

QUARTERLY STATEMENT
OF THE
STANDARD INSURANCE COMPANY



The**Standard**[®]

**OF PORTLAND
IN THE STATE OF OREGON**

TO THE
INSURANCE DEPARTMENT
OF THE
STATE OF

**FOR THE QUARTER ENDED
MARCH 31, 2012**

LIFE AND ACCIDENT AND HEALTH

2012

2012



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF MARCH 31, 2012

OF THE CONDITION AND AFFAIRS OF THE

Standard Insurance Company

NAIC Group Code 1348 1348 NAIC Company Code 69019 Employer's ID Number 93-0242990
(Current) (Prior)

Organized under the Laws of Oregon, State of Domicile or Port of Entry Oregon

Country of Domicile United States of America

Incorporated/Organized 02/24/1906 Commenced Business 04/12/1906

Statutory Home Office 1100 Southwest Sixth Avenue, Portland, OR 97204-1093
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 1100 Southwest Sixth Avenue
(Street and Number)
Portland, OR 97204-1093, 971-321-7000
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address PO Box 711, Portland, OR 97207-0711
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 1100 Southwest Sixth Avenue
(Street and Number)
Portland, OR 97204-1093, 971-321-7564
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.standard.com

Statutory Statement Contact Barry James Walton, 971-321-7564
(Name) (Area Code) (Telephone Number)
barry.walton@standard.com, 971-321-7540
(E-mail Address) (FAX Number)

OFFICERS

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

OTHER

Robert Michael Erickson CMA Controller

DIRECTORS OR TRUSTEES

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

State of Oregon SS:
County of Multnomah

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

John Gregory Ness
Chairman, President & Chief Executive Officer

Floyd Fitz-Hubert Chadee
Chief Financial Officer

Holley Young Franklin
Corporate Secretary

Subscribed and sworn to before me this 2nd day of May 2012

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached.....

Linda R. Seger
Notary Public
09/18/2014

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|--|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 6,173,661,293 | 0 | 6,173,661,293 | 6,091,137,180 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | 93,322 | 0 | 93,322 | 93,322 |
| 2.2 Common stocks | 0 | 0 | 0 | 0 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | 4,857,798,269 | 0 | 4,857,798,269 | 4,791,807,947 |
| 3.2 Other than first liens | 0 | 0 | 0 | 0 |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$0 encumbrances) | 33,749,954 | 0 | 33,749,954 | 33,795,218 |
| 4.2 Properties held for the production of income (less \$0 encumbrances) | 2,128,518 | 0 | 2,128,518 | 2,137,838 |
| 4.3 Properties held for sale (less \$0 encumbrances) | 972,759 | 0 | 972,759 | 972,759 |
| 5. Cash (\$(28,776,799)), cash equivalents (\$0) and short-term investments (\$18,379,941) | (10,396,858) | 0 | (10,396,858) | 40,698,366 |
| 6. Contract loans (including \$0 premium notes) | 3,124,101 | 0 | 3,124,101 | 3,219,379 |
| 7. Derivatives | 14,277,055 | 0 | 14,277,055 | 7,166,523 |
| 8. Other invested assets | 78,061,248 | 0 | 78,061,248 | 60,465,714 |
| 9. Receivables for securities | 24,556,775 | 0 | 24,556,775 | 36,145,891 |
| 10. Securities lending reinvested collateral assets | 0 | 0 | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 11,178,026,436 | 0 | 11,178,026,436 | 11,067,640,137 |
| 13. Title plants less \$0 charged off (for Title insurers only) | 0 | 0 | 0 | 0 |
| 14. Investment income due and accrued | 111,458,320 | 0 | 111,458,320 | 109,471,752 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 123,598,735 | 1,162,357 | 122,436,378 | 91,943,741 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums) | 298,555 | 0 | 298,555 | 198,513 |
| 15.3 Accrued retrospective premiums | 17,040,858 | 516,280 | 16,524,578 | 21,457,258 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 4,579,818 | 0 | 4,579,818 | 6,047,302 |
| 16.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 2,716,873 | 2,700,000 | 16,873 | 15,126 |
| 17. Amounts receivable relating to uninsured plans | 4,999,650 | 0 | 4,999,650 | 4,326,005 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 20,142,098 | 0 | 20,142,098 | 24,116,105 |
| 18.2 Net deferred tax asset | 200,556,404 | 110,887,597 | 89,668,807 | 91,791,439 |
| 19. Guaranty funds receivable or on deposit | 1,534,284 | 0 | 1,534,284 | 1,485,874 |
| 20. Electronic data processing equipment and software | 32,762,607 | 31,833,582 | 929,025 | 1,158,295 |
| 21. Furniture and equipment, including health care delivery assets (\$0) | 7,504,994 | 7,504,994 | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 1,997,128 | 0 | 1,997,128 | 717,664 |
| 24. Health care (\$0) and other amounts receivable | 0 | 0 | 0 | 0 |
| 25. Aggregate write-ins for other than invested assets | 105,956,576 | 105,785,304 | 171,272 | 171,273 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 11,813,173,336 | 260,390,114 | 11,552,783,222 | 11,420,540,484 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | 5,083,417,338 | 0 | 5,083,417,338 | 4,593,548,661 |
| 28. Total (Lines 26 and 27) | 16,896,590,674 | 260,390,114 | 16,636,200,560 | 16,014,089,145 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. Mortgage participations - excess interest retained (SSAP 37) | 2,148,428 | 2,148,428 | 0 | 0 |
| 2502. Prepaid pension funds (SSAP 89) | 87,350,495 | 87,350,495 | 0 | 0 |
| 2503. Prepaid expenses | 13,824,036 | 13,824,036 | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 2,633,617 | 2,462,345 | 171,272 | 171,273 |
| 2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) | 105,956,576 | 105,785,304 | 171,272 | 171,273 |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY
LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Statement Date | 2 December 31 Prior Year |
|--|--------------------------------|--------------------------------|
| 1. Aggregate reserve for life contracts \$5,309,976,524 less \$0 included in Line 6.3 (including \$0 Modco Reserve) | 5,309,976,524 | 5,269,212,116 |
| 2. Aggregate reserve for accident and health contracts (including \$0 Modco Reserve) | 3,824,346,770 | 3,802,535,030 |
| 3. Liability for deposit-type contracts (including \$0 Modco Reserve) | 519,185,069 | 503,795,333 |
| 4. Contract claims: | | |
| 4.1 Life | 105,678,976 | 105,736,380 |
| 4.2 Accident and health | 57,219,366 | 56,113,092 |
| 5. Policyholders' dividends \$4,409 and coupons \$0 due and unpaid | 4,409 | 4,520 |
| 6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts: | | |
| 6.1 Dividends apportioned for payment (including \$0 Modco) | 113,933 | 112,202 |
| 6.2 Dividends not yet apportioned (including \$0 Modco) | 0 | 0 |
| 6.3 Coupons and similar benefits (including \$0 Modco) | 0 | 0 |
| 7. Amount provisionally held for deferred dividend policies not included in Line 6 | 0 | 0 |
| 8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$0 discount; including \$10,665,720 accident and health premiums | 15,053,810 | 12,220,212 |
| 9. Contract liabilities not included elsewhere: | | |
| 9.1 Surrender values on canceled contracts | 0 | 0 |
| 9.2 Provision for experience rating refunds, including the liability of \$12,551,465 accident and health experience rating refunds of which \$0 is for medical loss ratio rebate per the Public Health Service Act | 27,280,370 | 39,313,904 |
| 9.3 Other amounts payable on reinsurance, including \$293,976 assumed and \$5,412,416 ceded | 5,706,392 | 7,194,793 |
| 9.4 Interest Maintenance Reserve | 20,104,393 | 19,802,365 |
| 10. Commissions to agents due or accrued-life and annuity contracts \$5,193,521, accident and health \$8,958,262 and deposit-type contract funds \$628,115 | 14,779,898 | 15,151,877 |
| 11. Commissions and expense allowances payable on reinsurance assumed | 0 | 0 |
| 12. General expenses due or accrued | 203,541,917 | 209,027,016 |
| 13. Transfers to Separate Accounts due or accrued (net) (including \$0 accrued for expense allowances recognized in reserves, net of reinsured allowances) | (692) | (194,513) |
| 14. Taxes, licenses and fees due or accrued, excluding federal income taxes | 2,474,853 | 4,389,972 |
| 15.1 Current federal and foreign income taxes, including \$6,982,362 on realized capital gains (losses) | 6,982,362 | 6,156,182 |
| 15.2 Net deferred tax liability | 0 | 0 |
| 16. Unearned investment income | 87,974 | 101,736 |
| 17. Amounts withheld or retained by company as agent or trustee | 8,037,933 | 5,778,821 |
| 18. Amounts held for agents' account, including \$322,159 agents' credit balances | 322,158 | 105,361 |
| 19. Remittances and items not allocated | 97,345,829 | 77,738,015 |
| 20. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 |
| 21. Liability for benefits for employees and agents if not included above | 0 | 0 |
| 22. Borrowed money \$0 and interest thereon \$0 | 0 | 0 |
| 23. Dividends to stockholders declared and unpaid | 0 | 0 |
| 24. Miscellaneous liabilities: | | |
| 24.01 Asset valuation reserve | 110,346,743 | 105,914,712 |
| 24.02 Reinsurance in unauthorized companies | 0 | 0 |
| 24.03 Funds held under reinsurance treaties with unauthorized reinsurers | 0 | 0 |
| 24.04 Payable to parent, subsidiaries and affiliates | 3,178,157 | 3,179,265 |
| 24.05 Drafts outstanding | 0 | 0 |
| 24.06 Liability for amounts held under uninsured plans | 304,249 | 225,452 |
| 24.07 Funds held under coinsurance | 0 | 0 |
| 24.08 Derivatives | 0 | 0 |
| 24.09 Payable for securities | 18,209,790 | 0 |
| 24.10 Payable for securities lending | 0 | 0 |
| 24.11 Capital notes \$0 and interest thereon \$0 | 0 | 0 |
| 25. Aggregate write-ins for liabilities | 38,780,640 | 37,693,338 |
| 26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) | 10,389,061,823 | 10,281,307,181 |
| 27. From Separate Accounts Statement | 5,083,417,338 | 4,593,548,661 |
| 28. Total liabilities (Lines 26 and 27) | 15,472,479,161 | 14,874,855,842 |
| 29. Common capital stock | 423,838,694 | 423,838,694 |
| 30. Preferred capital stock | 0 | 0 |
| 31. Aggregate write-ins for other than special surplus funds | (1,147,638) | (1,147,638) |
| 32. Surplus notes | 0 | 0 |
| 33. Gross paid in and contributed surplus | 24,594,389 | 24,120,198 |
| 34. Aggregate write-ins for special surplus funds | 0 | 48,522,356 |
| 35. Unassigned funds (surplus) | 716,435,954 | 643,899,694 |
| 36. Less treasury stock, at cost: | | |
| 36.10 shares common (value included in Line 29 \$0) | 0 | 0 |
| 36.20 shares preferred (value included in Line 30 \$0) | 0 | 0 |
| 37. Surplus (Total Lines 31+32+33+34+35-36) (including \$0 in Separate Accounts Statement) | 739,882,705 | 715,394,610 |
| 38. Totals of Lines 29, 30 and 37 | 1,163,721,399 | 1,139,233,304 |
| 39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) | 16,636,200,560 | 16,014,089,146 |
| DETAILS OF WRITE-INS | | |
| 2501. Accrued interest and other liabilities | 27,648,321 | 26,277,414 |
| 2502. Guaranty association assessments | 535,000 | 535,000 |
| 2503. Long-term contracts payable | 10,195,728 | 10,557,789 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 401,591 | 323,135 |
| 2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) | 38,780,640 | 37,693,338 |
| 3101. Nonqualified defined benefit plan adjustment | (1,147,638) | (1,147,638) |
| 3102. | | |
| 3103. | | |
| 3198. Summary of remaining write-ins for Line 31 from overflow page | 0 | 0 |
| 3199. Totals (Lines 3101 through 3103 plus 3198)(Line 31 above) | (1,147,638) | (1,147,638) |
| 3401. Special Surplus associated with SSAP 10R | 0 | 48,522,356 |
| 3402. | | |
| 3403. | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | 0 | 0 |
| 3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above) | 0 | 48,522,356 |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

SUMMARY OF OPERATIONS

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| 1. Premiums and annuity considerations for life and accident and health contracts | 853,316,217 | 909,127,536 | 3,547,415,859 |
| 2. Considerations for supplementary contracts with life contingencies | 717,419 | 931,143 | 2,402,258 |
| 3. Net investment income | 148,496,907 | 144,613,216 | 590,217,828 |
| 4. Amortization of Interest Maintenance Reserve (IMR) | 1,232,306 | 888,989 | 4,246,263 |
| 5. Separate Accounts net gain from operations excluding unrealized gains or losses | 0 | 0 | 0 |
| 6. Commissions and expense allowances on reinsurance ceded | 4,632,102 | 4,052,708 | 17,754,966 |
| 7. Reserve adjustments on reinsurance ceded | 0 | 0 | 0 |
| 8. Miscellaneous Income: | | | |
| 8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts | 8,107,381 | 8,501,260 | 32,907,488 |
| 8.2 Charges and fees for deposit-type contracts | 0 | 0 | 0 |
| 8.3 Aggregate write-ins for miscellaneous income | 632,842 | 454,727 | 2,027,106 |
| 9. Totals (Lines 1 to 8.3) | 1,017,135,174 | 1,068,569,579 | 4,196,971,768 |
| 10. Death benefits | 139,769,834 | 153,841,757 | 613,167,630 |
| 11. Matured endowments (excluding guaranteed annual pure endowments) | 0 | 0 | 0 |
| 12. Annuity benefits | 206,991,213 | 170,066,905 | 602,004,504 |
| 13. Disability benefits and benefits under accident and health contracts | 242,420,261 | 233,987,972 | 943,763,868 |
| 14. Coupons, guaranteed annual pure endowments and similar benefits | 0 | 0 | 0 |
| 15. Surrender benefits and withdrawals for life contracts | 173,109,713 | 205,090,032 | 728,592,913 |
| 16. Group conversions | 0 | 0 | 0 |
| 17. Interest and adjustments on contract or deposit-type contract funds | 2,818,223 | 2,439,958 | 9,245,852 |
| 18. Payments on supplementary contracts with life contingencies | 1,071,502 | 1,313,348 | 4,330,509 |
| 19. Increase in aggregate reserves for life and accident and health contracts | 62,544,322 | 77,770,746 | 572,607,753 |
| 20. Totals (Lines 10 to 19) | 828,725,068 | 844,510,718 | 3,473,713,029 |
| 21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) | 41,519,476 | 41,925,330 | 172,479,756 |
| 22. Commissions and expense allowances on reinsurance assumed | 1,065,655 | 1,199,086 | 4,678,560 |
| 23. General insurance expenses | 109,202,018 | 101,619,547 | 410,261,574 |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes | 15,735,333 | 15,965,475 | 54,942,400 |
| 25. Increase in loading on deferred and uncollected premiums | 686,503 | 499,129 | 265,541 |
| 26. Net transfers to or (from) Separate Accounts net of reinsurance | (18,202,701) | 16,148,724 | (108,422,645) |
| 27. Aggregate write-ins for deductions | 20,617 | 2,349,348 | 4,462,646 |
| 28. Totals (Lines 20 to 27) | 978,751,969 | 1,024,217,357 | 4,012,380,860 |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) | 38,383,205 | 44,352,222 | 184,590,908 |
| 30. Dividends to policyholders | 25,393 | 24,785 | 114,717 |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) | 38,357,812 | 44,327,437 | 184,476,191 |
| 32. Federal and foreign income taxes incurred (excluding tax on capital gains) | 4,448,198 | 17,382,035 | 40,452,142 |
| 33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) | 33,909,614 | 26,945,402 | 144,024,049 |
| 34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 0 (excluding taxes of \$ 826,180 transferred to the IMR) | (4,076,993) | (3,879,136) | (16,865,983) |
| 35. Net income (Line 33 plus Line 34) | 29,832,621 | 23,066,266 | 127,158,066 |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 36. Capital and surplus, December 31, prior year | 1,139,233,300 | 1,171,513,816 | 1,171,513,816 |
| 37. Net income (Line 35) | 29,832,621 | 23,066,266 | 127,158,066 |
| 38. Change in net unrealized capital gains (losses) less capital gains tax of \$ (4,629,054) | 10,690,913 | (803,372) | (8,596,813) |
| 39. Change in net unrealized foreign exchange capital gain (loss) | 0 | 0 | 0 |
| 40. Change in net deferred income tax | (13,804,340) | 1,276,638 | 13,290,606 |
| 41. Change in nonadmitted assets | 12,000,172 | (2,394,515) | (59,952,968) |
| 42. Change in liability for reinsurance in unauthorized companies | 0 | 0 | 0 |
| 43. Change in reserve on account of change in valuation basis, (increase) or decrease | 0 | 0 | 0 |
| 44. Change in asset valuation reserve | (4,432,030) | (1,631,802) | (11,294,903) |
| 45. Change in treasury stock | 0 | 0 | 0 |
| 46. Surplus (contributed to) withdrawn from Separate Accounts during period | 0 | 0 | 0 |
| 47. Other changes in surplus in Separate Accounts Statement | 0 | 0 | 0 |
| 48. Change in surplus notes | 0 | 0 | 0 |
| 49. Cumulative effect of changes in accounting principles | 0 | 0 | 0 |
| 50. Capital changes: | | | |
| 50.1 Paid in | 0 | 0 | 0 |
| 50.2 Transferred from surplus (Stock Dividend) | 0 | 0 | 0 |
| 50.3 Transferred to surplus | 0 | 0 | 0 |
| 51. Surplus adjustment: | | | |
| 51.1 Paid in | 474,191 | 464,420 | 783,492 |
| 51.2 Transferred to capital (Stock Dividend) | 0 | 0 | 0 |
| 51.3 Transferred from capital | 0 | 0 | 0 |
| 51.4 Change in surplus as a result of reinsurance | (273,428) | (270,479) | (1,081,912) |
| 52. Dividends to stockholders | (10,000,000) | (12,800,000) | (87,800,000) |
| 53. Aggregate write-ins for gains and losses in surplus | 0 | 4,067,874 | (4,786,083) |
| 54. Net change in capital and surplus for the year (Lines 37 through 53) | 24,488,099 | 10,975,030 | (32,280,516) |
| 55. Capital and surplus, as of statement date (Lines 36 + 54) | 1,163,721,399 | 1,182,488,846 | 1,139,233,300 |
| DETAILS OF WRITE-INS | | | |
| 08.301. Other Income | 632,842 | 454,727 | 2,027,106 |
| 08.302. | | | |
| 08.303. | | | |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page | 0 | 0 | 0 |
| 08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above) | 632,842 | 454,727 | 2,027,106 |
| 2701. Modco reserve adjustments | 0 | 2,095,651 | 4,066,107 |
| 2702. Other expenses | 20,617 | 253,697 | 396,539 |
| 2703. | | | |
| 2798. Summary of remaining write-ins for Line 27 from overflow page | 0 | 0 | 0 |
| 2799. Totals (Lines 2701 through 2703 plus 2798)(Line 27 above) | 20,617 | 2,349,348 | 4,462,646 |
| 5301. Special Surplus associated with SSAP 10R | 0 | 0 | (8,853,957) |
| 5302. Adjustment due to accounting error | 0 | 4,067,874 | 4,067,874 |
| 5303. | | | |
| 5398. Summary of remaining write-ins for Line 53 from overflow page | 0 | 0 | 0 |
| 5399. Totals (Lines 5301 through 5303 plus 5398)(Line 53 above) | 0 | 4,067,874 | (4,786,083) |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance | 818,482,855 | 895,522,169 | 3,532,853,701 |
| 2. Net investment income | 151,808,714 | 146,871,222 | 612,150,863 |
| 3. Miscellaneous income | 13,372,325 | 13,008,695 | 52,689,560 |
| 4. Total (Lines 1 to 3) | 983,663,894 | 1,055,402,086 | 4,197,694,125 |
| 5. Benefit and loss related payments | 765,120,967 | 747,947,421 | 2,896,066,760 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | (18,396,522) | 16,152,042 | (108,230,045) |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 173,480,046 | 164,995,055 | 669,688,525 |
| 8. Dividends paid to policyholders | 23,773 | 21,986 | 106,838 |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses) | (1) | 3,499,999 | 59,845,244 |
| 10. Total (Lines 5 through 9) | 920,228,263 | 932,616,503 | 3,517,477,322 |
| 11. Net cash from operations (Line 4 minus Line 10) | 63,435,631 | 122,785,583 | 680,216,803 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 189,370,013 | 305,463,280 | 859,366,168 |
| 12.2 Stocks | 0 | 0 | 0 |
| 12.3 Mortgage loans | 143,528,035 | 91,791,758 | 609,071,582 |
| 12.4 Real estate | 0 | 0 | 0 |
| 12.5 Other invested assets | 28,096 | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 | (245) |
| 12.7 Miscellaneous proceeds | 31,342,344 | 56,666,699 | 45,461,415 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 364,268,488 | 453,921,737 | 1,513,898,920 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | 274,900,475 | 356,348,997 | 1,045,723,481 |
| 13.2 Stocks | 0 | 0 | 0 |
| 13.3 Mortgage loans | 211,319,071 | 198,825,744 | 1,019,501,990 |
| 13.4 Real estate | 677,747 | 313,295 | 2,327,292 |
| 13.5 Other invested assets | 19,680,291 | 8,625,856 | 47,852,214 |
| 13.6 Miscellaneous applications | 1,996,576 | 2,219,363 | 18,920,152 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 508,574,160 | 566,333,255 | 2,134,325,129 |
| 14. Net increase (or decrease) in contract loans and premium notes | (95,278) | (90,445) | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (144,210,394) | (112,321,073) | (620,426,209) |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | 0 | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock | 0 | 0 | 0 |
| 16.3 Borrowed funds | 0 | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 15,389,736 | (7,318,133) | 39,625,253 |
| 16.5 Dividends to stockholders | 10,000,000 | 12,800,000 | 87,800,000 |
| 16.6 Other cash provided (applied) | 24,289,803 | (32,574,010) | (28,388,419) |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) | 29,679,539 | (52,692,143) | (76,563,166) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .. | (51,095,224) | (42,227,633) | (16,772,572) |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 40,698,366 | 57,470,939 | 57,470,939 |
| 19.2 End of period (Line 18 plus Line 19.1) | (10,396,858) | 15,243,306 | 40,698,366 |

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

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

EXHIBIT 1**DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS**

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| 1. Industrial life | 0 | 0 | 0 |
| 2. Ordinary life insurance | 12,141,790 | 12,317,585 | 51,001,960 |
| 3. Ordinary individual annuities | 46,224,642 | 79,923,701 | 349,713,420 |
| 4. Credit life (group and individual) | 0 | 0 | 0 |
| 5. Group life insurance | 178,189,820 | 182,042,541 | 768,886,117 |
| 6. Group annuities | 308,177,705 | 316,642,249 | 1,126,687,199 |
| 7. A & H - group | 256,204,423 | 264,372,460 | 1,098,373,754 |
| 8. A & H - credit (group and individual) | 0 | 0 | 0 |
| 9. A & H - other | 41,936,813 | 39,230,841 | 164,389,393 |
| 10. Aggregate of all other lines of business | 0 | 0 | 0 |
| 11. Subtotal | 842,875,192 | 894,529,377 | 3,559,051,842 |
| 12. Deposit-type contracts | 11,157,273 | 3,279,751 | 31,939,290 |
| 13. Total | 854,032,465 | 897,809,128 | 3,590,991,133 |
| DETAILS OF WRITE-INS | | | |
| 1001. | | | |
| 1002. | | | |
| 1003. | | | |
| 1098. Summary of remaining write-ins for Line 10 from overflow page | 0 | 0 | 0 |
| 1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above) | 0 | 0 | 0 |

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

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

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

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

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Oregon for the period and prior year-end is shown below:

| <u>(In thousands)</u> | <u>March 31, 2012</u> | <u>December 31, 2011</u> |
|--|-----------------------|--------------------------|
| <u>Net Income</u> | | |
| Statutory Net Income, Oregon basis | \$ 29,833 | \$ 127,158 |
| State Prescribed Practices that increase/(decreases) NAIC SAP: | - | - |
| State Permitted Practices that increase/(decreases) NAIC SAP: | - | - |
| Net Income in conformity with NAIC SAP | <u>\$ 29,833</u> | <u>\$ 127,158</u> |
| <u>Surplus</u> | | |
| Statutory capital and surplus, Oregon basis | \$ 1,163,721 | \$ 1,139,233 |
| State Prescribed Practices that increase/(decreases) NAIC SAP: | - | - |
| State Permitted Practices that increase/(decreases) NAIC SAP: | - | - |
| Statutory capital and surplus in conformity with NAIC SAP | <u>\$ 1,163,721</u> | <u>\$ 1,139,233</u> |

B. Use of Estimates

No significant change

C. Accounting Policies

No significant change

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

A. Material Changes in Accounting Principles and/or Correction of Errors

The Company adopted SSAP No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10*, (“SSAP No. 101”), as of January 1, 2012. SSAP No. 101 determines the amount of deferred tax assets (“DTAs”) which can be admitted based upon a three component admission calculation. One of the calculations is based on the Risk Based Capital (“RBC”) Authorized Control Level (“ACL”) ratio calculated without net deferred tax assets. If the ACL ratio is greater than 300%, then the DTAs can be admitted for three years. If the ratio is between 200% and 300%, then the DTAs can be admitted for one year. If the ACL ratio is less than 200%, then no DTAs can be admitted. As a result of adopting SSAP No. 101, \$48.5 million was moved from Page 3, line 34, Write-ins for special surplus funds to Page 3, line 35, Unassigned Surplus. There was no change in assets or surplus as a result of adopting SSAP No. 101.

3. BUSINESS COMBINATIONS AND GOODWILL

Not applicable

NOTES TO FINANCIAL STATEMENTS

4. DISCONTINUED OPERATIONS

Not applicable

5. INVESTMENTS

There were no mortgage loans in the process of foreclosure as of March 31, 2012. As of December 31, 2011 there was one loan for \$59 thousand in the process of foreclosure.

The Company held restructured mortgage loans totaling \$18.7 million and \$29.0 million as of March 31, 2012 and December 31, 2011, respectively.

As of March 31, 2012, there were three mortgage loans with interest over 180 days past due with a total carrying value of \$640 thousand. At December 31, 2011 there were three mortgage loans with interest over 180 days past due with a total carrying value of \$212 thousand.

The Company realized capital losses of \$778 thousand for the three months ended March 31, 2012 for other-than-temporary impairments of bonds.

The realized capital gain for the three months ended March 31, 2012 related to the disposal of bonds was \$2.4 million.

The realized capital loss for the three months ended March 31, 2012 related to the disposal of mortgages was \$2.7 million.

D. Loan-Backed Securities

- 1) Not applicable
- 2) Not applicable
- 3) Not applicable
- 4) Not applicable
- 5) Not applicable

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No significant change

7. INVESTMENT INCOME

No significant change

8. DERIVATIVE INSTRUMENTS

The structure of our derivative transactions limits our exposure to counterparty non-performance. The Company further limits its exposure by transacting with counterparties with high credit ratings. The Company markets equity-indexed annuities. These contracts permit the holder to elect an interest rate return or an indexed return, where interest credited to the contracts is based on the performance of the Standard and Poor's ("the S&P") 500 index, subject to an upper limit or cap. Policyholders may elect to rebalance between interest crediting options at renewal dates annually. At each renewal date, the Company has the opportunity to re-price the indexed component by changing the cap, subject to minimum guarantees. The Company purchases S&P 500 index call spread options in conjunction with its sales of indexed annuities. These investments are highly correlated to the portfolio allocation decisions of its policyholders, such that the Company is economically hedged with respect to index-based interest rate guarantees for the current reset period.

The Company's derivative instruments do not qualify for hedge accounting and are accounted for at fair value with the related changes in fair values recorded as unrealized gains or losses.

The Company held no derivatives that qualified for hedge accounting.

The Company held no derivatives that qualified as cash flow hedges.

The Company's net unrealized gains from derivatives were \$7.3 million as of March 31, 2012 and net unrealized losses from derivatives as of December 31, 2011 were \$6.7 million.

9. INCOME TAXES

The Company adopted SSAP No. 101 as of January 1, 2012. SSAP No. 101 determines the amount of DTAs which can be admitted based upon a three component admission calculation. One of the calculations is based on the RBC ACL ratio calculated without net deferred tax assets. If the ACL ratio is greater than 300%, then

NOTES TO FINANCIAL STATEMENTS

the DTAs can be admitted for three years. If the ratio is between 200% and 300%, then the DTAs can be admitted for one year. If the ACL ratio is less than 200%, then no DTAs can be admitted.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

The Company purchases mortgage loans originated by its affiliate, StanCorp Mortgage Investors, LLC (SMI). Total mortgage loans purchased from SMI during the first three months of 2012 were \$211.3 million. Mortgage loans sold to SMI during the first three months of 2012 were \$9.8 million.

The Company sold mortgage loans at fair value to The Standard Life Insurance Company of New York during the first three months of 2012 in the amount of \$5.4 million.

The Company sold mortgage loans at fair value to StanCorp Real Estate, LLC during the first three months of 2012 in the amount of \$2.5 million.

The Company reported the following amounts due to (from) its parent and affiliates:

| <u>(In thousands)</u> | <u>March 31, 2012</u> | <u>December 31, 2011</u> |
|---|-----------------------|--------------------------|
| StanCorp Financial Group, Inc. | \$ 287 | \$ 793 |
| StanCorp Mortgage Investors, LLC | (1,165) | (63) |
| StanCorp Investment Advisers, Inc. | 564 | 434 |
| StanCorp Real Estate, LLC | 197 | 259 |
| StanCorp Equities, Inc. | 509 | 601 |
| The Standard Life Insurance Company of New York | 317 | 257 |
| Standard Retirement Services, Inc. | 459 | 201 |
| Standard Management, Inc. | 2 | - |
| Adaptu | 11 | (21) |
| | <u>\$ 1,181</u> | <u>\$ 2,461</u> |

In March 2012 the Company distributed an ordinary cash dividend of \$10.0 million to its parent, SFG.

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

As of January 1, 2012 the modified coinsurance agreement between SIC and SNY was terminated.

11. DEBT

No significant change

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

The funded status of Company sponsored defined benefit plans are evaluated annually. Given the volatility of equity markets and their impact on investments held in these plans the funding status of these plans can change significantly. The Company is not obligated to make additional contributions to its pension plans for 2012.

Substantially all eligible employees are covered by a qualified deferred compensation plan under which a portion of the employee contribution is matched. Non-elective employer contributions made to the existing deferred compensation plan are intended in lieu of participation in the Company's defined benefit pension plan. The Company's contributions to the plan were \$3.1 million for the three months ended March 31, 2012.

Eligible executive officers are covered by a non-qualified supplemental retirement plan. The accrued benefit cost was \$20.0 million as of March 31, 2012. Expenses were \$646 thousand for the first three months of 2012.

Eligible executive officers, directors, agents and group producers may participate in one of several non-qualified deferred compensation plans under which a portion of the deferred compensation may be matched. The liability for the plans was \$10.3 million as of March 31, 2012.

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

No significant change

14. CONTINGENCIES

The Company had commitments to contribute equity capital to third party joint ventures totaling \$97.3 million as of March 31, 2012. The contributions are payable on demand.

NOTES TO FINANCIAL STATEMENTS

In the normal course of business, the Company is involved in various legal actions and other state and federal proceedings. A number of these actions or proceedings were pending as of March 31, 2012. In some instances, lawsuits include claims for punitive damages and similar types of relief in unspecified or substantial amounts, in addition to amounts for alleged contractual liability or other compensatory damages. In the opinion of management, the ultimate liability, if any, arising from these actions or proceedings is not expected to have a material adverse effect on the Company's business, financial position, results of operations, or cash flows.

15. LEASES

No significant change

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

No significant change

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

C. Wash Sales

- 1) In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the date of sale to enhance investment portfolio yields.
- 2) The details, with NAIC designation 3 or below, of securities sold during the first quarter ended March 31, 2012 and reacquired within 30 days of sale date are:

| (In thousands) | Bond | Number of Transactions | Book Value of Securities Sold | Cost of Securities Repurchased | Gain / (loss) |
|----------------|--------|------------------------|-------------------------------|--------------------------------|---------------|
| | NAIC 3 | 2 | \$ 174 | \$ 173 | \$ (1) |

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

No significant change

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

No significant change

20. FAIR VALUE

A.

- 1) Fair value measurements at reporting date:

| (In thousands) | Level 1 | Level 2 | Level 3 | Total |
|---|---------------------|-------------------|------------------|---------------------|
| a. Assets at fair value | | | | |
| Fixed maturity securities with other-than temporary impairments | \$ - | \$ 2,802 | \$ - | \$ 2,802 |
| Commercial mortgage loans measured for impairment | - | - | 22,558 | 22,558 |
| S&P 500 index options | - | - | 14,277 | 14,277 |
| Separate Accounts | <u>4,941,984</u> | <u>141,434</u> | <u>-</u> | <u>5,083,418</u> |
| Total assets at fair value | <u>\$ 4,941,984</u> | <u>\$ 144,236</u> | <u>\$ 36,835</u> | <u>\$ 5,123,055</u> |
| b. Liabilities at fair value | | | | |
| Indexed based interest guarantees | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 55,296</u> | <u>\$ 55,296</u> |
| Total liabilities at fair value | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 55,296</u> | <u>\$ 55,296</u> |

NOTES TO FINANCIAL STATEMENTS

The Company recognizes transfers between fair value levels at the end of the reporting period. There were no significant transfers between Level 1 and Level 2 for the first three months of 2012.

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

| (In thousands) | Balance at 12/31/2011 | Transfers in to Level 3 | Transfers out of Level 3 | Total gains and (losses) included in Net Income | Total gains and (losses) included in Surplus | Purchases | Issuances | Sales | Settlements | Balance at 3/31/2012 |
|-----------------------------------|--------------------------|----------------------------|-----------------------------|--|---|-----------------|---------------|-------------|-------------------|-------------------------|
| a. Assets at fair value | | | | | | | | | | |
| S&P 500 index options | \$ 7,167 | \$ - | \$ - | \$ (676) | \$ 7,333 | \$ 1,997 | \$ - | \$ - | \$ (1,544) | \$ 14,277 |
| Total assets at fair value | <u>\$ 7,167</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (676)</u> | <u>\$ 7,333</u> | <u>\$ 1,997</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (1,544)</u> | <u>\$ 14,277</u> |
| b. Liabilities at fair value | | | | | | | | | | |
| Indexed based interest guarantees | \$ 49,518 | \$ - | \$ - | \$ - | \$ 6,426 | \$ - | \$ 130 | \$ - | \$ (778) | \$ 55,296 |
| Total liabilities at fair value | <u>\$ 49,518</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 6,426</u> | <u>\$ -</u> | <u>\$ 130</u> | <u>\$ -</u> | <u>\$ (778)</u> | <u>\$ 55,296</u> |

- 3) The Company recognizes transfers between fair value levels at the end of the reporting period. Additional commercial mortgage loans were measured for impairment and transferred into Level 3 for the first three months of 2012. One commercial mortgage loan's impairment was removed and was transferred out of Level 3 for the first three months of 2012.
- 4) Assets and liabilities recorded at fair value are disclosed using a three-level hierarchy. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect our estimates about market data.

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

Commercial Mortgage Loans Measured for Impairment

The commercial mortgage loans measured for impairment are valued using Level 3 inputs with the inputs evaluated and reviewed for reasonableness by management on a quarterly basis. The commercial mortgage loan measurements include valuation of the market value of the asset using general underwriting procedures and appraisals. These amounts may be adjusted in a subsequent period as additional market information is obtained.

S&P 500 Index Options

The Company calculates the fair value for its S&P 500 Index options using the Black-Scholes option pricing model and parameters derived from market sources. The Company's valuations maximize the use of observable inputs, which include direct price quotes from the Chicago Board Options Exchange (CBOE) and values for on-the-run treasury securities and London Interbank Offered Rate rates as reported by Bloomberg. Unobservable inputs are estimated from the best sources available to the Company and include estimates of future gross dividends to be paid on the stocks underlying the S&P 500 index, estimates of bid-ask spreads, and estimates of implied volatilities on options. Valuation parameters are calibrated to replicate the actual end-of-day market quotes for options trading on the CBOE. The Company performs additional validation procedures such as the daily observation of market activity and conditions and the tracking and analyzing of actual quotes provided by banking counterparties each time the Company purchases options from them. Additionally, in order to further validate the values derived through the procedures noted above, the Company obtains indicators of value from representative investment banks.

Separate Accounts

Separate account assets represent segregated funds held for the exclusive benefit of contract holders. The activities for the account primarily relate to participant-directed 401(k) contracts. Separate account assets are recorded at fair value on a recurring basis with changes in fair value recorded in separate account liabilities. Separate account assets consist of mutual funds. The mutual funds' fair value is determined through Level 1 and Level 2 inputs. The majority of the separate account assets are valued using quoted prices in an active market with the remainder of the assets valued using quoted prices from an independent

NOTES TO FINANCIAL STATEMENTS

pricing service. The Company reviews the values obtained from the pricing service for reasonableness through analytical procedures and performance reviews.

Index-Based Interest Guarantees

The Company uses the income approach valuation technique to determine the fair value of index-based interest guarantees. The liability is the present value of future cash flows attributable to the projected index growth in excess of cash flows driven by fixed interest rate guarantees for the indexed annuity product. Level 3 assumptions for policyholder behavior and future index interest rate declarations significantly influence the calculation.

21. OTHER ITEMS

No significant change

22. EVENTS SUBSEQUENT

Type I Subsequent events have been considered through May 2, 2012 for the statutory statement issued as of May 15, 2012.

There were no subsequent events to be reported.

Type II Subsequent events have been considered through May 2, 2012 for the statutory statement issued as of May 15 2012.

There were no subsequent events to be reported.

23. REINSURANCE

No significant change

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

No significant change

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves as of January 1, 2012 were \$3.23 billion. As of March 31, 2012, \$204.2 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years as of March 31, 2012 were \$3.07 billion as a result of re-estimation of unpaid claims and claim adjustment expenses principally on group long term disability insurance. There was \$43.6 million in unfavorable prior year development from January 1, 2012 to March 31, 2012. Original estimates are increased or decreased as additional information becomes known regarding individual claims. The resulting increase of prior year development reflects recent elevated incidence levels on the group long term disability product line and is not the result of any changes to reserve methodology. There has not been any change in the reserve methods during 2012. The increase for prior years is primarily for group long term disability insurance, and represents experience that is unfavorable compared to the assumptions used to establish reserves. The prior year development does not include net investment income earned on the assets backing these reserves and as such, the prior development should be considered with this context in evaluating reserves development. Prior years' effects are combined with current experience in determining retrospective premium, premium refunds, and renewal rates for the larger group contracts.

26. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable

27. STRUCTURED SETTLEMENTS

No significant change

28. HEALTH CARE RECEIVABLES

Not applicable

NOTES TO FINANCIAL STATEMENTS

29. PARTICIPATING POLICIES

No significant change

30. PREMIUM DEFICIENCY RESERVES

The Company held no premium deficiency reserves as of March 31, 2012.

31. RESERVES FOR LIFE CONTRACTS AND DEPOSIT-TYPE CONTRACTS

The reserves for life contracts increased \$40.8 million in the first three months of 2012 compared to December 31, 2011. The reserves for deposit-type contracts increased \$15.4 million in the first three months of 2012 compared to December 31, 2011.

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

No significant change

33. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

No significant change

34. SEPARATE ACCOUNTS

Separate accounts assets increased \$489.9 million to \$5.08 billion as of March 31, 2012 compared to December 31, 2011.

35. LOSS/CLAIM ADJUSTMENT EXPENSES

No significant change

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [X] No []
 If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [] N/A [X]
 If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/21/2011
- 6.4 By what department or departments?
 State of Oregon
 Department of Consumer and Business Services- Insurance Division
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 FDIC | 6 SEC |
|---|-----------------------------|----------|----------|-----------|----------|
| StanCorp Equities, Inc | Portland, OR | NO | NO | NO | YES |
| StanCorp Investment Advisers, Inc | Portland, OR | NO | NO | NO | YES |

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:\$78,061,248
13. Amount of real estate and mortgages held in short-term investments:\$0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]
- 14.2 If yes, please complete the following:
- | | 1 | 2 |
|---|---|--|
| | Prior Year-End Book/Adjusted Carrying Value | Current Quarter Book/Adjusted Carrying Value |
| 14.21 Bonds | \$0 | \$0 |
| 14.22 Preferred Stock | \$0 | \$0 |
| 14.23 Common Stock | \$0 | \$0 |
| 14.24 Short-Term Investments | \$0 | \$0 |
| 14.25 Mortgage Loans on Real Estate | \$0 | \$0 |
| 14.26 All Other | \$0 | \$0 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$0 | \$0 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$0 | \$0 |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [X] No []
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [X] No []
- If no, attach a description with this statement.

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

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

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------|---|
| BNY Mellon | 11S Syracuse Client Services 2nd Floor 111 Sanders Creek Parkway East Syracuse, NY 13057 |

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [] No [X]

16.4 If yes, give full information relating thereto:

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

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

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

17.2 If no, list exceptions:

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - LIFE & HEALTH

| | | |
|------|--|-------------------------------|
| 1. | Report the statement value of mortgage loans at the end of this reporting period for the following categories: | 1 Amount |
| 1.1 | Long-Term Mortgages In Good Standing | |
| 1.11 | Farm Mortgages | \$ 0 |
| 1.12 | Residential Mortgages | \$ 1,503,024 |
| 1.13 | Commercial Mortgages | \$ 4,836,758,680 |
| 1.14 | Total Mortgages in Good Standing | \$ <u>4,838,261,704</u> |
| 1.2 | Long-Term Mortgages In Good Standing with Restructured Terms | |
| 1.21 | Total Mortgages in Good Standing with Restructured Terms | \$ <u>18,705,761</u> |
| 1.3 | Long-Term Mortgage Loans Upon which Interest is Overdue more than Three Months | |
| 1.31 | Farm Mortgages | \$ 0 |
| 1.32 | Residential Mortgages | \$ 0 |
| 1.33 | Commercial Mortgages | \$ 830,803 |
| 1.34 | Total Mortgages with Interest Overdue more than Three Months | \$ <u>830,803</u> |
| 1.4 | Long-Term Mortgage Loans in Process of Foreclosure | |
| 1.41 | Farm Mortgages | \$ 0 |
| 1.42 | Residential Mortgages | \$ 0 |
| 1.43 | Commercial Mortgages | \$ 0 |
| 1.44 | Total Mortgages in Process of Foreclosure | \$ 0 |
| 1.5 | Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2) | \$ <u>4,857,798,268</u> |
| 1.6 | Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter | |
| 1.61 | Farm Mortgages | \$ 0 |
| 1.62 | Residential Mortgages | \$ 0 |
| 1.63 | Commercial Mortgages | \$ 0 |
| 1.64 | Total Mortgages Foreclosed and Transferred to Real Estate | \$ <u>0</u> |
| 2. | Operating Percentages: | |
| 2.1 | A&H loss percent | 79.754 % |
| 2.2 | A&H cost containment percent | 0.000 % |
| 2.3 | A&H expense percent excluding cost containment expenses | 30.969 % |
| 3.1 | Do you act as a custodian for health savings accounts? | Yes [] No [X] |
| 3.2 | If yes, please provide the amount of custodial funds held as of the reporting date | \$ 0 |
| 3.3 | Do you act as an administrator for health savings accounts? | Yes [] No [X] |
| 3.4 | If yes, please provide the balance of the funds administered as of the reporting date | \$ 0 |

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

| 1 NAIC Company Code | 2 Federal ID Number | 3 Effective Date | 4 Name of Reinsurer | 5 Domiciliary Jurisdiction | 6 Type of Reinsurance Ceded | 7 Is Insurer Authorized? (Yes or No) |
|------------------------------|---------------------------|------------------------|------------------------|-------------------------------|--------------------------------------|---|
| NONE | | | | | | |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

| States, Etc. | 1 | Life Contracts | | Direct Business Only | | | 7 | |
|--|---------------|-------------------------|------------------------|---|----------------------|---------------------------|------------------------|------------|
| | | 2 | 3 | 4 | 5 | 6 | | |
| | Active Status | Life Insurance Premiums | Annuity Considerations | Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees | Other Considerations | Total Columns 2 Through 5 | Deposit-Type Contracts | |
| 1. Alabama | AL | L | 1,990,754 | 1,734,108 | 2,958,495 | 5,900,315 | 12,583,672 | 135,441 |
| 2. Alaska | AK | L | 1,009,625 | 443,527 | 808,243 | 2,370,272 | 4,631,667 | 0 |
| 3. Arizona | AZ | L | 3,173,483 | 1,357,256 | 4,848,980 | 3,179,803 | 12,559,522 | 0 |
| 4. Arkansas | AR | L | 888,878 | 305,136 | 1,636,109 | 350,183 | 3,180,306 | 0 |
| 5. California | CA | L | 24,691,999 | 6,116,605 | 54,491,727 | 29,197,106 | 114,497,437 | 181,947 |
| 6. Colorado | CO | L | 4,258,683 | 597,669 | 8,998,636 | 14,444,290 | 28,299,278 | 177,463 |
| 7. Connecticut | CT | L | 2,882,331 | 282,681 | 4,801,157 | 38,185 | 8,004,354 | 154,442 |
| 8. Delaware | DE | L | 266,378 | 116,315 | 582,766 | 405,640 | 1,371,099 | 55,827 |
| 9. District of Columbia | DC | L | 1,427,557 | 0 | 1,626,836 | 268,112 | 3,322,505 | 0 |
| 10. Florida | FL | L | 10,736,738 | 3,368,418 | 18,110,996 | 24,142,261 | 56,358,413 | 368,102 |
| 11. Georgia | GA | L | 4,212,032 | 1,016,257 | 7,019,562 | 4,365,567 | 16,613,418 | 41,109 |
| 12. Hawaii | HI | L | 877,711 | 198,124 | 528,029 | 289,425 | 1,893,289 | 29,975 |
| 13. Idaho | ID | L | 2,346,089 | 185,747 | 2,255,131 | 7,429,437 | 12,216,404 | 0 |
| 14. Illinois | IL | L | 6,123,845 | 4,479,198 | 8,994,930 | 1,850,377 | 21,448,350 | 106,939 |
| 15. Indiana | IN | L | 2,106,177 | 1,628,194 | 3,265,673 | 8,345,770 | 15,345,814 | 225,192 |
| 16. Iowa | IA | L | 1,547,553 | 65,572 | 2,343,798 | 477,784 | 4,434,707 | 248,647 |
| 17. Kansas | KS | L | 1,518,693 | 630,807 | 2,422,957 | 3,230,840 | 7,803,297 | 312,557 |
| 18. Kentucky | KY | L | 1,014,938 | 425,449 | 2,420,668 | 6,763,083 | 10,624,138 | 0 |
| 19. Louisiana | LA | L | 1,892,420 | 249,415 | 3,982,642 | 21,836,420 | 27,960,897 | 0 |
| 20. Maine | ME | L | 515,092 | 100,881 | 1,655,861 | 28,928 | 2,300,762 | 0 |
| 21. Maryland | MD | L | 3,634,122 | 310,080 | 3,263,633 | 740,447 | 7,948,282 | 149,690 |
| 22. Massachusetts | MA | L | 3,474,081 | 1,619,193 | 5,109,282 | 512,793 | 10,715,349 | 3,260,586 |
| 23. Michigan | MI | L | 1,814,443 | 1,006,566 | 3,302,898 | 8,195,329 | 14,319,236 | 0 |
| 24. Minnesota | MN | L | 4,600,029 | 2,124,832 | 8,405,108 | 1,729,826 | 16,859,795 | 0 |
| 25. Mississippi | MS | L | 591,208 | 153,765 | 1,813,903 | 1,381,825 | 3,940,701 | 0 |
| 26. Missouri | MO | L | 7,791,217 | 369,308 | 6,484,878 | 7,181,232 | 21,826,635 | 431,776 |
| 27. Montana | MT | L | 1,177,806 | 14,527 | 938,612 | 128,846 | 2,259,791 | 0 |
| 28. Nebraska | NE | L | 1,298,823 | 227,241 | 1,942,459 | 354,823 | 3,823,346 | 0 |
| 29. Nevada | NV | L | 1,699,965 | 144,209 | 4,477,569 | 1,020,810 | 7,342,553 | 0 |
| 30. New Hampshire | NH | L | 345,111 | 66,817 | 1,096,699 | 140,833 | 1,649,460 | 0 |
| 31. New Jersey | NJ | L | 2,193,235 | 1,078,438 | 6,030,004 | 5,134,093 | 14,435,770 | 0 |
| 32. New Mexico | NM | L | 5,909,160 | 302,642 | 1,524,677 | 600,994 | 8,337,473 | 70,629 |
| 33. New York | NY | N | 598,309 | 416 | 1,078,175 | 0 | 1,676,900 | 0 |
| 34. North Carolina | NC | L | 3,627,787 | 1,395,238 | 5,466,881 | 1,329,152 | 11,819,058 | 132,144 |
| 35. North Dakota | ND | L | 486,158 | 100,881 | 1,133,171 | 57,093 | 1,777,303 | 0 |
| 36. Ohio | OH | L | 4,846,164 | 1,680,561 | 6,109,410 | 17,527,314 | 30,163,449 | 174,605 |
| 37. Oklahoma | OK | L | 2,197,811 | 201,761 | 2,338,281 | 7,023,110 | 11,760,963 | 0 |
| 38. Oregon | OR | L | 15,954,564 | 2,437,583 | 19,631,641 | 47,323,863 | 85,347,651 | 614,366 |
| 39. Pennsylvania | PA | L | 7,253,648 | 2,264,484 | 10,099,365 | 1,333,187 | 20,950,684 | 0 |
| 40. Rhode Island | RI | L | 760,584 | 0 | 1,371,340 | 0 | 2,131,924 | 0 |
| 41. South Carolina | SC | L | 1,328,045 | 802,466 | 3,539,883 | 2,681,468 | 8,351,862 | 0 |
| 42. South Dakota | SD | L | 190,246 | 415,337 | 500,108 | 46,210 | 1,151,901 | 0 |
| 43. Tennessee | TN | L | 2,780,208 | 1,568,806 | 3,984,538 | 763,709 | 9,097,261 | 0 |
| 44. Texas | TX | L | 16,975,411 | 1,491,301 | 22,370,643 | 39,097,048 | 79,934,403 | 656,369 |
| 45. Utah | UT | L | 2,111,317 | 63,424 | 3,688,632 | 8,154,565 | 14,017,938 | 0 |
| 46. Vermont | VT | L | 564,372 | 0 | 839,173 | 1,454,377 | 2,857,922 | 0 |
| 47. Virginia | VA | L | 3,149,275 | 1,016,116 | 5,744,976 | 2,603,613 | 12,513,980 | 206,497 |
| 48. Washington | WA | L | 9,955,616 | 1,933,780 | 23,937,275 | 15,137,950 | 50,964,621 | 3,422,970 |
| 49. West Virginia | WV | L | 870,201 | 0 | 2,227,053 | 597,365 | 3,694,619 | 0 |
| 50. Wisconsin | WI | L | 2,430,112 | 535,619 | 3,901,766 | 108,562 | 6,976,059 | 0 |
| 51. Wyoming | WY | L | 140,908 | 424,578 | 415,082 | 76,780 | 1,057,348 | 0 |
| 52. American Samoa | AS | N | 0 | 0 | 0 | 0 | 0 | 0 |
| 53. Guam | GU | L | 1,443,089 | 0 | 686,747 | 0 | 2,129,836 | 0 |
| 54. Puerto Rico | PR | N | 1,520 | 0 | 28,055 | 0 | 29,575 | 0 |
| 55. U.S. Virgin Islands | VI | L | 216 | 0 | 102,034 | 0 | 102,250 | 0 |
| 56. Northern Mariana Islands | MP | N | 0 | 0 | 0 | 0 | 0 | 0 |
| 57. Canada | CN | N | 65,649 | 0 | 41,523 | 0 | 107,172 | 0 |
| 58. Aggregate Other Aliens | OT | XXX | 56,674 | 0 | 24,413 | 0 | 81,087 | 0 |
| 59. Subtotal | (a) | 52 | 185,798,060 | 47,051,328 | 297,403,083 | 307,351,015 | 837,603,486 | 11,157,273 |
| 90. Reporting entity contributions for employee benefits plans | XXX | | 132,569 | 0 | 738,155 | 0 | 870,724 | 0 |
| 91. Dividends or refunds applied to purchase paid-up additions and annuities | XXX | | 4,344,363 | 0 | 0 | 0 | 4,344,363 | 0 |
| 92. Dividends or refunds applied to shorten endowment or premium paying period | XXX | | 0 | 0 | 0 | 0 | 0 | 0 |
| 93. Premium or annuity considerations waived under disability or other contract provisions | XXX | | 56,618 | 0 | 0 | 0 | 56,618 | 0 |
| 94. Aggregate or other amounts not allocable by State | XXX | | 0 | 0 | 0 | 0 | 0 | 0 |
| 95. Totals (Direct Business) | XXX | | 190,331,610 | 47,051,328 | 298,141,238 | 307,351,015 | 842,875,191 | 11,157,273 |
| 96. Plus Reinsurance Assumed | XXX | | 3,659,225 | 0 | 29,592,815 | 0 | 33,252,040 | 0 |
| 97. Totals (All Business) | XXX | | 193,990,835 | 47,051,328 | 327,734,053 | 307,351,015 | 876,127,231 | 11,157,273 |
| 98. Less Reinsurance Ceded | XXX | | 12,418,457 | 0 | 22,256,158 | 0 | 34,674,615 | 0 |
| 99. Totals (All Business) less Reinsurance Ceded | XXX | | 181,572,378 | 47,051,328 | 305,477,895 | 307,351,015 | 841,452,616 | 11,157,273 |
| DETAILS OF WRITE-INS | | | | | | | | |
| 5801. United Kingdom | XXX | | 7,752 | 0 | 2,526 | 0 | 10,278 | 0 |
| 5802. Papua New Guinea | XXX | | 6,371 | 0 | 556 | 0 | 6,927 | 0 |
| 5803. Japan | XXX | | 5,332 | 0 | 1,464 | 0 | 6,796 | 0 |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | XXX | | 37,219 | 0 | 19,867 | 0 | 57,086 | 0 |
| 5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above) | XXX | | 56,674 | 0 | 24,413 | 0 | 81,087 | 0 |
| 9401. | XXX | | | | | | | |
| 9402. | XXX | | | | | | | |
| 9403. | XXX | | | | | | | |
| 9498. Summary of remaining write-ins for Line 94 from overflow page | XXX | | 0 | 0 | 0 | 0 | 0 | 0 |
| 9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above) | XXX | | 0 | 0 | 0 | 0 | 0 | 0 |

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

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

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

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

| Company | FEIN | NAIC | State | Ownership |
|---|-------------|-------------|--------------|---------------------|
| StanCorp Financial Group, Inc ("SFG") | 93-1253576 | | OR | |
| Standard Insurance Company | 93-0242990 | 69019 | OR | 100% owned by SFG |
| The Standard Life Insurance Company of New York | 13-4119477 | 89009 | NY | 100% owned by SFG |
| Standard Management, Inc. | 93-0928203 | | OR | 100% owned by SFG |
| StanCorp Equities, Inc. | 93-0930972 | | OR | 100% owned by SFG |
| StanCorp Investment Advisers, Inc. | 93-1296382 | | OR | 100% owned by SFG |
| Standard Retirement Services | 25-1838406 | | OR | 100% owned by SFG |
| Stancorp Mortgage Investors, LLC | 93-1191029 | | OR | 100% owned by SFG |
| StanCorp Mortgage Investors Pass-Through, LLC | 26-1758088 | | OR | 100% owned by SFG |
| StanCorp Real Estate, LLC ("SRE") | 93-1191030 | | OR | 100% owned by SFG |
| 5130 Hull Street LLC | 00-0000000 | | OR | 100% owned by SRE |
| 7 Upper Newport Plaza LLC | 27-3026658 | | OR | 100% owned by SRE |
| 2809 West Broadway LLC | 27-3034980 | | OR | 100% owned by SRE |
| 3305 Peachtree Industrial Blvd LLC | 37-1574842 | | OR | 51% owned by SRE |
| 7924 Victoria Drive LLC | 27-1433940 | | OR | 66% owned by SRE |
| 1300 Westwood Avenue LLC | 45-4432062 | | OR | 100% owned by SRE |
| 1901-1915 Whitcomb Street LLC | 27-1430092 | | OR | 51% owned by SRE |
| 580 Parkson Road LLC | 27-0444732 | | OR | 26.01% owned by SRE |
| 2716 South Sixth Avenue LLC | 27-1261902 | | OR | 26.01% owned by SRE |
| 74824 Lennon Place LLC | 27-1561612 | | OR | 51% owned by SRE |
| 1801 Chamberlayne Avenue LLC | 27-1561807 | | OR | 81.44% owned by SRE |
| 1160 South Elm Road LLC | 27-1460055 | | OR | 100% owned by SRE |
| 3501 Lapeer Road LLC | 27-1460023 | | OR | 100% owned by SRE |
| 2429 Nicollet Avenue South LLC | 27-1071824 | | OR | 51% owned by SRE |
| 2301 Avenue J LLC | 27-0469845 | | OR | 100% owned by SRE |
| 8910 Astronaut Boulevard LLC | 27-3016823 | | OR | 75.5% owned by SRE |
| 7076 Corporate Way LLC | 45-4412758 | | OR | 51% owned by SRE |
| 835 Beachway Drive LLC | 27-3633174 | | OR | 51% owned by SRE |
| 811 South Brawley Avenue LLC | 27-0442855 | | OR | 57.5% owned by SRE |
| 4696 Overland Road LLC | 27-4067623 | | OR | 100% owned by SRE |
| 1701 Dalton Road LLC | 27-4120143 | | OR | 26.01% owned by SRE |
| 1561 State Route 209 LLC | 27-5257528 | | OR | 100% owned by SRE |
| 8409 Staples Mill Road LLC | 27-3781445 | | OR | 51% owned by SRE |
| 1353 Ransom Road LLC | 27-1071735 | | OR | 51% owned by SRE |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

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

| Company | FEIN | NAIC | State | Ownership |
|---|-------------|-------------|--------------|---------------------|
| 100 Ville Drive LLC | 27-4419403 | | OR | 100% owned by SRE |
| 24155 Drake Road LLC | 27-4437475 | | OR | 100% owned by SRE |
| 401 and 528 South Eighth Street LLC | 27-4286722 | | OR | 51% owned by SRE |
| 8195 Dexter Road LLC | 27-4420364 | | OR | 100% owned by SRE |
| 36800 Plymouth Road LLC | 27-4261582 | | OR | 63.5% owned by SRE |
| 1857 Paterson Avenue LLC | 27-4594698 | | OR | 51% owned by SRE |
| 2001 Lawrenceville-Suwanee Road LLC | 27-5102694 | | OR | 51% owned by SRE |
| 16200 East River Road LLC | 27-4593098 | | OR | 100% owned by SRE |
| 10260 East Colfax Avenue LLC | 27-5351585 | | OR | 51% owned by SRE |
| 4688 Golden Pond Park Court LLC | 27-0444658 | | OR | 51% owned by SRE |
| 3600 West Vegas Drive LLC | 27-5012068 | | OR | 100% owned by SRE |
| 10320 W McDowell Road Building LLC | 27-5447919 | | OR | 100% owned by SRE |
| 333 Buckhead Avenue LLC | 27-5447799 | | OR | 51% owned by SRE |
| 16000 West 9 Mile Road LLC | 45-2323959 | | OR | 51% owned by SRE |
| 1627 East 18th Street and 1808 N Boise Avenue LLC | 45-2440011 | | OR | 51% owned by SRE |
| North Stone Avenue Commercial Retail LLC | 45-2494052 | | OR | 100% owned by SRE |
| Commercial Office Union Street South LLC | 45-2591776 | | OR | 26.01% owned by SRE |
| 9 and 17-21 Union Street North LLC | 45-2493973 | | OR | 80% owned by SRE |
| West Congress Office, LLC | 45-2439866 | | OR | 26.01% owned by SRE |
| 220 South Claybrook Street LLC | 45-2585116 | | OR | 51% owned by SRE |
| 1615 Maxwell Drive LLC | 45-3173706 | | OR | 51% owned by SRE |
| 2560 28th Street LLC | 45-2592371 | | OR | 51% owned by SRE |
| 51779 Van Dyke Avenue LLC | 45-2796827 | | OR | 26.01% owned by SRE |
| 1301 Riverwoods Drive LLC | 45-2754808 | | OR | 51% owned by SRE |
| 1130 East March Lane LLC | 45-2972593 | | OR | 51% owned by SRE |
| 5701 Shingle Creek Parkway LLC | 45-2876368 | | OR | 51% owned by SRE |
| 320 South Iowa Street LLC | 45-3322980 | | OR | 51% owned by SRE |
| 2500 SW 64th Avenue LLC | 45-1565948 | | OR | 51% owned by SRE |
| 8910 Research Blvd LLC | 45-3193763 | | OR | 26.01% owned by SRE |
| 13091 Pond Springs Road LLC | 45-3193834 | | OR | 26.01% owned by SRE |
| 854 Rockaway Avenue LLC | 26-4600874 | | OR | 51% owned by SRE |
| 5439 South Decatur Boulevard LLC | 45-4345308 | | OR | 100% owned by SRE |
| 3506 South Nova Road LLC | 45-3305775 | | OR | 51% owned by SRE |
| 4120 15th Street LLC | 45-3850451 | | OR | 51% owned by SRE |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

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

| Company | FEIN | NAIC | State | Ownership |
|---|-------------|-------------|--------------|---------------------|
| 14250 Burnhaven Drive LLC | 45-2606175 | | OR | 45% owned by SRE |
| 2716 Dixie Highway LLC | 45-3707942 | | OR | 26.01% owned by SRE |
| 651 North Cherokee Lane LLC | 45-3322846 | | OR | 51% owned by SRE |
| 21 Lawrence Paquette Industrial Drive LLC | 27-4330298 | | OR | 51% owned by SRE |
| 1381-1399 Florin Road LLC | 45-3789788 | | OR | 100% owned by SRE |
| 7201 Crestwood Boulevard LLC | 45-3515470 | | OR | 63.5% owned by SRE |
| 425 Peachtree Hills Avenue Units 11 and 12 LLC | 45-3642881 | | OR | 80% owned by SRE |
| 425 Peachtree Hills Avenue Units 29C, 30C, 31C and 31B LLC | 45-3647008 | | OR | 80% owned by SRE |
| 425 Peachtree Hills Avenue Units 29A, 30B, and 31A LLC | 45-3649739 | | OR | 80% owned by SRE |
| 4005 and 4035 El Capitan Way LLC | 45-3038154 | | OR | 26.01% owned by SRE |
| 9109 Piipin Road LLC | 45-4778576 | | OR | 51% owned by SRE |
| 1751 East Ohio Pike LLC | 45-4778632 | | OR | 51% owned by SRE |
| 2169 Tuley Road LLC | 45-4778668 | | OR | 51% owned by SRE |
| 5747 State Route 128 LLC | 45-4783675 | | OR | 51% owned by SRE |
| 5942 Peoples Lane LLC | 45-4789789 | | OR | 51% owned by SRE |
| 4011 Bramblewood Drive LLC | 45-4789829 | | OR | 51% owned by SRE |
| 1801 Avenue B Watervliet LLC | 27-4205266 | | OR | 100% owned by SRE |
| 1166 South Sage Drive LLC | 45-4798917 | | OR | 51% owned by SRE |
| 2760 Avalon Boulevard LLC | 00-0000000 | | OR | 100% owned by SRE |
| 20373 W Central Avenue LLC | 00-0000000 | | OR | 100% owned by SRE |
| 2385 South Ferdon Boulevard LLC | 00-0000000 | | OR | 100% owned by SRE |
| 3301 S. Ferdon Boulevard LLC | 00-0000000 | | OR | 100% owned by SRE |
| 5661 Highway 4 LLC | 00-0000000 | | OR | 100% owned by SRE |
| 2902 Pat Thomas Parkway LLC | 00-0000000 | | OR | 100% owned by SRE |
| 4062 W Lafayette LLC | 00-0000000 | | OR | 100% owned by SRE |
| 3040 North W Street LLC | 00-0000000 | | OR | 100% owned by SRE |
| Adaptu, LLC | 27-3296886 | | OR | 100% owned by SFG |
| Stonemill Business Park | 93-1289767 | | OR | 100% owned by SFG |
| Standard Insurance Company Continuing Health & Welfare Benefits Trust | 93-1097066 | | OR | 100% owned by SFG |
| Standard Insurance Company Employee Health & Welfare Benefits Trust | 93-1097064 | | OR | 100% owned by SFG |
| The Standard Charitable Foundation | 20-3997125 | | OR | 100% owned by SFG |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|------------|--------------------------------|-------------------|-------------------|--------------|------------|--|---|-----------------------|----------------------------------|--|--|--|--|----|
| Group Code | Group Name | NAIC Company Code | Federal ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries Or Affiliates | Domi-ciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity/Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/Person(s) | * |
| 1348 | StanCorp Financial Group, Inc. | | 93-1253576 | | | New York Stock Exchange | StanCorp Financial Group, Inc. | OR | | | Board of Directors | 0.000 | StanCorp Financial Group, Inc. | |
| 1348 | StanCorp Financial Group, Inc. | 69019 | 93-0242990 | | 0000879088 | | Standard Insurance Company | OR | JA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| 1348 | StanCorp Financial Group, Inc. | 89009 | 13-4119477 | | | | The Standard Life Insurance Company of New York | NY | JA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 93-0928203 | | | | Standard Management, Inc. | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 93-0930972 | | | | StanCorp Equities, Inc. | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 93-1191029 | | | | StanCorp Mortgage Investors, LLC | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 93-1296382 | | | | StanCorp Investment Advisers, Inc. | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 25-1838406 | | | | Standard Retirement Services | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-3296886 | | | | Adaptu, LLC | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 93-1289767 | | | | Stonemill Business Park | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 93-1097066 | | | | Standard Insurance Company Continuing Health & Welfare Benefits Trust | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 93-1097064 | | | | Standard Insurance Company Employee Health & Welfare Benefits Trust | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 20-3997125 | | | | The Standard Charitable Foundation | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 26-1758088 | | | | StanCorp Mortgage Investors Pass-Through, LLC | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 93-1191030 | | | | StanCorp Real Estate, LLC | OR | NIA | StanCorp Financial Group, Inc. | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 00-0000000 | | | | 5130 Hull Street LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-3026658 | | | | 7 Upper Newport Plaza LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-3034980 | | | | 2809 West Broadway LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 37-1574842 | | | | 3305 Peachtree Industrial Blvd LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-1433940 | | | | 7924 Victoria Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 66.000 | StanCorp Financial Group, Inc. | |
| | | | 45-4432062 | | | | 1300 Westwood Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-1430092 | | | | 1901-1915 Whitcomb Street LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-0444732 | | | | 580 Parkson Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 27-1261902 | | | | 2716 South Sixth Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 27-1561612 | | | | 74824 Lemmon Place LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-1561807 | | | | 1801 Chamberlayne Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 81.440 | StanCorp Financial Group, Inc. | |
| | | | 27-1460055 | | | | 1160 South Elm Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-1460023 | | | | 3501 Lapeer Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-1071824 | | | | 2429 Nicollet Avenue South LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-0469845 | | | | 2301 Avenue J LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-3016823 | | | | 8910 Astronaut Boulevard LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 75.500 | StanCorp Financial Group, Inc. | |
| | | | 45-4412758 | | | | 7076 Corporate Way LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-3633174 | | | | 835 Beachway Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-0442855 | | | | 811 South Brawley Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 57.500 | StanCorp Financial Group, Inc. | |
| | | | 27-4067623 | | | | 4696 Overland Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4120143 | | | | 1701 Dalton Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 27-5257528 | | | | 1561 State Route 209 LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-3781445 | | | | 8409 Staples Mill Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-1071735 | | | | 1353 Ransom Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4419403 | | | | 100 Ville Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4437475 | | | | 24155 Drake Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4286722 | | | | 401 and 528 South Eighth Street LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4420364 | | | | 8195 Dexter Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4261582 | | | | 36800 Plymouth Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 63.500 | StanCorp Financial Group, Inc. | |
| | | | 27-4594698 | | | | 1857 Paterson Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-5102694 | | | | 2001 Lawrenceville-Suwanee Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4593098 | | | | 16200 East River Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|------------|------------|-------------------|-------------------|--------------|-----|--|--|----------------------|----------------------------------|--|--|--|--|----|
| Group Code | Group Name | NAIC Company Code | Federal ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries Or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity/Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/Person(s) | * |
| | | | 27-5351585 | | | | 10260 East Colfax Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-0444658 | | | | 4688 Golden Pond Park Court LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-5012068 | | | | 3600 West Vegas Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-5447919 | | | | 10320 W McDowell Road Building LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 27-5447799 | | | | 333 Buckhead Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2323959 | | | | 16000 West 9 Mile Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2440011 | | | | 1627 East 18th Street and 1808 N Boise Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2494052 | | | | North Stone Avenue Commercial Retail LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2591776 | | | | Commercial Office Union Street South LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 45-2493973 | | | | 9 and 17-21 Union Street North LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 80.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2439866 | | | | West Congress Office, LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 45-2585116 | | | | 220 South Claybrook Street LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3173706 | | | | 1615 Maxwell Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2592371 | | | | 2560 28th Street LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2796827 | | | | 51779 Van Dyke Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 45-2754808 | | | | 1301 Riverwoods Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2972593 | | | | 1130 East March Lane LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2876368 | | | | 5701 Shingle Creek Parkway LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3322980 | | | | 320 South Iowa Street LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-1565948 | | | | 2500 SW 64th Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3193763 | | | | 8910 Research Blvd LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 45-3193834 | | | | 13091 Pond Springs Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 26-4600874 | | | | 854 Rockaway Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-4345308 | | | | 5439 South Decatur Boulevard LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3305775 | | | | 3506 South Nova Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3850451 | | | | 4120 15th Street LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-2606175 | | | | 14250 Burnhaven Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 45.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3707942 | | | | 2716 Dixie Highway LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 45-3322846 | | | | 651 North Cherokee Lane LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4330298 | | | | 21 Lawrence Paquette Industrial Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3789788 | | | | 1381-1399 Florin Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3515470 | | | | 7201 Crestwood Boulevard LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 63.500 | StanCorp Financial Group, Inc. | |
| | | | 45-3642881 | | | | 425 Peachtree Hills Avenue Units 11 and 12 LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 80.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3647008 | | | | 425 Peachtree Hills Avenue Units 29C, 30C, 31C and 31B LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 80.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3649739 | | | | 425 Peachtree Hills Avenue Units 29A, 30B, and 31A LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 80.000 | StanCorp Financial Group, Inc. | |
| | | | 45-3038154 | | | | 4005 and 4035 El Capitan Way LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 26.010 | StanCorp Financial Group, Inc. | |
| | | | 45-4778576 | | | | 9109 Piipin Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-4778632 | | | | 1751 East Ohio Pike LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-4778668 | | | | 2169 Tuley Road LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-4783675 | | | | 5747 State Route 128 LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-4789789 | | | | 5942 Peoples Lane LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 45-4789829 | | | | 4011 Bramblewood Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |
| | | | 27-4205266 | | | | 1801 Avenue B Watervliet LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 45-4798917 | | | | 1166 South Sage Drive LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 51.000 | StanCorp Financial Group, Inc. | |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|------------|------------|-------------------|-------------------|--------------|-----|--|---|----------------------|----------------------------------|--|--|--|--|----|
| Group Code | Group Name | NAIC Company Code | Federal ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries Or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity/Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/Person(s) | * |
| | | | 00-0000000 | | | | 2760 Avalon Boulevard LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 00-0000000 | | | | 20373 W Central Avenue LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 00-0000000 | | | | 2385 South Ferdon Boulevard LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 00-0000000 | | | | 3301 S. Ferdon Boulevard LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 00-0000000 | | | | 5661 Highway 4 LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 00-0000000 | | | | 2902 Pat Thomas Parkway LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 00-0000000 | | | | 4062 W Lafayette LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |
| | | | 00-0000000 | | | | 3040 North W Street LLC | OR | NIA | StanCorp Real Estate, LLC | Ownership | 100.000 | StanCorp Financial Group, Inc. | |

| Asterisk | Explanation |
|----------|-------------|
| | |

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

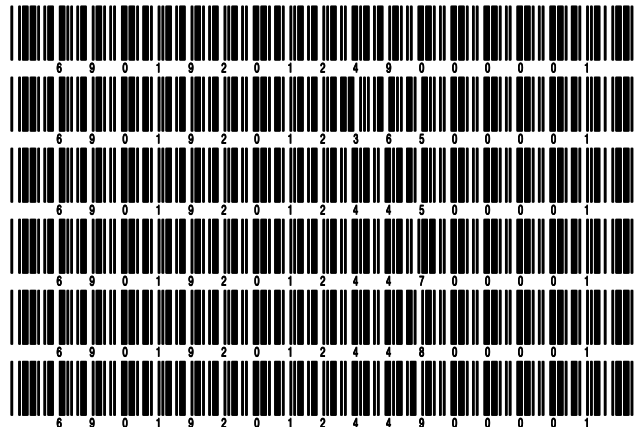
| | Response |
|--|----------|
| 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? | NO |
| 2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | NO |
| 3. Will the Reasonableness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

Explanation:

- 1.
- 2.
- 3.
- 5.
- 6.
- 7.

Bar Code:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Medicare Part D Coverage Supplement [Document Identifier 365]
3. Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 445]
5. Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI [Document Identifier 447]
6. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI [Document Identifier 448]
7. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) [Document Identifier 449]



STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY
OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 2504. Other assets | 2,633,617 | 2,462,345 | 171,272 | 171,273 |
| 2597. Summary of remaining write-ins for Line 25 from overflow page | 2,633,617 | 2,462,345 | 171,272 | 171,273 |

Additional Write-ins for Liabilities Line 25

| | 1 Current Statement Date | 2 December 31 Prior Year |
|---|--------------------------------|--------------------------------|
| 2504. Funds held for escheatment | 401,591 | 323,135 |
| 2597. Summary of remaining write-ins for Line 25 from overflow page | 401,591 | 323,135 |

Additional Write-ins for Schedule T Line 58

| States, Etc. | 1 Active Status | Life Contracts | | Direct Business Only | | | 7 Deposit-Type Contracts |
|--|-----------------------|---------------------------------|--------------------------------|---|------------------------------|--------------------------------------|--------------------------------|
| | | 2 Life Insurance Premiums | 3 Annuity Considerations | 4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees | 5 Other Considerations | 6 Total Columns 2 Through 5 | |
| | | | | | | | |
| 5804. Australia | XXX | 4,311 | .0 | 554 | 0 | 4,865 | 0 |
| 5805. Brazil | XXX | 4,268 | .0 | 1,067 | 0 | 5,335 | 0 |
| 5806. Venezuela | XXX | 2,655 | .0 | 232 | 0 | 2,887 | 0 |
| 5807. Bolivia | XXX | 2,183 | .0 | 191 | 0 | 2,374 | 0 |
| 5808. Indonesia | XXX | 2,074 | .0 | 242 | 0 | 2,316 | 0 |
| 5809. Philippines | XXX | 1,868 | .0 | 249 | 0 | 2,117 | 0 |
| 5810. Panama | XXX | 1,534 | .0 | 134 | 0 | 1,668 | 0 |
| 5811. France | XXX | 1,533 | .0 | 308 | 0 | 1,841 | 0 |
| 5812. Paraguay | XXX | 1,475 | .0 | 129 | 0 | 1,604 | 0 |
| 5813. Senegal | XXX | 1,278 | .0 | 198 | 0 | 1,476 | 0 |
| 5814. Thailand | XXX | 1,121 | .0 | 98 | 0 | 1,219 | 0 |
| 5815. New Zealand | XXX | 1,064 | .0 | 2,239 | 0 | 3,303 | 0 |
| 5816. Netherlands | XXX | 1,025 | .0 | 277 | 0 | 1,302 | 0 |
| 5817. Other | XXX | 972 | .0 | 1,768 | 0 | 2,740 | 0 |
| 5818. Cote D'Ivoire | XXX | 944 | .0 | 82 | 0 | 1,026 | 0 |
| 5819. Taiwan | XXX | 836 | .0 | 288 | 0 | 1,124 | 0 |
| 5820. Kenya | XXX | 806 | .0 | 261 | 0 | 1,067 | 0 |
| 5821. Chile | XXX | 776 | .0 | 233 | 0 | 1,009 | 0 |
| 5822. Mexico | XXX | 669 | .0 | 765 | 0 | 1,434 | 0 |
| 5823. Columbia | XXX | 649 | .0 | 57 | 0 | 706 | 0 |
| 5824. Guinea | XXX | 649 | .0 | 57 | 0 | 706 | 0 |
| 5825. Costa Rica | XXX | 576 | .0 | 58 | 0 | 634 | 0 |
| 5826. Spain | XXX | 502 | .0 | 647 | 0 | 1,149 | 0 |
| 5827. Russia | XXX | 403 | .0 | 78 | 0 | 481 | 0 |
| 5828. Singapore | XXX | 392 | .0 | 85 | 0 | 477 | 0 |
| 5829. Italy | XXX | 335 | .0 | 115 | 0 | 450 | 0 |
| 5830. Argentina | XXX | 335 | .0 | 115 | 0 | 450 | 0 |
| 5831. Germany | XXX | 335 | .0 | 115 | 0 | 450 | 0 |
| 5832. South Africa | XXX | 335 | .0 | 115 | 0 | 450 | 0 |
| 5833. Ecuador | XXX | 304 | .0 | 88 | 0 | 392 | 0 |
| 5834. Mongolia | XXX | 177 | .0 | 15 | 0 | 192 | 0 |
| 5835. Hong Kong | XXX | 167 | .0 | 58 | 0 | 225 | 0 |
| 5836. Cameroon | XXX | 167 | .0 | 58 | 0 | 225 | 0 |
| 5837. Estonia | XXX | 167 | .0 | 58 | 0 | 225 | 0 |
| 5838. Ghana | XXX | 167 | .0 | 58 | 0 | 225 | 0 |
| 5839. Mali | XXX | 167 | .0 | 58 | 0 | 225 | 0 |
| 5840. Armed Forces - Pacific | XXX | .0 | .0 | 3,465 | 0 | 3,465 | 0 |
| 5841. Armed Forces - Europe | XXX | .0 | .0 | 3,398 | 0 | 3,398 | 0 |
| 5842. China | XXX | .0 | .0 | 1,488 | 0 | 1,488 | 0 |
| 5843. Denmark | XXX | .0 | .0 | 232 | 0 | 232 | 0 |
| 5844. Norway | XXX | .0 | .0 | 80 | 0 | 80 | 0 |
| 5845. Israel | XXX | .0 | .0 | 54 | 0 | 54 | 0 |
| 5897. Summary of remaining write-ins for Line 58 from overflow page | XXX | 37,219 | 0 | 19,867 | 0 | 57,086 | 0 |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

SCHEDULE A - VERIFICATION

Real Estate

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 36,905,815 | 37,629,291 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | 0 | 0 |
| 2.2 Additional investment made after acquisition | 677,747 | 2,327,292 |
| 3. Current year change in encumbrances | 0 | 0 |
| 4. Total gain (loss) on disposals | 0 | 0 |
| 5. Deduct amounts received on disposals | 0 | 0 |
| 6. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 7. Deduct current year's other than temporary impairment recognized | 0 | 0 |
| 8. Deduct current year's depreciation | 732,331 | 3,050,768 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) | 36,851,231 | 36,905,815 |
| 10. Deduct total nonadmitted amounts | 0 | 0 |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 36,851,231 | 36,905,815 |

SCHEDULE B - VERIFICATION

Mortgage Loans

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | 4,797,806,835 | 4,408,615,801 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | 208,818,550 | 997,534,454 |
| 2.2 Additional investment made after acquisition | 2,500,521 | 21,967,536 |
| 3. Capitalized deferred interest and other | 0 | 0 |
| 4. Accrual of discount | 47,902 | 200,681 |
| 5. Unrealized valuation increase (decrease) | 0 | 0 |
| 6. Total gain (loss) on disposals | (2,658,878) | (21,421,441) |
| 7. Deduct amounts received on disposals | 143,528,035 | 609,071,582 |
| 8. Deduct amortization of premium and mortgage interest points and commitment fees | 3,036 | 18,614 |
| 9. Total foreign exchange change in book value/recorded investment excluding accrued interest | 0 | 0 |
| 10. Deduct current year's other than temporary impairment recognized | 0 | 0 |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 4,862,983,859 | 4,797,806,835 |
| 12. Total valuation allowance | (5,185,590) | (5,998,887) |
| 13. Subtotal (Line 11 plus Line 12) | 4,857,798,269 | 4,791,807,948 |
| 14. Deduct total nonadmitted amounts | 0 | 0 |
| 15. Statement value at end of current period (Line 13 minus Line 14) | 4,857,798,269 | 4,791,807,948 |

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 60,465,714 | 19,549,737 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | 5,273,703 | 27,571,022 |
| 2.2 Additional investment made after acquisition | 14,406,588 | 20,281,192 |
| 3. Capitalized deferred interest and other | 0 | 0 |
| 4. Accrual of discount | 0 | 0 |
| 5. Unrealized valuation increase (decrease) | (2,084,757) | (6,608,308) |
| 6. Total gain (loss) on disposals | 28,096 | 0 |
| 7. Deduct amounts received on disposals | 28,096 | 0 |
| 8. Deduct amortization of premium and depreciation | 0 | 0 |
| 9. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 10. Deduct current year's other than temporary impairment recognized | 0 | 327,929 |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 78,061,248 | 60,465,714 |
| 12. Deduct total nonadmitted amounts | 0 | 0 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 78,061,248 | 60,465,714 |

SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 6,091,230,502 | 5,908,982,094 |
| 2. Cost of bonds and stocks acquired | 274,900,475 | 1,045,723,481 |
| 3. Accrual of discount | 1,575,955 | 5,769,773 |
| 4. Unrealized valuation increase (decrease) | 0 | 0 |
| 5. Total gain (loss) on disposals | 2,396,488 | 17,855,544 |
| 6. Deduct consideration for bonds and stocks disposed of | 189,370,013 | 859,366,168 |
| 7. Deduct amortization of premium | 6,200,627 | 25,892,745 |
| 8. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 9. Deduct current year's other than temporary impairment recognized | 778,164 | 1,841,477 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 6,173,754,616 | 6,091,230,502 |
| 11. Deduct total nonadmitted amounts | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 6,173,754,616 | 6,091,230,502 |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

SCHEDULE D - PART 1B

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

| | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|-------------------------------------|---|--|--|--|---|--|---|---|
| BONDS | | | | | | | | |
| 1. Class 1 (a) | 4,210,449,861 | 215,637,618 | 199,452,421 | (131,656) | 4,226,503,402 | 0 | 0 | 4,210,449,861 |
| 2. Class 2 (a) | 1,535,117,097 | 81,828,840 | 29,005,642 | (473,248) | 1,587,467,047 | 0 | 0 | 1,535,117,097 |
| 3. Class 3 (a) | 247,105,251 | 29,056,770 | 20,869,710 | (3,027,696) | 252,264,615 | 0 | 0 | 247,105,251 |
| 4. Class 4 (a) | 114,186,658 | 28,547,825 | 18,781,490 | (1,772,496) | 122,180,497 | 0 | 0 | 114,186,658 |
| 5. Class 5 (a) | 3,782,529 | 0 | 1,051,243 | 2,259 | 2,733,545 | 0 | 0 | 3,782,529 |
| 6. Class 6 (a) | 892,125 | 0 | 0 | 0 | 892,125 | 0 | 0 | 892,125 |
| 7. Total Bonds | 6,111,533,521 | 355,071,053 | 269,160,506 | (5,402,837) | 6,192,041,231 | 0 | 0 | 6,111,533,521 |
| PREFERRED STOCK | | | | | | | | |
| 8. Class 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Class 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Class 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Class 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Class 5 | 0 | 0 | 0 | 93,322 | 93,322 | 0 | 0 | 0 |
| 13. Class 6 | 93,322 | 0 | 0 | (93,322) | 0 | 0 | 0 | 93,322 |
| 14. Total Preferred Stock | 93,322 | 0 | 0 | 0 | 93,322 | 0 | 0 | 93,322 |
| 15. Total Bonds and Preferred Stock | 6,111,626,843 | 355,071,053 | 269,160,506 | (5,402,837) | 6,192,134,553 | 0 | 0 | 6,111,626,843 |

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

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SCHEDULE DA - PART 1

Short-Term Investments

| | 1 | 2 | 3 | 4 | 5 |
|----------------|---------------------------------|-----------|-------------|------------------------------------|--|
| | Book/Adjusted Carrying Value | Par Value | Actual Cost | Interest Collected Year-to-Date | Paid for Accrued Interest Year-to-Date |
| 9199999 Totals | 18,379,941 | XXX | 18,379,941 | 1,786 | 0 |

SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1 | 2 |
|---|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year | 20,396,344 | 34,430,714 |
| 2. Cost of short-term investments acquired | 80,170,578 | 246,266,140 |
| 3. Accrual of discount | 0 | 0 |
| 4. Unrealized valuation increase (decrease) | 0 | 0 |
| 5. Total gain (loss) on disposals | 0 | 0 |
| 6. Deduct consideration received on disposals | 82,186,981 | 260,300,510 |
| 7. Deduct amortization of premium | 0 | 0 |
| 8. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 9. Deduct current year's other than temporary impairment recognized | 0 | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 18,379,941 | 20,396,344 |
| 11. Deduct total nonadmitted amounts | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 18,379,941 | 20,396,344 |

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

| | |
|--|------------|
| 1. Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year) | 7,166,524 |
| 2. Cost Paid/(Consideration Received) on additions | 1,996,576 |
| 3. Unrealized Valuation increase/(decrease) | 7,333,319 |
| 4. Total gain (loss) on termination recognized | (675,925) |
| 5. Considerations received/(paid) on terminations | 1,543,438 |
| 6. Amortization | 0 |
| 7. Adjustment to the Book/Adjusted Carrying Value of hedged item | 0 |
| 8. Total foreign exchange change in Book/Adjusted Carrying Value | 0 |
| 9. Book/Adjusted Carrying Value at End of Current Period (Lines 1+2+3+4-5+6+7+8) | 14,277,056 |
| 10. Deduct nonadmitted assets | 0 |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 14,277,056 |

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

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

NONE

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

N O N E

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

N O N E

STATEMENT AS OF MARCH 31, 2012 OF THE STANDARD INSURANCE COMPANY

SCHEDULE DB - VERIFICATION

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

| | | Book/Adjusted Carrying Value Check |
|-----|---|------------------------------------|
| 1. | Part A, Section 1, Column 14..... | 14,277,055 |
| 2. | Part B, Section 1, Column 14..... | 0 |
| 3. | Total (Line 1 plus Line 2)..... | 14,277,055 |
| 4. | Part D, Column 5..... | 14,277,055 |
| 5. | Part D, Column 6..... | 0 |
| 6. | Total (Line 3 minus Line 4 minus Line 5)..... | 0 |
| | | Fair Value Check |
| 7. | Part A, Section 1, Column 16..... | 14,277,055 |
| 8. | Part B, Section 1, Column 13..... | 0 |
| 9. | Total (Line 7 plus Line 8)..... | 14,277,055 |
| 10. | Part D, Column 8..... | 14,277,055 |
| 11. | Part D, Column 9..... | 0 |
| 12. | Total (Line 9 minus Line 10 minus Line 11)..... | 0 |
| | | Potential Exposure Check |
| 13. | Part A, Section 1, Column 21..... | 14,277,055 |
| 14. | Part B, Section 1, Column 19..... | 0 |
| 15. | Part D, Column 11..... | 14,277,055 |
| 16. | Total (Line 13 plus Line 14 minus Line 15)..... | 0 |

SCHEDULE E - VERIFICATION

(Cash Equivalents)

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

NONE