

# **HEALTH QUARTERLY STATEMENT**

AS OF SEPTEMBER 30, 2017 OF THE CONDITION AND AFFAIRS OF THE

# Group Hospitalization and Medical Services, Inc.

NAIC Group Code 0380 0380 NAIC Company Code 53007 Employer's ID Number 53-0078070

Organized under the Laws of	District of	Columbia ,	, State of Domicile or Port of	Entry DC
Country of Domicile		United States of	of America	
Licensed as business type:		HMD	l .	
Is HMO Federally Qualified? Ye	s[]No[]			
Incorporated/Organized	08/11/1939		Commenced Business	03/15/1934
Statutory Home Office	840 First Stre	et NE		Washington , DC, US 20065
	(Street and Nu	imber)	(City o	or Town, State, Country and Zip Code)
Main Administrative Office		10455 Mill Ru		
Ow	vings Mills , MD, US 21117	(Street and N	Number)	410-581-3000
(City or To	own, State, Country and Zip C	ode)	(/	Area Code) (Telephone Number)
Mail Address	10455 Mill Run Circ			Owings Mills , MD, US 21117
	(Street and Number or P.	O. Box)	(City o	r Town, State, Country and Zip Code)
Primary Location of Books and R	ecords	10455 Mill R		
Ow	rings Mills , MD, US 21117	(Street and N	Number)	410-998-7011
(City or To	wn, State, Country and Zip C	ode)	(A	Area Code) (Telephone Number)
Internet Website Address		www.carefii	rst.com	
Statutory Statement Contact	William	Vincent Stack	12	410-998-7011
=	(	(Name)		(Area Code) (Telephone Number)
	bill.stack@carefirst.com (E-mail Address)		•	410-998-6850 (FAX Number)
		OFFICE	:pe	
President and Chief	_			
Executive Officer Corp. Secretary, Exec.VP	Chester Emers	on Burrell	Corp. Treasurer & VP	Jeanne Ann Kennedy
& Gen. Counsel	Meryl Davis	Burgin	1 <u>2</u>	
		OTHE		
Gregory Mark Chance	ey, EVP & CFO	Brian David Pie	eninck, COO	Jonathan David Blum, EVP, Medical Affairs  Rose Vartuhi Megian #, EVP, Small and Medium Group
David Jeffrey Corkum #, E	VP, Large Group SBU	Harry Dietz Fox, EVP, Te	chnical & Ops Support	SBU
Wanda Kay Oneferu-Bey, EV				Jennifer Ann Cryor Baldwin, SVP, Patient Centered Medical Home (PCMH)
Peter Andrew Berry, S Rahul Rajkumar, SVP, C	hief Medical Officer	Rita Ann Costello, SVP, Gwendolyn Denise Skillern		Usha Nakhasi, SVP, Gen Mgr SBPASC/FEPOC Maria Harris Tildon, SVP, Public Policy
Michelle Judith Wright, SV	P, Human Resources			
		DIRECTORS OR		
Shirley Marc Robert Reginald		Clifford Edwa Artis Gail Hamp		Sherri Lin Bohinc Polly Poveisil Heath
Wendell Lee Shirley Rollins		Robert Carl k Elena Victo	Kovarik Jr.	Michael Joseph McShea
Offiney Rollins	ratterson	Elena victo	ona Rios	Patricia Amelia Rodriguez
State of	Maryland	- 00		
County of	Baltimore	SS:		
The officers of this reporting entity	y being duly swom, each dep	ose and say that they are the	described officers of said rep	porting entity, and that on the reporting period stated above, is or claims thereon, except as herein stated, and that this
statement, together with related e	exhibits, schedules and explain	nations therein contained, ann	exed or referred to, is a full a	and true statement of all the assets and liabilities and of the
in accordance with the NAIC And	rual Statement Instructions a	nd Accounting Practices and	Procedures manual except t	s therefrom for the period ended, and have been completed to the extent that: (1) state law may differ; or, (2) that state
rules or regulations require difference the s	erences in reporting not reli	ated to accounting practices described officers also inclu-	and procedures, according des the related corresponding	to the best of their information, knowledge and belief,
exact copy (except for formatting to the enclosed statement.	differences due to electronic	filing) of the enclosed statement	ent. The electronic filing may	be requested by various regulators in lieu of or in addition
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0-0	muel	1 her B	9)	Jame Lemes
		\ \(\)	X	
Chester Emerson B President and Chief Execu		Meryl Davis Corp. Secretary, Exec. \		Jeanne Ann Kennedy Corp. Treasurer & VP
- 1				
Subscribed and sworn to before n	ne this /	1 7/117	<ul> <li>a. Is this an original filing</li> <li>b. If no,</li> </ul>	
day of	- HINEMBE	1 201/	State the amendm     Date filed	
//////	de		Date filed     3. Number of pages a	

I. M. GILBERG
NOTARY PUBLIC
BALTIMORE COUNTY
MARYLAND
MY COMMISSION EXPIRES AUG. 12, 2019

# **ASSETS**

			Current Statement Dat		4
		1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	450,398,170	0	450,398,170	413,494,434
2.	Stocks:				
	2.1 Preferred stocks	0		0	0
	2.2 Common stocks	99,040,676	0	99,040,676	111,265,844
3.	Mortgage loans on real estate:				
	3.1 First liens	0	0	0	0
	3.2 Other than first liens	0	0	0	0
4.	Real estate:				
	4.1 Properties occupied by the company (less \$0 encumbrances)	0	0	0	0
	4.2 Properties held for the production of income (less				
	\$0 encumbrances)	0	0	0	0
	4.3 Properties held for sale (less \$0				
	encumbrances)	0	0	0	0
5.	Cash (\$(90,579,790) ), cash equivalents				
	(\$15,298,677 ) and short-term				
	investments (\$	6.320.819	0	6,320,819	5.002.712
6.	Contract loans (including \$0 premium notes)		0		0
	Derivatives		0		0
8.	Other invested assets			463,934,600	453,073,427
9.	Receivables for securities		0	0	0
	Securities lending reinvested collateral assets		0		0
	Aggregate write-ins for invested assets		0		0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	1,019,860,932	166,667	1,019,694,265	982,836,417
	Title plants less \$0 charged off (for Title insurers				
	only)	0	0	0	0
	Investment income due and accrued		0	3,237,785	3,021,249
	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	251,528,696	8,674,759	242,853,937	241,300,358
	15.2 Deferred premiums, agents' balances and installments booked but				
	deferred and not yet due (including \$0				
	earned but unbilled premiums)	0	0	0	0
	15.3 Accrued retrospective premiums (\$0 ) and				
	contracts subject to redetermination (\$110,608,541 )	110,608,541	0	110,608,541	95,754,913
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	5,386,136	0	5,386,136	25,314,264
	16.2 Funds held by or deposited with reinsured companies			0	0
	16.3 Other amounts receivable under reinsurance contracts			5,939,091	
17.	Amounts receivable relating to uninsured plans	39,043,998	1,018,942	38,025,056	51,098,500
18.1	Current federal and foreign income tax recoverable and interest thereon	0		0	0
	Net deferred tax asset		29,077,527		0
	Guaranty funds receivable or on deposit			10,445,945	0
20.	Electronic data processing equipment and software	154,432,794	134, 109, 264	20,323,530	17,749,789
21.	Furniture and equipment, including health care delivery assets				
	(\$0 )			0	0
	Net adjustment in assets and liabilities due to foreign exchange rates		0		0
	Receivables from parent, subsidiaries and affiliates			32,137,399	
	Health care (\$132,027,166 ) and other amounts receivable			807,562,118	
	Aggregate write-ins for other than invested assets	62,276,873	60,906,726	1,370,147	1,380,087
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	2.557.478 916	259 894 966	2,297,583,950	2,284,102,974
27.	From Separate Accounts, Segregated Accounts and Protected Cell	2,001,110,010	200,001,000		
	Accounts	0	0	0	0
28.	Total (Lines 26 and 27)	2,557,478,916	259,894,966	2,297,583,950	2,284,102,974
	DETAILS OF WRITE-INS				
1101.		0		0	0
1102.		0	0		0
1103.		0	0	0	0
1198.	Summary of remaining write-ins for Line 11 from overflow page			0	0
1199.	Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.	Prepaid Pension	446,438	446,438	0	0
2502.	Prepaid Expenses	60,460,288	60,460,288	0	0
	Other Assets		0	1,370,147	1,380,087
	Summary of remaining write-ins for Line 25 from overflow page	, ,	0		0
	Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	62,276,873	60,906,726		1,380,087

# LIABILITIES, CAPITAL AND SURPLUS

			Current Period		Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1	Claims unpaid (less \$4,260,839 reinsurance ceded)	Covered	8,456,527		
1. 2.	Accrued medical incentive pool and bonus amounts		0,430,327		290,000,209
3.	Unpaid claims adjustment expenses			10,488,547	
4.	Aggregate health policy reserves, including the liability of	, 10, 100, 100			,200,0
	\$4,840,000 for medical loss ratio rebate per the Public				
	Health Service Act	720,445,809	0	720,445,809	727,008,385
5.	Aggregate life policy reserves		0	0	0
6.	Property/casualty unearned premium reserve		0	0	0
7.	Aggregate health claim reserves		0	0	0
8.	Premiums received in advance		0		44,121,765
9.	General expenses due or accrued	57,302,346	0	57,302,346	68,674,629
10.1	Current federal and foreign income tax payable and interest thereon				
	(including \$2,427,247 on realized gains (losses))	1,169,423	0	1,169,423	3,613,986
10.2	Net deferred tax liability	2,568,547	0	2,568,547	7,111,951
11.	Ceded reinsurance premiums payable	0	0	0	0
12.	Amounts withheld or retained for the account of others	37,604,073	0	37,604,073	39,279,271
13.	Remittances and items not allocated	321,989	0	321,989	1,607,594
14.	Borrowed money (including \$0 current) and				
	interest thereon \$0 (including				
	\$0 current)		0		0
15.	Amounts due to parent, subsidiaries and affiliates		0		69,683,723
16.	Derivatives		0	0	0
17.	Payable for securities		0	0	0
18.	Payable for securities lending	0	0	0	0
19.	Funds held under reinsurance treaties (with \$0				
	authorized reinsurers, \$0 unauthorized				
	reinsurers and \$0 certified reinsurers)	0	0	0	0
20.	Reinsurance in unauthorized and certified (\$0 )	_	_	_	_
	companies		0		0
21.	Net adjustments in assets and liabilities due to foreign exchange rates				0
22.	Liability for amounts held under uninsured plans		0	10,274,330	11,5//,290
23.	Aggregate write-ins for other liabilities (including \$10,442,555		0	46,646,458	46 076 645
24	current)				
_	Aggregate write-ins for special surplus funds			56,250,000	
25. 26.	Common capital stock				0
27.	Preferred capital stock				0
28.	Gross paid in and contributed surplus				0
29.	Surplus notes				
30.	Aggregate write-ins for other than special surplus funds				0
31.	Unassigned funds (surplus)				
32.	Less treasury stock, at cost:				
	32.10 shares common (value included in Line 26				
	\$0 )	xxx	XXX	0	0
	32.20 shares preferred (value included in Line 27				
	\$0 )	xxx	XXX	0	0
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	1,016,846,475	963,238,051
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	2,297,583,950	2,284,102,974
	DETAILS OF WRITE-INS				
2301.	Amounts Withheld for Escheatment	5,688,759	0	5,688,759	7,435,483
2302.	Reinsurance Payable	7,524,041	0	7,524,041	8,086,637
2303.	Noncurrent Pension and Other Postretirement Liabilities	25,752,905	0	25,752,905	22,614,364
2398.	Summary of remaining write-ins for Line 23 from overflow page	7,680,753	0	7,680,753	8,240,161
2399.	Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	46,646,458	0	46,646,458	46,376,645
2501.	Special Surplus - 2018 Health Insurer fee	xxx	XXX	56,250,000	0
2502.		XXX	XXX	0	0
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		0
2599.	Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	XXX	XXX	56,250,000	0
3001.					0
3002.					0
3003.					0
3098.	Summary of remaining write-ins for Line 30 from overflow page				0
3099.	Totals (Lines 3001 through 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

# **STATEMENT OF REVENUE AND EXPENSES**

		Current Y		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	XXX	6,200,706	6,748,808	8,848,893
2.	Net premium income ( including \$0 non-health				
	premium income)				
3.	Change in unearned premium reserves and reserve for rate credits				
4.	Fee-for-service (net of \$			0	
5.	Risk revenue				0
6.	Aggregate write-ins for other health care related revenues				
7. 8.	Total revenues (Lines 2 to 7)			2,633,485,418	
0.	Hospital and Medical:		2,020,010,001	2,000,400,410 [.	
9.	Hospital/medical benefits	38 949 394	1 386 509 076	1,486,456,630	1 951 854 365
10.	Other professional services				221,044,608
11.	Outside referrals				52,771,594
12.	Emergency room and out-of-area		51,293,544	55 , 176 , 202	73,023,573
13.	Prescription drugs	0	604,284,328	592,198,201	801,675,688
14.	Aggregate write-ins for other hospital and medical	0	0	0	0
15.	Incentive pool, withhold adjustments and bonus amounts	0	0	0	0
16.	Subtotal (Lines 9 to 15)	69,720,783	2,249,469,355	2,340,487,289	3,100,369,828
	Less:				
17.	Net reinsurance recoveries				
18.	Total hospital and medical (Lines 16 minus 17)				
19.	Non-health claims (net)	0	0	0	0
20.	Claims adjustment expenses, including \$35,581,745 cost				
	containment expenses				
21.	General administrative expenses	0	188,480,285	261,447,138	341,4/3,1//
22.	Increase in reserves for life and accident and health contracts  (including \$0 increase in reserves for life only)	0	0	0	0
22	(including \$			2,659,961,064	
23. 24.	Net underwriting gain or (loss) (Lines 8 minus 23)				
25.	Net investment income earned			11,395,751	
26.	Net realized capital gains (losses) less capital gains tax of		11,721,000		10,222,270
	\$2,427,247	0	9,708,986	5,261,094	4,564,856
27.	Net investment gains (losses) (Lines 25 plus 26)			16,656,845	
28.	Net gain or (loss) from agents' or premium balances charged off [(amount				
	recovered \$0 )				
	(amount charged off \$	0			0
29.	Aggregate write-ins for other income or expenses	0	47,359	232 , 170	254,747
30.	Net income or (loss) after capital gains tax and before all other federal	2004	F0 700 070	(0, 500, 604)	17 000 544
24	income taxes (Lines 24 plus 27 plus 28 plus 29)			(9,586,631)	
31. 32.	Federal and foreign income taxes incurred	XXX	40,489,922	(30,008,064)	26,735,046 (9,472,502)
32.	Net income (loss) (Lines 30 minus 31)  DETAILS OF WRITE-INS	***	40,409,922	(30,008,004)	(9,472,502)
0601.	FEP Performance Incentive	VVV	10 054 706	12 200 551	10 267 017
0602.	Miscellaneous Fees				
0602.	DISB Surplus Review Order			63,050	131,874
	Summary of remaining write-ins for Line 6 from overflow page				0
0698. 0699.	Totals (Lines 0601 through 0603 plus 0698)(Line 6 above)	XXX	12,991,457	(37,973,870)	19,498,891
0701.					6,615,910
0701.	FEP Bridge Revenue			, ,	, ,
					0
0703.	Summary of remaining write-ins for Line 7 from overflow page			0	0 ^
0798. 0799.	Summary of remaining write-ins for Line 7 from overflow page	XXX	5,670,362	5,021,276	6,615,910
1401.	, , , , , , , , , , , , , , , , , , , ,				
				0	0
1402.					0
1403	Cumman of semiling write in fact line 14 from gradient age.				0
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0		0
1499.	Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)				040.041
2901.	Miscellaneous		,	228,821	243,911
2902.	Regulatory Fines and Fees		` ' '	· ·	10,836
2903				0	0
2998.	Summary of remaining write-ins for Line 29 from overflow page			0	0
2999.	Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	47,359	232,170	254,747

**STATEMENT OF REVENUE AND EXPENSES (Continued)** 

	STATEMENT OF REVENUE AND EX	PENSES (C	Jonunuec	,
		1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
	CAPITAL AND SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	963,238,049	960,214,523	960,214,523
34.	Net income or (loss) from Line 32	40,489,922	(30,008,064)	(9,472,502)
35.	Change in valuation basis of aggregate policy and claim reserves	0	0	0
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$(380,793)	10 , 153 , 986	5,551,479	(3,947,481)
37.	Change in net unrealized foreign exchange capital gain or (loss)	0	0	0
38.	Change in net deferred income tax	5,100,674	140,704	7,791,307
39.	Change in nonadmitted assets	(2,136,156)	8,286,095	(8,640,003)
40	Change in unauthorized and certified reinsurance	0	0	0
41.	Change in treasury stock	0	0	0
42.	Change in surplus notes	0	0	0
43.	Cumulative effect of changes in accounting principles.	0	0	0
44.	Capital Changes:			
	44.1 Paid in	0	0	0
	44.2 Transferred from surplus (Stock Dividend)	0	0	0
	44.3 Transferred to surplus.	0	0	0
45.	Surplus adjustments:			
	45.1 Paid in	0	0	0
	45.2 Transferred to capital (Stock Dividend)	0	0	0
	45.3 Transferred from capital	0	0	0
46.	Dividends to stockholders	0	0	0
47.	Aggregate write-ins for gains or (losses) in surplus	0	2,810,494	17,292,205
48.	Net change in capital & surplus (Lines 34 to 47)	53,608,426	(13,219,292)	3,023,526
49.	Capital and surplus end of reporting period (Line 33 plus 48)	1,016,846,475	946,995,231	963,238,049
	DETAILS OF WRITE-INS			
4701.	Change in Pension Prepaid Asset/Liability	0	0	14,481,714
4702.	Correction of Errors, Net of Taxes	0	2,462,178	2,462,175
4703.	Prior Year Miscellaneous Adjustments	0	348,316	348,316
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799.	Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	2,810,494	17,292,205

# **CASH FLOW**

	27131112011			
		1 Current Year	2 Prior Year	3 Prior Year Ended
	Cash from Operations	To Date	To Date	December 31
1.	Premiums collected net of reinsurance	2 480 851 868	2 620 408 756	3 440 274 037
2.		13,010,201		
3.	Miscellaneous income	18,661,819	(32,952,594)	26,114,801
3. 4.	Total (Lines 1 to 3)	2,512,523,888	2,609,596,236	3,494,362,600
5.	Benefit and loss related payments			
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions			
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$2,427,247 tax on capital			
-	gains (losses)	17,105,260	16,430,847	21,847,664
10.	Total (Lines 5 through 9)	2,466,938,304	2,646,157,809	3,442,604,756
11.	Net cash from operations (Line 4 minus Line 10)	45,585,584	(36,561,573)	51,757,844
• • • •	Net dash nom operations (Line + minds Line 10)	40,000,004	(00,001,070)	01,707,044
	Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:			
12.	·	365,698,613	410 600 201	E14 E29 120
		70,150,000		
	12.2 Stocks  12.3 Mortgage loans			
	12.4 Real estate			
		0		0
	12.5 Other invested assets  12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
	12.7 Miscellaneous proceeds	0	0	0
	12.8 Total investment proceeds (Lines 12.1 to 12.7)			
13.	Cost of investments acquired (long-term only):	403,040,013		
13.	, , ,	403,870,057	126 046 270	405 610 906
	13.1 Bonds			
		0	, ,	, ,
	13.4 Real estate	_	0	0
		0	0	0
	13.6 Miscellaneous applications	0	0	0
	13.7 Total investments acquired (Lines 13.1 to 13.6)	450,984,589	459, 177, 159	520,320,058
14.	Net increase (or decrease) in contract loans and premium notes	430,304,309	459, 177, 159	0.00,020,030
15.	· · · · · · · · · · · · · · · · · · ·	(15,135,976)	(11,563,465)	23,317,280
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(13, 133, 970)	(11,303,403)	23,317,200
	Cook from Financian and Miscollandon Common			
40	Cash remained (cash and Miscellaneous Sources			
16.	Cash provided (applied):		0	0
	16.1 Surplus notes, capital notes			0
			0	0
	16.3 Borrowed funds			0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities		0	0
	16.5 Dividends to stockholders			0
47	16.6 Other cash provided (applied)	(29, 131, 499)	(12,435,910)	(144,371,807)
17.	Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(29, 131, 499)	(12,435,910)	(144,371,807)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,318,109	(60,560,948)	(69,296,683)
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	5,002,710	74,299,394	74,299,394
	19.2 End of period (Line 18 plus Line 19.1)	6,320,819	13,738,446	5,002,710

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

# **EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1	Compret (Hospital &	nensive Medical)	4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	722,128	60,984	221,251	10,527	15,579	37,792	359,694	0	0	16,301
2. First Quarter	692,771	55,608	201,261	10,338	16,280	37,294	357,701	0	0	14,289
Second Quarter	686,087	53,607	198,069	10,207	17,112	37,069	355,652	0	0	14,371
4. Third Quarter	681,249	52,346	193, 103	10,095	16,900	40,855	353,512	0	0	14 , 438
5. Current Year	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months	6,200,706	490,777	1,789,358	92,393	149,854	346,832	3,202,429	0	0	129,063
Total Member Ambulatory Encounters for Period:										
7 Physician	6,094,806	217,630	700,242	120,379	0	0	5,056,555	0	0	0
8. Non-Physician	4,267,338	171,496	474,829	47,485	0	0	3,573,528	0	0	0
9. Total	10,362,144	389, 126	1,175,071	167,864	0	0	8,630,083	0	0	0
10. Hospital Patient Days Incurred	134,677	9,213	19, 158	4,684	0	0	101,622	0	0	0
11. Number of Inpatient Admissions	29,956	2,556	5,494	1,063	0	0	20,843	0	0	0
12. Health Premiums Written (a)	2,536,996,064	199,961,026	696,029,507	18,813,838	11,031,982	61,221,767	1,542,039,874	0	0	7,898,070
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	2,541,315,547	200,941,817	691,922,733	18,813,838	11,031,982	61,221,767	1,549,485,340	0	0	7,898,070
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	2,270,296,638	204,898,946	531,597,161	14,586,619	9,754,149	45,678,796	1 ,462 ,008 , 120	0	0	1,772,847
18. Amount Incurred for Provision of Health Care Services	2,249,469,356	201,759,043	516,126,439	14,005,813	9,747,184	45,337,631	1,460,478,120	0	0	2,015,126

# CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

A	ging Analysis of Unpaid Claims					
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days	Total
Claims Unpaid (Reported)						
0299999 Aggregate accounts not individually listed-uncovered	0	0	0	0	0	C
0399999 Aggregate accounts not individually listed-covered	40, 159, 186	263,811	45,841	34,089	363,451	40,866,378
0499999 Subtotals	40, 159, 186	263,811	45,841	34,089	363,451	40,866,378
0599999 Unreported claims and other claim reserves						236,235,620
0699999 Total amounts withheld						C
0799999 Total claims unpaid						277, 101, 998
0899999 Accrued medical incentive pool and bonus amounts		<del></del>	<del></del>		<del></del>	0

# **UNDERWRITING AND INVESTMENT EXHIBIT**

#### ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

ANALYSIS OF CLAIMS UNPAID - PRIOR						
	Claims		Liab		5	6
	Year to		End of Curr	ent Quarter		
	1	2	3	4		
						Estimated Claim
	On		On			Reserve and
	Claims Incurred Prior	On	Claims Unpaid	On	Claims Incurred in	Claim Liability
	to January 1 of	Claims Incurred	Dec. 31	Claims Incurred	Prior Years	December 31 of
Line of Business	Current Year	During the Year	of Prior Year	During the Year	(Columns 1 + 3)	Prior Year
2.110 0.1 250.11000	- Carront Fan	2 49 4.10 1.04.	0.1.10.100.	2 4111.9 4.10 1.041	(2000	
Comprehensive (hospital and medical)	66,013,496	688,780,144	1,990,017	71,035,221	68,003,513	88,383,907
		. <del>.</del>				
2. Medicare Supplement	3, 167, 281	17,231,680	57,639	2,990,927	3,224,920	3,932,046
2. Postel Oak	3,311,620	37,286,103	120,882	4,540,516	3,432,502	4,895,064
3. Dental Only	3,311,020	31,200,103	120,002	4,340,310	3,432,302	4,695,004
4. Vision Only	0	9,323,230	0	173,875	0	180,841
4. VISION ONLY		3,020,200		110,010		100,041
5. Federal Employees Health Benefits Plan	195,255,995	1,266,752,125	6,317,249	182,692,751	201,573,244	190,540,000
- Company and the company and	, , , , , , , , , , , , , , , , , , , ,	,,	, , , , , , , , , , , , , , , , , , , ,			
6. Title XVIII - Medicare	0	0	0	0	0	0
		•				•
7 Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	483,042	1,278,061	83,427	2,838,654	566,469	2,668,351
8. Other riealth	463,042	1,270,001	00,427	2,000,004		2,000,331
9. Health subtotal (Lines 1 to 8)	268,231,434	2.020.651.343	8.569.214	264.271.944	276.800.648	290,600,209
o. Hours object (Elice 1 to 6)			,000,2		2.0,000,000	
10. Healthcare receivables (a)	0	57,099,527	0	0	0	0
· ·		, , , ,				
	_	_	_	_	_	_
11. Other non-health		0	0	0	0	0
40 Martin Control of the Control of	0	^	^	٥	^	^
12. Medical incentive pools and bonus amounts		0	0	0	0	0
13. Totals (Lines 9-10+11+12)	268,231,434	1,963,551,816	8,569,214	264,271,944	276,800,648	290,600,209
ן וט. וטגמוס (בווופס פ-וטדוודוב)	200,201,404	1,000,001,010	0,508,214	204,211,344	210,000,040	230,000,203

#### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

The financial statements of Group Hospitalization and Medical Services, Inc. (GHMSI or the Company) are presented on the basis of accounting practices prescribed or permitted by the District of Columbia Department of Insurance, Securities and Banking (DISB).

The DISB recognizes only statutory accounting practices prescribed or permitted by the District of Columbia for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the District of Columbia Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the District of Columbia. The Company does not utilize any permitted practices.

For the nine months ended September 30, 2017 and the year ended December 31, 2016, there were no differences in net income (loss) and surplus between NAIC SAP and practices prescribed by the District of Columbia.

(in thousands) September 30, December 31, **NET INCOME (LOSS)** SSAP # F/S Page F/S Line # 2017 2016 (1) State basis (Page 4, Line 32, Columns 2 & 4) XXX XXX XXX 40,490 (9,473) (2) State Prescribed Practices that increase/(decrease) NAIC SAP (3) State Permitted Practices that increase/(decrease) NAIC SAP (9.473)(4) NAIC SAP (1-2-3=4) XXX XXX XXX \$ 40,490 **SURPLUS** (5) State basis (Page 3, Line 33, Columns 3 & 4) XXX XXX XXX 1,016,846 963,238 (6) State Prescribed Practices that increase/(decrease) NAIC SAP (7) State Permitted Practices that increase/(decrease) NAIC SAP 963.238 (8) NAIC SAP (5-6-7=8) XXX XXX XXX 1,016,846

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

No change.

### C. Accounting Policy

#### Bonds

Mortgage-backed securities that are included within bonds are valued at amortized cost using the interest method including anticipated prepayments except in cases where NAIC guidance requires them to be carried at the lower of cost or fair value. Prepayment assumptions are obtained from external sources and are based on the current interest rate and economic environment. The prospective adjustment method is used to value all such securities (refer to Note 20).

#### 2. Accounting Changes and Corrections of Errors

### **Changes in Accounting Principles**

In December 2016 and June 2017, the NAIC adopted revisions to SSAP No. 35R, *Guaranty Fund and Other Assessments*. The revisions allow entities to consider expected renewals of in-force short-term health contracts when determining the premium tax credit receivable resulting from an accrued retrospective guaranty fund assessment for the insolvency of an insurer that wrote long-term care contracts. The revisions also allow the resulting premium tax credit receivable to be discounted. The Company adopted the revisions effective January 1, 2017 and recorded a discounted premium tax credit receivable in June 2017 in accordance with the revised guidance (see Note 14).

### 3. Business Combinations and Goodwill

Not applicable.

### 4. Discontinued Operations

Not applicable.

#### 5. Investments

#### A. Mortgage Loans, including Mezzanine Real Estate Loans

None.

#### **B.** Debt Restructuring

None.

# C. Reverse Mortgages

None.

#### D. Loan-Backed Securities

- (1) The Company records its investment in loan-backed securities using the prospective adjustment method. Prepayment assumptions for single and multi-class mortgage-backed/other asset-backed securities are obtained from broker survey values. The Company uses IDC to determine the fair value for such securities.
- (2) The Company does not have any mortgage-backed/other asset-backed securities which are other-thantemporarily impaired where the Company intends to sell, or does not have the intent and ability to hold until recovery.
- (3) For the quarter ended September 30, 2017, the Company did not recognize other than temporary impairment in mortgage-backed/other asset-backed securities that the Company has the intent to hold, but does not expect to recover the entire amortized cost basis of the securities. At September 30, 2017, the Company did not hold any mortgage-backed or other asset-backed securities where the present value of cash flows expected to be collected is less than the amortized cost basis.
- (4) The following table shows the gross unrealized losses and fair value of the Company's mortgage-backed/other asset-backed securities with unrealized losses that are not deemed to be other than temporarily impaired, aggregated by investment category and by length of time that individual securities have been in a continuous unrealized loss position (*in thousands*).

	Fair Value < 1 Year			Inrealized Losses < 1 Year	Fair Value >1 Year		Unrealized Losses > 1 Year	Total Unrealized Losses		
September 30, 2017	•									
Government sponsored enterprise										
mortgage-backed securities	\$	58,935	\$	646	\$ 3	\$	481	\$	1,127	
Other mortgage-backed and asset-										
backed securities		7,371		18	2,619		60		78	
Total	\$ 66,306		\$	664	\$ 2,622	\$ 541		\$	1,205	

(5) No change.

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

None.

F. Real Estate

None.

G. Low-Income Housing Tax Credits (LIHTC)

None.

H. Restricted Assets

None.

I. Working Capital Finance Investments

None

J. Offsetting and Netting Assets and Liabilities

None

K. Structured Notes

No change.

L. 5\* Securities

None.

#### 6. Joint Ventures, Partnerships and Limited Liability Companies

A. – B. No change.

### 7. Investment Income

A. - B. No change.

### 8. Derivative Instruments

None.

#### 9. Income Taxes

The Company is included in the consolidated federal income tax return of CFI. The federal statutory income tax rate for the Company is 35%. For federal income tax purposes, the Company benefits from a special deduction provided to certain BlueCross and BlueShield organizations under Internal Revenue Code Section 833(b) (the 833(b) deduction).

The 833(b) deduction results in the Company incurring income taxes at the Tentative Minimum Tax rate of 20%. As a result, the Company's income tax provision is reduced from the statutory rate of 35% to account for the benefit of the 833(b) deduction. The Company could lose the benefit of the 833(b) deduction in the future if there is a change in the tax law, if the Company ceases to be not-for-profit, if the Company's reserves reach certain levels, if the Company's medical loss ratio does not exceed 85% as required under the Health Reform Legislation, or if certain other events occur. If the Company can no longer use the 833(b) deduction, the Company will incur federal income taxes at the statutory rate of 35%, net of available Alternative Minimum Tax (AMT) credits.

In 2016, GHMSI reached the surplus threshold limiting the amount of the 833(b) deduction. As a result, some of its income was taxed at the 35% effective tax rate. The consolidated group rate remained at 20% such that it continues to be taxed at the Tentative Minimum Tax Rate of 20%. This effect continues in 2017.

CFI has a written agreement, approved by the Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidated return. The tax sharing agreement calls for allocation of current federal income tax liability to the Company on the basis of the percentage of the consolidated federal income tax liability attributable to the Company computed on a separate company basis to the total consolidated federal income tax liability. The agreement also provides that to the extent the Company's tax attributes (e.g., NOLs) reduce the consolidated federal income tax liability, CFI shall pay the Company for use of such attributes in the year utilized. Amounts due from the subsidiaries for federal income taxes are settled quarterly.

Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

The following table shows the components of the net deferred tax asset and deferred tax liability recognized in the Company's financial statements by tax character (*in thousands*):

	September 30, 2017							December 31, 2016						Change						
	0	rdinary	(	Capital	Total		_(	Ordinary Capital		Capital	Total		Ordinary		Capital		Total			
Gross deferred tax assets	\$	227,106	\$	22,094	\$	249,200	\$	210,925	\$	22,357	\$	233,282	\$	16,181	\$	(263) \$	15	5,918		
Statutory valuation allowance adjustment		168,390		-		168,390		156,130		-		156,130		12,260		-	12	2,260		
Adjusted gross deferred tax assets		58,716		22,094		80,810		54,795		22,357		77,152		3,921		(263)	3	3,658		
Deferred tax assets nonadmitted		29,078		-		29,078		28,139		-		28,139		939		-		939		
Subtotal net admitted deferred tax asset		29,638		22,094		51,732		26,656		22,357		49,013		2,982		(263)	2	2,719		
Deferred tax liabilities		272		54,028		54,300		6		56,118		56,124		266		(2,090)	(1	,824)		
Net admitted deferred tax asset/(liability)	\$	29,366	\$	(31,934)	\$	(2,568)	\$	26,650	\$	(33,761)	\$	(7,111)	\$	2,716	\$	1,827 \$	4	,543		

The amount of admitted adjusted gross deferred tax assets are as follows (in thousands):

	September 30, 2017					December 31, 2016					Change							
	Or	dinary	(	Capital		Total	0	rdinary	(	Capital		Total	Or	dinary	C	apital	7	<b>Total</b>
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$	26,891	\$	-	\$	26,891	\$	22,699	\$	-	\$	22,699	\$	4,192	\$	-	\$	4,192
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets from a, above) After application of the Threshold Limitation. (Lesser of b.i. and b.ii. Below)		-		_		-		-		_		-		-		-		-
i. Adjusted gross DTA expected to be realized following the Balance Sheet Date		-		-		-		-		-		-		-		-		-
ii. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold		NA		NA		149,478		NA		NA		141,823		NA		NA		7,655
c. Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From a. and b. above) Offset by Gross Deferred Tax Liabilities.		2,747		22,094		24,841		3,957		22,357		26,314		(1,210)		(263)		(1,473)
Deferred Tax Asset Admitted as the result of application of SSAP No. 101 Total (a.+b.+c.)	\$	29,638	\$	22,094	\$	51,732	\$	26,656	\$	22,357	\$	49,013	\$	2,982	\$	(263)	\$	2,719

Ratio Percentage Used To Determine Recovery Period
And Threshold Limitation Amount
Amount Of Adjusted Capital And Surplus Used To
Determine Recovery Period And Threshold Limitation

2017
2016

851%
851%
985,523
\$945,488

The impact of tax planning strategies on adjusted gross DTA's and net admitted DTA's is as follows (in thousands):

	September 30, 2017					December 31, 2016					Change						
	Ordinary		Capital		Total		Ordinary		Capital		Total		Ordinary		Capital		Total
	Percent		Percent		Percent		Percent		Percent		Percent		Percent		Percent	!	Percent
Adjusted Gross DTAs	\$ 58,716	\$	22,094	\$	80,810	\$	54,795	\$	22,357	\$	77,152	\$	3,921	\$	(263) \$	;	3,658
Percentage of Adjusted Gross DTAs	0%		0%		0%		0%		0%		0%		0%		0%		0%
Net Admitted Adjusted Gross DTAs	\$ 29,638	\$	22,094	\$	51,732	\$	26,656	\$	22,357	\$	49,013	\$	2,982	\$	(263) \$	;	2,719
Percentage of Net Admitted Adjusted Gross DTAs	0%		0%		0%		0%		0%		0%		0%		0%		0%

The Company's tax-planning strategy does not include the use of reinsurance.

The provision for income taxes on earnings for the quarters ended September 30, 2017 and September 30, 2016 and year ended December 31, 2016 are as follows (*in thousands*):

	Sep. 3	30, 2017	Sep.	30, 2016	Dec	. 31, 2016
Federal provision	\$	12,233	\$	20,421	\$	26,735
Federal income tax on net capital gains		2,427		1,315		1,141
Federal income taxes incurred	\$	14,660	\$	21,736	\$	27,876

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows (*in thousands*):

Deferred Tax Assets:	Sep.	30, 2017	Dec. 3	1, 2016	Char	<u>ige</u>
Ordinary						
Benefit Obligations	\$	33,467	\$	33,483	\$	(16)
Unpaid Claims		886		1,003		(117)
Accrued Expenses		4,051		4,983		(932)
Nonadmitted Assets		36,622		34,182		2,440
AMT Credits		126,414		118,002		8,412
Other		25,666		19,272		6,394
Subtotal		227,106		210,925	1	6,181
Statutory valuation allowance adjustment		168,390		156,130	1	2,260
Nonadmitted		29,078		28,139		939
Admitted ordinary deferred tax assets		29,638		26,656		2,982
Capital						
Investments		22,094		22,357		(263)
Subtotal		22,094		22,357		(263)
Nonadmitted		-		-		-
Admitted capital deferred tax assets		22,094		22,357		(263)
Admitted deferred tax assets		51,732		49,013		2,719
Deferred Tax Liabilities:						
Ordinary						
Accrued Expenses		-		-		-
Unpaid Claims and Other		272		6		266
Subtotal		272		6		266
Capital						
Investments		2,474		3,951	(	1,477)
Investment in affiliate		51,554		52,167		(613)
Subtotal		54,028		56,118	(	2,090)
Deferred tax liabilitites		54,300		56,124	(	1,824)
Net deferred tax liabilities	\$	(2,568)	\$	(7,111)	\$	4,543

Deferred tax assets are reflected as admitted assets, subject to certain limitations. The components of the net deferred tax asset recognized in the Company's balance sheets—statutory basis are as follows (*in thousands*):

	Sep	. 30, 2017	Dec	. 31, 2016	Change
Adjusted gross deferred tax assets	\$	80,810	\$	77,152	\$ 3,658
Total deferred tax liabilities		54,300		56,124	1,824
Net deferred tax as sets/(liabilities)	\$	26,510	\$	21,028	\$ 5,482
Tax effect of unrealized gains(losses)					(218)
Investment in Affiliate					(350)
Change in net deferred income tax					\$ 4,914

The reconciliation of the federal income tax rate to the actual effective rate is as follows (in thousands):

			Effective Tax
	Sep.	30, 2017	Rate
Provision computed at statutory rate	\$	19,303	35.00%
Consolidated Group Tax Rate Reduction		(13,590)	-24.64%
Permanent book to tax and other reserve adjustment		1,926	3.49%
Change in Depreciation		863	1.57%
Changes in valuation allowance		3,685	6.68%
Nonadmitted assets and other		(2,441)	-4.43%
Total	\$	9,746	17.67%
Federal income taxes incurred	\$	14,660	26.58%
Change in net deferred income taxes		(4,914)	-8.91%
Total statutory income taxes	\$	9,746	17.67%

The Company is subject to examination by the Internal Revenue Service and state taxing authorities. In general, the Company's tax years 2014 and forward remain open under the statutes of limitation and subject to examination.

The Company is exempt from all state income taxes in the jurisdictions for which it is registered to do business.

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

Group Hospitalization and Medical Services, Inc. (GHMSI or the Company) is a not-for-profit company that provides a comprehensive array of health insurance and managed care products and services primarily through indemnity health insurance and health benefits administration. Other products and services include preferred provider and point of service networks, third-party administrator services and other managed care services. These products and services are provided to individuals, businesses and governmental agencies primarily in the Washington, D.C. metropolitan area, Northern Virginia and the state of Maryland.

The Company and CareFirst of Maryland, Inc. (CFMI) are both affiliates of a not-for-profit parent company, CareFirst, Inc. (CFI). These affiliates do business as CareFirst BlueCross BlueShield. The Company and CFMI hold joint interests in a holding company, CareFirst Holdings, LLC (CFH). CFH was formed on December 31, 2010 by contributed assets from the Company and CFMI. CFH's wholly-owned subsidiaries include First Care, Inc. (FirstCare), CFA, LLC, National Capital Insurance Agency, LLC, Capital Area Services Company, LLC, CareCo, LLC (CareCo) and CareFirst BlueChoice, Inc. (CFBC) and its subsidiaries. CFH and its subsidiaries are owned 50.001% by CFMI and 49.999% by GHMSI. Since control over CFH operations is vested in CFI, GHMSI determined that neither GHMSI nor CFMI exercise control over CFH.

CareCo was formed on January 10, 2017 to provide certain services to support the Patient-Centered Medical Home program operated by the Company and its affiliates.

GHMSI's subsidiary, Service Benefit Plan Administrative Services Corporation (SBP), was created to operate the Federal Employee Program Operations Center under a contract with the BlueCross BlueShield Association (BCBSA). SBP is 90% owned by GHMSI and 10% owned by BCBSA.

#### 11. Debt

None.

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

The components of net periodic benefit cost for the nine months ended September 30, 2017 and 2016 are as follows (*in thousands*):

		Pension	Bei	nefits	Other Postretirement Benefits					
	2017			2016		2017		2016		
Service cost	\$	5,396	\$	4,840	\$	362	\$	384		
Interest cost		10,218		10,910		642		752		
Expected return on plan assets		(15,820)		(16,281)		_		_		
Amortization of transition asset		(1,988)		(1,988)		_		_		
Amortization of prior service cost		118		146		207		207		
Net recognized actuarial loss (gain)		5,287		7,155		(329)		(179)		
Net periodic benefit cost for the nine months ended September 30	\$	3,211	\$	4,782	\$	882	\$	1,164		

#### 13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) (8) No change.
- (9) The Company is subject to the Health Insurer Fee (HIF) imposed under Section 9010 of the Patient Protection and Affordable Care Act. In accordance with SSAP No. 106 Affordable Care Act Section 9010 Assessment (SSAP 106) the Company's estimated HIF payable in the following year is required to be reclassified from unassigned surplus to special surplus. The Company's balance of special surplus funds represents the amount reclassified for the period.
- (10) Change in net unrealized capital gains (losses) for the nine months ended September 30, 2017:

less capital gains tax (Page 5 Line 36)	\$ 10,153,986
Change in net unrealized capital gains (losses)	
Capital gains deferred taxes	380,793
Total unrealized gains (losses)	9,773,193
Bonds	7,135
Unaffiliated common stocks	(1,095,115)
CareCo	(267,870)
CASCI	1,678,045
NCIA	162,242
CFA	6,058,488
FirstCare	160,259
CareFirst BlueChoice	(1,751,419)
CareFirst Holdings	\$ 4,821,428
Affiliated other invested assets:	
Change in the unrealized gains (losses) from:	

(11) - (13) No change.

#### 14. Liabilities, Contingencies and Assessments

#### A. Contingent Commitments

None.

### B. Assessments

In the jurisdictions in which the Company is licensed to conduct business, guaranty associations have been created for the purpose, among others, of protecting insured parties under health insurance policies when a health insurer becomes impaired, insolvent, or fails. The Company is contingently liable for assessments in any calendar year, in order to provide any required funds to carry out the power and duties of the associations. These associations levy assessments, up to prescribed limits, on all member insurers in a particular state on the basis of the proportionate share of the premiums written by member insurers in the line of business in which the impaired, insolvent or failed insurer is engaged. Some states permit member insurers to recover assessments through full or partial premium tax offsets.

On March 1, 2017, the Commonwealth Court of Pennsylvania declared long-term care insurer Penn Treaty Network America Insurance Company and one of its subsidiaries (collectively, Penn Treaty) insolvent and ordered Penn Treaty to be liquidated. The insolvency resulted in a retrospective premium-based guaranty fund assessment against the Company of \$16,582,000 which was recorded in general expenses due or accrued as of March 31, 2017. The Company paid assessment invoices of \$14,054,000 in April 2017 and expects the remaining assessments of \$2,528,000 to be invoiced and paid in 2018. The insolvency also resulted in a discounted premium tax credit receivable of \$10,446,000 which was recorded in guaranty funds receivable or on deposit as of September 30, 2017. The Company expects the premium tax credit to be realized incrementally through 2028. The net impact of \$6,136,000 was recorded in general and administrative expenses for the nine months ended September 30, 2017.

A reconciliation of the recognized premium tax credit receivable is as follows (in thousands):

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges as of January 1, 2017	\$ -
b. Decreases:	-
c. Increases:	
Premium tax offset recognized	10,446
d. Assets recognized from paid and accrued premium tax	
offsets and policy surcharges as of September 30, 2017	\$ 10,446

The recognized premium tax credit receivable was based on an undiscounted receivable of \$12,644,000, a discount rate of 3.5% and the following assumptions:

		Recoverables	
Name of the insolvency	Number of jurisdictions	Range of years	Weighted average number of years
Penn Treaty Network America Insurance Company			
and American Network Insurance Company	1	2-11	6

#### C. Gain Contingencies

None.

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

None.

#### E. Joint and Several Liabilities

None.

#### F. All Other Contingencies

The Company, along with the BCBSA and all of the other BCBSA licensees, has been named as a defendant in multiple suits that make up the Blue Cross Blue Shield Antitrust Litigation. This matter is part of a multi-district litigation combining several anti-trust cases that challenge the exclusive service areas outlined in the BCBSA license agreements. The Company has been cooperating in the joint defense with the BCBSA. These cases are pending in the U.S. District Court for the Northern District of Alabama. The Company has retained its own independent counsel to defend these cases; however, it is unable to predict the outcome of the matter or to reasonably estimate a range of possible loss.

The Company insures individuals and provides administrative services to non-risk groups with members who are qualified Medicare beneficiaries. During 2012, CFMI and GHMSI discovered a processing error related to the handling of claims for Medicare members of certain non-risk groups between the years from 2009 to 2012. As a result, CFMI and GHMSI recorded a liability of \$4,800,000 payable to CMS at December 31, 2012, of which \$1,143,000 was recorded by the Company. The liability was subsequently adjusted in 2013 and 2014 after the Company completed its review of the claims data related to this liability. As of December 31, 2014, the balance of the liability is \$1,261,000, and is included in other liabilities. There have been no adjustments to this liability since December 31, 2014. The Company's management believes that the final resolution of this matter will not result in additional material liabilities to the Company.

On December 30, 2014, the DISB issued an order in which it concluded that GHMSI's RBC of 998% at December 31, 2011 was excessive, and that the appropriate RBC was 721%. The order stated that 21% of GHMSI's 2011 surplus was attributable to the District of Columbia (District), and instructed GHMSI to submit a plan for dedication of excess 2011 surplus attributable to the District to community reinvestment in a fair and equitable manner. GHMSI contends that this order is erroneous in many respects, as set out in a Motion to Reconsider filed on January 22, 2015, which was denied.

On February 10, 2015, the Maryland Insurance Commissioner issued an order instructing GHMSI that it may not distribute or reduce its surplus in response to an order of the District of Columbia without his express permission, which had not been granted. On June 10, 2015, the Virginia State Corporation Commission issued an order instructing GHMSI that it may not distribute or reduce its surplus in response to an order of the District of Columbia without its express permission, which had not been granted. The Virginia State Corporation Commission reiterated this position in a second order issued on October 10, 2016.

On June 14, 2016, the DISB issued a second order, in which it rejected arguments made by GHMSI that no further surplus distribution would be appropriate, and stated that DISB would issue a plan for distribution of surplus within sixty days.

On July 22, 2016, GHMSI filed suit against the DISB Commissioner in the United States District Court for the District of Maryland, naming the Maryland Insurance Commissioner and the Chair of the Virginia State Corporation Commission as interested parties. Among other things, GHMSI seeks a ruling that the District cannot proceed without the agreement of Maryland and Virginia, as required by GHMSI's federal charter, and a federal ruling as to which of the conflicting state orders takes precedence over the others.

On August 30, 2016, the DISB issued a third order, in which GHMSI was ordered to distribute \$51,325,000 in rebates to subscribers within 120 days. GHMSI filed a motion for reconsideration and for a stay on September 22, 2016, and a protective appeal to the District of Columbia Court of Appeals on September 27, 2016. On October 19, 2016, the Court of Appeals ordered the appeal to be held in abeyance until resolution of the proceedings before the Commissioner.

GHMSI's requirements to consider the instructions of its regulators in Maryland and Virginia, and the pending legal decisions that will occur at a future time, coupled with the decline in RBC since the December 31, 2011 measurement date in the DISB December 30, 2014 order, combine to create uncertainty of the outcome of the timing and amount of any potential payment. However, according to statutory accounting guidance, the DISB order issued on August 30, 2016 is considered a judgment rendered by a court. Under statutory accounting guidance, when a judgment is rendered by a court, a liability is required to be accrued. Therefore as of December 31, 2016, GHMSI recorded a liability of \$51,325,000, which is the amount stated in the DISB order issued on August 30, 2016. The amount was recorded as a

reduction to earned premiums. There have been no adjustments to this liability since December 31, 2016. GHMSI will continue to monitor the developments in this matter which may require a reconsideration of whether a different estimated loss should be recorded at a future date.

#### 15. Leases

#### A. Lessee Operating Lease

No change.

#### **B.** Lessor Leases

Not applicable.

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

Not applicable.

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

#### A. Transfers of Receivables Reported as Sales

Not applicable.

### B. Transfer and Servicing of Financial Assets

Not applicable.

#### C. Wash Sales

None.

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

#### A. ASO Plans

Not applicable.

#### B. ASC Plans

The results from operations of uninsured ASC plans and the uninsured portion of partially insured plans were as follows for the nine months ended September 30, 2017 and 2016 (*in thousands*):

	September:	30
	 2017	2016
Gross reimbursement for medical costs incurred	\$ 702,440 \$	655,247
Gross administrative fees accrued	47,842	43,096
Gross expenses incurred	 (758,446)	(706,223)
Operating loss, before stop loss	\$ (8,164) \$	(7,880)
Stop loss, net	 6,884	8,770
Proforma operating (loss) gain	\$ (1,280) \$	890

The stop loss amount reported above represents the stop loss underwriting gain from the ASC business.

The membership of uninsured ASC plans for the period ended September 30, 2017 and 2016 were 224,000 and 212,000, respectively.

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

Not applicable.

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

Not applicable.

#### 20. Fair Value Measurements

Included in various investment-related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and preferred stocks when carried at the lower of cost or market. SSAP No. 100 *Fair Value* defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value. The fair value hierarchy is as follows:

- Level 1 Quoted (unadjusted) prices for identical assets or liabilities in active markets.
- Level 2 Other observable inputs, either directly or indirectly.
- Level 3 Unobservable inputs that cannot be corroborated by observable market data.

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset. Management is responsible for the determination of fair value, and performs monthly analyses on the prices received from third parties to determine whether the prices appear to be reasonable estimates of fair value.

There were no transfers between levels during the nine months ended September 30, 2017.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

**Bonds.** The fair value of U.S. Treasury securities is determined by an active price for an identical security in an observable market and is therefore classified as Level 1. Other U.S. government agencies securities, state and municipal securities, foreign governments securities, corporate bonds, mortgage-backed securities and other asset-backed securities that are priced by independent pricing services using observable inputs are classified as Level 2. Observable inputs used for other U.S. government agencies securities include quoted prices for like or similar assets, benchmark yields, reported trades and credit spreads. Observable inputs used for state and municipal securities, foreign governments securities and corporate bonds include quoted prices for identical or similar assets that are traded in an active market, benchmark yields, new issuances, issuer ratings, reported trades of comparable securities and credit spreads. The fair value of mortgage-backed securities and other asset-backed securities is determined by a cash flow model, which utilizes observable inputs such as quoted prices for identical or similar assets, benchmark yields, prepayment speeds, collateral performance, credit spreads, and default rates at commonly quoted intervals.

**Stocks.** Fair values of publicly-traded index funds where market quotes are available and are actively traded are classified as Level 1. Fair values of publicly-traded index funds where market quotes are available but are not considered actively traded are classified as Level 2. Fair values of privately held equity securities, where there has been limited trading activity or where less price transparency exists around the inputs to the valuation, are classified as Level 3.

The following table presents information about the fair value of the Company's financial instruments measured and reported at fair value (in thousands).

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	τ	Jnobservable Inputs (Level 3)	Total Fair Value as of eptember 30, 2017
Assets					_
Common stocks					
Large capital equity index funds	\$ 17,675	\$ 18,477	\$	_	\$ 36,152
Small capital equity index funds	7,272	6,334		_	13,606
International equity index funds	7,142	9,406		_	16,548
Publicly-traded fixed income index fund (a)	_	28,950		_	28,950
Privately held equity securities	_	_		3,785	3,785
Total common stocks	32,089	63,167		3,785	99,041
Total assets measured and					
reported at fair value	\$ 32,089	\$ 63,167	\$	3,785	\$ 99,041

(a) Represent investments in U.S. Treasury inflation-protected securities.

A reconciliation of the beginning and ending balances of privately held equity securities measured at fair value using Level 3 inputs is as follows (*in thousands*):

Beginning balance at January 1, 2017	\$ 3,827
Losses recognized in capital and surplus—statutory-basis	(42)
Ending balance at September 30, 2017	\$ 3,785

The following table presents information about the aggregate fair value of the Company's financial instruments (*in thousands*).

	Q	uoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	τ	Inobservable Inputs (Level 3)	,	ggregate Fair Value as of eptember 30, 2017	as of eptember 30, 2017
Bonds	\$	93,311	\$ 360,580	\$	_	\$	453,891	\$ 450,398
Common stocks		32,089	63,167		3,785		99,041	99,041
Total assets at fair value	\$	125,400	\$ 423,747	\$	3,785	\$	552,932	\$ 549,439

As of September 30, 2017, the Company has no financial instruments for which it is not practicable to estimate fair value.

#### 21. Other Items

#### A. Unusual or Infrequent Items

Not applicable.

#### **B.** Troubled Debt Restructuring: Debtors

Not applicable.

#### C. Other Disclosures

In accordance with SSAP 106, the entire HIF is recognized as general administrative expense on January 1. As a result of the 2017 HIF moratorium, there is no HIF expense in 2017. As of September 30, 2016, the Company recorded the HIF of \$60,769,000, net of reinsurance.

#### **D.** Business Interruption Insurance Recoveries

Not applicable.

#### E. State Transferable and Non-transferable Tax Credits

Not applicable.

### F. Subprime-Mortgage-Related Risk Exposure

- (1) The Company categorizes mortgage securities with an average FICO score of less than 675 (credit score) as a subprime mortgage security. The Company has no subprime mortgage securities as of September 30, 2017.
- (2) The Company does not engage in mortgage lending and therefore has no direct exposure through investments in subprime mortgage loans.
- (3) The Company has no exposure in subprime mortgage lending through its fixed maturity and equity investments.

### G. Retained Assets

Not applicable.

#### H. Insurance-Linked Securities (ILS) Contracts

Not applicable.

### 22. Events Subsequent

Not applicable.

### 23. Reinsurance

### A. Ceded Reinsurance Report

The Company maintains a quota-share reinsurance contract with FirstCare, a former plan sponsor of Medicare Part D prescription drug insurance coverage under a contract with CMS. Effective July 11, 2014, FirstCare is no longer a Medicare Part D plan sponsor. Therefore, any reinsurance amounts assumed by the Company represent FirstCare's obligations from run-out activities.

Certain business has been written by CFMI and GHMSI which represents contracts outside the historic CFMI and GHMSI service areas (cross-jurisdictional sales). The net underwriting gain or loss from this cross-jurisdictional business is transferred via a quota-share reinsurance contract from the company that earned them to the company in whose service area they were earned. The Company remains obligated for amounts ceded in the event that CFMI does not meet its obligations. As a result of this reinsurance agreement, the following amounts were assumed from and ceded to CFMI for the nine months ended September 30, 2017 and 2016 (*in thousands*):

	September 3	30
	2017	2016
Premiums as sumed	\$ 27,968 \$	25,724
Premiums ceded	(59,338)	(75,201)
Premiums, net	(31,370)	(49,477)
Cost of care assumed	16,014	17,870
Cost of care ceded	(52,020)	(59,340)
Cost of care, net	(36,006)	(41,470)
General and administrative expenses assumed, net	 (6,700)	(10,404)
Net loss ceded	\$ 11,336 \$	2,397

#### **B.** Uncollectible Reinsurance

Not applicable.

#### C. Commutation of Ceded Reinsurance

Not applicable.

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

Not applicable.

#### 24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. – C. Not applicable.

**D.** Medical loss ratio rebates required pursuant to the Public Health Service Act are as follows (in thousands):

		•	Large Group		m . 1
	Individual	Employer	Employer	with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ -	\$ 3,460	\$ -	\$ -	\$ 3,460
(2) Medical loss ratio rebates paid	-	-	_	_	_
(3) Medical loss ratio rebates unpaid	_	3,460	_	_	3,460
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	_
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	1,167
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 2,293
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ -	\$ 3,624	\$ -	\$ -	\$ 3,624
(8) Medical loss ratio rebates paid	-	2,244	_	_	2,244
(9) Medical loss ratio rebates unpaid	-	4,840	_	_	4,840
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	_
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	590
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 4,250

The ceded amounts above are under the Company's reinsurance contract with CFMI (refer to Note 23).

### E. Risk-Sharing Provisions of the Affordable Care Act

1. Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act (ACA) risk-sharing provisions?

Yes.

2. Impact of Risk-Sharing Provisions of the ACA on Admitted Assets, Liabilities and Revenue for the nine months ended September 30, 2017 (*in thousands*):

a.	Permanent ACA Risk Adjustment Program	
	Assets	
	1. Premium adjustments receivable due to ACA Risk Adjustment	\$ 104,436
	Liabilities	
	2. Risk adjustment user fees payable for ACA Risk Adjustment	96
	3. Premium adjustments payable due to ACA Risk Adjustment	_
	Operations (Revenue & Expense)	
	4. Reported as revenue in premium for accident and health contracts	
	written due to ACA Risk Adjustment	62,018
	5. Reported in expenses as ACA risk adjustment user fees incurred	102
b.	Transitional ACA Reinsurance Program	
	Assets	
	1. Amounts recoverable for claims paid due to ACA Reinsurance	\$ 5,386
	2. Amounts recoverable for claims unpaid due to ACA Reinsurance	
	(Contra Liability)	_
	3. Amounts receivable relating to uninsured plans for contributions for	
	ACA Reinsurance	_
	Liabilities	
	4. Liabilities for contributions payable due to ACA Reinsurance - not	
	reported as ceded premium	_
	5. Ceded reinsurance premiums payable due to ACA Reinsurance	_
	6. Liabilities for amounts held under uninsured plans contributions for	
	ACA Reinsurance	_
	Operations (Revenue & Expense)	
	7. Ceded reinsurance premiums due to ACA Reinsurance	_
	8. Reinsurance recoveries (income statement) due to ACA Reinsurance	
	payments or expected payments	(561)
	9. ACA Reinsurance contributions – not reported as ceded premium	_
c.	Temporary ACA Risk Corridors Program	
	Assets	
	1. Accrued retrospective premium due from ACA Risk Corridors	\$ _
	Liabilities	
	2. Reserve for rate credits or policy experience rating refunds due to ACA	
	Risk Corridors	603
	Operations (Revenue & Expense)	
	3. Effect of ACA Risk Corridors on net premium income	_
	4. Effect of ACA Risk Corridors on change in reserves for rate credits	483

The above amounts are subject to the Company's reinsurance agreement with CFMI as noted in Note 23.

3. Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance (*in thousands*):

					Diffe r	ences	Adi	us tme nts			ances as of the ing Date
					Prior Year	Prior Year	Auj	us time ii ts	l -	Кероп	Ing Date
	Accrued Dur	ing the Prior	Received or I	Paid as of the	Accrued	Accrued				Cumula tive	Cumulative
	Yearon Busi		Current Year		Less	Less				Balance from	Balance from
	Be fore Dece		Written Be for		Payments	Payments	To Prior Year	To Prior Year		Prior Years	Prior Years
	the Prior		31 of the I		(Col1-3)	(Col2 - 4)	Balances	Balances		(Col1-3+7)	(Co12 -4 +8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program		(= 11) 11 = 11)		(= 11)1111)		(= 11) 11 = 11)		(= 1) 1 = 1			(= 11,1111)
1. Pre miu m ad justments receivable	\$ 91,520	\$ -	\$ 49,102	\$ -	\$ 42,418	\$ -	\$ (7,572)	\$ -	Α	\$ 34,846	\$ -
2. Premium adjustments (payable)	ψ	· -	ψ 17,102 -	ψ -	-	Ψ -	- (7,572)	Ψ -	В	φ 51,616 -	Ψ -
3. Subtotal ACA Permanent Risk									_		
Adjustment Program	91,520	_	49,102	-	42,418	-	(7,572)	-		34,846	-
o. Transitional ACA Reinsurance Program					•		ì		i		
1. Amounts recoverable for claims paid	25,314	-	21,996	-	3,318	-	2,068	-	С	5,386	-
2. Amounts recoverable for claims											
unpaid (contra liability)	2,629	-	-	-	2,629	-	(2,629)	-	D	-	-
3. Amounts receivable relating to											
uninsured plans	-	-	-	-	-	-	-	-	Е	-	-
4. Liabilities for contributions payable											
due to ACA Reinsurance – not											
reported as ceded pre mium	-	2,594	-	2,594	-	-	-	-	F	-	-
5. Ce de d re in surance pre miums payable	-	-	-	-	-	-	-	-	G	-	-
6. Liability for a mounts held under											
uninsured plans	-	-	-	-	-	-	-	-	Н	-	-
7. Subtotal ACA Transitional									1		
Reinsurance Program	27,943	2,594	21,996	2,594	5,947	_	(561)	_		5,386	_
c. Temporary ACA Risk Corridors Program	= 1,7 10	_,_,	,,,,,	_,	2,5 1.		(0.03)			- ,,,,,,,	
1. Accrued retrospective premium	9	_	9	_	_	_	_	_	ī	_	_
2. Reserve for rate credits or policy											
experience rating refunds	_	120		-	_	120	_	483	lτ	] _	603
3. Subtotal ACA Risk Corridors Program	9	120	9	_	_	120		483	'	_	603
1. Total for ACA Risk Sharing Provisions				\$ 2,594	\$ 48,365	\$ 120	\$ (8,133)		l	\$ 40,232	
i. Iota iloi ACA Kisk Shalling Flovis iolis	ψ 119,472	φ 2,714	ψ /1,10/	φ 2,394	φ +0,303	ψ 120	φ (0,133)	Ψ 403		Ψ +0,232	φ 003

#### Explanations of Adjustments:

- A. True-up to reflect the 2016 actual based upon the risk adjustment results published by HHS.
- B. Not applicable.
- C. Include run-out claims through 3/31/2017.
- D. Accrued receivable is now included in a mounts recoverable for claims paid.
- E. Not applicable.
- F. Not applicable.
- G. Not applicable.
- H. Not applicable.
- I. Not applicable.
- J. True-up of year-end estimate.

On July 25, 2017 the Commissioner of Maryland Insurance Administration issued an Administrative Order prohibiting Evergreen Health, Inc. (Evergreen) from making any disbursement, payment or transfer of assets, or issuing or renewing any insurance policies, without the prior approval of the Commissioner. On July 31, 2017, the Circuit Court for Baltimore City issued a Court Order formally placing Evergreen into receivership. As of September 30, 2017, the Company has a risk adjustment receivable due from CMS related to an uncollected risk adjustment payable from Evergreen of \$12,724,000 for the 2016 and 2015 benefit years. As a result of the Court Order placing Evergreen into receivership, the Company recorded an allowance against the entire receivable balance due from Evergreen.

4. Roll-forward of Risk Corridors Asset and Liability Balances by Program Benefit Year (in thousands):

					Rec	e ived o	r P a id	as of		Diffe r	ences			Adj	ustmer	nts		Unset	tled Bala Reporti		
			ior re p	or reporting		Business Written Fo		orthe	Le Payn	Less Payments (Col1-3)		Less Payments (Col2 - 4)		Balances		Balances		Cumulative Balance (Col1-3+7)		Bala	ılative ınce -4+8)
		1		2	3	3		4		5		6		7		8			9	1	.0
isk Corridors Program Year:	Rece	ivable	(Pa	ya ble)	Rece	ivable	(Pay	yable)	Rece	iva b le	(Pay	able)	Rec	e iva b le	(Pa	yable)	Re f	Rece	ivable	(Pay	able)
Accrued Retrospective premium	\$	9	\$	_	\$	9	\$	_	\$	-	\$	_	\$	_	\$	-	A	\$	_	\$	_
Reserve for rate credits or policy experience rating refunds		-		-		-		-		-		_		_		-	В		-		-
Accrued Retrospective premium		_		_		_		_		_		-		_		-	С		_		-
Reserve for rate credits or policy experience rating refunds		-		-		_		-		_		-		_		-	D		-		-
Accrued Retrospective premium		-		-		-		-		-		-		-		-	Е		-		-
Reserve for rate credits or policy experience rating refunds		-		120		-		-		-		120		-		483	F		-		603
	Accrued Retrospective premium  Reserve for rate credits or policy experience rating refunds  Accrued Retrospective premium  Reserve for rate credits or policy experience rating refunds  Accrued Retrospective premium  Reserve for rate credits or policy experience rating refunds  Accrued Retrospective premium  Reserve for rate credits or policy experience rating	isk Corridors Program Year:  Accrued Retrospective pre mium  Reserve for rate credits or policy experience rating refunds  Accrued Retrospective pre mium  Reserve for rate credits or policy experience rating refunds  Accrued Retrospective pre mium  Reserve for rate credits or policy experience rating refunds  Accrued Retrospective pre mium  Reserve for rate credits or policy experience rating refunds	310fthe pr ye  1 Receivable  Accrued Retrospective pre mium  Reserve forrate credits or polic y experience rating refunds  Accrued Retrospective pre mium  Reserve forrate credits or polic y experience rating refunds  -  Accrued Retrospective pre mium  Reserve forrate credits or polic y experience rating refunds  -  Accrued Retrospective pre mium  Reserve forrate credits or polic y experience rating refunds  -  Accrued Retrospective pre mium  Reserve forrate credits or polic y experience rating refunds  -  -  -  -  -  -  -  -  -  -  -  -  -	3 l of the prior rep year  1 Receivable (Pa Accrued Retrospective pre mium  Reserve for rate credits or polic y experience rating refunds  Accrued Retrospective pre mium  Reserve for rate credits or polic y experience rating refunds	I   2     Receivable (Payable)     Accrued Retrospective pre mium   \$ 9 \$ -     Reserve for rate credits or policy experience rating refunds   -     Reserve for rate credits or policy experience rating refunds   -     Reserve for rate credits or policy experience rating refunds   -     Reserve for rate credits or policy experience rating refunds   -     Accrued Retrospective pre mium   -     Reserve for rate credits or policy experience rating refunds   -     Reserve for rate credits or policy experience rating refunds   -     Reserve for rate credits or policy experience rating refunds   -     1	Accrued as of December 31 of the prior reporting year  1 2 Receivable (Payable) Rece  Accrued Retrospective pre mium \$ 9 \$ \$ - \$ \$ \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$   Reserve for rate credits or policy experience rating refunds \$ - \$   Reserve for rate credits or policy ex	Accrued as of December 31 of the prior reporting year Ye Risk Comidors Program Year:    Accrued Retrospective pre mium   S 9 \$ - \$ 9	Accrued as of December 31 of the prior reporting year 1 2 3 Receivable (Payable) Receivable (Payable) Reserve for rate credits or policy experience rating refunds Reserve for rate credits or policy experience rating refunds Reserve for rate credits or policy experience rating refunds Reserve for rate credits or policy experience rating refunds Reserve for rate credits or policy experience rating refunds Reserve for rate credits or policy experience rating refunds Reserve for rate credits or policy experience rating refunds	310fthe prior reporting year   1   2   3   4     1   2   3   4     Receivable   (Payable)   Receivable   (Payable)     Accrued Retrospective pre mium   \$ 9 \$ - \$ 9 \$ - \$   Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Accrued Retrospective pre mium   -   -   -     Accrued Retrospective premium   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rate credits or polic y experience rating refunds   -   -   -   -     Reserve for rat	Accrued as of December 31 of the prior reporting year Year (Col Risk Corridors Program Year:    Accrued Retrospective pre mium   Reserve for rate credits or policy experience rating refunds   Accrued Retrospective pre mium   Accrued Retrospective   Accrue	Accrued as of December 310fthe prior reporting year Year 1 2 3 4 5 Payments (Col1-3)    I	Accrued as of December 310fthe prior reporting year Year	Accrued as of December 310 fthe prior reporting year Year	Accrued as of December 310 fthe prior reporting year Year	the Current Period on Business Written Forthe Risk Corridors Program Year:    Accrued Retrospective pre mium   S	Accrued as of December 31 of the prior reporting year Year 31 of the prior reporting year Year (Col1-3) (Col2-4) Balances Bains (Col1-3) (Col2-4) (Col1-3) (Col2-4) (Col1-3) (Col2-4) (Col1-3) (Col1-3) (Col1-3) (Col1-4) (Col1-3) (Col1-4) (Col1-4) (Col1-4) (Col1-4) (Col1-3) (Col1-4) (Col1-4	the Current Period on Business Written Forthe Risk Comidors Program Year:    Accrued as of December 310fthe prior reporting year   Year   Risk Comidors Program Year   Receivable   (Payable)   Receivable   Receivable	the Current Period on Business Written Forthe Risk Cornidors Program Payments   1	the Current Period on Business Written Forthe Risk Comidors Program Year:    Accrued as of December 31 of the prior reporting year	Accrued as of December   Accrued as of December   31 of the prior printing   year   1   2   3   4   5   6   7   8   8   1   1   1   1   1   1   1   1	Accrued as of December   Business Written Forthe   Less   Payments   Coll - 4)   Balances   Balances   Balances   Coll - 3 + 7)   Coll -

Explanations of Adjustments:

- A. Not applicable.
- B. Not applicable.
- C. Not applic able.
- D. Not applicable.
- E. Not applicable.
- F. True-up of year-end estimate.

#### 5. ACA Risk Corridors Receivable as of Reporting Date (in thousands):

		1		2		3	4	4 = 1 (-) 2 (-) 3		5		6 = 4 (-) 5
	Estima	ated Amount	l	Non-Accrued								
	to be	Filed or Final		Amounts for			A	Asset Balance				
Risk Corridors	Amou	nt Filed with	]	mpairment or	An	mounts received	(0	Gross of Non-	N	Non-admitted	1	Net Admitted
Program Year:		CMS	C	Other Reasons		from CMS		admissions)		Amount		Asset
2014	\$	1,022	\$	861	\$	161	\$	-	\$	-	\$	-
2015		3,750		3,750		-		-		-		-
2016		13,528		13,528		-		-		-		
Total	\$	18,300	\$	18,139	\$	161	\$	-	\$	-	\$	-

### 25. Change in Incurred Claims and Claim Adjustment Expenses

As of September 30, 2017, \$268,231,000 has been paid for incurred claims attributable to insured events for prior years. Reserves remaining for prior years are now \$8,569,000 as a result of re-estimation of unpaid claims and unpaid claims adjustment expenses. Therefore, there has been a \$13,800,000 favorable prior year development since December 31, 2016 to September 30, 2017, which includes a \$11,033,000 unfavorable development in the Federal Employee Program line of business. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

# **26.** Intercompany Pooling Arrangements

Not applicable.

#### 27. Structured Settlements

Not applicable.

# 28. Health Care Receivables

### A. Pharmaceutical Rebate Receivables

No change.

### B. Risk Sharing Receivables

Not applicable.

### 29. Participating Policies

Not applicable.

### 30. Premium Deficiency Reserve

- 1. Liability carried for premium deficiency reserves: \$330,000 within aggregate health policy reserves
- 2. Date of the most recent evaluation of this liability: September 30, 2017
- 3. Was anticipated investment income utilized in the calculation? No

### 31. Anticipated Salvage and Subrogation

No change.

# **GENERAL INTERROGATORIES**

# PART 1 - COMMON INTERROGATORIES

## **GENERAL**

1.1	Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Tra Domicile, as required by the Model Act?			Yes [ X ]	] No [ ]	
1.2	2 If yes, has the report been filed with the domiciliary state?			Yes [ X ]	] No [ ]	
2.1	Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation reporting entity?	n, or deed of settlement of the		Yes [	] No [ X ]	
2.2	2 If yes, date of change:					
3.1	Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliate is an insurer?  If yes, complete Schedule Y, Parts 1 and 1A.			Yes [ X ]	] No [ ]	
3.2	2 Have there been any substantial changes in the organizational chart since the prior quarter end?			Yes [	] No [ X ]	
3.3	If the response to 3.2 is yes, provide a brief description of those changes.					
4.1	Has the reporting entity been a party to a merger or consolidation during the period covered by this statement	ent?		Yes [	] No [ X ]	
4.2	If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbre ceased to exist as a result of the merger or consolidation.	eviation) for any entity that has				
	1 2 Name of Entity NAIC Company Code	State of Domicile				
5.	If the reporting entity is subject to a management agreement, including third-party administrator(s), managin in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement fyes, attach an explanation.		Yes [	] No [	] N/A [ X	
6.1	State as of what date the latest financial examination of the reporting entity was made or is being made			12/3	1/2013	
6.2	State the as of date that the latest financial examination report became available from either the state of dor date should be the date of the examined balance sheet and not the date the report was completed or relea			12/3	1/2013	
6.3	State as of what date the latest financial examination report became available to other states or the public fr the reporting entity. This is the release date or completion date of the examination report and not the date date).	of the examination (balance sh	neet	06/2	9/2015	
6.4 6.5	District of Columbia Department of Insurance, Securities and Banking		Yes [	] No [	] N/A [ X	
6.6	Have all of the recommendations within the latest financial examination report been complied with?		Yes [	] No [	] N/A [ X	
7.1	Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate regis revoked by any governmental entity during the reporting period?			Yes [	] No [ X ]	
7.2	2 If yes, give full information:					
8.1	Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?			Yes [	] No [ X ]	
8.2	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 [	] No [ X ]	
8.4	If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of a regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Curr Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's provided the securities of the Comptroller of the Curr Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's provided the securities of the Comptroller of the Curr Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's provided the securities of the Comptroller of the Curr Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's provided the Securities Exchange Commission (SEC).	ency (OCC), the Federal Dep				
	1 2 Affiliate Name Location (City, State)	3 4 FRB OCC	5 FDIC	6 SEC		

# **GENERAL INTERROGATORIES**

9.1	Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?	onal and professional	Yes [ X ] No [ ]
9.11	If the response to 9.1 is No, please explain:		
9.2 9.21	Has the code of ethics for senior managers been amended?		Yes [ ] No [ X ]
9.3 9.31	Have any provisions of the code of ethics been waived for any of the specified officers?		Yes [ ] No [ X ]
	FINANCIAL		
10.1 10.2	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? If yes, indicate any amounts receivable from parent included in the Page 2 amount:		
	INVESTMENT		
11.1 11.2	Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or othe use by another person? (Exclude securities under securities lending agreements.)		Yes [ ] No [ X ]
12.	Amount of real estate and mortgages held in other invested assets in Schedule BA:	\$	0
13.			
14.1			
14.2	If yes, please complete the following:		
		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
	Bonds\$		\$0
	Preferred Stock \$		\$0
	Common Stock\$		\$0
	Short-Term Investments\$		\$0
4.25	Mortgage Loans on Real Estate\$	0	\$0
4.26	All Other\$	453,073,427	\$463,934,600
4.27 4.28	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		\$463,934,600 \$0
15.1 15.2	Has the reporting entity entered into any hedging transactions reported on Schedule DB?		Yes [ ] No [ X ] Yes [ ] No [ ]

# **GENERAL INTERROGATORIES**

Fo	or the reporting entity's secu	urity lending program, state	the amount of the f	ollowing as of the current state	nent date:				
	16.1 Total fa	ir value of reinvested collat	eral assets reported	d on Schedule DL, Parts 1 and	2	\$			
				eral assets reported on Sched					
				bility page.					
	10.5 Total pa	ayable for securities lending	g reported on the lia	bility page		Ψ			
0	offices, vaults or safety depo custodial agreement with a Outsourcing of Critical Func	osit boxes, were all stocks, qualified bank or trust com tions, Custodial or Safekee	bonds and other se- pany in accordance ping Agreements of	gage loans and investments he curities, owned throughout the with Section 1, III - General Ex f the NAIC Financial Condition Condition Examiners Handboo	current year held pursua amination Consideration Examiners Handbook?	ant to a ns, F.	Yes [	X] No	] (
		1			2				
	Na	me of Custodian(s)			odian Address				
				1445 New York Ave., Washingto					
В	Bank of New York Mellon			l Wall St., New York, NY 1028	5				
	or all agreements that do no location and a complete exp		ents of the NAIC Fir	nancial Condition Examiners H	andbook, provide the na	ame,			
	1		2		3				
	Name(s)	Lo	cation(s)	Com	plete Explanation(s)				
	lave there been any change yes, give full information rel		, in the custodian(s)	identified in 17.1 during the cu	rrent quarter?	Y	es [	] No	[ X
lf y	you, give ian information for				4		_		
lf y	1		2	3	4				
In n	1 Old Custodian	lentify all investment adviso on behalf of the reporting e	Custodian  ors, investment manentity. For assets tha	Date of Change lagers, broker/dealers, includin	Reason g individuals that have the				
In	Old Custodian  Old Custodian  nvestment management – Ic make investment decisions such. ["that have access	lentify all investment advisc on behalf of the reporting e to the investment accounts	ors, investment man ntity. For assets tha ""; "handle securit	Date of Change  agers, broker/dealers, includin at are managed internally by enies"]	Reason g individuals that have the	he authority to			
In n	Old Custodian  Old Custodian  nvestment management – Ic make investment decisions such. ["that have access	lentify all investment advisc on behalf of the reporting e to the investment accounts 1 une of Firm or Individual	Custodian  ors, investment man ntity. For assets tha "; "handle securit	Date of Change  agers, broker/dealers, includin at are managed internally by en ies"]  2  Affiliation	Reason g individuals that have the	he authority to			
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In n s	Old Custodian  Nestment management – Ic make investment decisions such. ["that have access  Na Vanguard  Oodge & Cox  T. Rowe Price  CareFirst (internally mana  7.5097 For those firms/individuals total assets under more those firms or individuals table below.	lentify all investment advisc on behalf of the reporting e to the investment accounts  1 me of Firm or Individual  ged)  iduals listed in the table for ") manage more than 10%  unaffiliated with the reporti anagement aggregate to management aggregate to management aggregate to management in the table for 17.5 to	Custodian  ors, investment man nitity. For assets tha "; "handle security "handle security" "handle security" "handle security "handle security" "handle security "handle security "handle security" "	Date of Change  lagers, broker/dealers, includin at are managed internally by en ies"]  2 Affiliation U	Reason g individuals that have the ployees of the reporting and with the reporting entity the ployees of the reporting entity that the for Question 17.5, do	y (i.e.	Yes [	] No	o [
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Vi Di T	Old Custodian  Newstment management – Ic make investment decisions such. ["that have access  Na Vanguard	lentify all investment advisc on behalf of the reporting e to the investment accounts  1 me of Firm or Individual  ged)  iduals listed in the table for ") manage more than 10% unaffiliated with the reporti anagement aggregate to m listed in the table for 17.5 v  Name of Firm	Custodian  ors, investment man ntity. For assets tha "; "handle securit  Question 17.5, do a of the reporting ent ng entity (i.e. designore than 50% of the with an affiliation coordinate or Individual	Date of Change  lagers, broker/dealers, includin at are managed internally by en ies"]  2 Affiliation U	Reason g individuals that have the ployees of the reporting entity with the reporting entity ble for Question 17.5, definition of the infection of the provide the provid	be authority to gentity, note as	Yes [	] No	nent
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Value of the second of the sec	1 Old Custodian  nivestment management – Ic make investment decisions such. ["that have access  Na Vanguard	lentify all investment advisc on behalf of the reporting e to the investment accounts  1 me of Firm or Individual  ged)  iduals listed in the table for ") manage more than 10% unaffiliated with the reporti anagement aggregate to m listed in the table for 17.5 v  2  Name of Firm	Custodian  ors, investment man nitity. For assets tha "; "handle securit  Question 17.5, do a of the reporting ent nore than 50% of the with an affiliation coordinate or Individual	Date of Change  lagers, broker/dealers, includin at are managed internally by en ies"]  2 Affiliation U	Reason g individuals that have the ployees of the reporting entited with the reporting entited ble for Question 17.5, definition of the information of the provide the provide the provide the provide the information of the provide the	be authority to gentity, note as y (i.e. oes the ormation for the	Yes [	5 Investn Ianage Agreen (IMA) F	nent mer nent
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# **GENERAL INTERROGATORIES**

# PART 2 - HEALTH

### 1. Operating Percentages:

	1.1 A&H loss percent	 	89.	.6 %
	1.2 A&H cost containment percent	 	1.	.4 %
	1.3 A&H expense percent excluding cost containment expenses	 	9.	.9 %
2.1	Do you act as a custodian for health savings accounts?	 Yes [ ] No [	Х ]	
2.2	If yes, please provide the amount of custodial funds held as of the reporting date	\$ 		0
2.3	Do you act as an administrator for health savings accounts?	 Yes [ ] No [	Х ]	
2.4	If yes, please provide the balance of the funds administered as of the reporting date	\$ 		0

# **SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

Showing All New Reinsurance Treaties - Current Year to Date           1         2         3         4         5         6         7         8         9									
1	2	3 4	5	6	7	8	9 Effective		
NAIC Company	ID	Effective	Domicilian	Type of Reinsurance		Certified Reinsurer Rating	Date of Certified Reinsurer		
Code	Number	Date Name of Reinsurer	Jurisdiction	Ceded	Type of Reinsurer	(1 through 6)	Rating		
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# **SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

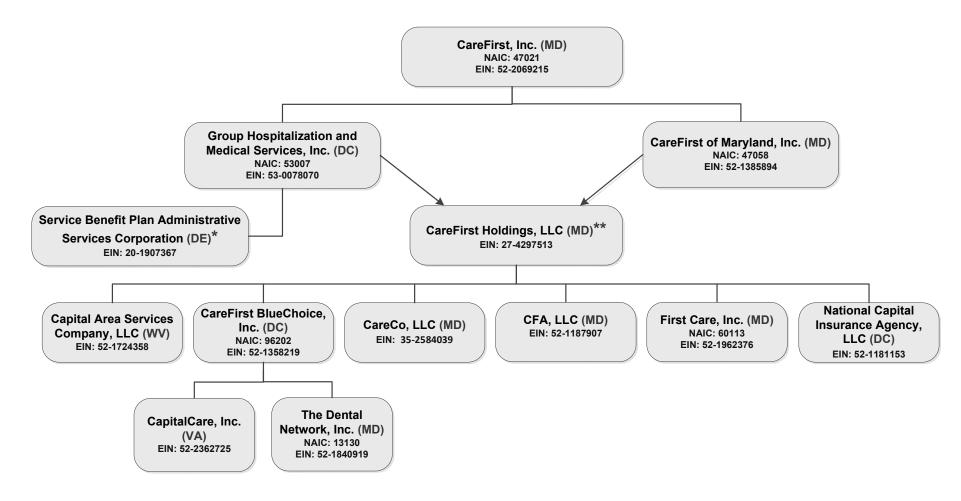
States, etc.   Status   Premiums   Tale XVIII   Tale XIX   Premiums   Consideration   Premiums   Consideration   Premiums   Consideration   Premiums   Consideration   Premiums   Consideration   Considerat		: -					
States   Case   States   States   States   States   States   States   States   States   Medicare   Title XVIII		isines	usin		7	8	9
2. Alaska AK N 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Life a Annu remiu Oth	Pr Cor	C	Life and Annuity Premiums & Other Consideration	Property/ Casualty s Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
3. Aitcona AZ A. Aktarnas AR N. 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0				0			0
A Arkansas   AR			<u>,</u>	J0	0	0	0
Securification   CA			ע <u>.</u>	0	0	,  0	0
6, Colorado			~	0	0	,  0	0
7.   Connecticut			~				U
B. Delaware   DE   N   0   0   0   0   0   0   0   0   0			~	o			n
9. District of Columbia   DC   L   401,353,252   0   0   0   294,136,956   0   0   0   0   0   10   11   13   13							0
10   Florida   FL   N   0   0   0   0   0   0   0   0   0				0			0
11   Georgia   GA			- 1	0			0
12   Hawaii				0	0	0	0
14.			0	0	0	0	0
15. Indiana			0	0	0	0	0
16, lowa			۵	0	0	0	0
17. Kansas			0	0	0	00	0
18. Kentucky   KY   N   0   0   0   0   0   0   0   0   0			0	0	0	00	0
19			0	0	0	00	0
20. Maine   ME				0			0
21			~	0	0	0	0
22. Massachusetts			-	0	0	0	0
23. Michigan   Mi			- 1	0			0
24. Minnesota   MIN   N   0   0   0   0   0   0   0   0			- [	0	0	0	0
25. Mississippi   MS		ļ		0	ļ0	)  0	ļ0
26. Missouri			~	ļ0	ļ0	?	J0
27.   Montana   MT			~				ļ0
28.   Nebraska							0
29.   Nevada			~	10	0	,  0	0
30. New Hampshire   NH				0	0	0	0
31. New Jersey			~	U		,	0
32. New Mexico   NM			~	U	u	, ,	n
33.   New York   NY   N   0   0   0   0   0   0   0   0   0			~	ر ۱			
34. North Carolina   NC   N   0   0   0   0   0   0   0   0   0							n
35. North Dakota   ND			~	n	n	) [	n
36. Ohio OH				n	n	0	n
37. Oklahoma			~	n		) [	n
38. Oregon				0	0	) [0	0
39. Pennsylvania			- [	0			0
40.   Rhode Island   RI   N   0   0   0   0   0   0   0   0   0			۵	0	0	0	0
41.   South Carolina   SC   N   0   0   0   0   0   0   0   0   0			0	0	0	0	0
43. Tennessee       TN       N       0		ļ	0	0	0	0	0
44. Texas				0			0
44. Texas         TX         N         0							0
46.   Vermont   VT				0	0	0	0
46.   Vermont   VT			- [	0			0
48. Washington       WA       N       0					0	0	0
49. West Virginia         WV         N         0							0
50. Wisconsin         WI         N         0							0
51. Wyoming         WY         N         0 <t< td=""><td></td><td></td><td>· [</td><td></td><td></td><td></td><td>0</td></t<>			· [				0
52. American Samoa       AS       N       0							ļ0
53. Guam         GU         N         0							0
54. Puerto Rico       PR       N       0							0
55. U.S. Virgin Islands VI       N       0 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td>0</td></t<>							0
56. Northern Mariana Islands       MP       N       0 <t< td=""><td></td><td></td><td>- [</td><td></td><td></td><td></td><td>0</td></t<>			- [				0
Islands         MP         N         0         2,5         0				J	ļu		
57. Canada         CAN         N         0 <t< td=""><td></td><td></td><td>0</td><td>0</td><td>0</td><td>00</td><td>0</td></t<>			0	0	0	00	0
Aliens         OT         XXX         0         0         0         0         0         0         0           59. Subtotal         XXX         994,956,190         0         0         0         1,542,039,874         0         0         2,5			0	0	0	00	0
59. SubtotalXXX994,956,1900 1,542,039,87400 2,5				_	1 .	.	
		ļ	υ L	10			0
Contributions for Employee							0
61. Totals (Direct Business) (a) 3 994,956,190 0 0 1,542,039,874 0 0 2,5			4	n	n	2,536,996,064	0
DETAILS OF WRITE-INS			+		1	_,000,000,004	
58001. XXX							
58002. XXX		I		I			
58003. XXX							
58998. Summary of remaining			T				
write-ins for Line 58 from overflow page XXX 0 0 0 0 0 0		ĺ	۱	_		,	_
overflow page         XXX         0		·	.u	0	·	00	0
58003 plus 58998)(Line 58							
above)		_				_	0

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

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

Enrollment and billing systems capture and report premiums by group situs except for Federal Employees Health Benefits Program (FEHBP). FEHBP premiums from members residing in the United States are reported based on the members' residence whereas premiums from overseas members are reported in D.C.The D.C. Accident & Health Premiums above include premiums from Medicare Supplement, Stop Loss, and the Federal Employees Dental/Vision Program (FEDVIP) of \$2,734,990, \$3,665,211 and \$17,813,949 respectively.

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



<sup>\*</sup>Service Benefit Plan Administrative Services Corporation is owned 90% by Group Hospitalization and Medical Services, Inc. and 10% by the Blue Cross and Blue Shield Association.

<sup>\*\*</sup>CareFirst Holdings, LLC is owned 50.001% by CareFirst of Maryland, Inc. and 49.999% by Group Hospitalization and Medical Services, Inc.

# SCHEDULE Y

# PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

									. •	71110 0011111 7 11 1 1	0.0.1				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
											Type	If			
											of Control	Control			
											(Ownership,	is		ls an	
						Name of Securities			Relation-		Board.	Owner-		SCA	
						Exchange		Domi-			Management,	ship		Filina	
		NAIC				if Publicly Traded	Names of	ciliary			Attorney-in-Fact,	Provide		Re-	
Group		Company	ID	Federal		(U.S. or	Parent, Subsidiaries	Loca-	Reporting	Directly Controlled by	Influence.	Percen-	Ultimate Controlling	quired?	
Code	Group Name	Code	Number	RSSD	CIK	International)	Or Affiliates	tion	Entity	(Name of Entity/Person)	Other)	tage	Entity(ies)/Person(s)	(Y/N)	*
	Carefirst Inc Group	47021	52-2069215	KOOD	CIK	international)	CareFirst, Inc.	MD	Lillity	(Name of Entity/Ferson)	Other)	0.000	CareFirst. Inc.	(17/N)	
0300	Careffist inc Group	4/021	52-2009215				Group Hospitalization and Medical Services,	MD	IA				Carerirst, Inc.	N	
0380	Carefirst Inc Group	53007	53-0078070				Inc.	DC	RE	CareFirst, Inc.	Board of Directors	0.000	CareFirst, Inc.	N	
	Carefirst Inc Group	47058	52-1385894				CareFirst of Maryland, Inc.	MD.	IA	CareFirst, Inc.	Board of Directors	0.000		N	
0000	oarerrist inc droup						Service Benefit Plan Administrative Services	IND		Group Hospitalization and Medical	Board of Directors		Care irst, inc.		
		00000	20-1907367				Corporation	DE	DS	Services, Inc.	Ownership	90.000	CareFirst, Inc.	N	
		00000	27-4297513				CareFirst Holdings, LLC	MD	NIA	CareFirst, Inc.	Board of Directors	0.000			
		00000	52-1724358				Capital Area Services Company, LLC	WV	NI A.	CareFirst Holdings, LLC	Ownership		CareFirst, Inc.	N	
0380	Carefirst Inc Group	96202	52-1358219				CareFirst BlueChoice, Inc.	DC	IA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	N	
	'	00000	52-1187907				CFA, LLC	MD	NI A	CareFirst Holdings, LLC	Ownership.	100.000	CareFirst, Inc.	N	
0380	Carefirst Inc Group	60113	52-1962376				First Care, Inc.	MD	IA	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	N	
		00000	52-1118153				National Capital Insurance Agency, LLC	DC	NI A	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	N	
		00000	35-2584039				CareCo, LLC	MD	NI A	CareFirst Holdings, LLC	Ownership	100.000	CareFirst, Inc.	N	
		00000	52-2362725				CapitalCare, Inc.	VA	NI A	CareFirst BlueChoice, Inc.	Ownership	100.000	CareFirst, Inc		
0380	Carefirst Inc Group	13130	. 52-1840919				The Dental Network, Inc.	MD	IA	CareFirst BlueChoice, Inc.	Ownership	100.000	CareFirst, Inc.	N	
									·						
				-	-										
1		1		1	1	I		l	1	I	1			1	

Asterisk	Explanation
	N/A

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

		Response
1.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
	Explanation:	
1.		
1.	Bar Code:  Medicare Part D Coverage Supplement [Document Identifier 365]	

# **OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Liabilities Line 23

Addition	ai write-ins for Liabilities Line 23							
			Current Period					
		1	2	3	4			
		Covered	Uncovered	Total	Total			
2304.	Contingent Liability Reserve	2,283,321	0	2,283,321	2,611,060			
2305.	Tax Contingency Reserve	756,814	0	756,814	987,233			
2306.	Other Liabilities	4,640,618	0	4,640,618	4,641,868			
2397.	Summary of remaining write-ins for Line 23 from overflow page	7,680,753	0	7,680,753	8,240,161			

# **SCHEDULE A - VERIFICATION**

Real Estate

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

# **SCHEDULE B - VERIFICATION**

Mortgage Loans

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

# **SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	Other Long-Term Invested Assets		
		1	2
			Prior Year Ended
		Year to Date	December 31
1.	Book/adjusted carrying value, December 31 of prior year	453,240,094	458,316,784
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition	0	0
	2.2 Additional investment made after acquisition	0	0
3.	Capitalized deferred interest and other	0	0
4.	Capitalized deferred interest and other	0	0
5.	Unrealized valuation increase (decrease)	10,861,173	(5,076,690)
6.	Total gain (loss) on disposals	0	0
7.	Deduct amounts received on disposals	0	0
8.	Deduct amortization of premium and depreciation	0	0
9.	Total foreign exchange change in book/adjusted carrying value	0	0
10.	Deduct current year's other than temporary impairment recognized	0	0
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	464, 101, 267	453,240,094
12.	Deduct total nonadmitted amounts	166,667	166,667
13.	Statement value at end of current period (Line 11 minus Line 12)	463,934,600	453,073,427

# **SCHEDULE D - VERIFICATION**

Bonds and Stocks

		1	2
			Prior Year Ended
		Year to Date	December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	524,760,321	540,543,345
2.	Cost of bonds and stocks acquired		520,320,058
3.	Accrual of discount	116,307	195,508
4.	Unrealized valuation increase (decrease)	(1,087,986)	4,418,328
5.	Total gain (loss) on disposals		
6.	Deduct consideration for bonds and stocks disposed of		
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		0
9.	Deduct current year's other than temporary impairment recognized	0	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	549,438,889	524,760,321
11.	Deduct total nonadmitted amounts	0	0
12.	Statement value at end of current period (Line 10 minus Line 11)	549,438,889	524,760,321

# **SCHEDULE D - PART 1B**

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

Samga	1	2	erred Stock by NAIC	Designation 4	5	6	7	8
	Book/Adjusted	2	3	7	Book/Adjusted	Book/Adjusted	Book/Adjusted	Book/Adjusted
	Carrying Value	Acquisitions	Dispositions	Non-Trading Activity	Carrying Value	Carrying Value	Carrying Value	Carrying Value
	Beginning	During	During	During	End of	End of	End of	December 31
NAIC Designation	of Current Quarter	Current Quarter	Current Quarter	Current Quarter	First Quarter	Second Quarter	Third Quarter	Prior Year
BONDS								
1. NAIC 1 (a)	363, 184, 179	340,415,424	266, 189, 401	156,600	418,030,000	363, 184, 179	437,566,802	388,812,225
2. NAIC 2 (a)	110,732,110	9,083,935	10,665,918	(1,693,650)	105,767,614	110,732,110	107,456,477	106,821,810
3. NAIC 3 (a)	329,582	0	336,635	1,121,356	333,716	329,582	1,114,303	0
4. NAIC 4 (a)	613,509	0	0	(2,311)	615,811	613,509	611,198	1,040,904
5. NAIC 5 (a)	0	0	0	0	0	0	0	0
6. NAIC 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	474,859,380	349,499,359	277, 191, 954	(418,005)	524,747,141	474,859,380	546,748,780	496,674,939
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	0	0	0	0	0	0	0	0
10. NAIC 3	0	0	0	0	0	0	0	0
11. NAIC 4	0	0	0	0	0	0	0	0
12. NAIC 5	0	0	0	0	0	0	0	0
13. NAIC 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	474,859,380	349,499,359	277, 191, 954	(418,005)	524,747,141	474,859,380	546,748,780	496,674,939

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

## **SCHEDULE DA - PART 1**

Short-Term Investments

	1	2	3	4	5 Paid for
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Accrued Interest Year-to-Date
9199999 Totals	81,601,932	xxx	81,602,496	440,796	17,748

## **SCHEDULE DA - VERIFICATION**

Short-Term Investments

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	83,730,498	75,822,130
2.	Cost of short-term investments acquired	249,350,437	464,014,976
3.	Accrual of discount	118	62
4.	Unrealized valuation increase (decrease)	0	0
5.	Total gain (loss) on disposals	0	4,428
6.	Deduct consideration received on disposals	251,457,946	456,095,550
7.	Deduct amortization of premium	21,175	15,548
8.	Total foreign exchange change in book/adjusted carrying value	0	0
9.	Deduct current year's other than temporary impairment recognized	0	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	81,601,932	83,730,498
11.	Deduct total nonadmitted amounts	0	0
12.	Statement value at end of current period (Line 10 minus Line 11)	81,601,932	83,730,498

# Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards NONE

Schedule DB - Part B - Verification - Futures Contracts

## NONE

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open **NONE** 

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open **NONE** 

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of Derivatives

NONE

## **SCHEDULE E - VERIFICATION**

(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	0	0
2.	Cost of cash equivalents acquired	15,298,677	0
3.	Accrual of discount	0	0
4.	Unrealized valuation increase (decrease)	0	0
5.	Total gain (loss) on disposals	0	0
6.	Deduct consideration received on disposals	0	0
7.	Deduct amortization of premium	0	0
8.	Total foreign exchange change in book/adjusted carrying value	0	0
9.	Deduct current year's other than temporary impairment recognized	0	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	15,298,677	0
11.	Deduct total nonadmitted amounts	0	0
12.	Statement value at end of current period (Line 10 minus Line 11)	15,298,677	0

# Schedule A - Part 2 - Real Estate Acquired and Additions Made **NONE**

Schedule A - Part 3 - Real Estate Disposed **N O N E** 

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made NONE

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

NONE

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made NONE

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid **NONE** 

			Show All	Long-Term Bonds and Stock Acquired During the Current Quarte	r				
1	2	3	4	5	6	7	8	9	10 NAIC Desig-
CUSIP			Date		Number of Shares of			Paid for Accrued Interest and	nation or Market Indicator
Identification	Description	Foreign	Acquired	Name of Vendor	Stock	Actual Cost	Par Value	Dividends	(a)
361798-20-9	GNMA PASS-THRU M SINGLE FAMILY		09/01/2017	SALOMON SMITH BARNEY INC/SAL	ļ ļ		851,485	1,892	
36179S-JV-0	GMMA PASS-THRU M SINGLE FAMILY		09/14/2017	SALOMON SMITH BARNEY INC/SAL		545 , 830 534 , 930	510,271 503,982	1,276 1,260	
36179S-YU-5	GNMA PASS-THRU M SINGLE FAMILY		09/01/2017	JP MORGAN SECURITIES INC		828,741	780,795	1,952	
36179T-AL-9	GNMA PASS-THRU M SINGLE FAMILY		09/07/2017	CREDIT SUISSE FIRST BOSTON COR		1, 108, 139	1,048,738	2,331	1
36179T-E4-3	GNMA PASS-THRU M SINGLE FAMILY		09/15/2017	VARIOUS		69,597	64,824 550.000	180	1
36179T-G6-6 36179T-G7-4	GNMA PASS-THRU M SINGLE FAMILY		09/19/2017	CANTOR FITZGERALD & CO		588 , 156 85 , 988		1,788 222	1
38378B-E2-1	GNMA REMIC TRUST 2012–114		09/25/2017	FIRST TENN BANK, N. ABOND D		469,444	482,409		1
38379R-Y9-8	GNMA REMIC TRUST 2017-128		08/16/2017	FIRST TENN BANK, N.ABOND D		1,996,406	2,000,000	4, 189	
912810-QA-9912810-RU-4	UNITED STATES TREAS BDS		09/20/2017	GOLDMAN, SACHS & CO.		432,324 4,894,973	380,000 4,850,000	1,373 29,031	1
912810-RU-4	UNITED STATES TREAS BDS		08/03/2017	VARIOUSI LINSCO/PRIVATE LEDGER CORP. RE		4,894,973	4,850,000	29,031	1
912810-RX-8	UNITED STATES TREAS BDS		09/25/2017	VARIOUS		30, 182, 109	29,000,000	259,728	1
912810-RY-6	UNITED STATES TREAS BDS		09/21/2017	VARIOUS		19,775,977	20,000,000	42,969	1
912828-2K-5	UNITED STATES TREAS NTS		08/22/2017	VARIOUS	·	2,101,688	2,100,000	1,318	1
912828-2R-0 912828-2T-6	UNITED STATES TREAS NTS		09/20/2017	LINSCO/PRIVATE LEDGER CORP. RE	}	10,004,688	10,000,000 45,000,000	22,622 45,062	1
912828-V9-8	UNITED STATES TREAS NTS		08/01/2017	CFG CAPITAL MARKETS LLC		3,001,172	3,000,000	31,326	1
912828-X8-8	UNITED STATES TREAS NTS		08/10/2017	CFG CAPITAL MARKETS LLC		6,066,797	6,000,000	31,946	1
912828-XR-6	UNITED STATES TREAS NTS		07/11/2017	NOMURA SECURITIES/FIX INCOME		1,042,125	1,050,000	2,109	
	total - Bonds - U.S. Governments					154,457,751	152, 252, 504	632,257	XXX
3128MJ-ZU-7 3132WL-T7-1	FHLMC PC GOLD COMB 30		08/08/2017	CHASE SECURITIES, INC		2,541,057	2,367,214	3,847	1
3132WL-17-1	FHLMC REMIC SERIES 4663		08/01/2017	BAIRD, ROBERT W. & CO INC				979	1
3137F2-MU-7	FHLMC REMIC SERIES 4707		08/02/2017	BAIRD, ROBERT W. & CO INC		991,719	1,000,000	2,083	1
3140J5-SM-2	FNMA PASS-THRU INT 15 YEAR		08/10/2017	JP MORGAN SECURITIES INC		1,064,475	1,050,118	1,094	1
31418C-NG-5	FNMA PASS-THRU INT 15 YEAR		07/13/2017	BARCLAYS CAPITAL INC		1,212,358	1, 180,000	1,672	
31418C-PK-4	FINIA PASS-THRU INT 15 YEAR		09/01/2017	_ KGS ALPHA CAPITAL MARKETS, LLC		588,278 76,348	570,581 72,336	808 96	
3140FE-2P-8	FINA PASS-THRU LNG 30 YEAR		09/07/2017	BNP PARIBAS SECS CORP/BOND	·	841.176	794.969	1,060	
3140J5-FG-9	FNMA PASS-THRU LNG 30 YEAR		09/01/2017	BNP PARIBAS SECS CORP/BOND				439	
31418B-WU-6	FNMA PASS-THRU LNG 30 YEAR		09/01/2017	NOMURA SECURITIES/FIX INCOME		43,986	41,631	56	
	total - Bonds - U.S. Special Revenues					9,331,246	8,984,515	12,358	
023135-BD-7	AMAZON COM INC SR GLBL 144A		08/15/2017			349, 129	350,000	0	
035242-AN-6 037833-DD-9	APPLE INC		09/11/2017	INSCU/PRIVATE LEDGER CURP. HE	ł	1, 139, 400 596, 574	1,000,000	5,717	1FE
00206R-EK-4	AT&T INC		08/01/2017	JP MORGAN SECURITIES INC					2FE
00206R-EP-3	AT&T INC		09/11/2017	LINSCO/PRIVATE LEDGER CORP. RE		995,980	1,000,000	5 , 150	2FE
10112R-AX-2	BOSTON PPTYS LTD PARTNERSHIP		09/27/2017	PAINE WEBBER	ļ ļ	127,603	125,000		2FE
12189L-AW-1 20030N-BU-4	BURLINGTON NORTHN SANTA FE CP		09/11/2017	LINSCO/PRIVATE LEDGER CORP. RE	·		750,000 750,000	14,006	
207597-EG-6	CONNECTICUT LT & PIIR CO		08/23/2017	MIZUHO SECURITIES USA INC		746,293	680,000	9,909	
126408-GK-3	CSX CORP		08/07/2017	FIRST TENN SECURITIES CORP		517,884	400,000	6,765	2FE
126408-HF-3	CSX CORP		08/17/2017	LINSCO/PRIVATE LEDGER CORP. RE	ļ	1,931,000	2,000,000	23,433	
31428X-AU-0	FEDEX CORP JIMMY JOHNS FDG 2017-1 144A		09/11/2017	LINSCO/PRIVATE LEDGER CORP. RE			750,000 . 45,000	12,642	2FE
47760Q-AA-1	JP MORGAN CHASE BANK NA		08/01/2017	LINSCO/PRIVATE LEDGER CORP. RE	<u> </u>	45,000	2,000,000		
46647P-AJ-5	JP MORGAN CHASE BANK NA		07/17/2017	CHASE SECURITIES, INC.		240,000	240,000	0	1FE
49446R-AU-3	KIMCO RLTY CORP		08/01/2017	BANC AMERICA SECURITIES LLC		144,772	145,000		2FE
50077L-AM-8	KRAFT HEINZ FOODS CO		09/27/2017	_ HSBC SECURITIES, INC. 		598,890	550,000	5,879	
55279H-AQ-361744Y-AL-2	MORGAN STANLEY		08/14/2017		<u> </u>	249,915 245,000	250,000 245,000	 n	1FE
65473Q-BG-7	NISOURCE FIN CORP		09/05/2017	SALOMON SMITH BARNEY INC/SAL			390,000	0	2FE
67103H-AF-4	O REILLY AUTOMOTIVE INC NEW		08/10/2017	BANC AMERICA SECURITIES LLC		269,568	270,000		2FE
68389X-BL-8	ORACLE CORP		08/03/2017	SALOMON SMITH BARNEY INC/SAL	ļ ļ	523,955	525,000	5,005	
878091-BD-8 87246M-AA-0	TEACHERS INS & ANNUITY ASSN 144A		09/11/2017	LINSCO/PRIVATE LEDGER CORP. RE	}		500,000 600,000	12,114	
907818-EF-1	UNION PAC CORP		07/05/2017	LINSCO/PRIVATE LEDGER CORP. RE	· · · · · · · · · · · · · · · · · · ·	1.551.705	1.500,000	9,788	
92340L-AC-3	VEREIT OPERATING PRINERSHIP LP		08/08/2017	JP MORGAN SECURITIES INC		258,258	260,000		2FE
92343V-CV-4	VERIZON COMMUNICATIONS INC		07/26/2017	BARCLAYS CAPITAL INC			645,000	1,225	2FE
92826C-AG-7	VISA INC		09/06/2017	JP MORGAN SECURITIES INC		319,034	320,000	0	1FE

# **SCHEDULE D - PART 3**

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

			Show All Long-Term Bonds	s and Stock Acquired During the Curr	ent Quarter				
1	2	3	4	5	6	7	8	9	10
									NAIC Desig-
									nation or
					Number of			Paid for Accrued	Market
CUSIP			Date		Shares of			Interest and	Indicator
Identification	Description	Foreign	Acquired	Name of Vendor	Stock	Actual Cost	Par Value	Dividends	(a)
	WELLS FARGO CO MTN BE	rorcigii	09/27/2017 BAIRD, ROBERT W. & CO. I		Glock	423, 232	400.000	3.201	
	WELLS FARGO CO NEW			INC		510,260	500,000	597	1FF
00774M-AB-1	AERCAP IRELAND CAPITAL LIMITED	С		IC		278.583	280.000	0	2FE
	BP CAP MKTS P L C	C				190.000	190,000	0	1FE
	CREDIT SUISSE GROUP	C	09/11/2017 CREDIT SUISSE FIRST BOS	TON COR		425,000	425,000	0	2FE
67103Q-AA-5	OFSI FD LTD 2013-5 144A	D	07/11/2017 BAIRD, ROBERT W. & CO I	NC		500,750	500,000	2,553	
	SARANAC CLO I LTD 2013-1	C		INC		1,506,000	1,500,000	1,149	
980236-AP-8	WOODSIDE FIN LTD	C	09/06/2017 UBS SECURITIES LLC			269,814	270,000	0	2FE
3899999. Subto	otal - Bonds - Industrial and Miscellaneous (Unaffiliated)					21,240,795	20,680,000	167,741	XXX
8399997. Total	- Bonds - Part 3					185,029,792	181,917,019	812,356	XXX
8399998. Total	- Bonds - Part 5					XXX	XXX	XXX	XXX
8399999. Total						185,029,792	181,917,019	812,356	XXX
	- Preferred Stocks - Part 3					0	XXX	0	XXX
	- Preferred Stocks - Part 5					XXX	XXX	XXX	XXX
	- Preferred Stocks					0	XXX	0	XXX
	VANGUARD DEVELOPED MKTS INDEX INST		09/20/2017 VANGUARD GROUP		2,791.695	38,944		0	L
	VANGUARD EXTENDED MKT INDEX INSTL		09/20/2017 VANGUARD GROUP		214.254	17,025		0	L
	VANGUARD FIXED INCOME SECS FD		09/22/2017 VANGUARD GROUP		18,885.349	197,918		0	L
	VANGUARD INDEX FDS				67,883.000	7,021,189		٥٥	L
	VANGUARD INSTITUTIONAL INDEX FUND				423.225	96 , 360		0	L
	VANGUARD TAX MANAGED INTL FD		08/01/2017 VARIOUS		164,516.000	7,039,099		0	L
	otal - Common Stocks - Mutual Funds					14,410,535	XXX	0	XXX
	- Common Stocks - Part 3					14,410,535	XXX	0	XXX
	- Common Stocks - Part 5					XXX	XXX	XXX	XXX
	- Common Stocks					14,410,535	XXX	0	XXX
	- Preferred and Common Stocks					14,410,535	XXX	0	XXX
9999999 - Total	ls					199,440,327	XXX	812,356	XXX

<sup>(</sup>a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

					Show All Lo	ng-Term Bo	onds and Stoc	k Sold, Red	deemed or C	Otherwise I	Disposed of	of During th	ne Current	t Quarter							
1	2	3	4	5	6	7	8	9	10	Ch	nange In Bo	ok/Adjusted	Carrying Va	alue	16	17	18	19	20	21	22
										11	12	13	14	15							
													Total	Total							NAIC
												Current	Change in	Foreign							Desig-
												Year's	Book/	Exchange	Book/				Bond		nation
									Prior Year		Current	Other Than	Adjusted	Change in	Adjusted	Foreign			Interest/	Stated	or
									Book/	Unrealized	Year's	Temporary	Carrying	Book	Carrying	Exchange	Realized		Stock	Con-	Market
CUSIP					Number of				Adjusted	Valuation	(Amor-	Impairment	Value	/Adjusted	Value at	Gain	Gain	Total Gain	Dividends	tractual	In-
ldent-		For-	Disposal	Name	Shares of	Consid-		Actual	Carrying	Increase/	tization)/	Recog-	(11 + 12 -	Carrying	Disposal	(Loss) on	(Loss) on	(Loss) on	Received	Maturity	dicator
ification	Description	eign	Date	of Purchaser	Stock	eration	Par Value	Cost	Value	(Decrease)		nized	13)	Value	Date	Disposal	Disposal	Disposal	DuringYear	Date	(a)
3622A2-TA-0	GNMA PASS-THRU C PLATINUM 30YR		.09/20/2017	PRINCIPAL RECEIPT		4,774	4,774	5,062	5,072	0	(298)	0	(298)		4,774	0	0	0	108	.02/20/2046	1
3617A9-KW-6 36183E-ZE-5	GNMA PASS-THRU C SINGLE FAMILY		.09/20/2017 .09/20/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		917 110	917 110	969 118	969 118	0	(52)	0	(52)		917 110	0	0	u	20	_10/20/2045 _10/20/2044	1
36189M-BR-8	GNMA PASS-THRU C SINGLE FAMILY		09/20/2017	PRINCIPAL RECEIPT		1.830	1.830	1.935	1.934	0	(104)	0	(104)		1.830	0	0	0	43	_10/20/2045	1
36193E-PR-5	GNMA PASS-THRU C SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		5,977	5,977	6,367	6,363	0	(387)	0	(387	0	5,977	0	0	0	132	.02/20/2046	1
36193U-CX-0	GNMA PASS-THRU C SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		114	114	122	122	0	(8)	0	(8)		114	0	0	0	3	_05/20/2046	1
36193V-FR-8 3622A2-D7-4	GNMA PASS-THRU C SINGLE FAMILY		.09/20/2017 .09/20/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		47 4.515	47 4,515	51 4.653	51 4,650	0	(3) (135)	0	(135)		47 4,515	0	0	0	1	_05/20/2046 _03/20/2043	1
	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		13,262	13,262	12,273	12,319	o		0	943		13.262	0	0	n	217	_02/20/2043	1
	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		5,822	5,822	6,147	6, 157		(335)	0	(335)		5,822	0	0	0	131	.05/20/2042	1
36179M-E3-0	GNMA PASS-THRU M SINGLE FAMILY		_09/20/2017	PRINCIPAL RECEIPT		7,314	7,314	7,704	7,720	0	(406)	0	(406	0	7,314	0	0	0	165	_06/20/2042	1
	GNMA PASS-THRU M SINGLE FAMILY		_09/20/2017	PRINCIPAL RECEIPT	.	4,578	4,578	4,738	4,733	0	(156)	0	(156)		4,578	0	0	ō	103	_08/20/2042	1
36179M-NH-9 36179M-S2-7	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017 .09/20/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		5,613	5,613 16,060	6, 121 17, 465	6,097	0	(484)	0	(484)		5,613	0	0		127	.09/20/2042 .11/20/2042	1
36179M-VS-6	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		2,023	2,023	2, 137	2, 136	0	(1,330)	0	(1,390)		2,023	0	0	0	46	_12/20/2042	1
36179M-X2-1	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		13,495	13,495	12,688	12,721	0	774	0	774		13,495	0	0	0	220	_01/20/2043	1
36179M-X4-7	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		2,263	2,263	2,388	2,387	0	( 124)	0	( 124		2,263	0	0	0	51	.01/20/2043	1
36179N-DQ-8 36179N-JA-7	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017 .09/20/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		23,657	23,657 .6,366	23,812	23,805	0	(148)	0	(148)		23,657	0	0	0	453 L	_05/20/2043 _07/20/2043	1
36179N-JA-7	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017 .09/20/2017	PRINCIPAL RECEIPT							(791)	0	(791	)0		0	0		144	_09/20/2043	1
36179R-JE-0	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		21.626	21,626	22,597	22,637	0	(1,011)	0	(1,011	0	21.626	0	0	0		.07/20/2045	1
36179R-Q3-6	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	VARIOUS		152,011	144, 123	153,862	153,823	0	(723)	0	(723	0	153, 101	0	(1,090)	(1,090)	4,614	10/20/2045	1
	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	VARIOUS		414,035	392,209	419,326	419,493	0	(1,678)	0	(1,678)		417,815	0	(3,780)	(3,780)	12,572	_12/20/2045	1
36179S-2Q-9 36179S-2R-7	GNMA PASS-THRU M SINGLE FAMILYGNMA PASS-THRU M SINGLE FAMILY		_09/20/2017 _09/29/2017	PRINCIPAL RECEIPT VARIOUS		11,241	11,241 133,393	11,897 142,704	0	0	(656)	0	(656)		11,241 140,911	0	0	(165)		_04/20/2047 _04/20/2047	1
	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		10,466	10,466	11, 195	11,224	0	(759)	0	(759)		10,466	0	0	0	268	.05/20/2046	1
36179S-EH-6	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		412	412	431	431	0	(18)	0	(18		412	0	0	0	9	.06/20/2046	1
	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		9,564	9,564	10,052	10,050	0	(486)	0	(486)		9,564	0	0	0	221	_07/20/2046	1
	GNMA PASS-THRU M SINGLE FAMILY		_09/20/2017 _09/20/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		15,298 3,652	15,298 3,652	15,962 3,812	15,963	0	(665) (160)	0	(665)		15,298 3,652	0	0	0	342	_09/20/2046 _10/20/2046	1
	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		28,332	28,332	29,974	0	0	(1,642)	0	(1,642		28,332	0	0	0	296	_01/20/2040	1
	GNMA PASS-THRU M SINGLE FAMILY		.09/14/2017	VARIOUS		1, 138, 210	1,069,972	1, 140, 847	0	0	(2,467)	0	(2,467		1, 138, 379	0	(170)	(170)	10,991	_02/20/2047	1
361798-YU-5	GNMA PASS-THRU M SINGLE FAMILY		_09/19/2017 _	VARIOUS		1,621,427	1,524,520	1,625,842	0	0	(3,020)	0	(3,020)		1,622,822	0	(1,396)	(1,396)	15,495	_03/20/2047	1
36202F-CP-9 36202F-EH-5	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017 .09/20/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		3,526	3,526	3,874	3,877	0	(352)	0	(352)		3,526	0	0	0	113	11/20/2039 .02/20/2040	1
36202F-EH-5	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017 .09/20/2017	PRINCIPAL RECEIPT		2,220	2,220	2,439			(1, 136)	0	(1, 130	)0	2.220	0	0		337 71	_05/20/2040	1
36202F-GY-6	GNMA PASS-THRU M SINGLE FAMILY		_09/20/2017	PRINCIPAL RECEIPT		3,327	3,327	3,655	3,659	0	(332)	0	(332	0	3,327	0	0	0	103	_06/20/2040	1
36202F-LQ-7	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		3,015	3,015	3,312	3,315	0	(300)	0	(300)		3,015	0	0	0	98	10/20/2040	1
36202F-TK-2	GNMA PASS-THRU M SINGLE FAMILY		.09/20/2017	PRINCIPAL RECEIPT		5,569	5,569	5,939	5,933	0	(365)	0	(365)		5,569	0	0	0		.05/20/2041	1
36225A-4V-9 3622A2-QJ-4	GNMA PASS-THRU X PLATINUM 30YRGNMA PASS-THRU X PLATINUM 30YR		.09/15/2017 .09/15/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		1,700 15,697	1,700 15,697	1,806 17,271	1,723 17,273	0	(23)	0	(23)		1,700 15,697	0	0		90 437	.04/15/2020 .09/15/2045	1
	GNMA PASS-THRU X PLATINUM 30YR		_09/15/2017	PRINCIPAL RECEIPT		3.058	3.058	3.314	3.311	0	(253)	0	(253)		3.058	0	0	0	85	_07/15/2040	1
36176X-KP-3	GNMA PASS-THRU X SINGLE FAMILY		.09/15/2017	PRINCIPAL RECEIPT		23,788	23,788	25,100	25,034	0	(1,247)	0	(1,247		23,788	0	0	0	535	_04/15/2042	1
	GNMA PASS-THRU X SINGLE FAMILY		_09/15/2017	PRINCIPAL RECEIPT		107	107	114	114	0	(6)	0	(6		107	0	0	0	2	_10/15/2043	1
	GNMA PASS-THRU X SINGLE FAMILYGNMA PASS-THRU X SINGLE FAMILY		_09/15/2017 _09/15/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		9,844 16,903	9,844 16,903	10,678 18,340	10,678	0	(834)	0	(834)		9,844 16,903	0	0	0	261 464	_09/15/2039 _06/15/2040	1
36297F-YY-2	GNMA PASS-THRU X SINGLE FAMILY		.09/15/2017 .09/15/2017	PRINCIPAL RECEIPT		21,676	21,676	24,223	24,210		(1,433)	0	(1,433		21,676	0	0	0	671	10/15/2039	1
38376G-CK-4	GNMA REMIC TRUST 2009-119		.09/16/2017	PRINCIPAL RECEIPT		6,207	6,207	6,368	0	0	(161)	0	(161)		6,207	0	0	0	24	.09/16/2044	1
38376G-JA-9	GNMA REMIC TRUST 2010-49		_09/16/2017	PRINCIPAL RECEIPT	.	9,006	9,006	9,250	0	0	(245)	0	(245		9,006	0	0	0	34	_10/16/2052	1
38378K-J6-7	GNMA REMIC TRUST 2013-126		.09/16/2017	PRINCIPAL RECEIPT	-	8,947	8,947	9,243	9,210	0	(263)	0	(263)		8,947	0	0	0	153	10/16/2047	1
38378K-4S-5 38378N-CE-1	GNMA REMIC TRUST 2013-141		.09/16/2017 .09/16/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		9, 110 51, 610	9,110 51,610	9,513 52,416	9,488 52,384	0	(378)	0	(378)		9,110 51,610	0	0		168 952	_02/16/2052 _09/16/2053	1
38378N-JA-2	GNMA REMIC TRUST 2013-133		_09/16/2017	PRINCIPAL RECEIPT		103, 188	103, 188	103,702	0	0	(773)	0	(514)		103, 188	0	0	0		_03/16/2035	1
38378K-SZ-3	GNMA REMIC TRUST 2013-94		09/16/2017	PRINCIPAL RECEIPT	.	10,971	10,971	10,791	10,801	0	170	0	170	0	10,971	0	0	0	141	_03/16/2054	1
	GNMA REMIC TRUST 2014-109		.09/16/2017	PRINCIPAL RECEIPT	.	97,038	97,038	98,858	98,723	0	(1,685)	0	(1,685)		97,038	0	0	ō		.01/16/2046	1
	GNMA REMIC TRUST 2014-166		.09/16/2017 .09/16/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		340,086	340,086 22,614	349,545 22.677	348,756	0	(8,669)	0	(8,669)		340,086	0	0	0	4,648 .	.07/16/2051 .05/16/2039	1
	GNMA REMIC TRUST 2015-37		.09/16/2017 .09/16/2017	PRINCIPAL RECEIPT		22,614	22,614	117,938	 0	n	(1,095)	0 n	(1,095		116,843	o	0 n	n	38	_02/16/2055	1
5001011111			.00, 10, 2011			10,040					(1,000)	L		,	110,040	<u></u>	L			_y=, 10/ E000	1 '

					Show All Lo	ng-Term Bo	onds and Sto	ck Sold, Red	deemed or C	Otherwise I	Disposed of	of During t	he Current	Quarter							
1	2	3	4	5	6	7	8	9	10				Carrying Va		16	17	18	19	20	21	22
										11	12	13	14	15							
													Total	Total							NAIC
												Current	Change in	Foreign							Desig-
												Year's	Book/	Exchange	Book/				Bond		nation
									Prior Year		Current	Other Than	Adjusted	Change in	Adjusted	Foreign			Interest/	Stated	or
									Book/	Unrealized	Year's	Temporary	Carrying	Book	Carrying	Exchange	Realized		Stock	Con-	Market
CUSIP					Number of				Adjusted	Valuation	(Amor-	Impairment	Value	/Adjusted	Value at	Gain	Gain	Total Gain	Dividends	tractual	In-
Ident-		For-	Disposal	Name	Shares of	Consid-		Actual	Carrying	Increase/	tization)/	Recog-	(11 + 12 -	Carrying	Disposal	(Loss) on	(Loss) on	(Loss) on	Received	Maturity	dicator
ification	Description	eign	Date	of Purchaser	Stock	eration	Par Value	Cost	Value	(Decrease)	Accretion	nized	13)	Value	Date	Disposal	Disposal	Disposal	DuringYear	Date	(a)
38379R-Y9-8	GNMA REMIC TRUST 2017-128		09/16/2017 .	PRINCIPAL RECEIPT		2,811	2,811	2,806	0	0	5	0	5	0	2,811	0	0	0	0	05/16/2051	. 1
83162C-LT-8 83162C-KM-4	SMALL BUSINESS ADMIN GTD 00-20A		09/01/2017	MERRILL LYNCH PRINCIPAL RECEIPT		6,568 1,835	6,568 1,835	7,012 1,835	6,568 1.835		0	0	0		6,568 1,835	0	0		402 80	09/01/2021 .01/01/2020	1
	UNITED STATES TREAS BDS		_09/07/2017	VARIOUS		880,296	670,000	880,017	389,322	0	(3,993)	0	(3,993)	0	873,754	0	6,543	6,543	23,513	_05/15/2038	1
912810-QA-9	UNITED STATES TREAS BDS		09/07/2017 .	GOLDMAN, SACHS & CO		239,506	205,000	262,488	261,521	0	(1,409)	0	(1,409)	0	260 , 112	0	(20,606)	(20,606)	7,643	02/15/2039	. 1
912810-QT-8	UNITED STATES TREAS BDS		09/07/2017 .	VARIOUS		1,345,877	1,230,000	1,308,796	937,064	0	(1,542)	0	(1,542)	0	1,306,481	0	39,396	39,396	31 , 185	11/15/2041	. 1
912810-RT-7	UNITED STATES TREAS BDS		08/29/2017 _	LINSCO/PRIVATE LEDGER CORP. RE		2,719,688	3,000,000	2,945,039	2,945,380	0	853		853		2,946,233	0	(226,545)	(226,545)	70,251	08/15/2046	4
912810-RU-4	UNITED STATES TREAS BDS	-	08/08/2017 .	VARIOUS		4,470,234	4,450,000	4,484,477	2,940,360	0	37	0	37	0	4,484,514		(220,343)	(220,343)	29,344	11/15/2046	1
				LINSCO/PRIVATE LEDGER		, // 0,207	, 100,000	, 101, 177		[				[	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		17,270)				
912810-RV-2	UNITED STATES TREAS BDS	.	09/27/2017 .	CORP. RE		27,903,750	26,750,000	27,868,516	0	0	(769)	0	(769)	0	27,867,746	0	36,004	36,004	200,416	02/15/2047	. 1
	UNITED STATES TREAS BDS	.	09/25/2017	VARIOUS		19,939,922	19,155,000	19,844,364	<u>0</u>	0	(130)	ļ0	(130)	ō	19,844,233	0	95,689	95,689	157,289	05/15/2047	. 1
912810-RY-6	UNITED STATES TREAS BDS	· [	09/25/2017	VARIOUSCFG CAPITAL MARKETS LLC		19,879,101	20,000,000	19,775,977	Ω	}0	27	l0	27	l0	19,776,003	0	103,098	103,098	46,705	08/15/2047	.
912828-2A-7	UNITED STATES TREAS NTS		09/06/2017	OF G OAFTIAL MARKETS ELG		1,908,906	2,000,000	1,867,500	0	0	5,215	0	5,215	0	1,872,715	0	36, 191	36, 191	16,875	08/15/2026	1
				HSBC SECS INC JAMES			, ,						,								
912828-2K-5	UNITED STATES TREAS NTS		08/23/2017 .	CAPEL		75,094	75,000	75,029	0	0	(1)	0	(1)	0	75,028	0	65	65	67	07/31/2019	. 1
0.40000 1/0 0	INVESTIGATION AND AND		00/40/0047	CFG CAPITAL MARKETS LLC		40 400 047	40 500 000	40 500 500			(570)		(570)		40 505 004		(00.007)	(00.007)	400.000	00/45/0007	
912828-V9-8	UNITED STATES TREAS NTS		08/10/2017 .	CFG CAPITAL MARKETS LLC		12,493,047	12,500,000	12,526,562	0	0	(578)	0	(578)	0	12,525,984	0	(32,937)	(32,937)	123,936	02/15/2027	. 1
912828-VJ-6	UNITED STATES TREAS NTS		09/06/2017	G G CAPTIAL MARKETS ELC		1,013,320	1,000,000	995 . 156	997.484	0	477	0	477	0	997.961	0	15,359	15,359	22,266	06/30/2020	1
1.2 12020 10 0			2.00,00,2011	CFG CAPITAL MARKETS LLC		,010,020															
	UNITED STATES TREAS NTS		08/25/2017 .			6,071,719	6,000,000	6,066,797	0	0	(197)	0	(197)	0	6,066,600	0	5, 119	5, 119	35,625	05/15/2027	. 1
912828-X9-6	UNITED STATES TREAS NTS		08/08/2017 .	. NOMURA SECURITIES INTL CFG CAPITAL MARKETS LLC		1,751,162	1,750,000	1,752,734	0	0	(167)	0	(167)	0	1,752,567	0	(1,405)	(1,405)	6,277	05/15/2020	. 1
912828-XB-1	UNITED STATES TREAS NTS		09/06/2017	OFG CAPITAL MARKETS LLC		1,010,938	1,000,000	972, 148	976,084	0	1,766	0	1,766	0	977,850	0	33,088	33,088	17,266	05/15/2025	1
912828-XR-6	UNITED STATES TREAS NTS		09/06/2017 .	VARIOUS		714,240	715,000	709,638	0	0	73	0	73	0	709,710	0	4,530	4,530	2,323	05/31/2022	1
911760-RP-3	US VA VENDEE MTG TR 2002-1		09/15/2017	PRINCIPAL RECEIPT		37,367	37,367	44,467	43,634	0	(6,266)	0	(6,266)	0	37,367	0	0	0	1,464	08/15/2031	. 1
0599999. \$	Subtotal - Bonds - U.S. Governments					107,064,403	104,945,388	107,040,779	7,996,245	0	(49,537)	0	(49,537)	0	106,991,692	0	72,709	72,709	854,563	XXX	XXX
	FHLMC PC GOLD 10/20 II		09/15/2017	PRINCIPAL RECEIPT		4,253	4,253	4,736	4,720	0	(466)		(466)	0	4, 253	0	0	0	207	09/01/2037	. 1
3128UN-CE-0 31292S-AG-5	FHLMC PC GOLD 10/20 IIFHLMC PC GOLD CASH 30		09/15/2017 . 09/15/2017 .	PRINCIPAL RECEIPT		18,341	18,341 5,743	18,608	18,594 6.117	0	(253)		(253)	0	18,341 5,743	0	0		631	09/01/2037 08/01/2042	- 1
3132L5-A0-9	FHLMC PC GOLD CL 30YR		09/15/2017 .	PRINCIPAL RECEIPT		3,745	3,715	3,859	3,851		(136)		(136)	0	3.715	0			73	04/01/2042	1
	FHLMC PC GOLD COMB 15		09/15/2017	PRINCIPAL RECEIPT		14,027	14,027	14,926	14,753	0	(726)		(726)	0	14,027	0	0	0	368	08/01/2026	1
3128MC-GV-1	FHLMC PC GOLD COMB 15		09/15/2017 .	PRINCIPAL RECEIPT		4,671	4,671	5,084	4,969	0	(298)		(298)	0	4,671	0	0	0	163	02/01/2024	. 1
3128MC-QG-3	FHLMC PC GOLD COMB 15	-	09/15/2017 .	PRINCIPAL RECEIPT		7,914	7,914	8,500	8,365	0	(452)		(452)	0	7,914	0	0	0	236	06/01/2025	. 1
3128MD-M3-4 3128MD-MX-8	FHLMC PC GOLD COMB 15	-	09/15/2017 . 09/15/2017 .	PRINCIPAL RECEIPT		20,530 53,312	20,530 53,312	21,756 57,027	21,509 55,617	0	(978)		(978)	0 n	20,530 53,312	0	0	0	518 1,862	12/01/2026 12/01/2024	. 1
3128MM-AG-8	FHLMC PC GOLD COMB 15		09/15/2017 .	PRINCIPAL RECEIPT		12,873	12,873	13,844	13,227	n	(2, 303)		(2,303)	n	12,873	n	0	0	464	08/01/2019	1
31283H-6C-4	FHLMC PC GOLD COMB 30		09/15/2017	PRINCIPAL RECEIPT		16, 137	16,137	16,448	16,407	0	(270)	0	(270)	0	16 , 137	0	0	0	673	12/01/2032	1
31283H-6D-2	FHLMC PC GOLD COMB 30		09/15/2017 .	PRINCIPAL RECEIPT		8,042	8,042	8,221	8, 192	0	(150)		(150)	0	8,042	0	0	0	328	12/01/2031	. 1
3128LX-S7-6	FHLMC PC GOLD COMB 30		09/15/2017 .	PRINCIPAL RECEIPT		13,964	13,964	15, 184	15, 128	0	(1,163)		(1, 163)	0	13,964	0	0	0	452	10/01/2036	. 1
3128M5-K5-8 3128M5-QY-9	FHLMC PC GOLD COMB 30FHLMC PC GOLD COMB 30	-	09/15/2017 . 09/15/2017 .	PRINCIPAL RECEIPT		7,013 11,951	7,013 11,951	7,780 13,225	7,755 13.218	u	(742)		(742)		7,013 11.951				274 487	12/01/2037	1
3128M8-6L-3	FHLMC PC GOLD COMB 30	-	09/15/2017	PRINCIPAL RECEIPT		26.401	26,401	29.041	28.923	0	(2,522)		(2.522)	0		0	0	0	914	12/01/2038	1
3128M8-CW-2	FHLMC PC GOLD COMB 30		09/15/2017	PRINCIPAL RECEIPT		1,998	1,998	2,248	2,242	0	(244)		(244)	0	1,998	0	0	0	87	_09/01/2038 _	. 1
3128M8-H5-6	FHLMC PC GOLD COMB 30	-    -	09/15/2017 .	PRINCIPAL RECEIPT		1, 150	1, 150	1, 196	1, 194	0	(44)		(44)	0	1 , 150	0	0	<u>,</u>	30	02/01/2041	. 1
3128M8-HG-2 3128M8-R3-0	FHLMC PC GOLD COMB 30	-	09/15/2017 . 09/15/2017 .	PRINCIPAL RECEIPT		1, 172 2, 496	1, 172 2, 496	1,234 2,687	1,232 2.678	0	(60)		(60)	ļō	1, 172 2,496	0	0	0	31	12/01/2040 12/01/2040	. 1
3128M8-R3-U	FHLMC PC GOLD COMB 30	-	09/15/2017 .	PRINCIPAL RECEIPT		2,496	2,496		2,678	n	(1, 128)		(1, 128)	0 n	2,496	u	0 n		406	09/01/2040	1
3128MJ-Q4-5	FHLMC PC GOLD COMB 30		09/15/2017	PRINCIPAL RECEIPT		9,626	9,626	10,179	10,160	0	(1, 120)		(534)	0	9,626	0	0	0	248	01/01/2041	1
3128MJ-SY-7	FHLMC PC GOLD COMB 30	.	09/15/2017 .	PRINCIPAL RECEIPT		8,316	8,316		8,061	0	255	0	255	0	8,316	0	0	0	159	06/01/2043	. 1
3128MJ-ZU-7	FHLMC PC GOLD COMB 30		09/15/2017 .	PRINCIPAL RECEIPT		70,473	70,473	75,648	0	0	(5, 175)		(5, 175)	0	70,473	0	0	<u>,</u>	264	03/01/2047	. 1
312936-NA-1	FHLMC PC GOLD COMB 30	-	09/15/2017 .	PRINCIPAL RECEIPT		17, 195	17, 195	18,347	18,320		(1, 125)		(1, 125)	0	17 , 195	0	0	0	496 19	10/01/2039	. 1
312941-SV-0 312943-DQ-3	FHLMC PC GOLD COMB 30FHLMC PC GOLD COMB 30		09/15/2017 _ 09/15/2017 _	PRINCIPAL RECEIPT		746 19,149	746 19,149	797 20,723	795 20.680	J	(49)	<sup>0</sup>	(49) (1,531)	0	746 19,149	0	0		565	08/01/2040 10/01/2040	1
	FHLMC PC GOLD COMB 30		09/15/2017 .	PRINCIPAL RECEIPT		3, 802	3.802	4.062	4.050	1 0	(1,331)	0	(248)	0	3.802	0	0			11/01/2040	1

					Show All Lo	ng-Term Bo	onds and Stoo	ck Sold, Red	deemed or C	Otherwise I	Disposed of	of During th	he Current	Quarter							
1	2	3	4	5	6	7	8	9	10	Cł	nange In Boo	ok/Adjusted	Carrying Va	alue	16	17	18	19	20	21	22
										11	12	13	14	15							
													Total	Total							NAIC
												Current	Change in	Foreign							Desig-
												Year's	Book/	Exchange	Book/				Bond		nation
									Prior Year		Current	Other Than	Adjusted	Change in	Adjusted	Foreign			Interest/	Stated	or
									Book/	Unrealized	Year's	Temporary	Carrying	Book	Carrying	Exchange	Realized		Stock	Con-	Market
CUSIP					Number of				Adjusted	Valuation	(Amor-	Impairment	Value	/Adjusted	Value at	Gain	Gain	Total Gain	Dividends	tractual	In-
ldent-		For-	Disposal	Name	Shares of	Consid-		Actual	Carrying	Increase/	tization)/	Recog-	(11 + 12 -	Carrying	Disposal	(Loss) on	(Loss) on	(Loss) on	Received	Maturity	dicator
ification	Description	eign	Date	of Purchaser	Stock	eration	Par Value	Cost	Value	(Decrease)	Accretion	nized	13)	Value	Date	Disposal	Disposal	Disposal	DuringYear	Date	(a)
	FHLMC PC GOLD COMB 30		09/15/2017 .	. PRINCIPAL RECEIPT		3,490	3,490	3,693	3,686	0	(196)	0	(196)	00	3,490	0	0	0	93	12/01/2040	1
312945-DS-4 312945-XY-9	FHLMC PC GOLD COMB 30		09/15/2017 . 09/15/2017 .	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		694 5,924	694 5,924	731 6,253	730 6,241	0	(36)	0	(36)	0	694 5,924	0	0	0	18 144	01/01/2041 02/01/2041	1
31335A-BF-4	FHLMC PC GOLD COMB 30		09/15/2017	PRINCIPAL RECEIPT		25.385	25.385	26.524	26.503		(1, 118)		(1, 118)		25.385	0	0		568	01/01/2044	1
31335A-PZ-5	FHLMC PC GOLD COMB 30		09/15/2017 .	PRINCIPAL RECEIPT		16.884	16.884	17,857	17,852	0	(968)	0	(968)		16.884	0	0	0	379	03/01/2046	1
31335B-AP-1	FHLMC PC GOLD COMB 30		09/15/2017 .	PRINCIPAL RECEIPT		42,052	42,052	45,376	0	0	(3,325)	0	(3,325)		42,052	0	0	0	404	07/01/2042	. 1
3132GK-2F-2	FHLMC PC GOLD PC 30YR		09/15/2017 .	. PRINCIPAL RECEIPT		3, 190	3, 190	3,411	3,403	0	(213)	0	(213)		3, 190	0	0	0	85	12/01/2041	. 1
	FHLMC PC GOLD PC 30YR		09/15/2017 _	PRINCIPAL RECEIPT		20,830	20,830	22, 184	22,119	0	(1,289)	0	(1,289)		20,830		0		459	09/01/2042	1
	FHLMC PC GOLD PC 30YRFHLMC PC GOLD PC 30YR	-	09/15/2017 .	PRINCIPAL RECEIPT PRINCIPAL RECEIPT	-	11,856	11,856 14,134	12,409	12,384	n	(528)	n	(528)		11,856	n	n	n	228	01/01/2043 03/01/2047	1
31290K-VZ-9	FHLMC PC GUAR 30 YEAR		09/15/2017	PRINCIPAL RECEIPT		50	50	51	50	0	0	0	0	0	50	0	0	0	3	07/01/2020	1
31300M-VS-9	FHLMC PC GUAR ADJ 30YR	.	09/15/2017 _	PRINCIPAL RECEIPT		91,294	91,294	94,846	94,819	0	(3,525)	0	(3,525)		91,294	0	0	0	1,836	01/01/2045	. 1
31326H-CQ-5	FHLMC PC HYBRID ARM	.	09/15/2017 .	PRINCIPAL RECEIPT	.	22,465	22,465	23,210	23, 176	0	(711)	o	(711)		22,465	0	0	ō	392	06/01/2044	1
31397C-K5-7 3137B6-GQ-8	FHLMC REMIC SERIES 3243FHLMC REMIC SERIES 4283		09/15/2017 . 09/15/2017 .	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		1,010 37,172	1,010 37,172	1,082	1,070 40,121	0	(60)	0	(60)		1,010 37,172	0	0	0	34	11/15/2036	1
3137BR-U6-0	FHLMC REMIC SERIES 4283		09/15/2017 .	PRINCIPAL RECEIPT		559	559	559		0	(2,949)		(2,949)	0	559	0	0	0	990	12/ 13/ 2043	1
3137BS-G8-0	FHLMC REMIC SERIES 4621		09/15/2017	PRINCIPAL RECEIPT		3,328	3,328	3,324	3,324	0	4	0	4	0	3,328	0	0	0	27	10/15/2046	1
3137BS-JQ-7	FHLMC REMIC SERIES 4623		09/15/2017 .	. PRINCIPAL RECEIPT		2,471	2,471	2,463	2,463	0	7	0	7	0	2,471	0	0	0	20	10/15/2046	. 1
3137BS-L8-4	FHLMC REMIC SERIES 4623		09/15/2017 .	PRINCIPAL RECEIPT		1,252	1,252	1,251	1,251	0	1	0	1	0	1,252	0	0	0	11	10/15/2046	1
3137BU-RQ-3 3137BV-TC-0	FHLMC REMIC SERIES 4650FHLMC REMIC SERIES 4654		09/15/2017 . 09/15/2017 .	PRINCIPAL RECEIPT		4, 156 1, 495	4, 156 1, 495	4, 160 1, 501	0		(6)	0	(4)		4,156 1,495	0	0		29	01/15/2047 02/15/2047	1
3137BW-U3-6	FHLMC REMIC SERIES 4663	-	09/15/2017 .	PRINCIPAL RECEIPT		5,878	5,878	5,887	0	0	(9)	0	(9)		5,878	0	0	0	0	03/15/2047	1
3137F2-MU-7	FHLMC REMIC SERIES 4707		09/15/2017 .	PRINCIPAL RECEIPT		5,008	5,008	4,967	0	0	41	0	41	0	5,008	0	0	0	0	07/15/2047	. 1
3137AY-CD-1	FHLMC REMIC SERIES K-025		09/25/2017 _	PRINCIPAL RECEIPT		3,785	3,785	3,861	3,828	0	(43)	0	(43)	0	3,785	0	0	0	42	04/25/2022	1
3137B3-6J-2	FHLMC REMIC SERIES K-029		08/09/2017	LINSCO/PRIVATE LEDGER CORP. RE		1,784,947	1,700,000	1,797,870	0	0	(3,967)		(3,967)		1,793,902		(8,955)	(8,955)	16 , 148	00 /05 /0000	4
313/63-60-2	FRENC RENIC SERIES N-029		08/09/2017 .	FIRST TENN BANK.N.A		1,784,947		1,797,870	0		(3,907)		(3,907)				(8,900)	(8,900)	10 , 146	02/25/2023	l
3137B4-GY-6	FHLMC REMIC SERIES K-032		07/18/2017 .	BOND D		4, 195, 469	4,000,000	4,243,040	0	0	(5,233)	0	(5,233)	0	4,237,807	0	(42,338)	(42,338)	18,389	05/25/2023	1
3137B0-3W-2	FHLMC REMIC SERIES K-502		_07/25/2017	PRINCIPAL RECEIPT		7,545	7,545	7,696	7,561	0	(15)	0	(15)		7,545	0	0	0	82	08/25/2017	1
	FHLMC REMIC SERIES TOO41		09/25/2017	. PRINCIPAL RECEIPT		13,505	13,505	14,029	13,490	0	16	0	16		13,505	0	0	0	455	07/25/2032	1
31359S-R6-9 31392F-DC-8	FNMA GRANTOR TRUST 2001-T4FNMA GRANTOR TRUST 2002-T16		09/25/201709/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		4,303	4,303 26,887	4,438 27,559	4,315 27,342		(13)		(13)		4,303 26,887	0	0		195 1,097	07/25/2028 07/25/2042	11
3138ET-4D-5	FNMA PASS-THRU ADJ LIBOR		09/25/2017 _	PRINCIPAL RECEIPT		19,290	19,290	19,795	19,794	0	(504)	0	(504)		19,290	0	0	0	333	07/01/2046	1
3138YD-VH-9	FNMA PASS-THRU ADJ LIBOR		09/25/2017	PRINCIPAL RECEIPT		28,296	28,296	28,964	28,949	0	(654)	0	(654)		28,296	0	0	0	513	04/01/2045	1
31381D-YY-5	FNMA PASS-THRU GNM-BK MGA 30		09/25/2017	. PRINCIPAL RECEIPT		1,545	1,545	1,565	1,553	0	(8)	0	(8)		1,545	0	0	0	74	05/20/2023	1
31405F-D5-8 3138A7-G6-9	FNMA PASS-THRU GOV SNGLE FAM		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		611	611 2,739	643 2,869	639	0	(29)	0	(29)		611 2,739	0	0	0	27 74	10/01/2032	1
3138AF-KH-2	FNMA PASS-THRU INT 15 YEAR	-	09/25/2017	PRINCIPAL RECEIPT			3,669	3,921	3,872		(203)	0	(203)		3,669	0	0	0	97	05/01/2026	1
3138EG-RS-5	FNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT		953	953	1,020	1,005	0	(52)	0	(52)		953	0	0	0	29	08/01/2024	1
3138EJ-E3-8	FNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT		1, 181	1, 181	1,266	1,252	0	(71)	0	(71)		1, 181	0	0	0	36	01/01/2027	. 1
3138EJ-KA-5	FNMA PASS-THRU INT 15 YEAR		09/25/2017 _	PRINCIPAL RECEIPT		9,416	9,416	10,062	9,948	0	(532)	0	(532)		9,416	0	0	0	251	09/01/2026	. 1
3138EP-QL-1 3138ER-QN-3	FNMA PASS-THRU INT 15 YEARFNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		81,085 721	81,085 721	87,242 725	86,522 0		(5, 437)	0	(5,437)		81,085 721	0	0		2,169 10	02/01/2029 11/01/2031	1
3138LY-2K-2	FNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT		6,287	6,287	6,633	6.569	0	(283)	0	(283)		6,287	0	0	0	139	06/01/2027	1
3138WG-P8-1	FNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT		75,895	75,895	79,654	79,549	0	(3,654)	0	(3,654)	0		0	0	0	1,527	03/01/2031	. 1
3138WJ-C8-9	FNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT		16,215	16,215	16,714	16,742	0	(527)	0	(527)		16,215	0	0	0	274	10/01/2031	1
3138WJ-VA-3	FNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT		8,543	8,543	8,596	0	0	(53)	0	(53)		8,543	0	0	0	127	02/01/2032	1
31402D-FV-7 31403D-DK-2	FNMA PASS-THRU INT 15 YEARFNMA PASS-THRU INT 15 YEAR	-	07/25/2017 .	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		8	8	9		0		n	0		8	0	0	n	0 887	07/01/2017 03/01/2021	1
3140F1-2H-4	FNMA PASS-THRU INT 15 YEAR		08/25/2017	VARIOUS		216,915	214,325	22,095	221,951	0	(479)	0	(479)		221,471	0	(4,557)	(4,557)	3,795	07/01/2031	1
3140J5-SM-2	FNMA PASS-THRU INT 15 YEAR	-	09/25/2017	. PRINCIPAL RECEIPT		10,241	10,241	10,381	0	0	(140)	0	(140)		10,241	0	0	0	21	05/01/2032	. 1
31410L-EC-2	FNMA PASS-THRU INT 15 YEAR	-	09/25/2017	. PRINCIPAL RECEIPT		13, 175	13, 175	14,291	13,836	0	(660)	0	(660)		13, 175	0	0	0	438	07/01/2024	. 1
31411A-JN-6 31412Q-EQ-8	FNMA PASS-THRU INT 15 YEAR FNMA PASS-THRU INT 15 YEAR	-	09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		25,974	25,974 2,003	26,388 2,154	26, 166 2, 125	0	(192)	0 n	(192)		25,974 2,003	0 n	0 n	0 n	973 60	11/01/2021 08/01/2024	1
31416B-QD-3	FNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT		16,985	16,985	18,453	17,415	0	(123)	0	(430)		16,985	0	0	0	644	01/01/2024	1
31416Y-U3-0	FNMA PASS-THRU INT 15 YEAR	-	09/25/2017	PRINCIPAL RECEIPT		8,299	8,299	8,901	8,792	0	(493)	0	(493)	0	8,299	0	0	0	227	07/01/2026	. 1
	FNMA PASS-THRU INT 15 YEAR		09/25/2017	PRINCIPAL RECEIPT		188,643	188,643	193, 113	193, 102	0	(4,459)	0	(4,459)		188,643	0	0	0	3, 154	11/01/2031	1
31418C-EC-4	FNMA PASS-THRU INT 15 YEAR		08/25/2017 _	VARIOUS		436,915	431,645	434,983	0	0	(108)	0	(108)	00	434,876	0	2,039	2,039	2,233	12/01/2031	1

					Show All Lo	ng-Term Bo	onds and Stoo	ck Sold, Red	deemed or C	Otherwise [	Disposed of	of During th	he Current	t Quarter							
1	2	3	4	5	6	7	8	9	10	Ch	ange In Bo	ok/Adjusted	Carrying Va	alue	16	17	18	19	20	21	22
										11	12	13	14	15						ļ	
													Total	Total						ļ	NAIC
												Current	Change in	Foreign						ļ	Desig-
												Year's	Book/	Exchange	Book/				Bond	ļ	nation
									Prior Year		Current	Other Than	Adjusted	Change in	Adjusted	Foreign			Interest/	Stated	or
									Book/	Unrealized	Year's	Temporary	Carrying	Book	Carrying	Exchange			Stock	Con-	Market
CUSIP		1_			Number of				Adjusted	Valuation	(Amor-	Impairment	Value	/Adjusted	Value at	Gain	Gain	Total Gain	Dividends	tractual	In-
Ident-		For-	Disposal	Name	Shares of	Consid-		Actual	Carrying	Increase/	tization)/	Recog-	(11 + 12 -	Carrying	Disposal	(Loss) on	(Loss) on	(Loss) on	Received	Maturity	dicator
ification	Description	eign		of Purchaser	Stock	eration	Par Value	Cost	Value	(Decrease)	Accretion	nized	13)	Value	Date	Disposal	Disposal	Disposal	DuringYear	Date	(a)
31418C-NG-5	FNMA PASS-THRU INT 15 YEAR		09/25/2017	WACHOVIA SECURITIES INC		1,218,722	1, 180,000	1,212,358	0	0	(777)	0	(777)	0	1,211,581	0	7, 141	7, 141	7,516	07/01/2032	1
31418C-PK-4	FNMA PASS-THRU INT 15 YEAR		09/07/2017 .	WACHUVIA SECONIIIES INC		374,306	362, 195	373,429	0	0	(32)	0	(32)	0	373.397	0	909	909	513	09/01/2032	1
3138ER-N6-3	FNMA PASS-THRU INT 20 YEAR		09/25/2017	PRINCIPAL RECEIPT		4,554	4,554	4,604	0	0	(49)	0	(49)		4,554	0	0	0	70	11/01/2036	1
3138ER-N7-1	FNMA PASS-THRU INT 20 YEAR		09/25/2017	. PRINCIPAL RECEIPT		1,432	1,432	1,446	0	٥	(14)	0	(14)		1,432	0	0	0	21	11/01/2036	1
3138ET-E8-5	FNMA PASS-THRU INT 20 YEAR		09/25/2017	PRINCIPAL RECEIPT		167,843	167,843	181,743	181,575	0	(13,732)	0	(13,732)		167,843	0	0	0	4,587	06/01/2035	1
31418C-G9-9 31368H-LZ-4	FNMA PASS-THRU INT 20 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		31,501	31,501 36,990	32,746 39,071	0 38,921		(1,245)	0	(1,245)		31,501 36,990	0	0		464 1,462	03/01/2037 12/01/2033	1
31371N-H4-0	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		4,922	4,922	5, 158	5, 147	0	(225)	0	(225)		4,922	0	0	0	227	08/01/2037	1
3138A2-BX-6	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		7,073	7,073	7,608	7,596	0	(523)	0	(523)	0	7,073	0	0	0	219	12/01/2040	1
3138AF-W6-3	FNMA PASS-THRU LNG 30 YEAR		08/25/2017 .	VARIOUS		1,217,773	1,130,868	1,220,631	1,218,913	0	(2,898)	0	(2,898)		1,216,015	0	1,758	1,758	35,875	05/01/2041	[1
3138E2-LR-4 3138EH-BD-3	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT			11,884 8,765	12,603 9,284	12,619	0	(735)	0	(735)		11,884 8,765	0	ļō	0	316 233	01/01/2042 05/01/2041	1
3138EH-BU-3	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		7,263	7,263	9,284	9,208	n	(922)	0	(922)		7,263		n		317	10/01/2039	1
3138EH-XF-4	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		6,257	6,257	6,900	6,903		(646)	0	(646)		6,257	0	0	0		01/01/2042	1
3138EK-2D-6	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		11, 188	11, 188	11,900	11,928	0	(740)	0	(740)		11,188	0	0	0	299	12/01/2042	1
3138EK-F5-9	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	. PRINCIPAL RECEIPT		2,972	2,972	3,207	3, 199	0	(227)	0	(227)		2,972	0	0	0	90	12/01/2041	1
3138EL-B3-6 3138EL-N4-1	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/201709/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		1, 123 2,947	1,123 2,947	1, 196 3, 132	1, 199 3, 132		(76)	0	(76)		1, 123 2, 947	0	0	0	26 70	06/01/2043 07/01/2043	1
3138EN-BJ-7	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		12,029	12,029	13,083			(1,027)	0	(1,027)		12,029	0		0	370	02/01/2043	1
3138EP-V3-5	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		69, 140	69,140	75,547		0	(6,398)	0	(6,398)	0	69,140	0	0	0	1,850	05/01/2043	1
3138ER-J7-6	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		1,695	1,695	1,737	0	٥	(42)	0	(42)	٥	1,695	0	0	0	14	10/01/2046	1
3138ER-MV-9	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		35,872	35,872	35,872	35,872	0	0	0	0	0	35,872	0	0	0	721	10/01/2046	1
3138ER-NP-1 3138ER-NV-8	FNMA PASS-THRU LNG 30 YEAR FNMA PASS-THRU LNG 30 YEAR		09/25/2017 _ 09/25/2017 _	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		2,357 4,629	2,357 4,629	2,328 4,604	0 4,616		29 13	0	29	0	2,357 4.629	0	0		36 95	10/01/2046 11/01/2046	1
3138ET-GU-4	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		1,993	1,993	2, 127	2, 132	0	(140)	0	(140)	)	1,993	0	0	0	47	03/01/2044	1
3138ET-T9-7	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		89,895		99,222	99,201	0	(9,306)	0	(9,306)		89,895	0	0	0	2,789	10/01/2042	1
3138NY-4L-6	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	. PRINCIPAL RECEIPT		2,098	2,098	1,947	1,955	0	144	0	144	0	2,098	0	0	0	35	02/01/2043	1
3138WE-KJ-7 3138WF-3A-2	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT		4,144 4,323	4,144 4,323	4,341 4,525	4,350 4,534	0	(206) (211)	0	(206)		4,144 4,323	0	0	0	97 101	04/01/2045 11/01/2045	1
3138WF-5X-0	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		15, 161	15, 161	15,889	15,924	0	(211)	0	(764)			0	0		354	11/01/2045	1
3138WF-PR-1	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		23,387	23,387	25,033	25,026	0	(1,639)	0	(1,639)		23,387	0	0	0	621	_09/01/2045	1
3138WG-C9-3	FNMA PASS-THRU LNG 30 YEAR		_09/25/2017 _	PRINCIPAL RECEIPT		7,668	7,668	7,927	7,925	0	(257)	0	(257)		7,668	0	0	0	187	12/01/2045	1
3138WG-DN-1	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		17,335	17,335	17,668	0	0	(333)	0	(333)		17,335	0	0	0	261	01/01/2046	1
3138WH-ER-9 3138WH-N5-7	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/201709/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		2,346 543	2,346 543	2,421 544	2,421 545		(75)	0	(75)		2,346 543	0			72	06/01/2046 07/01/2046	1
3138WH-U3-4	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		751	751	770	0	0	(19)	0	(19)			0	0	0	7	_08/01/2046	1
3138WH-X8-0	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	. PRINCIPAL RECEIPT		792	792	<i>7</i> 91	0	٥	2	0	2	0	792	0	٥	0	14	09/01/2046	1
3138WJ-G4-4	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	. PRINCIPAL RECEIPT		2,998	2,998	2,991	0	0	7	0	7	0	2,998	0	0	0	51	11/01/2046	1
3138WJ-GK-8 3138WJ-GP-7	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		2,822 1.801	2,822 1,801	2,789 1,779	Q	0	33 23	0	33	0	2,822 1,801	0	0	0	40 28	11/01/2046	1
3138WQ-AT-9	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		1,801	1,224	1,136	1, 140	o	84	0	84	0	1,224	0	0		20	05/01/2048	1
3138X0-Y3-6	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		84,280	84,280				(1,881)	0	(1,881)	0	84,280	0	0	0	1,663	07/01/2043	1
3138YG-XF-4	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		8,439	8,439	8,554	0	0	(115)	0	(115)		8,439	0	0	0	127	04/01/2045	1
3138YT-6D-1	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		30,329	30,329	31,703	31,765	0	(1,437)	0	(1,437)		30,329	0	0	0	734	10/01/2045	1
31402C-Y3-0 31402R-AQ-2	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT		23,775	23,775	25,443	25,318 7,931		(1,543)	0	(1,543)		23,775	0	0	0	959 339	03/01/2034 12/01/2032	1
31402R-AS-8	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		11,795	11,795	12, 131	12,093	0	(298)	0	(298)		11,795	0	0	0	507	03/01/2035	1
31402R-H2-8	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		2,261	2,261	2,282	2,279	0	(18)	0	(18)	00	2,261	0	0	0	93	12/01/2032	1
31402R-LZ-0	FNMA PASS-THRU LNG 30 YEAR	.	09/25/2017	PRINCIPAL RECEIPT		2,749	2,749	3,062	3,050	0	(301)	0	(301)		2,749	0	0	0	117	08/01/2035	1
3140EU-4G-1	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		12,333	12,333	13,000	13,001	ō	(668)	0	(668)		12,333	0	0	ō	297	04/01/2046	1
3140F5-C3-5 3140F9-WP-6	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR	-	09/25/201709/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		1,071 985	1,071 985	1,058 974	Q	0	13 11	0	13	0	1,071 985	0	0	0	16 15	12/01/2046	1
3140FQ-T2-3	FNMA PASS-THRU LNG 30 YEAR	1	09/25/2017	VARIOUS		100,934	96,597	101,563	0	0	(804)	0	(804)	0	100,759	0	175	175	1,723	07/01/2047	1
3140J5-HL-6	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		113,684	113,684	122,849	0	0	(9, 166)	0	(9, 166)		113,684	0	0	0	1,300	02/01/2046	1
3140J5-QK-8	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		34,811	34,811	37,724	0	0	(2,913)	0	(2,913)	0	34,811	0	0	0		01/01/2043	1
	FNMA PASS-THRU LNG 30 YEAR	-	09/25/2017	PRINCIPAL RECEIPT		5,560	5,560	6, 180	6, 159	ō	(599)	0	(599)	)ō	5,560	0	0	0		12/01/2036	1
31410K-18-7	FNMA PASS-THRU LNG 30 YEAR	. [	09/25/2017 _	PRINCIPAL RECEIPT		13,265	13,265	14,633	14,642	<u>0</u>	(1,377)	0	(1,377)	)	13,265	0	<u>0</u>	<u></u> 0	545	05/01/2037	<u> </u>

					Show All Lo	ng-Term Bo	nds and Stoc	k Sold, Red	leemed or C	Otherwise [	Disposed of	of During th	he Current	t Quarter							
1	2	3	4	5	6	7	8	9	10			ok/Adjusted	1		16	17	18	19	20	21	22
										11	12	13	14	15							NAIG
													Total	Total							NAIC
												Current	Change in	Foreign	Book/				Bond		Desig- nation
									Prior Year		Current	Year's Other Than	Book/	Exchange	Adjusted	Foreign			Interest/	Stated	or
									Book/	Unrealized	Year's	Temporary	Adjusted Carrying	Change in Book	Carrying	Exchange	Realized		Stock	Con-	Market
CUSIP					Number of				Adjusted	Valuation	(Amor-	Impairment	Value	/Adjusted	Value at	Gain	Gain	Total Gain	Dividends	tractual	In-
Ident-		For-	Disposal	Name	Shares of	Consid-		Actual	Carrying	Increase/	tization)/	Recog-	(11 + 12 -	Carrying	Disposal	(Loss) on	(Loss) on	(Loss) on	Received	Maturity	dicator
ification	Description	eign	Date	of Purchaser	Stock	eration	Par Value	Cost	Value	(Decrease)	Accretion	nized	` 13)	Value	Date	Disposal	Disposal	Disposal	DuringYear	Date	(a)
31410K-UK-8	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	. PRINCIPAL RECEIPT		8,967	8,967	9,387	9,368	0	(401)	0	(401)	0	8,967	0	0	0	416	12/01/2037	1
31410K-US-1 31410K-XM-1	FNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		23,396	23,396 25,311	25,796 28.152	25,719	0	(2,323)	0	(2,323)	0	23,396	0	0	0	864 1.098	_08/01/2037 _10/01/2038	1
31410L-DU-3	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		2,437	2,437	2,616	2,611	0	(174)	0	(174)		2.437	0	0	0	73	_02/01/2041	1
31410L-S3-7	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		3,222	3,222	3,430	3,438	0	(216)	0	(216)		3,222	0	0	0		.09/01/2043	1
31410L-TW-2	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	. PRINCIPAL RECEIPT		19,338	19,338	19,601	0	0	(263)	0	(263)		19,338	0	0	0	282 .748	_09/01/2046	1
31411B-GT-4 31412R-FJ-1	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		19,215 1,490	19,215 1,490	21,065 1,613	1,063	0	(1,848)	0	(1,848)(121)		19,215 1,490	0	0			_12/01/203603/01/2040	1
31416C-JV-9	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		14,721	14,721	16,359	16,318	0	(1,597)	0	(1,597)		14,721	0	0	0	573	.11/01/2038	1
31416W-H3-9	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	. PRINCIPAL RECEIPT		17,089	17,089	18,694	18,666	0	(1,577)	0	(1,577)		17,089	0	0	0		_06/01/2040	1
31416X-J7-6 31417D-2G-7	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		39,503	39,503 3,329	41,845 3,495	41,767 3,485	0 n	(2,264)	0 n	(2,264)		39,503	0 n	0 n	0 n	1,038 L	_01/01/2041 _11/01/2042	1
31417D-3H-4	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		7,607	7,607		8,000	0	(393)	0	(393)		7,607	0	0	0	151	11/01/2042	1
31417D-MU-4	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		1,721	1,721	1,811	1,806	0	(85)	0	(85)	0	1,721	0	0	0	35	10/01/2042	1
31417D-MV-2 31417D-QW-6	FNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		4,538 5,872	4,538 5.872	4,780 6,179	4,766 6.160	0	(228)	0	(228)		4,538 5.872	0	0	0	92	_10/01/2042 _10/01/2042	1
	FNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT		6,961		7, 196	7, 197	0	(288)	0	(288)		6,961	0	0		135	12/01/2042	1
	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		73, 170	73,170	74,828	74,803	0	(1,632)	0	(1,632)		73,170	0	0	0		.04/01/2043	1
	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	VARIOUS			801,083	856,908	858,682	0	(2,800)	0	(2,800)		855,882	0	(13,900)	(13,900)		_09/01/2045	1
	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT		10,027 2,031	10,027 2,031	10,571 2,106	0 2,110	 n	(544)	0	(544)		10,027	0	0		235	.08/01/2046 .09/01/2046	1
	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		1,647	1,647	1,730	0	0	(83)	0	(83)		1,647	0	0	0	28	_12/01/2046	1
	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	. PRINCIPAL RECEIPT		7,620	7,620	7,641	0	0	(21)	0	(21)	0	7,620	0	0	0	37	_02/01/2047	1
31418M-2T-8 31418M-SR-4	FNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		1,681 5,315	1,681 5,315	1,861 5,913	1,854 5,915	0	(173)	0	(173)		1,681 5,315	0	0	0	66 L	_10/01/2039 _06/01/2039	1
31418T-JF-5	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		13.294	13,294	14.757	14.737	0	(1, 442)	0	(1,442)		13.294	0	0	0	407	_05/01/2040	1
31418U-4W-1	FNMA PASS-THRU LNG 30 YEAR		09/25/2017	PRINCIPAL RECEIPT		5,641	5,641	6, 199	6, 186	0	(545)	0	(545)	0	5,641	0	0	0	189	.07/01/2040	1
31419A-NJ-2 31419A-P5-0	FNMA PASS-THRU LNG 30 YEARFNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		5, 188 5, 232	5, 188 5, 232	5,692 5,913	5,676 5,902	0	(489)	0	(489)		5, 188 5, 232	0	0	0	190 231	_12/01/2039	1
31419A-P5-0 31419A-VS-3	FNMA PASS-THRU LNG 30 YEAR		09/25/2017 09/25/2017	PRINCIPAL RECEIPT		395	395	5,913	5,902	0	(22)	0	(22)			0	0	0	231 11	.11/01/2040	1
31418M-2Z-4	FNMA PASS-THRU MEGA MULTI 7		09/25/2017	PRINCIPAL RECEIPT		17,483	17,483	19,625	18,827	0	(1,344)	0	(1,344)	0	17 , 483	0	0	0	959	.02/01/2020	1
3138EN-Z9-3	FNMA PASS-THRU SF30 LTV125+		09/25/2017	PRINCIPAL RECEIPT		2,314	2,314	2,403	2,407	0	(92)		(92)		2,314	0	0	0	54 .	_01/01/2044	1
	FNMA PASS-THRU SF30 LTV125+FNMA PASS-THRU SF30 LTV125+		09/25/2017 09/25/2017	PRINCIPAL RECEIPT		1,042 1,770	1,042 1,770	1,081 1,837	1,083 1,840	0	(41)		(41)		1,042 1,770	0	0	0	25 L	_06/01/2042 _06/01/2042	1
3138MQ-X9-9	FNMA PASS-THRU SF30 LTV125+		09/25/2017	PRINCIPAL RECEIPT		3,612	3,612	3,750	3,756	0	(144)	0	(144)		3,612	0	0	0	84	.01/01/2043	1
31417C-GY-5	FNMA PASS-THRU SF30 LTV125+		09/25/2017	. PRINCIPAL RECEIPT		12,088	12,088	12,363	0	0	(275)	0	(275)		12,088	0	0	0		_07/01/2042	1
31417C-GZ-2 31417C-NZ-4	FNMA PASS-THRU SF30 LTV125+FNMA PASS-THRU SF30 LTV125+		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		1,340 3.025	1,340 3,025	1,391 3,139	1,393	U	(53)	0	(53)		1,340 3.025	0	0		30 L	_07/01/2042 _08/01/2042	1
31418A-Q3-5	FNMA PASS-THRU SF30 LTV125+		09/25/2017	PRINCIPAL RECEIPT		9,795	9,795	9,960	9,961	0	(166)	0	(166)	0	9,795	0	0	0	234	.03/01/2042	1
	FNMA PASS-THRU INT 15 YEAR		08/25/2017	VARIOUS		435,741	430,466	434,031	0	0	(100)	0	(100)	0	433,931	0	1,810	1,810		_02/01/2032	1
	FNMA REMIC TRUST 2002-W10FNMA REMIC TRUST 2002-W6		09/25/2017 09/25/2017	. PRINCIPAL RECEIPT PRINCIPAL RECEIPT	-	6,747 12,251	6,747 12,251	6,738 13,438	6,737 12,446	0	9	0		0	6,747 12,251	0	0	0		_08/25/2042 _06/25/2042	1
31392D-P9-7	FNMA REMIC TRUST 2002-W8		09/25/2017	PRINCIPAL RECEIPT		8,724		9, 152		0	(195)	0	(193)			0	0	0	371	.06/25/2042	1
	FNMA REMIC TRUST 2010-2		09/25/2017	PRINCIPAL RECEIPT		14,861	14,861	15,665	15,498	0	(637)	0	(637)	0	14,861	0	0	0	409	12/25/2049	1
3136A3-7D-7	FNMA REMIC TRUST 2012-39		09/25/2017	PRINCIPAL RECEIPT		14, 146	14, 146 85, 756	14,995	14,769	0	(624)	0	(624)		14, 146	0	0	0	340	_03/25/2042	1
3136AM-D7-1 3136AU-V9-9	FNMA REMIC TRUST 2015-12FNMA REMIC TRUST 2016-103		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT						0	(949)	0	(949)	)0	85,756 1.047	0	0		1,207	.07/25/2044 .01/25/2047	1
3136AT-XX-7	FNMA REMIC TRUST 2016-63		09/25/2017	PRINCIPAL RECEIPT		5,945	5,945	5,936	5,937	0	9	0	9	0	5,945	0	0	0	50	.09/25/2046	1
3136AT-TV-6	FNMA REMIC TRUST 2016-64		09/25/2017	PRINCIPAL RECEIPT	.	6,429	6,429	6,427	6,428	ō	1	ō	1	0	6,429	0	0	ō	55	_09/25/2046	1
3136AT-ZC-1 3136AU-JS-1	FNMA REMIC TRUST 2016-70FNMA REMIC TRUST 2016-79		09/25/2017 09/25/2017	PRINCIPAL RECEIPT PRINCIPAL RECEIPT		4,847 6.512	4,847 6,512	4,834 6,493	4,835 6,494	0 n	13	0	13	0	4,847 6,512	0 n	0 n	0 n	40 L	_10/25/2046 _11/25/2046	1
	FNMA REMIC TRUST 2016-79		09/25/2017	PRINCIPAL RECEIPT		4,292	4,292	4,293	4,233	0	(1)	0	(1)	0	4,292	0	0	0	36	11/25/2046	1
3136AV-ZT-9	FNMA REMIC TRUST 2017-16	ļ	09/25/2017	PRINCIPAL RECEIPT		5,090	5,090	5,094	0	0	(5)	0	(5)	00	5,090	0	0	0	31	_03/25/2047	1
	Subtotal - Bonds - U.S. Special Rever	nues	00 (10 : :=	Industrial process		13,651,631	13, 175, 105	13,883,546	4,803,442	0	(163, 453)	0	(163,453)		13,707,548	0	(55,918)	(55,918)	181,507	XXX	XXX
	ACCESS PRIVATE ST LN 2003-A		09/13/2017 07/28/2017	PRINCIPAL RECEIPT	-	111,791 192,000	111,791 192,000	112,001 189,360	111,993	0 0	(202)	0	(202)	0	111,791	0	0	0	1,513 1,115	.07/01/2038 10/28/2023	1FE
	ALLY MSTR OWNR TR 2012-5			PRINCIPAL RECEIPT		1,500,000	1,500,000	1,504,325	1,503,432	0	(3, 432)	0	(3,432)	0	1,500,000	0	0	0		_09/15/2019	1FE
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					Show All Lo	ng-Term Bo	inds and Stoc	ck Sold, Red	deemed or (	Otherwise	Disposed (	of During tl	he Current Quarte	•						
1	2	3	4	5	6	7	8	9	10	Cl	hange In Bo	ok/Adjusted	Carrying Value	16	17	18	19	20	21	22
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													Total Total							NAIC
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									Book/	Unrealized		Temporary	Carrying Book	Carrying	Exchange	Realized		Stock	Con-	Market
CUSIP					Number of				Adjusted	Valuation	(Amor-	Impairment	Value /Adjust		Gain	Gain	Total Gain	Dividends	tractual	In-
Ident-		For-	Disposal	Name	Shares of	Consid-		Actual	Carrying	Increase/	tization)/	Recog-	(11 + 12 - Carryin		(Loss) on	(Loss) on	(Loss) on	Received	Maturity	dicator
ification	Description	eian		of Purchaser	Stock	eration	Par Value	Cost	Value	(Decrease)		nized	13) Value		Disposal	Disposal	Disposal	DuringYear	Date	(a)
023772-AB-2	AMER AIRLINES PT TR 2013-1	Cigii	07/15/2017 .	Sink PMT @ 100.0000000	Otook	7.006	7.006	7,006	7,006	(Decrease)	Accretion	n	13) Value	.07,006		Порозаг	Лорозаг	144	01/15/2027	1FE
02377U-AB-0	AMER AIRLINES PT TR 2013-2	-	07/15/2017 .	Sink PMT @ 100.0000000 .		6,339	6,339	6,339	6,339	0	0	0	0	.0		0	0	165	07/15/2024	2FE
0258M0-EE-5	AMERICAN EXPRESS CR CORP MTNBE		08/07/2017 .	GOLDMAN, SACHS & CO		377,985	375,000	374,610	0	0	55	0	55	.0374,665		3,320	3,320	3,552	_03/03/2020 _	
00184A-AG-0	AOL TIME WARNER 7.70%		_09/27/2017 _	MORGAN STANLEY		313,659	225,000	254,912	249,553	0	(710)	0	(710)	.0248,843	0	64,816	64,816	15,785	_05/01/2032	2FE
				LINSCO/PRIVATE LEDGER																
037833-CH-1	APPLE INC	.	09/11/2017 .	CORP. RE		1,065,540	1,000,000	1,058,120	0	0	(267)	0	(267)	1,057,853	0	7,687	7,687	25,264	02/09/2047	1FE
000000 00 5	ATOT INC		08/28/2017 _	CFG CAPITAL MARKETS LLC		1,944,660	2,000,000	2,025,440	2,024,961		(616)		(616)	_02,024,345	0	(79,685)	(79,685)	71,500	05/15/2035	٥٦٦
00206R-CP-5 05952C-AE-0	AT&T INCBANC AMER CMBS 2007-5		08/10/2017 .	PRINCIPAL RECEIPT		1,944,660	133,979		2,024,961		(2,504)		(2,504)	.0		(19,003)	(79,000)	5,445	02/10/2051	
UUUUZU-AL-U	DANG AMERICANDO 2007 O		00/ 10/201/ .	LINSCO/PRIVATE LEDGER				134,340	100,400	1	(2,504)	1	(4,004)			1	ļ	, 440		
06051G-GH-6	BANK AMER CORP	.	09/08/2017 .	CORP. RE		1,008,890	1,000,000	1,013,290	0	0	(673)	0	(673)	01,012,617	0	(3,727)	(3,727)	9,555	01/20/2023	2FE
07388Q-AE-9	BEAR STEARNS CMBS 2007-PWR17	.	07/13/2017 .	PRINCIPAL RECEIPT		168,054	168,054	193,210	170,357	0	(2,303)	0	(2,303)	_0168,054		0	0	6,667	06/13/2050 _	1FM
114521-AB-3	BROOKSIDE MILL CLO LTD 2013-1		07/17/2017 .	. PRINCIPAL RECEIPT		36, 178	36 , 178		0		(51)	0	(51)			0	0	0	04/17/2025	
12189P-AG-7	BURLINGTON NORTHN SF RY PSTH CTF		07/15/2017 .	. Sink PMT @ 100.0000000 .		514	514	543	523	0	(9)	0	(9)	.0514		0	0	27	01/15/2021	1FE
07333N-AA-0	BYVW OPP MST FD TR 2017-SPL1	-	07/31/2017 .	VARIOUS		0	0 3,908	0	0	0	0	0	0	.00		0	0	3,226	10/28/2064 _	1FE
13975G-AF-5 14041N-ET-4	CAPITAL AUTO RECV ABN 2014-1CAPITAL ONE CC TR 2014-5A	-	09/20/2017 . 09/15/2017 .	PRINCIPAL RECEIPT		3,908 1,500,000	1,500,000	3,908 1.504.911	3,910 1,504,607	L	(4.607)		(2)(4.607)	.03,908 .01,500,000		0			04/22/2019 07/15/2020	
14313V-AH-7	CARMAX AUTO OWNER TR 2015-3	-	07/15/2017 .	PRINCIPAL RECEIPT		130,481	1,300,000	130,659	1,304,607	n	(231)		(231)	.0130,481		0	n	1,564	11/15/2018	
	CCG RECV TR 2014-1 144A		07/14/2017 .	PRINCIPAL RECEIPT		10,456	10,456	10,455	10,458	0	(2)	0	(2)	.0		0	0	71	11/15/2021	
				BANC AMERICA SECURITIES		, .	,	,	,		,		,	, ,						
151020-AR-5	CELGENE CORP	.	08/07/2017 .	LLC		397,814	380,000	378,970	379, 157	0	82	0	82	.0379,239		18,576	18,576	13,228	08/15/2022	
125509-AZ-2	CIGNA CORP	-	09/20/2017 .	TENDER OFFER		238,015	171,000	182,773	178,292	0	(350)	0	(350)	0177,942	0	60,073	60,073	11,372	05/15/2027	2FE
000444 EV 4	CONSOLIDATED EDISON CO N Y INC		09/11/2017	LINSCO/PRIVATE LEDGER CORP. RE		801.608	750.000	705 000			(105)		(405)	205 557	0	40.050	40.050	9.138	40 (04 (0050	455
209111-FK-4 22546N-AD-6			09/11/2017 .	PRINCIPAL RECEIPT				785,663 220,464	0		(2,565)	0	(105)	_0785,557 _0197,063		16,050	16,050	9, 138 9, 425	12/01/2056 02/15/2041	1FE 1FM
25272U-AA-9	DIAMOND RESORTS TR 2013-2 144A	-	09/20/2017 .	PRINCIPAL RECEIPT		3,829	3,829	3,828	3,840	0	(11)	0	(2,303)	.03,829		0	o	52	05/20/2026	
25755T-AC-4	DOMINOS PIZZA MSTR 2012-1 144A		07/25/2017	PRINCIPAL RECEIPT		329,424	329,424	340,722	335,972	2.840	(9,387)	0	(6,547)	.0 329,424		0	0	13,013	01/25/2042	
				US BANCORP INVESTMENTS		,				,	,		, ,	,						
278865-AV-2			08/21/2017 _	INC		150,364	155,000	154,512	154,521	0	27	0	27	154,548		(4, 184)	(4, 184)	3,557	11/01/2026 _	
28108P-AA-4	EDLINC ST LN FDG TR 144A		07/02/2017 .	. PRINCIPAL RECEIPT		68,912	68,912	70,893	0	0	(1,981)	0	(1,981)	.068,912	0	0	0	733	10/01/2025	
34531A-AB-0 34530G-AE-2	FORD CREDIT AUTO LEASE 2016-AFORD CREDIT AUTO OWN TR 2013-D		09/15/2017 . 09/15/2017 .	PRINCIPAL RECEIPT		680,247 18.949	680,247 18,949	681,708	681,442	0	(1, 195)	0	(1, 195)	0680,247 .018.949	0	0	0	6,519 145	11/15/2018 .02/15/2019	1FE
	GE CAP CCMT 2012-6		08/15/2017 .	PRINCIPAL RECEIPT		395,000		394,907	395,066		(66)	0	(66)	.0				4.819	08/15/2019 08/15/2020	
375558-BG-7	GILEAD SCIENCES INC	-	09/20/2017	GOLDMAN, SACHS & CO		440.528	400.000	398.660	398,715	0	32	0	32	.0398,747		41.781	41.781	19,473	09/01/2035	
391164-AG-5	GREAT PLAINS ENERGY INC		07/19/2017 .	GOLDMAN, SACHS & CO		95,950	95,000	94,926	0	0	9	0	9	094,935		1,015	1,015	858	03/09/2020	
36253B-AQ-6	GS MTG SECS TR 2014-GC22		09/12/2017 .	PRINCIPAL RECEIPT		4,274	4,274	4,274	4,273	0	1	0	1	04,274		0	0	34	06/12/2047	
411707-AA-0	HARDEES FUND LLC 144A	-	09/20/2017 _	VARIOUS		7,209	7,209	7,227	7, 119	99	(8)	0	91	_07,210		(2)	(2)	239	03/20/2043 _	
43284A-AA-2	HILTON GRAND VACA TR 2014-A 144A	-	09/25/2017 .	PRINCIPAL RECEIPT		6,488	6,488	6,487	6,497	0	(9)	0	(9)	.06,488		0	0	73	11/25/2026	
444859-BE-1	HUMANA INC	-	09/27/2017 .	JEFFERIES & CO BONDS DIR		351,239	310,000	308,506	308,558	l	1/	1	17	0308,576	0	42,663	42,663	14,537	10/01/2044	2FE
444859-BF-8	HUMANA INC		_09/19/2017 _	JETTENTES & CO DONDS DIN		21,007	20,000	19,975	0	0	1	0	1	_0	0	1,030	1,030	406	_03/15/2027 _	2FE
45685E-AE-6	ING US INC	-	.08/11/2017	EXCHANGE		44,312	44.000	43,930	43.982	0	10	0	10	.043.992		320	320	1.268	02/15/2018	
				FIRST TENN SECURITIES			,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,					,,,,				,		
459200-HF-1	INTERNATIONAL BUSINESS MACHS		09/07/2017 .	CORP		505,340	500,000	506,265	0	0	(35)	0	(35)	0506,230	0	(890)	(890)	14,500	06/20/2042	1FE
				LINSCO/PRIVATE LEDGER																
46647P-AA-4	JP MORGAN CHASE BANK NA	-	08/16/2017 .	CORP. RE		2,080,000	2,000,000	2,090,880	0	0	(68)	0	(68)	2,090,812	0	(10,812)	(10,812)	42,363	02/22/2048	1FE
501044-CT-6	KROGER CO		09/25/2017	LINSCO/PRIVATE LEDGER CORP. RE		1.244.984	1,200,000	1,406,280	1.403.764	0	(3, 225)	_	(3,225)	.01.400.539	n	(155,555)	(155,555)	70,841	08/01/2043 _	2FF
	Milodel 60		93/23/2017	CFG CAPITAL MARKETS LLC		1,244,304		1,400,200			(0,220)		(0,223)			(155,555)	(155,555)		90/01/2040	. 21 L
548661-DN-4	LOWES COS INC	.	.09/07/2017	0.0.0.1112 ######		242,548	250,000	237,679	0	0	150	0	150	0 237,829	0	4,719	4,719	8,376	_04/15/2046 _	1FE
				LINSCO/PRIVATE LEDGER												, ,				
594918-BT-0	MICROSOFT CORP		09/11/2017 .	CORP. RE		744,600	750,000	738,653	0	0	53	0	53	0738,706		5,894	5,894	16,573	08/08/2046	1FE
59025W-AE-6	ML MTG TRUST 2008-C1		09/14/2017 .	PRINCIPAL RECEIPT		128,840	128,840	146,727	130,849	0	(2,009)	0	(2,009)	0128,840	0	0	0	4,914	02/12/2051	
617446-7X-1	MORGAN STANLEY	·	07/25/2017 .	VARIOUS		441,270	405,000	403,524	403,826	ļ0	60	ļ0	60	_0403,885	0	37,385	37,385	13,662	11/24/2025 _	2FE
61746B-EH-5	MORGAN STANLEY	1	09/06/2017 .	CFG CAPITAL MARKETS LLC		1,203,480	1,200,000	1,204,008	_	_	(861)	_	(861)	01,203,147	0	333	200	13,110	00/14/0000	1FF
	MS BOFAML TRUST 2014-C16		09/06/2017 .	PRINCIPAL RECEIPT		1,203,480	1,200,000	1,204,008	5, 166	ļū	(861)		(100)	.01,203,14/ .05,167	0	333	333	13, 110	02/14/2020 06/17/2047	1FE
	MVW OWNER TRUST 2013-144A		09/20/2017 .	PRINCIPAL RECEIPT		2,753	2,753	2,753	2.759	n	(7)	0	(7)	0 2.753		0	0	35	04/22/2030	

## **SCHEDULE D - PART 4**

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

													ne Current Quarter	_	ı	1	1			
1	2	3	4	5	6	7	8	9	10	Ch	ange In Bo	ok/Adjusted	Carrying Value	16	17	18	19	20	21	22
										11	12	13	14 15							
													Total Total							NAIC
												Current	Change in Foreign							Desig-
												Year's		Book/				Bond		nation
									D				Book/ Exchange						01-1-1	
									Prior Year		Current	Other Than	, ,		Foreign			Interest/	Stated	or
									Book/	Unrealized	Year's	Temporary	Carrying Book	Carrying	Exchange	Realized		Stock	Con-	Market
CUSIP					Number of				Adjusted	Valuation	(Amor-	Impairment	Value /Adjusted	Value at	Gain	Gain	Total Gain	Dividends	tractual	ln-
Ident-		For-	Disposal	Name	Shares of	Consid-		Actual	Carrying	Increase/	tization)/	Recog-	(11 + 12 - Carrying	Disposal	(Loss) on	(Loss) on	(Loss) on	Received	Maturity	dicator
ification	Description	eian	Date	of Purchaser	Stock	eration	Par Value	Cost	Value	(Decrease)	,	nized	13) Value	Date	Disposal	Disposal		DuringYear	Date	(a)
	MVW OWNER TRUST 2015-1 144A	Cigii	09/20/2017 .	PRINCIPAL RECEIPT	Otock				6.325	(Decicase)		TIIZEU			Disposai	Disposai	Disposai	100	12/20/2032 .	(-/
	O REILLY AUTOMOTIVE INC NEW		07/18/2017 .	VARIOUS		6,309 100,279	6,309	6,309 99,832			(15)		(15)	6,309	0	427	427	2,972	03/15/2026 .	
0/ 103H-AL-/	O NEILLI AOTOMOTIVE INC NEW		01/10/2011 .	LINSCO/PRIVATE LEDGER		100,279	100,000		, 55,044						0	421	421			. 21 L
68389X-BG-9	ORACLE CORP		09/11/2017 .	CORP. RE		1,062,940	1,000,000	1,041,820	0	n	(131)	0	(131)	1,041,689	0	21,251	21,251	14,340	05/15/2055 .	1FE
68389X-BL-8	ORACLE CORP		08/16/2017 .	CREDIT USA		521,698	525.000	523,955	ر ۱	0	6	0	(101)	523,961	0	(2,263)	(2,263)	5,320	09/15/2023 .	
	OTROLL COTI		00/10/2017 .	FIRST TENN SECURITIES												(2,200)	(2,200)			
713448-DD-7	PEPSICO INC		09/07/2017 .	CORP		560,345	500.000	567,235	.566.550	0	(903)	0	(903)	.565,648	0	(5,303)	(5,303)	20,210	04/14/2046 .	1FF
1			[	CFG CAPITAL MARKETS LLC				, 200		[	(000)					[	[			
717081-ED-1	PFIZER INC	I	09/07/2017 .			532.165	500.000	513.045		n	(156)	0	(156)	512.889	n	19,276	19,276	16.615	12/15/2046	1FE
82652J-AA-5	SIERRA TIMSHR RECV FDG 2015-3 144A		09/20/2017 .	PRINCIPAL RECEIPT		7,385	7,385	7,383	7,406	0	(22)	0	(22)	7,385	0	0	0	115	09/20/2032	
	SIRIUS XM RADIO INC 144A		09/01/2017 .	CALLED @ 102.6250000		246,300	240,000	260, 194	254,411	0	(1,545)	0	(1,545)	252,866	0	(6,566)	(6,566)	13,160	08/15/2022 .	
	SLM PRIV ED LN TR 2012-B 144A		09/15/2017	PRINCIPAL RECEIPT		109,585	109,585	109,573	109,594	0	(9)	0	(9)	109,585	0	0	0	2,388	10/15/2030	
			1	LINSCO/PRIVATE LEDGER			· [			·										
837004-CD-0	SOUTH CAROLINA ELEC & GAS CO		08/25/2017 .	CORP. RE		959,784	800,000	955, 136	954,254	0	(2,648)	0	(2,648)	951,606	0	8, 178	8, 178	31, 167	12/15/2039 .	1FE
				BAIRD, ROBERT W. & CO																
863667-AJ-0	STRYKER CORP		09/07/2017 .	INC		276,495	250,000	275, 185	274,920	0	(322)	0	(322)	274,599	0	1,896	1,896	11,434	03/15/2046 _	1FE
881561-XJ-8	TERWIN MTG TR 2005-14HE		09/25/2017 .	. PRINCIPAL RECEIPT		4,440	4,440	4,393	4,424	0	16	0	16	4,440	0	0	0	129	08/25/2036 .	1FM
				RBC CAPITAL MARKETS CORP																
88732J-AJ-7	TIME WARNER CABLE INC		07/11/2017 .			477,032	400,000	498,112	491,857	0	(1,438)	0	(1,438)	490,418	0	(13,386)	(13,386)	18,413	05/01/2037 .	
89172H-AK-3	TOWD POINT MTG TR 2015-3 144A		09/25/2017 _	PRINCIPAL RECEIPT		10,890	10,890	10,893	10,884	0	6	0	6	10,890	0	0	0	205	03/25/2054 .	
	UNION PACIFIC RR CO 2000-1		07/10/2017 .	PRINCIPAL RECEIPT		2,288	2,288	2,794	2,419	0	(131)	0	(131)	2,288	0	0	0	132	01/10/2021 .	
	UNION PACIFIC RR CO 2007-3		07/19/2017 .	. PRINCIPAL RECEIPT		18,635	18,635	18,635	18,635	0	0	0		18,635	0	0	0	1 , 151	01/02/2031 .	
	VERIZON COMMUNICATIONS INC		07/26/2017 .	BARCLAYS CAPITAL INC		269,665	275,000	258,577	258,916	0	132	0	132	259,048	0	10,617	10,617	12,628	08/21/2046 .	
92343V-DC-5	VERIZON COMMUNICATIONS INC		07/26/2017 .	BARCLAYS CAPITAL INC		328,699	375,000	374,801	374,803	0	2	0	2  0	374,805	0	(46, 106)	(46, 106)	15,469	08/15/2046 .	2FE
0.407.40.01.0	WELLO ELDOS O OS NEW		00 (00 (00 47	LINSCO/PRIVATE LEDGER		050 040	050 000	054 700			(407)		(407)	254 225		(0.000)	(0.000)	0.047	04/04/0000	455
949746-SL-6	WELLS FARGO & CO NEW		09/08/2017 .	. CORP. RE LINSCO/PRIVATE LEDGER		252,343	250,000	254,793	υ		(427)		(427)	254,365	0	(2,023)	(2,023)	3,617	01/24/2023 .	1FE
06738E-AV-7	DADOLAVO DI O	_	00 (00 (0047	CORP. RE		2,182,620	0.000.000	0 140 500	0		(586)		(500)	0 145 014		00.700	20. 700	00 505	04/40/0047	OFF
20271R-AC-4	BARCLAYS PLC	0	08/29/2017 <sub>.</sub> 09/18/2017	MATURITY		1,000,000	2,000,000 1.000.000	2,146,500 1,033,040	1.005.452		(5, 452)	0	(586) (5,452) (5,452)	2,145,914 1,000,000	0	36,706	36,706	63,525 19,000	01/10/2047 . 09/18/2017 .	
34988W-A0-7	FOSSE MASTER 2012-1	C	07/18/2017 .	PRINCIPAL RECEIPT		253,289	253,289	253,289	253,289		(3,432)		0 (	253,289			0	4,977	10/18/2054 .	
	0FSI FD LTD 2013-5 144A	D	07/17/2017 .	PRINCIPAL RECEIPT		110,649	110,649	110,815	0	0	(166)	0	(166)	110,649	0	0	n	0	04/17/2025 .	
71429M-AB-1	PERRIGO FINANCE PLC		07/01/2017 .	MORGAN STANLEY		320, 122	310,000	309,228	309,279	0	32	0	32	309,311	0	10,810	10,810	10 , 925	03/15/2026 .	
	TENTO THUNCE TEO	0		STIFEL. NICOLAUS &																
803168-AE-3	SARANAC CLO I LTD 2013-1	С	08/25/2017 .	CO INC.		1,500,000	1,500,000	1,506,000	0	0	( 142)	0	(142)	1,505,858	0	(5,858)	(5,858)	3,830	10/26/2024 .	1FF
				LINSCO/PRIVATE LEDGER		, 500, 000	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,500,000		[	(172)		/	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		(0,000)	(0,000)	,0,000		
822582-BY-7	SHELL INTERNATIONAL FIN BV	C	09/11/2017 .	CORP. RE		483,350	500,000	476,800	0	0	117	L	117	476,917	0	6,433	6,433	52	09/12/2046 .	1FE
	SUMITOMO MITSUI BANKING CORP	C	07/18/2017 _	MATURITY		1,000,000	1,000,000	1,005,730	1,001,819	0	(1,819)	0	(1,819)	1,000,000	0	0	0	18,000	07/18/2017 .	
	TENCENT HLDGS LTD 144A	C	08/22/2017 .	UBS SECURITIES INC		409,310	400,000	405,544	402,723	0	(731)	0	(731)	401,992	0	7,318	7,318	10,988	05/02/2019 .	1FE
88167A-AE-1	TEVA PHARMACEUTICAL FIN NETH	C	08/07/2017 .	VARIOUS		450,572	490,000	456,472	139,642	0	1,443	0	1,443	457,929	0	(7,357)	(7,357)	16,212	10/01/2026 .	
3899999. 5	Subtotal - Bonds - Industrial and Misce	ellaneo	ous (Unaffil	iated)		32.819.843	31.817.330	32.923.655	17.659.732	2.939	(49, 452)	0	(46.513)	32.734.981	0	84.857	84.857	790.020	XXX	XXX
	Total - Bonds - Part 4		(	,		153.535.877	149.937.824	153.847.980	30,459,419	2,939	(262,442)	0	(259.503)	153,434,221	0	101,648	101.648	1.826.090	XXX	XXX
	Total - Bonds - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
												1								
	Total - Bonds					153,535,877	149,937,824	153,847,980	30,459,419	2,939	(262, 442)	0	(259,503)	153,434,221	0	101,648	101,648	1,826,090	XXX	XXX
	Total - Preferred Stocks - Part 4					0	XXX	0	0	0	0	0	0 (	0	0	0	0	0	XXX	XXX
8999998. 7	Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. 7	otal - Preferred Stocks			<u> </u>		0	XXX	0	0	0	0	0	0 0	0	0	0	0	0	XXX	XXX
921943-88-2	VANGUARD DEVELOPED MKTS INDEX INST		08/01/2017 _	VANGUARD GROUP	1,682,481.949	23,000,000		18,578,409	19,769,163	(1,190,754)	0	0	(1, 190, 754)	18,578,409	0	4,421,591	4,421,591	111,254		U
	VANGUARD EXTENDED MKT INDEX INSTL	[	07/28/2017 .	VANGUARD GROUP	80 , 132 . 280	6,300,000		5,021,890	5,827,219	(805,329)	0	0	(805,329)	5,021,890	0	1,278,110	1,278,110	26,962		U
	Subtotal - Common Stocks - Mutual Fi	unds				29,300,000	XXX	23,600,299	25,596,382	(1,996,083)	0	0	(1,996,083)	23,600,299	0	5,699,701	5,699,701	138,216	XXX	XXX
	Total - Common Stocks - Part 4					29,300,000	XXX	23,600,299	25,596,382	(1,996,083)	0	0	(1,996,083)	23,600,299	0	5,699,701	5,699,701	138,216	XXX	XXX
	Total - Common Stocks - Part 5					XXX	XXX	XXX XXX	XXX	XXX	XXX	XXX	XXX XXX	23,600,299 XXX	XXX	XXX	XXX	XXX	XXX	XXX
												^^^								
	Total - Common Stocks					29,300,000	XXX	23,600,299	25,596,382	(1,996,083)	0	0	(1,996,083)	23,600,299	0	5,699,701	5,699,701	138,216	XXX	XXX
	Total - Preferred and Common Stocks					29,300,000	XXX	23,600,299	25,596,382	(1,996,083)	0	0	(1,996,083)	23,600,299	0	5,699,701	5,699,701	138,216	XXX	XXX
9999999 -	Totals					182,835,877	XXX	177,448,279	56,055,801	(1,993,144)	(262, 442)	0	(2,255,586)	177,034,520	0	5,801,349	5,801,349	1,964,306	XXX	XXX
												•								

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

# Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open NONE

Schedule DB - Part B - Section 1 - Futures Contracts Open NONE

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made **NONE** 

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open NONE

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By **NONE** 

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To NONE

Schedule DL - Part 1 - Reinvested Collateral Assets Owned **NONE** 

Schedule DL - Part 2 - Reinvested Collateral Assets Owned NONE

# **SCHEDULE E - PART 1 - CASH**

Month	Fnd	Depository	Ralances
IVIOLILI	LIIU		Dalalices

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
			Amount of	Amount of	6	7	8	
			Interest Received	Interest Accrued				
		Rate of	During Current	at Current				
Depository	Code	Interest	Quarter	Statement Date	First Month	Second Month	Third Month	*
SunTrust Bank Nashville, TN		0.000	0	0	(33,908,218)	(31,321,248)	(32,441,310)	XXX
Wells Fargo Bank Roanoke, VA		0.000	0	0		(14, 191, 808)	(58, 138, 480)	.XXX.
Bank of New York Mellon Pittsburgh, PA		0.000	0	0	(1)	0	0	.XXX.
0199998. Deposits in 0 depositories that do not								
exceed the allowable limit in any one depository (See	XXX		_	_	_	_	_	
instructions) - Open Depositories		XXX	0	0	0	0	0	XXX
0199999. Totals - Open Depositories	XXX	XXX	0	0	(90,737,010)	(45,513,056)	(90,579,790)	XXX
0299998. Deposits in 0 depositories that do not								
exceed the allowable limit in any one depository (See	XXX				•	•	•	
instructions) - Suspended Depositories		XXX	0	0	0	0	0	XXX
0299999. Totals - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	(90,737,010)	(45,513,056)	(90,579,790)	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX	0	0	0	XXX
	·							
		·						
	·							
0599999. Total - Cash	XXX	XXX	0	0	(90,737,010)	(45,513,056)	(90,579,790)	XXX

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

Show Investments Owned End of Current Quarter

Show investments Owned End of Current Quarter										
1	2	3	4	5	6	7	8			
					Book/Adjusted	Amount of Interest	Amount Received			
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Carrying Value	Due and Accrued	During Year			
UNITED STATES TREAS BILLS		09/28/2017	0.000		15,298,677	567	0			
0199999. Subtotal - Bonds - U.S. Governments - Issuer Obligations	15,298,677	567	0							
0599999. Total - U.S. Government Bonds					15,298,677	567	0			
1099999. Total - All Other Government Bonds	0	0	0							
1799999. Total - U.S. States, Territories and Possessions Bonds	0	0	0							
2499999. Total - U.S. Political Subdivisions Bonds	0	0	0							
3199999. Total - U.S. Special Revenues Bonds	0	0	0							
3899999. Total - Industrial and Miscellaneous (Unaffiliated) Bonds						0	0			
4899999. Total - Hybrid Securities					0	0	0			
5599999. Total - Parent, Subsidiaries and Affiliates Bonds						0	0			
6099999. Subtotal - SVO Identified Funds					0	0	0			
7799999. Total - Issuer Obligations					15,298,677	567	0			
7899999. Total - Residential Mortgage-Backed Securities					0	0	0			
7999999. Total - Commercial Mortgage-Backed Securities						0	0			
8099999. Total - Other Loan-Backed and Structured Securities					0	0	0			
8199999. Total - SVO Identified Funds					0	0	0			
8399999. Total Bonds					15,298,677	567	0			
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8699999 - Total Cash Equivalents	15,298,677	567	0							