / 15 / 2012$. | Paydom |  | 705,644 | .705,644 | .677,379 | . 696,319 |  | 9,325 |  | 9,325 |  | 705,644 |  |  | . 0 | 1,454 | 12/15/2020 |
|  | 62889-AA-3. |  |  | . $-121 / 7 / 2012$ | Wachovia-llells fargo sec. |  | 156,643 | .156,179 | .156,179 | .156,179 |  |  |  |  |  | 156,179 |  | 464 | 464 | 1,049 | .03/11/2020 |
|  | 62889E-AA-3. |  |  | . $12 / 111 / 2012$. | Payd |  | .31,191 | - 3 31,191 | [ 31, 191 | - $\quad$ - 31,191 |  |  |  |  |  | 31, 191 |  |  | 0 | . 112 | .03/11/2020 |
|  | 62889F-AA-0. | A Guaranteed Noles non 2011 - |  | . $10 / 10212012$. | Wachovia-Wel Is Fargo Sec. |  | 1,034,404 | 1,031,985 | 1,031, 985 | - $1,031,985$ |  |  |  |  |  | 1,031, 985 |  | 2.419 | 2.419 | 5.543 | .03/06/2020. |
|  | 62889F-AA-0. | Sa Guaranteed Notes nge 2011-84 |  | . $10 / 05 / 2012$. | Paydom. |  | 307,259 | .307,860 | . 307,860 | - 307,860 |  | (601) |  | (601) |  | 307,259 |  |  |  | 1.853 | 03/06/2020 |
|  | 628890-AA-8. | Guaranteed Notes ngw 2011-k |  | . $10 / 02212012$. | Nachovia-lvel Is Fargo Sec. |  | 363,029 | .362,463 | 362,463 | 362,463 |  |  |  |  |  | 362.463 |  | 566 | 566 | 1.740 | 04/06/2020 |
|  | 62889-4A-8. | 1A. ${ }^{\text {COA }}$ Guaranteed Notes now $2011-\mathrm{R} 5$ |  | . $10 / 05 / 2012$. | Paydom. |  | 140,620 | . 140,630 | .140,630 | 140,630 |  | (9) |  | (9) |  | 140,620 |  |  | 0 | 586 | .04/06/2020. |
|  | 639468-EE-0. |  |  | .08/24/2012. | Various |  | .611,978 | .-542,000 | . 5666,647 | . 566,226 |  | . 11,287$)$ |  | (1,287) |  | .564,939 |  | 47,039 | 47,039 | 19,767 | 04/0172021 |
|  | W-8. | NTen Century Hone Eqa Loan Trst |  | . 1210112012 | Paydom. |  | .62,215 | . 62,215 | .59,337 | - 59.443 |  | 2,771 |  | 2,771 |  | 62, 215 |  |  |  | 1,710 | .08/25/2035. |
|  | 677050-н-н-9. | 9gaethorpe Power Corp Octeit $51 / 4$ |  | .03126/2012. |  |  |  |  |  |  |  |  |  |  |  | 998,033 |  | 78,17 | 78,17 | 32.083 |  |
|  | (73443-65-6.6. |  |  | (02124/2012 |  |  | $\begin{aligned} & .753,201 \\ & .754,215 \end{aligned}$ |  | - 6 621, 1212 | 621,1667 $-\quad 65563$ |  |  |  |  |  |  |  | (131,531 | (131,531 | (10,546 | - $11 / 1 / 120404.0$ |
|  | $755111-8140.0$ | Raytheon Company FTN 4.7 121151411 |  | -12/03/2012 |  |  |  |  | .970,320 |  |  |  |  |  |  |  |  |  |  | 30,058 | 121/5/2041 |
|  | 761118-46-3. | 2005 - |  | . $12 / 252 / 2012$. | Paydom. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | .06/25/2035. |
|  | 76113 J -A - -O |  |  | . $12127 / 2012$. | Paydom. |  | .86,046 | .86,046 | ..64,625 | -58,717 |  | 27,330 |  | 27,330 |  | 86,046 |  |  |  | 136 | .05/25/2036 |
|  | 1. | A1) Stuent Loan trust slia 2010-B |  | . $121217 / 2012$. | Paydom. |  | .113,180 | . 113,180 | . 1113,180 | .113,180 |  |  |  |  |  | 113,180 |  |  | 0 | 1,372 | .07/15/2016. |
|  | 80282F-AC-1. | Santander Or ive Auto Rec Trust |  | . $088 / 15 / 2012$. | Paydom. |  | 431,206 | .431,206 | 432,688 | 431,890 |  | (685) |  | (685) |  | 431, 206 |  |  | 0 | 2,053 | .08/15/2013 |
|  | 80282N-AA-8. | ${ }_{\text {San }}^{\text {Santander }}$ Orive 201 Auto Rec Trust |  | .03102/2012. | Greenwich Capital-R8S |  | 720,069 | . 718,665 | [.718,657 | - 718,658 |  |  |  |  |  | 718,658 |  | 1,411 |  | 3.372 | 06/15/2017 |
|  | 80282N-AA-8. | Santander |  | .02/15/2012. | aydom. |  | 64, 162 | 64, 162 | 64,161 | 64,161 |  |  |  |  |  | 64, 162 |  |  | 0 | 165 | 06/15/2017 |

SCHEDULE D - PART 4

| 1 | 2 |  | 4 | 5 | 6 | 7 | 8 | 9 | 10 |  | Change in B | ook/Adjusted Ca | rrying Value |  | 16 | 17 | 18 | 19 | 20 | 21 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| CUSIP lecenti- fication fication | Description | F <br>  <br> 0 <br> 1 <br> $e$ <br> $i$ <br> $i$ <br> n <br>  | $\begin{aligned} & \text { Disposal } \\ & \text { Date } \end{aligned}$ | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value |  | $\begin{array}{\|c\|} \hline \text { Current Year } \\ \text { (Amortization)/ } \\ \text { Accretion } \end{array}$ | 13 <br> Current Year's Other Than Temporary Recognized | $\begin{gathered} \text { Total Change in } \\ \text { B/A. C.V.V. } \\ (11+12-13) \\ \hline \end{gathered}$ | $\begin{gathered} 15 \\ \\ \text { Total Foreign } \\ \text { Exchange } \\ \text { Change in } \\ \text { B/A. C.V. } \\ \hline \end{gathered}$ | Bookl Adjusted Carying Value at Disposal Date | $\begin{array}{\|c\|} \hline \text { Foreign } \\ \hline \text { Exchange Gain } \\ \text { (Loss) on } \\ \text { Disposal } \\ \hline \end{array}$ | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal |  | Stated <br> Contractual <br> Maturity <br> Date |
| (35460-AA-6. |  |  | 1212012012 | aydom. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 2041. |
| $83611 \mathrm{P}-\mathrm{A} .0$ - |  |  | .11/01/2012. | Paydom. |  | 5,319 | ...3,319 | - . - , 303 | --...303 |  |  |  |  |  | 5,319 |  |  |  |  | 04/15/2031 |
| 8240 |  |  | . 0170312012 | Cantor, Fitzegerald \& 0 O.... |  | 983,290 | - 1,000,000 | .994,380 | .994,390 |  |  |  |  |  | 994,392 |  | (11, 102) | . 111,102$)$ | 767 | . $12 / 01 / 12041$. |
| 872162-AH-5 872162-AH-5 | Tal Advartage Llc Tll $2011-2 \mathrm{~A}$. |  | -050312012 | Eanc |  | $\begin{array}{r}792,064 \\ \hline 28,67 \\ \hline\end{array}$ | ${ }_{2}^{-778,442}$ | $\cdots \quad \begin{array}{r} 778,442 \\ \cdots \\ \hline{ }_{28}^{2857} \end{array}$ | $\left\lvert\, \begin{array}{r} 778,442 \\ \hdashline \\ \hline 0.565 \end{array}\right.$ |  |  |  |  |  | $. \quad .78,442$ |  | 13,623 | .13,623 | 13, ${ }_{263}$ | -05/20/2026. |
| 88732J-AJ-7 | Time Marner Cable Inc TUC 6.55 |  | 032712012 | Sal mono snbarney |  | 429.030 | - 370,000 | 422.222 | 421.054 |  | (232) |  | (232) |  | 420.823 |  |  |  |  | $05 / 0112037$ |
| 89235--00-7. | Toyotatato Rec Omer Trust thot |  | 031212012 | Nonura Securit ies IntI |  | 793279 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Travelers cos Inc TRV 5 3/4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 89417 -AC-3.-3 | 12115/17... |  | ..08/2412012. | Machovia.llel Is Fargo Sec. |  | .680,030 | .-555,000 | - .-...624,702 | -.617,537 |  | ..(6,307) |  | . $(6,307)$ |  | ..611,230 |  | .68,800 | .68,800 | 22,516 | . $12 / 15 / 2017$ |
| 91159H-4-9-9 | US Bancorp USB $2.211115 / 16$ |  | .03/28/2012. |  |  | 1,938,019 | 1,900,000 | - 1 1,895,136 | . $1.885,880$ |  | 240 |  | 240 |  | 1,895,520 |  | 42,499 | 42,499 | 17,301 | .11/15/2016. |
| $923446-\mathrm{AX}$-4. | Verizon Communicazions inc V2 5.85 |  | .12/03/2012. | Wachovia-Wel Is Fargo Sec. |  | 633,280 | . 500,000 | .-.548, 105 | ..546,805 |  | (999) |  | (969) |  | 545,836 |  | 87,44 | 87,444 | 35,831 | .09/15/2035 |
| $923445-\mathrm{KK}$-6. |  |  | .02/02/2012. | Banc of Anerica securitites |  | 559,536 | .400,000 | -. 517,232 | ...507,874 |  | . 11,374 |  | $(1,374)$ |  | 500,500 |  | 53,036 | 53,036 | 7,744 | 11/15/2018. |
| 928670-AB-6. | 2011-1 (1) |  | .11/20/2012. | Paydom. |  | 996,401 | . 996,401 | ..996,390 | .996,397 |  |  |  |  |  | .996,401 |  |  |  | 3,236 | 12/20/2013. |
| $92867 \mathrm{E}-\mathrm{AC}-2$. |  |  | .12/2012012. | Paydom. |  | 1,816,516 | 1, 1816,516 | - . 11816,343 | -1,816,445 |  |  |  | .$_{11}$ |  | 1,816,516 |  |  |  | 12,031 | .11/2012013. |
| 92922F-5u-8. | ${ }^{\text {a }}$ |  | . $12 / 25 / 2012$. | Paydom. |  | 41,303 | .41,303 | -333,210 | - 311,439 |  | 9,865 |  | 9, 885 |  | .41,303 |  |  |  |  | .11/25/2045. |
| 929330-AA-8. |  |  | .10/23/2012. | Call 110.0750 |  | 401,774 | . 365,000 | . 420,670 | 408,908 |  | $(14,488)$ |  | (14,488) |  | 394,460 |  | 7,313 | 7,313 | 24,409 | 06/102 |
| $929770-\mathrm{AD}-\mathrm{O}$ |  |  | .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. |
| 981464-8U-3. |  |  | .07/15/2012. |  |  | 1,000,000 | .1,000,000 |  | 1,011,879 |  | $(11,879)$ |  | (11,879) |  | ,000,000 |  |  |  |  | 05/15/2016. |
| $988458-$-AB-1... | Yale Universit y Yailuvi 2.9100115114. |  | .01106/2012 | J.p. Morgan |  | 528,950 | - 500,000 | .517,160 | . 513 |  |  |  |  |  | 513,587 |  | 15,363 | 15,363 |  | 10/15/2014. |
| 9847TE-AN-O. | ${ }^{11 / 15}$ |  | .0510912012. | RBC Dominion Secs Corp.. |  | 324,393 | 310,000 | -309,823 | -309,825 |  |  |  |  |  | 309,828 |  | .14,565 | .14,565 |  | 11/15/2041 |
| Oe971V-AC-O. |  |  | .06115/2012. | ${ }^{\text {Paydomn }}$ Recent ion ${ }^{\text {a }} 100.0000 \ldots$ |  | -1388,938 <br> 138,388 | 1388,988 <br> $.138,938$ | $\begin{array}{r}1336,298 \\ -136,298 \\ \hline\end{array}$ | $\begin{array}{r}1137,324 \\ \cdots \\ \hline 137,324 \\ \hline\end{array}$ |  | $\begin{array}{r} 1,614 \\ \cdots, 1,614 \end{array}$ |  | ${ }^{1,1614}$ |  |  |  |  |  |  | .06615/2013. |
| 023644-AV-7. | ${ }^{\text {Aner ica M Movil SAB de CV AlXLLMM } 5}$ |  | .02/2412012. | Deutsche Bank. |  | .682, 854 | . 600,000 | . 620.814 | . 619,475 |  | .(320) |  | $\ldots$ |  | 619, 155 |  | 63.699 | 63.699 | 12.417 | 03/301/2020. |
| 05541 - -AF-3. | ${ }_{\text {PG }}^{\text {B6 Energy Capi ital PLC B6GPR } 51 / 8}$ |  | . $01 / 3012012$. | Deutsche Bank. |  | . 643,080 | - 575,000 | - .-. 607,752 | - 607,727 |  |  |  | ...(34) |  | .607,693 |  | 35,387 | 35,387 | 9,004 | 10/15/2041 |
| 055451 - - - - |  |  | . 03/08/2012. | Salomon Smbarney (Citigroup) |  | 540,347 | . 4330000 | . $.511,476$ | . $.505,223$ |  | (1,810) |  | (11,80) |  | 503,413 |  | 36,934 | 36,934 | 12,578 | .0401/2019 |
| 10553Y-A8-1 |  |  | .03/28/2012. | Deutsche Bant |  | 675,000 | ..600,000 | .652,800 | 652,076 |  | .(1,243) |  | (1, 243) |  | .650,833 |  | 24.167 | 24,167 | 16,917 | 05/07/2020. |
| 13124 -AC-4. |  |  | 05/24/2012. | Wachovia-Wel Is Fargo Sec. |  | 951,000 | 1,000,000 | ..951,500 | ..958,154 |  | 4,840 |  | 4,840 |  | 962,994 |  | (11,994) | . 11,994$)$ | . 3848 | 11/20/2020. |
| 202728-AJ-3. | Commonvel th Bank of Austral ia |  | . $011 / 172012$. | HSBC Seurit ies |  | 599,331 | -.560,000 | -587,602 | -580, |  |  |  |  |  | .580, 566 |  |  |  |  | 08/13/2014 |
| 21987--AP-3. |  |  | 10/022120 | Ische Bank. |  | 1,416,428 | 1,300,000 | - - $\mathbf{- 1}^{1,285,23}$ | 1,285, |  |  |  |  |  |  |  |  |  |  | 11/03/2027. |
| 252146-AB-9. | De大gor 0 O |  | .03/2912012. | Keyank. |  | 855,750 | .-875,000 | .871,028 | - 8772,217 |  |  |  | -601. |  | 872,818 |  | (17,068) | (17,068) | 2,671 | .03/05/2013 |
| 331844 -AA-9. | Cenes is Funding Ltd give 2006-11 61. |  | . $12 / 1912012$. | Paydom. |  |  | --116,468 | -.103,268 | ...105, 164 |  |  |  |  |  |  |  |  |  |  |  |
| 377331-AA-8. | $0_{0130 / 21}^{1}$ |  | 03/05/2012. | Deutsche Bank. |  | 208,500 | .200,000 | .202,000 | .201,927 |  |  |  | (31) |  | 201,896 |  | ,604 | 6,604 | 6,964 | 01/3012021- |
| 3874Y-PP. 1 | $2007-12$ |  | .066/25/2012. | Various |  | ,233,225 | 890,000 | 176, | 205,587 |  | 24.473 |  | 24,473. |  | 1230,060 |  |  |  |  | 12/20120 |
|  |  |  | -12032012 | Cortviem capital sec Llc. HSCC Seurities Inc..... |  | $\begin{aligned} & .955,115 \\ & .3500 \end{aligned}$ | $\begin{array}{r} 85,000 \\ 350,000 \end{array}$ | $\begin{aligned} & . .92,782 \\ & .349,510 \end{aligned}$ | $\begin{aligned} & .92,325 \\ & .39957 \end{aligned}$ |  |  |  |  |  |  |  |  |  |  | -12172072099.\| |
| 493897-AB-8. | Ki Idare Securities Ltd KDRE 2007-1A |  | .0906/2012. | 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 |
| 493897-AB-8. |  |  | 091012012. | Paydom. |  | 169,949 | 169,949 | ..154,654 | . 157,216 |  | 12,733 |  | 12,733 |  | 169,949 |  |  |  | 1,614 | 12/10/2043. |
| 515110-AP-9 | La RENTEN 4 |  | . $01 / 11 / 2012$. | Deutsche Eank. |  | .946,807 | - . 8 835,000 | - . 929686 | - 911,455 |  |  |  |  |  | .910,878 |  | 35,929 | 35,929 | 6,332 | .11/16/201 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

## SCHEDULE D - PART 4



SCHEDULE D - PART 5


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

## SCHEDULE D - PART 5



SCHEDULE D - PART 5


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

SCHEDULE D－PART 5

|  | 1 | 2 |  | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |  | Change in | Book／Adiusted C | rrying Value |  | 17 | 18 | 19 | 20 | 21 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\underset{\text { Identification }}{\text { CUSIP }}$ | Description | ［1 | Date Acquired <br> Acquired | Name of Vendor | $\begin{gathered} \text { Disposal } \\ \text { Date } \end{gathered}$ | Name of Purchaser | Par Value （Bonds）or Number of Shares （Stocks） （Stock | Actual C | Consider | Book／ Adjusted Carrying Value a Disposa |  | $\begin{array}{\|c\|} \hline 13 \\ \\ \text { Current Year's } \\ \text { (Amortization)/ } \\ \text { Accretion } \\ \hline \end{array}$ | 14 <br> Current Year＇s Other Than Temporary Recognized | $\begin{aligned} & \text { Total Change } \\ & \text { In } \\ & \text { B./A. . .V.V. } \\ & (12+13-14) \\ & \hline \end{aligned}$ |  | $\begin{array}{\|c\|} \text { Foreign } \\ \text { Exchange } \\ \text { Gain (Losss on on } \\ \text { Dispossal } \end{array}$ | $\begin{gathered} \text { Realized Gain } \\ \text { (Loss) on } \\ \text { Disposal } \\ \hline \end{gathered}$ | $\begin{gathered} \text { Total } \\ \text { Gain (Loss) } \\ \text { on Disposal } \end{gathered}$ | Interest and Dividends During Year | $\qquad$ |
|  | ${ }^{31385}$－F－F－6． |  |  |  | Nomura Securiti ies Int｜ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 22 |
|  | 3138E2－10－4．4． | Famie lae Pool Ficl Ada35． |  | －01／26／2012． | Wachovia－Wel I Is Fargo Sec | $.$ | Paydom | ．．95，944 | ．99，842 | 95，944 | 95，944 |  | （ $(3,898)$ |  | $\cdots(3,898)$ |  |  |  |  | 1，577 | 120 |
|  | 3138E7－TV－4． | Fannie Mae Pool ficl Ak3264． |  | ．03／01／2012． |  | 09／21／2012 | BNY Capital Markets，ulc． | ．641，243 | 665，690 | ．680，018 | ．664，730 |  | （990） |  | （960） |  |  | 15，288 | ．15，288 | 10，420 | 748 |
|  | 313887－TW－4． | Fannie lae Pool ficl Ak3264． |  | ．03／01／2012． | Nomura securitites int | ．1000120022 | Paydom． | ．65，050 | －．67，530 | ．655，050 | ．65，050 |  | ．－．．．$(2,48)$ |  | ［．．． 2,480$)$ |  |  |  |  | 2，401 | ．76 |
|  | 31386－50－7． | Fannie Mae Pool ficl alost5． |  | －11108／2012 |  | ．121012012 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | － | Famie Mae Pool Ficl All 234. |  | －11／26202022 | Hocrana Stanley \＆Co．，Inc． | ${ }^{1212012012222}$ | paydom | ． 841,3412 | ．909， 239 | －841，341 | －$\quad$－$\quad .842,341$ |  | －1／20， 899 |  | － 6 （67，8999 |  |  |  |  | 3，155 | －2， 24 $\times 2.658$ |
|  |  |  |  | － 1121232012 | ${ }^{\text {Peutshe Bank }}$ Barclays Cap tal | －${ }^{121201212012}$ | Paydom． | ${ }^{-520,495}$ | －${ }^{-554,246}$ | $\begin{array}{r}\text { 520，45 } \\ \hline 194349\end{array}$ | －$\quad \begin{array}{r}\text { 520，495 } \\ \hline-\quad 194,399\end{array}$ |  | －（133，75） |  | $\cdots$ |  |  |  |  | $\begin{array}{r}1,588 \\ \hline 1,471 \\ \hline 1\end{array}$ |  |
|  | 313870－29．9 | Fannie Mae Pool FNCL A08451 |  | 1010322012 10032012 10 | Sill Capital Markets，Lic | ${ }^{111 / 20212012} 1$ | －vachovia－Velils fargo sec． | 2，453， 8,812 | 2，653，577 | 2，2，40，925 | －2，653，1，782 |  |  |  |  |  |  | （12，227） | （12，227） | 10， 1258 | 2，386 |
|  | $313800-29-9$. | Fannie Mae Pool FNCL A08451 |  | －1010322012． | SNY Cap ital Markets， NLC． | ． 1110112012 | Paydom |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | － $11 / 0212012$ | Inc． <br> hc．．．．． <br> Capital Markets，Li－ | －12／012012 | Paydom． |  | 33,720 132，741 | 32， 128 126.420 | － $\begin{array}{r}32,128 \\ 126.420\end{array}$ |  | （1，$1,591)$ <br> $(6,321$ |  | （1， $\begin{gathered}(1,591) \\ (6,32)\end{gathered}$ |  |  |  |  |  | $\begin{array}{r}35 \\ 306 \\ \hline\end{array}$ |
|  | 边 | Feamie lae Pool Ficl 880452 |  | －10125／2012． | Wachovi a－VVl lls fargo Sec． | ${ }^{121212120122}$ |  | ．148，${ }^{1260}$ | $\begin{array}{r}-132,74 \\ -445,833 \\ \hline\end{array}$ | 1268,480 418 | ． 4186,430 |  | －126，903） |  | （26，903） |  |  |  |  |  |  |
|  | $314160-52-9$. | Fannie Mae Pool pool an5036． |  | ． $02 / 28 / 2012$ | Greenw ich Capital－R8s． | ．02／28／2012 | Vomura Securities int | －187，581 | －．197，524 | ．197，722 | ．197，523 |  | ．（2） |  | ．（2） |  |  | 199 | 199 |  | 229 |
|  | 31417－－43－1 | Famie Mae Pool fn Ab4525 |  | 051012012 | RBC Dominion Secs Corp |  | In． |  |  | ${ }^{1.362 .314}$ |  |  |  |  |  |  |  | 11.840 | 11.840 |  |  |
|  | 314178－93－1． | Mae Pool FN A 865525. |  |  | C oominion Sess Corp． | 109001／2012 | Paydom． | $\ldots$ | $\stackrel{\text { 1，222，317 }}{ }$ | ．1， 220 | －－－． 2009 ， 148 |  | 170 |  |  |  |  |  |  |  |  |
|  | ${ }^{314778-F 4-4}$ |  |  | － $\begin{array}{r}\text {－10123212012 } \\ 11 / 20 \\ \hline\end{array}$ | 6．x．Clare \＆Company | － 12120112012 | Paydom． | － 485.8803 | $\begin{array}{r}138.369 \\ \hline 155.487 \\ \hline\end{array}$ | $\begin{array}{r}\text { P54，890 } \\ \hline 148\end{array}$ | － 358.890 |  | （el ${ }^{(2,4999}$ |  | － 2 （2，4994 |  |  |  |  |  |  |
|  | 31417C－T4－7． | Fannie Nae Pool Ficl Abs970． |  | －08／10／2012 | nachovia－－Vell s fargo Sec．． | 12101／2012 | Paydomm | －73，550 | $. \quad .17,854$ | $\begin{array}{r} -1488,4035 \\ -73,550 \end{array}$ | －73，550 |  | （4，504） |  | （4，504） |  |  |  |  |  |  |
|  |  | Fannie lae Pool fucl natioz |  | ．041112012 | Barclays Capital． | ．06／13／2012 | Nomura Se |  |  | 1，036，665 | －${ }^{1,019,737}$ |  |  |  |  |  |  | ．16，928 | ．16，928 |  |  |
|  |  | Fanie Mae Pool Facl Mal127 |  | ．044112012 | Barcays Capital－－ | ．0770012012 | Paydom． | －9， 9 ， 733 | － 10,046 | $\cdots$ | $\cdots \quad 10,753$ |  |  |  | ${ }^{171} 818{ }^{(293)}$ |  |  |  |  | 2，949 |  |
|  | 边 |  |  | －09120 2012 | 6．X．Clarke \＆Company | ${ }^{+121201201220 ~}$ |  |  |  |  |  |  | （1， 1265 |  | （1205 |  |  |  |  |  |  |
|  | 31419－55－3．］ | Famie Mae pool Ficl dellal． |  | －10126／2012 | J．P．Morgan Chase $\&$ coo | 12101／2012 | Paydom． | 1，545，711 | ，659，707 | 1，545，711 | 1，545，711 |  | （113，996） |  | （11i3，996） |  |  |  |  |  | 5，152 |
|  | 462465－4E－5．5． | Oisaster Area |  | ． $08 / 9912012$ | Morgan Stanley \＆Co．，Inc． | ．08101／2012 | RBC Dain Rausher Ino． | 1，000，000 | 1，000，000 | 1，003，920 | $1,000,000$ 1 1 |  |  |  |  |  |  | $\begin{array}{r}3,920 \\ \hline 2,54 \\ \hline\end{array}$ | $\begin{array}{r}3,220 \\ \hline 1254\end{array}$ |  |  |
|  | 542690－77－0．0． | Long Is and Ponere Auth Utititities |  | ．0612812012 | NVorgan Stanley \＆Co．，Inc． | ．06／28／2012 | Barclays Capital．．． | 1，800，000 | 1，953，252 | 1，1，96，816 | 1，953，252 |  |  |  |  |  |  |  |  |  |  |
|  | 575996－K－2．2． | 5070 |  | ． $07 / 111 / 2012$. | Verill Lynch | 07／11／2012 | rill Lynch | 500，000 | ． 543,265 | ．．．548，010 | 3，265 |  |  |  |  |  |  | 4，745 | 4，745 |  |  |
|  | 592250－4P－9．． | General a axposition aut |  | ．066／08／2012 | Worgan Stanley \＆Co．，Inc． | ．06／18／2012 |  | ．3，35，000 | ．．681，299 | ． 996,899 | ．．681，401 |  | 102 |  | 102 |  |  | 15.499 | ．15．499 |  |  |
|  | 60637A－CII－0． |  |  | 11／2912012 | Nerrill Lynch | ． $11 / 29212012$ | Herrill Lynch | ．． 500,000 | ．．512，330 | ． $.514,845$ | ．．．512，330 |  |  |  |  |  |  | 2.515 | 2．515 |  |  |
|  | $645918 \cdot \mathrm{~d}$－1．．． | Nee Jersey Econ Dev Author ity |  | ．0403／2012． | Werrill Lynch | ．04／04／2012． | Sal omon SmBarney | 1，1，00，000 | ．1，053，690 | ．．1，062，990 | －1，053，677 |  |  |  |  |  |  | 9.313 | 9.313 |  |  |
|  | 646139－16－6．6． | $\xrightarrow{\text { Ner Jersey State Turnpike Auth }}$ Transort |  | ．05／24／2012． | J．P．Morgan Chase \＆Co． | ．05／31／2012 |  | 1，1，00，000 | －．－1，107，880 | －－－1，116，410 | －1，107， 853 |  | －．．．28） |  |  |  |  | 8.558 | 8，558 |  |  |
|  | 65009－27－4． | Nen York State Thrumay Auth |  | ．06／27／2012． | Salomon snbarney | ．06127120 | Iomon Snbarney | 500，000 | 541，140 | 546， 100 | 541，140 |  |  |  |  |  |  |  |  |  |  |
|  | 745260－42－8．8． | Puerto R Rico Electric Pur Auth |  | 04／12／2012 | Voran Stanley \＆Co．．Inc | 0411212012 | Morgan Staniey \＆Co．， | 2．000，000 | 1，975，280 | 1．978．340 | 1．975， 280 |  |  |  |  |  |  |  |  |  |  |
|  |  | University of Texas Sys ligher |  |  | ， |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 915137－67－5．．． | Eucation－ixtensistere |  | ．0517712012 | Morgan Ch | 退1／2012． | RBC Dain Rauscher Inc | 3，015，000 | 3，862 | 3，934，002 | 3，824，239 |  | ${ }_{(38,677)}$ |  | （33，677） |  |  | 109，752 | 109，752 | 11，388 | 33，920 |
|  | 92428－H－6．6． | Stuont L Luent Ass istance |  | ．11／20／2012． | Worgan Stanley \＆Co．，Inc． | ．11／29／2012 |  | 1，200，000 | 1，200，000 | ．1，20，500 | ．1，20，000 |  |  |  |  |  |  | 8，508 | 8，508 | 184 |  |
|  | 928104－LK－2． |  |  | ．04／10／2012． | Barclay Capital． | ．0410102012． | Sal onon snba | 500，000 | 500，000 | 505，795 | 500，000 |  |  |  | 0 |  |  | 5，795 | 5，795 |  |  |
|  | 3199999 | Bonds－U．S．Special Revenue an Authorities of Governments and | do Sp | pecial Assess | sment and all Non－Guarante Subdivisions | ed Obligations | ns of Agencies and | 134，567，226 | 139，698，644 | 139，697，238 | 139，105，326 |  | （593，306） |  | （599，306） |  |  | 591,988 | 591，918 | 437， 122 | 179，38 |
|  | Bonds－Indu | strial and Miscellaneous（Unatfilia | ated） |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | $001011-A B-2$. $00101 \mathrm{~J}-\mathrm{AC}-0$. | ADT Corp TYC 3.257115 22 |  | $06 / 27 / 2012$ $-06 / 27 / 2012$ | $\int_{\text {Gol Idman Sachs Sachs }}^{\text {Gol }}$ | ． $111271 / 2012012$ | JVar ilous．．．．．．．．．．．．．．．．．． | $\begin{aligned} & 1,000,000 \\ & \cdots 1,150,000 \end{aligned}$ | $2.997,640$ | $\begin{array}{r} 1,1,006,320 \\ \cdots, 1,206,281 \end{array}$ | $]_{i-1,137,688}^{.997,725}$ |  |  |  |  |  |  | $\begin{aligned} & .8,5959 \\ & .68,593 \end{aligned}$ | $\begin{aligned} & .8,595 \\ & .68,593 \end{aligned}$ | $\begin{aligned} & 141,097 \\ & \cdots 13,626 \\ & \hline \end{aligned}$ |  |
|  | O2099－4n－5． |  |  | ． 0810612012 | Sole | ． $121 / 13 / 2012$ | Yarious | 1，250，000 | 325 | ＋，245，845 | ${ }^{393}$ |  |  |  |  |  |  |  |  | ．13，904 |  |
|  |  |  |  | ． 0551012012. | Worgan Stanley \＆Co．，Ino | ．051／8／2012． | reenn i ic Capital－RBS． |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 03523－68－7． | ${ }_{\text {AB }}^{\text {ABPase } 1.3} 1.3$ |  | ．07／11／2012． | J．p．Morgan Chase \＆co．． | 09／11／2012 | Barclays Capital． | ．515，000 | 513，517 | ．．518，373 | ． $.513,563$ |  | 46 |  | .46 |  |  | 4，810 | 4，810 | 1,141 |  |
|  | 03523T－60－0．． |  |  | ． $07 / 111 / 2012$. | Deutsche Eank． | ． $08 / 29212012$ ． | JVorgan Kegan． | ．575，000 | 569，779 | 579，215 | 569，791 |  | 12. |  | 12 |  |  | 9，424 | 9，424 | 2，695 |  |

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

SCHEDULE D－PART 5

| 1 | 2 |  | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | ， | Change in ${ }^{\text {a }}$ | Book／Adjusted Ca | Carying Value |  | 17 | 18 | 19 | 20 | 21 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{array}{\|c\|} \hline \text { cusip } \\ \text { Identification } \\ \hline \end{array}$ | Description |  | Date Acquired | Name of Vendor | $\begin{aligned} & \text { Disposal } \\ & \text { Date } \end{aligned}$ | Name of Purchaser | Par Value （Bonds）or Number of Shares （Stocks） | Actual Cost | Consideration | Book／ Adjusted Carrying Value a Disposa $\qquad$ | Unrealized Valuation Increase／ （Decrease） |  13 <br>   <br>   <br> Current Year＇s  <br> （Amortization）／  <br> Accretion $\|$ | 14 <br>  <br>  <br> Current Year＇s <br> Other Than <br> Tempory <br> Impairent <br> Recognized | 15 $\begin{array}{\|c} \text { Total Change } \\ \text { In } \\ \text { B./A. C.V. } \\ (12+13-14) \\ \hline \end{array}$ | Total Foreign Exchange Change in B．／A．C．V． | $\begin{array}{\|c} \text { Foreign } \\ \text { Exchange } \\ \text { Gain (Loss) on } \\ \text { Disposal } \end{array}$ | $\begin{gathered} \text { Realized Gain } \\ \text { (Loss) on } \\ \text { Disposal } \\ \hline \end{gathered}$ | $\begin{gathered} \text { Total } \\ \text { Gain (Loss) } \\ \text { on Disposal } \\ \hline \end{gathered}$ | Interest and Dividends Received During Year | Paid for Accrued Interest and $\qquad$ |
| 053571－AA－5． | Avenue CLOO Fund LId AlCLIO 2007－64 | E | D1／17／2012 | Capital ization | 03／21／2012 | liorgan Stantey \＆Co． | 83 |  |  |  |  |  |  |  |  |  | － |  |  |  |
| 060516－EC－8．8． |  |  | ． $04 / 1312012$ | Banc of Amer ica Seuri ities | ．08／21／2012 | eutsche Bank． | ．500，000 | 495，940 | 523，660 | ． 496,212 |  | 272 |  | 272 |  |  | 27，488 | 27，448 | 8，181 | 1，399 |
| 07388N－AX－4． | ${ }^{\text {Bear Steanns Comm Mig Sec Bsclis }}$ |  | 03／27／2012 | kGS－Alpha Capital Mkts． | ．12201120 | aydom |  | 9，64 |  |  |  | ．（9，646） |  | ．（9，646） |  |  |  |  |  |  |
|  | $\left\lvert\, \begin{aligned} & \text { Bristol－Myers Squibb Co Buy } 3.25 \\ & 08801 / 4\end{aligned}\right.$ |  |  | Vorgan Chase \＆ 80 | 08827120 |  | 1，875，000 | －．1，806，281 | 1，749，007 | 1，806，366 |  |  |  |  |  |  | ． 57,359$)$ | ． 57.359 |  |  |
| ${ }^{1255334-A E-5.5}$ |  |  | －06614／2012 |  | － | Paydom | $\begin{aligned} -1.59, ~ 898 \\ .159 ; 047 \end{aligned}$ |  |  | $\begin{array}{r}1-\quad 10,878 \\ \hdashline \quad 159,047\end{array}$ |  |  |  | （770） |  |  |  |  | 7.1749 $-\quad 1.305$ | 172 |
| 13056R－AA－4 | Cal i fornia Republ ic Auto Rubl CRAR 201 |  |  | Uedit Sui sse Fir ist Boston |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $141781-$－C－7． | Cargill Inc chactil 4.1111101142 |  | 11／08／2012． | Various | －12／03／2012． | arious． | 1，160，000 | 1，157，338 | 1，162，635 | 1，157，341 |  |  |  |  |  |  | 5，294 | 5，294 |  | 658 |
| 143660 －AA－0． |  |  | 04／30／2012 | eennich Capi ital－ | ．12／15 | Pyoun．．．．．．．－ | ．601， 117 | ．601， 107 | ．．601，117 | ． 6001117 |  |  |  |  |  |  |  |  | 4.163 |  |
|  | （centerpoint Ergy Trans Bond co |  | 011112012 |  | ．09126120 | rgan Stanley \＆Co |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ｜ity | Cit igroup Inc C 5 3／8 08／09／20 |  | －0911／2012 | Waction | $10 / 11 / 2012$ 1211412012 |  |  |  |  |  |  |  |  | ${ }^{(469.970)}$ |  |  |  |  | ［1．703 | $\begin{array}{r}\text { 3，} 3.87 \\ \hline 0.964 \\ \hline 0.964\end{array}$ |
| 172967－FH－6．． | Citigroup Inc C 4.45 01／10／17． |  | ．02／03／2012 |  | － $12 / 14 / 2012$ |  | 7，475，000 | －．．．7，808，754 | ．8，187，151 | －－－．．．7，761，785 |  | （46，970） |  |  |  |  |  |  |  | ．20，964 |
| 172967－FX－4． | Citigroup Inc C 5 7／8 01／30142 |  | 01／1912012． | （cit igroup）．．．．． | ．06／05／2012 |  | 655，000 | 640，530 | 680，498 | ．．640，576 |  |  |  |  |  |  | 39，922 | 39，922 | 14，02 |  |
| 188352－0E－3． |  |  | ． 02109212012 | Horgan Stanley \＆Co．，Inc． | ．0210920012 | ，organ Stanley \＆ | 250，000 | 263，923 | 265，368 | 263，999 |  |  |  |  |  |  | 1，448 | 1，448 |  |  |
| 23306A－4A－8． | － |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 233851 －A0－7． | OAIGR 1.3 |  | ． $07 / 25 / 2012$ | （i，it roup）．．． | ．0812022012 | eutsche Bank． | 250，000 | ． 249,545 | ．．．249，798 | 249，554 |  |  |  |  |  |  | 243 | 243 | 199 |  |
| 25755－AC－4． | OPABS 2012 Iza |  | ． $03 / 106 / 2012$ | Barclays Capital | ．10／25／2012． |  | 18，000 | ．18，000 | 18，000 | ． 18,000 |  |  |  |  |  |  |  |  |  |  |
| 20441－A17．7． |  |  | －1412012 | Machovi－Wlels Fargo Sec．．． | － 1000312012 |  | $1,150,000$ 1,15000 | $1,145,216$ <br> 138696 | 1，175，254 | $1,145,217$ 1，138 269 |  |  |  |  |  |  | 30，037 | 30,037 24.388 | 2．4764 |  |
|  |  |  |  |  |  | freenwi co Capital－RBS． |  | ，138，696 |  |  |  |  |  |  |  |  |  |  |  |  |
| 29379V－Al｜－3． | ${ }_{\text {Bas }}$ Bac |  | ． $04 / 05 / 2012$ | eutsche Bank． | ．04／05／2012 | eutsche Bank． | ．575，000 | ． $.544,496$ | ．．．544，496 | ．．．544，498 |  |  |  |  |  |  | （1） | （1） | 4，338 | 4，338 |
| 30277M－AB－0． | 06151 |  | 03／2912012． | Horgan Stanley \＆Co．，Inc． | ．06／06／2012． | Conversion． | 1，600，000 | ．1，630，400 | 1，629，275 | ．1，629， 275 |  | 1，125） |  | （1，125） |  |  |  |  | 30，278 | 19， 123 |
| 32051H－00－5． |  |  | ． $08 / 0272012$. | Key ${ }^{\text {d }}$ | 21／26／2012． | aydom． | ．45，512 | ．26，852 | ．．30，551 | －30，551 |  | －3，699 |  | ．3，699 |  |  |  |  |  |  |
| 345397－V2－3．3． |  |  | ．06／06／2012． | Convers ion． | ． $07 / 122 / 2012$. | Horgan Stanley | 1，600，000 | ．．．1，629，275 | －．1，653，184 | －${ }^{1,628,510}$ |  | －．．（765） |  | ．．（765） |  |  | 24，675 | ．24，675 | －37，538 | － 3 －30，278 |
| 369550－4t－5． | $11 / 15 / 22$ |  | ． $11 / 01 / 2012$ | J．p．Morgan Chase \＆Co． | ． 1113012012 | oldman Sachs． | 1，150，00 | ．－1，145，170 | ．．1，129， 254 | ． $1,145,176$ |  |  |  |  |  |  | $(15,922)$ | （15，922） | 3，335 |  |
| 369604－8F－9． | ${ }^{\text {benera／Electric Co Ce } 4.125}$ |  | ．10／022012． | Various．．．．－ | ．12／17／2012． | arious | 1，415，000 | ．．1，428，369 | ．．1，43， 868 | ．．．1，428，322 |  | （47） |  |  |  |  | ．10，546 | ．10，546 | 11，336 |  |
| $369820-5 \mathrm{~N}-\mathrm{O}$ | ${ }^{\text {enenal Electric capitaa loorp }} \mathbf{2}$ |  | ． $01 / 31 / 2012$. | ous． | ．12141／2012 |  | ．15，000，000 | ． $15,436,950$ | ． $15,833,550$ | ． 15 5，362，640 |  | （74，30） |  | （74，310） |  |  | 470，910 | ．470，910 | 410，833 | ，792 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 40428 H －PG－1．1． |  |  | ． 0210820122 | Vari ius． | 112／06／2012 | SSCC Seurities Inc．．． | ．545，000 | 544，003 | 561，203 | 544，929 |  |  |  |  |  |  | 6，274 | 16， 274 | 715 |  |
| 46625Y－G1－7． | JPMuC 2005－．．．－ |  | 0113012012． | $2{ }^{\text {a }}$（citi igrou）． | ．12201120 | aydom． |  | 88，836 |  |  |  | $(88,836)$ |  | （88，836） |  |  |  |  | 15，719 |  |
| 48666－－0－2． | KB hone KEH $803115 / 20$ |  | ．020112012． | （c） | ．02／06／2012 | antor，Fitzgerald \＆co． | 250，000 | ． 246,308 | ．．246，875 | ．246，308 |  |  |  |  |  |  | ． 568 |  | ． 111 |  |
| 500760－AA－4． | ${ }^{\text {Kob }}$ |  | ．05／30／2012． |  | ．05／31／2012 |  | 280，000 | 279，488 | 285， 298 | ． 279,488 |  |  |  |  |  |  | 5，810 | 5，810 |  |  |
|  | Liberty Mutual Group Inc LIBMUT 6 |  |  | J．P．Morgan Chase \＆Co． |  | Sal |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Lubrizol Corp 8 8k $8778027011 / 19$ |  | －020112012 | Morgan stanley \＆ co．$^{\text {a }}$ ，inc | （12／312012 | P．Wrorgan Chase \＆Co． | $\begin{array}{r}16,922,000 \\ \hline 175000\end{array}$ | 23，490， 525 | 23，772， 195 | 22，770， 345 |  | （720，180） |  | （1720，180） |  |  | 1，001，850 | 1，001，850 | 1，272，382 | 20，8 |
|  |  |  | －09102012 | J．j．Mor Moran Chase $\&$ coo | ． 0901121212012 | ${ }^{\text {lorgan Keegan．}}$ keygank．．．． |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 60871R－AB－6． | Mol son Coors Brewing Co TAP 2 |  | ． $04 / 26612012$ | Morgan Stanley \＆Co．，Inc． | 08／13／2012 |  | ．400，000 | 398，868 | 408，156 | 398，930 |  |  |  |  |  |  | 9.226 |  | 2.289 |  |
| 60871R－AD－2． | Mol son Coors Brewing Co TAP 5 |  | ． $04 / 2662012$ | Wora | 06／05／2012 | gan Stanley \＆Co．， | 950.000 | 948，243 | －1，1016，035 | ． 948.244 |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | Salomon snba |  | Banc of Amer ica |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 617482－41－3．－． | Morgan Stanley Ms $4.87511101 / 22$. |  | －101／8／2012． | Wrorgan Stanley \＆Co．，Inc． | 101／8／2012 | Huran Keegan． | 250，000 | 249，115 | ${ }^{251,258}$ | 249，115 |  |  |  |  |  |  |  | 2，143 |  |  |
| 626717－A6－7．． | ${ }^{\text {a }}$ |  | ． $11127 / 2012$. | J．P．Morgan Chase \＆co． | ． $12118 / 2012$ ． | RBCC Dominion Secs Corp． | 1，225，000 | $\ldots$ | 1，169，287． | 1，221，830 |  | 3 |  |  |  |  | （52，543） | （52，543） | 3，662 |  |

## SCHEDULE D - PART 5



SCHEDULE D - PART 6 - SECTION 1


SCHEDULE D - PART 6 - SECTION 2

| 1 | $2$ | $3$ | 4 <br> Total Amount of Intangible Assets | Stock in Lower-Tie Owned Indirectly b Statement | Company Insurer on ate |
| :---: | :---: | :---: | :---: | :---: | :---: |
| CUSIP <br> 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 Outstanding |
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| 0399999 Totals - Preferred and Common |  |  |  | XXX | XXX |

SCHEDULE DA - PART 1


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


TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT 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 |

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

## SCHEDULE E-PART 2 - CASH EQUIVALENTS



ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation
SCHEDULE E PART 3 - SPECIAL DEPOSITS


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[^0]:    (a) State here basis of computation used in each case. Prorata based on expiration of risk

[^1]:    (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 annualized basis $\$$

[^2]:    (a) Includes management fees of \$

[^3]:    The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

