

**ANNUAL STATEMENT**

OF THE

**STANDARD INSURANCE COMPANY**



TheStandard®

**OF PORTLAND  
IN THE STATE OF OREGON**

Book 1 of 2

TO THE

**INSURANCE DEPARTMENT**

OF THE

**STATE OF**

---

**FOR THE YEAR ENDED  
DECEMBER 31, 2013**

LIFE AND ACCIDENT AND HEALTH

**2013**

**2013**



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

# ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2013  
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, US 97204-1093  
(Street and Number) (City or Town, State, Country and Zip Code)

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

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

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

Internet Website 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

<u>Virginia Lynn Anderson</u>	<u>Frederick William Buckman</u>	<u>Stanley Russel Fallis</u>
<u>Deborah Dyer Horvath</u>	<u>Duane Charles McDougall</u>	<u>Kevin Masazo Murai #</u>
<u>John Gregory Ness</u>	<u>Eric Edmond Parsons</u>	<u>Mary Frances Sammons</u>
<u>Esther Kay Stepp</u>	<u>Michael Glenn Thorne</u>	

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 14th day of February 2014

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

Linda R Seger  
Notary Public  
09/18/2014

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	6,668,851,907	0	6,668,851,907	6,379,290,864
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	93,322	0	93,322	93,322
2.2 Common stocks .....	1,577,500	0	1,577,500	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....	5,285,234,957	0	5,285,234,957	5,159,378,601
3.2 Other than first liens .....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ .....0 encumbrances) .....	31,440,997	0	31,440,997	32,917,024
4.2 Properties held for the production of income (less \$ .....0 encumbrances) .....	2,122,586	0	2,122,586	2,125,976
4.3 Properties held for sale (less \$ .....0 encumbrances) .....	366,084	0	366,084	972,758
5. Cash (\$ .....92,233,325 , Schedule E - Part 1), cash equivalents (\$ .....0 , Schedule E - Part 2) and short-term investments (\$ .....77,409,458 , Schedule DA) .....	169,642,783	0	169,642,783	48,391,589
6. Contract loans (including \$ .....0 premium notes) .....	3,098,252	0	3,098,252	2,936,635
7. Derivatives (Schedule DB) .....	15,795,358	0	15,795,358	11,329,110
8. Other invested assets (Schedule BA) .....	150,214,349	0	150,214,349	102,653,523
9. Receivables for securities .....	43,022,183	0	43,022,183	15,698,186
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	12,371,460,278	0	12,371,460,278	11,755,787,588
13. Title plants less \$ .....0 charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	104,424,731	0	104,424,731	107,097,424
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	104,096,316	1,136,065	102,960,251	101,086,194
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ .....0 earned but unbilled premiums) .....	294,378	0	294,378	292,802
15.3 Accrued retrospective premiums .....	15,188,311	320,485	14,867,826	22,509,503
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	6,540,628	0	6,540,628	5,690,648
16.2 Funds held by or deposited with reinsured companies .....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	4,715,015	0	4,715,015	4,344,916
17. Amounts receivable relating to uninsured plans .....	8,169,488	0	8,169,488	4,511,990
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0	0
18.2 Net deferred tax asset .....	226,247,013	124,260,591	101,986,422	87,040,755
19. Guaranty funds receivable or on deposit .....	1,518,921	0	1,518,921	1,341,351
20. Electronic data processing equipment and software .....	24,365,721	22,606,597	1,759,124	1,563,861
21. Furniture and equipment, including health care delivery assets (\$ .....0 ) .....	6,977,549	6,977,549	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 .....	6,035,756	0	6,035,756	3,015,805
24. Health care (\$ .....0 ) and other amounts receivable .....	0	0	0	0
25. Aggregate write-ins for other than invested assets .....	19,428,017	18,733,493	694,524	1,699,522
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	12,899,462,122	174,034,780	12,725,427,342	12,095,982,359
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	6,393,235,012	0	6,393,235,012	5,154,297,609
28. Total (Lines 26 and 27) .....	19,292,697,134	174,034,780	19,118,662,354	17,250,279,968
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0	0
2501. State transferable tax credits .....	692,500	0	692,500	1,692,500
2502. Miscellaneous non-invested assets .....	1,441,776	1,439,752	2,024	7,022
2503. Prepaid expenses .....	16,142,759	16,142,759	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	1,150,982	1,150,982	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	19,428,017	18,733,493	694,524	1,699,522

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ ..... 6,238,462,694 (Exh. 5, Line 9999999) less \$ ..... 0 included in Line 6.3 (including \$ ..... 0 Modco Reserve) .....	6,238,462,694	5,717,690,449
2. Aggregate reserve for accident and health contracts (including \$ ..... 0 Modco Reserve) .....	3,938,403,009	3,929,811,274
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ ..... 0 Modco Reserve) .....	529,423,543	531,687,658
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11) .....	95,036,960	100,747,131
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11) .....	59,692,377	58,475,303
5. Policyholders' dividends \$ ..... 6,079 and coupons \$ ..... 0 due and unpaid (Exhibit 4, Line 10) .....	6,079	5,976
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ ..... 0 Modco) .....	89,061	117,196
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 \$ ..... 6,995,395 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14) .....	9,665,370	11,136,814
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 \$ ..... 13,127,256 accident and health experience rating refunds of which \$ ..... 0 is for medical loss ratio rebate per the Public Health Service Act .....	24,551,882	20,472,999
9.3 Other amounts payable on reinsurance including \$ ..... 213,986 assumed and \$ ..... 10,595,243 ceded .....	10,809,229	11,633,188
9.4 Interest maintenance reserve (IMR, Line 6) .....	25,522,659	24,759,064
10. Commissions to agents due or accrued-life and annuity contracts \$ ..... 4,768,035 accident and health \$ ..... 8,705,265 and deposit-type contract funds \$ ..... 1,742,761 .....	15,216,060	14,734,702
11. Commissions and expense allowances payable on reinsurance assumed .....	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6) .....	209,849,258	214,032,419
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... 0 accrued for expense allowances recognized in reserves, net of reinsured allowances) .....	(1,080)	3,842
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5) .....	4,380,703	4,141,602
15.1 Current federal and foreign income taxes including \$ ..... 5,148,044 on realized capital gains (losses) .....	10,920,189	17,284,997
15.2 Net deferred tax liability .....	0	0
16. Unearned investment income .....	138,030	133,147
17. Amounts withheld or retained by company as agent or trustee .....	7,732,166	7,668,433
18. Amounts held for agents' account, including \$ ..... 487,690 agents' credit balances .....	487,690	32,800
19. Remittances and items not allocated .....	100,083,999	77,923,649
20. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0
21. Liability for benefits for employees and agents if not included above .....	0	0
22. Borrowed money \$ ..... 0 and interest thereon \$ ..... 0 .....	0	0
23. Dividends to stockholders declared and unpaid .....	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7) .....	125,444,103	115,897,182
24.02 Reinsurance in unauthorized and certified (\$ ..... 0 ) companies .....	76,416	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ..... 0 ) reinsurers .....	0	0
24.04 Payable to parent, subsidiaries and affiliates .....	1,751,141	2,273,603
24.05 Drafts outstanding .....	0	0
24.06 Liability for amounts held under uninsured plans .....	218,945	266,729
24.07 Funds held under coinsurance .....	0	0
24.08 Derivatives .....	0	0
24.09 Payable for securities .....	1,088,263	5,395,646
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 .....	29,029,203	39,390,977
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25) .....	11,438,077,949	10,905,716,780
27. From Separate Accounts Statement .....	6,393,235,012	5,154,297,609
28. Total Liabilities (Lines 26 and 27) .....	17,831,312,961	16,060,014,389
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 .....	250,000,000	250,000,000
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1) .....	30,646,237	25,342,101
34. Aggregate write-ins for special surplus funds .....	0	0
35. Unassigned funds (surplus) .....	584,012,100	492,232,422
36. Less treasury stock, at cost:		
36.1 ..... 0 shares common (value included in Line 29 \$ ..... 0 ) .....	0	0
36.2 ..... 0 shares preferred (value included in Line 30 \$ ..... 0 ) .....	0	0
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ ..... 0 in Separate Accounts Statement) .....	863,510,699	766,426,885
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55) .....	1,287,349,393	1,190,265,579
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	19,118,662,354	17,250,279,968
<b>DETAILS OF WRITE-INS</b>		
2501. Accrued interest and other liabilities .....	20,018,144	29,274,130
2502. Long-term contracts payable .....	7,703,651	9,199,239
2503. Funds held for escheatment .....	720,296	383,075
2598. Summary of remaining write-ins for Line 25 from overflow page .....	587,112	534,533
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	29,029,203	39,390,977
3101. Nonqualified defined benefit plan adjustment .....	(1,147,638)	(1,147,638)
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above) .....	(1,147,638)	(1,147,638)
3401. ....		
3402. ....		
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	0	0

## SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11) .....	3,489,274,863	3,506,449,116
2. Considerations for supplementary contracts with life contingencies .....	2,105,839	2,279,796
3. Net investment income (Exhibit of Net Investment Income, Line 17) .....	559,327,069	579,501,942
4. Amortization of interest maintenance reserve (IMR, Line 5) .....	8,797,053	5,993,105
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1) .....	20,166,198	20,019,857
7. Reserve adjustments on reinsurance ceded .....	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	36,043,960	32,637,376
8.2 Charges and fees for deposit-type contracts .....	0	0
8.3 Aggregate write-ins for miscellaneous income .....	5,972,085	2,722,154
9. Total (Lines 1 to 8.3) .....	4,121,687,067	4,149,603,346
10. Death benefits .....	367,113,719	481,852,798
11. Matured endowments (excluding guaranteed annual pure endowments) .....	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8) .....	719,617,007	661,193,325
13. Disability benefits and benefits under accident and health contracts .....	965,304,118	955,498,036
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0
15. Surrender benefits and withdrawals for life contracts .....	689,495,093	740,541,888
16. Group conversions .....	0	0
17. Interest and adjustments on contract or deposit-type contract funds .....	9,752,690	10,585,315
18. Payments on supplementary contracts with life contingencies .....	3,915,913	3,980,604
19. Increase in aggregate reserves for life and accident and health contracts .....	536,208,334	575,663,295
20. Totals (Lines 10 to 19) .....	3,291,406,874	3,429,315,261
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1) .....	164,093,418	166,660,359
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1) .....	4,012,206	4,138,505
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4) .....	403,895,621	404,594,875
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3) .....	55,581,626	55,808,647
25. Increase in loading on deferred and uncollected premiums .....	(63,657)	245,513
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	(64,385,012)	(85,355,967)
27. Aggregate write-ins for deductions .....	21,681	850,982
28. Totals (Lines 20 to 27) .....	3,854,562,757	3,976,258,175
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	267,124,310	173,345,171
30. Dividends to policyholders .....	76,666	135,995
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	267,047,644	173,209,176
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	71,962,370	40,498,124
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) .....	195,085,274	132,711,052
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ ..... 0 (excluding taxes of \$ ..... 5,148,041 transferred to the IMR) .....	683,713	(7,337,845)
35. Net income (Line 33 plus Line 34) .....	195,768,987	125,373,207
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2) .....	1,190,265,579	1,139,233,300
37. Net income (Line 35) .....	195,768,987	125,373,207
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ ..... 173,910 .....	322,980	5,206,923
39. Change in net unrealized foreign exchange capital gain (loss) .....	0	0
40. Change in net deferred income tax .....	10,636,891	5,690,538
41. Change in nonadmitted assets .....	13,126,325	85,229,181
42. Change in liability for reinsurance in unauthorized and certified companies .....	(76,416)	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease .....	6,964,236	0
44. Change in asset valuation reserve .....	(9,546,921)	(9,982,470)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1) .....	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....	0	0
47. Other changes in surplus in Separate Accounts Statement .....	0	0
48. Change in surplus notes .....	0	250,000,000
49. Cumulative effect of changes in accounting principles .....	3,620,855	0
50. Capital changes:		
50.1 Paid in .....	0	0
50.2 Transferred from surplus (Stock Dividend) .....	0	0
50.3 Transferred to surplus .....	0	0
51. Surplus adjustment:		
51.1 Paid in .....	5,304,136	1,221,903
51.2 Transferred to capital (Stock Dividend) .....	0	0
51.3 Transferred from capital .....	0	0
51.4 Change in surplus as a result of reinsurance .....	(1,046,653)	(1,093,712)
52. Dividends to stockholders .....	(130,000,000)	(320,000,000)
53. Aggregate write-ins for gains and losses in surplus .....	2,009,394	(90,613,291)
54. Net change in capital and surplus for the year (Lines 37 through 53) .....	97,083,814	51,032,279
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38) .....	1,287,349,393	1,190,265,579
<b>DETAILS OF WRITE-INS</b>		
08.301. Other income .....	5,972,085	2,722,154
08.302. ....	0	0
08.303. ....	0	0
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above) .....	5,972,085	2,722,154
2701. Other expenses .....	21,681	850,982
2702. ....	0	0
2703. ....	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above) .....	21,681	850,982
5301. Pension - Additional minimum liability .....	1,049,606	(1,049,606)
5302. Liability for Pension and Postretirement benefits - Transitions .....	959,788	0
5303. Pension - Sponsorship change .....	0	(87,337,305)
5398. Summary of remaining write-ins for Line 53 from overflow page .....	0	(2,226,380)
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above) .....	2,009,394	(90,613,291)

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	3,501,551,404	3,479,454,291
2. Net investment income .....	605,741,522	618,270,512
3. Miscellaneous income .....	62,182,243	55,379,387
4. Total (Lines 1 through 3) .....	4,169,475,169	4,153,104,190
5. Benefit and loss related payments .....	2,761,245,694	2,851,392,673
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	(64,380,090)	(85,554,322)
7. Commissions, expenses paid and aggregate write-ins for deductions .....	637,896,451	543,891,877
8. Dividends paid to policyholders .....	104,698	129,545
9. Federal and foreign income taxes paid (recovered) net of \$ .....0 tax on capital gains (losses) .....	76,764,288	9,927,346
10. Total (Lines 5 through 9) .....	3,411,631,041	3,319,787,119
11. Net cash from operations (Line 4 minus Line 10) .....	757,844,128	833,317,071
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	980,506,916	940,762,498
12.2 Stocks .....	0	0
12.3 Mortgage loans .....	1,145,460,898	813,679,137
12.4 Real estate .....	1,284,148	0
12.5 Other invested assets .....	0	476,457
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	(35)	0
12.7 Miscellaneous proceeds .....	9,960,899	29,431,799
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	2,137,212,826	1,784,349,891
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	1,273,653,549	1,233,279,340
13.2 Stocks .....	1,577,500	0
13.3 Mortgage loans .....	1,284,348,540	1,188,884,540
13.4 Real estate .....	1,561,549	2,117,844
13.5 Other invested assets .....	70,855,153	61,042,754
13.6 Miscellaneous applications .....	31,631,380	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	2,663,627,671	2,485,324,478
14. Net increase (decrease) in contract loans and premium notes .....	161,617	(282,744)
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(526,576,462)	(700,691,843)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	250,000,000
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	(2,264,115)	27,892,325
16.5 Dividends to stockholders .....	130,000,000	320,000,000
16.6 Other cash provided (applied) .....	22,247,643	(82,824,330)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(110,016,472)	(124,932,005)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	121,251,194	7,693,223
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	48,391,589	40,698,366
19.2 End of year (Line 18 plus Line 19.1) .....	169,642,783	48,391,589

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

20.0001. Pension - Sponsorship change .....	0	87,337,305
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**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	3,489,274,863	0	1,526,553	308,517,305	0	0	514,172,087	1,392,108,396	1,099,326,445	0	173,624,077	0
2. Considerations for supplementary contracts with life contingencies	2,105,839	0	0	(32,499)	2,138,338	0	0	0	0	0	0	0
3. Net investment income	559,327,069	0	0	157,649,430	7,972,909	0	63,489,216	95,331,706	186,116,082	0	50,249,944	(1,482,218)
4. Amortization of Interest Maintenance Reserve (IMR)	8,797,053	0	0	2,377,628	125,397	0	885,072	1,802,428	2,503,465	0	728,044	375,019
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0	0	0	0	0	0	0	0	0	0	0
6. Commissions and expense allowances on reinsurance ceded	20,166,198	0	3,156,179	0	0	0	0	0	0	0	17,010,019	0
7. Reserve adjustments on reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	36,043,960	0	0	0	0	0	0	36,043,960	0	0	0	0
8.2 Charges and fees for deposit-type contracts	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Aggregate write-ins for miscellaneous income	5,972,085	0	0	0	0	0	(8,062)	(150,743)	5,437,832	0	(2,031)	695,089
9. Totals (Lines 1 to 8.3)	4,121,687,067	0	4,682,732	468,511,864	10,236,644	0	578,538,313	1,525,135,747	1,293,383,824	0	241,610,053	(412,110)
10. Death benefits	367,113,719	0	4,031,034	0	0	0	363,082,685	0	0	0	0	0
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0	0	0	0	0	0	0	0	0	0	0
12. Annuity benefits	719,617,007	0	0	14,355,901	0	0	0	705,261,106	0	0	0	0
13. Disability benefits and benefits under accident and health contracts	965,304,118	0	0	0	0	0	0	0	873,813,531	0	91,490,587	0
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0	0	0	0	0	0	0	0	0	0	0
15. Surrender benefits and withdrawals for life contracts	689,495,093	0	168,138	278,227,490	0	0	0	411,099,465	0	0	0	0
16. Group conversions	0	0	0	0	0	0	0	0	0	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds	9,752,690	0	6,629	1,530,875	3,014,281	0	3,357,507	898,775	944,623	0	0	0
18. Payments on supplementary contracts with life contingencies	3,915,913	0	0	271,793	3,644,120	0	0	0	0	0	0	0
19. Increase in aggregate reserves for life and accident and health contracts	536,208,334	0	2,215	136,943,427	24,886	0	479,730	383,202,105	(14,286,867)	0	29,842,838	0
20. Totals (Lines 10 to 19)	3,291,406,874	0	4,208,016	431,329,486	6,683,287	0	366,919,922	1,500,461,451	860,471,287	0	121,333,425	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	164,093,418	0	0	12,036,914	0	0	31,518,644	14,520,544	61,073,849	0	45,056,211	(112,744)
22. Commissions and expense allowances on reinsurance assumed	4,012,206	0	0	0	0	0	0	0	0	0	4,012,206	0
23. General insurance expenses	403,895,621	0	0	9,792,788	0	0	91,303,551	52,679,763	221,584,291	0	28,535,228	0
24. Insurance taxes, licenses and fees, excluding federal income taxes	55,581,626	0	0	756,355	0	0	16,993,097	1,681,846	30,581,450	0	5,568,878	0
25. Increase in loading on deferred and uncollected premiums	(63,657)	0	52,559	0	0	0	(116,216)	0	0	0	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance	(64,385,012)	0	0	0	0	0	0	(64,385,012)	0	0	0	0
27. Aggregate write-ins for deductions	21,681	0	0	0	0	0	0	30,571	0	0	0	(8,890)
28. Totals (Lines 20 to 27)	3,854,562,757	0	4,260,575	453,915,543	6,683,287	0	506,618,998	1,504,989,163	1,173,710,877	0	204,505,948	(121,634)
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	267,124,310	0	422,157	14,596,321	3,553,357	0	71,919,315	20,146,584	119,672,947	0	37,104,105	(290,476)
30. Dividends to policyholders	76,666	0	76,666	0	0	0	0	0	0	0	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	267,047,644	0	345,491	14,596,321	3,553,357	0	71,919,315	20,146,584	119,672,947	0	37,104,105	(290,476)
32. Federal income taxes incurred (excluding tax on capital gains)	71,962,370	0	(635,851)	(1,675,871)	797,214	0	27,163,267	2,235,077	32,717,097	0	11,406,615	(45,178)
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)	195,085,274	0	981,342	16,272,192	2,756,143	0	44,756,048	17,911,507	86,955,850	0	25,697,490	(245,298)
<b>DETAILS OF WRITE-INS</b>												
08.301. Other income	5,972,085	0	0	0	0	0	(8,062)	(150,743)	5,437,832	0	(2,031)	695,089
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	5,972,085	0	0	0	0	0	(8,062)	(150,743)	5,437,832	0	(2,031)	695,089
2701. Other expenses	21,681	0	0	0	0	0	0	30,571	0	0	0	(8,890)
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	21,681	0	0	0	0	0	0	30,571	0	0	0	(8,890)

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year .....	5,717,690,449	0	6,818,313	2,877,385,525	28,958,217	0	838,448,768	1,966,079,626
2. Tabular net premiums or considerations .....	2,346,388,312	0	1,450,225	308,391,954	1,842,818	0	646,651,227	1,388,052,088
3. Present value of disability claims incurred .....	115,051,575	0	0	0	XXX	0	115,051,575	0
4. Tabular interest .....	225,502,827	0	337,238	120,973,343	1,532,489	0	43,975,464	58,684,293
5. Tabular less actual reserve released .....	(56,247,652)	0	0	657,901	461,749	0	(57,207,556)	(159,746)
6. Increase in reserve on account of change in valuation basis .....	0	0	0	0	0	0	0	0
7. Other increases (net) .....	1,320,787	0	1,319,455	0	0	0	0	1,332
8. Totals (Lines 1 to 7) .....	8,349,706,298	0	9,925,231	3,307,408,723	32,795,273	0	1,586,919,478	3,412,657,593
9. Tabular cost .....	656,942,500	0	1,862,864	0	XXX	0	655,079,636	0
10. Reserves released by death .....	30,627,866	0	711,244	XXX	XXX	0	29,916,622	XXX
11. Reserves released by other terminations (net) .....	753,121,084	0	530,594	278,463,684	314,108	0	62,994,723	410,817,975
12. Annuity, supplementary contract and disability payments involving life contingencies .....	734,654,611	0	0	14,355,901	3,638,632	0	0	716,660,078
13. Net transfers to or (from) Separate Accounts .....	(64,102,457)	0	0	0	0	0	0	(64,102,457)
14. Total Deductions (Lines 9 to 13) .....	2,111,243,604	0	3,104,702	292,819,585	3,952,740	0	747,990,981	1,063,375,596
15. Reserve December 31, current year .....	6,238,462,694	0	6,820,529	3,014,589,138	28,842,533	0	838,928,497	2,349,281,997



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds .....	(a) 1,746,439	1,490,488
1.1 Bonds exempt from U.S. tax .....	(a) 0	0
1.2 Other bonds (unaffiliated) .....	(a) 294,685,620	292,839,231
1.3 Bonds of affiliates .....	(a) 0	0
2.1 Preferred stocks (unaffiliated) .....	(b) 16,100	16,100
2.11 Preferred stocks of affiliates .....	(b) 0	0
2.2 Common stocks (unaffiliated) .....	0	0
2.21 Common stocks of affiliates .....	0	0
3. Mortgage loans .....	(c) 328,224,237	327,690,416
4. Real estate .....	(d) 16,519,929	16,460,210
5. Contract loans .....	75,041	75,041
6. Cash, cash equivalents and short-term investments .....	(e) 72,468	35,601
7. Derivative instruments .....	(f) 0	0
8. Other invested assets .....	0	(23,110,488)
9. Aggregate write-ins for investment income .....	548,884	548,884
10. Total gross investment income .....	641,888,718	616,045,483
11. Investment expenses .....		(g) 28,727,085
12. Investment taxes, licenses and fees, excluding federal income taxes .....		(g) 2,490,918
13. Interest expense .....		(h) 13,125,000
14. Depreciation on real estate and other invested assets .....		(i) 3,040,966
15. Aggregate write-ins for deductions from investment income .....		9,334,445
16. Total deductions (Lines 11 through 15) .....		56,718,414
17. Net investment income (Line 10 minus Line 16) .....		559,327,069
<b>DETAILS OF WRITE-INS</b>		
0901. Miscellaneous Investment Income .....	548,884	548,884
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	548,884	548,884
1501. Mortgage Loan Service Fee .....		6,627,118
1502. Bond Management Fee .....		1,518,334
1503. Investment Fund Servicing Fee .....		1,188,993
1598. Summary of remaining write-ins for Line 15 from overflow page .....		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....		9,334,445

- (a) Includes \$ 5,045,465 accrual of discount less \$ 23,034,778 amortization of premium and less \$ 6,648,955 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 412,202 accrual of discount less \$ 8,311 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 8,979,660 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 4,385 amortization of premium and less \$ 35,850 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 3,040,966 depreciation on real estate and \$ 0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....	(1,313)	0	(1,313)	0	0
1.1 Bonds exempt from U.S. tax .....	0	0	0	0	0
1.2 Other bonds (unaffiliated) .....	15,493,892	(1,088,856)	14,405,036	0	0
1.3 Bonds of affiliates .....	0	0	0	0	0
2.1 Preferred stocks (unaffiliated) .....	0	0	0	0	0
2.11 Preferred stocks of affiliates .....	0	0	0	0	0
2.2 Common stocks (unaffiliated) .....	0	0	0	0	0
2.21 Common stocks of affiliates .....	0	0	0	0	0
3. Mortgage loans .....	(8,925,313)	(438,522)	(9,363,835)	0	0
4. Real estate .....	677,474	0	677,474	0	0
5. Contract loans .....	0	0	0	0	0
6. Cash, cash equivalents and short-term investments .....	0	(35)	(35)	0	0
7. Derivative instruments .....	9,828,128	0	9,828,128	4,599,020	0
8. Other invested assets .....	0	(153,050)	(153,050)	(30,788)	0
9. Aggregate write-ins for capital gains (losses) .....	0	0	0	(4,071,342)	0
10. Total capital gains (losses) .....	17,072,868	(1,680,463)	15,392,405	496,890	0
<b>DETAILS OF WRITE-INS</b>					
0901. Provision adjustment to mortgage loans .....	0	0	0	(4,071,342)	0
0902. ....					
0903. ....					
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	0	0	0	(4,071,342)	0

**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY**  
**EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
<b>FIRST YEAR (other than single)</b>											
1. Uncollected	(2,395,890)	0	(3,168)	0	0	0	0	0	0	(2,392,722)	0
2. Deferred and accrued	132,165	0	132,165	0	0	0	0	0	0	0	0
3. Deferred, accrued and uncollected:											
3.1 Direct	224,124	0	134,146	0	0	0	0	0	0	89,978	0
3.2 Reinsurance assumed	2,506	0	0	0	0	0	0	0	0	2,506	0
3.3 Reinsurance ceded	2,490,355	0	5,149	0	0	0	0	0	0	2,485,206	0
3.4 Net (Line 1 + Line 2)	(2,263,725)	0	128,997	0	0	0	0	0	0	(2,392,722)	0
4. Advance	153,197	0	6,333	0	0	0	0	0	0	146,864	0
5. Line 3.4 - Line 4	(2,416,922)	0	122,664	0	0	0	0	0	0	(2,539,586)	0
6. Collected during year:											
6.1 Direct	22,471,309	0	397,698	2,491,003	0	0	0	0	0	19,582,608	0
6.2 Reinsurance assumed	76,679	0	0	0	0	0	0	0	0	76,679	0
6.3 Reinsurance ceded	5,390,260	0	10,020	0	0	0	0	0	0	5,380,240	0
6.4 Net	17,157,728	0	387,678	2,491,003	0	0	0	0	0	14,279,047	0
7. Line 5 + Line 6.4	14,740,806	0	510,342	2,491,003	0	0	0	0	0	11,739,461	0
8. Prior year (uncollected + deferred and accrued - advance)	(2,118,842)	0	79,072	0	0	0	0	0	0	(2,197,914)	0
9. First year premiums and considerations:											
9.1 Direct	22,570,849	0	446,440	2,491,003	0	0	0	0	0	19,633,406	0
9.2 Reinsurance assumed	78,232	0	0	0	0	0	0	0	0	78,232	0
9.3 Reinsurance ceded	5,789,433	0	15,169	0	0	0	0	0	0	5,774,264	0
9.4 Net (Line 7 - Line 8)	16,859,648	0	431,271	2,491,003	0	0	0	0	0	13,937,374	0
<b>SINGLE</b>											
10. Single premiums and considerations:											
10.1 Direct	319,636,135	0	18,985,102	300,651,033	0	0	0	0	0	0	0
10.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
10.3 Reinsurance ceded	18,941,937	0	18,941,937	0	0	0	0	0	0	0	0
10.4 Net	300,694,198	0	43,165	300,651,033	0	0	0	0	0	0	0
<b>RENEWAL</b>											
11. Uncollected	114,599,177	0	29,135	0	0	44,914,893	2,705,979	67,840,206	0	(891,036)	0
12. Deferred and accrued	(24,250,992)	0	300,890	0	0	(11,424,626)	0	(13,127,256)	0	0	0
13. Deferred, accrued and uncollected:											
13.1 Direct	97,269,780	0	5,127,609	0	0	33,809,601	2,705,979	54,271,977	0	1,354,614	0
13.2 Reinsurance assumed	4,892,198	0	0	0	0	0	0	4,678,358	0	213,840	0
13.3 Reinsurance ceded	11,813,793	0	4,797,584	0	0	319,334	0	4,237,385	0	2,459,490	0
13.4 Net (Line 11 + Line 12)	90,348,185	0	330,025	0	0	33,490,267	2,705,979	54,712,950	0	(891,036)	0
14. Advance	9,512,173	0	11,327	0	0	2,652,315	0	4,881,793	0	1,966,738	0
15. Line 13.4 - Line 14	80,836,012	0	318,698	0	0	30,837,952	2,705,979	49,831,157	0	(2,857,774)	0
16. Collected during year:											
16.1 Direct	3,422,289,153	0	27,218,387	5,375,269	0	737,657,347	1,391,934,398	1,091,764,276	0	168,339,476	0
16.2 Reinsurance assumed	96,423,678	0	0	0	0	0	0	57,743,603	0	38,680,075	0
16.3 Reinsurance ceded	339,070,316	0	26,155,171	0	0	222,243,105	0	42,209,553	0	48,462,487	0
16.4 Net	3,179,642,515	0	1,063,216	5,375,269	0	515,414,242	1,391,934,398	1,107,298,326	0	158,557,064	0
17. Line 15 + Line 16.4	3,260,478,527	0	1,381,914	5,375,269	0	546,252,194	1,394,640,377	1,157,129,483	0	155,699,290	0
18. Prior year (uncollected + deferred and accrued - advance)	88,757,510	0	329,797	0	0	32,080,108	2,531,980	57,803,038	0	(3,987,413)	0
19. Renewal premiums and considerations:											
19.1 Direct	3,413,588,147	0	27,251,343	5,375,269	0	736,536,251	1,392,108,396	1,084,457,532	0	167,859,356	0
19.2 Reinsurance assumed	96,270,713	0	0	0	0	0	0	57,612,629	0	38,658,084	0
19.3 Reinsurance ceded	338,137,843	0	26,199,226	0	0	222,364,164	0	42,743,716	0	46,830,737	0
19.4 Net (Line 17 - Line 18)	3,171,721,017	0	1,052,117	5,375,269	0	514,172,087	1,392,108,396	1,099,326,445	0	159,686,703	0
<b>TOTAL</b>											
20. Total premiums and annuity considerations:											
20.1 Direct	3,755,795,131	0	46,682,885	308,517,305	0	736,536,251	1,392,108,396	1,084,457,532	0	187,492,762	0
20.2 Reinsurance assumed	96,348,945	0	0	0	0	0	0	57,612,629	0	38,736,316	0
20.3 Reinsurance ceded	362,869,213	0	45,156,332	0	0	222,364,164	0	42,743,716	0	52,605,001	0
20.4 Net (Lines 9.4 + 10.4 + 19.4)	3,489,274,863	0	1,526,553	308,517,305	0	514,172,087	1,392,108,396	1,099,326,445	0	173,624,077	0

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
<b>DIVIDENDS AND COUPONS APPLIED (included in Part 1)</b>											
21. To pay renewal premiums .....	31,525	.0	31,525	.0	.0	.0	.0	.0	.0	.0	.0
22. All other .....	43,165	.0	43,165	.0	.0	.0	.0	.0	.0	.0	.0
<b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b>											
23. First year (other than single):											
23.1 Reinsurance ceded .....	4,766,904	.0	.0	.0	.0	.0	.0	.0	.0	4,766,904	.0
23.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23.3 Net ceded less assumed .....	4,766,904	.0	.0	.0	.0	.0	.0	.0	.0	4,766,904	.0
24. Single:											
24.1 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
24.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
24.3 Net ceded less assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25. Renewal:											
25.1 Reinsurance ceded .....	15,399,294	.0	3,156,179	.0	.0	.0	.0	.0	.0	12,243,115	.0
25.2 Reinsurance assumed .....	4,012,206	.0	.0	.0	.0	.0	.0	.0	.0	4,012,206	.0
25.3 Net ceded less assumed .....	11,387,088	.0	3,156,179	.0	.0	.0	.0	.0	.0	8,230,909	.0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6) .....	20,166,198	.0	3,156,179	.0	.0	.0	.0	.0	.0	17,010,019	.0
26.2 Reinsurance assumed (Page 6, Line 22) .....	4,012,206	.0	.0	.0	.0	.0	.0	.0	.0	4,012,206	.0
26.3 Net ceded less assumed .....	16,153,992	.0	3,156,179	.0	.0	.0	.0	.0	.0	12,997,813	.0
<b>COMMISSIONS INCURRED (direct business only)</b>											
27. First year (other than single) .....	34,458,143	.0	.0	59,421	.0	3,279,771	1,506,281	7,156,922	.0	22,568,492	(112,744)
28. Single .....	11,941,280	.0	.0	11,941,280	.0	.0	.0	.0	.0	.0	.0
29. Renewal .....	117,693,995	.0	.0	36,213	.0	28,238,873	13,014,263	53,916,927	.0	22,487,719	.0
30. Deposit-type contract funds .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
31. Totals (to agree with Page 6, Line 21)	164,093,418	.0	.0	12,036,914	.0	31,518,644	14,520,544	61,073,849	.0	45,056,211	(112,744)

**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
EXHIBIT 2 - GENERAL EXPENSES**

	Insurance				5 Investment	6 Total
	1 Life	2 Accident and Health		4 All Other Lines of Business		
		Cost Containment	3 All Other			
1. Rent	8,108,192	0	12,017,248	0	1,229,813	21,355,253
2. Salaries and wages	87,646,523	0	137,964,505	0	13,036,808	238,647,836
3.11 Contributions for benefit plans for employees	8,812,016	0	15,922,461	0	3,327,526	28,062,003
3.12 Contributions for benefit plans for agents	0	0	0	0	0	0
3.21 Payments to employees under non-funded benefit plans	0	0	0	0	0	0
3.22 Payments to agents under non-funded benefit plans	0	0	0	0	0	0
3.31 Other employee welfare	412,414	0	416,472	0	155,139	984,025
3.32 Other agent welfare	0	0	0	0	0	0
4.1 Legal fees and expenses	191,287	0	207,467	0	548,733	947,487
4.2 Medical examination fees	857,354	0	3,434,422	0	0	4,291,776
4.3 Inspection report fees	36,527	0	643,062	0	0	679,589
4.4 Fees of public accountants and consulting actuaries	1,194,965	0	2,062,505	0	102,752	3,360,222
4.5 Expense of investigation and settlement of policy claims	1,034,492	0	8,848,409	0	452	9,883,353
5.1 Traveling expenses	3,818,476	0	4,493,291	0	850,040	9,161,807
5.2 Advertising	1,239,950	0	2,262,942	0	179,706	3,682,598
5.3 Postage, express, telegraph and telephone	3,347,168	0	4,829,576	0	486,266	8,663,010
5.4 Printing and stationery	2,450,569	0	2,335,825	0	186,854	4,973,248
5.5 Cost or depreciation of furniture and equipment	870,252	0	1,466,449	0	44,804	2,381,505
5.6 Rental of equipment	1,872,640	0	3,311,849	0	100,809	5,285,298
5.7 Cost or depreciation of EDP equipment and software	19,629,212	0	34,415,415	0	1,046,965	55,091,592
6.1 Books and periodicals	120,601	0	114,066	0	43,474	278,141
6.2 Bureau and association fees	498,343	0	850,292	0	89,305	1,437,940
6.3 Insurance, except on real estate	908,759	0	1,543,324	0	583,405	3,035,488
6.4 Miscellaneous losses	0	0	0	0	0	0
6.5 Collection and bank service charges	159,279	0	256,068	0	0	415,347
6.6 Sundry general expenses	2,879,251	0	4,826,850	0	292,044	7,998,145
6.7 Group service and administration fees	7,252,877	0	16,647,535	0	1,920	23,902,332
6.8 Reimbursements by uninsured plans	0	0	(9,463,577)	0	0	(9,463,577)
7.1 Agency expense allowance	0	0	0	0	0	0
7.2 Agents' balances charged off (less \$ recovered)	30,387	0	53,779	0	0	84,166
7.3 Agency conferences other than local meetings	115,179	0	160,865	0	260	276,304
9.1 Real estate expenses	286,969	0	494,136	0	6,050,714	6,831,819
9.2 Investment expenses not included elsewhere	2,420	0	4,283	0	369,296	375,999
9.3 Aggregate write-ins for expenses	0	0	0	0	0	0
10. General expenses incurred	153,776,102	0	250,119,519	0	28,727,085	(a) 432,622,706
11. General expenses unpaid December 31, prior year	21,406,760	0	190,652,310	0	1,973,349	214,032,419
12. General expenses unpaid December 31, current year	20,104,260	0	187,650,303	0	2,094,695	209,849,258
13. Amounts receivable relating to uninsured plans, prior year	0	0	4,511,990	0	0	4,511,990
14. Amounts receivable relating to uninsured plans, current year	0	0	5,549,295	0	0	5,549,295
15. General expenses paid during year (Lines 10+11-12-13+14)	155,078,602	0	254,158,831	0	28,605,739	437,843,172
<b>DETAILS OF WRITE-INS</b>						
09.301.						
09.302.						
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	0	0	0	0	0	0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	0	0	0	0	0	0

(a) Includes management fees of \$ 16,682,501 to affiliates and \$ 1,518,334 to non-affiliates.

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

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes	0	0	0	2,468,957	2,468,957
2. State insurance department licenses and fees	925,424	1,544,711	0	0	2,470,135
3. State taxes on premiums	12,060,149	21,792,628	0	0	33,852,777
4. Other state taxes, including \$ for employee benefits	1,728,829	3,059,683	0	0	4,788,512
5. U.S. Social Security taxes	3,795,719	8,122,901	0	21,961	11,940,581
6. All other taxes	921,177	1,630,405	0	0	2,551,582
7. Taxes, licenses and fees incurred	19,431,298	36,150,328	0	2,490,918	58,072,544
8. Taxes, licenses and fees unpaid December 31, prior year	1,530,512	2,580,288	0	30,802	4,141,602
9. Taxes, licenses and fees unpaid December 31, current year	1,604,188	2,730,629	0	45,886	4,380,703
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	19,357,622	35,999,987	0	2,475,834	57,833,443

**EXHIBIT 4 - DIVIDENDS OR REFUNDS**

	1 Life	2 Accident and Health
	1. Applied to pay renewal premiums	31,524
2. Applied to shorten the endowment or premium-paying period	0	0
3. Applied to provide paid-up additions	43,165	0
4. Applied to provide paid-up annuities	0	0
5. Total Lines 1 through 4	74,689	0
6. Paid in cash	25,718	0
7. Left on deposit	4,291	0
8. Aggregate write-ins for dividend or refund options	0	0
9. Total Lines 5 through 8	104,698	0
10. Amount due and unpaid	6,079	0
11. Provision for dividends or refunds payable in the following calendar year	89,061	0
12. Terminal dividends	0	0
13. Provision for deferred dividend contracts	0	0
14. Amount provisionally held for deferred dividend contracts not included in Line 13	0	0
15. Total Lines 10 through 14	95,140	0
16. Total from prior year	123,172	0
17. Total dividends or refunds (Lines 9 + 15 - 16)	76,666	0
<b>DETAILS OF WRITE-INS</b>		
0801.	0	0
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0100001. AE 3.50% NLP CNF 1906-1941	54,977	0	54,977	0	0
0100002. AM(5) 3.00% NLP CNF 1941-1947	512,159	0	512,159	0	0
0100003. AM(5) 3.00% ILL CNF 1941-1947	597,358	0	597,358	0	0
0100004. 1941 CSO 2.25% NLP CNF 1947-1964	4,429,212	0	4,429,212	0	0
0100005. 1941 CSO 2.25% CRVM CNF 1947-1964	3,148,634	0	3,148,634	0	0
0100006. 1941 CSO 2.25% NJ CNF 1947-1964	3,110,531	0	3,110,531	0	0
0100007. 1958 CSO 2.50% CRVM CNF 1970-1982	49,325	0	49,325	0	0
0100008. 1958 CSO 3.00% NLP CNF 1964-1970	6,538,660	0	6,538,660	0	0
0100009. 1958 CSO 3.00% NJ CNF 1964-1970	11,564,970	0	11,564,970	0	0
0100010. 1958 CSO 3.50% NLP CNF 1970-1992	11,534,354	0	11,534,354	0	0
0100011. 1958 CSO 3.50% CRVM CNF 1970-1982	48,721,859	0	48,721,859	0	0
0100012. 1958 CSO 4.00% NLP CNF 1978-1982	4,850	0	4,850	0	0
0100013. 1958 CSO 4.00% CRVM CNF 1974-1982	23,231,586	0	23,231,586	0	0
0100014. 1958 CSO 4.50% NLP CNF 1981-1988	167,058	0	167,058	0	0
0100015. 1958 CSO 4.50% CRVM 1981-1988	57,596,945	0	57,596,945	0	0
0100016. 1958 CSO 5.50% NLP CNF 1979-1988	16,885,764	0	16,885,764	0	0
0100017. 1958 CSO 5.50% CRVM 1987 - 1998	4,680,091	0	4,680,091	0	0
0100018. 1958 CSO 6.00% CRVM 1983-1986	37,314,249	0	37,314,249	0	0
0100019. 1980 CSO 4.00% CRVM 1988-1999, 2006-2008	87,669,306	0	87,669,306	0	0
0100020. 1980 CSO 4.50% NLP CNF 1983-2005	457,177	0	457,177	0	0
0100021. 1980 CSO 4.50% CRVM 1995-2005	108,357,251	0	108,357,251	0	0
0100022. 1980 CSO 5.00% NLP 1993-1994	1,061,746	0	1,061,746	0	0
0100023. 1980 CSO 5.00% CRVM 1993-1994	43,642,616	0	43,642,616	0	0
0100024. 1980 CSO 5.50% NLP 1987-1992	4,272,734	0	4,272,734	0	0
0100025. 1980 CSO 5.50% CRVM 1986-1992	239,290,696	0	239,290,696	0	0
0100026. 1980 CSO 6.00% NLP CNF 1983-1986	0	0	0	0	0
0100027. 1980 CSO 6.00% CRVM CNF 1983-1986	24,731,659	0	24,731,659	0	0
0100028. 2001 CSO 4.00% CRVM CNF 2009 -2012	1,182,064	0	1,182,064	0	0
0100029. 2001 CSO 3.50% CRVM CNF 2013 NB	1,343,943	0	1,343,943	0	0
0100030. 1958 CSO 3 1/2% 1958-1975	151,839	0	0	0	151,839
0100031. 1958 CSO 4% 1976-1987	771,818	0	0	0	771,818
0100032. 1980 CSO 4 1/2% 1995-2003	18,815,804	0	0	0	18,815,804
0100033. 1980 CSO 5 1/2% 1988-1992	3,104,351	0	0	0	3,104,351
0100034. 1980 CSO 5% 1993-1994	2,172,894	0	0	0	2,172,894
0100035. 2001 CSO 4 1/2% 2004-2005	7,855,753	0	0	0	7,855,753
0100036. 2001 CSO 4% 2006-2012	18,640,372	0	0	0	18,640,372
0100037. 2001 CSO 3 1/2% 2013 NB	2,471,758	0	0	0	2,471,758
0199997. Totals (Gross)	796,136,363	0	742,151,774	0	53,984,589
0199998. Reinsurance ceded	735,349,670	0	735,349,670	0	0
0199999. Life Insurance: Totals (Net)	60,786,693	0	6,802,104	0	53,984,589
0200001. 1955 AA 3.50% 1942-1943, 1953	1,752	XXX	1,752	XXX	0
0200002. 1971 IAM 3.50% 1964-1967, 1970-1973	630,418	XXX	630,418	XXX	0
0200003. 1971 IAM 4.00% 1974-1979	23,661,837	XXX	23,661,837	XXX	0
0200004. 1971 IAM 4.50% 1980-1982	49,484,427	XXX	49,484,427	XXX	0
0200005. 1971 IAM 6.00% 1975-1979, 1983	55,710	XXX	55,710	XXX	0
0200006. 1971 IAM 8.50% 1984-1985	25,786,280	XXX	25,786,280	XXX	0
0200007. 1971 IAM 8.75% 1983	11,505,419	XXX	11,505,419	XXX	0
0200008. 1971 IAM 10.00% 1984-1985	72,713	XXX	72,713	XXX	0
0200009. 1983 IAM 5.50% 1994, 1996-1997	15,092,890	XXX	15,092,890	XXX	0
0200010. 1983 IAM 5.75% 1993	7,786,862	XXX	7,786,862	XXX	0
0200011. 1983 IAM 6.00% 1995	6,785,547	XXX	6,785,547	XXX	0
0200012. 1983 IAM 6.25% 1992, 1994, 1996-1997	16,584,248	XXX	16,584,248	XXX	0
0200013. 1983 IAM 6.50% 1987, 1990, 1993	22,145,842	XXX	22,145,842	XXX	0
0200014. 1983 IAM 6.75% 1991	17,585,118	XXX	17,585,118	XXX	0
0200015. 1983 IAM 6.99% 1995	2,292,457	XXX	2,292,457	XXX	0
0200016. 1983 IAM 7.00% 1988-1989	23,968,211	XXX	23,968,211	XXX	0
0200017. 1983 IAM 7.25% 1986	5,141,266	XXX	5,141,266	XXX	0
0200018. 1983 IAM 7.50% 1992	241,533	XXX	241,533	XXX	0
0200019. 1983 IAM 8.00% 1987, 1991	530,234	XXX	530,234	XXX	0
0200020. 1983 IAM 8.25% 1990	1,412,564	XXX	1,412,564	XXX	0
0200021. 1983 IAM 8.75% 1988-1989	1,262,352	XXX	1,262,352	XXX	0
0200022. 1983 IAM 9.25% 1986	40,593	XXX	40,593	XXX	0
0200023. ANNUITY 2000 2.50% 2010	100,874	XXX	100,874	XXX	0
0200024. ANNUITY 2000 2.85% 2012	14,557,572	XXX	14,557,572	XXX	0
0200025. ANNUITY 2000 2.88% 2012	575,582	XXX	575,582	XXX	0
0200026. ANNUITY 2001 3.10% 2012	220,279,453	XXX	220,279,453	XXX	0
0200027. ANNUITY 2000 3.23% 2013 NB	1,309,248	XXX	1,309,248	XXX	0
0200028. ANNUITY 2000 3.40% 2004	4,140,582	XXX	4,140,582	XXX	0
0200029. ANNUITY 2000 3.50% 2003, 2013 NB	8,843,998	XXX	8,843,998	XXX	0
0200030. ANNUITY 2000 3.75% 2005, 2012-2013 NB	276,725,264	XXX	276,725,264	XXX	0
0200031. ANNUITY 2000 3.90% 2011	30,533,603	XXX	30,533,603	XXX	0
0200032. ANNUITY 2000 4.00% 2005, 2012	68,406,071	XXX	68,406,071	XXX	0
0200033. ANNUITY 2000 4.07% 2011	1,416,615	XXX	1,416,615	XXX	0
0200034. ANNUITY 2000 4.10% 2003	70,710	XXX	70,710	XXX	0
0200035. ANNUITY 2000 4.15% 2011	248,296,203	XXX	248,296,203	XXX	0
0200036. ANNUITY 2000 4.20% 2004, 2008	74,095,744	XXX	74,095,744	XXX	0
0200037. ANNUITY 2000 4.25% 2007, 2009, 2011	16,893,942	XXX	16,893,942	XXX	0
0200038. ANNUITY 2000 4.50% 2003, 2006, 2010	161,863,256	XXX	161,863,256	XXX	0
0200039. ANNUITY 2000 4.75% 2005-2008, 2010	605,907,113	XXX	605,907,113	XXX	0
0200040. ANNUITY 2000 4.90% 2010	32,415,977	XXX	32,415,977	XXX	0
0200041. ANNUITY 2000 4.98% 2005	2,368,146	XXX	2,368,146	XXX	0
0200042. ANNUITY 2000 5.00% 2008-2009	684,302,859	XXX	684,302,859	XXX	0
0200043. ANNUITY 2000 5.14% 2006	2,606,087	XXX	2,606,087	XXX	0
0200044. ANNUITY 2000 5.25% 1998-1999	3,747,047	XXX	3,747,047	XXX	0
0200045. ANNUITY 2000 5.37% 2007	7,456,277	XXX	7,456,277	XXX	0
0200046. ANNUITY 2000 5.50% 2001-2002, 2008-2009	253,100,417	XXX	253,100,417	XXX	0
0200047. ANNUITY 2000 5.69% 2009	24,582,455	XXX	24,582,455	XXX	0
0200048. ANNUITY 2000 5.75% 2000	32,403,303	XXX	32,403,303	XXX	0
0200049. ANNUITY 2000 6.25% 1998-1999, 2002	693,127	XXX	693,127	XXX	0
0200050. ANNUITY 2000 6.50% 2002	459,112	XXX	459,112	XXX	0
0200051. ANNUITY 2000 6.75% 2001	65,504	XXX	65,504	XXX	0
0200052. ANNUITY 2000 7.00% 2000	582,264	XXX	582,264	XXX	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0200053. SS 83 IAM 5.50% 1993	212,740	XXX	212,740	XXX	0
0200054. SS 83 IAM 6.25% 1989	56,541	XXX	56,541	XXX	0
0200055. SS 83 IAM 6.50% 1993	1,599,395	XXX	1,599,395	XXX	0
0200056. SS 83 IAM 7.25% 1990-1991	222,817	XXX	222,817	XXX	0
0200057. SS 83 IAM 7.50% 1989, 1992	765,755	XXX	765,755	XXX	0
0200058. SS 83 IAM 7.75% 1988	62,318	XXX	62,318	XXX	0
0200059. SS 83 IAM 8.00% 1991	68,948	XXX	68,948	XXX	0
0200060. SS 83 IAM 8.25% 1990	386,875	XXX	386,875	XXX	0
0200061. SS 83 IAM 8.75% 1989	347,070	XXX	347,070	XXX	0
0200062. 1951 PENSION 4.00% 1973-1983	806,309	XXX	0	XXX	806,309
0200063. 1951 PENSION 10.00% 1984-1985	1,394,305	XXX	0	XXX	1,394,305
0200064. 1983 GAM 6.00% 1987	369,458	XXX	0	XXX	369,458
0200065. 1983 GAM 6.25% 1988-1989	155,531	XXX	0	XXX	155,531
0200066. 1983 GAM 6.50% 1986	611,347	XXX	0	XXX	611,347
0200067. 1983 GAM 7.25% 1987	210,010	XXX	0	XXX	210,010
0200068. 1983 GAM 7.75% 1988-1989	201,262	XXX	0	XXX	201,262
0200069. 1983 GAM 8.00% 1986-1987	1,340,921	XXX	0	XXX	1,340,921
0200070. 1983 GAM 8.25% 1989	141,914	XXX	0	XXX	141,914
0200071. 1983 GAM 8.75% 1986, 1988-1989	2,482,615	XXX	0	XXX	2,482,615
0200072. 1983 GAM 9.25% 1986	1,011,954	XXX	0	XXX	1,011,954
0200073. 1983 IAM 5.25% 1993	265,043	XXX	0	XXX	265,043
0200074. 1983 IAM 6.00% 1990, 1996-1997	427,884	XXX	0	XXX	427,884
0200075. 1983 IAM 6.25% 1993, 1996-1997	4,462,520	XXX	0	XXX	4,462,520
0200076. 1983 IAM 6.50% 1993-1995	3,083,474	XXX	0	XXX	3,083,474
0200077. 1983 IAM 6.75% 1992	24,961	XXX	0	XXX	24,961
0200078. 1983 IAM 6.99% 1995	1,859,814	XXX	0	XXX	1,859,814
0200079. 1983 IAM 7.25% 1990-1991	149,739	XXX	0	XXX	149,739
0200080. 1983 IAM 7.75% 1992	2,131,599	XXX	0	XXX	2,131,599
0200081. 1983 IAM 8.00% 1990	42,073	XXX	0	XXX	42,073
0200082. 1983 IAM 8.25% 1990-1991	2,731,582	XXX	0	XXX	2,731,582
0200083. ANNUITY 2000 6.25% 1998	2,490,427	XXX	0	XXX	2,490,427
0200084. 1994 GAM 4.00% 2013 NB	2,174,546	XXX	0	XXX	2,174,546
0200085. 1994 GAM 4.20% 2012	1,610,419	XXX	0	XXX	1,610,419
0200086. 1994 GAM 4.47% 2011	1,996,118	XXX	0	XXX	1,996,118
0200087. 1994 GAM 4.50% 2004-2005	3,221,522	XXX	0	XXX	3,221,522
0200088. 1994 GAM 4.67% 2006	921,492	XXX	0	XXX	921,492
0200089. 1994 GAM 4.70% 2003	2,397,140	XXX	0	XXX	2,397,140
0200090. 1994 GAM 5.06% 2010	1,507,274	XXX	0	XXX	1,507,274
0200091. 1994 GAM 5.12% 2007	745,876	XXX	0	XXX	745,876
0200092. 1994 GAM 5.25% 2008	1,414,295	XXX	0	XXX	1,414,295
0200093. 1994 GAM 5.50% 1999	42,164	XXX	0	XXX	42,164
0200094. 1994 GAM 5.79% 2009	521,594	XXX	0	XXX	521,594
0200095. 1994 GAM 6.00% 2001	427,689	XXX	0	XXX	427,689
0200096. 1994 GAM 6.25% 1999-2000	3,194,514	XXX	0	XXX	3,194,514
0200097. 1994 GAM 6.50% 2002	1,113,805	XXX	0	XXX	1,113,805
0200098. 1994 GAM 6.75% 2000-2001	2,991,757	XXX	0	XXX	2,991,757
0200099. 1994 GAM 7.00% 2000	3,977,709	XXX	0	XXX	3,977,709
0200100. 1994 GAM 3.00% 1962-2013 NB	2,294,629,341	XXX	0	XXX	2,294,629,341
0299997. Totals (Gross)	5,363,871,134	XXX	3,014,589,137	XXX	2,349,281,997
0299998. Reinsurance ceded	0	XXX	0	XXX	0
0299999. Annuities: Totals (Net)	5,363,871,134	XXX	3,014,589,137	XXX	2,349,281,997
0300001. Annuity 2000 5.50%, 2004, 2007	144,543	0	144,543	0	0
0300002. 1969-1971 US Life Modified 4% 1971-2013 NB	20,264,816	0	0	0	20,264,816
0300003. 55 AA 3.50% 1958	11,588	0	11,588	0	0
0300004. 55 AA 4.00% 1970-1971	1,345	0	1,345	0	0
0300005. 71 IAM 3.50% 1976-1983	42,061	0	42,061	0	0
0300006. 71 IAM 6.00% 1977-1983	68,398	0	68,398	0	0
0300007. 71 IAM 10.00% 1984-1985	154,982	0	154,982	0	0
0300008. 83 IAM 6.25% 1994, 1996-1997	1,703,736	0	1,703,736	0	0
0300009. 83 IAM 6.50% 1993	459,251	0	459,251	0	0
0300010. 83 IAM 6.99% 1995	1,597,825	0	1,597,825	0	0
0300011. 83 IAM 7.50% 1992	284,661	0	284,661	0	0
0300012. 83 IAM 8.00% 1987, 1991	709,178	0	709,178	0	0
0300013. 83 IAM 8.25% 1990	931,172	0	931,172	0	0
0300014. 83 IAM 8.75% 1988-1989	1,139,584	0	1,139,584	0	0
0300015. 83 IAM 9.25% 1986	260,727	0	260,727	0	0
0300016. ANNUITY 2000 2.85% 2012	59,381	0	59,381	0	0
0300017. ANNUITY 2000 3.74% 2013 NB	1,700,738	0	1,700,738	0	0
0300018. ANNUITY 2000 3.75% 2005, 2013 NB	1,293,467	0	1,293,467	0	0
0300019. ANNUITY 2000 3.90% 2011	71,453	0	71,453	0	0
0300020. ANNUITY 2000 3.96% 2012	2,157,008	0	2,157,008	0	0
0300021. ANNUITY 2000 4.07% 2004	685,189	0	685,189	0	0
0300022. ANNUITY 2000 4.50% 2006, 2010	1,314,648	0	1,314,648	0	0
0300023. ANNUITY 2000 4.51% 2011	1,830,387	0	1,830,387	0	0
0300024. ANNUITY 2000 4.75% 2007-2008	100,216	0	100,216	0	0
0300025. ANNUITY 2000 4.81% 2006	526,556	0	526,556	0	0
0300026. ANNUITY 2000 4.85% 2003	433,871	0	433,871	0	0
0300027. ANNUITY 2000 4.86% 2005	1,709,443	0	1,709,443	0	0
0300028. ANNUITY 2000 4.96% 2007	1,446,590	0	1,446,590	0	0
0300029. ANNUITY 2000 5.00% 2009, 2010	593,705	0	593,705	0	0
0300030. ANNUITY 2000 5.23% 2009	503,546	0	503,546	0	0
0300031. ANNUITY 2000 5.50% 2008	1,828,404	0	1,828,404	0	0
0300032. ANNUITY 2000 6.25% 1998-1999	1,613,066	0	1,613,066	0	0
0300033. ANNUITY 2000 6.50% 2002	1,474,902	0	1,474,902	0	0
0300034. ANNUITY 2000 6.75% 2001	581,781	0	581,781	0	0
0300035. ANNUITY 2000 7.00% 2000	1,553,673	0	1,553,673	0	0
0399997. Totals (Gross)	49,251,891	0	28,987,075	0	20,264,816
0399998. Reinsurance ceded	144,543	0	144,543	0	0
0399999. SCWLC: Totals (Net)	49,107,348	0	28,842,532	0	20,264,816
0400001. 1959 ADB - 1958 CSO 3% 1964-2000	48,592	0	48,592	0	0
0499997. Totals (Gross)	48,592	0	48,592	0	0
0499998. Reinsurance ceded	48,592	0	48,592	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1	2	3	4	5 Credit (Group and Individual)	6
Valuation Standard	Total	Industrial	Ordinary		Group
0499999. Accidental Death Benefits: Totals (Net)	0	0	0	0	0
0500001. 1952 Interco Disa - 1958 CS0 3% 1964-2000	570,601	0	570,601	0	0
0599997. Totals (Gross)	570,601	0	570,601	0	0
0599998. Reinsurance ceded	570,601	0	570,601	0	0
0599999. Disability-Active Lives: Totals (Net)	0	0	0	0	0
0600001. 1952 Interco Disa - 1958 CS0 3% 1964-2000	1,501,526	0	1,501,526	0	0
0600002. 1970 Inter-co Group Val Table 4 1/2% 1952-1987, 1995-2005	168,772,883	0	0	0	168,772,883
0600003. 1970 Inter-co Group Val Table 5 1/2% 1988-1992	19,441,424	0	0	0	19,441,424
0600004. 1970 Inter-co Group Val Table 5% 1993-1994	16,214,791	0	0	0	16,214,791
0600005. 1970 Inter-co Group Val Table 4% 2006-2012	401,596,421	0	0	0	401,596,421
0600006. 1970 Inter-co Group Val Table 3 1/2% 2013 NB	134,630,379	0	0	0	134,630,379
0600007. 1970 Inter-co Group Val Table 3 1/2% 1952-1974	131,721	0	0	0	131,721
0600008. 1970 Inter-co Group Val Table 4% 1975-1979	224,529	0	0	0	224,529
0600009. 1970 Inter-co Group Val Table 4 1/2% 1980-1982, 1995-2005	23,477,608	0	0	0	23,477,608
0600010. 1970 Inter-co Group Val Table 6% 1983-1986	196,339	0	0	0	196,339
0600011. 1970 Inter-co Group Val Table 5 1/2% 1987-1992	1,288,882	0	0	0	1,288,882
0600012. 1970 Inter-co Group Val Table 5% 1993-1994	998,874	0	0	0	998,874
0600013. 1969-1971 US Life Modified 4% 1971-2013 NB	2,028,220	0	0	0	2,028,220
0699997. Totals (Gross)	770,503,597	0	1,501,526	0	769,002,071
0699998. Reinsurance ceded	5,824,505	0	1,501,526	0	4,322,979
0699999. Disability-Disabled Lives: Totals (Net)	764,679,092	0	0	0	764,679,092
0700001. Surrender Value in Excess	3,869,819	0	3,869,819	0	0
0700002. Immediate Payment of Claims	186,452	0	186,452	0	0
0700003. Non-Deduction of Deferred Fractional Premiums	87,022	0	87,022	0	0
0799997. Totals (Gross)	4,143,293	0	4,143,293	0	0
0799998. Reinsurance ceded	4,124,866	0	4,124,866	0	0
0799999. Miscellaneous Reserves: Totals (Net)	18,427	0	18,427	0	0
9999999. Totals (Net) - Page 3, Line 1	6,238,462,694	0	3,050,252,200	0	3,188,210,494

**EXHIBIT 5 - INTERROGATORIES**

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts?..... Yes [ X ] No [ ]
- 1.2 If not, state which kind is issued. ....
- 2.1 Does the reporting entity at present issue both participating and non-participating contracts?..... Yes [ ] No [ X ]
- 2.2 If not, state which kind is issued.  
Non-participating .....
3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?..... Yes [ X ] No [ ]  
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.
4. Has the reporting entity any assessment or stipulated premium contracts in force? ..... Yes [ ] No [ X ]  
If so, state:
- 4.1 Amount of insurance? ..... \$ ..... 0
- 4.2 Amount of reserve? ..... \$ ..... 0
- 4.3 Basis of reserve: .....
- 4.4 Basis of regular assessments: .....
- 4.5 Basis of special assessments: .....
- 4.6 Assessments collected during the year ..... \$ ..... 0
5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts. ....
6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? ..... Yes [ ] No [ X ]
- 6.1 If so, state the amount of reserve on such contracts on the basis actually held: ..... \$ ..... 0
- 6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: ..... \$ ..... 0  
Attach statement of methods employed in their valuation.
7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]
- 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements ..... \$ ..... 0
- 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount: .....
- 7.3 State the amount of reserves established for this business: ..... \$ ..... 0
- 7.4 Identify where the reserves are reported in the blank: .....
8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]
- 8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: ..... \$ ..... 0
- 8.2 State the amount of reserves established for this business: ..... \$ ..... 0
- 8.3 Identify where the reserves are reported in the blank: .....
9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]
- 9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: ..... \$ ..... 0
- 9.2 State the amount of reserves established for this business: ..... \$ ..... 0
- 9.3 Identify where the reserves are reported in the blank: .....

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

1 Description of Valuation Class	2 Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
Unearned premium reserve on individual disability policies .....	Gross Unearned Premium Reserve	Net Unearned Premium Reserve	(6,964,236)
0199999. Subtotal (Page 7, Line 6)	XXX	XXX	(6,964,236)
.....	.....	.....	.....
.....	.....	.....	.....
9999999 - Total (Column 4, only)			(6,964,236)



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS**

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
<b>ACTIVE LIFE RESERVE</b>									
1. Unearned premium reserves .....	30,647,155	0	0	0	23,371,074	7,276,081	0	0	0
2. Additional contract reserves (a) .....	254,509,032	0	0	0	217,855,126	36,653,906	0	0	0
3. Additional actuarial reserves-Asset/Liability analysis .....	0	0	0	0	0	0	0	0	0
4. Reserve for future contingent benefits .....	0	0	0	0	0	0	0	0	0
5. Reserve for rate credits .....	0	0	0	0	0	0	0	0	0
6. Aggregate write-ins for reserves .....	0	0	0	0	0	0	0	0	0
7. Totals (Gross) .....	285,156,187	0	0	0	241,226,200	43,929,987	0	0	0
8. Reinsurance ceded .....	65,477,810	0	0	0	61,091,942	4,385,868	0	0	0
9. Totals (Net) .....	219,678,377	0	0	0	180,134,258	39,544,119	0	0	0
<b>CLAIM RESERVE</b>									
10. Present value of amounts not yet due on claims .....	3,844,244,512	3,142,199,831	0	0	648,370,323	53,674,358	0	0	0
11. Additional actuarial reserves-Asset/Liability analysis .....	0	0	0	0	0	0	0	0	0
12. Reserve for future contingent benefits .....	0	0	0	0	0	0	0	0	0
13. Aggregate write-ins for reserves .....	0	0	0	0	0	0	0	0	0
14. Totals (Gross) .....	3,844,244,512	3,142,199,831	0	0	648,370,323	53,674,358	0	0	0
15. Reinsurance ceded .....	125,519,880	23,641,706	0	0	93,146,274	8,731,900	0	0	0
16. Totals (Net) .....	3,718,724,632	3,118,558,125	0	0	555,224,049	44,942,458	0	0	0
17. TOTAL (Net) .....	3,938,403,009	3,118,558,125	0	0	735,358,307	84,486,577	0	0	0
18. TABULAR FUND INTEREST .....	163,176,157	130,734,731	0	0	30,145,394	2,296,032	0	0	0
<b>DETAILS OF WRITE-INS</b>									
0601. ....	0	0	0	0	0	0	0	0	0
0602. ....									
0603. ....									
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	0	0	0	0	0	0	0	0
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	0	0	0	0	0	0	0	0	0
1301. ....	0	0	0	0	0	0	0	0	0
1302. ....									
1303. ....									
1398. Summary of remaining write-ins for Line 13 from overflow page .....	0	0	0	0	0	0	0	0	0
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above) .....	0	0	0	0	0	0	0	0	0

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

Up through 12/31/1987, 1964 CDT 3.0%, 58CSO, 2 year preliminary term.....  
 01/01/1988 through 12/31/1992, 1985 CIDA 5.5%, 80CSO, 2 year preliminary term.....  
 01/01/1993 through 12/31/1994, 1985 CIDA 5.0%, 80CSO, 2 year preliminary term.....  
 01/01/1995 through 12/31/2005, 1985 CIDA 4.5%, 80CSO, 2 year preliminary term.....  
 01/01/2006 through 12/31/2008, 1985 CIDA 4.0%, 80CSO, 2 year preliminary term.....  
 01/01/2009 through 12/31/2012, 1985 CIDA 4.0%, 2001 CSO, 2 year preliminary term.....  
 01/01/2013 through Present, 1985 CIDA 3.5%, 2001 CSO, 2 year preliminary term.....  
 -----  
 Acquired from Minnesota Life in 2000.....  
 Up through 12/31/2003, 1985 CIDA 5.0%, 80CSO, 2 year preliminary term.....  
 01/01/2004 through 12/31/2008, 1985 CIDA 4.0%, 80CSO, 2 year preliminary term.....

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT 7 - DEPOSIT TYPE CONTRACTS**

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance .....	554,169,211	0	96,089,295	245,831,319	20,062,296	192,186,300
2. Deposits received during the year .....	229,166,324	0	56,655,906	135,291,919	718,723	36,499,777
3. Investment earnings credited to the account .....	7,266,271	0	45,890	4,212,364	900,168	2,107,849
4. Other net change in reserves .....	0	0	0	0	0	0
5. Fees and other charges assessed .....	2,525	0	0	2,525	0	0
6. Surrender charges .....	0	0	0	0	0	0
7. Net surrender or withdrawal payments .....	238,475,620	0	26,536,573	143,856,723	1,368,988	66,713,336
8. Other net transfers to or (from) Separate Accounts .....	0	0	0	0	0	0
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8) .....	552,123,661	0	126,254,518	241,476,354	20,312,199	164,080,590
10. Reinsurance balance at the beginning of the year .....	(22,481,553)	0	0	(701,047)	(20,034,797)	(1,745,709)
11. Net change in reinsurance assumed .....	0	0	0	0	0	0
12. Net change in reinsurance ceded .....	218,565	0	0	(11,598)	246,755	(16,592)
13. Reinsurance balance at the end of the year (Lines 10+11-12) .....	(22,700,118)	0	0	(689,449)	(20,281,552)	(1,729,117)
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	529,423,543	0	126,254,518	240,786,905	30,647	162,351,473

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

**PART 1 - Liability End of Current Year**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
<b>1. Due and unpaid:</b>											
1.1 Direct .....	0	0	0	0	0	0	0	0	0	0	0
1.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0
1.4 Net .....	0	0	0	0	0	0	0	0	0	0	0
<b>2. In course of settlement:</b>											
2.1 Resisted .....											
2.11 Direct .....	5,684,700	0	0	0	0	0	5,684,700	0	0	0	0
2.12 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0
2.13 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0
2.14 Net .....	5,684,700	0	(b) 0	(b) 0	0	(b) 0	(b) 5,684,700	0	0	0	0
2.2 Other .....											
2.21 Direct .....	43,104,929	0	3,542,505	0	0	0	22,599,352	0	12,792,481	0	4,170,591
2.22 Reinsurance assumed .....	5,475,884	0	0	0	0	0	143,548	0	49,126	0	5,283,210
2.23 Reinsurance ceded .....	6,720,189	0	3,334,505	0	0	0	1,162,000	0	373,582	0	1,850,102
2.24 Net .....	41,860,624	0	(b) 208,000	(b) 0	0	(b) 0	(b) 21,580,900	0	(b) 12,468,025	(b) 0	(b) 7,603,699
<b>3. Incurred but unreported:</b>											
3.1 Direct .....	104,963,393	0	1,905,314	0	0	0	67,744,692	0	34,119,180	0	1,194,207
3.2 Reinsurance assumed .....	6,294,720	0	0	0	0	0	0	0	5,802,816	0	491,904
3.3 Reinsurance ceded .....	4,074,100	0	1,884,682	0	0	0	201,964	0	1,987,454	0	0
3.4 Net .....	107,184,013	0	(b) 20,632	(b) 0	0	(b) 0	(b) 67,542,728	0	(b) 37,934,542	(b) 0	(b) 1,686,111
<b>4. TOTALS .....</b>											
4.1 Direct .....	153,753,022	0	5,447,819	0	0	0	96,028,744	0	46,911,661	0	5,364,798
4.2 Reinsurance assumed .....	11,770,604	0	0	0	0	0	143,548	0	5,851,942	0	5,775,114
4.3 Reinsurance ceded .....	10,794,289	0	5,219,187	0	0	0	1,363,964	0	2,361,036	0	1,850,102
4.4 Net .....	154,729,337	(a) 0	(a) 228,632	0	0	0	(a) 94,808,328	0	50,402,567	0	9,289,810

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

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ .....0 Individual Annuities \$ .....0, Credit Life (Group and Individual) \$ .....0, and Group Life \$ .....764,679,092, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ .....3,118,558,125 Credit (Group and Individual) Accident and Health \$ .....0, and Other Accident and Health \$ .....0 are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

**PART 2 - Incurred During the Year**

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct	2,210,257,723	0	34,573,880	14,355,901	3,915,913	0	591,841,477	705,261,106	826,675,539	0	33,633,907
1.2 Reinsurance assumed	149,210,478	0	0	0	0	0	1,840,659	0	76,942,577	0	70,427,242
1.3 Reinsurance ceded	298,174,367	0	30,579,585	0	0	0	225,193,125	0	29,760,358	0	12,641,299
1.4 Net	(d) 2,061,293,834	0	3,994,295	14,355,901	3,915,913	0	368,489,011	705,261,106	873,857,758	0	91,419,850
2. Liability December 31, current year from Part 1:											
2.1 Direct	153,753,022	0	5,447,819	0	0	0	96,028,744	0	46,911,661	0	5,364,798
2.2 Reinsurance assumed	11,770,604	0	0	0	0	0	143,548	0	5,851,942	0	5,775,114
2.3 Reinsurance ceded	10,794,289	0	5,219,187	0	0	0	1,363,964	0	2,361,036	0	1,850,102
2.4 Net	154,729,337	0	228,632	0	0	0	94,808,328	0	50,402,567	0	9,289,810
3. Amounts recoverable from reinsurers December 31, current year	6,540,628	0	0	0	0	0	351,416	0	4,728,763	0	1,460,449
4. Liability December 31, prior year:											
4.1 Direct	159,754,207	0	4,951,940	0	0	0	102,316,460	0	47,300,375	0	5,185,432
4.2 Reinsurance assumed	10,839,516	0	0	0	0	0	40,000	0	5,174,985	0	5,624,531
4.3 Reinsurance ceded	11,371,289	0	4,760,047	0	0	0	1,801,222	0	3,124,453	0	1,685,567
4.4 Net	159,222,434	0	191,893	0	0	0	100,555,238	0	49,350,907	0	9,124,396
5. Amounts recoverable from reinsurers December 31, prior year	5,690,648	0	0	0	0	0	692,000	0	3,632,876	0	1,365,772
6. Incurred Benefits											
6.1 Direct	2,204,256,538	0	35,069,759	14,355,901	3,915,913	0	585,553,761	705,261,106	826,286,825	0	33,813,273
6.2 Reinsurance assumed	150,141,566	0	0	0	0	0	1,944,207	0	77,619,534	0	70,577,825
6.3 Reinsurance ceded	298,447,347	0	31,038,725	0	0	0	224,415,283	0	30,092,828	0	12,900,511
6.4 Net	2,055,950,757	0	4,031,034	14,355,901	3,915,913	0	363,082,685	705,261,106	873,813,531	0	91,490,587

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

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ .....33,558 in Line 1.1, \$ .....0 in Line 1.4.  
 \$ .....33,558 in Line 6.1, and \$ .....0 in Line 6.4.

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

(d) Includes \$ .....3,957,931 premiums waived under total and permanent disability benefits.

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB) .....	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only) .....	0	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	1,136,065	1,086,682	(49,383)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....	0	0	0
15.3 Accrued retrospective premiums .....	320,485	488,130	167,645
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset .....	124,260,591	130,150,072	5,889,481
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software .....	22,606,597	26,476,564	3,869,967
21. Furniture and equipment, including health care delivery assets .....	6,977,549	7,148,774	171,225
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0
24. Health care and other amounts receivable .....	0	0	0
25. Aggregate write-ins for other than invested assets .....	18,733,493	21,810,883	3,077,390
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	174,034,780	187,161,105	13,126,325
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. Total (Lines 26 and 27) .....	174,034,780	187,161,105	13,126,325
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0
2501. Prepaid expenses .....	16,142,759	9,667,430	(6,475,329)
2502. Prepaid pension & postretirement funds .....	5,302,579	3,771,551	(1,531,028)
2503. Miscellaneous non-invested assets .....	1,439,752	6,678,380	5,238,628
2598. Summary of remaining write-ins for Line 25 from overflow page .....	(4,151,597)	1,693,522	5,845,119
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	18,733,493	21,810,883	3,077,390

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

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

The accompanying statutory basis financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oregon Department of Consumer and Business Services—Insurance Division (“Oregon Insurance Division”). Only statutory accounting practices so prescribed or permitted by the Oregon Insurance Division 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, have been adopted by the Oregon Insurance Division as a component of prescribed or permitted accounting practices under Oregon Insurance Division Bulletin INS 2007-5. The Oregon Insurance Division has not adopted accounting practices that differ from NAIC SAP.

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

<u>(In thousands)</u>	<u>State of Domicile</u>	<u>2013</u>	<u>2012</u>
<b><u>NET INCOME</u></b>			
(1) Standard Insurance Company state basis (Page 4, Line 35, Columns 1 & 2)	Oregon	\$ 195,769	\$ 125,373
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:	Oregon	-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP:	Oregon	-	-
(4) NAIC SAP (1-2-3=4)	Oregon	<u>\$ 195,769</u>	<u>\$ 125,373</u>
<b><u>SURPLUS</u></b>			
(5) Standard Insurance Company state basis (Page 3, Line 38, Columns 1 & 2)	Oregon	\$ 1,287,349	\$ 1,190,266
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:	Oregon	-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP:	Oregon	-	-
(8) NAIC SAP (5-6-7=8)	Oregon	<u>\$ 1,287,349</u>	<u>\$ 1,190,266</u>

B. Use of Estimates

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

C. Accounting Policies

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

Initial gains on indemnity reinsurance of in-force blocks of business have unique accounting treatment. A portion of the initial gain (equal to the tax effect of the initial gain in surplus) is reported as commissions and expense allowances on reinsurance ceded in the statement of operations. The remainder of the initial gain is reported on a net-of-tax basis as a write-in for gain or loss in surplus in the Capital and Surplus Account. In subsequent years, the ceding entity recognizes income on the reinsurance ceded line for the net-of-tax profits that emerge on the reinsured block of business with a corresponding decrease in the write-in for gain or loss in surplus. (SSAP No. 61R, *Life, Deposit-Type and Accident and Health Reinsurance*, paragraph 74.d)

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

For all investments, impairments are recorded when it is determined that the decline in fair value of an investment below its amortized cost basis is other-than-temporary. The Company reflects other-than-temporary impairment charges in net realized capital losses and permanently adjusts the book value of the investment to reflect the impairment. Factors considered in evaluating whether a decline in value is other-than-temporary include: (i) the length of time and the extent to which the fair value has been less than amortized cost, (ii) the financial conditions and near-term prospects of the

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

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issuer, and (iii) our intent and ability to retain the investment for a period of time sufficient to allow for any anticipated recovery in market value. In addition, for securities expected to be sold, an other-than-temporary impairment charge is recognized if the Company does not expect the realizable market value of a security to recover to amortized cost prior to the expected date of sale. Once an impairment charge has been recorded, the Company continues to review the other-than-temporary impaired securities for further potential impairment on an ongoing basis. The Company records temporary impairments and allowance for loan losses as unrealized capital losses.

Investments in low income housing partnerships are accounted for in accordance with SSAP No. 93, *Accounting for Low Income Housing Tax Credit Property Investments*. The investments are admitted assets, recorded at cost and carried at amortized cost unless considered impaired. Using the cost method shall amortize any excess of the carrying amount of the investment over its estimated residual value during the periods in which to benefits are allocated to the Company.

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

The Company uses the following additional accounting policies:

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

## 2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

### Accounting Changes

At September 30, 2013, the Company changed its method of calculating unearned premium reserves on individual disability policies from the valuation gross modal unearned premium reserve to the valuation net modal premium reserve. The change in valuation basis resulted in a decrease of reserves of \$7.0 million. The cumulative effect of the change as of January 1, 2013, was reported as a surplus adjustment on Summary of Operations Page 4 Line 43.

On January 1, 2013, the Company adopted SSAP No. 92, *Accounting for Postretirement Benefits Other than Pensions* ("SSAP No. 92"). SSAP No. 92 applies to all postretirement benefits expected to be provided by an employer to current and former employees (including retirees, disabled employees, and other former employees who are expected to receive postretirement benefits pursuant to the terms of an employer's undertaking to provide those benefits). SSAP No. 92 changed statutory accounting standards by reporting an asset or liability for the funded status when comparing the accumulated benefit obligation to the plan assets at fair value and by including the prior service cost for non-vested employees not previously recognized in the net postretirement benefit cost. The transition options to recognize the effect of adopting the new standard involve either recognizing the surplus impact immediately with no deferral or defer the surplus impact over a period not exceeding ten years, in accordance with the transition guidelines. The Company elected to recognize the surplus impact immediately with no deferral. The adoption of SSAP No. 92 decreased Page 3 Line 25, Aggregate write-ins for liabilities, by

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

\$6.6 million and increased Page 4 Line 49, Cumulative effect of changes in accounting principles, by \$4.3 million and increase Page 4 Line 40, Change in net deferred income tax, by \$2.3 million for 2013.

On January 1, 2013, the Company adopted SSAP No. 102, *Accounting for Pensions, A Replacement of SSAP No. 89* (“SSAP No. 102”). SSAP No. 102 changed statutory accounting standards by reporting an asset or liability for the funded status when comparing the projected benefit obligation to the plan assets at fair value and by including non-vested employees in the service cost calculation. The adoption of SSAP No. 102;

- increased Page 4 Line 41, Change in nonadmitted assets, by \$3.8 million
- decreased Page 4 Line 53, Aggregate write-ins for gains and losses in surplus, by \$2.7 million
- decreased Page 4 Line 49, Cumulative effect of changes in accounting principles, by \$0.7 million, and
- decreased Page 4 Line 40, Change in net deferred income tax, by \$0.4 million.

For 2013 the total change to surplus was zero.

On January 1, 2013, the Company adopted SSAP No. 103, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* (“SSAP No. 103”). Statutory accounting principles are established for transfers and servicing of financial assets, including asset securitizations and securitizations of policy acquisition costs, extinguishments of liabilities, repurchase agreements, repurchase financing and reverse repurchase agreements that are consistent with the Statutory Accounting Principles Statement of Concepts and Statutory Hierarchy. It is necessary to determine whether a transferor has surrendered control over transferred financial assets. The determination must consider the transferor’s continuing involvement in the transferred financial assets and requires the use of judgment that must consider all arrangements or agreements made contemporaneously with, or in contemplation of, the transfer, even if they were not entered into at the time of the transfer. SSAP No. 103 documents the conditions that must be met for a transfer of an entire financial asset, a group of entire financial assets, or a participating interest in an entire financial asset in which the transferor surrenders control over those financial assets to be accounted for as a sale. There was no significant change to the Company upon the adoption of SSAP No. 103.

On January 1, 2013, the Company adopted the revisions to SSAP No. 36, *Troubled Debt Restructuring* (“SSAP No. 36”). The definition of a troubled debt restructuring (“TDR”) requires the creditor to conclude that the restructuring constitutes a concession and that the debtor is experiencing financial difficulties. The creditor cannot use the borrower’s effective interest rate test in its evaluation of whether a restructuring is a TDR. There was no significant change to the Company upon adoption of the revisions to SSAP No. 36.

Corrections of Errors

No significant change

3. BUSINESS COMBINATIONS AND GOODWILL

Not Applicable

4. DISCONTINUED OPERATIONS

None

5. INVESTMENTS

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The minimum and maximum lending rates for mortgage loans during 2013 were:

Farm mortgages	N/A
Residential mortgages	N/A
Commercial mortgages	3.625% and 10.625%

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was: 77%

(In thousands)	2013	2012
(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total:	\$ 323	\$ 228



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**NOTES TO FINANCIAL STATEMENTS**

(4) Age Analysis of Mortgage Loans:

(Dollars in thousands)	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. Recorded Investment (All)							
(a) Current	\$ -	\$ -	\$ 391	\$ -	\$ 5,286,805	\$ -	\$ 5,287,196
(b) 30-59 Days Past Due	-	-	-	-	3,825	-	3,825
(c) 60-89 Days Past Due	-	-	-	-	1,054	-	1,054
(d) 90 -179 Days Past Due	-	-	-	-	-	-	-
(e) 180+ Days Past Due	-	-	-	-	4,032	-	4,032
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 162,786	\$ -	\$ 162,786
(b) Number of Loans	-	-	-	-	207	-	207
(c) Percent Reduced	- %	- %	- %	- %	1.631 %	- %	1.631 %
b. Prior Year							
1. Recorded Investment (All)							
(a) Current	\$ -	\$ -	\$ 917	\$ -	\$ 5,129,853	\$ -	\$ 5,130,770
(b) 30-59 Days Past Due	-	-	-	-	25,249	-	25,249
(c) 60-89 Days Past Due	-	-	-	-	6,045	-	6,045
(d) 90 -179 Days Past Due	-	-	-	-	2,511	-	2,511
(e) 180+ Days Past Due	-	-	-	-	1,604	-	1,604
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 131,041	\$ -	\$ 131,041
(b) Number of Loans	-	-	-	-	142	-	142
(c) Percent Reduced	- %	- %	- %	- %	1.281 %	- %	1.281 %

(5) Investment in Impaired Loans With or Without Allowance for Credit Losses:

(In thousands)	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. With Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$ 40,806	\$ -	\$ 40,806
2. No Allowance for Credit Losses	-	-	-	-	18,567	-	18,567
b. Prior Year							
1. With Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$ 24,089	\$ -	\$ 24,089
2. No Allowance for Credit Losses	-	-	-	-	16,924	-	16,924

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**NOTES TO FINANCIAL STATEMENTS**

- (6) Investment in Impaired Loans - Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:

(In thousands)	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. Average Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 50,193	\$ -	\$ 50,193
2. Interest Income Recognized	-	-	-	-	1,757	-	1,757
3. Recorded Investments on Nonaccrual Status	-	-	-	-	4,300	-	4,300
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	-	-	-	-	1,708	-	1,708
b. Prior Year							
1. Average Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 39,833	\$ -	\$ 39,833
2. Interest Income Recognized	-	-	-	-	1,550	-	1,550
3. Recorded Investments on Nonaccrual Status	-	-	-	-	2,669	-	2,669
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	-	-	-	-	1,504	-	1,504

- (7) Allowance for Credit Losses:

(In thousands)	2013	2012
a. Balance at beginning of period	\$ 6,800	\$ 5,999
b. Additions charged to operations	12,708	2,031
c. Direct write-downs charged against the allowances	(8,636)	(1,230)
d. Recoveries of amounts previously charged off	-	-
e. Balance at end of period	<u>\$ 10,872</u>	<u>\$ 6,800</u>

- (8) Interest income on impaired commercial mortgage loans is recognized until the loans are more than 90 days delinquent. Interest income and accrued interest receivable are reversed when a loan is put on non-accrual status. Interest income on loans more than 90 days delinquent is recognized in the period the cash is collected. Interest income recognition is continued when the loan becomes less than 90 days delinquent and management determines it is probably that the loan will continue to perform.

**B. Debt Restructuring**

(In thousands)	2013	2012
(1) The total recorded investment in restructured loans, as of year end	\$ 23,688	\$ 28,571
(2) The realized capital losses related to these loans	\$ 439	\$ -
(3) Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructurings	\$ -	\$ -
(4) The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.		

**C. Reverse Mortgages**

None

**D. Loan-Backed Securities**

Asset-backed securities totaled \$265.7 million at December 31, 2013 and were reported at amortized cost.

- (1) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from IDC.
- (2) The Company did not recognize any other-than-temporary impairments on loan-backed securities.
- (3) None
- (4) None

**E. Repurchase Agreements and/or Securities Lending Transactions**

None

**F. Real Estate**

- (1) The Company did not record any impairment losses on real estate investments in 2013.
- (2) a) Property classified as held for sale as of December 31, 2013: Investment property, Hillsboro, OR.

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

- b) For the year ended December 31, 2013, the realized capital gain on real estate sales was \$0.7 million.
- (3) The Company has not experienced any changes to the plan to sell the real estate.
- (4) The Company does not engage in retail land sales operations.
- (5) The Company does not have any real estate investments with participating mortgage loan features.

**G. Low Income Housing Tax Credits**

- (1) For the year ended December 31, 2013, the Company had 27 low income housing tax credit investments. The remaining years of unexpired tax credits ranged from three to thirteen. The length of time remaining for holding periods ranged from two to sixteen years.
- (2) None of the properties are subject to regulatory review.
- (3) No low income housing tax credit investment exceeded 10% of the total admitted assets.
- (4) The Company did not recognize any impairments in low income housing tax credit investments during 2013 and 2012.
- (5) No write-downs due to the forfeiture or ineligibility of tax credits were made in 2013.

**H. Restricted Assets**

(1) Restricted Assets (Including Pledged)

Restricted Asset Category (Dollars in thousands)	Gross Restricted					6	7	8	Percentage	
	Current Year								9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	- %	- %
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale	1,578	-	-	-	1,578	-	1,578	1,578	0.01	0.01
i. On deposit with states	6,477	-	-	-	6,477	6,600	(123)	6,477	0.03	0.03
j. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	-
k. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	-
l. Other restricted assets	-	-	-	-	-	-	-	-	-	-
<b>m. Total Restricted Assets</b>	<b>\$ 8,055</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,055</b>	<b>\$ 6,600</b>	<b>\$ 1,455</b>	<b>\$ 8,055</b>	<b>0.04 %</b>	<b>0.04 %</b>

(a) Subset of column 1  
(b) Subset of column 2

- (2) None
- (3) None

**6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES**

- A. The Company had no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company recognized an impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies of \$153 thousand in 2013. The impairment was the result of an additional allowance for loan loss. Fair value was determined through internal analysis of the carrying value of the investment.

**7. INVESTMENT INCOME**

- A. All investment income due and accrued with amounts that are over 90 days past due is excluded from surplus.
- B. There was no investment income excluded from surplus in 2013.

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

8. DERIVATIVE INSTRUMENTS

- A. The structure of the Company's derivative transactions limits the Company's exposure to counterparty non-performance. The Company further limits its exposure by transacting with counterparties with high credit ratings.
- B. The Company sells equity-indexed annuities, which 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 ("S&P") 500 index, subject to an upper limit or cap and minimum guarantees. Policyholders may elect to rebalance between interest crediting options at renewal dates annually. At each renewal date, the Company has the opportunity to re-price the indexed component by changing the cap, subject to minimum guarantees. The Company purchases S&P 500 index call spread options in conjunction with its sales of indexed annuities. These investments are highly correlated to the portfolio allocation decisions of its policyholders, such that the Company is economically hedged with respect to index-based interest rate guarantees for the current reset period.
- C. The Company's derivative instruments do not qualify for hedge accounting and are accounted for at fair value with the related changes in fair values recorded as unrealized capital gains or losses.
- D. The Company's net unrealized gains from derivatives in 2013 were \$4.6 million.
- E. The Company held no derivatives that qualified for hedge accounting.
- F. The Company held no derivatives that qualified as cash flow hedges.

9. INCOME TAXES

- A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

1.	12/31/2013		
	(1)	(2)	(3)
(In thousands)	Ordinary	Capital	(Col 1 + 2) Total
(a) Gross Deferred Tax Assets	\$ 220,332	\$ 10,481	\$ 230,813
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	220,332	10,481	230,813
(d) Deferred Tax Assets Nonadmitted	115,117	9,144	124,261
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 105,215	\$ 1,337	\$ 106,552
(f) Deferred Tax Liabilities	915	3,651	4,566
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 104,300	\$ (2,314)	\$ 101,986
	12/31/2012		
	(4)	(5)	(6)
(In thousands)	Ordinary	Capital	(Col 4 + 5) Total
(a) Gross Deferred Tax Assets	\$ 216,579	\$ 8,340	\$ 224,919
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	216,579	8,340	224,919
(d) Deferred Tax Assets Nonadmitted	124,144	6,006	130,150
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 92,435	\$ 2,334	\$ 94,769
(f) Deferred Tax Liabilities	774	6,954	7,728
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 91,661	\$ (4,620)	\$ 87,041
	Change		
	(7)	(8)	(9)
(In thousands)	(Col 1 - 4) Ordinary	(Col 2 - 5) Capital	(Col 7 + 8) Total
(a) Gross Deferred Tax Assets	\$ 3,753	\$ 2,141	\$ 5,894
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	3,753	2,141	5,894
(d) Deferred Tax Assets Nonadmitted	(9,027)	3,138	(5,889)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 12,780	\$ (997)	\$ 11,783
(f) Deferred Tax Liabilities	141	(3,303)	(3,162)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 12,639	\$ 2,306	\$ 14,945

## NOTES TO FINANCIAL STATEMENTS

2.

(In thousands)	12/31/2013		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1 + 2) Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 101,986	\$ -	\$ 101,986
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-
1. Adjusted Gross Deferred Tax Asset Expected to be Realized Following the Balance Sheet Date.	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	177,552
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	915	3,651	4,566
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 102,901</u>	<u>\$ 3,651</u>	<u>\$ 106,552</u>

(In thousands)	12/31/2012		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4 + 5) Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 87,041	\$ -	\$ 87,041
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-
1. Adjusted Gross Deferred Tax Asset Expected to be Realized Following the Balance Sheet Date.	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	191,519
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	774	6,954	7,728
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 87,815</u>	<u>\$ 6,954</u>	<u>\$ 94,769</u>

(In thousands)	(7)	Change (8)	(9)
	(Col 1 - 4) Ordinary	(Col 2 - 5) Capital	(Col 7 + 8) Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 14,945	\$ -	\$ 14,945
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-
1. Adjusted Gross Deferred Tax Asset Expected to be Realized Following the Balance Sheet Date.	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	(13,967)
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	141	(3,303)	(3,162)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 15,086</u>	<u>\$ (3,303)</u>	<u>\$ 11,783</u>

## NOTES TO FINANCIAL STATEMENTS

3. (Dollars in thousands)	2013		2012	
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	744.918	%	361.747	%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 1,183,680		\$ 191,519	
4.	12/31/2013			
	(1)		(2)	
(Dollars in thousands)	Ordinary		Capital	
Impact of Tax-Planning Strategies				
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.				
1. Adjusted Gross DTAs Amount From Note 9A1 (c)	\$ 220,332		\$ 10,481	
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	-	%	-	%
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1 (e)	\$ 105,216		\$ 1,337	
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	-	%	-	%
	12/31/2012			
	(3)		(4)	
(Dollars in thousands)	Ordinary		Capital	
Impact of Tax-Planning Strategies				
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.				
1. Adjusted Gross DTAs Amount From Note 9A1 (c)	\$ 216,579		\$ 8,340	
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	-		-	%
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1 (e)	\$ 92,435		\$ 2,334	
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	-	%	-	%
	Change			
	(5)		(6)	
(Dollars in thousands)	(Col 1 - 3) Ordinary		(Col 2 - 4) Capital	
Impact of Tax-Planning Strategies				
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.				
1. Adjusted Gross DTAs Amount From Note 9A1 (c)	\$ 3,753		\$ 2,141	
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	-	%	-	%
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1 (e)	\$ 12,781		\$ (997)	
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	-	%	-	%
(b) Does the Company's tax-planning strategies include the use of reinsurance?				No

## B. Regarding deferred tax liabilities that are not recognized

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

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

(In thousands)	(1) 12/31/2013	(2) 12/31/2012	(3) (Col 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ 71,962	\$ 40,498	\$ 31,464
(b) Foreign	-	-	-
(c) Subtotal	<u>71,962</u>	<u>40,498</u>	<u>31,464</u>
(d) Federal income tax on net capital gains	5,148	5,896	(748)
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	<u>\$ 77,110</u>	<u>\$ 46,394</u>	<u>\$ 30,716</u>
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 58,241	\$ 58,349	\$ (108)
(2) Unearned premium reserve	342	409	(67)
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	62,470	63,016	(546)
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	3,033	2,909	124
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	-	-	-
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	96,246	91,896	4,350
(99) Subtotal	<u>220,332</u>	<u>216,579</u>	<u>3,753</u>
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	115,117	124,144	(9,027)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	<u>105,215</u>	<u>92,435</u>	<u>12,780</u>
(e) Capital:			
(1) Investments	10,481	8,340	2,141
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital assets)	-	-	-
(99) Subtotal	<u>10,481</u>	<u>8,340</u>	<u>2,141</u>
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	9,144	6,006	3,138
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	<u>1,337</u>	<u>2,334</u>	<u>(997)</u>
(i) Admitted deferred tax assets (2d + 2 h)	<u>106,552</u>	<u>94,769</u>	<u>11,783</u>
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	915	774	141
(99) Subtotal	<u>915</u>	<u>774</u>	<u>141</u>
(b) Capital:			
(1) Investments	3,494	5,794	(2,300)
(2) Real estate	157	1,160	(1,003)
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	<u>3,651</u>	<u>6,954</u>	<u>(3,303)</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>4,566</u>	<u>7,728</u>	<u>(3,162)</u>
4. Net deferred tax assets/liabilities (2i - 3c)	<u>\$ 101,986</u>	<u>\$ 87,041</u>	<u>\$ 14,945</u>

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

- D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference at December 31, 2013, and December 31, 2012, were as follows:

(In thousands)	2013	2012
Provision computed at statutory rate	\$ 94,938	\$ 60,126
Tax credits	(24,574)	(17,050)
Dividend received deduction	(3,550)	(3,644)
Tax exempt interest	(23)	(57)
Meals & entertainment disallowance	504	447
Change in nonadmitted assets	2,533	(4,279)
Change in net unrealized capital gains	174	1,815
Prior year over accrual and adjustments	(3,848)	172
Change in IMR	267	1,735
Other miscellaneous expenses	226	(330)
Total statutory income taxes	<u>\$ 66,647</u>	<u>\$ 38,935</u>
Federal income tax expense incurred	\$ 77,110	\$ 46,394
(Increase)/decrease in net deferred income taxes	(10,463)	(7,459)
Total statutory income taxes	<u>\$ 66,647</u>	<u>\$ 38,935</u>

E. Additional Disclosures

- (1) At December 31, 2013, the Company has a \$0 capital loss carryforward. The Company has no net operating loss or tax credit carryforwards.
- (2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

(In thousands)	Year	Ordinary	Capital	Total
	2013	\$ 69,892	\$ -	\$ 69,892
	2012	47,304	-	47,304
	2011	45,651	-	45,651
	Total	<u>\$ 162,847</u>	<u>\$ -</u>	<u>\$ 162,847</u>

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

F. Consolidated Federal Income Tax Return

- (1) The Company is a member of an affiliated group included in the consolidated federal income tax return of StanCorp Financial Group ("StanCorp"). In addition to the Company, other subsidiaries included in the consolidated StanCorp return are The Standard Life Insurance Company of New York ("SNY"), StanCorp Investment Advisers, Inc. ("SIA"), Standard Management, Inc., StanCorp Equities, Inc. ("SEI"), and Standard Retirement Services, Inc. ("SRS").
- (2) The method of allocation between the companies is subject to written agreement, approved by the board of directors. The tax liability is allocated in the ratio of the subsidiary's tax liability on a separate return basis to the total taxes of all the members on a separate return basis. Each member is required to use current operating losses and other credits first without considering the current year's profits and losses of other members of the affiliated group. StanCorp is required to pay the Company for excess tax credits and losses to the extent they are utilized in the consolidated return. The above-mentioned written agreement states that balances are to be settled within 90 days of receiving notice of such allocation from StanCorp.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES AND OTHER RELATED PARTIES

A., B. &

- C. The Company purchases mortgage loans originated by its affiliate, StanCorp Mortgage Investors, LLC ("SMI"). Total mortgage loans purchased at fair value from SMI during 2013 were \$1.28 billion. Total mortgage loans sold at fair value to SMI during 2013 were \$15.5 million.

The Company sold mortgage loans at fair value to SNY during 2013 in the amount of \$20.3 million.

The Company sold mortgage loans at fair value to SRE during 2013 in the amount of \$9.7 million.

In March and June 2013 the Company distributed extraordinary cash dividends of \$30.0 million each period to its parent, StanCorp.

In September 2013 the Company distributed an ordinary cash dividend of \$30.0 million to its parent, StanCorp.

In December 2013 the Company distributed ordinary cash dividends of \$40.0 million to its parent, StanCorp.

In March, June, September and December 2013 the Company distributed approved interest payments on its subordinated surplus note that totaled \$13.1 million to its parent, StanCorp.



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**NOTES TO FINANCIAL STATEMENTS**

D. At December 31, 2013, the Company reported the following amounts due to (from) its parent and affiliates:

<b>(In thousands)</b>	<b>2013</b>	<b>2012</b>
StanCorp Financial Group, Inc.	\$ 1,459	\$ 1,113
StanCorp Equities, Inc.	184	573
StanCorp Investment Advisers, Inc.	73	47
StanCorp Real Estate, LLC	21	33
The Standard Life Insurance Company of New York	8	201
Standard Retirement Services, Inc.	6	165
Adaptu, LLC	(3)	7
StanCorp Mortgage Investors, LLC	(6,033)	(2,881)
	<u>\$ (4,285)</u>	<u>\$ (742)</u>

All amounts due to or from the Company and its parent and affiliates are generally settled monthly and accrue interest if not settled within 30 days. For the intercompany tax agreement, amounts are generally settled within 90 days after the tax return is filed and accrue interest if not settled.

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

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

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

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

The Company has an Administrative Services Agreement with SNY whereby SNY performs certain claims processing, payment services and absence management services on certain new and on-going long-term and short-term disability claims, state mandated disability life claims and standalone AD&D claims incurred under group policies issued by the Company.

The Company entered into an Administrative Services and Treasury Agreement with SEI, a broker-dealer registered with the SEC under the Securities Exchange Act of 1934 and a member of the Financial Industry Regulatory Authority, effective January 1, 2012, which provides for allocation of expenses between the companies.

An Intercompany Administrative Services Agreement effective January 1, 2012 was made between the Company and the following affiliates: StanCorp, SIA, Standard Management, Inc., SMI, SRE and SRS. The companies agreed that each company that receives services performed by another company pursuant to this agreement shall reimburse the provider for the services at the provider's cost or at market rates if the provider also provides similar services to external clients, as determined by the provider of the services.

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

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

I. The Company has no investments in its parent and affiliates that exceed 10% of its admitted assets.

J. The Company did not recognize any impairment write-down for its investments in affiliated companies during the statement period.

K. The Company does not have an investment in a foreign insurance subsidiary.

L. The Company does not hold an investment in a downstream noninsurance holding company.

11. DEBT

A. The Company has no outstanding debt at December 31, 2013.

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**NOTES TO FINANCIAL STATEMENTS**

B. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the Federal Home Loan Bank (“FHLB”) of Seattle. Through its membership, the Company has an attractive funding source and access to financial services that can be used as an alternative source of liquidity. The table below indicates the amount of FHLB of Seattle stock purchased, collateral pledged, assets and liabilities related to the agreement with FHLB of Seattle.

<u>(In thousands)</u>	<u>Current Year</u>		<u>Prior Year</u>	
(2) FHLB stock purchased/owned as part of the agreement	\$	1,578	\$	-
(3) Collateral pledged to the FHLB		-		-
(4) Borrowing capacity currently available		-		-
(5) Agreement assets and liabilities				
General Account:				
a. Assets		-		-
b. Liabilities		-		-
Separate Account:				
a. Assets		-		-
b. Liabilities		-		-

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

A. Defined Benefit Plan

The Company sponsors one non-contributory defined benefit pension plan, the agent pension plan. In December 2012, the sponsorship changed for the home office plan (“employee plan”) from the Company to StanCorp. As such the Company only participates in the employee plan and is not directly liable for obligations under the employee plan. For 2013, the amount of expenses incurred was \$8.1 million for the employee plan.

The Company sponsors and administers a postretirement benefit plan that includes medical, prescription drug benefits and group term life insurance. Eligible retirees are required to contribute specified amounts for medical and prescription drug benefits that are determined periodically and are based on retiree’s length of service and age at retirement. This plan is closed to new participants. At the end of 2012, the postretirement benefit plan was amended to reduce future benefits to plan participants that were either not eligible to or chose not to retire on or before July 1, 2013. The 2012 amendment did not affect future benefits for employees who were retired as of July 1, 2013. In addition, as of December 31, 2011, the group term life insurance benefit was curtailed for plan participants who were not retired at December 31, 2011.

Annual pension expense and other postretirement benefit plans were determined under the provision of SSAP No. 102 and SSAP No. 92, respectively.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2013 and 2012:

(1) Change in benefit obligation  
a. Pension Benefits

<u>(In thousands)</u>	<u>Overfunded</u>		<u>Underfunded</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ (14,102)	\$ (371,657)
2. Service cost	-	-	-	-
3. Interest cost	-	-	(538)	(612)
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	271	(754)
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	1,448	1,295
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	357,626
10. Benefit obligation at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,921)</u>	<u>\$ (14,102)</u>

b. Postretirement Benefits

<u>(In thousands)</u>	<u>Overfunded</u>		<u>Underfunded</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
1. Benefit obligation at beginning of year	\$ (22,911)	\$ -	\$ -	\$ (24,272)
2. Service cost	(30)	-	-	(1,888)
3. Interest cost	(950)	-	-	(1,068)
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	5,024	-	-	(3,387)
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	1,361	-	-	662
8. Plan amendments	-	-	-	7,042
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	(227)	-	-	-
10. Benefit obligation at end of year	<u>\$ (17,733)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,911)</u>

## NOTES TO FINANCIAL STATEMENTS

## c. Postemployment &amp; Compensated Absence Benefits

Not applicable

## (2) Change in plan assets

(In thousands)	Pension Benefits		Postretirement Benefits		Postemployment	
	2013	2012	2013	2012	2013	2012
a. Fair value of plan assets at beginning of year	\$ 13,052	\$ 349,757	\$ 21,589	\$ 20,678	\$ -	\$ -
b. Actual return on plan assets	455	525	(1,641)	1,450	-	-
c. Foreign currency exchange rate changes	-	-	-	-	-	-
d. Reporting entity contribution	-	10,000	692	329	-	-
e. Plan participants' contributions	-	-	-	-	-	-
f. Benefits paid	(1,480)	(1,295)	(1,361)	(868)	-	-
g. Business combinations, divestitures and settlements	-	(345,935)	-	-	-	-
h. Fair value of plan assets at end of year	<u>\$ 12,027</u>	<u>\$ 13,052</u>	<u>\$ 19,279</u>	<u>\$ 21,589</u>	<u>\$ -</u>	<u>\$ -</u>

## (3) Funded status

(In thousands)	Pension Benefits		Postretirement Benefits	
	2013	2012	2013	2012
Overfunded:				
a. Assets (nonadmitted)				
1. Prepaid benefit costs	\$ 3,756	\$ 3,771	\$ 1,546	\$ -
2. Overfunded plan assets	(3,756)	-	(1,546)	-
3. Total assets (nonadmitted)	<u>\$ -</u>	<u>\$ 3,771</u>	<u>\$ -</u>	<u>\$ -</u>
Underfunded:				
b. Liabilities recognized				
1. Accrued benefit costs	\$ -	\$ -	\$ -	\$ (7,942)
2. Liability for pension benefits	(894)	(1,050)	-	-
3. Total liabilities recognized	<u>\$ (894)</u>	<u>\$ (1,050)</u>	<u>\$ -</u>	<u>\$ (7,942)</u>
c. Unrecognized liabilities	\$ -	\$ -	\$ -	\$ -

## (4) Components of net periodic benefit cost

(In thousands)	Pension Benefits		Postretirement Benefits		Postemployment & Compensated Absence Benefits	
	2013	2012	2013	2012	2013	2012
a. Service cost	\$ 16	\$ 16	\$ 30	\$ 1,888	\$ -	\$ -
b. Interest cost	538	612	950	1,068	-	-
c. Expected return on plan assets	(743)	(787)	(857)	(858)	-	-
d. Transition asset or obligation	-	-	-	-	-	-
e. Gains and losses	204	169	47	-	-	-
f. Prior service cost or credit	-	-	362	(222)	-	-
g. Gain or loss recognized due to a settlement or curtailment	-	-	-	-	-	-
h. Total net periodic benefit cost	<u>\$ 15</u>	<u>\$ 10</u>	<u>\$ 532</u>	<u>\$ 1,876</u>	<u>\$ -</u>	<u>\$ -</u>

## (5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

(In thousands)	Pension Benefits		Postretirement Benefits	
	2013	2012	2013	2012
a. Items not yet recognized as a component of net periodic cost- prior year	\$ (4,821)	\$ (3,990)	\$ 18,155	\$ (1,060)
b. Net transition asset or obligation recognized	-	-	-	-
c. Net prior service cost or credit arising during the period	-	-	-	-
d. Net prior service cost or credit recognized	-	-	(26,314)	24,737
e. Net gain and loss arising during the period	-	-	897	-
f. Net gain and loss recognized	171	(831)	8,159	(5,522)
g. Items not yet recognized as a component of net periodic cost - current year	<u>\$ (4,650)</u>	<u>\$ (4,821)</u>	<u>\$ 897</u>	<u>\$ 18,155</u>

## (6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit costs

(In thousands)	Pension Benefits		Postretirement Benefits	
	2013	2012	2013	2012
a. Net transition asset or obligation	\$ -	\$ -	\$ -	\$ -
b. Net prior service cost or credit	-	-	-	26,314
c. Net recognized gains and losses	(202)	(204)	229	(8,159)

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**NOTES TO FINANCIAL STATEMENTS**

(7) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

(In thousands)	Pension Benefits		Postretirement Benefits	
	2013	2012	2013	2012
a. Net transition asset or obligation recognized	\$ -	\$ -	\$ -	\$ -
b. Net prior service cost or credit	-	-	-	26,314
c. Net recognized gains and losses	(4,650)	(4,821)	897	(8,159)

(8) Weighted-average assumptions used to determine net periodic benefit cost as of Dec. 31

	2013	2012
a. Weighted-average discount rate	4.00 %	4.50 %
b. Expected long-term rate of return on plan assets	5.10	5.10
c. Rate of compensation increase	-	-

Weighted-average assumptions used to determine projected benefit obligations as of Dec. 31:

	2013	2012
d. Weighted-average discount rate	4.78 %	4.00 %
e. Rate of compensation increase	-	-

The tables above set forth the averaged assumptions for the agent pension plan and postretirement benefit plan related to expected long-term rate of return on plan assets for 2013 and 2012 plus weighted-average discount rate for 2013.

(9) The amount of the accumulated benefit obligation for the agent pension plan was \$12.9 million and \$14.1 million at December 31, 2013 and 2012, respectively.

(10) The assumed health care cost trend rate used in measuring the accumulated postretirement benefit obligation was 7.1% in the next year and declined ratably to 4.5% over the following thirteen years for medical benefits other than HMO, was 6.0% in the next year and declined ratably to 4.5% over the following thirteen years for HMO medical benefits, and was 7.5% in the next year and declined ratably to 4.5% over the following thirteen years for prescription drug benefits.

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

(In thousands)	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	\$ 93	\$ (78)
b. Effect on postretirement benefit obligation	1,494	(1,274)

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

(In thousands)	Year(s)	Amount
a.	2014	\$ 1,253
b.	2015	1,194
c.	2016	1,097
d.	2017	1,053
e.	2018	1,057
f.	2019 through 2023	4,659

(13) The Company made contributions of zero and \$10.0 million to the employee plan and made contributions of \$0.4 million and \$0.3 million to the postretirement benefit plan in 2013 and 2012, respectively. The Company is not obligated to make any contributions to the agent pension plan and expects to make contributions of \$0.6 million to its postretirement benefit plan in 2014. In addition, no plan assets are expected to be returned to the Company in 2014.

(14) There were no securities of the Company or related parties included in the plan assets.

(15) The Company does not use any alternative method to amortize unrecognized net loss.

(16) The Company does not have any substantive commitments that are used in determining the benefit obligation.

(17) The Company did not have any special or contractual termination benefits recognized during the year.

(18) The Company had a sponsorship change of the employee plan in 2012 and as such there was a significant change in the benefit obligation and plan assets at the end of 2012.

(19) There are no plans to return any plan assets to the employer during the next 12-month period.

(20) See "Note 2 - Accounting Changes".

(21) See "Note 2 - Accounting Changes".

## NOTES TO FINANCIAL STATEMENTS

- B. The investment goal of the postretirement plan is to produce a steady return on plan assets to maintain its funded status. To achieve this goal, the Company's postretirement benefit plan assets are comprised primarily of municipal bonds and cash and cash equivalents.

The investment goal of the agent pension plan is to invest in stable value assets in order to maintain its funded status.

The following tables set forth the Company's target and actual weighted-average asset allocations for the postretirement benefits and agent pension plans:

Postretirement Benefits	2013 Target	2013 Actual
Asset category:		
Debt securities	95.0 %	96.2 %
Cash and cash equivalents	5.0	3.8
Total	100.0 %	100.0 %
Pension Benefits	2013 Target	2013 Actual
Asset category:		
Debt securities	100.0 %	100.0 %
Total	100.0 %	100.0 %

- C. (1) Fair Value Measurements of Plan Assets at Reporting Date

Description for each class of plan assets (In thousands)	(Level 1)	(Level 2)	(Level 3)	Total
Debt securities:				
Stable asset fund	\$ -	\$ 12,027	\$ -	\$ 12,027
Total Plan Assets	\$ -	\$ 12,027	\$ -	\$ 12,027

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

There were no transfers into or out of Level 3 for 2013.

- D. The long-run rate of return for the agent pension plan portfolio is derived by calculating the average return for the portfolio monthly, from 1971 to the present, using the average mutual fund manager returns in each asset category, weighted by the target allocation to each category.

E. Defined Contribution Plan

Substantially all eligible employees are covered by a qualified deferred compensation plan sponsored by the Company under which a portion of the employee contribution is matched. Employees not eligible for the pension plan are eligible for an additional non-elective employer contribution. Contributions to the plan for both 2013 and 2012 were \$9.9 million.

In addition, eligible executive officers are covered by a non-qualified supplemental retirement plan. The unfunded status was \$31.1 million and \$27.5 million at December 31, 2013 and 2012, respectively. Expenses related to the plan were \$3.1 million and \$2.0 million in 2013 and 2012, respectively.

Eligible executive officers, directors, agents and group producers may participate in one of several non-qualified deferred compensation plans under which a portion of the deferred compensation may be matched. The liability for the plans was \$11.6 million and \$10.5 million at December 31, 2013 and 2012, respectively.

F. Multiemployer Plans

Not applicable

G. Consolidated/Holding Company Plans

The Company administers the agent pension plan, postretirement benefit plan and supplemental retirement plan on behalf of StanCorp and all its subsidiaries. Costs are allocated between the members of the affiliated group based on number of employees. Costs allocated to the Company's parent and affiliates were approximately 23.3% and 22.5% of total plan costs for 2013 and 2012, respectively.

H. Postemployment Benefits and Compensated Absences

Not applicable

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

- (1) Recognition of the existence of the Act

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 ("the Act") was signed into law in December of 2003. The Act includes the following two new features to Medicare Part D that could affect the

**NOTES TO FINANCIAL STATEMENTS**

measurement of the accumulated postretirement benefit obligation (“APBO”) and net periodic postretirement cost for the Plan:

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

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

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

The effect of the Act was a \$0.1 million reduction in the Company’s net periodic postretirement benefit cost for 2013. The total reduction is composed of: \$0.2 million decrease in interest cost, \$0.1 million increase in amortization of prior service cost, \$11 thousand decrease in service cost and \$5 thousand increase in amortization of gain. The benefit obligations as of December 31, 2013, were reduced \$3.9 million due to projected subsidy payments under the Act.

## (3) Disclosure of Gross Benefit Payments

The Company’s benefit payments for 2013 were \$1.4 million including the prescription drug benefit. The Company estimates gross benefit payments for the next fiscal year, 2014, to be \$1.5 million prior to reflecting the prescription drug benefit. The estimated value of the prescription drug subsidy to the Company in 2014 is \$0.2 million.

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

(1) The Company has 1,000 shares authorized, issued and outstanding. All the shares are owned by its parent company, StanCorp.

(2) The Company has no preferred stock outstanding.

(3) Ordinary dividends, which do not require the approval of the domiciliary commissioner, are limited by the laws of the Company’s state of domicile, Oregon. Extraordinary dividends, which require the approval of the domiciliary commissioner, are limited by the laws of the Company’s state of domicile, Oregon.

(4) Extraordinary dividends in the amount of \$30.0 million were paid by the Company in March 2013 and June 2013. An ordinary dividend of \$30.0 million was paid by the Company in September 2013. An ordinary dividend of \$40.0 million was paid by the Company in December 2013.

(5) Within the limitations of (3) above, there are no restrictions placed on the portion of the Company’s profits that may be paid as ordinary dividends to shareholders.

(6) The Company has no restrictions on unassigned funds (surplus).

(7) There were no advances to surplus not repaid.

(8) The Company does not hold stock, including stock of affiliated companies, for special purposes.

(9) Changes in balances of aggregate write-ins for special surplus funds from the prior year was due to: a decrease in prepaid pension funds on the employee plan for the transfer of sponsorship to StanCorp and a correction for an accounting error in the prior year, and for removing the additional minimum liability and establishing a liability for the field plan under SSAP 102 in the current year.

(10) The portion of unassigned funds (surplus) reduced by cumulative unrealized losses is \$15.0 million.

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

<u>Date Issued</u> (In thousands)	<u>Interest Rate</u>	<u>Par Value</u> (Face Amount of Notes)	<u>Carrying Value of Note</u>	<u>Interest And/Or Principal Paid Current Year</u>	<u>Total Interest And/Or Principal Paid</u>	<u>Unapproved Interest And/Or Principal</u>	<u>Date of Maturity</u>
8/15/2012	5.25 %	\$ 250,000	\$250,000	\$ 13,125	\$ 18,047	\$ -	8/14/2027
1311999 Total		\$ 250,000	\$250,000	*\$ 13,125	\$ 18,047	\$ -	XXX

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

A subordinated surplus note (“Surplus Note”) in the amount of \$250.0 million was issued on August 15, 2012 to StanCorp in exchange for cash. The Surplus Note was issued in a transaction exempt from registration under the United States Securities Act of 1933, as amended, and this note may not be offered, sold, pledged or otherwise transferred in the absence of such registration or an applicable exemption there from.

The Surplus Note matures in 2027 and bears an annual interest rate of 5.25%, with interest payments due March 31, June 30, September 30 and December 31 of each year. The Company has the right to prepay the principal balance of the Surplus Note, in whole or in part, at any time or from time to time, without penalty. In accordance with the requirements of the NAIC, the Surplus Note provides that no interest or principal payments may be made by the Company without the prior approval of the Oregon Insurance Division, interest will not be represented as an addition to the instrument, interest will not accrue additional interest and any payments with respect to the Surplus Note will be subordinate to the Company’s other obligations to policyholders, lenders and creditors.

## (12) Impact of quasi-reorganization

Not applicable

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**NOTES TO FINANCIAL STATEMENTS**

(13) The effective date(s) of all quasi-reorganizations in the prior 10 years

Not applicable

14. CONTINGENCIES

A. Contingent Commitments

(1) The Company has commitments to contribute equity capital to fund partnership investments totaling \$31.7 million. The contributions are payable on demand.

B. Assessments

(1) Insolvency regulations exist in many of the jurisdictions in which the Company does business. Such regulations may require insurance companies operating within the jurisdiction to participate in guaranty associations. The associations levy assessments against their members for the purpose of paying benefits due to policyholders of impaired or insolvent insurance companies. At December 31, 2013, the Company maintained a reserve of \$0.5 million for future assessments with respect to currently impaired, insolvent, or failed insurers.

The guaranty association assessments levied against the Company were \$0.9 million and \$0.2 million for the years ended December 31, 2013 and 2012, respectively.

(2)

**(In thousands)**

a.	Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$	1,341
b.	Decreases current year:		
	Premium tax offset applied		453
c.	Increases current year:		
	Premium tax offset applied		631
d.	Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$	1,519

C. Gain Contingencies

The Company did not have any gain contingencies.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

The Company had no material claims relating to extra contractual obligations or bad faith losses from lawsuits at December 31, 2013.

E. All Other Contingencies

In the normal course of business, the Company is involved in various legal actions and other state and Federal proceedings. A number of these actions or proceedings were pending as of December 31, 2013. In some instances, lawsuits include claims for punitive damages and similar types of relief in unspecified or substantial amounts, in addition to amounts for alleged contractual liability or other compensatory damages. In the opinion of management, the ultimate liability, if any, arising from these actions or proceedings is not expected to have a material adverse effect on the Company's business, financial position, results of operations, or cash flows.

In addition to product-specific reinsurance arrangements, the Company maintains reinsurance coverage for certain catastrophe losses related to group life and AD&D, with partial coverage of nuclear, biological and chemical acts of terrorism. Through a combination of this agreement and our participation in a catastrophe reinsurance pool discussed below, we have coverage of up to \$520 million per event.

The Company currently participates in a catastrophe reinsurance pool with other insurance companies. This pool spreads catastrophe losses on group life and AD&D over approximately 21 participating members. The annual fee paid by the Company in 2013 to participate in the pool was less than \$30 thousand. As a member of the pool, we are exposed to maximum potential losses experienced by other participating members of up to \$108.1 million for a single event for losses submitted by a single company, and a maximum of \$270.5 million for a single event for losses submitted by multiple companies. The Company's percentage share of losses experienced by pool members will change over time as it is a function of our group life and AD&D in force relative to the total group life and AD&D in force for all pool participants. The reinsurance pool does not exclude war, nuclear, biological or chemical acts of terrorism.

At December 31, 2013 and 2012, the Company had in accounts receivable for uninsured plans and amounts due from agents \$6.0 million and \$2.6 million, respectively. The Company routinely assesses the collectability of these receivables. Based upon the Company's experience, the potential loss is immaterial to the Company's financial condition.

Years currently open for audit by the Internal Revenue Service are 2009 through 2013.

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15. LEASES

A. Lessee Operating Lease

(1) General description of the lessees leasing arrangements

- a. The Company leases certain buildings and equipment under noncancelable operating lease agreements that expire in various years through 2023 with renewal options for periods ranging from one to ten years. Rental expense was approximately \$18.6 million and \$18.5 million for 2013 and 2012, respectively. There was no rental expense for subleased properties in 2013 or 2012.

(2) Leases having initial or remaining noncancelable lease terms in excess of one year.

- a. At January 1, 2014, the minimum aggregate rental commitments are as follows:

<b>(In thousands)</b>	<b>Year Ending December 31</b>	<b>Operating Leases</b>
1.	2014	\$ 8,906
2.	2015	6,843
3.	2016	6,222
4.	2017	5,681
5.	2018	1,399
6.	Total	<u>\$ 29,051</u>

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

B. Lessor Leases

(1) Operating Leases

The Company owns and leases real estate. It is an insignificant part of the Company's business activities.

(2) Leveraged Leases

Not applicable

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

Financial Instruments with Off-Balance Sheet Risk

- (1) None  
(2) None  
(3) None  
(4) None

Financial Instruments with Concentrations of Credit Risk

The Company's fixed maturity securities totaled \$6.67 billion at December 31, 2013. The Company maintains prudent diversification across industries, issuers and maturities. The Company avoids the types of structured products that do not meet an adequate level of transparency for good decision making. The Company's corporate bond industry diversification targets are based on the Bank of America Merrill Lynch U.S. Corporate Index, which is reasonably reflective of the mix of issuers broadly available in the market. A potential ratings downgrade of U.S. government securities could lead to future deterioration in the U.S. and global credit and financial markets. As a result these events may materially adversely affect the Company's financial condition and results of operations. The weighted-average credit quality of the Company's fixed maturity securities investment portfolio was A- (Standard & Poor's) at December 31, 2013. The percentage of fixed maturity securities below investment grade was 5.8% and 5.7% at December 31, 2013 and 2012, respectively.

At December 31, 2013, commercial mortgage loans in the Company's investment portfolio totaled \$5.29 billion. Commercial mortgage loans in California accounted for 27.1% of the Company's commercial mortgage loan portfolio at December 31, 2013.

Due to the concentration of commercial mortgage loans in California, the Company could be exposed to potential losses as a result of an economic downturn in California as well as to certain catastrophes. The Company's California exposure is primarily in Los Angeles County, Orange County, San Diego County and the Bay Area Counties. The Company has a smaller concentration of commercial mortgage loans in the Inland Empire and the San Joaquin Valley where there has been greater economic decline. A decline in economic conditions in California could have a material adverse effect on the Company's financial position, results of operations or cash flows.

Due to the Company's commercial mortgage loan concentration in the western region of the U.S., particularly in California, the Company is exposed to potential losses resulting from certain natural catastrophes, such as earthquakes and fires, which may affect the region. Although the Company requires borrowers to maintain fire insurance, consider the potential for earthquake loss based upon specific information to each property and diversify its commercial mortgage loan portfolio within the western region by both location and type of property in an effort to reduce earthquake exposure, such diversification may not eliminate the risk of such losses, which could have a material adverse effect on the Company's financial position, results of operations or cash flows.



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Concentration of borrowers and tenants in the Company's commercial mortgage loan portfolio may expose the Company to potential losses resulting from a downturn in the economy, business performance of tenants, or adverse changes in a borrower's financial condition. Although the Company diversifies the commercial mortgage loan portfolio by location, type of property, borrower and tenants, such diversification may not eliminate the risk of such losses, which could have a material adverse effect on the Company's financial position, results of operations or cash flows.

The Company is subject to default risk on its fixed maturity securities portfolio and its corresponding impact on credit spreads. The Company's commercial mortgage loan portfolio is subject to delinquency, default and borrower concentration risks. Related declines in market activity due to overall declining values of fixed maturity securities may result in the Company's fixed maturity securities portfolio becoming less liquid. The Company's commercial mortgage loans are relative illiquid and the demand for its real estate acquired in satisfaction of debt through foreclosure or acceptance of deeds in lieu of foreclosure on commercial mortgage loans ("Real Estate Owned") may remain low due to macroeconomic conditions. The Company may have difficulty selling its fixed maturity securities, commercial mortgage loans and Real Estate Owned at attractive prices, in a timely manner, or both if we require significant amounts of cash on short notice.

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

## A. Transfers of Receivables Reported as Sales

None

## B. Transfers and Servicing of Financial Assets

None

## C. Wash Sales

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

(2) The Company had no wash sales with an NAIC designation 3 through 6 or unrated securities sold for the year ended December 31, 2013.

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

## A. ASO Plans

The gain from operations from ASO uninsured plans and the uninsured portion of partially insured plans was as follows during 2013:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ 166,928	\$ 779,430	\$ 946,358
b. Total net other income or expenses (including interest paid to or received from plans)	-	-	-
c. Net gain or (loss) from operations	166,928	779,430	946,358
d. Total claim payment volume	8,395,823	39,202,224	47,598,047

## B. Administrative Services Contract

Not applicable

## C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

Not applicable

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

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

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20. FAIR VALUE

A. Assets and liabilities measured and recorded at fair value in the statutory statements of admitted assets, liabilities and capital and surplus are subject to additional disclosures. These disclosure requirements apply only to those financial assets and liabilities measured at estimated fair value at the end of the reporting period. These financial assets and liabilities include Separate account assets, derivative assets and liabilities for Index-based Interest Guarantees and certain bonds and mortgage loans when estimated fair value is lower than amortized cost at the reporting date.

(1) Fair Value Measurements at Reporting Date

<u>Description</u> (In thousands)	(Level 1)	(Level 2)	(Level 3)	Total
<b>a. Assets at fair value</b>				
Bonds				
Industrial and Misc	\$ -	\$ 10,959	\$ -	\$ 10,959
Total Bonds	-	10,959	-	10,959
Mortgage Loans				
Commercial	-	-	31,181	31,181
Total Mortgage Loans	-	-	31,181	31,181
Derivative assets				
S&P 500 Index options	-	-	15,795	15,795
Total Derivatives	-	-	15,795	15,795
Separate account assets	6,249,247	143,988	-	6,393,235
Total assets at fair value	<u>\$ 6,249,247</u>	<u>\$ 154,947</u>	<u>\$ 46,976</u>	<u>\$ 6,451,170</u>
<b>b. Liabilities at fair value</b>				
Indexed-based Interest Guarantees	\$ -	\$ -	\$ 67,602	\$ 67,602
Total liabilities at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,602</u>	<u>\$ 67,602</u>

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

(In thousands)	Beginning Balance at 01/01/2013	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2013
<b>a. Assets:</b>										
Derivative										
S&P 500 Index options	\$ 11,329	-	-	9,828	4,599	9,394	-	-	(19,355)	\$ 15,795
Total Assets	<u>\$ 11,329</u>	<u>-</u>	<u>-</u>	<u>9,828</u>	<u>4,599</u>	<u>9,394</u>	<u>-</u>	<u>-</u>	<u>(19,355)</u>	<u>\$ 15,795</u>
<b>b. Liabilities</b>										
Index-based Interest Guarantees										
Index-based Interest Guarantees	\$ 57,428	-	-	8,964	-	-	6,029	-	(4,819)	\$ 67,602
Total Liabilities	<u>\$ 57,428</u>	<u>-</u>	<u>-</u>	<u>8,964</u>	<u>-</u>	<u>-</u>	<u>6,029</u>	<u>-</u>	<u>(4,819)</u>	<u>\$ 67,602</u>

(3) The Company recognizes transfers between fair value levels at the end of the reporting period. Forty commercial mortgage loans were measured for impairment and transferred into Level 3 during 2013. Twenty-two commercial mortgage loan impairments were transferred out of Level 3 during 2013.

(4) Valuation techniques and inputs used in the fair value measurement for assets and liabilities.

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 the Company's 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.

There are three types of valuation techniques used to measure assets and liabilities recorded at fair value:

- The market approach, which uses prices or other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- The income approach, which uses the present value of cash flows or earnings.
- The cost approach, which uses replacement costs more readily adaptable for valuing physical assets.

The Company uses both the market and income approach in its fair value measurements. These measurements are discussed in more detail below.

### **Bonds**

The bonds are diversified across industries, issuers and maturities. The Company calculates fair values for all classes of bonds using valuation techniques described below. They are placed into three levels depending on the valuation technique used to determine the fair value of the securities.

Fixed maturity securities are comprised of the following classes:

- Corporate bonds.
- U.S. government and agency bonds.
- U.S. state and political subdivision bonds.
- Foreign government bonds.

The Company uses an independent pricing service to assist management in determining the fair value of these assets. The pricing service incorporates a variety of information observable in the market in its valuation techniques, including:

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

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

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

The significant unobservable inputs used in the fair value measurement of the reporting entity's bonds are valuations and quotes received from secondary pricing service, analytical reviews and broker quotes. Significant increases or decreases in any of those inputs in isolation would result in a significantly lower or higher fair value measurement. Generally, a change in the assumption used for the pricing evaluation is accompanied by a directionally similar change in the assumption used for the methodologies.

Certain bonds were valued using Level 3 inputs. The Level 3 bonds were valued using matrix pricing, independent broker quotes and other standard market valuation methodologies. The fair value was determined using inputs that were not observable or could not be derived principally from, or corroborated by, observable market data. These inputs included assumptions regarding liquidity, estimated future cash flows and discount rates. Unobservable inputs to these valuations are based on management's judgment or estimation obtained from the best sources available. The Company's valuations maximize the use of observable inputs, which include an analysis of securities in similar sectors with comparable maturity dates and bond ratings. Broker quotes are validated by management for reasonableness in conjunction with information obtained from matrix pricing and other sources.

Included in the Industrial and Miscellaneous unaffiliated category are bonds designated class 6 or 6FE by the NAIC which are reported at the lower of book value or fair value. The fair values for bonds with a rating of class 6 or 6FE were valued using Level 3 measurements. The fair values for bonds with a designated class of other than class 6 or 6FE that had other-than-temporary impairment were valued using Level 2 measurements. The Company principally uses the market and income approaches to measure these financial instruments at fair value.

### **Mortgage loans**

For disclosure purposes, the fair values of commercial mortgage loans were estimated using an option-adjusted discounted cash flow valuation. The valuation includes both observable market inputs and estimated model parameters.

Significant observable inputs to the valuation include:

- Indicative quarter-end pricing for a package of loans similar to those originated by the Company near year-end.
- U.S. Government treasury yields.
- Indicative yields from industrial bond issues.
- The contractual terms of nearly every mortgage subject to valuation.

Significant estimated parameters include:

- A liquidity premium that is estimated from historical loan sales and is applied over and above base yields.
- Adjustments in interest rate spread based on an aggregate portfolio loan-to-value ratio, estimated from historical differential yields with respect to loan-to-value ratios.
- Projected prepayment activity.

Valuations for commercial mortgage loans measured at fair value on a nonrecurring basis using significant unobservable Level 3 inputs are sensitive to a number of variables, but are most sensitive to net operating income and the applied capitalization rate. Generally, an increase or decrease resulting from a change in the stabilized net operating income from the collateralized property would result in a directionally similar change in the fair value of the asset. An increase or decrease in the assumption for the capitalization rate would result in a directionally opposite change in the fair value of the asset.

**NOTES TO FINANCIAL STATEMENTS****S&P 500 Index options**

S&P 500 Index options were valued using Level 3 inputs. The Level 3 fixed maturity securities were valued using matrix pricing, independent broker quotes and other standard market valuation methodologies. The fair value was determined using inputs that were not observable or could not be derived principally from, or corroborated by, observable market data. These inputs included assumptions regarding liquidity, estimated future cash flows and discount rates. Unobservable inputs to these valuations are based on management's judgment or estimation obtained from the best sources available. The Company's valuations maximize the use of observable inputs, which include an analysis of securities in similar sectors with comparable maturity dates and bond ratings. Broker quotes are validated by management for reasonableness in conjunction with information obtained from matrix pricing and other sources.

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 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 help validate the values derived through the procedures noted above, the Company obtains indicators of value from representative investment banks.

While valuations for the S&P 500 Index options are sensitive to a number of variables, valuations for S&P 500 Index options purchased are most sensitive to changes in the estimates of bid ask spreads, or the S&P 500 Index value, and the implied volatilities of this index. Significant fluctuations in any of those inputs in isolation would result in a significantly lower or higher fair value measurement. Generally, an increase or decrease used in the assumption for the implied volatilities and in the S&P 500 Index value would result in a directionally similar change in the fair value of the asset.

**Other invested assets**

Other invested assets represent investments in federal and certain state sponsored Low Income Housing Tax Credits ("LIHTC"). LIHTC are recorded at fair value on a nonrecurring basis which is directly tied to the remaining stream of tax credits and deductible losses available.

**Separate accounts assets**

Separate account assets represent segregated funds held for the exclusive benefit of contract holders. The activities of 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 to 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 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 crediting rate declarations significantly influence the calculation. Index-based interest guarantees are included in aggregate reserves on the Company's liabilities, surplus and other funds.

Valuations for the index-based interest guarantees are sensitive to a number of variables, but are most sensitive to the S&P 500 Index value, the implied volatilities of this index and the interest rate environment. Generally, a significant increase or decrease used in the assumption for the implied volatilities and in the S&P 500 Index value would result in a directionally similar change, while an increase or decrease in the interest rate environment would result in a directionally opposite change in the fair value of the liability.

The Company performs control procedures over the external valuations at least quarterly through a combination of procedures that include an evaluation of methodologies used by the pricing service, analytical reviews and performance analysis of the prices against statistics, trends and secondary pricing sources, back testing of sales activity and maintenance of a securities watch list. As necessary, the Company compares prices received from the pricing service to prices independently estimated by the Company utilizing discounted cash flow models or through performing independent valuations of inputs and assumptions similar to those used by the pricing service in order to ensure prices represent a reasonable estimate of fair value. Although the Company does identify differences from time to time as a result of these validation procedures, the Company did not make any significant adjustments as of December 31, 2013 or December 31, 2012.

**C. As of December 31, 2013**

<b><u>Type of Financial Instrument</u></b> <b><u>(In thousands)</u></b>	<b>Aggregate</b> <b>Fair Value</b>	<b>Admitted</b> <b>Assets</b>	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>	<b>Not</b> <b>Practicable</b> <b>(Carrying</b> <b>Value)</b>
Bonds	\$ 6,971,784	\$ 6,668,852	\$ -	\$ 6,855,915	\$ 115,869	\$ -
Preferred stocks	220	93	-	220	-	-
Common stocks	1,578	1,578	-	-	1,578	-
Mortgage loans on real estate	5,563,906	5,285,235	-	-	5,563,906	-
Derivatives	15,795	15,795	-	-	15,795	-
Other invested assets	150,207	150,207	-	-	150,207	-
Separate account assets	6,393,235	6,393,235	6,249,247	143,988	-	-
Indexed-based Interest Guarantees	67,602	-	-	-	67,602	-

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

As of December 31, 2012

<u>Type of Financial Instrument</u> (In thousands)	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 7,042,464	\$ 6,379,291	\$ -	\$ 7,041,145	\$ 1,319	\$ -
Preferred stocks	226	93	-	226	-	-
Mortgage loans on real estate	5,742,434	5,159,379	-	-	5,742,434	-
Derivatives	11,329	11,329	-	-	11,329	-
Separate account assets	5,154,298	5,154,298	5,007,459	146,839	-	-
Indexed-based Interest Guarantees	57,428	-	-	-	57,428	-

D. Not Practicable to Estimate Fair Value

Not applicable

21. OTHER ITEMS

A. Extraordinary Items

None

B. Trouble Debt Restructuring

(1) The Company had one mortgage loan payable with restructured terms. The principal change in terms included advancing funds for interest only payments with regular principal and interest payments commencing on 1/1/2014. Interest rate and maturity date remain unchanged.

The Company had two mortgage loans payable with restructured terms due to being reamortized as interest only with a reduction in the interest rate from 6.5% to 4.0%.

The Company had one mortgage loan payable with restructured terms due to reamortizing over 30 years with no change in maturity date, advancing \$38 thousand to cover reinstatement costs and reducing the interest rate from 6.5% to 4.125%.

The Company had two mortgage loans payable with restructured terms due to advancing funds to cover certain fees and reducing the interest rate from 6.5% to 4.5%. Borrower will pay interest only for 24 months then the balance will be reamortized over 30 years with a maturity date changed to 6/1/2019.

The Company had four mortgage loans payable with restructured terms due to reducing the interest rate to 4.75% and reamortizing over 20 years.

(2) The Company did not have an aggregate gain on restructuring of payables.

(3) The Company did not have an aggregate gain or loss on transfers of assets recognized during the period.

(4) The Company did not have any amounts that are considered contingently payable on the restructured loans.

C. Other Disclosures and Unusual Items

Assets in the amount of \$6.5 million and \$6.6 million were on deposit with government authorities or trustees as required by law at December 31, 2013 and December 31, 2012, respectively.

The Company maintains a strategic marketing alliance with Ameritas Life Insurance Corp. ("Ameritas") that offers the Company's policyholders more flexible dental coverage options and access to Ameritas' nationwide preferred provider organization panel of dentists. As part of this alliance, the Company and Ameritas entered into a reinsurance agreement. In 2013, the agreement provided for 26.1% of the net dental premiums written by the Company and the risk associated with this premium to be ceded to Ameritas.

The Company participates in a reinsurance and third-party administration arrangement with Northwestern Mutual Life Insurance Company ("Northwestern Mutual") under which Northwestern Mutual group long term and short term disability products are sold using Northwestern Mutual's agency distribution system. Generally, the Company assumes 60% of the risk and receives 60% of the premiums for the policies issued. If the Company were to become unable to meet its obligations, Northwestern Mutual would retain the reinsured liabilities. Therefore, in accordance with an agreement with Northwestern Mutual, the Company established a trust for the benefit of Northwestern Mutual with the market value of assets in the trust equal to Northwestern Mutual's reinsurance receivable from the Company. The market value of assets required to be maintained in the trust at December 31, 2013, was \$233.6 million. In addition to assuming risk, the Company provides product design, pricing, underwriting, legal support, claims management and other administrative services under the arrangement.

In 2012 the Company amended its Yearly Renewable Term reinsurance agreement with Canada Life Assurance Company ("Canada Life"). The amendment increased the amount of group life insurance risk to be ceded to Canada Life. The amended agreement limits the Company's exposure to losses in the event of a catastrophe. This amendment to the Company's reinsurance agreement released approximately \$100 million of additional net capital, for a total release of approximately \$170 million. This release of capital can fluctuate based on a percentage of the Company's in-force business. The agreement is subject to termination by either party.

## NOTES TO FINANCIAL STATEMENTS

Effective October 1, 2000, the Company assumed, through a reinsurance agreement, the individual disability insurance business of Minnesota Life. The Company paid a ceding commission of approximately \$55 million and received approximately \$500 million in assets and corresponding statutory liabilities. If the Company were to become unable to meet its obligations, Minnesota Life would retain the reinsured liabilities. Therefore, in accordance with the agreement with Minnesota Life, the Company established a trust for the benefit of Minnesota Life with the market value of assets in the trust equal to Minnesota Life's reinsurance receivable from the Company. The market value of assets required to be maintained in the trust is determined quarterly. The market value of assets required to be maintained in the trust at December 31, 2013, was \$569.2 million. Accompanying the transaction was a national marketing agreement that provides access to Minnesota Life agents, some of whom now market the Company's individual disability insurance products. The national marketing agreement is renewed annually.

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

Effective October 1, 2002, the Company entered into a reinsurance agreement with TIAA to assume TIAA's group disability and group life insurance business. This business included approximately 1,800 group insurance contracts, representing 650,000 insured individuals. The Company paid a ceding commission of approximately \$75 million and received approximately \$705 million in assets and corresponding statutory liabilities. If the Company were to become unable to meet its obligations, TIAA would retain the reinsured liabilities. Therefore, in accordance with the agreement with TIAA, the Company established a trust for the benefit of TIAA with the market value of assets in the trust equal to TIAA's reinsurance receivable from the Company. The market value of assets required to be maintained in the trust is determined quarterly. The market value of assets required to be maintained in the trust at December 31, 2013, was \$215.1 million.

Gross and discounted group A&H reserves at December 31, 2013:

(In thousands)	Exhibit 6	Gross	Discounted
	Long-term Disability	\$ 3,974,224	\$ 3,091,253
	Short-term Disability	27,062	27,062
	Vision	22	22
	Dental	221	221
		<u>\$ 4,001,529</u>	<u>\$ 3,118,558</u>
(In thousands)	Exhibit 8	Gross	Discounted
	Long-term Disability	\$ 24,309	\$ 24,002
	Short-term Disability	5,190	5,190
	Vision	420	420
	Dental	4,200	4,200
	AD&D	16,591	16,591
		<u>50,710</u>	<u>50,403</u>
		<u>\$ 4,052,239</u>	<u>\$ 3,168,961</u>

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable and Non-transferable Tax Credits

- (1) Carrying Value of Transferable and Non-transferable State Tax Credits Gross of any Related Tax Liabilities and Total Unused Transferable and Non-transferable State Tax Credits by State and in Total

<u>Description of State Transferable Tax Credits</u> (In thousands)	State	Carrying Value	Unused Amount
Old Colony Phase One Limited Partnership	Massachusetts	\$ 693	\$ 693
Total		<u>\$ 693</u>	<u>\$ 693</u>

- (2) Method of Estimating Utilization of Remaining Transferable and Non-transferable State Tax Credits

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

- (3) Impairment Loss

The Company did not recognize an impairment related to credits.

## NOTES TO FINANCIAL STATEMENTS

## (4) State Tax Credits Admitted and Nonadmitted

<b>(In thousands)</b>	<b>Total Admitted</b>	<b>Total Nonadmitted</b>
a. Transferable	\$ 693	\$ -
b. Non-transferable	-	-

## F. Subprime-Mortgage-Related Risk Exposure

- (1) The Company considered all direct and indirect exposure to subprime assets in completing this analysis. The Company's investment portfolio consists of no direct exposure to the subprime mortgage sector. The portfolio has indirect exposure to subprime assets through investments in debt securities issued by bond insurers, mortgage insurers, mortgage lenders, investment banks and commercial banks. No realized or unrealized gains or losses have been recognized on subprime assets.

Bonds issued by Wells Fargo, Bank of America and Citigroup, all designated NAIC 1FE, represent \$114.5 million of the \$135.2 million disclosed below on (3) line f.

- (2) The Company did not have direct exposure through investments in subprime mortgage loans.

- (3) Direct exposure through other investments.

<b>(In thousands)</b>	<b>Actual Cost</b>	<b>Book/Adjusted Carrying Value (excluding interest)</b>	<b>Fair Value</b>	<b>Other Than Temporary Impairment Losses Recognized</b>
a. Residential mortgage-backed securities \$	-	-	-	-
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investments in SCAs *	-	-	-	-
f. Other assets	129,178	124,885	135,239	-
g. Total	<u>\$ 129,178</u>	<u>\$ 124,885</u>	<u>\$ 135,239</u>	<u>\$ -</u>

\* The Company has no subsidiary with investments in subprime mortgages.

- (4) The Company did not have any underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage as of December 31, 2013.

## G. Retained Assets

- (1) Retained asset accounts are reported as deposit-type accounts on the Company's books. Many of the Company's group contracts contain a retained provision and have a minimum amount of either \$10,000 or \$25,000, depending on the contract provisions. When a claim is received for a group that has this provision, the claim will be settled by sending the beneficiary a checkbook issued by Northern Trust, unless the beneficiary selects a lump-sum payment. The beneficiary can write checks for any amount up to the settlement amount plus any interest that is added to the account. If the account balance drops below \$500, Northern Trust issues a check to the beneficiary for the balance and closes the account. Interest is added to the accounts monthly. Interest rates paid to retained asset account holders in 2013 were as follows:

<b>Month</b>	<b>Interest Rate</b>
January	0.09 %
February	0.07 %
March	0.12 %
April	0.07 %
May	0.05 %
June	0.05 %
July	0.06 %
August	0.03 %
September	0.05 %
October	0.02 %
November	0.04 %
December	0.08 %

Interest rates were changed 11 times during 2013.





**NOTES TO FINANCIAL STATEMENTS**

indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

## Section 2 – Ceded Reinsurance Report – Part A

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

Yes ( ) No (X)

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

Yes ( ) No (X)

## Section 3 – Ceded Reinsurance Report – Part B

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

Not Applicable

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

Yes (X) No ( )

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

The amount of the credit is \$0.

## B. Uncollectible Reinsurance

None

## C. Commutation of Reinsurance Reflected in Income and Expenses

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

## D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

- (1) Reporting Entity Ceding to Certified Reinsurer Whose Rating was Downgraded or Status Subject to Revocation

The Company's does not cede to any certified reinsurer.

- (2) Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not applicable

## 24. RETROSPECTIVELY RATED CONTRACTS &amp; CONTRACTS SUBJECT TO REDETERMINATION

- A. The Company estimates accrued retrospective premium adjustments for its group insurance business by a mathematical calculation of the amount for each policyholder based on the agreement with the policyholder and the Company's rules for experience rating calculations.
- B. The Company records accrued retrospective premium as an adjustment to earned premium.
- C. The amount of net premiums written by the Company for 2013 that were subject to retrospective rating features was \$578.7 million, representing 32% of total net premiums written for group life and health.
- D. The Company does not have any medical loss ratio rebates required pursuant to the Public Health Service Act.

## 25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves as of December 31, 2012 were \$3.95 billion. For 2013, \$754.8 million had been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years were \$3.17 billion at December 31, 2013, as a result of re-estimation of unpaid claims and claim adjustment expenses. There was a \$24.7 million decrease of prior year development from December 31, 2012 to December 31, 2013. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Prior years' effects are combined with current experience in determining retrospective premium, premium refunds, and renewal rates for the larger group contracts.

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

26. INTERCOMPANY POOLING ARRANGEMENTS

Not Applicable

27. STRUCTURED SETTLEMENTS

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

28. HEALTH CARE RECEIVABLES

Not applicable

29. PARTICIPATING POLICIES

For individual life insurance contracts, 34% of the \$1.5 million net premium earned in 2013 was from participating contracts. Dividends paid in 2013 equaled \$105 thousand. The Company accounts for dividends based on dividends paid plus the increase in provision assuming policies in-force on the valuation date remain in-force. No additional income was allocated to participating individual life policyholders.

30. PREMIUM DEFICIENCY RESERVES

In accordance with SSAP No. 54, *Individual and Group Accident and Health Contracts*, the premium deficiency reserve held as of December 31, 2013 for all individual and group accident and health contracts was \$0. Since premium deficiency reserves are currently unnecessary, no calculation involving anticipated investment income was performed at December 31, 2013.

**(In thousands)**

1. Liability carried for premium deficiency reserves	\$ -
2. Date of the most recent evaluation of this liability	12/31/2013
3. Was anticipated investment income utilized in the calculation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

31. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

- (1) The Company waives deduction of deferred fractional premiums and returns unearned premium beyond the month of death. Continuous or semi continuous reserves are used to account for these benefits, except for those under a small block of second to die coverages, which use curtate reserves. As of December 31, 2013, reserves held for surrender values in excess of the legally computed reserves totaled \$702, net of reinsurance ceded. Effective January 1, 2001, substantially all individual life policies became 100% reinsured under a coinsurance reinsurance agreement with Protective Life.
- (2) The reserve for a substandard policy where a flat extra premium is charged is the sum of the standard policy reserve plus one half (1/2) of the extra premium. For a substandard policy with a table rating, the extra reserve is based on appropriate multiples of standard rates of mortality. As of December 31, 2013, there was no reserve net of reinsurance ceded associated with substandard ratings for individual life policies.
- (3) As of December 31, 2013, the Company had \$561.2 million of insurance in-force for which the gross premiums are less than the net premiums according to the standard valuation law set by the State of Oregon. Reserves to cover the above insurance total \$0 net of reinsurance ceded, at year-end and are reported in Exhibit 5 Section A, Life Insurance.
- (4) The Tabular Interest (Page 7, Line 4) has been determined by formula except some annuity products have Tabular Interest determined from the basic data for such items.  
  
The Tabular Less Actual Reserve Released (Page 7, Line 5) has been determined by formula.  
  
The Tabular Cost (Page 7, Line 9) has been determined by formula.
- (5) For the determination of Tabular Interest on deposit funds not involving life contingencies the amount of interest credited to the withdrawable account balance is used. For immediate annuities not involving life contingencies, the Tabular Interest was calculated as the change in statutory reserves, plus benefit payments, less premium.
- (6) The details for other changes:

<b>ITEM</b> <b>(In thousands)</b>	<b>ORDINARY</b>					<b>GROUP</b>		
	<b>Total</b>	<b>Industrial Life</b>	<b>Life Ins.</b>	<b>Individual Annuities</b>	<b>Supplementary Contracts</b>	<b>Credit Life Group and Individual</b>	<b>Life Ins.</b>	<b>Annuities</b>
The increase for Ordinary Life Insurance reflects additional reserves for extra mortality expected on group conversion policies issued in 2013.	\$ 1,319	-	1,319	-	-	-	-	-
The increase for Group Annuities reflects amounts credited to plan balances as a result of a plan achieving certain asset growth threshold levels.	1	-	-	-	-	-	-	1
3106999 Total	\$ 1,320	-	1,319	-	-	-	-	1

## NOTES TO FINANCIAL STATEMENTS

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

Withdrawal Characteristics of Annuity Actuarial Reserves and Deposit – Type Contract Funds and Other Liabilities Without Life or Disability Contingencies:

<b>(Dollars in thousands)</b>	<b>General Account</b>	<b>Separate Account with Guarantees</b>	<b>Separate Account Nonguaranteed</b>	<b>Total</b>	<b>% of Total</b>
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	\$ 2,707,144	\$ -	\$ -	\$ 2,707,144	21.9 %
(2) At book value less current surrender charge of 5% or more	60,791	-	-	60,791	0.5
(3) At fair value	-	-	6,393,235	6,393,235	51.7
(4) Total with adjustment or at fair value (total of 1 through 3)	<u>2,767,935</u>	<u>-</u>	<u>6,393,235</u>	<u>9,161,170</u>	<u>74.1</u>
(5) At book value without adjustment (minimal or no charge or adjustment)	2,747,700	-	-	2,747,700	22.2
B. Not subject to discretionary withdrawal	449,612	-	-	449,612	3.7
C. Total (gross: direct + assumed)	<u>5,965,247</u>	<u>-</u>	<u>6,393,235</u>	<u>12,358,482</u>	<u>100.0 %</u>
D. Reinsurance ceded	22,845	-	-	22,845	
E. Total (net)* (C) - (D)	<u>\$ 5,942,402</u>	<u>\$ -</u>	<u>\$ 6,393,235</u>	<u>\$ 12,335,637</u>	

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

F.

<b>(In thousands)</b>	<b>Amount</b>
Life & Accident & Health Annual Statement:	
(1) Exhibit 5, Annuities Section, Total (net)	\$ 5,363,871
(2) Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	49,107
(3) Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	529,424
(4) Subtotal	<u>5,942,402</u>
Separate Accounts Annual Statement:	
(5) Exhibit 3, Line 0299999, Column 2	-
(6) Exhibit 3, Line 0399999, Column 2	-
(7) Policyholder dividend and coupon accumulations	6,393,235
(8) Policyholder premiums	-
(9) Guaranteed interest contracts	-
(10) Other contract deposit funds	-
(11) Subtotal	<u>6,393,235</u>
(12) Combined Total	<u>\$ 12,335,637</u>

G. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the Federal Home Loan Bank (“FHLB”) of Seattle. Through its membership, the Company has an attractive funding source and access to financial services that can be used as an alternative source of liquidity. The table below indicates the amount of FHLB of Seattle stock purchased, collateral pledged, assets and liabilities related to the agreement with FHLB of Seattle.

<b>(In thousands)</b>	<b>2013</b>	<b>2012</b>
(2) FHLB stock purchased/owned as part of the agreement	\$ 1,578	\$ -
(3) Collateral pledged to the FHLB	-	-
(4) Funding capacity currently available	-	-
(5) Total reserves related to funding agreement	-	-
(6) Agreement assets and liabilities		
General Account:		
a. Assets	-	-
b. Liabilities	-	-
Separate Account:		
a. Assets	-	-
b. Liabilities	-	-

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

33. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2013, were as follows:

<u>Type</u> (In thousands)	Gross	Net of Loading
(1) Industrial	\$ -	\$ -
(2) Ordinary new business	129	63
(3) Ordinary renewal	330	241
(4) Credit Life	-	-
(5) Group Life	33,490	31,181
(6) Group Annuity	2,706	2,706
(7) Totals	<u>\$ 36,655</u>	<u>\$ 34,191</u>

34. SEPARATE ACCOUNTS

A. Separate Account Activity

(1) The Company utilizes separate accounts to record and account for assets and liabilities for variable group annuity contract holders and all funds are nonguaranteed. The Company issues contracts through its separate accounts for which contract holders borne all the investment risks and the investment income and investment gains and losses accrue directly to the contract holder.

(2) In accordance with the product/transaction recorded within the separate accounts, these assets are considered legally insulated from the general account. As of December 31, 2013 and 2012 the Company separate account statement included legally insulated assets of \$6.39 billion and \$5.15 billion, respectively. The assets legally insulated from the general account as of December 31, 2013 were attributed to the following product/transaction:

<u>Product/Transaction</u> (In thousands)	Legally Insulated Assets	Separated Account Assets (Not Legally Insulated)
Separate Account "A" - Unregistered	\$ 6,393,235	\$ -
Total	<u>\$ 6,393,235</u>	<u>\$ -</u>

(3) There are no separate account liabilities guaranteed by the general account.

(4) The Company does not engage in securities lending transactions with the separate accounts.

B. General Nature and Characteristics of Separate Accounts Business

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

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

(In thousands)	Index	Nonindexed Guarantee Less than/equal to 4%	Nonindexed Guarantee More than 4%	Nonguaranteed Separate Accounts	Total
(1) Premiums, considerations or deposits for year ended 12/31/2013	\$	-	-	-	\$ 696,097
Reserves at 12/31/2013					
(2) For accounts with assets at:					
a. Fair value		-	-	6,393,235	6,393,235
b. Amortized cost		-	-	-	-
c. Total Reserves*	\$	-	-	\$ 6,393,235	\$ 6,393,235
(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal:	\$	-	-	-	-
b. With FV adjustment		-	-	-	-
c. At book value without FV adjustment and with current surrender charge of 5% or more		-	-	-	-
d. At fair value		-	-	6,393,235	6,393,235
e. At book value without FV adjustment and with current surrender charge less than 5%		-	-	-	-
f. Subtotal		-	-	6,393,235	6,393,235
g. Not subject to discretionary withdrawal		-	-	-	-
h. Total	\$	-	-	\$ 6,393,235	\$ 6,393,235

\* Line 2(c) should equal Line 3(h).

(4) Reserves for Asset Default Risk in Lieu of AVR

Not applicable

C. Reconciliation of Net Transfers To or (From) Separate Accounts

(In thousands)	
(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:	
a. Transfers to Separate Accounts (Page 4, Line 1.4)	\$ 686,987
b. Transfers from Separate Accounts (Page 4, Line 10)	751,372
c. Net transfers to or (From) Separate Accounts (a) - (b)	<u>(64,385)</u>
(2) Reconciling Adjustments:	None
(3) Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement	
(1c) + (2) = (Page 4, Line 26)	<u>\$ (64,385)</u>

35. LOSS/CLAIM ADJUSTMENT EXPENSES

The balance in the liability for unpaid A&H claim adjustment expenses for 2013 and 2012 was \$164.9 million and \$165.8 million, respectively.

The Company incurred \$114.7 million and paid \$115.6 million of claim adjustment expenses in the current year, of which \$57.5 million of the paid amount was attributable to insured or covered events of prior years. The Company did not increase or decrease the provision for insured events of prior years.

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

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [ X ] No [ ]  
If yes, complete Schedule Y, Parts 1, 1A and 2
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? ..... Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? ..... Oregon
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2012
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/2009
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 06/21/2011
- 3.4 By what department or departments?  
Oregon Department of Consumer and Business Services - Insurance Division .....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ X ] No [ ] N/A [ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? ..... Yes [ ] No [ X ]  
4.12 renewals? ..... Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? ..... Yes [ ] No [ X ]  
4.22 renewals? ..... Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [ X ]
- 6.2 If yes, give full information: .....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? ..... Yes [ ] No [ X ]
- 7.2 If yes,  
7.21 State the percentage of foreign control; ..... 0.0 %  
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY**  
**GENERAL INTERROGATORIES**

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]  
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
 .....  
 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ X ] No [ ]  
 8.4 If response to 8.3 is yes, please provide 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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 Deloitte & Touche LLP  
 111 SW Fifth Avenue, Suite 3900  
 Portland, OR 97204
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? ..... Yes [ ] No [ X ]  
 10.2 If the response to 10.1 is yes, provide information related to this exemption:  
 .....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? ..... Yes [ ] No [ X ]  
 10.4 If the response to 10.3 is yes, provide information related to this exemption:  
 .....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? ..... Yes [ X ] No [ ] N/A [ ]  
 10.6 If the response to 10.5 is no or n/a, please explain  
 .....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
 Sally Manafi  
 PO Box 711  
 Portland, OR 97207  
 Officer of Standard Insurance Company .....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ X ] No [ ]  
 12.11 Name of real estate holding company .....  
 12.12 Number of parcels involved ..... 420  
 12.13 Total book/adjusted carrying value ..... \$ ..... 150,899,425
- 12.2 If, yes provide explanation:  
 Parcels are joint venture interest owned by the Company and reported on Schedule BA Part 1, Joint Venture Interest - Other - Unaffiliated, Non-Guaranteed Federal Low Income Housing Tax Credit - Unaffiliated, Guaranteed Federal Low Income Housing Tax Credit - Unaffiliated and State Low Income Housing Tax Credit - Unaffiliated with a Transferable State Tax Credit. ....
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 .....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]  
 13.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] N/A [ ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [ X ] No [ ]  
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 (c) Compliance with applicable governmental laws, rules and regulations;  
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:  
 .....
- 14.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [ X ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 .....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).  
 .....

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? ..... Yes [ ] No [ X ]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
.....	.....	.....	0

**BOARD OF DIRECTORS**

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

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- |   |          |   |
|---|----------|---|
| 20.11 To directors or other officers.....               | \$ ..... | 0 |
| 20.12 To stockholders not officers.....                 | \$ ..... | 0 |
| 20.13 Trustees, supreme or grand (Fraternal Only) ..... | \$ ..... | 0 |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- |   |          |   |
|---|----------|---|
| 20.21 To directors or other officers.....               | \$ ..... | 0 |
| 20.22 To stockholders not officers.....                 | \$ ..... | 0 |
| 20.23 Trustees, supreme or grand (Fraternal Only) ..... | \$ ..... | 0 |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? ..... Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- |                                 |          |   |
|---------------------------------|----------|---|
| 21.21 Rented from others.....   | \$ ..... | 0 |
| 21.22 Borrowed from others..... | \$ ..... | 0 |
| 21.23 Leased from others .....  | \$ ..... | 0 |
| 21.24 Other .....               | \$ ..... | 0 |
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? ..... Yes [ ] No [ X ]
- 22.2 If answer is yes:
- |   |          |   |
|---|----------|---|
| 22.21 Amount paid as losses or risk adjustment \$ ..... | \$ ..... | 0 |
| 22.22 Amount paid as expenses .....                     | \$ ..... | 0 |
| 22.23 Other amounts paid .....                          | \$ ..... | 0 |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ X ] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....

**INVESTMENT**

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)..... Yes [ X ] No [ ]
- 24.02 If no, give full and complete information relating thereto  
 .....
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) The Company does not participate in a securities lending program. ....
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? ..... Yes [ ] No [ ] N/A [ X ]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. .... \$ .....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. .... \$ .....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? ..... Yes [ ] No [ ] N/A [ X ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... Yes [ ] No [ ] N/A [ X ]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? ..... Yes [ ] No [ ] N/A [ X ]



**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
GENERAL INTERROGATORIES**

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....	\$ .....	0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....	\$ .....	0
24.103 Total payable for securities lending reported on the liability page.....	\$ .....	0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). ..... Yes [ X ] No [ ]

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

25.21 Subject to repurchase agreements .....	\$ .....	0
25.22 Subject to reverse repurchase agreements .....	\$ .....	0
25.23 Subject to dollar repurchase agreements .....	\$ .....	0
25.24 Subject to reverse dollar repurchase agreements .....	\$ .....	0
25.25 Pledged as collateral .....	\$ .....	0
25.26 Placed under option agreements .....	\$ .....	0
25.27 Letter stock or other securities restricted as to sale .....	\$ .....	1,577,500
25.28 On deposit with state or other regulatory body .....	\$ .....	6,476,730
25.29 Other .....	\$ .....	0

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
Restricted capital stock .....	FHLB of Seattle .....	1,577,500

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**GENERAL INTERROGATORIES**

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

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

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....	.....	0	.....

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	6,668,851,907	6,971,784,299	302,932,392
30.2 Preferred stocks .....	93,322	219,672	126,350
30.3 Totals	6,668,945,229	6,972,003,971	303,058,742

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

Market values are provided by the BNY Mellon. ....

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

**OTHER**

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....467,972

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

1 Name	2 Amount Paid
.....	0

34.1 Amount of payments for legal expenses, if any? .....\$ .....488,978

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

1 Name	2 Amount Paid
Wilson Sonsini .....	167,613

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

**PART 2 - LIFE INTERROGATORIES**

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]

1.2 If yes, indicate premium earned on U.S. business only ..... \$ ..... 0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ ..... 0  
 1.31 Reason for excluding:  
 .....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .... \$ ..... 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. .... \$ ..... 0

1.6 Individual policies:

	Most current three years:	
	1.61 Total premium earned	\$ ..... 0
	1.62 Total incurred claims	\$ ..... 0
	1.63 Number of covered lives	..... 0
	All years prior to most current three years	
	1.64 Total premium earned	\$ ..... 0
	1.65 Total incurred claims	\$ ..... 0
	1.66 Number of covered lives	..... 0

1.7 Group policies:

	Most current three years:	
	1.71 Total premium earned	\$ ..... 0
	1.72 Total incurred claims	\$ ..... 0
	1.73 Number of covered lives	..... 0
	All years prior to most current three years	
	1.74 Total premium earned	\$ ..... 0
	1.75 Total incurred claims	\$ ..... 0
	1.76 Number of covered lives	..... 0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	78,908,517	80,168,785
2.2 Premium Denominator .....	3,489,274,863	3,506,449,116
2.3 Premium Ratio (2.1/2.2) .....	0.023	0.023
2.4 Reserve Numerator .....	90,339,532	94,910,008
2.5 Reserve Denominator .....	10,331,576,613	9,806,705,519
2.6 Reserve Ratio (2.4/2.5) .....	0.009	0.010

3.1 Does this reporting entity have Separate Accounts? ..... Yes [ X ] No [ ]

3.2 If yes, has a Separate Accounts Statement been filed with this Department? ..... Yes [ X ] No [ ] N/A [ ]

3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? ..... \$ ..... 0

3.4 State the authority under which Separate Accounts are maintained:  
 Oregon Code 733.220 .....

3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? ..... Yes [ ] No [ X ]

3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? ..... Yes [ ] No [ X ]

3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? ..... \$ ..... 0

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? ..... Yes [ X ] No [ ]

4.2 Net reimbursement of such expenses between reporting entities:

	4.21 Paid	\$ ..... 36,224,428
	4.22 Received	\$ ..... 4,082,480

5.1 Does the reporting entity write any guaranteed interest contracts? ..... Yes [ ] No [ X ]

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

	5.21 Page 3, Line 1	\$ ..... 0
	5.22 Page 4, Line 1	\$ ..... 0

6. FOR STOCK REPORTING ENTITIES ONLY:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: ..... \$ ..... 295,646,633

7. Total dividends paid stockholders since organization of the reporting entity:

	7.11 Cash	\$ ..... 1,575,728,000
	7.12 Stock	\$ ..... 0

**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
GENERAL INTERROGATORIES**

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

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

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

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

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

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

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

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

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

Type		3	4	5	6	7	8	9
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
				0	0			0

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

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

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

1	2
P&C Insurance Company And Location	Statement Value on Purchase Date of Annuities (i.e., Present Value)
	0

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

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

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

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

## ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

Show amounts of life insurance in this exhibit in thousands (OMIT \$000)

	1 2013	2 2012	3 2011	4 2010	5 2009
<b>Life Insurance in Force</b>					
(Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4) .....	1,758,465	1,877,684	1,985,995	2,139,219	2,284,620
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4) .....	867,851	892,101	917,056	959,138	1,039,129
3. Credit life (Line 21, Col. 6) .....	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4) .....	302,954,149	325,857,813	336,252,796	319,248,601	292,724,810
5. Industrial (Line 21, Col. 2) .....	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4) .....	0	0	0	0	0
7. Total (Line 21, Col. 10) .....	305,580,465	328,627,598	339,155,848	322,346,958	296,048,559
<b>New Business Issued</b>					
(Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2) .....	6,082	6,170	6,164	7,480	8,284
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2) .....	0	0	0	0	0
10. Credit life (Line 2, Col. 6) .....	0	0	0	0	0
11. Group (Line 2, Col. 9) .....	32,941,383	42,468,667	58,815,141	64,545,837	41,835,766
12. Industrial (Line 2, Col. 2) .....	0	0	0	0	0
13. Total (Line 2, Col. 10) .....	32,947,465	42,474,837	58,821,305	64,553,317	41,844,050
<b>Premium Income - Lines of Business</b>					
(Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2) .....	0	0	0	0	0
15.1 Ordinary-life insurance (Line 20.4, Col. 3) .....	1,526,553	1,462,893	1,526,501	1,435,279	1,619,644
15.2 Ordinary-individual annuities (Line 20.4, Col. 4) .....	308,517,305	305,832,897	349,713,420	319,535,087	362,128,250
16. Credit life (group and individual) (Line 20.4, Col. 5) .....	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6) .....	514,172,087	620,853,356	780,806,572	730,867,970	711,552,684
17.2 Group annuities (Line 20.4, Col. 7) .....	1,392,108,396	1,296,882,986	1,126,687,199	962,144,989	998,485,140
18.1 A & H-group (Line 20.4, Col. 8) .....	1,099,326,445	1,121,262,920	1,130,456,374	1,101,188,533	1,121,513,497
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9) .....	0	0	0	0	0
18.3 A & H-other (Line 20.4, Col. 10) .....	173,624,077	160,154,064	158,225,793	148,319,556	164,065,464
19. Aggregate of all other lines of business (Line 20.4, Col. 11) .....	0	0	0	0	0
20. Total .....	3,489,274,863	3,506,449,116	3,547,415,859	3,263,491,415	3,359,364,680
<b>Balance Sheet (Pages 2 &amp; 3)</b>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3) .....	12,725,427,342	12,095,982,359	11,420,540,484	10,829,451,587	10,350,439,368
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26) .....	11,438,077,949	10,905,716,780	10,281,307,181	9,657,937,770	9,156,731,785
23. Aggregate life reserves (Page 3, Line 1) .....	6,238,462,694	5,717,690,449	5,269,212,116	4,849,415,710	4,512,650,960
24. Aggregate A & H reserves (Page 3, Line 2) .....	3,938,403,009	3,929,811,274	3,802,535,030	3,649,663,331	3,594,432,107
25. Deposit-type contract funds (Page 3, Line 3) .....	529,423,543	531,687,658	503,795,333	464,170,080	459,372,504
26. Asset valuation reserve (Page 3, Line 24.01) .....	125,444,103	115,897,182	105,914,712	94,619,809	88,788,020
27. Capital (Page 3, Lines 29 and 30) .....	423,838,694	423,838,694	423,838,694	423,838,694	423,838,694
28. Surplus (Page 3, Line 37) .....	863,510,699	766,426,885	715,394,610	747,675,122	769,868,889
<b>Cash Flow (Page 5)</b>					
29. Net Cash from Operations (Line 11) .....	757,844,128	833,317,071	680,216,803	627,951,044	695,204,876
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital .....	1,412,793,496	1,306,162,761	1,245,148,016	1,266,133,626	1,282,495,603
31. Authorized control level risk - based capital .....	175,975,841	177,488,382	192,646,826	194,237,496	182,661,227
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b>					
(Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1) .....	53.9	54.3	55.0	56.2	57.9
33. Stocks (Lines 2.1 and 2.2) .....	0.0	0.0	0.0	0.0	0.0
34. Mortgage loans on real estate(Lines 3.1 and 3.2) .....	42.7	43.9	43.3	41.9	41.3
35. Real estate (Lines 4.1, 4.2 and 4.3) .....	0.3	0.3	0.3	0.4	0.4
36. Cash, cash equivalents and short-term investments (Line 5) .....	1.4	0.4	0.4	0.5	0.0
37. Contract loans (Line 6) .....	0.0	0.0	0.0	0.0	0.0
38. Derivatives (Page 2, Line 7) .....	0.1	0.1	0.1	0.1	XXX
39. Other invested assets (Line 8) .....	1.2	0.9	0.5	0.2	0.1
40. Receivables for securities (Line 9) .....	0.3	0.1	0.3	0.6	0.3
41. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.0	0.0	0.0	XXX
42. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.0	0.0	0.0	0.1
43. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2013	2 2012	3 2011	4 2010	5 2009
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1) .....	0	0	0	0	0
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1) .....	0	0	0	0	0
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1), .....	0	0	0	0	0
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
48. Affiliated mortgage loans on real estate .....	0	0	0	0	0
49. All other affiliated .....	0	0	0	0	0
50. Total of above Lines 44 to 49 .....	0	0	0	0	0
51. Total Investment in Parent included in Lines 44 to 49 above .....	0	0	0	0	0
<b>Total Nonadmitted and Admitted Assets</b>					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2) .....	174,034,780	187,161,105	272,390,286	203,583,362	236,578,617
53. Total admitted assets (Page 2, Line 28, Col. 3) .....	19,118,662,354	17,250,279,968	16,014,089,145	15,616,840,023	14,524,928,886
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income) .....	559,327,069	579,501,942	590,217,828	575,063,763	556,489,967
55. Realized capital gains (losses) (Page 4, Line 34, Column 1) .....	683,713	(7,337,845)	(16,865,983)	13,340,313	(18,025,939)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1) .....	322,980	5,206,923	(8,596,813)	(4,547,137)	5,436,501
57. Total of above Lines 54, 55 and 56 .....	560,333,762	577,371,020	564,755,032	583,856,939	543,900,528
<b>Benefits and Reserve Increases (Page 6)</b>					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11, 12, 13, 14 and 15 Cols. 9, 10 and 11) .....	1,776,225,819	1,883,588,011	1,943,765,047	1,687,083,569	1,520,109,502
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11) .....	965,304,118	955,498,036	943,763,868	890,040,825	872,952,079
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3) .....	2,215	413,453	234,690	(580,783)	737,981
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11) .....	15,555,971	127,276,243	152,871,700	55,231,224	33,099,785
62. Dividends to policyholders (Line 30, Col. 1) .....	76,666	135,995	114,717	104,624	101,508
<b>Operating Percentages</b>					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0 .....	15.8	15.8	16.1	16.8	16.3
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0 .....	4.8	4.5	6.0	6.6	6.8
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2) .....	76.6	84.5	85.1	75.8	71.1
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2) .....	0.0	0.0	0.0	0.0	0.0
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2) .....	29.7	29.7	30.2	30.3	29.2
<b>A &amp; H Claim Reserve Adequacy</b>					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2) .....	3,110,692,461	3,074,208,363	3,005,274,787	2,907,121,726	2,852,992,956
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2) .....	3,182,195,900	3,081,302,964	2,964,081,689	2,926,955,014	2,929,805,063
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2) .....	637,044,733	621,754,490	609,006,466	593,080,877	594,161,899
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2) .....	600,502,162	590,526,739	574,183,658	567,800,772	542,307,980
<b>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</b>					
72. Industrial life (Col. 2) .....	0	0	0	0	0
73. Ordinary - life (Col. 3) .....	981,342	1,699,059	494,768	351,289	694,458
74. Ordinary - individual annuities (Col. 4) .....	16,272,192	21,899,410	32,539,870	18,996,127	8,481,488
75. Ordinary-supplementary contracts (Col. 5) .....	2,756,143	3,466,514	2,183,599	1,631,596	913,850
76. Credit life (Col. 6) .....	0	0	0	0	0
77. Group life (Col. 7) .....	44,756,048	33,399,204	39,086,075	37,560,279	47,861,496
78. Group annuities (Col. 8) .....	17,911,507	16,005,771	18,279,033	12,240,254	3,055,182
79. A & H-group (Col. 9) .....	86,955,850	36,790,727	30,681,557	95,940,770	143,388,042
80. A & H-credit (Col. 10) .....	0	0	0	0	0
81. A & H-other (Col. 11) .....	25,697,490	21,404,472	17,114,701	22,087,619	25,473,096
82. Aggregate of all other lines of business (Col. 12) ....	(245,298)	(1,954,104)	3,644,446	8,044,364	14,417,182
83. Total (Col. 1) .....	195,085,274	132,711,052	144,024,049	196,852,296	244,284,794

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



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

DIRECT BUSINESS IN THE STATE OF Oregon

DURING THE YEAR 2013

NAIC Group Code 1348

LIFE INSURANCE

NAIC Company Code 69019

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1	2	3	4	5
	Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1. Life insurance	10,475,416	0	39,129,638	0	49,605,054
2. Annuity considerations	12,712,081	0	2,183,057	0	14,895,138
3. Deposit-type contract funds	1,918,397	XXX	64,183	XXX	1,982,580
4. Other considerations	0	0	192,658,672	0	192,658,672
5. Totals (Sum of Lines 1 to 4)	25,105,894	0	234,035,550	0	259,141,444
<b>DIRECT DIVIDENDS TO POLICYHOLDERS</b>					
Life insurance:					
6.1 Paid in cash or left on deposit	1,052,916	0	0	0	1,052,916
6.2 Applied to pay renewal premiums	814,854	0	0	0	814,854
6.3 Applied to provide paid-up additions or shorten the endowment or premium-paying period	6,806,356	0	0	0	6,806,356
6.4 Other	148,013	0	0	0	148,013
6.5 Totals (Sum of Lines 6.1 to 6.4)	8,822,139	0	0	0	8,822,139
Annuities:					
7.1 Paid in cash or left on deposit	0	0	0	0	0
7.2 Applied to provide paid-up annuities	0	0	0	0	0
7.3 Other	0	0	0	0	0
7.4 Totals (Sum of Lines 7.1 to 7.3)	0	0	0	0	0
8. Grand Totals (Lines 6.5 plus 7.4)	8,822,139	0	0	0	8,822,139
<b>DIRECT CLAIMS AND BENEFITS PAID</b>					
9. Death benefits	11,440,071	0	31,437,848	0	42,877,919
10. Matured endowments	24,000	0	0	0	24,000
11. Annuity benefits	1,303,758	0	192,099,315	0	193,403,073
12. Surrender values and withdrawals for life contracts	45,819,715	0	72,042,082	0	117,861,797
13. Aggregate write-ins for miscellaneous direct claims and benefits paid	0	0	301,693	0	301,693
14. All other benefits, except accident and health	0	0	0	0	0
15. Totals	58,587,544	0	295,880,938	0	354,468,482
<b>DETAILS OF WRITE-INS</b>					
1301. Miscellaneous direct claims period certain	0	0	301,693	0	301,693
1302.					
1303.					
1398. Summary of Line 13 from overflow page	0	0	0	0	0
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	301,693	0	301,693

DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	No.	Amount	No. of Ind.Pols. & Gr. Certifs.	Amount	No. of Certifs.	Amount	No.	Amount	No.	Amount
16. Unpaid December 31, prior year	33	1,225,102	0	0	299	6,385,503	0	0	332	7,610,605
17. Incurred during current year	265	11,994,601	0	0	1,092	30,754,812	0	0	1,357	42,749,413
Settled during current year:										
18.1 By payment in full	275	11,464,071	0	0	1,167	31,137,848	0	0	1,442	42,601,919
18.2 By payment on compromised claims	0	0	0	0	1	300,000	0	0	1	300,000
18.3 Totals paid	275	11,464,071	0	0	1,168	31,437,848	0	0	1,443	42,901,919
18.4 Reduction by compromise	0	0	0	0	0	0	0	0	0	0
18.5 Amount rejected	0	0	0	0	3	352,000	0	0	3	352,000
18.6 Total settlements	275	11,464,071	0	0	1,171	31,789,848	0	0	1,446	43,253,919
19. Unpaid Dec. 31, current year (16+17-18.6)	23	1,755,632	0	0	220	5,350,467	0	0	243	7,106,099
<b>POLICY EXHIBIT</b>										
20. In force December 31, prior year	12,800	1,007,900,540	0	(a) 0	791	21,017,381,000	0	0	13,591	22,025,281,540
21. Issued during year	6	253,400	0	0	33	674,829,000	0	0	39	675,082,400
22. Other changes to in force (Net)	(722)	(54,826,595)	0	0	(104)	(1,164,410,000)	0	0	(826)	(1,219,236,595)
23. In force December 31 of current year	12,084	953,327,345	0	(a) 0	720	20,527,800,000	0	0	12,804	21,481,127,345

(a) Includes Individual Credit Life Insurance prior year \$ 0 , current year \$ 0  
 Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$ 0 , current year \$ 0  
 Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS, prior year \$ 0 , current year \$ 0

ACCIDENT AND HEALTH INSURANCE

	1	2	3	4	5
	Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24. Group Policies (b)	62,955,198	77,100,221	0	61,011,562	55,833,747
24.1 Federal Employees Health Benefits Plan premium (b)	0	0	0	0	0
24.2 Credit (Group and Individual)	0	0	0	0	0
24.3 Collectively renewable policies (b)	0	0	0	0	0
24.4 Medicare Title XVIII exempt from state taxes or fees	0	0	0	0	0
Other Individual Policies:					
25.1 Non-cancelable (b)	5,273,948	5,475,192	0	1,419,164	2,212,745
25.2 Guaranteed renewable (b)	1,325,244	1,314,108	0	405,606	1,249,527
25.3 Non-renewable for stated reasons only (b)	0	0	0	0	0
25.4 Other accident only	0	0	0	0	0
25.5 All other (b)	0	0	0	0	0
25.6 Totals (sum of Lines 25.1 to 25.5)	6,599,192	6,789,300	0	1,824,770	3,462,272
26. Totals (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	69,554,390	83,889,521	0	62,836,332	59,296,019

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products 29,847 and number of persons insured under indemnity only products 550 .





**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY**

DIRECT BUSINESS IN THE STATE OF Grand Total

DURING THE YEAR 2013

NAIC Group Code 1348

**LIFE INSURANCE**

NAIC Company Code 69019

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1	2	3	4	5
	Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1. Life insurance	28,943,641	0	737,121,279	0	766,064,920
2. Annuity considerations	308,517,305	0	2,183,057	0	310,700,362
3. Deposit-type contract funds	56,591,727	XXX	64,183	XXX	56,655,910
4. Other considerations	0	0	1,389,806,750	0	1,389,806,750
5. Totals (Sum of Lines 1 to 4)	394,052,673	0	2,129,175,269	0	2,523,227,942
<b>DIRECT DIVIDENDS TO POLICYHOLDERS</b>					
Life insurance:					
6.1 Paid in cash or left on deposit	2,671,650	0	0	0	2,671,650
6.2 Applied to pay renewal premiums	1,985,529	0	0	0	1,985,529
6.3 Applied to provide paid-up additions or shorten the endowment or premium-paying period	19,023,200	0	0	0	19,023,200
6.4 Other	440,558	0	0	0	440,558
6.5 Totals (Sum of Lines 6.1 to 6.4)	24,120,937	0	0	0	24,120,937
Annuities:					
7.1 Paid in cash or left on deposit	0	0	0	0	0
7.2 Applied to provide paid-up annuities	0	0	0	0	0
7.3 Other	0	0	0	0	0
7.4 Totals (Sum of Lines 7.1 to 7.3)	0	0	0	0	0
8. Grand Totals (Lines 6.5 plus 7.4)	24,120,937	0	0	0	24,120,937
<b>DIRECT CLAIMS AND BENEFITS PAID</b>					
9. Death benefits	34,365,312	0	591,841,473	0	626,206,785
10. Matured endowments	33,558	0	0	0	33,558
11. Annuity benefits	13,989,799	0	705,261,107	0	719,250,906
12. Surrender values and withdrawals for life contracts	301,653,066	0	410,817,976	0	712,471,042
13. Aggregate write-ins for miscellaneous direct claims and benefits paid	0	0	429,261	0	429,261
14. All other benefits, except accident and health	0	0	0	0	0
15. Totals	350,041,735	0	1,708,349,817	0	2,058,391,552
<b>DETAILS OF WRITE-INS</b>					
1301. Miscellaneous direct claims period certain	0	0	429,261	0	429,261
1302.					
1303.					
1398. Summary of Line 13 from overflow page	0	0	0	0	0
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	429,261	0	429,261

DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	No.	Amount	No. of Ind.Pols. & Gr. Certifs.	Amount	No. of Certifs.	Amount	No.	Amount	No.	Amount
16. Unpaid December 31, prior year	61	2,841,627	0	0	3,417	102,316,455	0	0	3,478	105,158,083
17. Incurred during current year	714	35,099,749	0	0	17,647	588,546,086	0	0	18,361	623,645,835
Settled during current year:										
18.1 By payment in full	718	34,398,871	0	0	17,879	587,425,463	0	0	18,597	621,824,334
18.2 By payment on compromised claims	0	0	0	0	27	4,416,010	0	0	27	4,416,010
18.3 Totals paid	718	34,398,871	0	0	17,906	591,841,473	0	0	18,624	626,240,344
18.4 Reduction by compromise	0	0	0	0	0	890,396	0	0	0	890,396
18.5 Amount rejected	0	0	0	0	37	2,101,924	0	0	37	2,101,924
18.6 Total settlements	718	34,398,871	0	0	17,943	594,833,793	0	0	18,661	629,232,664
19. Unpaid Dec. 31, current year (16+17-18.6)	57	3,542,505	0	0	3,121	96,028,748	0	0	3,178	99,571,254
<b>POLICY EXHIBIT</b>										
20. In force December 31, prior year	33,388	2,769,785,478	0 (a)	0	14,877	325,792,721,000	0	0	48,265	328,562,506,478
21. Issued during year	123	6,081,881	0	0	1,600	32,941,383,000	0	0	1,723	32,947,464,881
22. Other changes to in force (Net)	(1,906)	(149,549,878)	0	0	(2,201)	(55,837,682,000)	0	0	(4,107)	(55,987,231,878)
23. In force December 31 of current year	31,605	2,626,317,481	0 (a)	0	14,276	302,896,422,000	0	0	45,881	305,522,739,481

(a) Includes Individual Credit Life Insurance prior year \$ 0 , current year \$ 0  
 Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$ 0 , current year \$ 0  
 Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS, prior year \$ 0 , current year \$ 0

**ACCIDENT AND HEALTH INSURANCE**

	1	2	3	4	5
	Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24. Group Policies (b)	1,088,938,228	1,084,457,533	0	826,675,540	842,365,925
24.1 Federal Employees Health Benefits Plan premium (b)	0	0	0	0	0
24.2 Credit (Group and Individual)	0	0	0	0	0
24.3 Collectively renewable policies (b)	0	0	0	0	0
24.4 Medicare Title XVIII exempt from state taxes or fees	0	0	0	0	0
Other Individual Policies:					
25.1 Non-cancelable (b)	150,183,746	156,315,646	0	24,119,596	55,106,915
25.2 Guaranteed renewable (b)	37,738,338	36,621,447	0	9,514,312	14,378,628
25.3 Non-renewable for stated reasons only (b)	0	0	0	0	0
25.4 Other accident only	0	0	0	0	0
25.5 All other (b)	0	0	0	0	0
25.6 Totals (sum of Lines 25.1 to 25.5)	187,922,084	192,937,093	0	33,633,908	69,485,543
26. Totals (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	1,276,860,312	1,277,394,626	0	860,309,448	911,851,468

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products 282,858 and number of persons insured under indemnity only products 10,447

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year	0	0	33,388	2,769,785	0	0	14,878	4,164,656	325,857,813	328,627,598
2. Issued during year	0	0	123	6,082	0	0	1,600	292,145	32,941,383	32,947,465
3. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4. Revived during year	0	0	6	933	0	0	0	0	0	933
5. Increased during year (net)	0	0	2	5,862	0	0	(29)	(555)	(461,289)	(455,427)
6. Subtotals, Lines 2 to 5	0	0	131	12,877	0	0	1,571	291,590	32,480,094	32,492,971
7. Additions by dividends during year	XXX	0	XXX	28,836	XXX	0	XXX	XXX	0	28,836
8. Aggregate write-ins for increases	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8)	0	0	33,519	2,811,498	0	0	16,449	4,456,246	358,337,907	361,149,405
Deductions during year:										
10. Death	0	0	696	26,753	0	0	XXX	24,561	593,584	620,337
11. Maturity	0	0	11	68	0	0	XXX	0	0	68
12. Disability	0	0	0	0	0	0	XXX	0	0	0
13. Expiry	0	0	42	2,747	0	0	0	0	0	2,747
14. Surrender	0	0	895	82,646	0	0	0	0	0	82,646
15. Lapse	0	0	260	46,549	0	0	2,172	546,933	54,790,174	54,836,723
16. Conversion	0	0	33	4,928	0	0	XXX	XXX	XXX	4,928
17. Decreased (net)	0	0	(23)	21,491	0	0	0	0	0	21,491
18. Reinsurance	0	0	0	0	0	0	0	0	0	0
19. Aggregate write-ins for decreases	0	0	0	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19)	0	0	1,914	185,182	0	0	2,172	571,494	55,383,758	55,568,940
21. In force end of year (Line 9 minus Line 20)	0	0	31,605	2,626,316	0	0	14,277	3,884,752	302,954,149	305,580,465
22. Reinsurance ceded end of year	XXX	0	XXX	2,602,306	XXX	0	XXX	XXX	122,762,023	125,364,329
23. Line 21 minus Line 22	XXX	0	XXX	24,010	XXX	(b)	XXX	XXX	180,192,126	180,216,136
<b>DETAILS OF WRITE-INS</b>										
0801.	0	0	0	0	0	0	0	0	0	0
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0	0	0	0	0	0	0
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0	0	0	0	0	0	0
1901.	0	0	0	0	0	0	0	0	0	0
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page	0	0	0	0	0	0	0	0	0	0
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)	0	0	0	0	0	0	0	0	0	0

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

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT OF LIFE INSURANCE (Continued)**

**ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR**

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends .....	XXX	0	XXX	525,649
25. Other paid-up insurance .....	0	0	5,629	64,594
26. Debit ordinary insurance .....	XXX	XXX	0	0

**ADDITIONAL INFORMATION ON ORDINARY INSURANCE**

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing .....	0	0	10	21
28. Term policies - other .....	0	0	1,882	322,200
29. Other term insurance - decreasing .....	XXX	0	XXX	27
30. Other term insurance .....	XXX	0	XXX	11,516
31. Totals (Lines 27 to 30) .....	0	0	1,892	333,764
Reconciliation to Lines 2 and 21:				
32. Term additions .....	XXX	0	XXX	525,649
33. Totals, extended term insurance .....	XXX	XXX	88	8,439
34. Totals, whole life and endowment .....	123	6,082	29,625	1,758,465
35. Totals (Lines 31 to 34) .....	123	6,082	31,605	2,626,317

**CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS**

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1	2	3	4
	Non-Participating	Participating	Non-Participating	Participating
36. Industrial .....	0	0	0	0
37. Ordinary .....	6,082	0	1,647,421	978,896
38. Credit Life (Group and Individual) .....	0	0	0	0
39. Group .....	32,941,383	0	302,954,149	0
40. Totals (Lines 36 to 39) .....	32,947,465	0	304,601,570	978,896

**ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE**

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies .....	XXX	0	XXX	180,198
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis .....	0	XXX	3,884,752	XXX
43. Federal Employees' Group Life Insurance included in Line 21 .....	0	0	0	0
44. Servicemen's Group Life Insurance included in Line 21 .....	0	0	0	0
45. Group Permanent Insurance included in Line 21 .....	0	0	0	0

**ADDITIONAL ACCIDENTAL DEATH BENEFITS**

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	26,125
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**BASIS OF CALCULATION OF ORDINARY TERM INSURANCE**

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

**NONE**

**POLICIES WITH DISABILITY PROVISIONS**

Disability Provisions	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium .....	0	0	4,903	34,075	0	0	13,941	251,566,946
49. Disability Income .....	0	0	16	27	0	0	0	0
50. Extended Benefits .....	0	0	XXX	XXX	0	0	0	0
51. Other .....	0	0	0	0	0	0	0	0
52. Total .....	0	(b) 0	4,919	(b) 34,102	0	(b) 0	13,941	(b) 251,566,946

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

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES**

**SUPPLEMENTARY CONTRACTS**

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year .....	1,749	6,914	0	43
2. Issued during year .....	66	396	0	14
3. Reinsurance assumed .....	0	0	0	0
4. Increased during year (net) .....	0	0	0	0
5. Totals (Lines 1 to 4) .....	1,815	7,310	0	57
Deductions during year:				
6. Decreased (net) .....	121	658	0	18
7. Reinsurance ceded .....	0	0	0	0
8. Totals (Lines 6 and 7) .....	121	658	0	18
9. In force end of year .....	1,694	6,652	0	39
10. Amount on deposit .....	0	(a) 116,884,648	0	(a) 2,635,361
11. Income now payable .....	1,694	360	0	39
12. Amount of income payable .....	(a) 3,544,384	(a) 4,252,276	(a) 0	(a) 387,954

**ANNUITIES**

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year .....	2,431	36,318	1,779	1,527
2. Issued during year .....	390	3,624	325	6,712
3. Reinsurance assumed .....	0	0	0	0
4. Increased during year (net) .....	0	0	0	0
5. Totals (Lines 1 to 4) .....	2,821	39,942	2,104	8,239
Deductions during year:				
6. Decreased (net) .....	166	2,437	159	4,702
7. Reinsurance ceded .....	0	0	0	0
8. Totals (Lines 6 and 7) .....	166	2,437	159	4,702
9. In force end of year .....	2,655	37,505	1,945	3,537
Income now payable:				
10. Amount of income payable .....	(a) 40,996,380	XXX	XXX	(a) 6,457,820
Deferred fully paid:				
11. Account balance .....	XXX	(a) 2,699,271,641	XXX	(a) 998,975
Deferred not fully paid:				
12. Account balance .....	XXX	(a) 280,143,095	XXX	(a) 0

**ACCIDENT AND HEALTH INSURANCE**

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year .....	31,969	1,019,635,925	0	0	126,129	220,335,465
2. Issued during year .....	3,409	131,368,281	0	0	9,196	11,072,819
3. Reinsurance assumed .....	47	(123,161)	0	0	0	(2,636,541)
4. Increased during year (net) .....	(1,004)	XXX	0	XXX	0	XXX
5. Totals (Lines 1 to 4) .....	34,421	XXX	0	XXX	135,325	XXX
Deductions during year:						
6. Conversions .....	0	XXX	XXX	XXX	XXX	XXX
7. Decreased (net) .....	3,030	XXX	0	XXX	8,751	XXX
8. Reinsurance ceded .....	0	XXX	0	XXX	0	XXX
9. Totals (Lines 6 to 8) .....	3,030	XXX	0	XXX	8,751	XXX
10. In force end of year .....	31,391	(a) 1,020,571,738	0	(a) 0	126,574	(a) 228,771,743

**DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS**

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year .....	366	29
2. Issued during year .....	0	0
3. Reinsurance assumed .....	0	0
4. Increased during year (net) .....	928	3,979
5. Totals (Lines 1 to 4) .....	1,294	4,008
Deductions During Year:		
6. Decreased (net) .....	53	2
7. Reinsurance ceded .....	928	3,979
8. Totals (Lines 6 and 7) .....	981	3,981
9. In force end of year .....	313	27
10. Amount of account balance .....	(a) 162,351,474	(a) 30,648

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

**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE**

**INTEREST MAINTENANCE RESERVE**

	1 Amount
1. Reserve as of December 31, Prior Year .....	24,759,064
2. Current year's realized pre-tax capital gains/(losses) of \$ .....14,708,689 transferred into the reserve net of taxes of \$ .....5,148,041 .....	9,560,648
3. Adjustment for current year's liability gains/(losses) released from the reserve .....	0
4. Balance before reduction for amount transferred to Summary of Operations (Line 1 + Line 2 + Line 3) .....	34,319,712
5. Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4) .....	8,797,053
6. Reserve as of December 31, current year (Line 4 minus Line 5)	25,522,659

**AMORTIZATION**

Year of Amortization	1 Reserve as of December 31, Prior Year	2 Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	3 Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	4 Balance Before Reduction for Current Year's Amortization (Cols. 1 + 2 + 3)
1. 2013 .....	5,890,551	2,906,502	0	8,797,053
2. 2014 .....	4,662,126	2,041,129	0	6,703,255
3. 2015 .....	3,317,329	1,321,340	0	4,638,669
4. 2016 .....	2,277,884	1,059,368	0	3,337,252
5. 2017 .....	1,608,884	791,857	0	2,400,740
6. 2018 .....	1,325,234	507,224	0	1,832,458
7. 2019 .....	1,110,672	329,915	0	1,440,587
8. 2020 .....	834,969	265,018	0	1,099,987
9. 2021 .....	656,308	195,085	0	851,393
10. 2022 .....	536,266	125,274	0	661,540
11. 2023 .....	468,123	50,338	0	518,461
12. 2024 .....	385,016	10,011	0	395,027
13. 2025 .....	312,813	7,376	0	320,189
14. 2026 .....	251,503	4,742	0	256,244
15. 2027 .....	184,591	1,480	0	186,071
16. 2028 .....	153,362	(1,515)	0	151,847
17. 2029 .....	158,544	(3,279)	0	155,264
18. 2030 .....	145,040	(3,368)	0	141,672
19. 2031 .....	115,231	(3,634)	0	111,597
20. 2032 .....	89,335	(3,722)	0	85,613
21. 2033 .....	67,097	(3,988)	0	63,109
22. 2034 .....	56,092	(4,167)	0	51,925
23. 2035 .....	48,826	(4,347)	0	44,479
24. 2036 .....	38,904	(4,527)	0	34,377
25. 2037 .....	29,353	(4,885)	0	24,468
26. 2038 .....	19,905	(5,066)	0	14,839
27. 2039 .....	10,838	(4,712)	0	6,126
28. 2040 .....	3,666	(3,734)	0	(68)
29. 2041 .....	602	(2,756)	0	(2,154)
30. 2042 .....	0	(1,778)	0	(1,778)
31. 2043 and Later	0	(533)	0	(533)
32. Total (Lines 1 to 31)	24,759,064	9,560,648	0	34,319,711

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**ASSET VALUATION RESERVE**

	Default Component			Equity Component			7 Total Amount (Cols. 3 + 6)
	1 Other Than Mortgage Loans	2 Mortgage Loans	3 Total (Cols. 1 + 2)	4 Common Stock	5 Real Estate and Other Invested Assets	6 Total (Cols. 4 + 5)	
1. Reserve as of December 31, prior year .....	47,495,591	67,245,592	114,741,183	0	1,155,999	1,155,999	115,897,182
2. Realized capital gains/(losses) net of taxes - General Account .....	6,090,572	(6,086,493)	4,079	0	440,335	440,335	444,414
3. Realized capital gains/(losses) net of taxes - Separate Accounts .....	0	0	0	0	0	0	0
4. Unrealized capital gains/(losses) net of deferred taxes - General Account .....	2,989,363	(2,646,372)	342,991	0	(20,013)	(20,013)	322,978
5. Unrealized capital gains/(losses) net of deferred taxes - Separate Accounts .....	0	0	0	0	0	0	0
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves .....	0	0	0	0	0	0	0
7. Basic contribution .....	11,782,271	18,622,095	30,404,366	0	861,221	861,221	31,265,587
8. Accumulated balances (Lines 1 through 5 - 6 + 7) .....	68,357,797	77,134,822	145,492,619	0	2,437,542	2,437,542	147,930,161
9. Maximum reserve .....	53,604,272	69,050,916	122,655,188	12,620	5,144,374	5,156,994	127,812,182
10. Reserve objective .....	37,047,539	53,063,267	90,110,806	7,888	4,186,516	4,194,404	94,305,210
11. 20% of (Line 10 - Line 8) .....	(6,262,052)	(4,814,311)	(11,076,363)	1,577	349,795	351,372	(10,724,990)
12. Balance before transfers (Lines 8 + 11) .....	62,095,745	72,320,511	134,416,256	1,578	2,787,337	2,788,915	137,205,171
13. Transfers .....	0	0	0	0	0	0	XXX
14. Voluntary contribution .....	0	0	0	0	0	0	0
15. Adjustment down to maximum/up to zero .....	(8,491,473)	(3,269,595)	(11,761,068)	0	0	0	(11,761,068)
16. Reserve as of December 31, current year (Lines 12 + 13 + 14 + 15)	53,604,272	69,050,916	122,655,188	1,578	2,787,337	2,788,915	125,444,103

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

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

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
LONG-TERM BONDS												
1.		Exempt Obligations .....	24,518,428	XXX	XXX	24,518,428	0.0000	0	0.0000	0	0.0000	0
2.	1	Highest Quality .....	3,975,383,871	XXX	XXX	3,975,383,871	0.0004	1,590,154	0.0023	9,143,383	0.0030	11,926,152
3.	2	High Quality .....	2,274,303,211	XXX	XXX	2,274,303,211	0.0019	4,321,176	0.0058	13,190,959	0.0090	20,468,729
4.	3	Medium Quality .....	225,362,627	XXX	XXX	225,362,627	0.0093	2,095,872	0.0230	5,183,340	0.0340	7,662,329
5.	4	Low Quality .....	163,438,500	XXX	XXX	163,438,500	0.0213	3,481,240	0.0530	8,662,241	0.0750	12,257,888
6.	5	Lower Quality .....	5,845,270	XXX	XXX	5,845,270	0.0432	252,516	0.1100	642,980	0.1700	993,696
7.	6	In or Near Default .....	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
8.		Total Unrated Multi-class Securities Acquired by Conversion .....	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
9.		Total Bonds (Sum of Lines 1 through 8)	6,668,851,907	XXX	XXX	6,668,851,907	XXX	11,740,958	XXX	36,822,902	XXX	53,308,793
PREFERRED STOCK												
10.	1	Highest Quality .....	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
11.	2	High Quality .....	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
12.	3	Medium Quality .....	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
13.	4	Low Quality .....	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
14.	5	Lower Quality .....	93,322	XXX	XXX	93,322	0.0432	4,032	0.1100	10,265	0.1700	15,865
15.	6	In or Near Default .....	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
16.		Affiliated Life with AVR .....	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
17.		Total Preferred Stocks (Sum of Lines 10 through 16)	93,322	XXX	XXX	93,322	XXX	4,032	XXX	10,265	XXX	15,865
SHORT - TERM BONDS												
18.		Exempt Obligations .....	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
19.	1	Highest Quality .....	77,409,458	XXX	XXX	77,409,458	0.0004	30,964	0.0023	178,042	0.0030	232,228
20.	2	High Quality .....	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
21.	3	Medium Quality .....	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
22.	4	Low Quality .....	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
23.	5	Lower Quality .....	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
24.	6	In or Near Default .....	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
25.		Total Short - Term Bonds (Sum of Lines 18 through 24)	77,409,458	XXX	XXX	77,409,458	XXX	30,964	XXX	178,042	XXX	232,228

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

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
<b>DERIVATIVE INSTRUMENTS</b>												
26.		Exchange Traded .....	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
27.	1	Highest Quality .....	15,795,358	XXX	XXX	15,795,358	0.0004	6,318	0.0023	36,329	0.0030	47,386
28.	2	High Quality .....	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
29.	3	Medium Quality .....	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
30.	4	Low Quality .....	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
31.	5	Lower Quality .....	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
32.	6	In or Near Default .....	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
33.		Total Derivative Instruments .....	15,795,358	XXX	XXX	15,795,358	XXX	6,318	XXX	36,329	XXX	47,386
34.		Total (Lines 9 + 17 + 25 + 33) .....	6,762,150,045	XXX	XXX	6,762,150,045	XXX	11,782,271	XXX	37,047,539	XXX	53,604,272
<b>MORTGAGE LOANS</b>												
In Good Standing:												
35.		Farm Mortgages .....	0	0	XXX	0	0.0035	0	0.0100	0	0.0130	0
36.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
37.		Residential Mortgages - All Other .....	391,238	0	XXX	391,238	0.0013	509	0.0030	1,174	0.0040	1,565
38.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
39.		Commercial Mortgages - All Other .....	5,236,583,366	0	XXX	5,236,583,366	0.0035	18,328,042	0.0100	52,365,834	0.0130	68,075,584
40.		In Good Standing With Restructured Terms .....	45,023,133	0	XXX	45,023,133	0.0035	157,581	0.0100	450,231	0.0130	585,301
Overdue, Not in Process:												
41.		Farm Mortgages .....	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
42.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
43.		Residential Mortgages - All Other .....	0	0	XXX	0	0.0025	0	0.0058	0	0.0090	0
44.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
45.		Commercial Mortgages - All Other .....	3,237,220	0	XXX	3,237,220	0.0420	135,963	0.0760	246,029	0.1200	388,466
In Process of Foreclosure:												
46.		Farm Mortgages .....	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
47.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
48.		Residential Mortgages - All Other .....	0	0	XXX	0	0.0000	0	0.0130	0	0.0130	0
49.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
50.		Commercial Mortgages - All Other .....	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
51.		Total Schedule B Mortgages (Sum of Lines 35 through 50) .....	5,285,234,957	0	XXX	5,285,234,957	XXX	18,622,095	XXX	53,063,267	XXX	69,050,916
52.		Schedule DA Mortgages .....	0	0	XXX	0	0.0030	0	0.0100	0	0.0130	0
53.		Total Mortgage Loans on Real Estate (Lines 51 + 52) .....	5,285,234,957	0	XXX	5,285,234,957	XXX	18,622,095	XXX	53,063,267	XXX	69,050,916



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

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
<b>COMMON STOCK</b>												
1.		Unaffiliated - Public	0	XXX	XXX	0	0.0000	0	0.1300 (a)	0	0.1300 (a)	0
2.		Unaffiliated - Private	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
3.		Federal Home Loan Bank	1,577,500	XXX	XXX	1,577,500	0.0000	0	0.0050	7,888	0.0080	12,620
4.		Affiliated - Life with AVR	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
Affiliated - Investment Subsidiary:												
5.		Fixed Income - Exempt Obligations	0	0	0	0	XXX	0	XXX	0	XXX	0
6.		Fixed Income - Highest Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
7.		Fixed Income - High Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
8.		Fixed Income - Medium Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
9.		Fixed Income - Low Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
10.		Fixed Income - Lower Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
11.		Fixed Income - In/Near Default	0	0	0	0	XXX	0	XXX	0	XXX	0
12.		Unaffiliated Common Stock - Public	0	0	0	0	0.0000	0	0.1300 (a)	0	0.1300 (a)	0
13.		Unaffiliated Common Stock - Private	0	0	0	0	0.0000	0	0.1600	0	0.1600	0
14.		Mortgage Loans	0	0	0	0	0.0030	0	0.0100	0	0.0130	0
15.		Real Estate	0	0	0	0	0.0000 (b)	0	0.0000 (b)	0	0.0000 (b)	0
16.		Affiliated - Certain Other (See SVO Purposes and Procedures Manual)	0	XXX	XXX	0	0.0000	0	0.1300	0	0.1300	0
17.		Affiliated - All Other	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
18.		Total Common Stock (Sum of Lines 1 through 17)	1,577,500	0	0	1,577,500	XXX	0	XXX	7,888	XXX	12,620
<b>REAL ESTATE</b>												
19.		Home Office Property (General Account only)	31,440,997	0	0	31,440,997	0.0000	0	0.0750	2,358,075	0.0750	2,358,075
20.		Investment Properties	2,488,670	0	0	2,488,670	0.0000	0	0.0750	186,650	0.0750	186,650
21.		Properties Acquired in Satisfaction of Debt	0	0	0	0	0.0000	0	0.1100	0	0.1100	0
22.		Total Real Estate (Sum of Lines 19 through 21)	33,929,667	0	0	33,929,667	XXX	0	XXX	2,544,725	XXX	2,544,725
<b>OTHER INVESTED ASSETS</b>												
<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS</b>												
23.		Exempt Obligations	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
24.	1	Highest Quality	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
25.	2	High Quality	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
26.	3	Medium Quality	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
27.	4	Low Quality	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
28.	5	Lower Quality	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
29.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
30.		Total with Bond Characteristics (Sum of Lines 23 through 29)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0

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

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS												
31.	1	Highest Quality .....	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
32.	2	High Quality .....	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
33.	3	Medium Quality .....	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
34.	4	Low Quality .....	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
35.	5	Lower Quality .....	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
36.	6	In or Near Default .....	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
37.		Affiliated Life with AVR .....	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
38.		Total with Preferred Stock Characteristics (Sum of Lines 31 through 37)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS												
In Good Standing:												
39.		Farm Mortgages .....	0	0	XXX	0	0.0030	0	0.0100	0	0.0130	0
40.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
41.		Residential Mortgages - All Other .....	0	XXX	XXX	0	0.0013	0	0.0030	0	0.0040	0
42.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
43.		Commercial Mortgages - All Other .....	0	0	XXX	0	0.0030	0	0.0100	0	0.0130	0
44.		In Good Standing With Restructured Terms .....	0	0	XXX	0	0.0030	0	0.0100	0	0.0130	0
Overdue, Not in Process:												
45.		Farm Mortgages .....	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
46.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
47.		Residential Mortgages - All Other .....	0	0	XXX	0	0.0025	0	0.0058	0	0.0090	0
48.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
49.		Commercial Mortgages - All Other .....	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
In Process of Foreclosure:												
50.		Farm Mortgages .....	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
51.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
52.		Residential Mortgages - All Other .....	0	0	XXX	0	0.0000	0	0.0130	0	0.0130	0
53.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
54.		Commercial Mortgages - All Other .....	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
55.		Total with Mortgage Loan Characteristics (Sum of Lines 39 through 54)	0	0	XXX	0	XXX	0	XXX	0	XXX	0

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

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK												
56.		Unaffiliated Public .....	0	XXX	XXX	0	0.0000	0	0.1300 (a)	0	0.1300 (a)	0
57.		Unaffiliated Private .....	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
58.		Affiliated Life with AVR .....	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
59.		Affiliated Certain Other (See SVO Purposes & Procedures Manual) .....	0	XXX	XXX	0	0.0000	0	0.1300	0	0.1300	0
60.		Affiliated Other - All Other .....	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
61.		Total with Common Stock Characteristics (Sum of Lines 56 through 60)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE												
62.		Home Office Property (General Account only) .....	0	0	0	0	0.0000	0	0.0750	0	0.0750	0
63.		Investment Properties .....	0	0	0	0	0.0000	0	0.0750	0	0.0750	0
64.		Properties Acquired in Satisfaction of Debt .....	0	0	0	0	0.0000	0	0.1100	0	0.1100	0
65.		Total with Real Estate Characteristics (Lines 62 through 64)	0	0	0	0	XXX	0	XXX	0	XXX	0
LOW INCOME HOUSING TAX CREDIT INVESTMENTS												
66.		Guaranteed Federal Low Income Housing Tax Credit .....	14,180,423	0	0	14,180,423	0.0003	4,254	0.0006	8,508	0.0010	14,180
67.		Non-guaranteed Federal Low Income Housing Tax Credit .....	134,077,548	0	0	134,077,548	0.0063	844,689	0.0120	1,608,931	0.0190	2,547,473
68.		Guaranteed State Low Income Housing Tax Credit .....	0	0	0	0	0.0003	0	0.0006	0	0.0010	0
69.		Non-guaranteed State Low Income Housing Tax Credit .....	1,948,954	0	0	1,948,954	0.0063	12,278	0.0120	23,387	0.0190	37,030
70.		All Other Low Income Housing Tax Credit .....	0	0	0	0	0.0273	0	0.0600	0	0.0975	0
71.		Total LIHTC	150,206,925	0	0	150,206,925	XXX	861,221	XXX	1,640,826	XXX	2,598,684
ALL OTHER INVESTMENTS												
72.		NAIC 1 Working Capital Finance Investments .....	0	XXX	0	0	0.0000	0	0.0037	0	0.0037	0
73.		NAIC 2 Working Capital Finance Investments .....	0	XXX	0	0	0.0000	0	0.0120	0	0.0120	0
74.		Other Invested Assets - Schedule BA .....	7,424	XXX	0	7,424	0.0000	0	0.1300	965	0.1300	965
75.		Other Short-Term Invested Assets - Schedule DA .....	0	XXX	0	0	0.0000	0	0.1300	0	0.1300	0
76.		Total All Other (Sum of Lines 72 + 73, 74 and 75) .....	7,424	XXX	0	7,424	XXX	0	XXX	965	XXX	965
77.		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 30, 38, 55, 61, 65, 71 and 76)	150,214,349	0	0	150,214,349	XXX	861,221	XXX	1,641,791	XXX	2,599,649

(a) Times the company's weighted average portfolio beta (Minimum .10, Maximum .20).  
 (b) Determined using the same factors and breakdowns used for directly owned real estate.

**ASSET VALUATION RESERVE (Continued)**

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

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE F**

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

1	2	3	4	5	6	7	8
Contract Numbers	Claim Numbers	State of Residence of Claimant	Year of Claim for Death or Disability	Amount Claimed	Amount Paid During the Year	Amount Resisted Dec. 31 of Current Year	Why Compromised or Resisted
153768	D06981	OR	2012	100,000	0	0	Not eligible
153768	D11569	WA	2012	65,000	0	0	Not eligible
132794	D12204	CT	2012	50,000	12,600	0	Not eligible
642959	D12521	OR	2008	2,000	0	0	Proof of Loss
647541	D14958	AZ	2012	10,000	0	0	Does not meet age requirement
641874	D16516	AZ	2012	32,000	10,000	0	Partial EOI denial
646892	D20918	PA	2012	20,000	0	0	Not eligible for full amount
640621	D21314	NH	2012	80,000	40,000	0	EOI denial
642423	D23015	GA	2012	40,000	0	0	Does not meet age requirement
645863	D23137	AZ	2012	20,000	9,750	0	Not eligible for full amount
143982	D24751	OH	2012	20,000	0	0	Not eligible for full amount
645870	D25430	TX	2012	5,000	0	0	EOI denial
645600	D26326	NC	2010	5,000	0	0	Does not meet age requirement
139360	D28638	NC	2011	30,000	0	0	Not eligible
645744	D28953	TX	2012	64,800	64,800	0	Not eligible for full amount
646871	D30479	NC	2013	25,000	25,000	0	Not eligible
630363	D30635	CA	2012	100,000	55,000	0	Not eligible for full amount
155416	D30898	PA	2013	20,000	0	0	Not eligible
131940	D32981	NY	2012	32,000	0	0	Not eligible
641321	D33026	UT	2012	30,000	0	0	Not eligible
606308	D34087	WA	2003	2,000	0	0	No insurance coverage
648347	D35407	TN	2013	60,000	10,000	0	Policy exclusions
646890	D38241	WI	2013	254,000	204,000	0	Not eligible for full amount
643157	D41447	IA	2013	584,000	449,000	0	Not eligible for full amount
610164	D41866	GA	2013	105,000	106,000	0	Not eligible
152739	D41974	MN	2013	88,000	0	0	Not eligible
120505	D42169	MI	2013	12,250	0	0	Not eligible
648212	D42323	CO	2013	50,000	20,000	0	Partial EOI denial
642064	D48256	MO	2013	160,000	128,000	0	Partial denial: AWR not met
0399999. Death Claims - Group				2,066,050	1,134,150	0	XXX
0599999. Death Claims - Disposed Of				2,066,050	1,134,150	0	XXX
641797	C47622	TX	2010	121,500	60,000	0	Policy exclusion
137596	C76100	PA	2011	30,000	0	0	Policy exclusions
642682	C83182	NV	2011	40,000	0	0	Cause of death
148470	C90416	FL	2011	252,000	105,000	0	Policy exclusions
645549	C97754	NM	2011	137,000	0	0	Policy exclusions
641685	D01328	CA	2011	25,000	0	0	Not a covered loss
649104	D02071	WV	2012	105,000	0	0	Policy exclusions
612867	D02236	CA	2011	20,000	0	0	Policy exclusions
643147	D04650	CA	2012	258,924	0	0	Policy exclusions
648590	D08489	WA	2012	100,000	87,500	0	Policy exclusions
639661	D10999	CA	2011	505,000	505,000	0	Policy exclusions
646591	D12081	SC	2012	25,000	25,000	0	Policy exclusions
603073	D13090	OR	2012	250,000	0	0	Cause of death
645547	D13530	AZ	2011	58,500	0	0	Not a covered loss
645872	D13584	AR	2012	390,000	0	0	Policy exclusions
645872	D13586	AR	2012	530,000	530,000	0	Policy exclusions
645547	D13692	AZ	2012	12,250	0	0	Policy exclusions
648727	D13825	PA	2012	30,000	0	0	Policy exclusions
641757	D14466	IL	2012	84,000	69,000	0	Policy exclusions
142357	D14892	CA	2012	1,000,000	1,000,000	0	Cause of death
640806	D19827	CT	2012	30,000	0	0	Policy exclusions
475630	D20340	CA	2012	20,000	0	0	Policy exclusions
642228	D20414	FL	2012	56,000	0	0	Policy exclusions
151973	D20686	VA	2012	93,606	84,860	0	Policy exclusions
135163	D21411	IN	2012	211,000	211,000	0	Policy exclusions
645553	D22351	NM	2012	50,000	50,000	0	Policy exclusions
612867	D22524	CA	2012	20,000	0	0	Policy exclusions
605772	D22735	WA	2012	49,000	0	0	Not a covered loss
606814	D23311	OR	2012	300,000	300,000	0	Policy exclusions
153243	D23981	IL	2012	93,000	92,000	0	Proof of Loss
647267	D26314	MN	2012	250,000	0	0	Policy exclusions
641684	D28669	CA	2012	5,000	0	0	Cause of death
152476	D31114	CA	2011	50,000	0	0	Policy exclusions
606308	D34087	WA	2003	2,000	0	0	No insurance coverage
648347	D35407	TN	2013	10,000	0	0	Policy exclusions
646883	D41465	PA	2013	100,500	100,500	0	Not a covered loss
0899999. Additional Accidental Death Benefits-Group				5,314,280	3,219,860	0	XXX
1099999. Additional Accidental Death Benefits Claims - Disposed Of				5,314,280	3,219,860	0	XXX
1599999. Disability Benefits Claims - Disposed Of				0	0	0	XXX
2099999. Matured Endowments Claims - Disposed Of				0	0	0	XXX
2599999. Annuities with Life Contingency Claims - Disposed Of				0	0	0	XXX
2699999. Claims Disposed of During Current Year				7,380,330	4,354,010	0	XXX
643621	B24436	LA	2005	125,000	0	85,000	Lower coverage amounts paid; increased coverage denied
144439	C59555	GA	2010	150,000	0	150,000	Not eligible
148624	C85523	MN	2011	650,000	0	400,000	Partial EOI denial
488980	D00896	OR	2012	210,000	0	210,000	Policy exclusions
608088	D33639	MT	2013	214,000	14,000	200,000	Not eligible
646874	D35360	ME	2012	38,700	0	38,700	Not eligible
643197	D38684	AL	2013	30,000	0	30,000	Not eligible
642521	D47067	AK	2013	135,000	0	135,000	Claim filed with wrong carrier
647896	D48794	OH	2013	410,000	0	410,000	Active work requirement not met
154799	D50707	WI	2013	173,000	73,000	100,000	Partial denial: AWR not met
2999999. Death Claims - Group				2,135,700	87,000	1,758,700	XXX
3199999. Death Claims - Resisted				2,135,700	87,000	1,758,700	XXX
643381	C20717	TX	2009	438,000	0	438,000	Policy exclusions

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**SCHEDULE F**

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

1	2	3	4	5	6	7	8
Contract Numbers	Claim Numbers	State of Residence of Claimant	Year of Claim for Death or Disability	Amount Claimed	Amount Paid During the Year	Amount Resisted Dec. 31 of Current Year	Why Compromised or Resisted
647544	C55800	AR	2010	166,000	0	83,000	Policy exclusions
136810	C65976	IL	2010	1,200,000	0	1,200,000	Not a covered loss
644016	C99331	AZ	2011	100,000	0	100,000	Cause of death
645797	D20112	CO	2012	200,000	0	200,000	Policy exclusions
153441	D21664	PA	2012	20,000	0	20,000	Policy exclusions
646595	D22895	OR	2012	100,000	0	100,000	Policy exclusions
153536	D31496	MI	2013	20,000	0	20,000	Policy exclusions
603073	D34625	OR	2013	150,000	0	150,000	Policy exclusions
646875	D34926	TX	2013	552,000	0	552,000	Policy exclusions
147453	D36944	CT	2013	120,000	0	120,000	Policy exclusions
649112	D38273	NM	2012	300,000	0	300,000	Not a covered loss
643197	D39844	AL	2013	25,000	0	25,000	Policy exclusions
649317	D41978	VA	2013	118,000	0	118,000	Policy exclusions
647267	D43865	MN	2013	500,000	0	500,000	Policy exclusions
3499999. Additional Accidental Death Benefits-Group				4,009,000	0	3,926,000	XXX
3699999. Additional Accidental Death Benefits Claims - Resisted				4,009,000	0	3,926,000	XXX
4199999. Disability Benefits Claims - Resisted				0	0	0	XXX
4699999. Matured Endowments Claims - Resisted				0	0	0	XXX
5199999. Annuities with Life Contingencies Claims - Resisted				0	0	0	XXX
5299999. Claims Resisted During Current Year				6,144,700	87,000	5,684,700	XXX
5399999 - Totals				13,525,030	4,441,010	5,684,700	XXX

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT**

	Total		Group Accident and Health		Credit Accident and Health (Group and Individual)		Collectively Renewable		Other Individual Contracts											
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other			
									9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %		
<b>PART 1. - ANALYSIS OF UNDERWRITING OPERATIONS</b>																				
1. Premiums written	1,277,521,566	XXX	1,103,601,094	XXX	0	XXX	0	XXX	145,777,094	XXX	28,143,378	XXX	0	XXX	0	XXX	0	XXX	0	XXX
2. Premiums earned	1,278,713,372	XXX	1,099,326,445	XXX	0	XXX	0	XXX	152,449,820	XXX	26,937,107	XXX	0	XXX	0	XXX	0	XXX	0	XXX
3. Incurred claims	959,805,987	75.1	859,526,662	78.2	0	0.0	0	0.0	88,595,705	58.1	11,683,620	43.4	0	0.0	0	0.0	0	0.0	0	0.0
4. Cost containment expenses	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
5. Incurred claims and cost containment expenses (Lines 3 and 4)	959,805,987	75.1	859,526,662	78.2	0	0.0	0	0.0	88,595,705	58.1	11,683,620	43.4	0	0.0	0	0.0	0	0.0	0	0.0
6. Increase in contract reserves	19,852,711	1.6	0	0.0	0	0.0	0	0.0	14,121,208	9.3	5,731,503	21.3	0	0.0	0	0.0	0	0.0	0	0.0
7. Commissions (a)	93,132,246	7.3	61,073,849	5.6	0	0.0	0	0.0	26,384,761	17.3	5,673,636	21.1	0	0.0	0	0.0	0	0.0	0	0.0
8. Other general insurance expenses	250,119,519	19.6	221,584,291	20.2	0	0.0	0	0.0	23,485,116	15.4	5,050,112	18.7	0	0.0	0	0.0	0	0.0	0	0.0
9. Taxes, licenses and fees	36,150,328	2.8	30,581,450	2.8	0	0.0	0	0.0	4,667,736	3.1	901,142	3.3	0	0.0	0	0.0	0	0.0	0	0.0
10. Total other expenses incurred	379,402,093	29.7	313,239,590	28.5	0	0.0	0	0.0	54,537,613	35.8	11,624,890	43.2	0	0.0	0	0.0	0	0.0	0	0.0
11. Aggregate write-ins for deductions	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
12. Gain from underwriting before dividends or refunds	(80,347,419)	(6.3)	(73,439,807)	(6.7)	0	0.0	0	0.0	(4,804,706)	(3.2)	(2,102,906)	(7.8)	0	0.0	0	0.0	0	0.0	0	0.0
13. Dividends or refunds	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
14. Gain from underwriting after dividends or refunds	(80,347,419)	(6.3)	(73,439,807)	(6.7)	0	0.0	0	0.0	(4,804,706)	(3.2)	(2,102,906)	(7.8)	0	0.0	0	0.0	0	0.0	0	0.0
<b>DETAILS OF WRITE-INS</b>																				
1101.	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
1102.																				
1103.																				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT (Continued)**

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
<b>PART 2. - RESERVES AND LIABILITIES</b>									
<b>A. Premium Reserves:</b>									
1. Unearned premiums .....	29,956,763	0	0	0	22,680,682	7,276,081	0	0	0
2. Advance premiums .....	6,995,396	4,881,793	0	0	1,778,456	335,147	0	0	0
3. Reserve for rate credits .....	13,127,256	13,127,256	0	0	0	0	0	0	0
4. Total premium reserves, current year .....	50,079,415	18,009,049	0	0	24,459,138	7,611,228	0	0	0
5. Total premium reserves, prior year .....	51,271,219	13,734,400	0	0	31,131,863	6,404,956	0	0	0
6. Increase in total premium reserves .....	(1,191,804)	4,274,649	0	0	(6,672,725)	1,206,272	0	0	0
<b>B. Contract Reserves:</b>									
1. Additional reserves (a) .....	189,721,613	0	0	0	157,453,576	32,268,037	0	0	0
2. Reserve for future contingent benefits .....	0	0	0	0	0	0	0	0	0
3. Total contract reserves, current year .....	189,721,613	0	0	0	157,453,576	32,268,037	0	0	0
4. Total contract reserves, prior year .....	169,868,902	0	0	0	143,332,368	26,536,534	0	0	0
5. Increase in contract reserves .....	19,852,711	0	0	0	14,121,208	5,731,503	0	0	0
<b>C. Claim Reserves and Liabilities:</b>									
1. Total current year .....	3,778,417,006	3,168,960,691	0	0	563,358,561	46,097,754	0	0	0
2. Total prior year .....	3,782,698,062	3,182,195,900	0	0	557,644,809	42,857,353	0	0	0
3. Increase .....	(4,281,056)	(13,235,209)	0	0	5,713,752	3,240,401	0	0	0

<b>PART 3. - TEST OF PRIOR YEAR'S CLAIM RESERVES AND LIABILITIES</b>									
<b>1. Claims paid during the year:</b>									
1.1 On claims incurred prior to current year .....	697,366,328	609,033,585	0	0	80,411,305	7,921,438	0	0	0
1.2 On claims incurred during current year .....	266,720,715	263,728,286	0	0	2,470,648	521,781	0	0	0
<b>2. Claim reserves and liabilities, December 31, current year:</b>									
2.1 On claims incurred prior to current year .....	3,050,370,866	2,501,658,876	0	0	512,658,958	36,053,032	0	0	0
2.2 On claims incurred during current year .....	728,046,140	667,301,815	0	0	50,699,603	10,044,722	0	0	0
<b>3. Test:</b>									
3.1 Lines 1.1 and 2.1 .....	3,747,737,194	3,110,692,461	0	0	593,070,263	43,974,470	0	0	0
3.2 Claim reserves and liabilities, December 31, prior year .....	3,782,698,062	3,182,195,900	0	0	557,644,809	42,857,353	0	0	0
3.3 Line 3.1 minus Line 3.2 .....	(34,960,868)	(71,503,439)	0	0	35,425,454	1,117,117	0	0	0

<b>PART 4. - REINSURANCE</b>									
<b>A. Reinsurance Assumed:</b>									
1. Premiums written .....	96,511,152	57,764,033	0	0	38,658,163	88,956	0	0	0
2. Premiums earned .....	96,692,158	57,612,629	0	0	38,990,156	89,373	0	0	0
3. Incurred claims .....	100,259,820	46,839,953	0	0	53,279,852	140,015	0	0	0
4. Commissions .....	4,012,206	0	0	0	4,003,003	9,203	0	0	0
<b>B. Reinsurance Ceded:</b>									
1. Premiums written .....	95,354,117	42,749,116	0	0	42,895,782	9,709,219	0	0	0
2. Premiums earned .....	95,373,416	42,743,716	0	0	42,920,481	9,709,219	0	0	0
3. Incurred claims .....	52,305,301	29,679,214	0	0	19,791,427	2,834,660	0	0	0
4. Commissions .....	17,010,019	0	0	0	13,622,225	3,387,794	0	0	0

(a) Includes \$ .....0 premium deficiency reserve.



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE H - PART 5 - HEALTH CLAIMS**

	1 Medical	2 Dental	3 Other	4 Total
<b>A. Direct:</b>				
1. Incurred Claims .....	0	78,465,908	833,385,562	911,851,470
2. Beginning Claim Reserves and Liabilities .....	0	5,383,712	2,965,694,305	2,971,078,017
3. Ending Claim Reserves and Liabilities .....	0	5,691,147	3,016,928,894	3,022,620,041
4. Claims Paid	0	78,158,473	782,150,973	860,309,446
<b>B. Assumed Reinsurance:</b>				
5. Incurred Claims.....	0	0	100,259,820	100,259,820
6. Beginning Claim Reserves and Liabilities .....	0	0	932,637,983	932,637,983
7. Ending Claim Reserves and Liabilities .....	0	0	885,527,985	885,527,985
8. Claims Paid	0	0	147,369,818	147,369,818
<b>C. Ceded Reinsurance:</b>				
9. Incurred Claims.....	0	19,606,008	32,699,293	52,305,301
10. Beginning Claim Reserves and Liabilities .....	0	2,749,252	123,267,336	126,016,588
11. Ending Claim Reserves and Liabilities .....	0	2,842,013	133,078,217	135,920,230
12. Claims Paid	0	19,513,247	22,888,412	42,401,659
<b>D. Net:</b>				
13. Incurred Claims.....	0	58,859,900	900,946,089	959,805,989
14. Beginning Claim Reserves and Liabilities .....	0	2,634,460	3,775,064,952	3,777,699,412
15. Ending Claim Reserves and Liabilities .....	0	2,849,134	3,769,378,662	3,772,227,796
16. Claims Paid	0	58,645,226	906,632,379	965,277,605
<b>E. Net Incurred Claims and Cost Containment Expenses:</b>				
17. Incurred Claims and Cost Containment Expenses .....	0	58,859,900	900,946,089	959,805,989
18. Beginning Reserves and Liabilities .....	0	2,634,460	3,775,064,954	3,777,699,414
19. Ending Reserves and Liabilities .....	0	2,849,134	3,769,378,662	3,772,227,796
20. Paid Claims and Cost Containment Expenses	0	58,645,226	906,632,381	965,277,607



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 1 - SECTION 2**

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Premiums	8 Unearned Premiums	9 Reserve Liability Other Than for Unearned Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 Funds Withheld Under Coinsurance
0399999. Total - U.S. Affiliates						0	0	0	0	0	0
0699999. Total - Non-U.S. Affiliates						0	0	0	0	0	0
0799999. Total - Affiliates						0	0	0	0	0	0
66168	41-0417830	09/30/2000	Minnesota Mutual Life Insurance Company	MN	CO/L	38,736,316	4,452,003	526,470,034	5,775,114	0	0
00000	22-2327144	01/01/1987	Zimmermann Line-Slip Co.	NJ	OTH/G	0	0	0	463,327	0	0
00000	AA-9995053	10/01/2001	Special Pooled Risk Administrators Inc.	NJ	CAT/G	0	0	0	0	0	0
67091	39-0509570	01/01/1988	Northwestern Mutual Life Ins. Co.	WI	OTH/G	57,612,629	0	227,970,647	5,376,115	0	0
69345	13-1624203	10/01/2002	TIAA-CREF Life Insurance Company	NY	CO/G	0	0	179,611,639	12,500	0	0
0899999. U.S. Non-Affiliates						96,348,945	4,452,003	934,052,320	11,627,056	0	0
1099999. Total - Non-Affiliates						96,348,945	4,452,003	934,052,320	11,627,056	0	0
1199999. Total U.S. (Sum of 0399999 and 0899999)						96,348,945	4,452,003	934,052,320	11,627,056	0	0
1299999. Total Non-U.S. (Sum of 0699999 and 0999999)						0	0	0	0	0	0
9999999 - Totals						96,348,945	4,452,003	934,052,320	11,627,056	0	0



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 3 - SECTION 1**

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Amount in Force at End of Year	Reserve Credit Taken		10 Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance	
							8 Current Year	9 Prior Year		11 Current Year	12 Prior Year			
0399999. Total General Account - Authorized U.S. Affiliates							0	0	0	0	0	0	0	
00000	AA-1126510	10/01/2011	Lloyd's Syndicate 510	GBR	CAT/G	0	0	0	54,193	0	0	0	0	
00000	AA-1127400	10/01/2011	Lloyd's Syndicate 1400	GBR	CAT/G	0	0	0	37,659	0	0	0	0	
00000	AA-1128001	10/01/2011	Lloyd's Syndicate 2001	GBR	CAT/G	0	0	0	22,465	0	0	0	0	
00000	AA-1126623	07/01/2009	Lloyd's Syndicate 3623	GBR	CAT/G	0	0	0	138,082	0	0	0	0	
00000	AA-1126005	07/01/2013	Lloyd's Underwriter Syndicate 4000	GBR	CAT/G	0	0	0	9,588	0	0	0	0	
00000	AA-1127861	07/01/2013	Lloyd's Underwriter Syndicate 1861 (Incidental to 2999)	GBR	CAT/G	0	0	0	9,588	0	0	0	0	
0599999. General Account - Authorized Non-U.S. Affiliates - Other							0	0	0	271,575	0	0	0	0
0699999. Total General Account - Authorized Non-U.S. Affiliates							0	0	0	271,575	0	0	0	0
0799999. Total General Account - Authorized Affiliates							0	0	0	271,575	0	0	0	0
68136	63-0169720	01/01/2001	Protective Life	AL	CO/I	2,601,809,933	764,273,658	760,963,119	45,146,312	0	0	0	0	
82627	06-0839705	07/01/1978	Swiss Re Life & Health	CT	YRT/G	0	801,580	829,470	0	0	0	0	0	
93572	43-1235868	01/01/1997	RGA Reinsurance Company	MO	YRT/G	3,163,586,246	3,521,399	2,544,160	2,649,419	0	0	0	0	
93572	43-1235868	01/01/1997	RGA Reinsurance Company	MO	YRT/I	496,000	166,259	0	10,020	0	0	0	0	
82627	06-0839705	01/01/1997	Swiss Re Life & Health	CT	YRT/G	0	0	0	0	0	0	0	0	
80659	38-0397420	12/31/2011	US Business of Canada Life Assurance Company	MI	YRT/G	119,598,437,202	0	0	219,237,736	0	0	0	0	
62383	42-0813782	07/01/2009	Centurion Life Insurance Company	IA	CAT/G	0	0	0	35,010	0	0	0	0	
16535	36-4233459	10/01/2011	Zurich American Insurance Company	NY	CAT/G	0	0	0	139,619	0	0	0	0	
0899999. General Account - Authorized U.S. Non-Affiliates							125,364,329,381	768,762,896	764,336,749	267,218,116	0	0	0	0
1099999. Total General Account - Authorized Non-Affiliates							125,364,329,381	768,762,896	764,336,749	267,218,116	0	0	0	0
1199999. Total General Account Authorized							125,364,329,381	768,762,896	764,336,749	267,489,691	0	0	0	0
1499999. Total General Account - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0	0
1799999. Total General Account - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0	0
1899999. Total General Account - Unauthorized Affiliates							0	0	0	0	0	0	0	0
00000	AA-5340310	10/01/2011	General Insurance Corporation of India	IND	CAT/G	0	0	0	30,806	0	0	0	0	
2099999. General Account - Unauthorized Non-U.S. Non-Affiliates							0	0	0	30,806	0	0	0	0
2199999. Total General Account - Unauthorized Non-Affiliates							0	0	0	30,806	0	0	0	0
2299999. Total General Account Unauthorized							0	0	0	30,806	0	0	0	0
2599999. Total General Account - Certified U.S. Affiliates							0	0	0	0	0	0	0	0
2899999. Total General Account - Certified Non-U.S. Affiliates							0	0	0	0	0	0	0	0
2999999. Total General Account - Certified Affiliates							0	0	0	0	0	0	0	0
3299999. Total General Account - Certified Non-Affiliates							0	0	0	0	0	0	0	0
3399999. Total General Account Certified							0	0	0	0	0	0	0	0
3499999. Total General Account Authorized, Unauthorized and Certified							125,364,329,381	768,762,896	764,336,749	267,520,497	0	0	0	0
3799999. Total Separate Accounts - Authorized U.S. Affiliates							0	0	0	0	0	0	0	0
4099999. Total Separate Accounts - Authorized Non-U.S. Affiliates							0	0	0	0	0	0	0	0
4199999. Total Separate Accounts - Authorized Affiliates							0	0	0	0	0	0	0	0
4499999. Total Separate Accounts - Authorized Non-Affiliates							0	0	0	0	0	0	0	0
4599999. Total Separate Accounts Authorized							0	0	0	0	0	0	0	0
4899999. Total Separate Accounts - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0	0
5199999. Total Separate Accounts - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0	0
5299999. Total Separate Accounts - Unauthorized Affiliates							0	0	0	0	0	0	0	0
5599999. Total Separate Accounts - Unauthorized Non-Affiliates							0	0	0	0	0	0	0	0
5699999. Total Separate Accounts Unauthorized							0	0	0	0	0	0	0	0
5999999. Total Separate Accounts - Certified U.S. Affiliates							0	0	0	0	0	0	0	0
6299999. Total Separate Accounts - Certified Non-U.S. Affiliates							0	0	0	0	0	0	0	0
6399999. Total Separate Accounts - Certified Affiliates							0	0	0	0	0	0	0	0
6699999. Total Separate Accounts - Certified Non-Affiliates							0	0	0	0	0	0	0	0
6799999. Total Separate Accounts Certified							0	0	0	0	0	0	0	0
6899999. Total Separate Accounts Authorized, Unauthorized and Certified							0	0	0	0	0	0	0	0
6999999. Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)							125,364,329,381	768,762,896	764,336,749	267,218,116	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 3 - SECTION 1**

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Amount in Force at End of Year	Reserve Credit Taken		10 Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
							8 Current Year	9 Prior Year		11 Current Year	12 Prior Year		
7099999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)						0	0	0	302,381	0	0	0	0
9999999 - Totals						125,364,329,381	768,762,896	764,336,749	267,520,497	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 3 - SECTION 2**

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type	7 Premiums	8 Unearned Premiums (Estimated)	9 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
									10 Current Year	11 Prior Year		
0399999. Total General Account - Authorized U.S. Affiliates						0	0	0	0	0	0	0
00000	AA-1126510	10/01/2011	Lloyd's Syndicate 510	GBR	CAT/G.	42,077	0	0	0	0	0	0
00000	AA-1127400	10/01/2011	Lloyd's Syndicate 1400	GBR	CAT/G.	29,162	0	0	0	0	0	0
00000	AA-1128001	10/01/2011	Lloyd's Syndicate 2001	GBR	CAT/G.	17,370	0	0	0	0	0	0
00000	AA-1126623	07/01/2009	Lloyd's Syndicate 3623	GBR	CAT/G.	106,929	0	0	0	0	0	0
00000	AA-1126005	07/01/2013	Lloyd's Underwriter Syndicate 4000	GBR	CAT/G.	7,493	0	0	0	0	0	0
00000	AA-1127861	07/01/2013	Lloyd's Underwriter Syndicate 1861(Incidental to 29999)	GBR	CAT/G.	7,493	0	0	0	0	0	0
0599999. General Account - Authorized Non-U.S. Affiliates - Other						210,524	0	0	0	0	0	0
0699999. Total General Account - Authorized Non-U.S. Affiliates						210,524	0	0	0	0	0	0
0799999. Total General Account - Authorized Affiliates						210,524	0	0	0	0	0	0
66346	58-0828824	01/01/1999	Munich American Reassurance Company	GA	YRT/I	1,378,141	0	9,338,457	0	0	0	0
66346	58-0828824	06/01/1999	Munich American Reassurance Company	GA	CO/I	754,856	5,032,513	51,154,638	0	0	0	0
66346	58-0828824	11/01/2000	Munich American Reassurance Company	GA	CO/I	15,274,599	1,528,130	6,046,155	0	0	0	0
66346	58-0828824	07/01/2001	Munich American Reassurance Company	GA	CO/I	1,361,690	5,467,628	35,454,758	0	0	0	0
66346	58-0828824	07/01/2005	Munich American Reassurance Company	GA	CO/I	17,208,652	476,693	4,213,240	0	0	0	0
66346	58-0828824	07/01/2005	Munich American Reassurance Company	GA	CO/I	5,217,212	262,860	2,341,317	0	0	0	0
66346	58-0828824	11/01/2010	Munich American Reassurance Company	GA	CO/I	5,768,485	0	2,121,176	0	0	0	0
66346	58-0828824	11/01/2010	Munich American Reassurance Company	GA	CO/I	1,251,194	1,325,794	2,300,574	0	0	0	0
66346	58-0828824	03/05/2013	Munich American Reassurance Company	GA	CO/I	49,287	0	1,244	0	0	0	0
67598	04-1768571	04/26/1974	Paul Revere Life	MA	YRT/I	0	275,258	380,406	0	0	0	0
66346	58-0828824	10/01/2000	Munich American Reassurance Company	GA	CO/I	1,580,124	690,392	8,960,656	0	0	0	0
66346	58-0828824	06/30/2002	Munich American Reassurance Company	GA	YRT/I	2,760,761	0	29,984,094	0	0	0	0
82627	06-0839705	07/01/1978	Swiss Re Life & Health	CT	YRT/G.	0	0	2,119,725	0	0	0	0
93572	43-1235868	07/01/1994	RGA Reinsurance Company	MO	YRT/G.	6,202,887	0	16,650,347	0	0	0	0
76694	23-2044256	06/26/2001	London Life Reinsurance Company	PA	YRT/G.	0	0	491,097	0	0	0	0
66346	58-0828824	02/01/2000	Munich American Reassurance Co.	GA	YRT/G.	1,049,837	0	4,294,927	0	0	0	0
61301	47-0098400	06/01/2002	Ameritas Life Insurance Corp.	NE	CO/G.	35,121,602	0	85,609	0	0	0	0
62383	42-0813782	07/01/2009	Centurion Life Insurance Company	IA	CAT/G.	26,851	0	0	0	0	0	0
16535	36-4233459	10/01/2011	Zurich American Insurance Company	NY	CAT/G.	108,388	0	0	0	0	0	0
0899999. General Account - Authorized U.S. Non-Affiliates						95,114,566	15,060,512	175,937,176	0	0	0	0
00000	AA-5340310	10/01/2011	General Insurance Corporation of India	IND	CAT/G.	23,627	0	0	0	0	0	0
0999999. General Account - Authorized Non-U.S. Non-Affiliates						23,627	0	0	0	0	0	0
1099999. Total General Account - Authorized Non-Affiliates						95,138,193	15,060,512	175,937,176	0	0	0	0
1199999. Total General Account Authorized						95,348,717	15,060,512	175,937,176	0	0	0	0
1499999. Total General Account - Unauthorized U.S. Affiliates						0	0	0	0	0	0	0
1799999. Total General Account - Unauthorized Non-U.S. Affiliates						0	0	0	0	0	0	0
1899999. Total General Account - Unauthorized Affiliates						0	0	0	0	0	0	0
2199999. Total General Account - Unauthorized Non-Affiliates						0	0	0	0	0	0	0
2299999. Total General Account Unauthorized						0	0	0	0	0	0	0
2599999. Total General Account - Certified U.S. Affiliates						0	0	0	0	0	0	0
2899999. Total General Account - Certified Non-U.S. Affiliates						0	0	0	0	0	0	0
2999999. Total General Account - Certified Affiliates						0	0	0	0	0	0	0
3299999. Total General Account - Certified Non-Affiliates						0	0	0	0	0	0	0
3399999. Total General Account Certified						0	0	0	0	0	0	0
3499999. Total General Account Authorized, Unauthorized and Certified						95,348,717	15,060,512	175,937,176	0	0	0	0
3799999. Total Separate Accounts - Authorized U.S. Affiliates						0	0	0	0	0	0	0
4099999. Total Separate Accounts - Authorized Non-U.S. Affiliates						0	0	0	0	0	0	0
4199999. Total Separate Accounts - Authorized Affiliates						0	0	0	0	0	0	0
4499999. Total Separate Accounts - Authorized Non-Affiliates						0	0	0	0	0	0	0
4599999. Total Separate Accounts Authorized						0	0	0	0	0	0	0
4899999. Total Separate Accounts - Unauthorized U.S. Affiliates						0	0	0	0	0	0	0
5199999. Total Separate Accounts - Unauthorized Non-U.S. Affiliates						0	0	0	0	0	0	0
5299999. Total Separate Accounts - Unauthorized Affiliates						0	0	0	0	0	0	0
5599999. Total Separate Accounts - Unauthorized Non-Affiliates						0	0	0	0	0	0	0
5699999. Total Separate Accounts Unauthorized						0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 3 - SECTION 2**

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type	7 Premiums	8 Unearned Premiums (Estimated)	9 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
									10 Current Year	11 Prior Year		
5999999. Total Separate Accounts - Certified U.S. Affiliates						0	0	0	0	0	0	0
6299999. Total Separate Accounts - Certified Non-U.S. Affiliates						0	0	0	0	0	0	0
6399999. Total Separate Accounts - Certified Affiliates						0	0	0	0	0	0	0
6699999. Total Separate Accounts - Certified Non-Affiliates						0	0	0	0	0	0	0
6799999. Total Separate Accounts Certified						0	0	0	0	0	0	0
6899999. Total Separate Accounts Authorized, Unauthorized and Certified						0	0	0	0	0	0	0
6999999. Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)						95,114,566	15,060,512	175,937,176	0	0	0	0
7099999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)						234,151	0	0	0	0	0	0
9999999 - Totals						95,348,717	15,060,512	175,937,176	0	0	0	0



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 4**

Reinsurance Ceded to Unauthorized Companies

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Reserve Credit Taken	6 Paid and Unpaid Losses Recoverable (Debit)	7 Other Debits	8 Total (Cols.5+6+7)	9 Letters of Credit	10 Issuing or Confirming Bank Reference Number (a)	11 Trust Agreements	12 Funds Deposited by and Withheld from Reinsurers	13 Other	14 Miscellaneous Balances (Credit)	15 Sum of Cols. 9+11+12+13 +14 but not in Excess of Col. 8
0399999			Total General Account - Life and Annuity U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
0699999			Total General Account - Life and Annuity Non-U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
0799999			Total General Account - Life and Annuity Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
00000	AA-9995053	10/01/2001	Special Pooled Risk Administrators Inc.	0	76,416	0	76,416	0			0	0	0	0
0899999			General Account - Life and Annuity U.S. Non-Affiliates	0	76,416	0	76,416	0	XXX	0	0	0	0	0
00000	AA-5340310	10/01/2011	General Insurance Corporation of India	0	0	0	0	0			0	0	0	0
00000	AA-1126510	10/01/2011	Lloyd's Syndicate # 0510 KLN (Kiln)	0	0	0	0	0			0	0	0	0
00000	AA-1127400	10/01/2011	Lloyd's Syndicate # 1400 DRE (Alterra)	0	0	0	0	0			0	0	0	0
00000	AA-1128001	10/01/2011	Lloyd's Syndicate # 2001 AML (Amlin)	0	0	0	0	0			0	0	0	0
00000	AA-1126623	07/01/2009	Lloyd's Syndicate # 3623 AFB (Beazley)	0	0	0	0	0			0	0	0	0
00000	AA-1126005	07/01/2013	Lloyd's Underwriter Syndicate No. 4000 PEM	0	0	0	0	0			0	0	0	0
00000	AA-1127861	07/01/2013	Lloyd's Underwriter Syndicate No. 1861 ANV	0	0	0	0	0			0	0	0	0
0999999			General Account - Life and Annuity Non-U.S. Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
1099999			Total General Account - Life and Annuity Non-Affiliates	0	76,416	0	76,416	0	XXX	0	0	0	0	0
1199999			Total General Account Life and Annuity	0	76,416	0	76,416	0	XXX	0	0	0	0	0
1499999			Total General Account - Accident and Health U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
1799999			Total General Account - Accident and Health Non-U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
1899999			Total General Account - Accident and Health Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
00000	AA-9995053	10/01/2001	Special Pooled Risk Administrators Inc.	0	0	0	0	0			0	0	0	0
1999999			General Account - Accident and Health U.S. Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
00000	AA-5340310	10/01/2011	General Insurance Corporation of India	0	0	0	0	0			0	0	0	0
00000	AA-1126510	10/01/2011	Lloyd's Syndicate # 0510 KLN (Kiln)	0	0	0	0	0			0	0	0	0
00000	AA-1127400	10/01/2011	Lloyd's Syndicate # 1400 DRE (Alterra)	0	0	0	0	0			0	0	0	0
00000	AA-1128001	10/01/2011	Lloyd's Syndicate # 2001 AML (Amlin)	0	0	0	0	0			0	0	0	0
00000	AA-1126623	07/01/2009	Lloyd's Syndicate # 3623 AFB (Beazley)	0	0	0	0	0			0	0	0	0
00000	AA-1126005	07/01/2013	Lloyd's Underwriter Syndicate No. 4000 PEM	0	0	0	0	0			0	0	0	0
00000	AA-1127861	07/01/2013	Lloyd's Underwriter Syndicate No. 1861 ANV	0	0	0	0	0			0	0	0	0
2099999			General Account - Accident and Health Non-U.S. Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
2199999			Total General Account - Accident and Health Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
2299999			Total General Account Accident and Health	0	0	0	0	0	XXX	0	0	0	0	0
2399999			Total General Account	0	76,416	0	76,416	0	XXX	0	0	0	0	0
2699999			Total Separate Accounts - U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
2999999			Total Separate Accounts - Non-U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
3099999			Total Separate Accounts - Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
3399999			Total Separate Accounts - Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
3499999			Total Separate Accounts	0	0	0	0	0	XXX	0	0	0	0	0
3599999			Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2699999 and 3199999)	0	76,416	0	76,416	0	XXX	0	0	0	0	0
3699999			Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2999999 and 3299999)	0	0	0	0	0	XXX	0	0	0	0	0
9999999			Totals	0	76,416	0	76,416	0	XXX	0	0	0	0	0

(a)	Issuing or Confirming Bank Reference Number	Letters of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letters of Credit Amount
				<b>NONE</b>	

Schedule S - Part 5

**NONE**

Schedule S - Part 5 - Bank Footnote

**NONE**

## ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 6**Five Year Exhibit of Reinsurance Ceded Business  
(000 OMITTED)

	1 2013	2 2012	3 2011	4 2010	5 2009
<b>A. OPERATIONS ITEMS</b>					
1. Premiums and annuity considerations for life and accident and health contracts .....	362,869	290,994	141,337	140,967	115,729
2. Commissions and reinsurance expense allowances .....	20,166	20,020	17,755	18,868	16,907
3. Contract claims .....	298,447	215,004	75,511	71,308	74,651
4. Surrender benefits and withdrawals for life contracts .....	0	0	0	0	0
5. Dividends to policyholders .....	0	0	0	0	0
6. Reserve adjustments on reinsurance ceded .....	0	0	0	0	0
7. Increase in aggregate reserve for life and accident and health contracts .....	23,528	24,019	14,212	5,933	(12,985)
<b>B. BALANCE SHEET ITEMS</b>					
8. Premiums and annuity considerations for life and accident and health contracts deferred and uncollected .....	14,304	14,877	11,784	11,902	8,230
9. Aggregate reserves for life and accident and health contracts .....	959,761	936,023	912,004	897,792	891,859
10. Liability for deposit-type contracts .....	0	0	0	0	0
11. Contract claims unpaid .....	10,794	11,371	8,083	8,453	7,747
12. Amounts recoverable on reinsurance .....	6,541	5,691	6,047	5,928	5,097
13. Experience rating refunds due or unpaid .....	0	1,615	15	17	1,794
14. Policyholders' dividends (not included in Line 10) .....	0	0	0	0	0
15. Commissions and reinsurance expense allowances due .....	3,198	2,730	0	0	0
16. Unauthorized reinsurance offset .....	76	0	0	0	439
17. Offset for reinsurance with Certified Reinsurers .....	0	0	XXX	XXX	XXX
<b>C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
18. Funds deposited by and withheld from (F) .....	0	0	0	0	0
19. Letters of credit (L) .....	0	0	0	0	0
20. Trust agreements (T) .....	0	0	0	0	0
21. Other (O) .....	0	0	0	0	0
<b>D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
22. Multiple Beneficiary Trust .....	0	0	XXX	XXX	XXX
23. Funds deposited by and withheld from (F) .....	0	0	XXX	XXX	XXX
24. Letters of credit (L) .....	0	0	XXX	XXX	XXX
25. Trust agreements (T) .....	0	0	XXX	XXX	XXX
26. Other (O) .....	0	0	XXX	XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 7**

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
<b>ASSETS (Page 2, Col. 3)</b>			
1. Cash and invested assets (Line 12) .....	12,371,460,278	0	12,371,460,278
2. Reinsurance (Line 16) .....	11,255,643	(11,255,643)	0
3. Premiums and considerations (Line 15) .....	118,122,455	14,304,148	132,426,603
4. Net credit for ceded reinsurance .....	XXX	988,894,655	988,894,655
5. All other admitted assets (balance) .....	224,588,966	0	224,588,966
6. Total assets excluding Separate Accounts (Line 26) .....	12,725,427,342	991,943,160	13,717,370,502
7. Separate Account assets (Line 27) .....	6,393,235,012	0	6,393,235,012
8. Total assets (Line 28) .....	19,118,662,354	991,943,160	20,110,605,514
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
9. Contract reserves (Lines 1 and 2) .....	10,176,865,703	937,060,467	11,113,926,170
10. Liability for deposit-type contracts (Line 3) .....	529,423,543	22,700,119	552,123,662
11. Claim reserves (Line 4) .....	154,729,337	10,794,289	165,523,626
12. Policyholder dividends/reserves (Lines 5 through 7) .....	95,140	21,377,607	21,472,747
13. Premium & annuity considerations received in advance (Line 8) .....	9,665,370	87,094	9,752,464
14. Other contract liabilities (Line 9) .....	60,883,770	0	60,883,770
15. Reinsurance in unauthorized companies (Line 24.02 minus inset amount) .....	76,416	(76,416)	0
16. Funds held under reinsurance treaties with unauthorized reinsurers (Line 24.03 minus inset amount) .....	0	0	0
17. Reinsurance with Certified Reinsurers (Line 24.02 inset amount) .....	0	0	0
18. Funds held under reinsurance treaties with Certified Reinsurers (Line 24.03 inset amount) .....	0	0	0
19. All other liabilities (balance) .....	506,338,670	0	506,338,670
20. Total liabilities excluding Separate Accounts (Line 26) .....	11,438,077,949	991,943,160	12,430,021,109
21. Separate Account liabilities (Line 27) .....	6,393,235,012	0	6,393,235,012
22. Total liabilities (Line 28) .....	17,831,312,961	991,943,160	18,823,256,121
23. Capital & surplus (Line 38) .....	1,287,349,393	XXX	1,287,349,393
24. Total liabilities, capital & surplus (Line 39) .....	19,118,662,354	991,943,160	20,110,605,514
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
25. Contract reserves .....	937,060,467		
26. Claim reserves .....	10,794,289		
27. Policyholder dividends/reserves .....	21,377,607		
28. Premium & annuity considerations received in advance .....	87,094		
29. Liability for deposit-type contracts .....	22,700,119		
30. Other contract liabilities .....	0		
31. Reinsurance ceded assets .....	11,255,643		
32. Other ceded reinsurance recoverables .....	0		
33. Total ceded reinsurance recoverables .....	1,003,275,219		
34. Premiums and considerations .....	14,304,148		
35. Reinsurance in unauthorized companies .....	76,416		
36. Funds held under reinsurance treaties with unauthorized reinsurers .....	0		
37. Reinsurance with Certified Reinsurers .....	0		
38. Funds held under reinsurance treaties with Certified Reinsurers .....	0		
39. Other ceded reinsurance payables/offsets .....	0		
40. Total ceded reinsurance payable/offsets .....	14,380,564		
41. Total net credit for ceded reinsurance .....	988,894,655		

**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

Allocated by States and Territories

States, Etc.	1	Direct Business Only					7	
		Life Contracts		4	5	6		
		2	3					
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	12,753,520	5,322,219	15,738,469	20,782,652	54,596,860	28,674
2. Alaska	AK	L	2,684,988	344,063	1,648,608	13,341,393	18,019,052	0
3. Arizona	AZ	L	8,350,317	6,495,802	16,283,958	21,169,902	52,299,979	2,494,783
4. Arkansas	AR	L	10,373,778	662,589	7,494,319	1,309,103	19,839,789	580,242
5. California	CA	L	94,234,275	34,047,238	209,593,221	135,774,789	473,649,523	1,759,766
6. Colorado	CO	L	23,554,109	5,150,998	40,857,736	59,003,618	128,566,461	222,812
7. Connecticut	CT	L	11,569,940	7,294,039	21,286,160	2,571,114	42,721,253	815,186
8. Delaware	DE	L	1,957,986	812,054	2,320,279	6,056,990	11,147,309	0
9. District of Columbia	DC	L	14,430,060	28,107	11,926,190	1,276,649	27,661,006	0
10. Florida	FL	L	52,234,314	14,945,843	75,934,041	52,830,367	195,944,565	855,898
11. Georgia	GA	L	23,167,478	4,658,597	44,212,293	16,569,825	88,608,193	822,564
12. Hawaii	HI	L	1,946,141	3,590,636	2,119,757	2,000,594	9,657,128	534,208
13. Idaho	ID	L	10,464,335	592,895	9,288,602	7,261,682	27,607,514	83,508
14. Illinois	IL	L	25,138,039	22,473,102	45,580,565	14,230,728	107,422,434	455,817
15. Indiana	IN	L	8,304,123	9,587,288	12,948,915	39,183,080	70,023,406	1,587,629
16. Iowa	IA	L	7,088,912	2,693,289	11,873,811	2,587,907	24,243,919	480,018
17. Kansas	KS	L	6,801,932	1,635,284	10,479,087	5,635,933	24,551,936	272,074
18. Kentucky	KY	L	4,099,112	3,200,428	9,356,164	32,410,467	49,066,171	0
19. Louisiana	LA	L	7,874,266	1,778,980	15,146,404	51,228,122	76,027,772	0
20. Maine	ME	L	5,442,440	439,556	6,997,768	584,556	13,464,320	464,025
21. Maryland	MD	L	13,600,237	3,209,825	11,596,443	3,490,151	31,896,656	851,981
22. Massachusetts	MA	L	13,152,420	8,921,425	40,731,605	2,431,079	65,236,529	17,177,844
23. Michigan	MI	L	9,977,952	10,905,428	16,415,533	46,797,417	84,096,330	1,459,314
24. Minnesota	MN	L	26,019,400	11,806,813	40,686,861	24,447,095	102,960,169	101,138
25. Mississippi	MS	L	3,143,759	4,098,197	8,527,903	11,038,598	26,808,457	0
26. Missouri	MO	L	35,831,041	3,891,622	29,272,404	43,442,836	112,437,903	2,464,554
27. Montana	MT	L	4,979,659	416,112	3,522,293	556,707	9,474,771	0
28. Nebraska	NE	L	2,918,853	926,530	10,240,613	1,956,914	16,042,910	0
29. Nevada	NV	L	9,513,153	1,889,224	18,662,454	4,502,177	34,567,008	138,196
30. New Hampshire	NH	L	1,285,469	3,794,457	4,127,237	10,719,565	19,926,728	1,817,821
31. New Jersey	NJ	L	8,098,825	8,257,008	30,387,746	18,032,673	64,776,252	226,469
32. New Mexico	NM	L	28,429,226	296,722	8,136,405	6,487,307	43,349,660	0
33. New York	NY	N	1,751,831	0	3,846,672	200	5,598,703	0
34. North Carolina	NC	L	13,436,406	7,161,317	21,014,984	8,953,586	50,566,293	0
35. North Dakota	ND	L	1,170,043	1,274,910	4,445,490	315,478	7,205,921	0
36. Ohio	OH	L	21,178,289	12,136,693	23,258,819	71,859,941	128,433,742	568,952
37. Oklahoma	OK	L	7,854,041	3,667,161	8,414,900	30,249,178	50,185,280	0
38. Oregon	OR	L	49,605,054	14,895,138	69,554,390	192,658,672	326,713,254	1,982,580
39. Pennsylvania	PA	L	25,944,387	25,103,745	39,436,132	62,239,411	152,723,675	683,090
40. Rhode Island	RI	L	4,178,188	542,596	4,814,514	1,014	9,536,312	0
41. South Carolina	SC	L	4,342,066	5,207,913	17,658,023	10,203,350	37,411,352	172,808
42. South Dakota	SD	L	1,667,753	1,991,344	2,115,945	2,561,251	8,336,293	0
43. Tennessee	TN	L	8,263,943	11,916,703	17,410,066	5,950,538	43,541,250	376,172
44. Texas	TX	L	58,558,857	10,481,372	96,170,673	169,618,419	334,829,321	2,251,474
45. Utah	UT	L	5,262,690	1,299,984	15,627,700	26,555,826	48,746,200	32,127
46. Vermont	VT	L	2,149,850	231,879	5,813,893	8,049,515	16,245,137	101,138
47. Virginia	VA	L	18,911,223	12,481,889	26,682,700	27,362,174	85,437,986	869,309
48. Washington	WA	L	34,171,474	7,759,962	92,633,626	94,337,716	228,902,778	13,814,542
49. West Virginia	WV	L	2,581,434	457,387	11,094,081	1,765,942	15,898,844	0
50. Wisconsin	WI	L	7,888,084	6,043,590	17,321,241	17,135,481	48,388,396	109,197
51. Wyoming	WY	L	609,599	3,395,835	2,197,470	277,368	6,480,272	0
52. American Samoa	AS	N	0	0	11,363	0	11,363	0
53. Guam	GU	L	6,745,798	0	3,055,726	0	9,801,524	0
54. Puerto Rico	PR	N	39,757	0	110,406	0	150,163	0
55. U.S. Virgin Islands	VI	L	1,601	0	546,085	0	547,686	0
56. Northern Mariana Islands	MP	N	1,478	0	0	0	1,478	0
57. Canada	CAN	N	80,364	484,574	73,811	0	638,749	0
58. Aggregate Other Alien	OT	XXX	250,651	0	157,758	0	408,409	0
59. Subtotal	(a)	52	766,064,920	310,700,362	1,276,860,312	1,389,806,750	3,743,432,344	56,655,910
90. Reporting entity contributions for employee benefits plans	XXX		536,066	0	2,826,049	0	3,362,115	0
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX		19,023,200	0	0	0	19,023,200	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		174,561	0	0	0	174,561	0
94. Aggregate or other amounts not allocable by State	XXX		0	0	0	0	0	0
95. Totals (Direct Business)	XXX		785,798,747	310,700,362	1,279,686,361	1,389,806,750	3,765,992,220	56,655,910
96. Plus reinsurance assumed	XXX		0	0	96,500,358	0	96,500,358	0
97. Totals (All Business)	XXX		785,798,747	310,700,362	1,376,186,719	1,389,806,750	3,862,492,578	56,655,910
98. Less reinsurance ceded	XXX		268,890,446	0	96,052,281	0	364,942,727	0
99. Totals (All Business) less Reinsurance Ceded	XXX		516,908,301	310,700,362	(b) 1,280,134,438	1,389,806,750	3,497,549,851	56,655,910
<b>DETAILS OF WRITE-INS</b>								
58001. Other	XXX		67,247	0	62,647	0	129,894	0
58002. Papua New Guinea	XXX		27,355	0	2,216	0	29,571	0
58003. Brazil	XXX		23,065	0	5,291	0	28,356	0
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		132,984	0	87,604	0	220,588	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		250,651	0	157,758	0	408,409	0
9401.	XXX							
9402.	XXX							
9403.	XXX							
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX		0	0	0	0	0	0
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX		0	0	0	0	0	0

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

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

Allocated by States and Territories

		Direct Business Only					6 Totals
		1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
States, Etc.							
1. Alabama	AL	12,753,520	5,322,219	0	0	28,674	18,104,413
2. Alaska	AK	2,684,988	344,063	0	0	0	3,029,051
3. Arizona	AZ	8,350,317	6,495,802	0	0	2,494,783	17,340,902
4. Arkansas	AR	10,373,778	662,589	0	0	580,242	11,616,609
5. California	CA	94,234,275	34,047,238	0	0	1,759,766	130,041,279
6. Colorado	CO	23,554,109	5,150,998	0	0	222,812	28,927,919
7. Connecticut	CT	11,569,940	7,294,039	0	0	815,186	19,679,165
8. Delaware	DE	1,957,986	812,054	0	0	0	2,770,040
9. District of Columbia	DC	14,430,060	28,107	0	0	0	14,458,167
10. Florida	FL	52,234,314	14,945,843	0	0	855,898	68,036,055
11. Georgia	GA	23,167,478	4,658,597	0	0	822,564	28,648,639
12. Hawaii	HI	1,946,141	3,590,636	0	0	534,208	6,070,985
13. Idaho	ID	10,464,335	592,895	0	0	83,508	11,140,738
14. Illinois	IL	25,138,039	22,473,102	0	0	455,817	48,066,958
15. Indiana	IN	8,304,123	9,587,288	0	0	1,587,629	19,479,040
16. Iowa	IA	7,088,912	2,693,289	0	0	480,018	10,262,219
17. Kansas	KS	6,801,932	1,635,284	0	0	272,074	8,709,290
18. Kentucky	KY	4,099,112	3,200,428	0	0	0	7,299,540
19. Louisiana	LA	7,874,266	1,778,980	0	0	0	9,653,246
20. Maine	ME	5,442,440	439,556	0	0	464,025	6,346,021
21. Maryland	MD	13,600,237	3,209,825	0	0	851,981	17,662,043
22. Massachusetts	MA	13,152,420	8,921,425	0	0	17,177,844	39,251,689
23. Michigan	MI	9,977,952	10,905,428	0	0	1,459,314	22,342,694
24. Minnesota	MN	26,019,400	11,806,813	0	0	101,138	37,927,351
25. Mississippi	MS	3,143,759	4,098,197	0	0	0	7,241,956
26. Missouri	MO	35,831,041	3,891,622	0	0	2,464,554	42,187,217
27. Montana	MT	4,979,659	416,112	0	0	0	5,395,771
28. Nebraska	NE	2,918,853	926,530	0	0	0	3,845,383
29. Nevada	NV	9,513,153	1,889,224	0	0	138,196	11,540,573
30. New Hampshire	NH	1,285,469	3,794,457	0	0	1,817,821	6,897,747
31. New Jersey	NJ	8,098,825	8,257,008	0	0	226,469	16,582,302
32. New Mexico	NM	28,429,226	296,722	0	0	0	28,725,948
33. New York	NY	1,751,831	0	0	0	0	1,751,831
34. North Carolina	NC	13,436,406	7,161,317	0	0	0	20,597,723
35. North Dakota	ND	1,170,043	1,274,910	0	0	0	2,444,953
36. Ohio	OH	21,178,289	12,136,693	0	0	568,952	33,883,934
37. Oklahoma	OK	7,854,041	3,667,161	0	0	0	11,521,202
38. Oregon	OR	49,605,054	14,895,138	0	0	1,982,580	66,482,772
39. Pennsylvania	PA	25,944,387	25,103,745	0	0	683,090	51,731,222
40. Rhode Island	RI	4,178,188	542,596	0	0	0	4,720,784
41. South Carolina	SC	4,342,066	5,207,913	0	0	172,808	9,722,787
42. South Dakota	SD	1,667,753	1,991,344	0	0	0	3,659,097
43. Tennessee	TN	8,263,943	11,916,703	0	0	376,172	20,556,818
44. Texas	TX	58,558,857	10,481,372	0	0	2,251,474	71,291,703
45. Utah	UT	5,262,690	1,299,984	0	0	32,127	6,594,801
46. Vermont	VT	2,149,850	231,879	0	0	101,138	2,482,867
47. Virginia	VA	18,911,223	12,481,889	0	0	869,309	32,262,421
48. Washington	WA	34,171,474	7,759,962	0	0	13,814,542	55,745,978
49. West Virginia	WV	2,581,434	457,387	0	0	0	3,038,821
50. Wisconsin	WI	7,888,084	6,043,590	0	0	109,197	14,040,871
51. Wyoming	WY	609,599	3,395,835	0	0	0	4,005,434
52. American Samoa	AS	0	0	0	0	0	0
53. Guam	GU	6,745,798	0	0	0	0	6,745,798
54. Puerto Rico	PR	39,757	0	0	0	0	39,757
55. U.S. Virgin Islands	VI	1,601	0	0	0	0	1,601
56. Northern Mariana Islands	MP	1,478	0	0	0	0	1,478
57. Canada	CAN	80,364	484,574	0	0	0	564,938
58. Aggregate Other Alien	OT	250,651	0	0	0	0	250,651
59. Total		766,064,920	310,700,362	0	0	56,655,910	1,133,421,192

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

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

<b>Company</b>	<b>FEIN</b>	<b>NAIC</b>	<b>State</b>	<b>Ownership</b>
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. ("SM, Inc.")	93-0928203		OR	100% owned by SFG
Emerald Fuel LLC	27-2896556		OR	100% owned by SM, Inc.
Emerald Retail LLC	27-2896675		OR	100% owned by SM, Inc.
StanCorp Equities, Inc.	93-0930972		OR	100% owned by SFG
StanCorp Investment Advisers, Inc.	93-1296382		OR	100% owned by SFG
Standard Retirement Services, Inc.	25-1838406		OR	100% owned by SFG
Stancorp Mortgage Investors, LLC ("SMI")	93-1191029		OR	100% owned by SFG
StanCorp Mortgage Investors Pass-Through, LLC	26-1758088		OR	100% owned by SMI
StanCorp Real Estate, LLC ("SRE")	93-1191030		OR	100% owned by SFG
Stonemill Business Park, LLC	93-1289767		OR	100% owned by SRE
7 Upper Newport Plaza LLC	27-3026658		OR	100% 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
1801 Chamberlayne Avenue LLC	27-1561807		OR	81% owned by SRE
1160 South Elm Road LLC	27-1460055		OR	100% owned by SRE
3501 Lapeer Road LLC	27-1460023		OR	100% owned by SRE
2429 Nicollet Avenue South LLC	27-1071824		OR	100% owned by SRE
7076 Corporate Way LLC	45-4412758		OR	100% owned by SRE
811 South Brawley Avenue LLC	27-0442855		OR	58% owned by SRE
8195 Dexter Road LLC	27-4420364		OR	100% owned by SRE
106 North 2nd LLC	46-4240951		OR	75.5% owned by SRE
1105 Fortress Street LLC	46-4236854		OR	51% owned by SRE
570 Asbury Street LLC	46-3856346		OR	51% owned by SRE
2760 Avalon Boulevard LLC	27-3422189		OR	100% owned by SRE
20373 W Central Avenue LLC	27-3428556		OR	100% owned by SRE
3301 S. Ferdon Boulevard LLC	27-3422636		OR	100% owned by SRE
2902 Pat Thomas Parkway LLC	27-3427155		OR	100% owned by SRE
16200 East River Road LLC	27-4593098		OR	100% owned by SRE
1627 East 18th Street and 1808 N Boise Avenue LLC	45-2440011		OR	51% owned by SRE
2560 28th Street LLC	45-2592371		OR	51% owned by SRE
1301 Riverwoods Drive LLC	45-2754808		OR	100% owned by SRE
4120 15th Street LLC	45-3850451		OR	100% owned by SRE
2716 Dixie Highway LLC	45-3707942		OR	51% owned by SRE
651 North Cherokee Lane LLC	45-3322846		OR	51% owned by SRE
21 Lawrence Paquette Industrial Drive LLC	27-4330298		OR	100% owned by SRE
1381-1399 Florin Road LLC	45-3789788		OR	100% owned by SRE
425 Peachtree Hills Avenue Units 11 and 12 LLC	45-3642881		OR	80% owned by SRE

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMEBERS OF A HOLDING COMPANY GROUP**

**PART 1 - ORGANIZATION CHART**

<b>Company</b>	<b>FEIN</b>	<b>NAIC</b>	<b>State</b>	<b>Ownership</b>
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
9109 Pippin 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
711 North Main Street LLC	45-4806242		OR	100% owned by SRE
1427-1515 SE 122nd Avenue LLC	45-5222646		OR	66% owned by SRE
5305 East 18th Street LLC	45-5222606		OR	100% owned by SRE
5817 and 5841 Thunderbird Road LLC	45-4789863		OR	100% owned by SRE
7200 State Road 52 LLC	45-5530914		OR	100% owned by SRE
8652 Jake Carlton Road LLC	45-5520043		OR	100% owned by SRE
9449 Science Center Drive LLC	46-1087814		OR	51% owned by SRE
651 Cincinnati-Batavia Road LLC	46-1248492		OR	51% owned by SRE
110 High Street LLC	45-5000632		OR	66% owned by SRE
3310 Roxboro Road LLC	46-1490658		OR	100% owned by SRE
Research Drive 23800 LLC	46-0558143		OR	51% owned by SRE
109 Kimbark Street LLC	46-2139861		OR	51% owned by SRE
1280 Centaur Village Drive LLC	46-2152881		OR	51% owned by SRE
742 US Highway One LLC	46-2034271		OR	90% owned by SRE
1616 J Street LLC	46-2078076		OR	51% owned by SRE
32 Main Street LLC	45-4979407		OR	66% owned by SRE
4401 SW 74th Avenue LLC	46-1667692		OR	51% owned by SRE
546-644 North Lafayette Street LLC	46-3339422		OR	51% owned by SRE
2603 Osborne Road LLC	46-3386659		OR	65% owned by SRE
425, 345 and 480 Emerald Avenue LLC	46-3842979		OR	100% owned by SRE
12200 West Colonial Drive LLC	46-2929882		OR	41.2% owned by SRE
8815 Baseline Road LLC	46-3250506		OR	63.5% owned by SRE
Adaptu, LLC	27-3296886		OR	100% owned by SFG
Standard Insurance Company Continuing Health & Welfare Benefits Trust	93-1097066		OR	100% owned by SFG
Standard Insurance Company Employee Health & Welfare Benefits Trust	93-1097064		OR	100% owned by SFG
The Standard Charitable Foundation	20-3997125		OR	100% owned by SFG



ANNUAL STATEMENT FOR THE YEAR 2013 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)	*
1348	StanCorp Financial Group, Inc.		93-1253576		0000879088	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				Standard Insurance Company The Standard Life Insurance Company of New York	OR	IA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
1348	StanCorp Financial Group, Inc.	89009	13-4119477				Standard Management, Inc.	NY	IA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-0928203				StanCorp Equities, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-0930972				StanCorp Mortgage Investors, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1191029				StanCorp Investment Advisers, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1296382				Standard Retirement Services, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			25-1838406				Adaptu, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3296886				Standard Insurance Company Continuing Health & Welfare Benefits Trust	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1097066				Standard Insurance Company Employee Health & Welfare Benefits Trust	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1097064				The Standard Charitable Foundation	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			20-3997125				StanCorp Mortgage Investors Pass-Through, LLC	OR	NIA	StanCorp Mortgage Investors, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			26-1758088				StanCorp Real Estate, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1191030				2760 Avalon Boulevard LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3422189				20373 W Central Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3428556				3301 S. Ferdon Boulevard LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3422636				2902 Pat Thomas Parkway LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3427155				16200 East River Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-4593098				1627 East 18th Street and 1808 N Boise Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2440011				2560 28th Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2592371				1301 Riverwoods Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-2754808				4120 15th Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-3850451				2716 Dixie Highway LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3707942				651 North Cherokee Lane LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3322846				21 Lawrence Paquette Industrial Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-4330298				1381-1399 Florin Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-3789788				425 Peachtree Hills Avenue Units 11 and 12 LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	80.000	StanCorp Financial Group, Inc.	
			45-3642881				425 Peachtree Hills Avenue Units 29C, 30C, 31C and 31B LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	80.000	StanCorp Financial Group, Inc.	
			45-3647008				425 Peachtree Hills Avenue Units 29A, 30B, and 31A LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	80.000	StanCorp Financial Group, Inc.	
			45-3649739				9109 Pippin Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-4778576				1751 East Ohio Pike LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-4778632				2169 Tuley Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-4778668				5747 State Route 128 LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-4783675				5942 Peoples Lane LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-4789789				711 North Main Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-4806242				1427-1515 SE 122nd Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	65.700	StanCorp Financial Group, Inc.	
			45-5222646				5305 East 18th Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-5222606				5817 and 5841 Thunderbird Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-4789863				7200 State Road 52 LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-5530914				8652 Jake Carlton Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-5520043				9449 Science Center Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			46-1087814											

ANNUAL STATEMENT FOR THE YEAR 2013 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)	*
			46-1248492				651 Cincinnati-Batavia Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-5000632				110 High Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	66.000	StanCorp Financial Group, Inc.	
			46-1490658				3310 Roxboro Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			46-0558143				Research Drive 23800 LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	26.010	StanCorp Financial Group, Inc.	
			46-2139861				109 Kimbark Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			46-2152881				1280 Centaur Village Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			46-2034271				742 US Highway One LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	90.200	StanCorp Financial Group, Inc.	
			46-2078076				1616 J Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-4979407				32 Main Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	66.000	StanCorp Financial Group, Inc.	
			46-1667692				4401 SW 74th Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	26.010	StanCorp Financial Group, Inc.	
			46-3339422				546-644 North Lafayette Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-3026658				7 Upper Newport Plaza LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-1433940				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.	
			27-1561807				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	100.000	StanCorp Financial Group, Inc.	
			45-4412758				7076 Corporate Way LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-0442855				811 South Brawley Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	57.500	StanCorp Financial Group, Inc.	
			27-4420364				8195 Dexter Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			46-3386659				2603 Osborne Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	65.000	StanCorp Financial Group, Inc.	
			46-3842979				425 345 and 480 Emerald Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			46-2929882				12200 West Colonial Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	41.200	StanCorp Financial Group, Inc.	
			46-3250506				8815 Baseline Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	63.500	StanCorp Financial Group, Inc.	
			46-4240951				106 North 2nd LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	75.500	StanCorp Financial Group, Inc.	
			46-4236854				1105 Fortress Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			46-3856346				570 Asbury Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			93-1289767				Stonemill Business Park, LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-2896556				Emerald Fuel LLC	OR	NIA	Standard Management, Inc	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-2896675				Emerald Retail LLC	OR	NIA	Standard Management, Inc	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 unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

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

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

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

**ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY**  
**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

**APRIL FILING**

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











**AUGUST FILING**

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

Explanations:

12.  
13.  
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15. See Attachment to Exhibit 5 - Interrogatories 1 & 2  
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Bar Codes:

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|--|--|
| 12. SIS Stockholder Information Supplement [Document Identifier 420]   |  |
| 13. Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]   |  |
| 14. Trusteed Surplus Statement [Document Identifier 490]   |  |
| 17. Actuarial Opinion on X-Factors [Document Identifier 442]   |  |
| 18. Actuarial Opinion on Separate Accounts Funding Guaranteed Minimum Benefit [Document Identifier 443]  |  |
| 19. Actuarial Opinion on Synthetic Guaranteed Investment Contracts [Document Identifier 444]   |  |
| 20. Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 445]   |  |
| 22. Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI [Document Identifier 447]     |  |
| 23. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI [Document Identifier 448]                        |  |
| 24. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) [Document Identifier 449] |  |

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

26. C-3 RBC Certifications Required Under C-3 Phase II [Document Identifier 451]	 6 9 0 1 9 2 0 1 3 4 5 1 0 0 0 0 0
28. Modified Guaranteed Annuity Model Regulation [Document Identifier 453]	 6 9 0 1 9 2 0 1 3 4 5 3 0 0 0 0 0
29. Actuarial Certifications Related to Hedging required by Actuarial Guideline XLIII [Document Identifier 436]	 6 9 0 1 9 2 0 1 3 4 3 6 0 0 0 0 0
30. Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII [Document Identifier 437]	 6 9 0 1 9 2 0 1 3 4 3 7 0 0 0 0 0
31. Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII [Document Identifier 438]	 6 9 0 1 9 2 0 1 3 4 3 8 0 0 0 0 0
32. Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII [Document Identifier 439]	 6 9 0 1 9 2 0 1 3 4 3 9 0 0 0 0 0
33. Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities [Document Identifier 454]	 6 9 0 1 9 2 0 1 3 4 5 4 0 0 0 0 0
34. Workers' Compensation Carve-Out Supplement [Document Identifier 495]	 6 9 0 1 9 2 0 1 3 4 9 5 0 0 0 0 0
36. Medicare Part D Coverage Supplement [Document Identifier 365]	 6 9 0 1 9 2 0 1 3 3 6 5 0 0 0 0 0
37. Relief from the five-year rotation requirement for lead audit partner [Document Identifier 224]	 6 9 0 1 9 2 0 1 3 2 2 4 0 0 0 0 0
38. Relief from the one-year cooling off period for independent CPA [Document Identifier 225]	 6 9 0 1 9 2 0 1 3 2 2 5 0 0 0 0 0
39. Relief from the Requirements for Audit Committees [Document Identifier 226]	 6 9 0 1 9 2 0 1 3 2 2 6 0 0 0 0 0
40. Long-Term Care Experience Reporting Forms [Document Identifier 306]	 6 9 0 1 9 2 0 1 3 3 0 6 0 0 0 0 0
42. Credit Insurance Experience Exhibit [Document Identifier 230]	 6 9 0 1 9 2 0 1 3 2 3 0 0 0 0 0 0
46. Supplemental Health Care Exhibit (Parts 1, 2 and 3) [Document Identifier 216]	 6 9 0 1 9 2 0 1 3 2 1 6 0 0 0 0 0
47. Supplemental Health Care Exhibit's Expense Allocation Report [Document Identifier 217]	 6 9 0 1 9 2 0 1 3 2 1 7 0 0 0 0 0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
2504. Prepaid pension and postretirement funds .....	5,302,579	5,302,579	0	0
2505. Mortgage participations - excess interest retained .....	1,150,982	1,150,982	0	0
2506. Overfunded plan assets .....	(5,302,579)	(5,302,579)	0	0
2597. Summary of remaining write-ins for Line 25 from overflow page	1,150,982	1,150,982	0	0

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504. Guaranty association assessments .....	546,000	523,000
2505. Other miscellaneous .....	41,112	11,533
2597. Summary of remaining write-ins for Line 25 from overflow page	587,112	534,533

Additional Write-ins for Summary of Operations Line 53

	1 Current Year	2 Prior Year
5304. Adjustment due to accounting error .....	0	(2,226,380)
5397. Summary of remaining write-ins for Line 53 from overflow page	0	(2,226,380)

Additional Write-ins for Exhibit of Nonadmitted Assets Line 25

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504. Mortgage participation - excess interest retained .....	1,150,982	1,693,522	542,540
2505. Overfunded plan assets .....	(5,302,579)	0	5,302,579
2597. Summary of remaining write-ins for Line 25 from overflow page	(4,151,597)	1,693,522	5,845,119

Additional Write-ins for Schedule T Line 58

States, Etc.	1 Active Status	Direct Business Only					
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
		2 Life Insurance Premiums	3 Annuity Considerations				
58004. China .....	XXX	12,538	0	9,487	0	22,025	0
58005. Venezuela .....	XXX	11,398	0	923	0	12,321	0
58006. Bolivia .....	XXX	9,372	0	759	0	10,131	0
58007. Indonesia .....	XXX	8,495	0	871	0	9,366	0
58008. Japan .....	XXX	8,143	0	1,468	0	9,611	0
58009. Philippines .....	XXX	7,911	0	827	0	8,738	0
58010. Germany .....	XXX	6,805	0	3,911	0	10,716	0
58011. Panama .....	XXX	6,585	0	533	0	7,118	0
58012. Paraguay .....	XXX	6,332	0	513	0	6,845	0
58013. Senegal .....	XXX	4,863	0	622	0	5,485	0
58014. Thailand .....	XXX	4,812	0	390	0	5,202	0
58015. Cote D'Ivoire .....	XXX	4,053	0	328	0	4,381	0
58016. Australia .....	XXX	3,793	0	502	0	4,295	0
58017. Costa Rica .....	XXX	3,789	0	147	0	3,936	0
58018. United Kingdom .....	XXX	3,665	0	1,515	0	5,180	0
58019. Columbia .....	XXX	2,786	0	226	0	3,012	0
58020. Guinea .....	XXX	2,786	0	226	0	3,012	0
58021. Netherlands .....	XXX	2,689	0	936	0	3,625	0
58022. France .....	XXX	2,336	0	658	0	2,994	0
58023. Chile .....	XXX	2,197	0	658	0	2,855	0
58024. Kenya .....	XXX	2,111	0	696	0	2,807	0
58025. Taiwan .....	XXX	2,025	0	734	0	2,759	0
58026. Italy .....	XXX	1,994	0	1,609	0	3,603	0
58027. Mexico .....	XXX	1,620	0	587	0	2,207	0
58028. Russia .....	XXX	1,418	0	229	0	1,647	0
58029. New Zealand .....	XXX	1,215	0	5,622	0	6,837	0
58030. Spain .....	XXX	1,215	0	440	0	1,655	0
58031. Ecuador .....	XXX	896	0	256	0	1,152	0
58032. Argentina .....	XXX	810	0	294	0	1,104	0
58033. South Africa .....	XXX	810	0	294	0	1,104	0
58034. Mongolia .....	XXX	760	0	62	0	822	0
58035. Hong Kong .....	XXX	737	0	147	0	884	0
58036. Singapore .....	XXX	405	0	450	0	855	0
58037. Cameroon .....	XXX	405	0	147	0	552	0
58038. Estonia .....	XXX	405	0	147	0	552	0
58039. Ghana .....	XXX	405	0	147	0	552	0
58040. Mali .....	XXX	405	0	147	0	552	0
58041. Armed Forces - Pacific .....	XXX	0	0	31,631	0	31,631	0
58042. Armed Forces - Europe .....	XXX	0	0	15,988	0	15,988	0
58043. Peru .....	XXX	0	0	1,014	0	1,014	0
58044. Denmark .....	XXX	0	0	929	0	929	0
58045. Norway .....	XXX	0	0	318	0	318	0
58046. Israel .....	XXX	0	0	216	0	216	0
58997. Summary of remaining write-ins for Line 58 from overflow page	XXX	132,984	0	87,604	0	220,588	0

## ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities .....	6,782,687	0.055	6,782,687	0	6,782,687	0.055
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies .....	17,735,741	0.143	17,735,741	0	17,735,741	0.143
1.22 Issued by U.S. government sponsored agencies .....	0	0.000	0	0	0	0.000
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities) .....	58,849,604	0.476	58,849,604	0	58,849,604	0.476
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S. :						
1.41 States, territories and possessions general obligations .....	134,273,953	1.085	134,273,953	0	134,273,953	1.085
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....	0	0.000	0	0	0	0.000
1.43 Revenue and assessment obligations .....	0	0.000	0	0	0	0.000
1.44 Industrial development and similar obligations .....	0	0.000	0	0	0	0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA .....	0	0.000	0	0	0	0.000
1.512 Issued or guaranteed by FNMA and FHLMC .....	235,490,804	1.904	235,490,804	0	235,490,804	1.904
1.513 All other .....	59,601,587	0.482	59,601,587	0	59,601,587	0.482
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA .....	0	0.000	0	0	0	0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 .....	0	0.000	0	0	0	0.000
1.523 All other .....	0	0.000	0	0	0	0.000
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities) .....	4,782,305,499	38.656	4,782,305,499	0	4,782,305,499	38.656
2.2 Unaffiliated non-U.S. securities (including Canada) .....	1,373,812,032	11.105	1,373,812,032	0	1,373,812,032	11.105
2.3 Affiliated securities .....	0	0.000	0	0	0	0.000
3. Equity interests:						
3.1 Investments in mutual funds .....	0	0.000	0	0	0	0.000
3.2 Preferred stocks:						
3.21 Affiliated .....	0	0.000	0	0	0	0.000
3.22 Unaffiliated .....	93,322	0.001	93,322	0	93,322	0.001
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated .....	0	0.000	0	0	0	0.000
3.32 Unaffiliated .....	0	0.000	0	0	0	0.000
3.4 Other equity securities:						
3.41 Affiliated .....	0	0.000	0	0	0	0.000
3.42 Unaffiliated .....	1,577,500	0.013	1,577,500	0	1,577,500	0.013
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated .....	0	0.000	0	0	0	0.000
3.52 Unaffiliated .....	0	0.000	0	0	0	0.000
4. Mortgage loans:						
4.1 Construction and land development .....	0	0.000	0	0	0	0.000
4.2 Agricultural .....	0	0.000	0	0	0	0.000
4.3 Single family residential properties .....	391,238	0.003	391,238	0	391,238	0.003
4.4 Multifamily residential properties .....	0	0.000	0	0	0	0.000
4.5 Commercial loans .....	5,284,843,719	42.718	5,284,843,719	0	5,284,843,719	42.718
4.6 Mezzanine real estate loans .....	0	0.000	0	0	0	0.000
5. Real estate investments:						
5.1 Property occupied by company .....	31,440,997	0.254	31,440,997	0	31,440,997	0.254
5.2 Property held for production of income (including \$ .....2,122,586 of property acquired in satisfaction of debt) .....	2,122,586	0.017	2,122,586	0	2,122,586	0.017
5.3 Property held for sale (including \$ .....366,084 property acquired in satisfaction of debt) .....	366,084	0.003	366,084	0	366,084	0.003
6. Contract loans .....	3,098,252	0.025	3,098,252	0	3,098,252	0.025
7. Derivatives .....	15,795,358	0.128	15,795,358	0	15,795,358	0.128
8. Receivables for securities .....	43,022,183	0.348	43,022,183	0	43,022,183	0.348
9. Securities Lending (Line 10, Asset Page reinvested collateral) .....	0	0.000	0	XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments .....	169,642,783	1.371	169,642,783	0	169,642,783	1.371
11. Other invested assets .....	150,214,349	1.214	150,214,349	0	150,214,349	1.214
12. Total invested assets	12,371,460,278	100.000	12,371,460,278	0	12,371,460,278	100.000



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE A - VERIFICATION BETWEEN YEARS**

Real Estate

1.	Book/adjusted carrying value, December 31 of prior year .....	36,015,758
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 6) .....	0
2.2	Additional investment made after acquisition (Part 2, Column 9) .....	1,561,549
		1,561,549
3.	Current year change in encumbrances:	
3.1	Totals, Part 1, Column 13 .....	0
3.2	Totals, Part 3, Column 11 .....	0
		0
4.	Total gain (loss) on disposals, Part 3, Column 18 .....	677,474
5.	Deduct amounts received on disposals, Part 3, Column 15 .....	1,284,148
6.	Total foreign exchange change in book/adjusted carrying value:	
6.1	Totals, Part 1, Column 15 .....	0
6.2	Totals, Part 3, Column 13 .....	0
		0
7.	Deduct current year's other than temporary impairment recognized:	
7.1	Totals, Part 1, Column 12 .....	0
7.2	Totals, Part 3, Column 10 .....	0
		0
8.	Deduct current year's depreciation:	
8.1	Totals, Part 1, Column 11 .....	3,040,966
8.2	Totals, Part 3, Column 9 .....	0
		3,040,966
9.	Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	33,929,667
10.	Deduct total nonadmitted amounts .....	0
11.	Statement value at end of current period (Line 9 minus Line 10) .....	33,929,667

**SCHEDULE B - VERIFICATION BETWEEN YEARS**

Mortgage Loans

1.	Book value/recorded investment excluding accrued interest, December 31 of prior year .....	5,166,178,875
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 7) .....	1,268,290,964
2.2	Additional investment made after acquisition (Part 2, Column 8) .....	16,057,576
		1,284,348,540
3.	Capitalized deferred interest and other:	
3.1	Totals, Part 1, Column 12 .....	0
3.2	Totals, Part 3, Column 11 .....	0
		0
4.	Accrual of discount .....	412,202
5.	Unrealized valuation increase (decrease):	
5.1	Totals, Part 1, Column 9 .....	0
5.2	Totals, Part 3, Column 8 .....	0
		0
6.	Total gain (loss) on disposals, Part 3, Column 18 .....	(8,925,313)
7.	Deduct amounts received on disposals, Part 3, Column 15 .....	1,145,460,898
8.	Deduct amortization of premium and mortgage interest points and commitment fees .....	8,311
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest:	
9.1	Totals, Part 1, Column 13 .....	0
9.2	Totals, Part 3, Column 13 .....	0
		0
10.	Deduct current year's other than temporary impairment recognized:	
10.1	Totals, Part 1, Column 11 .....	0
10.2	Totals, Part 3, Column 10 .....	438,522
		438,522
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	5,296,106,573
12.	Total valuation allowance .....	(10,871,616)
13.	Subtotal (Line 11 plus 12) .....	5,285,234,957
14.	Deduct total nonadmitted amounts .....	0
15.	Statement value of mortgages owned at end of current period (Line 13 minus Line 14) .....	5,285,234,957

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE BA - VERIFICATION BETWEEN YEARS**

Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year .....	102,653,523
2.	Cost of acquired:	
	2.1 Actual cost at time of acquisition (Part 2, Column 8) .....	7,812,994
	2.2 Additional investment made after acquisition (Part 2, Column 9) .....	63,042,159
		70,855,153
3.	Capitalized deferred interest and other:	
	3.1 Totals, Part 1, Column 16 .....	0
	3.2 Totals, Part 3, Column 12 .....	0
		0
4.	Accrual of discount .....	0
5.	Unrealized valuation increase (decrease):	
	5.1 Totals, Part 1, Column 13 .....	(30,788)
	5.2 Totals, Part 3, Column 9 .....	0
		(30,788)
6.	Total gain (loss) on disposals, Part 3, Column 19 .....	0
7.	Deduct amounts received on disposals, Part 3, Column 16 .....	0
8.	Deduct amortization of premium and depreciation .....	23,110,489
9.	Total foreign exchange change in book/adjusted carrying value:	
	9.1 Totals, Part 1, Column 17 .....	0
	9.2 Totals, Part 3, Column 14 .....	0
		0
10.	Deduct current year's other than temporary impairment recognized:	
	10.1 Totals, Part 1, Column 15 .....	153,050
	10.2 Totals, Part 3, Column 11 .....	0
		153,050
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	150,214,349
12.	Deduct total nonadmitted amounts .....	0
13.	Statement value at end of current period (Line 11 minus Line 12) .....	150,214,349

**SCHEDULE D - VERIFICATION BETWEEN YEARS**

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year .....	6,379,384,186
2.	Cost of bonds and stocks acquired, Part 3, Column 7 .....	1,275,231,049
3.	Accrual of discount .....	5,045,465
4.	Unrealized valuation increase (decrease):	
	4.1. Part 1, Column 12 .....	0
	4.2. Part 2, Section 1, Column 15 .....	0
	4.3. Part 2, Section 2, Column 13 .....	0
	4.4. Part 4, Column 11 .....	0
		0
5.	Total gain (loss) on disposals, Part 4, Column 19 .....	15,492,579
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....	980,506,916
7.	Deduct amortization of premium .....	23,034,778
8.	Total foreign exchange change in book/adjusted carrying value:	
	8.1. Part 1, Column 15 .....	0
	8.2. Part 2, Section 1, Column 19 .....	0
	8.3. Part 2, Section 2, Column 16 .....	0
	8.4. Part 4, Column 15 .....	0
		0
9.	Deduct current year's other than temporary impairment recognized:	
	9.1. Part 1, Column 14 .....	720,219
	9.2. Part 2, Section 1, Column 17 .....	0
	9.3. Part 2, Section 2, Column 14 .....	0
	9.4. Part 4, Column 13 .....	368,637
		1,088,856
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	6,670,522,729
11.	Deduct total nonadmitted amounts .....	0
12.	Statement value at end of current period (Line 10 minus Line 11) .....	6,670,522,729

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - SUMMARY BY COUNTRY**

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

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States .....	24,518,428	25,198,102	25,496,425	24,051,990
	2. Canada .....	24,870,248	27,288,025	25,815,923	24,500,000
	3. Other Countries	33,979,355	38,165,805	36,466,037	32,295,000
	4. Totals	83,368,031	90,651,932	87,778,385	80,846,990
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	134,273,954	140,302,887	135,054,542	133,327,625
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	0	0	0	0
U.S. Special revenue and special assessment obligations and all non- guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals	295,092,389	326,731,138	303,346,118	288,641,352
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States .....	4,782,305,520	4,990,656,031	4,828,416,889	4,710,785,989
	9. Canada .....	275,122,795	284,757,535	275,990,517	271,500,017
	10. Other Countries	1,098,689,218	1,138,684,776	1,106,421,380	1,089,428,333
	11. Totals	6,156,117,533	6,414,098,342	6,210,828,786	6,071,714,339
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	13. Total Bonds	6,668,851,907	6,971,784,299	6,737,007,831	6,574,530,306
<b>PREFERRED STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	14. United States .....	93,322	219,672	93,322	
	15. Canada .....	0	0	0	
	16. Other Countries	0	0	0	
	17. Totals	93,322	219,672	93,322	
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	
	19. Total Preferred Stocks	93,322	219,672	93,322	
<b>COMMON STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	20. United States .....	1,577,500	1,577,500	1,577,500	
	21. Canada .....	0	0	0	
	22. Other Countries	0	0	0	
	23. Totals	1,577,500	1,577,500	1,577,500	
Parent, Subsidiaries and Affiliates	24. Totals	0	0	0	
	25. Total Common Stocks	1,577,500	1,577,500	1,577,500	
	26. Total Stocks	1,670,822	1,797,172	1,670,822	
	27. Total Bonds and Stocks	6,670,522,729	6,973,581,471	6,738,678,653	

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - PART 1A - SECTION 1**

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

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>1. U.S. Governments</b>											
1.1 NAIC 1	836,865	5,669,457	9,869,309	4,105,156	4,037,641	24,518,428	0.4	306,061,038	4.8	24,518,428	0
1.2 NAIC 2	0	0	0	0	0	0	0.0	0	0.0	0	0
1.3 NAIC 3	0	0	0	0	0	0	0.0	0	0.0	0	0
1.4 NAIC 4	0	0	0	0	0	0	0.0	0	0.0	0	0
1.5 NAIC 5	0	0	0	0	0	0	0.0	0	0.0	0	0
1.6 NAIC 6	0	0	0	0	0	0	0.0	0	0.0	0	0
1.7 Totals	836,865	5,669,457	9,869,309	4,105,156	4,037,641	24,518,428	0.4	306,061,038	4.8	24,518,428	0
<b>2. All Other Governments</b>											
2.1 NAIC 1	0	43,183,752	4,178,091	11,487,760	0	58,849,603	0.9	61,281,698	1.0	53,849,603	5,000,000
2.2 NAIC 2	0	0	0	0	0	0	0.0	0	0.0	0	0
2.3 NAIC 3	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 NAIC 4	0	0	0	0	0	0	0.0	0	0.0	0	0
2.5 NAIC 5	0	0	0	0	0	0	0.0	0	0.0	0	0
2.6 NAIC 6	0	0	0	0	0	0	0.0	0	0.0	0	0
2.7 Totals	0	43,183,752	4,178,091	11,487,760	0	58,849,603	0.9	61,281,698	1.0	53,849,603	5,000,000
<b>3. U.S. States, Territories and Possessions etc., Guaranteed</b>											
3.1 NAIC 1	6,078,427	52,667,586	42,923,078	20,434,973	7,761,765	129,865,829	1.9	150,736,222	2.4	129,865,829	0
3.2 NAIC 2	0	4,408,125	0	0	0	4,408,125	0.1	900,000	0.0	4,408,125	0
3.3 NAIC 3	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 NAIC 4	0	0	0	0	0	0	0.0	0	0.0	0	0
3.5 NAIC 5	0	0	0	0	0	0	0.0	0	0.0	0	0
3.6 NAIC 6	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	6,078,427	57,075,711	42,923,078	20,434,973	7,761,765	134,273,954	2.0	151,636,222	2.4	134,273,954	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>											
4.1 NAIC 1	0	0	0	0	0	0	0.0	0	0.0	0	0
4.2 NAIC 2	0	0	0	0	0	0	0.0	0	0.0	0	0
4.3 NAIC 3	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 NAIC 4	0	0	0	0	0	0	0.0	0	0.0	0	0
4.5 NAIC 5	0	0	0	0	0	0	0.0	0	0.0	0	0
4.6 NAIC 6	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed</b>											
5.1 NAIC 1	48,797,683	121,636,159	24,067,026	82,236,037	18,150,458	294,887,363	4.4	43,191,117	0.7	294,887,363	0
5.2 NAIC 2	102,472	102,554	0	0	0	205,026	0.0	0	0.0	205,026	0
5.3 NAIC 3	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 NAIC 4	0	0	0	0	0	0	0.0	0	0.0	0	0
5.5 NAIC 5	0	0	0	0	0	0	0.0	0	0.0	0	0
5.6 NAIC 6	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	48,900,155	121,738,713	24,067,026	82,236,037	18,150,458	295,092,389	4.4	43,191,117	0.7	295,092,389	0

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ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

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

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

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>6. Industrial &amp; Miscellaneous (Unaffiliated)</b>											
6.1 NAIC 1	336,514,747	1,605,028,567	1,038,910,249	339,924,395	248,812,576	3,569,190,534	52.9	3,515,401,207	54.8	3,071,320,621	497,869,913
6.2 NAIC 2	154,765,101	1,002,445,520	1,024,047,055	57,068,584	31,363,800	2,269,690,060	33.6	1,967,113,371	30.7	1,992,785,944	276,904,116
6.3 NAIC 3	2,939,774	76,488,791	133,849,412	12,084,650	0	225,362,627	3.3	228,252,677	3.6	173,605,581	51,757,046
6.4 NAIC 4	1,675,535	61,994,168	96,639,697	3,129,100	0	163,438,500	2.4	136,052,029	2.1	99,583,969	63,854,531
6.5 NAIC 5	119,869	1,037,735	4,687,666	0	0	5,845,270	0.1	1,381,415	0.0	2,339,735	3,505,535
6.6 NAIC 6	0	0	0	0	0	0	0.0	1,283,859	0.0	0	0
6.7 Totals	496,015,026	2,746,994,781	2,298,134,079	412,206,729	280,176,376	6,233,526,991	92.4	5,849,484,558	91.2	5,339,635,850	893,891,141
<b>7. Hybrid Securities</b>											
7.1 NAIC 1	0	0	0	0	0	0	0.0	0	0.0	0	0
7.2 NAIC 2	0	0	0	0	0	0	0.0	0	0.0	0	0
7.3 NAIC 3	0	0	0	0	0	0	0.0	0	0.0	0	0
7.4 NAIC 4	0	0	0	0	0	0	0.0	0	0.0	0	0
7.5 NAIC 5	0	0	0	0	0	0	0.0	0	0.0	0	0
7.6 NAIC 6	0	0	0	0	0	0	0.0	0	0.0	0	0
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>											
8.1 NAIC 1	0	0	0	0	0	0	0.0	0	0.0	0	0
8.2 NAIC 2	0	0	0	0	0	0	0.0	0	0.0	0	0
8.3 NAIC 3	0	0	0	0	0	0	0.0	0	0.0	0	0
8.4 NAIC 4	0	0	0	0	0	0	0.0	0	0.0	0	0
8.5 NAIC 5	0	0	0	0	0	0	0.0	0	0.0	0	0
8.6 NAIC 6	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

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

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

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
<b>9. Total Bonds Current Year</b>											
9.1 NAIC 1	(d) 392,227,722	1,828,185,521	1,119,947,753	458,188,321	278,762,440	4,077,311,757	60.4	XXX	XXX	3,574,441,844	502,869,913
9.2 NAIC 2	(d) 154,867,573	1,006,956,199	1,024,047,055	57,068,584	31,363,800	2,274,303,211	33.7	XXX	XXX	1,997,399,095	276,904,116
9.3 NAIC 3	(d) 2,939,774	76,488,791	133,849,412	12,084,650	0	225,362,627	3.3	XXX	XXX	173,605,581	51,757,046
9.4 NAIC 4	(d) 1,675,535	61,994,168	96,639,697	3,129,100	0	163,438,500	2.4	XXX	XXX	99,583,969	63,854,531
9.5 NAIC 5	(d) 119,869	1,037,735	4,687,666	0	0	5,845,270	0.1	XXX	XXX	2,339,735	3,505,535
9.6 NAIC 6	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.7 Totals	551,830,473	2,974,662,414	2,379,171,583	530,470,655	310,126,240	6,746,261,365	100.0	XXX	XXX	5,847,370,224	898,891,141
9.8 Line 9.7 as a % of Col. 6	8.2	44.1	35.3	7.9	4.6	100.0	XXX	XXX	XXX	86.7	13.3
<b>10. Total Bonds Prior Year</b>											
10.1 NAIC 1	479,189,866	1,721,404,131	1,162,904,424	466,863,008	246,309,853	XXX	XXX	4,076,671,282	63.6	3,554,389,941	522,281,341
10.2 NAIC 2	210,166,277	944,928,120	722,489,652	76,175,837	14,253,485	XXX	XXX	1,968,013,371	30.7	1,689,402,978	278,610,393
10.3 NAIC 3	14,106,477	68,559,890	130,398,772	15,187,538	0	XXX	XXX	228,252,677	3.6	198,807,193	29,445,484
10.4 NAIC 4	969,439	42,837,720	85,527,673	6,717,197	0	XXX	XXX	136,052,029	2.1	78,430,168	57,621,861
10.5 NAIC 5	0	141,794	1,239,621	0	0	XXX	XXX	1,381,415	0.0	397,000	984,415
10.6 NAIC 6	0	439,875	0	843,984	0	XXX	XXX	1,283,859	0.0	670,500	613,359
10.7 Totals	704,432,059	2,778,311,530	2,102,560,142	565,787,564	260,563,338	XXX	XXX	6,411,654,633	100.0	5,522,097,780	899,556,853
10.8 Line 10.7 as a % of Col. 8	11.0	43.3	32.8	8.8	4.1	XXX	XXX	100.0	XXX	86.1	13.9
<b>11. Total Publicly Traded Bonds</b>											
11.1 NAIC 1	368,834,952	1,550,484,372	978,879,007	432,736,341	243,507,172	3,574,441,844	53.0	3,554,389,941	55.4	3,574,441,844	XXX
11.2 NAIC 2	124,102,474	831,338,138	960,171,087	54,444,274	27,343,122	1,997,399,095	29.6	1,689,402,978	26.3	1,997,399,095	XXX
11.3 NAIC 3	2,939,774	65,822,699	94,963,284	9,879,824	0	173,605,581	2.6	198,807,193	3.1	173,605,581	XXX
11.4 NAIC 4	1,675,535	41,253,233	53,526,101	3,129,100	0	99,583,969	1.5	78,430,168	1.2	99,583,969	XXX
11.5 NAIC 5	0	1,037,735	1,302,000	0	0	2,339,735	0.0	397,000	0.0	2,339,735	XXX
11.6 NAIC 6	0	0	0	0	0	0	0.0	670,500	0.0	0	XXX
11.7 Totals	497,552,735	2,489,936,177	2,088,841,479	500,189,539	270,850,294	5,847,370,224	86.7	5,522,097,780	86.1	5,847,370,224	XXX
11.8 Line 11.7 as a % of Col. 6	8.5	42.6	35.7	8.6	4.6	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	7.4	36.9	31.0	7.4	4.0	86.7	XXX	XXX	XXX	86.7	XXX
<b>12. Total Privately Placed Bonds</b>											
12.1 NAIC 1	23,392,770	277,701,149	141,068,746	25,451,980	35,255,268	502,869,913	7.5	522,281,341	8.1	XXX	502,869,913
12.2 NAIC 2	30,765,099	175,618,061	63,875,968	2,624,310	4,020,678	276,904,116	4.1	278,610,393	4.3	XXX	276,904,116
12.3 NAIC 3	0	10,666,092	38,886,128	2,204,826	0	51,757,046	0.8	29,445,484	0.5	XXX	51,757,046
12.4 NAIC 4	0	20,740,935	43,113,596	0	0	63,854,531	0.9	57,621,861	0.9	XXX	63,854,531
12.5 NAIC 5	119,869	0	3,385,666	0	0	3,505,535	0.1	984,415	0.0	XXX	3,505,535
12.6 NAIC 6	0	0	0	0	0	0	0.0	613,359	0.0	XXX	0
12.7 Totals	54,277,738	484,726,237	290,330,104	30,281,116	39,275,946	898,891,141	13.3	889,556,853	13.9	XXX	898,891,141
12.8 Line 12.7 as a % of Col. 6	6.0	53.9	32.3	3.4	4.4	100.0	XXX	XXX	XXX	XXX	100.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	0.8	7.2	4.3	0.4	0.6	13.3	XXX	XXX	XXX	XXX	13.3

(a) Includes \$ 819,110,230 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 0 current year, \$ 0 prior year of bonds with Z designations and \$ 0, current year \$ 0 prior year of bonds with Z\* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$ 0 current year, \$ 0 prior year of bonds with 5\* designations and \$ 0, current year \$ 0 prior year of bonds with 6\* designations. "5\*" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - PART 1A - SECTION 2**

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

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>1. U.S. Governments</b>											
1.1 Issuer Obligations .....	836,865	5,669,457	5,823,199	4,105,156	0	16,434,677	0.2	297,970,231	4.6	16,434,677	0
1.2 Residential Mortgage-Backed Securities .....	0	0	4,046,110	0	4,037,641	8,083,751	0.1	8,090,808	0.1	8,083,751	0
1.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
1.4 Other Loan-Backed and Structured Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
1.5 Totals	836,865	5,669,457	9,869,309	4,105,156	4,037,641	24,518,428	0.4	306,061,039	4.8	24,518,428	0
<b>2. All Other Governments</b>											
2.1 Issuer Obligations .....	0	43,183,752	4,178,091	11,487,760	0	58,849,603	0.9	61,281,698	1.0	53,849,603	5,000,000
2.2 Residential Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
2.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Other Loan-Backed and Structured Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
2.5 Totals	0	43,183,752	4,178,091	11,487,760	0	58,849,603	0.9	61,281,698	1.0	53,849,603	5,000,000
<b>3. U.S. States, Territories and Possessions, Guaranteed</b>											
3.1 Issuer Obligations .....	6,078,427	57,075,711	42,923,078	20,434,973	7,761,765	134,273,954	2.0	151,636,222	2.4	134,273,954	0
3.2 Residential Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
3.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Other Loan-Backed and Structured Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
3.5 Totals	6,078,427	57,075,711	42,923,078	20,434,973	7,761,765	134,273,954	2.0	151,636,222	2.4	134,273,954	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>											
4.1 Issuer Obligations .....	0	0	0	0	0	0	0.0	0	0.0	0	0
4.2 Residential Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
4.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Other Loan-Backed and Structured Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
4.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations etc., Non-Guaranteed</b>											
5.1 Issuer Obligations .....	48,900,155	121,589,521	21,100,050	56,724,033	8,542,730	256,856,489	3.8	0	0.0	256,856,489	0
5.2 Residential Mortgage-Backed Securities .....	0	149,192	2,966,976	25,512,004	9,607,728	38,235,900	0.6	43,191,117	0.7	38,235,900	0
5.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Other Loan-Backed and Structured Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
5.5 Totals	48,900,155	121,738,713	24,067,026	82,236,037	18,150,458	295,092,389	4.4	43,191,117	0.7	295,092,389	0
<b>6. Industrial and Miscellaneous</b>											
6.1 Issuer Obligations .....	495,938,650	2,711,649,877	2,269,513,756	331,318,689	205,723,477	6,014,144,449	89.1	5,802,271,101	90.5	5,148,452,646	865,691,803
6.2 Residential Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
6.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	3,498,861	0.1	0	0
6.4 Other Loan-Backed and Structured Securities .....	76,376	35,344,904	28,620,323	80,888,040	74,452,899	219,382,542	3.3	43,714,595	0.7	191,183,204	28,199,338
6.5 Totals	496,015,026	2,746,994,781	2,298,134,079	412,206,729	280,176,376	6,233,526,991	92.4	5,849,484,557	91.2	5,339,635,850	893,891,141
<b>7. Hybrid Securities</b>											
7.1 Issuer Obligations .....	0	0	0	0	0	0	0.0	0	0.0	0	0
7.2 Residential Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
7.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
7.4 Other Loan-Backed and Structured Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
7.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>											
8.1 Issuer Obligations .....	0	0	0	0	0	0	0.0	0	0.0	0	0
8.2 Residential Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
8.3 Commercial Mortgage-Backed Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
8.4 Other Loan-Backed and Structured Securities .....	0	0	0	0	0	0	0.0	0	0.0	0	0
8.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

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ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY

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

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

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>9. Total Bonds Current Year</b>											
9.1 Issuer Obligations	551,754,097	2,939,168,318	2,343,538,174	424,070,611	222,027,972	6,480,559,172	96.1	XXX	XXX	5,609,867,369	870,691,803
9.2 Residential Mortgage-Backed Securities	0	149,192	7,013,086	25,512,004	13,645,369	46,319,651	0.7	XXX	XXX	46,319,651	0
9.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.4 Other Loan-Backed and Structured Securities	76,376	35,344,904	28,620,323	80,888,040	74,452,899	219,382,542	3.3	XXX	XXX	191,183,204	28,199,338
9.5 Totals	551,830,473	2,974,662,414	2,379,171,583	530,470,655	310,126,240	6,746,261,365	100.0	XXX	XXX	5,847,370,224	898,891,141
9.6 Line 9.5 as a % of Col. 6	8.2	44.1	35.3	7.9	4.6	100.0	XXX	XXX	XXX	86.7	13.3
<b>10. Total Bonds Prior Year</b>											
10.1 Issuer Obligations	704,359,413	2,751,917,678	2,082,749,135	537,835,568	236,297,458	XXX	XXX	6,313,159,252	98.5	5,429,147,160	884,012,092
10.2 Residential Mortgage-Backed Securities	0	295,250	5,166,920	25,052,735	20,767,020	XXX	XXX	51,281,925	0.8	51,281,925	0
10.3 Commercial Mortgage-Backed Securities	0	0	0	0	3,498,861	XXX	XXX	3,498,861	0.1	3,498,861	0
10.4 Other Loan-Backed and Structured Securities	72,646	26,098,602	14,644,087	2,899,260	0	XXX	XXX	43,714,595	0.7	38,169,832	5,544,763
10.5 Totals	704,432,059	2,778,311,530	2,102,560,142	565,787,563	260,563,339	XXX	XXX	6,411,654,633	100.0	5,522,097,778	889,556,855
10.6 Line 10.5 as a % of Col. 8	11.0	43.3	32.8	8.8	4.1	XXX	XXX	100.0	XXX	86.1	13.9
<b>11. Total Publicly Traded Bonds</b>											
11.1 Issuer Obligations	497,552,735	2,457,289,962	2,057,255,573	397,230,748	200,538,350	5,609,867,368	83.2	5,429,147,160	84.7	5,609,867,368	XXX
11.2 Residential Mortgage-Backed Securities	0	149,192	7,013,086	25,512,004	13,645,369	46,319,651	0.7	51,281,925	0.8	46,319,651	XXX
11.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	3,498,861	0.1	0	XXX
11.4 Other Loan-Backed and Structured Securities	0	32,497,023	24,572,820	77,446,787	56,666,575	191,183,205	2.8	38,169,832	0.6	191,183,205	XXX
11.5 Totals	497,552,735	2,489,936,177	2,088,841,479	500,189,539	270,850,294	5,847,370,224	86.7	5,522,097,778	86.1	5,847,370,224	XXX
11.6 Line 11.5 as a % of Col. 6	8.5	42.6	35.7	8.6	4.6	100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	7.4	36.9	31.0	7.4	4.0	86.7	XXX	XXX	XXX	86.7	XXX
<b>12. Total Privately Placed Bonds</b>											
12.1 Issuer Obligations	54,201,362	481,878,356	286,282,601	26,839,863	21,489,622	870,691,804	12.9	884,012,092	13.8	XXX	870,691,804
12.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.4 Other Loan-Backed and Structured Securities	76,376	2,847,881	4,047,503	3,441,253	17,786,324	28,199,337	0.4	5,544,763	0.1	XXX	28,199,337
12.5 Totals	54,277,738	484,726,237	290,330,104	30,281,116	39,275,946	898,891,141	13.3	889,556,855	13.9	XXX	898,891,141
12.6 Line 12.5 as a % of Col. 6	6.0	53.9	32.3	3.4	4.4	100.0	XXX	XXX	XXX	XXX	100.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	0.8	7.2	4.3	0.4	0.6	13.3	XXX	XXX	XXX	XXX	13.3



ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE DA - VERIFICATION BETWEEN YEARS**

Short-Term Investments

	1 Total	2 Bonds	3 Mortgage Loans	4 Other Short-term Investment Assets (a)	5 Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....	32,363,769	32,363,769	0	0	0
2. Cost of short-term investments acquired .....	278,704,419	278,704,419	0	0	0
3. Accrual of discount .....	0	0	0	0	0
4. Unrealized valuation increase (decrease) .....	0	0	0	0	0
5. Total gain (loss) on disposals .....	0	0	0	0	0
6. Deduct consideration received on disposals .....	233,654,345	233,654,345	0	0	0
7. Deduct amortization of premium .....	4,385	4,385	0	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0	0	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0	0	0	0
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	77,409,458	77,409,458	0	0	0
11. Deduct total nonadmitted amounts .....	0	0	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	77,409,458	77,409,458	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE DB - PART A - VERIFICATION BETWEEN YEARS**

Options, Caps, Floors, Collars, Swaps and Forwards

1.	Book/adjusted carrying value, December 31, prior year (Line 9, prior year)	11,329,110
2.	Cost paid/(consideration received) on additions:	
2.1	Current year paid/(consideration received) at time of acquisition, still open, Section 1, Column 12	9,393,728
2.2	Current year paid/(consideration received) at time of acquisition, terminated, Section 2, Column 14	0
3.	Unrealized valuation increase/(decrease):	
3.1	Section 1, Column 17	6,401,630
3.2	Section 2, Column 19	(1,802,613)
4.	Total gain (loss) on termination recognized, Section 2, Column 22	9,828,130
5.	Considerations received/(paid) on terminations, Section 2, Column 15	19,354,627
6.	Amortization:	
6.1	Section 1, Column 19	0
6.2	Section 2, Column 21	0
7.	Adjustment to the book/adjusted carrying value of hedged item:	
7.1	Section 1, Column 20	0
7.2	Section 2, Column 23	0
8.	Total foreign exchange change in book/adjusted carrying value:	
8.1	Section 1, Column 18	0
8.2	Section 2, Column 20	0
9.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6+7+8)	15,795,358
10.	Deduct nonadmitted assets	0
11.	Statement value at end of current period (Line 9 minus Line 10)	15,795,358

**SCHEDULE DB - PART B - VERIFICATION**

Futures Contracts

1.	Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year)	
2.	Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change Column)	
3.1	Add:	
	Change in variation margin on open contracts - Highly effective hedges	
3.11	Section 1, Column 15, current year minus	
3.12	Section 1, Column 15, prior year	
	Change in variation margin on open contracts - All other	
3.13	Section 1, Column 18, current year minus	
3.14	Section 1, Column 18, prior year	
3.2	Add:	
	Change in adjustment to basis of hedged item	
3.21	Section 1, Column 17, current year to date minus	
3.22	Section 1, Column 17, prior year	
	Change in amount recognized	
3.23	Section 1, Column 19, current year to date minus	
3.24	Section 1, Column 19, prior year	
3.3	Subtotal (Line 3.1 minus Line 3.2)	
4.1	Cumulative variation margin on terminated contracts during the year (Section 2, Column 15)	
4.2	Less:	
4.21	Amount used to adjust basis of hedged item (Section 2, Column 17)	
4.22	Amount recognized (Section 2, Column 16)	
4.3	Subtotal (Line 4.1 minus Line 4.2)	
5.	Dispositions gains (losses) on contracts terminated in prior year:	
5.1	Total gain (loss) recognized for terminations in prior year	
5.2	Total gain (loss) adjusted into the hedged item(s) for terminations in prior year	
6.	Book/Adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2)	
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**

ANNUAL STATEMENT FOR THE YEAR 2013 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.....	15,795,358
2.	Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance .....	0
3.	Total (Line 1 plus Line 2) .....	15,795,358
4.	Part D, Section 1, Column 5 .....	15,795,358
5.	Part D, Section 1, Column 6 .....	0
6.	Total (Line 3 minus Line 4 minus Line 5) .....	0
		Fair Value Check
7.	Part A, Section 1, Column 16 .....	15,795,358
8.	Part B, Section 1, Column 13 .....	0
9.	Total (Line 7 plus Line 8) .....	15,795,358
10.	Part D, Section 1, Column 8 .....	15,795,358
11.	Part D, Section 1, Column 9 .....	0
12.	Total (Line 9 minus Line 10 minus Line 11) .....	0
		Potential Exposure Check
13.	Part A, Section 1, Column 21 .....	15,795,358
14.	Part B, Section 1, Column 20 .....	0
15.	Part D, Section 1, Column 11 .....	15,795,358
16.	Total (Line 13 plus Line 14 minus Line 15) .....	0

**SCHEDULE E - VERIFICATION BETWEEN YEARS**

(Cash Equivalents)

	1	2	3
	Total	Bonds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year .....			
2. Cost of cash equivalents acquired .....			
3. Accrual of discount .....			
4. Unrealized valuation increase (decrease) .....			
5. Total gain (loss) on disposals .....	<b>NONE</b>		
6. Deduct consideration received on disposals .....			
7. Deduct amortization of premium .....			
8. Total foreign exchange change in book/adjusted carrying value .....			
9. Deduct current year's other than temporary impairment recognized .....			
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....			
11. Deduct total nonadmitted amounts .....			
12. Statement value at end of current period (Line 10 minus Line 11)			

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

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