

**QUARTERLY STATEMENT
OF THE
Volunteer State Health Plan, Inc.**

**of
Chattanooga
in the state of
Tennessee**

**TO THE
Insurance Department
OF THE STATE OF
Tennessee**

**FOR THE QUARTER ENDED
JUNE 30, 2016**

2016



QUARTERLY STATEMENT
AS OF JUNE 30, 2016
OF THE CONDITION AND AFFAIRS OF THE
Volunteer State Health Plan, Inc.

NAIC Group Code 3498 (Current Period) , 3498 (Prior Period) NAIC Company Code 14046 Employer's ID Number 62-1656610

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

Country of Domicile United States

Licensed as business type: Life, Accident & Health[] Property/Casualty[] Hospital, Medical & Dental Service or Indemnity[]
 Dental Service Corporation[] Vision Service Corporation[] Health Maintenance Organization[X]
 Other[] Is HMO Federally Qualified? Yes[] No[X] N/A[]

Incorporated/Organized 07/11/1996 Commenced Business 11/01/1996

Statutory Home Office 1 Cameron Hill Circle , Chattanooga, TN, US 37402-0001
 (Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1 Cameron Hill Circle
 (Street and Number)
Chattanooga, TN, US 37402-0001 (423)535-5600
 (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1 Cameron Hill Circle , Chattanooga, TN, US 37402-0001
 (Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1 Cameron Hill Circle
 (Street and Number)
Chattanooga, TN, US 37402-0001 (423)535-5600
 (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.bluecare.bcbst.com

Statutory Statement Contact Joseph DeWayne Moser (423)535-6894
 (Name) (Area Code)(Telephone Number)(Extension)
Joseph_Moser@bcbst.com (423)535-8331
 (E-Mail Address) (Fax Number)

CORPORATE OFFICERS

| Name | Title |
|----------------------------|-----------------------|
| Amber Jeanine Cambron | President & CEO |
| Toliver Ralph Woodard, Jr. | Treasurer |
| Shelia Dian Clemons | Secretary |
| James Kertz Rochat | Assistant Treasurer |
| Kristy Leanne White | Assistant Secretary # |

ADMINISTRATIVE OFFICERS

Jeanne James MD, VP, Chief Medical Officer # James Howard Srite, Actuary
 Patrick Timothy Sullivan, VP, Chief Operating Officer Joshua Trey White, Controller & Chief Accounting Officer

DIRECTORS OR TRUSTEES

Jason David Hickey, Chairperson John Francis Giblin
 Scott Christian Pierce

State of Tennessee
 County of Hamilton ss

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

Amber Jeanine Cambron
 (Signature)
 Amber Jeanine Cambron
 (Printed Name)
 1.
 President & Chief Executive Officer
 (Title)

Shelia Dian Clemons
 (Signature)
 Shelia Dian Clemons
 (Printed Name)
 2.
 Secretary
 (Title)

 (Signature)

 (Printed Name)
 3.

 (Title)

Subscribed and sworn to before me this 12 day of August, 2016

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

Yes[X] No[]

 0

 0

Miriam B. Blum
 (Notary Public Signature)

exp. 10/29/19



Statement of Actuarial Opinion

ACTUARIAL OPINION

TABLE of KEY INDICATORS

This Opinion is: Unqualified Qualified Adverse Inconclusive

IDENTIFICATION SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording Revised Wording

SCOPE SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording Revised Wording

RELIANCE SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording Revised Wording

OPINION SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording Revised Wording

RELEVANT COMMENTS

Revised Wording

The Actuarial Memorandum includes "Deviation from Standard" wording regarding conformity with an Actuarial Standard of Practice

IDENTIFICATION

I, James Howard Srite, FSA, MAAA, am an employee of Blue Cross and Blue Shield of Tennessee (BCBST), holding company for Volunteer State Health Plan, and a member of the American Academy of Actuaries. I was appointed on October 15, 2009 in accordance with the requirements of the annual statement instructions. I meet the Academy qualification standards for rendering the opinion.

SCOPE

I have examined the assumptions and methods used in determining loss reserves, actuarial liabilities and related items listed below, as shown in the annual statement of Volunteer State Health Plan as prepared for filing with state regulatory officials, as of June 30, 2016.

| | |
|---|----------------|
| A. Claims unpaid (Page 3, Line 1); | \$ 212,387,529 |
| B. Accrued medical incentive pool and bonus payments (Page 3, Line 2); | \$436,214 |
| C. Unpaid claims adjustment expenses (Page 3, Line 3); | \$ 8,110,957 |
| D. Aggregate health policy reserves (Page 3, Line 4) including unearned premium reserves and additional policy reserves from the Underwriting and Investment Exhibit – Part 2D; | \$200,000 |
| E. Aggregate life policy reserves (Page 3, Line 5); | \$0 |
| F. Property/casualty unearned premium reserves (Page 3, Line 6); | \$0 |
| G. Aggregate health claim reserves (Page 3, Line 7); and | \$0 |
| H. Any actuarial reserves or liabilities not included in the items above. | \$0 |
| I. Specified actuarial items presented as assets in the annual statement | |
| 1. Accrued retrospective premiums (included in page 2, line 15.3) | \$5,254,823 |

RELIANCE

In forming my opinion on loss reserves, I relied upon data prepared by Jeffrey Stuart Kay, FSA, MAAA, Valuation Actuary, by Joseph Dewayne Moser, Director of Financial Reporting, by Karen Nicole Holden, Manager of Health Plan Accounting, and by Jennifer Butler, Vice President of Applications Development, as certified in the attached statements. I evaluated that data for reasonableness and consistency. I also reconciled that data to the Underwriting and Investment Exhibit - Part 2B of the company's current annual statement. In other respects, my examination included review of the actuarial assumptions and actuarial methods used and tests of the calculations I considered necessary.

SAO

Statement of Actuarial Opinion

OPINION

In my opinion, the amounts carried in the balance sheet on account of the items identified above:

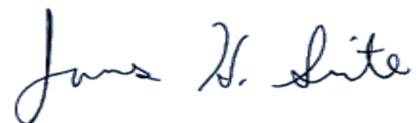
- A. Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles,
- B. Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared,
- C. Meet the requirements of the Insurance Laws and regulations of the State of Tennessee and are at least as great as the minimum aggregate amounts required by the state in which this statement is filed,
- D. Make good and sufficient provision for all unpaid claims and other actuarial liabilities of the organization under the terms of its contracts and agreements,
- E. Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end,
- F. Include appropriate provision for all actuarial items that ought to be established.

The Underwriting and Investment Exhibit – Part 2B was reviewed for reasonableness and consistency with the applicable Actuarial Standards of Practice.

Actuarial methods, considerations, and analyses used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis of this statement of opinion.

RELEVANT COMMENTS

This opinion has been prepared solely for the Board and the management of the Company, for filing with insurance regulatory agencies of states in which the Company is licensed, and for the Blue Cross and Blue Shield Association and is not intended for any other purpose.



Signature of Actuary

James Howard Srite, FSA, MAAA
Printed Name of Actuary

1 Cameron Hill Circle CH 1.5
Chattanooga, Tennessee 37402
Address of Actuary

423-535-8200
Telephone Number of Actuary

Date Opinion was Rendered

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|----------------------------|--|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 373,152,904 | 0 | 373,152,904 | 368,625,687 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | 0 | 0 | 0 | 0 |
| 2.2 Common stocks | 49,427,485 | 0 | 49,427,485 | 30,800,685 |
| 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 (\$.....32,685,722), cash equivalents (\$.....0) and short-term investments (\$.....144,139,487) | 176,825,209 | 0 | 176,825,209 | 359,611,709 |
| 6. Contract loans (including \$.....0 premium notes) | 0 | 0 | 0 | 0 |
| 7. Derivatives | 0 | 0 | 0 | 0 |
| 8. Other invested assets | 0 | 0 | 0 | 0 |
| 9. Receivables for securities | 29,687,834 | 0 | 29,687,834 | 0 |
| 10. Securities lending reinvested collateral assets | 0 | 0 | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 629,093,432 | 0 | 629,093,432 | 759,038,081 |
| 13. Title plants less \$.....0 charged off (for Title insurers only) | 0 | 0 | 0 | 0 |
| 14. Investment income due and accrued | 2,734,497 | 0 | 2,734,497 | 2,727,694 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 81,254,480 | 0 | 81,254,480 | 396,790 |
| 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 (\$.....5,254,823) and contracts subject to redetermination (\$.....0) | 5,254,823 | 0 | 5,254,823 | 2,580,000 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 0 | 0 | 0 | 0 |
| 16.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 0 | 0 | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | 21,399,450 | 0 | 21,399,450 | 21,662,081 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 0 | 0 | 0 | 0 |
| 18.2 Net deferred tax asset | 8,048,722 | 0 | 8,048,722 | 18,301,986 |
| 19. Guaranty funds receivable or on deposit | 0 | 0 | 0 | 0 |
| 20. Electronic data processing equipment and software | 0 | 0 | 0 | 0 |
| 21. Furniture and equipment, including health care delivery assets (\$.....0) | 0 | 0 | 0 | 0 |
| 22. Net adjustments in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 0 | 0 | 0 | 0 |
| 24. Health care (\$.....2,091,917) and other amounts receivable | 7,096,722 | 5,004,805 | 2,091,917 | 771,404 |
| 25. Aggregate write-ins for other-than-invested assets | 580,818 | 580,818 | 0 | 0 |
| 26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 755,462,944 | 5,585,623 | 749,877,321 | 805,478,036 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 | 0 | 0 |
| 28. TOTAL (Lines 26 and 27) | 755,462,944 | 5,585,623 | 749,877,321 | 805,478,036 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | 0 | 0 | 0 | 0 |
| 1102. | 0 | 0 | 0 | 0 |
| 1103. | 0 | 0 | 0 | 0 |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. Prepays and Other Miscellaneous | 580,818 | 580,818 | 0 | 0 |
| 2502. | 0 | 0 | 0 | 0 |
| 2503. | 0 | 0 | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | 580,818 | 580,818 | 0 | 0 |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|--|----------------|----------------|-------------|-------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$.....0 reinsurance ceded) | 212,387,529 | 0 | 212,387,529 | 190,476,505 |
| 2. Accrued medical incentive pool and bonus amounts | 436,214 | 0 | 436,214 | 694,583 |
| 3. Unpaid claims adjustment expenses | 8,110,957 | 0 | 8,110,957 | 7,834,589 |
| 4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act | 200,000 | 0 | 200,000 | 400,000 |
| 5. Aggregate life policy reserves | 0 | 0 | 0 | 0 |
| 6. Property/casualty unearned premium reserve | 0 | 0 | 0 | 0 |
| 7. Aggregate health claim reserves | 0 | 0 | 0 | 0 |
| 8. Premiums received in advance | 0 | 0 | 0 | 169,792,096 |
| 9. General expenses due or accrued | 20,826,001 | 0 | 20,826,001 | 18,061,458 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) | 0 | 0 | 0 | 0 |
| 10.2 Net deferred tax liability | 0 | 0 | 0 | 0 |
| 11. Ceded reinsurance premiums payable | 0 | 0 | 0 | 0 |
| 12. Amounts withheld or retained for the account of others | 28,725 | 0 | 28,725 | 10,919 |
| 13. Remittances and items not allocated | 5,084,606 | 0 | 5,084,606 | 4,726,127 |
| 14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) | 0 | 0 | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates | 33,910,327 | 0 | 33,910,327 | 34,160,004 |
| 16. Derivatives | 0 | 0 | 0 | 0 |
| 17. Payable for securities | 31,909,618 | 0 | 31,909,618 | 3,576,279 |
| 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 | 0 | 0 |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 | 0 |
| 22. Liability for amounts held under uninsured plans | 284,711 | 0 | 284,711 | 391,067 |
| 23. Aggregate write-ins for other liabilities (including \$.....0 current) | 67,905,259 | 0 | 67,905,259 | 44,522,993 |
| 24. Total liabilities (Lines 1 to 23) | 381,083,947 | 0 | 381,083,947 | 474,646,620 |
| 25. Aggregate write-ins for special surplus funds | X X X | X X X | 0 | 31,512,055 |
| 26. Common capital stock | X X X | X X X | 10 | 10 |
| 27. Preferred capital stock | X X X | X X X | 0 | 0 |
| 28. Gross paid in and contributed surplus | X X X | X X X | 155,299,990 | 155,299,990 |
| 29. Surplus notes | X X X | X X X | 0 | 0 |
| 30. Aggregate write-ins for other-than-special surplus funds | X X X | X X X | 0 | 0 |
| 31. Unassigned funds (surplus) | X X X | X X X | 213,493,374 | 144,019,361 |
| 32. Less treasury stock, at cost: | | | | |
| 32.10 shares common (value included in Line 26 \$.....0) | X X X | X X X | 0 | 0 |
| 32.20 shares preferred (value included in Line 27 \$.....0) | X X X | X X X | 0 | 0 |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | X X X | X X X | 368,793,374 | 330,831,416 |
| 34. Total Liabilities, capital and surplus (Lines 24 and 33) | X X X | X X X | 749,877,321 | 805,478,036 |
| DETAILS OF WRITE-INS | | | | |
| 2301. Insured Premium Tax Payable | 36,985,418 | 0 | 36,985,418 | 37,246,661 |
| 2302. ACA Tax Payable | 30,594,368 | 0 | 30,594,368 | 0 |
| 2303. Pending Escheatment to State | 325,473 | 0 | 325,473 | 301,296 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 | 6,975,036 |
| 2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) | 67,905,259 | 0 | 67,905,259 | 44,522,993 |
| 2501. ACA 2016 Annual Assessment Fee | X X X | X X X | 0 | 31,512,055 |
| 2502. | X X X | X X X | 0 | 0 |
| 2503. | X X X | X X X | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | X X X | X X X | 0 | 0 |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | X X X | X X X | 0 | 31,512,055 |
| 3001. | X X X | X X X | 0 | 0 |
| 3002. | X X X | X X X | 0 | 0 |
| 3003. | X X X | X X X | 0 | 0 |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | X X X | X X X | 0 | 0 |
| 3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) | X X X | X X X | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date | Prior Year Ended December 31 |
|---|----------------------|---------------|--------------------|------------------------------|
| | 1 Uncovered | 2 Total | 3 Total | 4 Total |
| 1. Member Months | X X X | 3,244,926 | 2,863,217 | 5,967,655 |
| 2. Net premium income (including \$.....0 non-health premium income) | X X X | 1,214,398,807 | 1,053,784,527 | 2,197,139,098 |
| 3. Change in unearned premium reserves and reserves for rate credits | X X X | 200,000 | 0 | (400,000) |
| 4. Fee-for-service (net of \$.....0 medical expenses) | X X X | 0 | 0 | 0 |
| 5. Risk revenue | X X X | 0 | 0 | 0 |
| 6. Aggregate write-ins for other health care related revenues | X X X | 0 | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | X X X | 0 | 0 | 0 |
| 8. Total revenues (Lines 2 to 7) | X X X | 1,214,598,807 | 1,053,784,527 | 2,196,739,098 |
| Hospital and Medical: | | | | |
| 9. Hospital/medical benefits | 0 | 745,304,102 | 627,794,087 | 1,325,453,190 |
| 10. Other professional services | 0 | 200,446,893 | 167,419,399 | 366,198,098 |
| 11. Outside referrals | 0 | 0 | 0 | 0 |
| 12. Emergency room and out-of-area | 0 | 6,952,652 | 26,137,396 | 40,126,513 |
| 13. Prescription drugs | 0 | 5,280,082 | 3,182,543 | 6,620,317 |
| 14. Aggregate write-ins for other hospital and medical | 0 | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts | 0 | 332,797 | (52,121) | 1,918,045 |
| 16. Subtotal (Lines 9 to 15) | 0 | 958,316,526 | 824,481,304 | 1,740,316,163 |
| Less: | | | | |
| 17. Net reinsurance recoveries | 0 | 0 | 0 | 0 |
| 18. Total hospital and medical (Lines 16 minus 17) | 0 | 958,316,526 | 824,481,304 | 1,740,316,163 |
| 19. Non-health claims (net) | 0 | 0 | 0 | 0 |
| 20. Claims adjustment expenses, including \$.....29,485,978 cost containment expenses | 0 | 51,115,496 | 54,955,475 | 109,775,251 |
| 21. General administrative expenses | 0 | 138,039,747 | 116,097,219 | 219,795,154 |
| 22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) | 0 | 0 | 0 | 0 |
| 23. Total underwriting deductions (Lines 18 through 22) | 0 | 1,147,471,769 | 995,533,998 | 2,069,886,568 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | X X X | 67,127,038 | 58,250,529 | 126,852,530 |
| 25. Net investment income earned | 0 | 4,163,397 | 2,701,794 | 4,799,222 |
| 26. Net realized capital gains (losses) less capital gains tax of \$.....0 | 0 | (907,597) | 258,639 | 596,093 |
| 27. Net investment gains or (losses) (Lines 25 plus 26) | 0 | 3,255,800 | 2,960,433 | 5,395,315 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] | 0 | 0 | 0 | 0 |
| 29. Aggregate write-ins for other income or expenses | 0 | 0 | 0 | 0 |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) | X X X | 70,382,838 | 61,210,962 | 132,247,845 |
| 31. Federal and foreign income taxes incurred | X X X | 23,221,670 | 20,836,044 | 57,035,301 |
| 32. Net income (loss) (Lines 30 minus 31) | X X X | 47,161,168 | 40,374,918 | 75,212,544 |
| DETAILS OF WRITE-INS | | | | |
| 0601. | X X X | 0 | 0 | 0 |
| 0602. | X X X | 0 | 0 | 0 |
| 0603. | X X X | 0 | 0 | 0 |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | X X X | 0 | 0 | 0 |
| 0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) | X X X | 0 | 0 | 0 |
| 0701. | X X X | 0 | 0 | 0 |
| 0702. | X X X | 0 | 0 | 0 |
| 0703. | X X X | 0 | 0 | 0 |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | X X X | 0 | 0 | 0 |
| 0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) | X X X | 0 | 0 | 0 |
| 1401. | 0 | 0 | 0 | 0 |
| 1402. | 0 | 0 | 0 | 0 |
| 1403. | 0 | 0 | 0 | 0 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 | 0 |
| 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) | 0 | 0 | 0 | 0 |
| 2901. | 0 | 0 | 0 | 0 |
| 2902. | 0 | 0 | 0 | 0 |
| 2903. | 0 | 0 | 0 | 0 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 | 0 |
| 2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) | 0 | 0 | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 | 2 | 3 |
|--|-------------------------|-----------------------|------------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| CAPITAL & SURPLUS ACCOUNT | | | |
| 33. Capital and surplus prior reporting year | 330,831,416 | 330,054,375 | 330,054,375 |
| 34. Net income or (loss) from Line 32 | 47,161,168 | 40,374,918 | 75,212,544 |
| 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 \$.....0 | 3,038,484 | (69,200) | 1,338,448 |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | 0 | 0 | 0 |
| 38. Change in net deferred income tax | (10,420,322) | (9,322,541) | 2,428,692 |
| 39. Change in nonadmitted assets | (1,817,372) | (1,273,341) | (1,402,643) |
| 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 | (17,000,000) |
| 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 | (59,800,000) |
| 47. Aggregate write-ins for gains or (losses) in surplus | 0 | 0 | 0 |
| 48. Net change in capital and surplus (Lines 34 to 47) | 37,961,958 | 29,709,836 | 777,041 |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 368,793,374 | 359,764,211 | 330,831,416 |
| DETAILS OF WRITE-INS | | | |
| 4701. | 0 | 0 | 0 |
| 4702. | 0 | 0 | 0 |
| 4703. | 0 | 0 | 0 |
| 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 | 0 | 0 |

| Report #2A: TennCare Select Only | | | |
|---|--------------------|--------------------|--------------------|
| Member Months | Current Year | | Previous Year |
| | Current Period | Year-to-Date Total | Total |
| | 218,733 | 439,769 | 744,786 |
| Estimated Revenues: | | | |
| 1. TennCare Capitation | 105,214,966 | 212,137,455 | 431,908,069 |
| 2. Investment | - | - | - |
| 3. Other Revenues | - | - | - |
| 4. Total Estimated Revenues (Lines 1 to 3) | 105,214,966 | 212,137,455 | 431,908,069 |
| Estimated Expenses: | | | |
| Hospital and Medical (w/o Mental Health) | | | |
| 5. Capitated Physician Services | 255,910 | 525,584 | 1,145,405 |
| 6. Fee-for Service Physician Services | 11,769,553 | 23,689,022 | 49,229,461 |
| 7. Inpatient Hospital Services | 14,405,602 | 29,267,293 | 64,142,338 |
| 8. Outpatient Hospital Services | 8,813,814 | 17,767,293 | 37,676,211 |
| 9. Emergency Room Services | (2,715) | 5,905 | 4,380,237 |
| 10. Dental Services | 16 | 16 | 348 |
| 11. Vision Services | 112,952 | 234,204 | 470,989 |
| 12. Pharmacy Services | - | - | - |
| 13. Home Health Services | 31,941,156 | 64,115,825 | 126,509,031 |
| 14. Chiropractic Services | - | - | - |
| 15. Radiology Services | 338,326 | 637,079 | 1,217,488 |
| 16. Laboratory Services | 223,053 | 445,634 | 1,006,424 |
| 17. Durable Medical Equipment Services | 5,646,905 | 11,871,957 | 23,783,658 |
| 18. Transportation Services | 1,149,541 | 2,343,039 | 4,717,196 |
| 19. Outside Referrals | - | - | - |
| 20. Medical Incentive Pool and Withhold Adj | 4,809 | 16,738 | 206,650 |
| 21. Occupancy, Depreciation and Amortization | - | - | - |
| 22. Nursing Facility Care | 275,622 | 383,167 | 351,293 |
| 23. HCBS Services | 1,459 | 1,459 | 1,350 |
| 24. Other Medical and Hospital Services - Write-Ins | 1,113,521 | 2,406,438 | 6,256,178 |
| 25. Subtotal Medical and Hospital (Lines 5 to 24) | 76,049,524 | 153,710,653 | 321,094,257 |
| Mental Health and Substance Abuse Services | | | |
| 26. Inpatient Psychiatric Facility Services | 2,225,959 | 4,099,156 | 8,510,141 |
| 27. Inpatient Substance Abuse Treatment and Detox | 23,429 | 140,725 | 309,883 |
| 28. Outpatient Mental Health Services | 5,996,332 | 11,997,074 | 21,505,410 |
| 29. Outpatient Substance Abuse Treatment and Detox | - | - | (10,599) |
| 30. Housing/Residential Treatment | 3,144,494 | 6,046,572 | 9,517,966 |
| 31. Specialized Crisis Services | 300,401 | 607,127 | 1,126,111 |
| 32. Psychiatric Rehab and Support Services | 116,230 | 203,237 | 358,285 |
| 33. Case Management | 1,741,157 | 3,679,405 | 7,892,708 |
| 34. Forensics | - | - | - |
| 35. Other Judicial | - | - | - |
| 36. Pharmacy | - | - | - |
| 37. Lab Services | 30,757 | 61,255 | 80,027 |
| 38. Transportation | - | - | - |
| 39. Medical Incentive Pool and Withhold Adjustments | - | - | - |
| 40. Occupancy, Depreciation and Amortization | - | - | - |
| 41. Other Mental Health and Substance Abuse Services | 281,396 | 541,155 | 1,917,066 |
| 42. PCP and Specialist Services | - | - | - |
| 43. Other Mental Health Services - Write-Ins | - | - | - |
| 44. Subtotal MH & SAS (Lines 26 to 43) | 13,860,155 | 27,375,706 | 51,206,998 |
| 45. Subtotal Hospital, Medical, MH&SAS (Lines 25 and 44) | 89,909,679 | 181,086,359 | 372,301,255 |
| LESS: | | | |
| 46. Net Reinsurance Recoveries Incurred | - | - | - |
| 47. Copayments | 8,016 | 14,449 | 16,275 |
| 48. Subrogation and Coordination of Benefits | - | - | 60,511 |
| 49. Subtotal Reinsurance, Copay, Subrogation (Lines 46 to 48) | 8,016 | 14,449 | 76,786 |
| 50. Total Hospital, Medical, MH&SAS (Lines 45 and 49) | 89,901,663 | 181,071,910 | 372,224,469 |
| Administration: | | | |
| 51. Compensation | 4,725,004 | 9,943,394 | 18,291,925 |
| 52. Marketing | 21,956 | 46,205 | 84,999 |
| 53. Interest Expense | - | - | - |
| 54. Premium Tax Expense | 6,312,898 | 12,728,247 | 24,877,407 |
| 55. Occupancy, Depreciation, and Amortization | 320,114 | 673,655 | 1,239,260 |
| 56. Other Administration - Write-Ins | 2,036,648 | 4,285,965 | 7,884,482 |
| 57. Total Administration Expenses (Lines 51 to 56) | 13,416,620 | 27,677,466 | 52,378,073 |
| 58. Total Expenses (Lines 50 and 57) | 103,318,283 | 208,749,376 | 424,602,542 |
| 59. Extraordinary Item | - | - | - |
| 60. Provision for Income Tax | 748,098 | 637,263 | 2,685,705 |
| 61. Net Income (Loss) (Line 4 Less Lines 58, 59 and 60) | 1,148,585 | 2,750,816 | 4,619,822 |
| Write-Ins for Other Expense | | | |
| Detail of Other Revenues | | | |
| 0301. | - | - | - |
| 0399. Total Other Revenues | - | - | - |
| Detail of Other Medical and Hospital: | | | |
| 2201. PT/OT/ST, Supplies, Prosthetics, etc. | 1,268,040 | 2,614,343 | 5,567,266 |
| 2202. Bad Debt Expense | (154,519) | (207,905) | 688,912 |
| 2203. Out of Area Claims Expense | - | - | - |
| 2299. Total Other Medical and Hospital | 1,113,521 | 2,406,438 | 6,256,178 |
| Detail of Other MH & SAS: | | | |
| 4101. | - | - | - |
| 4102. | - | - | - |
| 4103. | - | - | - |
| 4199. Total Other MH & SAS | - | - | - |
| Detail of Other Administration: | | | |
| 5601. Equipment Rental | 849,179 | 1,787,030 | 3,287,429 |
| 5602. Legal Fees, Books, Board and Assoc. fees, Collection fees, etc. | 377,739 | 794,922 | 1,462,342 |
| 5603. Auditing, Actuarial, and Other Consulting | 304,315 | 640,408 | 1,178,099 |
| 5604. Outsourced Services | 247,552 | 520,954 | 958,349 |
| 5605. Postage/Telephone | 172,916 | 363,888 | 669,410 |
| 5606. Printing and Stationary | 84,947 | 178,763 | 328,853 |
| 5699. Total Other Administration | 2,036,648 | 4,285,965 | 7,884,482 |

| Report #2A: BlueCare West Only | | | |
|---|-----------------------|---------------------------|----------------------|
| | Current Year | | Previous Year |
| | Current Period | Year-to-Date Total | Total |
| Member Months | 461,978 | 916,003 | 1,766,682 |
| Estimated Revenues: | | | |
| 1. TennCare Capitation | 149,131,777 | 296,540,323 | 613,184,517 |
| 2. Investment | 590,822 | 940,413 | 1,612,713 |
| 3. Other Revenues | (668,450) | 12,731,579 | 17,982,486 |
| 4. Total Estimated Revenues (Lines 1 to 3) | 149,054,149 | 310,212,315 | 632,779,716 |
| Estimated Expenses: | | | |
| Hospital and Medical (w/o Mental Health) | | | |
| 5. Capitated Physician Services | - | - | - |
| 6. Fee-for Service Physician Services | 22,419,278 | 47,652,690 | 92,954,767 |
| 7. Inpatient Hospital Services | 20,565,855 | 38,404,026 | 80,285,098 |
| 8. Outpatient Hospital Services | 22,876,735 | 36,771,452 | 60,906,215 |
| 9. Emergency Room Services | (186,020) | 1,521,172 | 13,025,021 |
| 10. Dental Services | - | - | - |
| 11. Vision Services | 122,244 | 252,545 | 467,948 |
| 12. Pharmacy Services | - | - | - |
| 13. Home Health Services | 5,412,655 | 10,772,788 | 23,266,307 |
| 14. Chiropractic Services | - | - | - |
| 15. Radiology Services | 983,641 | 1,991,658 | 4,167,195 |
| 16. Laboratory Services | 904,252 | 1,851,605 | 3,769,854 |
| 17. Durable Medical Equipment Services | 1,920,000 | 4,093,432 | 7,684,658 |
| 18. Transportation Services | 3,137,946 | 6,280,896 | 12,326,843 |
| 19. Outside Referrals | - | - | - |
| 20. Medical Incentive Pool and Withhold Adj | 52,487 | 87,372 | 423,586 |
| 21. Occupancy, Depreciation and Amortization | - | - | - |
| 22. Nursing Facility Care | 21,462,390 | 41,999,698 | 95,626,543 |
| 23. HCBS Services | 12,569,349 | 24,226,659 | 47,146,468 |
| 24. Other Medical and Hospital Services - Write-Ins | 3,478,144 | 6,479,643 | 11,650,834 |
| 25. Subtotal Medical and Hospital (Lines 5 to 24) | 115,718,956 | 222,385,636 | 453,701,337 |
| Mental Health and Substance Abuse Services | | | |
| 26. Inpatient Psychiatric Facility Services | 2,189,677 | 4,501,201 | 9,736,642 |
| 27. Inpatient Substance Abuse Treatment and Detox | 195,435 | 534,299 | 941,938 |
| 28. Outpatient Mental Health Services | 2,068,931 | 4,096,132 | 8,120,362 |
| 29. Outpatient Substance Abuse Treatment and Detox | - | - | (10,310) |
| 30. Housing/Residential Treatment | 3,133,040 | 6,103,387 | 11,987,735 |
| 31. Specialized Crisis Services | 426,637 | 864,622 | 1,717,280 |
| 32. Psychiatric Rehab and Support Services | 292,440 | 503,031 | 1,142,366 |
| 33. Case Management | 1,244,415 | 2,514,451 | 6,160,117 |
| 34. Forensics | - | - | - |
| 35. Other Judicial | - | - | - |
| 36. Pharmacy | - | - | - |
| 37. Lab Services | 45,977 | 76,104 | 96,358 |
| 38. Transportation | - | - | - |
| 39. Medical Incentive Pool and Withhold Adjustments | - | - | - |
| 40. Occupancy, Depreciation and Amortization | - | - | - |
| 41. Other Mental Health and Substance Abuse Services | 210,184 | 303,235 | 698,068 |
| 42. PCP and Specialist Services | - | - | - |
| 43. Other Mental Health Services - Write-Ins | - | - | - |
| 44. Subtotal MH & SAS (Lines 26 to 43) | 9,806,736 | 19,496,462 | 40,590,556 |
| 45. Subtotal Hospital, Medical, MH&SAS (Lines 25 and 44) | 125,525,692 | 241,882,098 | 494,291,893 |
| LESS: | | | |
| 46. Net Reinsurance Recoveries Incurred | - | - | - |
| 47. Copayments | 8,651 | 17,369 | 39,495 |
| 48. Subrogation and Coordination of Benefits | - | - | (1,504) |
| 49. Subtotal Reinsurance, Copay, Subrogation (Lines 46 to 48) | 8,651 | 17,369 | 37,991 |
| 50. Total Hospital, Medical, MH&SAS, (Lines 45 and 49) | 125,517,041 | 241,864,729 | 494,253,902 |
| Administration: | | | |
| 51. Compensation | 8,252,986 | 16,795,075 | 34,975,095 |
| 52. Marketing | 38,350 | 78,043 | 162,522 |
| 53. Health Insurer Fee | (408,423) | 7,778,995 | 10,814,411 |
| 54. Premium Tax Expense | 8,907,800 | 18,556,314 | 36,330,062 |
| 55. Occupancy, Depreciation, and Amortization | 559,131 | 1,137,850 | 2,369,529 |
| 56. Other Administration - Write-Ins | 3,557,337 | 7,239,286 | 15,075,535 |
| 57. Total Administration Expenses (Lines 51 to 56) | 20,907,181 | 51,585,563 | 99,727,154 |
| 58. Total Expenses (Lines 50 and 57) | 146,424,222 | 293,450,292 | 593,981,056 |
| 59. Extraordinary Item | - | - | - |
| 60. Provision for Income Tax | 2,769,846 | 5,629,059 | 17,820,032 |
| 61. Net Income (Loss) (Line 4 Less Lines 58, 59 and 60) | (139,919) | 11,132,964 | 20,978,628 |
| Write-Ins for Other Expense | | | |
| Detail of Other Revenues | | | |
| 0301. Insurer Provider Revenue | (668,450) | 12,731,579 | 17,699,527 |
| 0302. Pay-for-Performance Bonus | - | - | 282,959 |
| 0399. Total Other Revenues | (668,450) | 12,731,579 | 17,982,486 |
| Detail of Other Medical and Hospital: | | | |
| 2201. PT/OT/ST, Supplies, Prosthetics, etc. | 3,447,793 | 6,588,587 | 11,366,645 |
| 2202. Bad Debt Expense | 30,351 | (108,944) | 284,278 |
| 2203. Out of Area Claims Expense | - | - | (89) |
| 2299. Total Other Medical and Hospital | 3,478,144 | 6,479,643 | 11,650,834 |
| Detail of Other MH & SAS: | | | |
| 4101. | - | - | - |
| 4102. | - | - | - |
| 4103. | - | - | - |
| 4199. Total Other MH & SAS | - | - | - |
| Detail of Other Administration: | | | |
| 5601. Equipment Rental | 1,483,231 | 3,018,418 | 6,285,737 |
| 5602. Legal Fees, Books, Board and Assoc. fees, Collection fees, etc. | 659,783 | 1,342,677 | 2,796,073 |
| 5603. Auditing, Actuarial, and Other Consulting | 531,537 | 1,081,693 | 2,252,584 |
| 5604. Outsourced Services | 432,389 | 879,925 | 1,832,412 |
| 5605. Postage/Telephone | 302,025 | 614,631 | 1,279,946 |
| 5606. Printing and Stationary | 148,372 | 301,942 | 628,783 |
| 5699. Total Other Administration | 3,557,337 | 7,239,286 | 15,075,535 |

| Report #2A: BlueCare East Only | | | |
|---|--------------------|--------------------|--------------------|
| Member Months | Current Year | | Previous Year |
| | Current Period | Year-to-Date Total | Total |
| | 626,360 | 1,245,163 | 2,308,193 |
| Estimated Revenues: | | | |
| 1. TennCare Capitation | 214,640,405 | 428,270,812 | 820,992,914 |
| 2. Investment | 804,058 | 1,282,194 | 2,093,614 |
| 3. Other Revenues | (1,108,577) | 19,305,205 | 25,119,537 |
| 4. Total Estimated Revenues (Lines 1 to 3) | 214,335,886 | 448,858,211 | 848,206,065 |
| Estimated Expenses: | | | |
| Hospital and Medical (w/o Mental Health) | | | |
| 5. Capitated Physician Services | - | - | - |
| 6. Fee-for Service Physician Services | 36,074,389 | 79,186,643 | 144,551,528 |
| 7. Inpatient Hospital Services | 35,847,176 | 78,168,648 | 152,739,844 |
| 8. Outpatient Hospital Services | 25,234,058 | 47,392,597 | 76,591,679 |
| 9. Emergency Room Services | (204,559) | 1,761,595 | 12,098,387 |
| 10. Dental Services | 3,859 | 6,118 | 8,168 |
| 11. Vision Services | 159,358 | 340,166 | 665,412 |
| 12. Pharmacy Services | - | - | - |
| 13. Home Health Services | 6,566,441 | 13,703,156 | 28,541,432 |
| 14. Chiropractic Services | - | - | - |
| 15. Radiology Services | 1,468,350 | 3,074,159 | 5,616,374 |
| 16. Laboratory Services | 1,096,772 | 2,508,669 | 6,354,609 |
| 17. Durable Medical Equipment Services | 3,357,413 | 7,444,463 | 13,390,742 |
| 18. Transportation Services | 4,329,529 | 8,587,595 | 16,327,825 |
| 19. Outside Referrals | - | - | - |
| 20. Medical Incentive Pool and Withhold Adj | 164,225 | 241,144 | 1,194,818 |
| 21. Occupancy, Depreciation and Amortization | - | - | - |
| 22. Nursing Facility Care | 28,311,020 | 56,923,665 | 124,613,020 |
| 23. HCBS Services | 9,967,261 | 19,460,627 | 37,679,867 |
| 24. Other Medical and Hospital Services - Write-Ins | 4,137,924 | 8,199,966 | 14,183,408 |
| 25. Subtotal Medical and Hospital (Lines 5 to 24) | 156,513,216 | 326,999,211 | 634,557,113 |
| Mental Health and Substance Abuse Services | | | |
| 26. Inpatient Psychiatric Facility Services | 1,557,937 | 3,284,988 | 6,874,610 |
| 27. Inpatient Substance Abuse Treatment and Detox | 177,777 | 322,815 | 536,917 |
| 28. Outpatient Mental Health Services | 3,748,978 | 7,315,153 | 12,767,324 |
| 29. Outpatient Substance Abuse Treatment and Detox | - | - | - |
| 30. Housing/Residential Treatment | 2,846,510 | 5,580,470 | 11,150,141 |
| 31. Specialized Crisis Services | 773,753 | 1,535,542 | 2,721,849 |
| 32. Psychiatric Rehab and Support Services | 786,996 | 1,317,508 | 2,133,848 |
| 33. Case Management | 3,520,659 | 7,115,915 | 14,140,823 |
| 34. Forensics | - | - | - |
| 35. Other Judicial | - | - | - |
| 36. Pharmacy | - | - | - |
| 37. Lab Services | 60,259 | 110,476 | 164,803 |
| 38. Transportation | - | - | - |
| 39. Medical Incentive Pool and Withhold Adjustments | - | - | - |
| 40. Occupancy, Depreciation and Amortization | - | - | - |
| 41. Other Mental Health and Substance Abuse Services | 435,926 | 831,483 | 1,929,800 |
| 42. PCP and Specialist Services | - | - | - |
| 43. Other Mental Health Services - Write-Ins | - | - | - |
| 44. Subtotal MH & SAS (Lines 26 to 43) | 13,908,795 | 27,414,350 | 52,420,115 |
| 45. Subtotal Hospital, Medical, MH&SAS (Lines 25 and 44) | 170,422,011 | 354,413,561 | 686,977,228 |
| LESS: | | | |
| 46. Net Reinsurance Recoveries Incurred | - | - | - |
| 47. Copayments | 19,618 | 38,723 | 78,694 |
| 48. Subrogation and Coordination of Benefits | - | - | 2,561 |
| 49. Subtotal Reinsurance, Copay, Subrogation (Lines 46 to 48) | 19,618 | 38,723 | 81,255 |
| 50. Total Hospital, Medical, MH&SAS, (Lines 45 and 49) | 170,402,393 | 354,374,838 | 686,895,973 |
| Administration: | | | |
| 51. Compensation | 10,430,284 | 21,396,478 | 44,430,557 |
| 52. Marketing | 48,467 | 99,426 | 206,461 |
| 53. Health Insurer Fee | (677,341) | 11,795,480 | 15,213,006 |
| 54. Premium Tax Expense | 12,811,910 | 26,854,561 | 48,823,100 |
| 55. Occupancy, Depreciation, and Amortization | 706,642 | 1,449,591 | 3,010,126 |
| 56. Other Administration - Write-Ins | 4,495,829 | 9,222,656 | 19,151,182 |
| 57. Total Administration Expenses (Lines 51 to 56) | 27,815,791 | 70,818,192 | 130,834,432 |
| 58. Total Expenses (Lines 50 and 57) | 198,218,184 | 425,193,030 | 817,730,405 |
| 59. Extraordinary Item | - | - | - |
| 60. Provision for Income Tax | 2,811,223 | 8,206,043 | 16,216,932 |
| 61. Net Income (Loss) (Line 4 Less Lines 58, 59 and 60) | 13,306,479 | 15,459,138 | 14,258,728 |
| Write-Ins for Other Expense | | | |
| Detail of Other Revenues | | | |
| 0301. Insurer Provider Revenue | (1,108,577) | 19,305,205 | 24,898,537 |
| 0302. Pay-for-Performance Bonus | - | - | 221,000 |
| 0399. Total Other Revenues | (1,108,577) | 19,305,205 | 25,119,537 |
| Detail of Other Medical and Hospital: | | | |
| 2201. PT/OT/ST, Supplies, Prosthetics, etc. | 4,028,599 | 8,246,917 | 13,766,692 |
| 2202. Bad Debt Expense | 109,325 | (46,951) | 416,716 |
| 2203. Out of Area Claims Expense | - | - | - |
| 2299. Total Other Medical and Hospital | 4,137,924 | 8,199,966 | 14,183,408 |
| Detail of Other MH & SAS: | | | |
| 4101. | - | - | - |
| 4102. | - | - | - |
| 4103. | - | - | - |
| 4199. Total Other MH & SAS | - | - | - |
| Detail of Other Administration: | | | |
| 5601. Equipment Rental | 1,874,532 | 3,845,379 | 7,985,074 |
| 5602. Legal Fees, Books, Board and Assoc. fees, Collection fees, etc. | 833,845 | 1,710,534 | 3,551,987 |
| 5603. Auditing, Actuarial, and Other Consulting | 671,767 | 1,378,049 | 2,861,568 |
| 5604. Outsourced Services | 546,463 | 1,121,003 | 2,327,802 |
| 5605. Postage/Telephone | 381,706 | 783,024 | 1,625,977 |
| 5606. Printing and Stationary | 187,516 | 384,667 | 798,774 |
| 5699. Total Other Administration | 4,495,829 | 9,222,656 | 19,151,182 |

| Report #2A: BlueCare Middle Only | | | |
|---|--------------------|--------------------|--------------------|
| Member Months | Current Year | | Previous Year |
| | Current Period | Year-to-Date Total | Total |
| | 518,354 | 1,023,122 | 1,822,136 |
| Estimated Revenues: | | | |
| 1. TennCare Capitation | 188,469,055 | 373,385,258 | 650,417,989 |
| 2. Investment | 668,045 | 1,062,272 | 1,710,498 |
| 3. Other Revenues | (725,234) | 15,835,407 | - |
| 4. Total Estimated Revenues (Lines 1 to 3) | 188,411,866 | 390,282,937 | 652,128,487 |
| Estimated Expenses: | | | |
| Hospital and Medical (w/o Mental Health) | | | |
| 5. Capitated Physician Services | - | - | - |
| 6. Fee-for Service Physician Services | 46,889,457 | 80,894,241 | 99,058,095 |
| 7. Inpatient Hospital Services | 56,578,157 | 84,898,013 | 118,010,785 |
| 8. Outpatient Hospital Services | 39,051,729 | 56,116,413 | 56,607,810 |
| 9. Emergency Room Services | 505,896 | 3,628,660 | 13,692,822 |
| 10. Dental Services | 1,473 | 1,053 | 1,976 |
| 11. Vision Services | 216,501 | 362,769 | 450,960 |
| 12. Pharmacy Services | - | - | - |
| 13. Home Health Services | 2,851,857 | 4,632,293 | 5,449,608 |
| 14. Chiropractic Services | - | - | - |
| 15. Radiology Services | 2,754,781 | 4,533,848 | 5,701,213 |
| 16. Laboratory Services | 1,121,026 | 1,938,368 | 3,000,499 |
| 17. Durable Medical Equipment Services | 3,113,090 | 4,627,783 | 4,983,022 |
| 18. Transportation Services | 4,035,150 | 7,502,974 | 12,409,655 |
| 19. Outside Referrals | - | - | - |
| 20. Medical Incentive Pool and Withhold Adj | 6,231 | (20,250) | 33,815 |
| 21. Occupancy, Depreciation and Amortization | - | - | - |
| 22. Nursing Facility Care | (28,246,510) | 7,484,109 | 111,157,301 |
| 23. HCBS Services | (5,978,962) | 728,817 | 15,932,771 |
| 24. Other Medical and Hospital Services - Write-Ins | 6,257,234 | 10,623,321 | 11,474,377 |
| 25. Subtotal Medical and Hospital (Lines 5 to 24) | 129,157,110 | 267,952,412 | 457,964,709 |
| Mental Health and Substance Abuse Services | | | |
| 26. Inpatient Psychiatric Facility Services | 4,825,247 | 7,497,399 | 8,514,503 |
| 27. Inpatient Substance Abuse Treatment and Detox | 784,657 | 1,041,627 | 1,118,947 |
| 28. Outpatient Mental Health Services | 9,976,425 | 15,303,976 | 16,494,934 |
| 29. Outpatient Substance Abuse Treatment and Detox | - | - | - |
| 30. Housing/Residential Treatment | 3,249,743 | 4,646,589 | 4,055,088 |
| 31. Specialized Crisis Services | 1,083,154 | 2,050,062 | 3,314,610 |
| 32. Psychiatric Rehab and Support Services | 782,206 | 1,197,046 | 1,380,360 |
| 33. Case Management | 2,353,972 | 3,647,206 | 5,068,017 |
| 34. Forensics | - | - | - |
| 35. Other Judicial | - | - | - |
| 36. Pharmacy | - | - | - |
| 37. Lab Services | 72,361 | 100,011 | 99,072 |
| 38. Transportation | - | - | - |
| 39. Medical Incentive Pool and Withhold Adjustments | - | - | - |
| 40. Occupancy, Depreciation and Amortization | - | - | - |
| 41. Other Mental Health and Substance Abuse Services | 558,363 | 818,655 | 1,008,450 |
| 42. PCP and Specialist Services | - | - | - |
| 43. Other Mental Health Services - Write-Ins | - | - | - |
| 44. Subtotal MH & SAS (Lines 26 to 43) | 23,686,128 | 36,302,571 | 41,053,981 |
| 45. Subtotal Hospital, Medical, MH&SAS (Lines 25 and 44) | 152,843,238 | 304,254,983 | 499,018,690 |
| LESS: | | | |
| 46. Net Reinsurance Recoveries Incurred | - | - | - |
| 47. Copayments | 9,465 | 19,307 | 39,080 |
| 48. Subrogation and Coordination of Benefits | - | - | - |
| 49. Subtotal Reinsurance, Copay, Subrogation (Lines 46 to 48) | 9,465 | 19,307 | 39,080 |
| 50. Total Hospital, Medical, MH&SAS, (Lines 45 and 49) | 152,833,773 | 304,235,676 | 498,979,610 |
| Administration: | | | |
| 51. Compensation | 8,547,409 | 17,194,413 | 32,766,691 |
| 52. Marketing | 39,718 | 79,899 | 152,260 |
| 53. Health Insurer Fee | (443,118) | 9,675,434 | - |
| 54. Premium Tax Expense | 11,264,629 | 23,353,240 | 37,586,175 |
| 55. Occupancy, Depreciation, and Amortization | 579,079 | 1,164,905 | 2,219,912 |
| 56. Other Administration - Write-Ins | 3,684,244 | 7,411,415 | 14,123,637 |
| 57. Total Administration Expenses (Lines 51 to 56) | 23,671,961 | 58,879,306 | 86,848,675 |
| 58. Total Expenses (Lines 50 and 57) | 176,505,734 | 363,114,982 | 585,828,285 |
| 59. Extraordinary Item | - | - | - |
| 60. Provision for Income Tax | 4,492,639 | 8,190,004 | 24,118,725 |
| 61. Net Income (Loss) (Line 4 Less Lines 58, 59 and 60) | 7,413,493 | 18,977,951 | 42,181,477 |
| Write-Ins for Other Expense | | | |
| Detail of Other Revenues | | | |
| 0301. Insurer Provider Revenue | (725,234) | 15,835,407 | - |
| 0302. Pay-for-Performance Bonus | - | - | - |
| 0399. Total Other Revenues | (725,234) | 15,835,407 | - |
| Detail of Other Medical and Hospital: | | | |
| 2201. PT/OT/ST, Supplies, Prosthetics, etc. | 6,207,377 | 10,409,140 | 11,447,475 |
| 2202. Bad Debt Expense | 49,857 | 214,181 | 26,902 |
| 2203. Out of Area Claims Expense | - | - | - |
| 2299. Total Other Medical and Hospital | 6,257,234 | 10,623,321 | 11,474,377 |
| Detail of Other MH & SAS: | | | |
| 4101. | - | - | - |
| 4102. | - | - | - |
| 4103. | - | - | - |
| 4199. Total Other MH & SAS | - | - | - |
| Detail of Other Administration: | | | |
| 5601. Equipment Rental | 1,536,144 | 3,090,185 | 5,888,845 |
| 5602. Legal Fees, Books, Board and Assoc. fees, Collection fees, etc. | 683,320 | 1,374,602 | 2,619,522 |
| 5603. Auditing, Actuarial, and Other Consulting | 550,499 | 1,107,413 | 2,110,352 |
| 5604. Outsourced Services | 447,815 | 900,848 | 1,716,710 |
| 5605. Postage/Telephone | 312,800 | 629,245 | 1,199,127 |
| 5606. Printing and Stationary | 153,666 | 309,122 | 589,081 |
| 5699. Total Other Administration | 3,684,244 | 7,411,415 | 14,123,637 |

| Report #2A: CoverKids Plan Only | | | |
|---|-----------------------|---------------------------|----------------------|
| Member Months | Current Year | | Previous Year |
| | Current Period | Year-to-Date Total | Total |
| | 215,533 | 432,724 | |
| Estimated Revenues: | | | |
| 1. CoverKids Revenue | 40,128,176 | 78,616,479 | - |
| 2. Investment | - | - | - |
| 3. Other Revenues | - | - | - |
| 4. Total Estimated Revenues (Lines 1 to 3) | 40,128,176 | 78,616,479 | - |
| Estimated Expenses: | | | |
| Hospital and Medical (w/o Mental Health) | | | |
| 5. Capitated Physician Services | - | - | - |
| 6. Fee-for Service Physician Services | 11,695,148 | 23,372,052 | - |
| 7. Inpatient Hospital Services | 8,029,471 | 15,187,283 | - |
| 8. Outpatient Hospital Services | 4,110,730 | 7,521,748 | - |
| 9. Emergency Room Services | - | - | - |
| 10. Dental Services | 71,432 | 123,297 | - |
| 11. Vision Services | 211,440 | 472,550 | - |
| 12. Pharmacy Services | 6,381,994 | 13,255,155 | - |
| 13. Home Health Services | 67,706 | 136,771 | - |
| 14. Chiropractic Services | - | - | - |
| 15. Radiology Services | 241,568 | 487,077 | - |
| 16. Laboratory Services | 220,683 | 426,663 | - |
| 17. Durable Medical Equipment Services | 189,246 | 370,279 | - |
| 18. Transportation Services | 54,954 | 94,051 | - |
| 19. Outside Referrals | - | - | - |
| 20. Medical Incentive Pool and Withhold Adj | - | - | - |
| 21. Occupancy, Depreciation and Amortization | - | - | - |
| 22. Nursing Facility Care | - | - | - |
| 23. HCBS Services | - | - | - |
| 24. Other Medical and Hospital Services - Write-Ins | 919,342 | 1,822,492 | - |
| 25. Subtotal Medical and Hospital (Lines 5 to 24) | 32,193,714 | 63,269,418 | - |
| Mental Health and Substance Abuse Services | | | |
| 26. Inpatient Psychiatric Facility Services | - | - | - |
| 27. Inpatient Substance Abuse Treatment and Detox | - | - | - |
| 28. Outpatient Mental Health Services | - | - | - |
| 29. Outpatient Substance Abuse Treatment and Detox | - | - | - |
| 30. Housing/Residential Treatment | - | - | - |
| 31. Specialized Crisis Services | - | - | - |
| 32. Psychiatric Rehab and Support Services | - | - | - |
| 33. Case Management | - | - | - |
| 34. Forensics | - | - | - |
| 35. Other Judicial | - | - | - |
| 36. Pharmacy | - | - | - |
| 37. Lab Services | - | - | - |
| 38. Transportation | - | - | - |
| 39. Medical Incentive Pool and Withhold Adjustments | - | - | - |
| 40. Occupancy, Depreciation and Amortization | - | - | - |
| 41. Other Mental Health and Substance Abuse Services | - | - | - |
| 42. PCP and Specialist Services | - | - | - |
| 43. Other Mental Health Services - Write-Ins | - | - | - |
| 44. Subtotal MH & SAS (Lines 26 to 43) | - | - | - |
| 45. Subtotal Hospital, Medical, MH&SAS (Lines 25 and 44) | 32,193,714 | 63,269,418 | - |
| LESS: | | | |
| 46. Net Reinsurance Recoveries Incurred | - | - | - |
| 47. Copayments | 519,791 | 1,335,700 | - |
| 48. Subrogation and Coordination of Benefits | - | - | - |
| 49. Subtotal Reinsurance, Copay, Subrogation (Lines 46 to 48) | 519,791 | 1,335,700 | - |
| 50. Total Hospital, Medical, MH&SAS (Lines 45 and 49) | 31,673,923 | 61,933,718 | - |
| Administration: | | | |
| 51. Compensation | 2,920,199 | 5,111,206 | - |
| 52. Marketing | 13,570 | 23,751 | - |
| 53. Interest Expense | 10,013 | 16,537 | - |
| 54. Premium Tax Expense | 2,407,691 | 4,716,989 | - |
| 55. Occupancy, Depreciation, and Amortization | 197,841 | 346,279 | - |
| 56. Other Administration - Write-Ins | 1,258,711 | 2,203,115 | - |
| 57. Total Administration Expenses (Lines 51 to 56) | 6,808,025 | 12,417,877 | - |
| 58. Total Expenses (Lines 50 and 57) | 38,481,948 | 74,351,595 | - |
| 59. Extraordinary Item | - | - | - |
| 60. Provision for Income Tax | 996,790 | 802,181 | - |
| 61. Net Income (Loss) (Line 4 Less Lines 58, 59 and 60) | 649,438 | 3,462,703 | - |
| Write-Ins for Other Expense | | | |
| Detail of Other Revenues | | | |
| 0301. | - | - | - |
| 0399. Total Other Revenues | - | - | - |
| Detail of Other Medical and Hospital: | | | |
| 2201. PT/OT/ST, Supplies, Prosthetics, etc. | 919,342 | 1,822,492 | - |
| 2202. Bad Debt Expense | - | - | - |
| 2203. Out of Area Claims Expense | - | - | - |
| 2299. Total Other Medical and Hospital | 919,342 | 1,822,492 | - |
| Detail of Other MH & SAS: | | | |
| 4101. | - | - | - |
| 4102. | - | - | - |
| 4103. | - | - | - |
| 4199. Total Other MH & SAS | - | - | - |
| Detail of Other Administration: | | | |
| 5401. Equipment Rental | 524,819 | 918,588 | - |
| 5402. Legal Fees, Books, Board and Assoc. fees, Collection fees, etc. | 233,455 | 408,615 | - |
| 5403. Auditing, Actuarial, and Other Consulting | 188,076 | 329,189 | - |
| 5404. Outsourced Services | 152,995 | 267,785 | - |
| 5405. Postage/Telephone | 106,867 | 187,049 | - |
| 5406. Printing and Stationary | 52,499 | 91,889 | - |
| 5499. Total Other Administration | 1,258,711 | 2,203,115 | - |

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|--|---------------------------------|-------------------------------|---|
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance | 961,074,198 | 856,498,859 | 2,218,903,205 |
| 2. Net investment income | 6,214,492 | 4,726,404 | 10,041,793 |
| 3. Miscellaneous income | 0 | 0 | 0 |
| 4. TOTAL (Lines 1 to 3) | 967,288,690 | 861,225,263 | 2,228,944,998 |
| 5. Benefit and loss related payments | 940,034,234 | 792,504,596 | 1,710,112,318 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 185,958,057 | 175,966,482 | 339,871,563 |
| 8. Dividends paid to policyholders | 0 | 0 | 0 |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) | 23,221,670 | 20,836,044 | 57,060,635 |
| 10. TOTAL (Lines 5 through 9) | 1,149,213,961 | 989,307,122 | 2,107,044,516 |
| 11. Net cash from operations (Line 4 minus Line 10) | (181,925,271) | (128,081,859) | 121,900,482 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 124,803,877 | 105,337,356 | 220,479,615 |
| 12.2 Stocks | 11,789,386 | 15,341 | 15,847,871 |
| 12.3 Mortgage loans | 0 | 0 | 0 |
| 12.4 Real estate | 0 | 0 | 0 |
| 12.5 Other invested assets | 0 | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 | 0 |
| 12.7 Miscellaneous proceeds | 802,709 | 7,666,369 | 786,448 |
| 12.8 TOTAL investment proceeds (Lines 12.1 to 12.7) | 137,395,972 | 113,019,066 | 237,113,933 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | 130,652,857 | 129,235,588 | 235,831,957 |
| 13.2 Stocks | 28,706,184 | 19,949,203 | 46,041,366 |
| 13.3 Mortgage loans | 0 | 0 | 0 |
| 13.4 Real estate | 0 | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 | 0 |
| 13.6 Miscellaneous applications | 2,157,204 | 3,545 | 417,675 |
| 13.7 TOTAL investments acquired (Lines 13.1 to 13.6) | 161,516,245 | 149,188,336 | 282,290,998 |
| 14. Net increase (or decrease) in contract loans and premium notes | 0 | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (24,120,273) | (36,169,270) | (45,177,065) |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | 0 | 0 | (17,000,000) |
| 16.2 Capital and paid in surplus, less treasury stock | 0 | 0 | 0 |
| 16.3 Borrowed funds | 0 | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 0 | 0 | 0 |
| 16.5 Dividends to stockholders | 0 | 0 | 59,800,000 |
| 16.6 Other cash provided (applied) | 23,259,044 | 20,218,743 | 12,609,154 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) | 23,259,044 | 20,218,743 | (64,190,846) |
| 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) | (182,786,500) | (144,032,386) | 12,532,571 |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 359,611,709 | 347,079,138 | 347,079,138 |
| 19.2 End of period (Line 18 plus Line 19.1) | 176,825,209 | 203,046,752 | 359,611,709 |

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

| | | | | |
|---------|--|---|---|---|
| 20.0001 | | 0 | 0 | 0 |
|---------|--|---|---|---|

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 | | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---------------|------------|------------------------------------|-------|---|---|------------|---|---------------|---|----|
| | Total | Individual | 3 | | | | | | | | |
| | | | Group | Other | | | | | | | |
| Total Members at end of: | | | | | | | | | | | |
| 1. Prior Year | 528,569 | 0 | 0 | 0 | 0 | 0 | 8,780 | 0 | 519,789 | 0 | |
| 2. First Quarter | 538,871 | 0 | 0 | 0 | 0 | 0 | 9,892 | 0 | 528,979 | 0 | |
| 3. Second Quarter | 549,428 | 0 | 0 | 0 | 0 | 0 | 11,056 | 0 | 538,372 | 0 | |
| 4. Third Quarter | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 5. Current Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 6. Current Year Member Months | 3,244,926 | 0 | 0 | 0 | 0 | 0 | 60,637 | 0 | 3,184,289 | 0 | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | | |
| 7. Physician | 2,557,729 | 0 | 0 | 0 | 0 | 0 | 134,174 | 0 | 2,423,555 | 0 | |
| 8. Non-Physician | 222,411 | 0 | 0 | 0 | 0 | 0 | 11,667 | 0 | 210,744 | 0 | |
| 9. Total | 2,780,140 | 0 | 0 | 0 | 0 | 0 | 145,841 | 0 | 2,634,299 | 0 | |
| 10. Hospital Patient Days Incurred | 181,979 | 0 | 0 | 0 | 0 | 0 | 13,059 | 0 | 168,920 | 0 | |
| 11. Number of Inpatient Admissions | 25,016 | 0 | 0 | 0 | 0 | 0 | 1,392 | 0 | 23,624 | 0 | |
| 12. Health Premiums Written (a) | 1,214,398,807 | 0 | 0 | 0 | 0 | 0 | 68,733,879 | 0 | 1,145,664,928 | 0 | |
| 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 | 1,214,598,807 | 0 | 0 | 0 | 0 | 0 | 68,933,879 | 0 | 1,145,664,928 | 0 | |
| 16. Property/Casualty Premiums Earned | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 17. Amount Paid for Provision of Health Care Services | 939,447,068 | 0 | 0 | 0 | 0 | 0 | 57,658,555 | 0 | 881,788,513 | 0 | |
| 18. Amount Incurred for Provision of Health Care Services | 958,316,526 | 0 | 0 | 0 | 0 | 0 | 58,184,101 | 0 | 900,132,425 | 0 | |

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....68,733,879.

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

Aging Analysis of Unpaid Claims

| 1 Account | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 91 - 120 days | 6 Over 120 Days | 7 Total |
|--|------------------|-------------------|-------------------|--------------------|--------------------|-------------|
| 0199999 Individually Listed Claims Unpaid | 0 | 0 | 0 | 0 | 0 | 0 |
| 0299999 Aggregate Accounts Not Individually Listed - Uncovered | 0 | 0 | 0 | 0 | 0 | 0 |
| 0399999 Aggregate Accounts Not Individually Listed - Covered | 5,895,868 | 3,647,766 | 2,466,706 | 1,044,208 | 458,873 | 13,513,421 |
| 0499999 Subtotals | 5,895,868 | 3,647,766 | 2,466,706 | 1,044,208 | 458,873 | 13,513,421 |
| 0599999 Unreported claims and other claim reserves | | | | | | 198,874,108 |
| 0699999 Total Amounts Withheld | | | | | | 0 |
| 0799999 Total Claims Unpaid | | | | | | 212,387,529 |
| 0899999 Accrued Medical Incentive Pool And Bonus Amounts | | | | | | 436,214 |

UNDERWRITING AND INVESTMENT EXHIBIT**ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

| Line of Business | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 Claims Incurred in Prior Years (Columns 1+3) | 6 Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year |
|---|---|------------------------------------|---------------------------------------|------------------------------------|---|---|
| | 1 | 2 | 3 | 4 | | |
| | On Claims Incurred Prior to January 1 of Current Year | On Claims Incurred During the Year | On Claims Unpaid Dec 31 of Prior Year | On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital & medical) | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Medicare Supplement | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Dental only | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Vision only | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Federal Employees Health Benefits Plan | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Title XVIII - Medicare | 10,572,327 | 47,086,228 | (115,671) | 12,850,563 | 10,456,656 | 9,834,456 |
| 7. Title XIX - Medicaid | 167,346,794 | 714,441,719 | 2,729,679 | 196,922,958 | 170,076,473 | 180,642,049 |
| 8. Other health | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Health subtotal (Lines 1 to 8) | 177,919,121 | 761,527,947 | 2,614,008 | 209,773,521 | 180,533,129 | 190,476,505 |
| 10. Healthcare receivables (a) | 552,995 | 5,565,301 | 45,095 | 933,331 | 598,090 | 3,722,359 |
| 11. Other non-health | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Medical incentive pools and bonus amounts | 170,589 | 420,577 | 0 | 436,214 | 170,589 | 694,583 |
| 13. Totals (Lines 9 - 10 + 11 + 12) | 177,536,715 | 756,383,223 | 2,568,913 | 209,276,404 | 180,105,628 | 187,448,729 |

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies and Going Concern

- A. The accompanying financial statements of Volunteer State Health Plan, Inc. (VSHP or the Company), doing business as BlueCare Tennessee, are presented on the basis of accounting practices prescribed or permitted by the Tennessee Department of Commerce and Insurance (TDCI).

The TDCI recognizes only statutory accounting practices prescribed or permitted by the State of Tennessee for determining and reporting the financial condition and results of operations of an insurance company. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed practices by the State of Tennessee. Prescribed accounting practices are those practices which are incorporated directly or by reference to state laws, regulations and general administrative rules applicable to all insurance enterprises domiciled in Tennessee. Permitted accounting practices include deviations from NAIC Statutory Accounting Principles (SAP) specifically requested by an insurer and granted by the TDCI.

Tennessee Code Annotated (T.C.A.) § 56-3-303, *Authorized Investments*, prescribes limits on the admission of equity investments according to criteria measuring both the concentration and earnings quality of such assets. As of June 30, 2016 and December 31, 2015, no equity investments were excluded from Admitted Assets under the concentration test formula developed in accordance with T.C.A. § 56-3-303 and the TDCI.

T.C.A. § 56-3-303 prescribes that bonds with a NAIC Securities Valuation Office (SVO) rating of 4, 5 or 6 shall not be reported as admitted assets. At the request of the Company, effective June 30, 2016, the TDCI has permitted an exception to this prescribed practice whereby the Company can admit bonds with an SVO rating of 4 to the extent those bonds do not exceed 3% of admitted assets. As of June 30, 2016 and December 31, 2015, \$0 and \$315,250 respectively, in level 4 bonds were excluded from Admitted Assets on page 2, line 1 as a result of the prescribed practice.

T.C.A. § 56-1-405, *Assets Allowable as Credits in Account of Financial Condition*, prescribes that receivables due from a parent shall not be reported as admitted assets by an affiliate. At the request of the Company, the TDCI has permitted an exception to this prescribed practice whereby the Company can admit receivables from the parent company, BlueCross BlueShield of Tennessee (BCBST). As of June 30, 2016 and December 31, 2015, the Company had no receivables from BCBST.

The Company has accepted the risk for uninsured claims overpayments for which the Company determined the State of Tennessee was not responsible. At the direction of the TDCI, the Company records uninsured claims overpayments as claims expense rather than including in general administrative expense as required by NAIC SAP.

At the direction of the TDCI, the Company does not report the receivables and associated payables related to premium taxes for Administrative Services Only (ASO) plans. This treatment was effective in 2003 and has no impact on net income or surplus.

At the direction of the TDCI, the Company discloses gross transactions with the affiliates listed on Schedule Y of the Annual Statement. This treatment has no impact on net income or surplus.

A reconciliation of the Company's net income and surplus between NAIC SAP and practices prescribed and permitted by the State of Tennessee is as follows:

| | State of Domicile | SSAP # | F/S Page | F/S Line # | June 30, 2016 | December 31, 2015 |
|---|----------------------|-----------|-------------|---------------|-----------------------|-----------------------|
| <u>NET INCOME</u> | | | | | | |
| (1) VSHP state basis | TN | | | | \$ 47,161,168 | \$ 75,212,544 |
| (2) State prescribed practices that (increase)/decrease NAIC SAP: | TN | | | | 0 | 0 |
| (3) State permitted practices that (increase)/decrease NAIC SAP: | TN | | | | 0 | 0 |
| (4) NAIC SAP (1-2-3=4) | TN | | | | <u>\$ 47,161,168</u> | <u>\$ 75,212,544</u> |
| <u>SURPLUS</u> | | | | | | |
| (5) VSHP state basis | TN | | | | \$ 368,793,374 | \$ 330,831,416 |
| (6) State prescribed practices that (increase)/decrease NAIC SAP: | | | | | | |
| Investments non-admitted under T.C.A § 56-3-303 | TN | 26 | 2 | 1 | 0 | (315,250) |
| (7) State permitted practices that (increase)/decrease NAIC SAP: | TN | | | | 0 | 0 |
| (8) NAIC SAP (5-6-7=8) | TN | | | | <u>\$ 368,793,374</u> | <u>\$ 331,146,666</u> |

- B. No Change

- C. (1)-(5) No Change

(6) Loan-backed securities are stated at amortized cost net of principal pay downs. The adjustment methodology for loan-backed securities is prospective. Prepayment assumptions for loan-backed securities and structured securities were obtained from Bloomberg, the bond portfolio managers and the custodian. The assumptions are consistent with current interest rates and the current economic environment.

- (7)-(13) No Change

- D. Management has assessed the Company's ability to continue as a going concern and noted no issues.

2. Accounting Changes and Corrections of Errors

No Change

Notes to Financial Statement**3. Business Combinations and Goodwill**

- A. No Change
- B. No Change
- C. No Change
- D. No Change

4. Discontinued Operations

- A. No Change
- B. No Change
- C. No Change
- D. No Change

5. Investments

- A. No Change
- B. No Change
- C. No Change
- D. (1) Prepayment assumptions for loan-backed securities are consistent with current market and economic conditions and were obtained from Bloomberg, bond portfolio managers, pricing services and custodians. Fair values are obtained from custodians using actual market quotes, if available, or matrix pricing of securities with similar terms.
- (2) The Company did not recognize other-than-temporary-impairments (OTTI) on loan-backed securities which it had the intent to sell, or inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis as of June 30, 2016.
- (3) The recognized OTTI on loan-backed securities based solely on the fact that the present value of the expected cash flows was less than the amortized cost basis of the securities during the six months ended June 30, 2016 is as follows:

| CUSIP | Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI | Present Value of Projected Cash Flows | Recognized OTTI | Amortized Cost After OTTI | Fair Value at Time of OTTI | Date of Financial Statement Where Reported |
|-----------|--|---------------------------------------|-----------------|---------------------------|----------------------------|--|
| 64829FAA9 | \$ 443,038 | \$ 389,168 | \$ 53,870 | \$ 389,168 | \$ 430,000 | 3/31/2016 |
| Total | | | \$ 53,870 | | | |

- (4) Aggregate unrealized losses and related fair value of loan-backed securities where fair value was less than amortized cost at June 30, 2016 and for which OTTI has not been recognized is as follows:
 - a. The aggregate amount of unrealized losses:
 - 1. Less than 12 months \$ 56,492
 - 2. 12 months or longer \$ 45,480
 - b. The aggregate related fair value of securities with unrealized losses:
 - 1. Less than 12 months \$ 16,355,587
 - 2. 12 months or longer \$ 7,554,796
- (5) On a quarterly basis, management uses a variety of methods and procedures, both quantitative and qualitative, to review and analyze the Company's investment portfolio to identify securities that management believes to be other-than-temporarily impaired.
- E. The Company had no repurchase agreements or securities lending transactions as of June 30, 2016.
- F. No Change
- G. No Change
- H. No Change
- I. The Company had no working capital finance investments as of June 30, 2016.
- J. The Company did not offset any derivative, repurchase, reverse repurchase, securities borrowing or securities lending assets and liabilities as of June 30, 2016.
- K. No Change

Notes to Financial Statement

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. No Change
B. No Change

7. Investment Income

- A. No Change
B. No Change

8. Derivative Instruments

- A. No Change
B. No Change
C. No Change
D. No Change
E. No Change
F. No Change

9. Income Taxes

The application of SSAP No. 101, *Income Taxes*, requires a company to evaluate the recoverability of its deferred tax asset (DTA) and to establish a valuation allowance, if necessary, to reduce the DTA to an amount which is more likely than not to be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance the Company considers many factors, including: (1) the nature of DTAs and deferred tax liabilities (DTLs); (2) whether they are ordinary or capital; (3) the timing of their reversal; (4) taxable income in prior carryback years as well as projected taxable earnings exclusive of reversing temporary differences and carryforwards; (5) the length of time that carryovers can be utilized; (6) unique tax rules that would impact the utilization of the DTAs; and (7) tax planning strategies that the Company would employ to avoid a tax benefit from expiring unused. Management believes it is more likely than not that the DTA will be realized. Accordingly, the Company has not recorded a valuation allowance as of June 30, 2016.

- A. The components of the net DTA recognized in the Company's balance sheet as of June 30, 2016 and December 31, 2015 are as follows:

| | 6/30/2016 | | | 12/31/2015 | | | Change | | |
|--|---------------|--------------|-------------------------|---------------|--------------|-------------------------|----------------------------|---------------------------|-------------------------|
| | 1 Ordinary | 2 Capital | 3 (Col 1+2) Total | 4 Ordinary | 5 Capital | 6 (Col 4+5) Total | 7 (Col 1-4) Ordinary | 8 (Col 2-5) Capital | 9 (Col 7+8) Total |
| (a) Gross DTA | \$ 7,818,111 | \$ 230,611 | \$ 8,048,722 | \$18,734,054 | \$ 262,045 | \$18,996,099 | \$(10,915,943) | \$ (3,1434) | \$ (10,947,377) |
| (b) Statutory valuation allowance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) Adjusted gross DTA (1a - 1b) | 7,818,111 | 230,611 | 8,048,722 | 18,734,054 | 262,045 | 18,996,099 | (10,915,943) | (3,1434) | (10,947,377) |
| (d) DTA nonadmitted | 0 | 0 | 0 | 167,058 | 0 | 167,058 | (167,058) | 0 | (167,058) |
| (e) Subtotal net admitted DTA (1c - 1d) | 7,818,111 | 230,611 | 8,048,722 | 18,566,996 | 262,045 | 18,829,041 | (10,748,885) | (3,1434) | (10,780,319) |
| (f) DTL | 0 | 0 | 0 | 0 | 527,055 | 527,055 | 0 | (527,055) | (527,055) |
| (g) Net admitted DTA / (Net DTL) (1e - 1f) | \$ 7,818,111 | \$ 230,611 | \$ 8,048,722 | \$18,566,996 | \$(265,010) | \$ 18,301,986 | \$(10,748,885) | \$ 495,621 | \$ (10,253,264) |

2.

Admission calculation components (SSAP No. 101)

| | | | | | | | | | |
|--|--------------|------------|--------------|---------------|------------|---------------|----------------|-------------|-----------------|
| (a) Federal income taxes paid in prior years recoverable through loss carrybacks | \$ 7,818,111 | \$ 230,611 | \$ 8,048,722 | \$ 18,150,279 | \$ 151,707 | \$ 18,301,986 | \$(10,332,168) | \$ 78,904 | \$ (10,253,264) |
| (b) Adjusted gross DTA expected to be realized (excluding the amount of DTA from 2(a) above) after application of the threshold limitation (the lesser of 2(b)1 and 2(b)2 below) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1. Adjusted gross DTA expected to be realized following the balance sheet date | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Adjusted gross DTA allowed per limitation threshold | xxx | xxx | 54,111,698 | xxx | xxx | 46,879,414 | xxx | xxx | 7,232,284 |
| (c) Adjusted gross DTA (excluding the amount of DTA from 2(a) and 2(b) above) offset by gross DTL | 0 | 0 | 0 | 416,717 | 110,338 | 527,055 | (416,717) | (110,338) | (527,055) |
| (d) DTA admitted as the result of application of SSAP No. 101 (Total 2(a) + 2(b) + 2(c)) | \$ 7,818,111 | \$ 230,611 | \$ 8,048,722 | \$ 18,566,996 | \$ 262,045 | \$ 18,829,041 | \$(10,748,885) | \$ (3,1434) | \$ (10,780,319) |

3. No Change

Notes to Financial Statement

4.

| 6/30/2016 | | 12/31/2015 | | Change | |
|-----------|---------|------------|---------|-----------------------|----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| Ordinary | Capital | Ordinary | Capital | (Col 1-3) Ordinary | (Col 2-4) Capital |

Impact of Tax-Planning Strategies

(a) Determination of adjusted gross DTA and net admitted DTA, by tax character, as a percentage

| | | | | | | |
|--|-------------|------------|---------------|------------|----------------|-------------|
| 1. Adjusted gross DTAs amount from Note 9A1(c) | \$7,818,111 | \$ 230,611 | \$ 18,734,054 | \$ 262,045 | \$(10,915,943) | \$ (31,434) |
| 2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies | 0% | 0% | 0% | 0% | 0% | 0% |
| 3. Net admitted adjusted gross DTAs amount from Note 9A1(e) | \$7,818,111 | \$ 230,611 | \$ 18,566,996 | \$ 262,045 | \$(10,748,885) | \$ (31,434) |
| 4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies | 0% | 0% | 0% | 0% | 0% | 0% |

(b) Does the Company's tax-planning strategies include the use of reinsurance?

Yes _____ No X

B. No Change

C. The provisions for incurred income taxes for the periods ended June 30, 2016 and December 31, 2015 are:

| 1 | 2 | 3 |
|-----------|------------|---------------------|
| 6/30/2016 | 12/31/2015 | (Col 1-2) Change |

1. Current income tax:

| | | | |
|---|---------------|---------------|-----------------|
| (a) Federal | \$ 23,221,670 | \$ 57,035,301 | \$ (33,813,631) |
| (b) Foreign | 0 | 0 | 0 |
| (c) Subtotal | 23,221,670 | 57,035,301 | (33,813,631) |
| (d) Federal income tax on net capital gains | 0 | 0 | 0 |
| (e) Utilization of capital loss carryforwards | 0 | 0 | 0 |
| (f) Other | 0 | 0 | 0 |
| (g) Federal and foreign income taxes incurred | \$ 23,221,670 | \$ 57,035,301 | \$ (33,813,631) |

2. DTA:

(a) Ordinary

| | | | |
|---|--------------|--------------|--------------|
| (1) Discounting of unpaid claims | \$ 1,886,555 | \$ 1,869,373 | \$ 17,182 |
| (2) Unearned premium reserve | 0 | 11,885,447 | (11,885,447) |
| (3) Policyholder reserves | 0 | 0 | 0 |
| (4) Investments | 0 | 0 | 0 |
| (5) Deferred acquisition costs | 0 | 0 | 0 |
| (6) Policyholder dividends accrual | 0 | 0 | 0 |
| (7) Fixed assets | 0 | 0 | 0 |
| (8) Compensation and benefits accrual | 1,347,284 | 1,192,550 | 154,734 |
| (9) Pension accrual | 0 | 0 | 0 |
| (10) Receivables – nonadmitted | 4,374,693 | 3,648,591 | 726,102 |
| (11) Net operating loss carryforward | 0 | 0 | 0 |
| (12) Tax credit carryforward | 0 | 0 | 0 |
| (13) Other (including items <5% of total ordinary tax assets) | 209,579 | 138,093 | 71,486 |
| (99) Subtotal | 7,818,111 | 18,734,054 | (10,915,943) |

(b) Statutory valuation allowance adjustment

0 0 0

(c) Nonadmitted

0 167,058 (167,058)

(d) Admitted ordinary DTA

(2a99 – 2b – 2c) 7,818,111 18,566,996 (10,748,885)

(e) Capital

| | | | |
|---|---------|---------|----------|
| (1) Investments | 230,611 | 262,045 | (31,434) |
| (2) Net capital loss carryforward | 0 | 0 | 0 |
| (3) Real estate | 0 | 0 | 0 |
| (4) Other (including items <5% of total capital tax assets) | 0 | 0 | 0 |
| (99) Subtotal | 230,611 | 262,045 | (31,434) |

(f) Statutory valuation allowance adjustment

0 0 0

(g) Nonadmitted

0 0 0

(h) Admitted capital DTA

(2e99 – 2f – 2g) 230,611 262,045 (31,434)

(i) Admitted DTA (2d + 2h)

\$ 8,048,722 \$ 18,829,041 \$ (10,780,319)

Notes to Financial Statement

| | 1 | 2 | 3 |
|---|---------------------|----------------------|------------------------|
| | 6/30/2016 | 12/31/2015 | (Col 1-2) Change |
| 3. DTL: | | | |
| (a) Ordinary | | | |
| (1) Investments | \$ 0 | \$ 0 | \$ 0 |
| (2) Fixed assets | 0 | 0 | 0 |
| (3) Deferred and uncollected premium | 0 | 0 | 0 |
| (4) Policyholder reserves | 0 | 0 | 0 |
| (5) Other (including items <5% of total ordinary tax liabilities) | 0 | 0 | 0 |
| (99) Subtotal | <u>0</u> | <u>0</u> | <u>0</u> |
| (b) Capital | | | |
| (1) Investments | 0 | 0 | 0 |
| (2) Real estate | 0 | 0 | 0 |
| (3) Other (including items <5% of total capital tax liabilities) | 0 | 527,055 | (527,055) |
| (99) Subtotal | <u>0</u> | <u>527,055</u> | <u>(527,055)</u> |
| (c) DTA (3a99 + 3b99) | <u>\$ 0</u> | <u>\$ 527,055</u> | <u>\$ (527,055)</u> |
| 4. Net DTA/(DTL) (2i - 3c) | <u>\$ 8,048,722</u> | <u>\$ 18,301,986</u> | <u>\$ (10,253,264)</u> |

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

| | <u>June 30, 2016</u> | <u>Effective Tax Rate</u> |
|--------------------------------------|----------------------|---------------------------|
| Provision computed at statutory rate | \$ 24,633,993 | 35.0% |
| ACA health insurer fee | 10,708,029 | 15.2% |
| Tax exempt interest income | (479,659) | (0.7%) |
| Penalties | 1,235 | 0.0% |
| Change in net deferred income taxes | (11,641,928) | (16.5%) |
| Federal income taxes incurred | <u>\$ 23,221,670</u> | <u>33.0%</u> |

E. No Change

F. No Change

G. No Change

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

A. The Company is a wholly owned subsidiary of Southern Diversified Business Services, Inc. (SDBS). BCBST owns 100% of SDBS.

B&C. No capital contributions were made to VSHP during the periods ended June 30, 2016 and December 31, 2015.

The Company paid BCBST \$97,331,654 and \$185,645,096 for services performed under administrative services and tax sharing agreements for the periods ended June 30, 2016 and December 31, 2015, respectively, net of payments from BCBST.

D. No Change

E. No Change

F. No Change

G. No Change

H. No Change

I. No Change

J. No Change

K. No Change

L. No Change

M. No Change

N. No Change

11. Debt

A. No Change

B. The Company had no Federal Home Loan Bank agreements as of June 30, 2016 or 2015.

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

A. All disclosures related to defined benefit plans are included in the quarterly statement of BCBST.

Notes to Financial Statement

- B. No Change
- C. No Change
- D. No Change
- E. No Change
- F. No Change
- G. No Change
- H. No Change
- I. No Change

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

- (1) No Change
- (2) No Change
- (3) No Change
- (4) No Change
- (5) No Change
- (6) No Change
- (7) No Change
- (8) No Change
- (9) No Change
- (10) No Change
- (11) No Change
- (12) No Change
- (13) No Change

14. Liabilities, Contingencies and Assessments

- A. No Change
- B. No Change
- C. No Change
- D. No Change
- E. No Change
- F. No Change

15. Leases

- A. No Change
- B. No Change

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

No Change

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

- A. No Change
- B. The Company had no transfers, servicing or extinguishment of financial assets or liabilities during the six months ended June 30, 2016.
- C. The Company had no wash sales involving transactions for securities with an unrated NAIC designation or a designation of 3 or below during the six months ended June 30, 2016.

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

- A. TennCare Select and CoverKids are ASO arrangements with the State of Tennessee. Cash and invested assets related to TennCare Select and CoverKids are reported in the appropriate categories on the Assets statement. Premium tax receivable from the State of Tennessee is netted against premium tax payable to the State of Tennessee for premium taxes related to ASO plans. Other assets and liabilities related to TennCare Select and CoverKids are netted and reported either on page 2, line 17, Amounts receivable relating to uninsured plans, or on page 3, line 22, Liability for amounts held under uninsured plans.

Notes to Financial Statement

Amounts receivable from ASO plans at June 30, 2016 as reflected on page 2, line 17, are as follows:

| | Amount |
|--|----------------------|
| Unbilled expenses (timing differences) | \$ 9,987,768 |
| CMS low income subsidy and reinsurance | 9,877,106 |
| Select Community premium accrual | 1,039,252 |
| Case management | 385,000 |
| Miscellaneous | 110,324 |
| Total amounts receivable relating to ASO plans | <u>\$ 21,399,450</u> |

The gain from operations from ASO uninsured plans and the uninsured portion of partially insured plans was as follows during the six months ended June 30, 2016:

| | ASO Uninsured Plans | Uninsured Portion of Partially Insured Plans | Total ASO |
|---|------------------------|---|----------------|
| a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses | \$ 7,669,500 | \$ 0 | \$ 7,669,500 |
| b. Total net other income or expenses (including interest paid to or received from plans) | 0 | 0 | 0 |
| c. Net gain from operations | \$ 7,669,500 | \$ 0 | \$ 7,669,500 |
| d. Total claim payment volume | \$ 237,682,920 | \$ 20,882,834 | \$ 258,565,754 |

B. No Change

C. (1) No Change

(2) The Company had a receivable related to its Dual Special Needs Program (DNSP) contract with CMS for \$6,890,380 and \$2,976,790 as of June 30, 2016 and December 31, 2015.

(3)-(4) No Change.

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

No Change

20. Fair Value Measurement

A&B. (1) The following tables provide information about the Company's financial assets measured and reported at fair value using the hierarchy defined by SSAP No. 100, *Fair Value*, for the periods ended June 30, 2016 and December 31, 2015.

| Description for each class of asset | June 30, 2016 | | | |
|---|----------------------|-------------|-------------|----------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| a. Assets at fair value | | | | |
| Bonds below investment grade: | | | | |
| High yield corporate bonds | \$ 1,209,813 | \$ 0 | \$ 0 | \$ 1,209,813 |
| Stocks: | | | | |
| Domestic large capitalization common stocks | 49,427,485 | 0 | 0 | 49,427,485 |
| Total assets at fair value | <u>\$ 50,637,298</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 50,637,298</u> |
| b. Liabilities at fair value | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Total liabilities at fair value | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

Notes to Financial Statement

| Description for each class of asset | December 31, 2015 | | | |
|---|-------------------|--------------|---------|---------------|
| | Level 1 | Level 2 | Level 3 | Total |
| a. Assets at fair value | | | | |
| Bonds below investment grade: | | | | |
| High yield corporate bonds | \$ 639,344 | \$ 3,615,375 | \$ 0 | \$ 4,254,719 |
| Stocks: | | | | |
| Domestic large capitalization common stocks | 30,800,685 | 0 | 0 | 30,800,685 |
| Total assets at fair value | \$ 31,440,029 | \$ 3,615,375 | \$ 0 | \$ 35,055,404 |
| b. Liabilities at fair value | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total liabilities at fair value | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

The following table provides information about the Level 1 and 2 transfers for financial assets measured and reported at fair value:

| Type of Financial Instrument | Six Months Ended June 30, 2016 | |
|------------------------------|--------------------------------|--------------------|
| | Transfers from | Transfers from |
| | Level 1 to Level 2 | Level 2 to Level 1 |
| High yield corporate bonds | \$ 0 | \$ 1,209,813 |
| Total transfers | \$ 0 | \$ 1,209,813 |

Transfers between Level 1 and 2 are due to the availability of unadjusted quoted prices at the end of the period.

- (2) The Company did not hold any investments classified as Level 3 as of June 30, 2016 or December 31, 2015.
- (3) Transfers between levels are reported as of the beginning of the reporting period of transfer.
- (4) Valuation techniques for estimating fair value are generally categorized into three types. The market approach uses prices and other relevant information from market transactions involving identical or comparable assets. The income approach converts future amounts, such as cash flows or earnings, to a single present value. The cost approach is based on the amount that would be required to replace the asset or the service capacity of the asset. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is reasonably available. The Company applied valuation techniques on a consistent basis to similar assets at June 30, 2016 and December 31, 2015.

Fair values are based on quoted market prices when available. In instances where there is little or no market activity for the same or similar instruments, management estimates fair value using methods, models and assumptions a hypothetical market participant would use to determine a current transaction price. These valuation techniques involve estimation and judgment which could become significant with increasingly complex instruments or pricing models. The degree of judgment utilized in measuring fair value correlates to the level of pricing observability. Pricing observability is impacted by a number of factors including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction and overall market conditions. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model or input used.

A description of the inputs and methods used to determine fair value for financial assets is as follows:

Level 1 assets – Fair values are determined using unadjusted quoted prices in active markets provided by independent pricing services.

Level 2 assets – Fair values are determined using prices provided by independent pricing services, which may use quoted market prices of similar or identical securities or models that incorporate inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds.

When determining fair value, the Company obtains an understanding of the methods, models and inputs used by independent pricing services and has controls in place to validate that amounts provided represent current exit prices. In addition, management periodically reviews securities in the portfolio with the Company's investment managers. If unusual fluctuations or significant variances in the pricing provided from different sources are noted, management may obtain additional information from other pricing services, or request an investigation into the valuation of the security by the pricing service to validate the quoted price. There were no adjustments to quoted market prices obtained from independent pricing services during the periods ended June 30, 2016 and December 31, 2015.

Notes to Financial Statement

- C. The following tables provide information about the fair value of the Company's financial assets as of June 30, 2016 and December 31, 2015:

| Type of Financial Instrument | June 30, 2016 | | | | | Not Practicable (Carrying Value) |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-------------|----------------------------------|
| | Aggregate Fair Value | Admitted Assets | Level 1 | Level 2 | Level 3 | |
| Bonds: | | | | | | |
| U.S. government and government agencies and authorities | \$ 67,306,246 | \$ 66,237,274 | \$ 64,073,380 | \$ 3,232,866 | \$ 0 | \$ 0 |
| States, municipalities and political subdivisions | 81,431,919 | 77,052,292 | 6,152,821 | 75,279,098 | 0 | 0 |
| Foreign securities, including Canada | 20,601,787 | 20,435,390 | 7,894,041 | 12,707,746 | 0 | 0 |
| Agency mortgage-backed securities | 22,578,114 | 21,973,967 | 0 | 22,578,114 | 0 | 0 |
| Commercial mortgage-backed securities | 31,417,637 | 31,395,210 | 0 | 31,417,637 | 0 | 0 |
| High yield corporate bonds | 4,427,573 | 4,367,293 | 3,293,883 | 1,133,690 | 0 | 0 |
| Asset-backed securities | 35,627,138 | 35,431,113 | 0 | 35,627,138 | 0 | 0 |
| Investment grade corporate bonds | 117,659,808 | 116,260,365 | 58,387,233 | 59,272,575 | 0 | 0 |
| Total bonds | 381,050,222 | 373,152,904 | 139,801,358 | 241,248,864 | 0 | 0 |
| Stocks: | | | | | | |
| Domestic large capitalization common stocks | 49,427,485 | 49,427,485 | 49,427,485 | 0 | 0 | 0 |
| Short-term investments | 144,138,387 | 144,139,487 | 144,138,387 | 0 | 0 | 0 |
| Total bonds, stocks and short-term investments | \$ 574,616,094 | \$ 566,719,876 | \$ 333,367,230 | \$ 241,248,864 | \$ 0 | \$ 0 |

| Type of Financial Instrument | December 31, 2015 | | | | | Not Practicable (Carrying Value) |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-------------|----------------------------------|
| | Aggregate Fair Value | Admitted Assets | Level 1 | Level 2 | Level 3 | |
| Bonds: | | | | | | |
| U.S. government and government agencies and authorities | \$ 71,662,479 | \$ 71,943,385 | \$ 68,017,286 | \$ 3,645,193 | \$ 0 | \$ 0 |
| States, municipalities and political subdivisions | 78,852,009 | 77,103,724 | 5,517,104 | 73,334,905 | 0 | 0 |
| Foreign securities, including Canada | 22,470,573 | 22,650,007 | 478,230 | 21,992,343 | 0 | 0 |
| Agency mortgage-backed securities | 19,656,045 | 19,502,203 | 18,364,383 | 1,291,662 | 0 | 0 |
| Commercial mortgage-backed securities | 30,921,237 | 31,167,525 | 0 | 30,921,237 | 0 | 0 |
| High yield corporate bonds | 4,812,542 | 4,795,168 | 639,344 | 4,173,198 | 0 | 0 |
| Asset-backed securities | 32,640,858 | 32,735,766 | 0 | 32,640,858 | 0 | 0 |
| Investment grade corporate bonds | 107,768,510 | 108,727,909 | 20,715,310 | 87,053,200 | 0 | 0 |
| Total bonds | 368,784,253 | 368,625,687 | 113,731,657 | 255,052,596 | 0 | 0 |
| Stocks: | | | | | | |
| Domestic large capitalization common stocks | 30,800,685 | 30,800,685 | 30,800,685 | 0 | 0 | 0 |
| Short-term investments | 344,169,387 | 344,169,387 | 344,169,387 | 0 | 0 | 0 |
| Total bonds, stocks and short-term investments | \$ 743,754,325 | \$ 743,595,759 | \$ 488,701,729 | \$ 255,052,596 | \$ 0 | \$ 0 |

- D. The Company held no financial assets for which it was not practicable to estimate the fair value at June 30, 2016 and December 31, 2015.

21. Other Items

- A. No Change
- B. No Change
- C. Expenses are shown on the Statement of Revenue and Expenses net of administrative fees from ASO contracts. The following provides a comparison of expenses adjusted for ASO administrative fees, the Affordable Care Act (ACA) annual fee assessment and premium tax for the six months ended June 30, 2016 and 2015:

| Line# | Administrative Expenses: | June 30, 2016 | June 30, 2015 | % Change |
|-------|-------------------------------------|-----------------------|-----------------------|----------|
| 20 | Claims adjustment expense | \$ 51,115,496 | \$ 54,955,475 | |
| 21 | General administrative expense | 138,039,747 | 116,097,219 | |
| | Total expense | 189,155,243 | 171,052,694 | |
| | ASO administrative fees | 47,793,601 | 29,264,181 | |
| | ACA annual fee assessment | (30,594,368) | (26,223,489) | |
| | Premium tax | (85,846,654) | (68,398,433) | |
| | Expenses, net of adjustments | \$ 120,507,822 | \$ 105,694,953 | 14.0% |

Notes to Financial Statement

- D. No Change
- E. No Change
- F. No Change
- G. No Change

22. Events Subsequent

Type I – Recognized Subsequent Events

No Change

Type II – Non-recognized Subsequent Events

No Change

23. Reinsurance

- A. No Change
- B. No Change
- C. No Change
- D. No Change

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. No Change
- B. No Change
- C. No Change
- D. No Change
- E. The Medicare and Medicaid Health Maintenance Organization products offered by the Company are not subject to the risk sharing provisions of the ACA.

25. Change in Incurred Claims and Claim Adjustment Expenses

As of December 31, 2015, the reserve for unpaid insured claims, accrued medical incentive pool and unpaid claim adjustment expenses, net of gross healthcare receivables, was \$195,283,318. Through June 30, 2016, \$184,957,022 was paid for expenses attributable to insured events of prior years. The re-estimation of reserves for unpaid insured claims, accrued medical incentive pool and unpaid claim adjustment expenses, net of gross healthcare receivables, for 2015 and prior based on the latest information known regarding individual claims, as well as the ongoing analysis of recent loss development trends, resulted in a favorable prior-year development of \$7,650,013. The reserve remaining for prior years is \$2,676,283 as of June 30, 2016.

26. Intercompany Pooling Arrangements

- A. No Change
- B. No Change
- C. No Change
- D. No Change
- E. No Change
- F. No Change
- G. No Change

27. Structured Settlements

No Change

28. Health Care Receivables

- A. No Change
- B. No Change

29. Participating Policies

No Change

30. Premium Deficiency Reserves

No Change

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 Transactions with the State of Domicile, as required by the Model Act? Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[] No[] N/A[X]

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change:

- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[]
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 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? Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[] No[] N/A[X]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2013
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/14/2015
- 6.4 By what department or departments?
Tennessee Department of Commerce and Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]

- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 7.2 If yes, give full information

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] 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 any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 FDIC | 6 SEC |
|---------------------|-----------------------------|--------------|--------------|--------------|--------------|
| | | Yes[] No[X] | Yes[] No[X] | Yes[] No[X] | Yes[] No[X] |

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[]
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[X] No[]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
The annual review of the Code of Conduct resulted in an updated CEO message and non-substantive situation and language modifications for consistency, clarity and readability. The updated Code was effective January 2016.
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:

- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

13. Amount of real estate and mortgages held in short-term investments: \$ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

14.2 If yes, please complete the following:

| | 1 Prior Year-End Book/Adjusted Carrying Value | 2 Current Quarter Book/Adjusted Carrying Value |
|--|--|---|
| 14.21 Bonds | 0 | 0 |
| 14.22 Preferred Stock | 0 | 0 |
| 14.23 Common Stock | 0 | 0 |
| 14.24 Short-Term Investments | 0 | 0 |
| 14.25 Mortgages Loans on Real Estate | 0 | 0 |
| 14.26 All Other | 0 | 0 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | 0 | 0 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | 0 | 0 |

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
 If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

| | |
|--|------------|
| 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ 0 |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ 0 |
| 16.3 Total payable for securities lending reported on the liability page | \$ 0 |

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

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|-------------------------------|---|
| Bank of New York Mellon | One Mellon Center, Pittsburgh, PA 15258 |

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

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

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

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

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|---|--|---|
| 000705 | Raymond James | 50 Front Street, Memphis, TN 38103 |
| 007927 | Northern Trust Guaranteed Advisors | 50 S. LaSalle Street, Chicago, IL 60675 |
| Exempt | Wellington Management Company, LLP | 280 Congress Street, Boston, MA 02210 |
| Exempt | Income Research and Management | Two International Place 23rd Floor, Boston, MA 02110-4106 |

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []

18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

| | |
|--|---------------|
| 1. Operating Percentages: | |
| 1.1 A&H loss percent | 81.327% |
| 1.2 A&H cost containment percent | 2.428% |
| 1.3 A&H expense percent excluding cost containment expenses | 13.146% |
| 2.1 Do you act as a custodian for health savings accounts? | Yes[] No[X] |
| 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[X] |
| 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

| 1 NAIC Company Code | 2 ID Number | 3 Effective Date | 4 Name of Reinsurer | 5 Domiciliary Jurisdiction | 6 Type of Reinsurance Ceded | 7 Type of Reinsurer | 8 Certified Reinsurer Rating (1 through 6) | 9 Effective Date of Certified Reinsurer Rating |
|------------------------------|-------------------|------------------------|------------------------|----------------------------------|--------------------------------------|---------------------------|---|---|
| | | | NONE | | | | | |

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**Current Year to Date - Allocated by States and Territories**

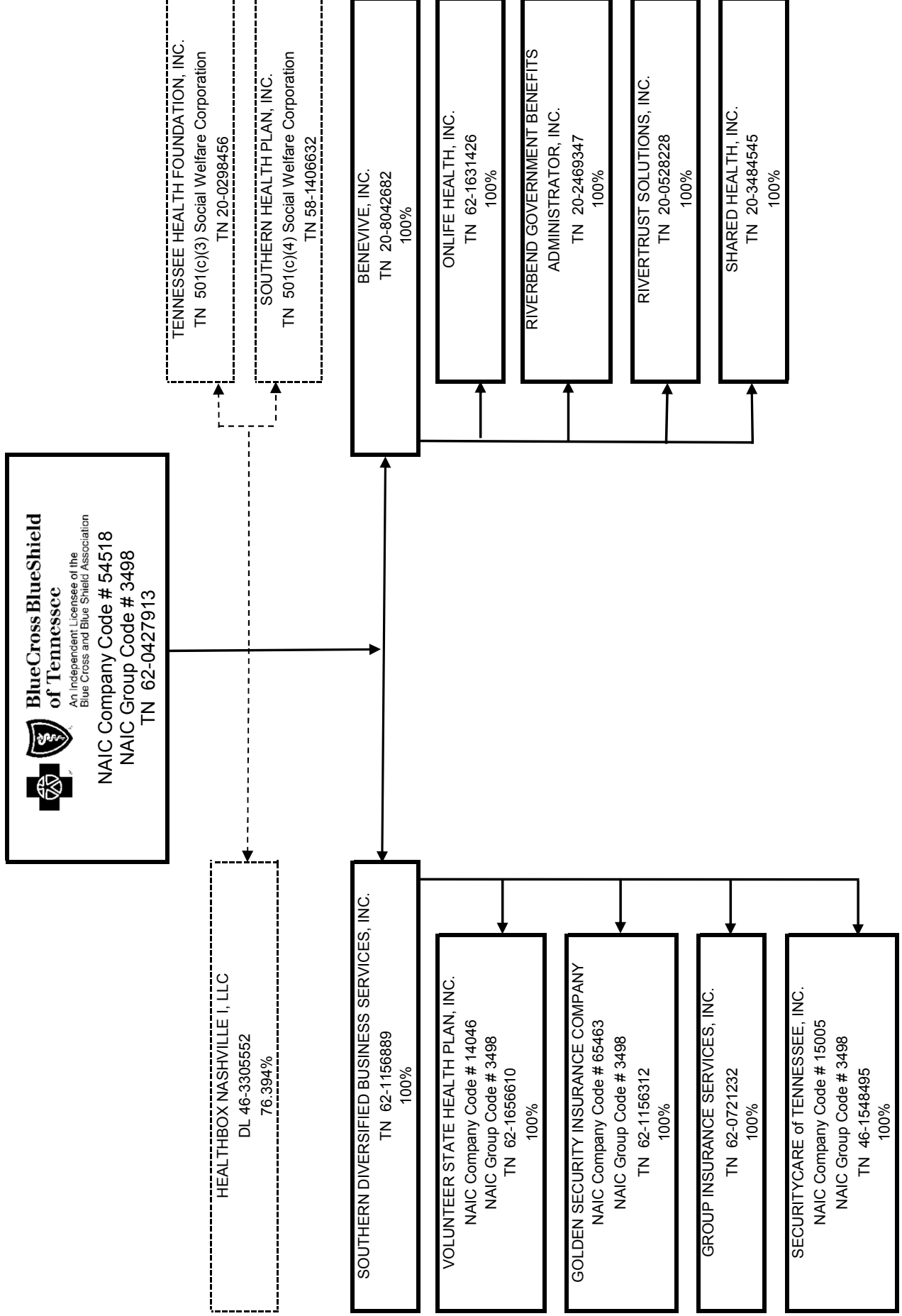
| | | Direct Business Only | | | | | | | |
|--|--------------------|-----------------------------------|---------------------------|-------------------------|---|---|---------------------------------|--------------------------------|-----------------------------|
| State, Etc. | 1 Active Status | 2 Accident and Health Premiums | 3 Medicare Title XVIII | 4 Medicaid Title XIX | 5 Federal Employees Health Benefits Program Premiums | 6 Life and Annuity Premiums and Other Considerations | 7 Property/Casualty Premiums | 8 Total Columns 2 Through 7 | 9 Deposit-Type Contracts |
| 1. Alabama (AL) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Alaska (AK) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Arizona (AZ) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Arkansas (AR) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. California (CA) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Colorado (CO) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Connecticut (CT) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Delaware (DE) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. District of Columbia (DC) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Florida (FL) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Georgia (GA) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Hawaii (HI) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Idaho (ID) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Illinois (IL) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Indiana (IN) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16. Iowa (IA) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17. Kansas (KS) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18. Kentucky (KY) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. Louisiana (LA) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20. Maine (ME) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21. Maryland (MD) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22. Massachusetts (MA) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23. Michigan (MI) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24. Minnesota (MN) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25. Mississippi (MS) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26. Missouri (MO) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27. Montana (MT) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28. Nebraska (NE) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29. Nevada (NV) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30. New Hampshire (NH) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31. New Jersey (NJ) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32. New Mexico (NM) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33. New York (NY) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34. North Carolina (NC) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35. North Dakota (ND) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36. Ohio (OH) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37. Oklahoma (OK) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38. Oregon (OR) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39. Pennsylvania (PA) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40. Rhode Island (RI) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41. South Carolina (SC) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42. South Dakota (SD) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43. Tennessee (TN) | L | 0 | 68,733,879 | 1,145,664,928 | 0 | 0 | 0 | 1,214,398,807 | 0 |
| 44. Texas (TX) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45. Utah (UT) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46. Vermont (VT) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 47. Virginia (VA) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 48. Washington (WA) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49. West Virginia (WV) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50. Wisconsin (WI) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 51. Wyoming (WY) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 52. American Samoa (AS) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53. Guam (GU) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54. Puerto Rico (PR) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 55. U.S. Virgin Islands (VI) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 56. Northern Mariana Islands (MP) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 57. Canada (CAN) | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58. Aggregate other alien (OT) | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Subtotal | XXX | 0 | 68,733,879 | 1,145,664,928 | 0 | 0 | 0 | 1,214,398,807 | 0 |
| 60. Reporting entity contributions for Employee Benefit Plans | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 61. Total (Direct Business) | (a) 1 | 0 | 68,733,879 | 1,145,664,928 | 0 | 0 | 0 | 1,214,398,807 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 58001. | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58002. | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58003. | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|------------|---|--------------------|------------|--------------|-----|--|---|----------------------|------------------------------------|--|--|--|--|---------|
| Group Code | Group Name | NAIC Comp-any Code | ID Number | FEDERAL RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries Or Affiliates | Domiciliary Location | Relation-ship to Report-ing Entity | Directly Controlled by (Name of Entity / Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies) / Person(s) | |
| 3498 | BlueCross BlueShield of Tennessee | 5451800000 | 62-0427913 | | | | BlueCross BlueShield of Tennessee, Inc. Southern Diversified Business Services, Inc. | TN | UIP | | | 0.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | | | 62-1156889 | | | | | TN | UDP | BlueCross BlueShield of Tennessee, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 3498 | BlueCross BlueShield of Tennessee | 14046 | 62-1656610 | | | | Volunteer State Health Plan, Inc. | TN | RE | Southern Diversified Business Services, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 3498 | BlueCross BlueShield of Tennessee | 65463 | 62-1156312 | | | | Golden Security Insurance Company | TN | IA | Southern Diversified Business Services, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | BlueCross BlueShield of Tennessee, Inc. | 1500500000 | 46-1548495 | | | | SecurityCare of Tennessee, Inc. Group Insurance Services | TN | IA | Southern Diversified Business Services, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | | 00000 | 62-0721232 | | | | | TN | IA | Southern Diversified Business Services, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | | 00000 | 20-8042682 | | | | BeneVive, Inc. | TN | NIA | BlueCross BlueShield of Tennessee, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | | 00000 | 62-1631426 | | | | Onlife Health, Inc. | TN | NIA | BeneVive, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | | 00000 | 20-2469347 | | | | Riverbend Government Benefits Administrator, Inc. River Trust Solutions, Inc. | TN | NIA | BeneVive, Inc. BeneVive, Inc. | Ownership Ownership | 100.0 100.0 | BlueCross BlueShield of Tennessee, Inc. BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | | 00000 | 20-0528228 | | | | | TN | NIA | BeneVive, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | | 00000 | 20-3484545 | | | | Shared Health, Inc. | TN | NIA | BeneVive, Inc. | Ownership | 100.0 | BlueCross BlueShield of Tennessee, Inc. | |
| 0000 | | 00000 | 58-1406632 | | | | Southern Health Plan | TN | OTH | BlueCross BlueShield of Tennessee, Inc. | Board of Directors | 0.0 | BlueCross BlueShield of Tennessee, Inc. | 0000002 |
| 0000 | | 00000 | 20-0298456 | | | | Tennessee Health Foundation, Inc. | TN | OTH | BlueCross BlueShield of Tennessee, Inc. | Board of Directors | 0.0 | BlueCross BlueShield of Tennessee, Inc. | 0000001 |
| 0000 | | 00000 | 42-3305552 | | | | Healthbox Nashville I, Inc. | DE | NIA | BlueCross BlueShield of Tennessee, Inc. | Ownership, Influence | 76.4 | BlueCross BlueShield of Tennessee, Inc. | |

Explanation

| | | | | | | | | | | | | | | |
|----------|---|--|--|--|--|--|---|--|--|--|--|--|--|--|
| Asterisk | | | | | | | | | | | | | | |
| 0000001 | BlueCross BlueShield of Tennessee, Inc. | | | | | | | | | | | | | |
| 0000002 | BlueCross BlueShield of Tennessee, Inc. | | | | | | appoints the Board of Tennessee Health Foundation, Inc. | | | | | | | |
| | | | | | | | appoints the Board of Southern Health Plan, Inc. | | | | | | | |
| | | | | | | | doing business as BlueCross BlueShield of Tennessee Community Trust | | | | | | | |

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

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



14046201636500002

2016

Document Code: 365

OVERFLOW PAGE FOR WRITE-INS**LIABILITIES, CAPITAL AND SURPLUS**

| | Current Period | | | Prior Year |
|--|----------------|----------------|------------|------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 2304. Due State of Tennessee, Premium Payable | 0 | 0 | 0 | 6,975,036 |
| 2397. Summary of remaining write-ins for Line 23 (Lines 2304 through 2396) | 0 | 0 | 0 | 6,975,036 |
| 2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596) | X X X | X X X | 0 | 0 |
| 3097. Summary of remaining write-ins for Line 30 (Lines 3004 through 3096) | X X X | X X X | 0 | 0 |

SCHEDULE A - VERIFICATION**Real Estate**

| | 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 acquired: | | |
| 2.1 Actual cost at time of acquisition | 0 | 0 |
| 2.2 Additional investment made after acquisition | 0 | 0 |
| 3. Current year change in encumbrances | 0 | 0 |
| 4. Total gain (loss) on disposals | 0 | 0 |
| 5. Deduct amounts received on disposals | 0 | 0 |
| 6. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 7. Deduct current year's other-than-temporary impairment recognized | 0 | 0 |
| 8. Deduct current year's depreciation | 0 | 0 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8) | 0 | 0 |
| 10. Deduct total nonadmitted amounts | 0 | 0 |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 0 | 0 |

SCHEDULE B - VERIFICATION**Mortgage Loans**

| | 1 | 2 |
|---|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | 0 | 0 |
| 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. Accrual of discount | 0 | 0 |
| 5. Unrealized valuation increase (decrease) | 0 | 0 |
| 6. Total gain (loss) on disposals | 0 | 0 |
| 7. Deduct amounts received on disposals | 0 | 0 |
| 8. Deduct amortization of premium and mortgage interest points | 0 | 0 |
| 9. Total foreign exchange change in book value/recorded investment | 0 | 0 |
| 10. Deduct current year's other than temporary impairment recognized | 0 | 0 |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) | 0 | 0 |
| 12. Total valuation allowance | 0 | 0 |
| 13. Subtotal (Line 11 plus Line 12) | 0 | 0 |
| 14. Deduct total nonadmitted amounts | 0 | 0 |
| 15. Statement value at end of current period (Line 13 minus Line 14) | 0 | 0 |

SCHEDULE BA - VERIFICATION**Other Long-Term Invested Assets**

| | 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 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. Accrual of discount | 0 | 0 |
| 5. Unrealized valuation increase (decrease) | 0 | 0 |
| 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) | 0 | 0 |
| 12. Deduct total nonadmitted amounts | 0 | 0 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 0 | 0 |

SCHEDULE D - VERIFICATION**Bonds and Stocks**

| | 1 | 2 |
|---|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 399,741,622 | 357,944,400 |
| 2. Cost of bonds and stocks acquired | 159,359,041 | 281,873,323 |
| 3. Accrual of discount | 73,964 | (1,001,032) |
| 4. Unrealized valuation increase (decrease) | 3,038,484 | 1,333,472 |
| 5. Total gain (loss) on disposals | (104,888) | 1,013,768 |
| 6. Deduct consideration for bonds and stocks disposed of | 136,593,263 | 236,327,486 |
| 7. Deduct amortization of premium | 2,131,861 | 4,677,149 |
| 8. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 9. Deduct current year's other than temporary impairment recognized | 802,710 | 417,675 |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 422,580,389 | 399,741,622 |
| 11. Deduct total nonadmitted amounts | 0 | 315,250 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 422,580,389 | 399,426,372 |

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

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-----------------------------------|---|-------------------------------------|-------------------------------------|---|---|--|---|---|
| NAIC Designation | Book/Adjusted Carrying Value Beginning of Current Quarter | Acquisitions During Current Quarter | Dispositions During Current Quarter | Non-Trading Activity During Current Quarter | Book/Adjusted Carrying Value End of First Quarter | Book/Adjusted Carrying Value End of Second Quarter | Book/Adjusted Carrying Value End of Third Quarter | Book/Adjusted Carrying Value December 31 Prior Year |
| BONDS | | | | | | | | |
| 1. NAIC 1 (a) | 450,381,808 | 818,041,001 | 823,555,589 | 2,101,730 | 450,381,808 | 446,968,950 | 0 | 643,268,812 |
| 2. NAIC 2 (a) | 67,237,702 | 6,439,881 | 4,798,347 | (3,103,298) | 67,237,702 | 66,775,938 | 0 | 64,731,094 |
| 3. NAIC 3 (a) | 4,306,636 | 0 | 0 | 60,657 | 4,306,636 | 4,367,293 | 0 | 4,795,168 |
| 4. NAIC 4 (a) | 508,688 | 0 | 404,476 | 75,999 | 508,688 | 180,210 | 0 | 315,250 |
| 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 | 522,434,834 | 824,480,881 | 828,758,412 | (864,913) | 522,434,834 | 517,292,390 | 0 | 713,110,324 |
| 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 & Preferred Stock | 522,434,834 | 824,480,881 | 828,758,412 | (864,913) | 522,434,834 | 517,292,390 | 0 | 713,110,324 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....1,899,396; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1**Short - Term Investments**

| | 1 Book/Adjusted Carrying Value | 2 Par Value | 3 Actual Cost | 4 Interest Collected Year To Date | 5 Paid for Accrued Interest Year To Date |
|-----------------------|---|----------------|---------------------|---|---|
| 9199999. Totals | 144,139,487 | X X X | 144,139,716 | 325,246 | 6,105 |

SCHEDULE DA - Verification**Short-Term Investments**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 344,169,387 | 332,249,816 |
| 2. Cost of short-term investments acquired | 1,087,198,966 | 2,152,128,734 |
| 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 | 1,287,228,637 | 2,140,209,163 |
| 7. Deduct amortization of premium | 229 | 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) | 144,139,487 | 344,169,387 |
| 11. Deduct total nonadmitted amounts | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 144,139,487 | 344,169,387 |

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

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

NONE

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

| | | | | | |
|-----|--|---|---|---|---|
| 1. | Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year) | | | | 0 |
| 2. | Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column) | | | | 0 |
| 3.1 | Add: | | | | |
| | Change in variation margin on open contracts - Highly Effective Hedges | | | | |
| | 3.11 Section 1, Column 15, current year to date minus | 0 | | | |
| | 3.12 Section 1, Column 15, prior year | 0 | 0 | | |
| | Change in variation margin on open contracts - All Other | | | | |
| | 3.13 Section 1, Column 18, current year to date minus | 0 | | | |
| | 3.14 Section 1, Column 18, prior year | 0 | 0 | 0 | |
| 3.2 | Add: | | | | |
| | Change in adjustment to basis of hedged item | | | | |
| | 3.21 Section 1, Column 17, current year to date minus | 0 | | | |
| | 3.22 Section 1, Column 17, prior year | 0 | 0 | | |
| | Change in amount recognized | | | | |
| | 3.23 Section 1, Column 19, current year to date minus | 0 | | | |
| | 3.24 Section 1, Column 19, prior year | 0 | 0 | 0 | |
| 3.3 | Subtotal (Line 3.1 minus Line 3.2) | | | | 0 |
| 4.1 | Cumulative variation margin on terminated contracts during the year | | | 0 | |
| 4.2 | Less: | | | | |
| | 4.21 Amount used to adjust basis of hedged item | 0 | | | |
| | 4.22 Amount recognized | 0 | 0 | | |
| 4.3 | Subtotal (Line 4.1 minus Line 4.2) | | | | 0 |
| 5. | Dispositions gains (losses) on contracts terminated in prior year: | | | | |
| | 5.1 Total gain (loss) recognized for terminations in prior year | | | | 0 |
| | 5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year | | | | 0 |
| 6. | Book/Adjusted Carrying Value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2) | | | | 0 |
| 7. | Deduct total nonadmitted amounts | | | | 0 |
| 8. | Statement value at end of current period (Line 6 minus Line 7) | | | | 0 |

NONE

SCHEDULE DB - PART C - SECTION 1
Replication (Synthetic Asset) Transactions Open as of Current Statement Date

| 1 | Replication (Synthetic Asset) Transactions | | | | Components of the Replication (Synthetic Asset) Transactions | | | | | | | | | | |
|----------------|--|--|-------------------------|--------------------------------------|--|------------------------|-----------------------|------------------|---------------------------------------|------------------|-------------|-------------------|--|---------------------------------------|------------------|
| | 2 Description | 3 NAIC Designation or Other Description | 4 Notional Amount | 5 Book/Adjusted Carrying Value | 6 Fair Value | 7 Effective Date | 8 Maturity Date | 9 Description | 10 Book/Adjusted Carrying Value | 11 Fair Value | 12 CUSIP | 13 Description | 14 NAIC Designation or Other Description | 15 Book/Adjusted Carrying Value | 16 Fair Value |
| | | | | | | NONE | | | | | | | | | |
| 9999999 Totals | | | | 0 | 0 | XXX | XXX | XXX | 0 | 0 | XXX | XXX | XXX | 0 | 0 |

SCHEDULE DB - PART C - SECTION 2

Replication (Synthetic Asset) Transactions Open

| | First Quarter | | Second Quarter | | Third Quarter | | Fourth Quarter | | Year To Date | |
|---|---------------------|---|---------------------|---|---------------------|---|---------------------|---|---------------------|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | Number of Positions | Total Replication (Synthetic Asset) Statement Value | Number of Positions | Total Replication (Synthetic Asset) Statement Value | Number of Positions | Total Replication (Synthetic Asset) Statement Value | Number of Positions | Total Replication (Synthetic Asset) Statement Value | Number of Positions | Total Replication (Synthetic Asset) Statement Value |
| 1. Beginning Inventory | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Add: Opened or Acquired Transactions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Add: Increases in Replication (Synthetic Asset) Transactions | | | | | | | | | | |
| Statement Value | X X X | 0 | NONE | | X X X | 0 | X X X | 0 | X X X | 0 |
| 4. Less: Closed or Disposed of Transactions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Less: Positions Disposed of for Failing Effectiveness Criteria | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Less: Decreases in Replication (Synthetic Asset) Transactions | X X X | 0 | X X X | 0 | X X X | 0 | X X X | 0 | X X X | 0 |
| 7. Ending Inventory | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

SCHEDULE DB - VERIFICATION**Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts**

| | | Book/Adjusted Carrying Value Check | |
|----|--|--|---|
| 1. | Part A, Section 1, Column 14 | 0 | |
| 2. | Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance | 0 | |
| 3. | Total (Line 1 plus Line 2) | | 0 |
| 4. | Part D, Section 1, Column 5 | 0 | |
| 5. | Part D, Section 1, Column 6 | 0 | |
| 6. | Total (Line 3 minus Line 4 minus Line 5) | | 0 |

| | | Fair Value Check | |
|-----|--|---------------------|---|
| 7. | Part A, Section 1, Column 16 | 0 | |
| 8. | Part B, Section 1, Column 13 | 0 | |
| 9. | Total (Line 7 plus Line 8) | | 0 |
| 10. | Part D, Section 1, Column 8 | 0 | |
| 11. | Part D, Section 1, Column 9 | 0 | |
| 12. | Total (Line 9 minus Line 10 minus Line 11) | | 0 |

NONE

| | | Potential Exposure Check | |
|-----|--|-----------------------------|---|
| 13. | Part A, Section 1, Column 21 | 0 | |
| 14. | Part B, Section 1, Column 20 | 0 | |
| 15. | Part D, Section 1, Column 11 | 0 | |
| 16. | Total (Line 13 plus Line 14 minus Line 15) | | 0 |

SCHEDULE E - Verification
(Cash Equivalents)

| | | 1 | 2 |
|-----|--|--------------|---------------------------------|
| | | Year To Date | Prior Year Ended December 31 |
| 1. | Book/adjusted carrying value, December 31 of prior year | 0 | 0 |
| 2. | Cost of cash equivalents acquired | 0 | 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 disposal | 0 | 0 |
| 7. | Deduct amortization of premium | 0 | 0 |
| 8. | Total foreign exchange change in book 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) | 0 | 0 |
| 11. | Deduct total nonadmitted amounts | 0 | 0 |
| 12. | Statement value at end of current period (Line 10 minus Line 11) | 0 | 0 |

NONE

SCHEDULE A - PART 2
Showing all Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

| 1 Description of Property | 2 Location | | | 4 Date Acquired | 5 Name of Vendor | 6 Actual Cost at Time of Acquisition | 7 Amount of Encumbrances | 8 Book/Adjusted Carrying Value Less Encumbrances | 9 Additional Investment Made After Acquisition |
|---------------------------------|---------------|-------|------|--------------------|---------------------|---|--------------------------------|--|--|
| | City | State | City | | | | | | |
| | NONE | | | | | | | | |
| 0399999 Totals | | | | | | | | | |

0399999 Totals

SCHEDULE A - PART 3
Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

| 1 Description of Property | 2 Location | | | 4 Disposal Date | 5 Name of Purchaser | 6 Actual Cost | 7 Expended for Additions, Permanent Improvements and Changes in Encumbrances | 8 Book/Adjusted Carrying Value Less Encumbrances Prior Year | 9 Current Year's Depreciation | 10 Current Year's Other-Than- Temporary Impairment Recognized | 11 Current Year's Change in Encumbrances | 12 Total Change in B/A C.V. (11 - 9 - 10) | 13 Total Foreign Exchange Change in B/A C.V. | 14 Book/Adjusted Carrying Value Less Encumbrances on Disposal | 15 Amounts Received During Year | 16 Foreign Exchange Gain (Loss) on Disposal | 17 Realized Gain (Loss) on Disposal | 18 Total Gain (Loss) on Disposal | 19 Gross Income Earned Less Interest Incurred on Encumbrances | 20 Taxes, Repairs and Expenses Incurred | |
|------------------------------------|---------------|-------|------|-----------------------|---------------------------|---------------------|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|
| | City | State | City | | | | | | | | | | | | | | | | | | |
| | NONE | | | | | | | | | | | | | | | | | | | | |
| 0399999 Totals | | | | | | | | | | | | | | | | | | | | | |

0399999 Totals

SCHEDULE B - PART 2
Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

| 1 Loan Number | 2 Location | | 3 State | 4 Loan Type | 5 Date Acquired | 6 Rate of Interest | 7 Actual Cost at Time of Acquisition | 8 Additional Investment Made After Acquisition | 9 Value of Land and Buildings |
|--|---------------|------|------------|----------------|--------------------|-----------------------|---|---|----------------------------------|
| | City | City | | | | | | | |
| NONE | | | | | | | | | |
| 3399999 Total Mortgages (sum of Lines 0899999, 1699999, 2499999 and 3299999) | | | | | | | 0 | 0 | 0 |

SCHEDULE B - PART 3
Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

| 1 Loan Number | 2 Location | | 4 Loan Type | 5 Date Acquired | 6 Disposal Date | 7 Book Value/Recorded Investment Excluding Accrued Interest Prior Year | 8 Unrealized Valuation Increase (Decrease) | 9 Current Year's (Amortization)/ Accretion | 10 Current Year's Other-Than-Temporary Impairment Recognized | 11 Capitalized Deferred Interest and Other | 12 Total Change in Book Value (8-9-10-11) | 13 Total Foreign Exchange Change in Book Value | 14 Book Value/Recorded Investment Excluding Accrued Interest on Disposal | 15 Consideration | 16 Foreign Exchange Gain (Loss) on Disposal | 17 Realized Gain (Loss) on Disposal | 18 Total Gain (Loss) on Disposal |
|------------------|---------------|-------|----------------|--------------------|--------------------|---|---|---|---|---|--|---|---|---------------------|--|--|-------------------------------------|
| | City | State | | | | | | | | | | | | | | | |
| NONE | | | | | | | | | | | | | | | | | |
| 0599999 Totals | | | | | | | | | | | | | | 0 | 0 | 0 | 0 |

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|--|---------|---------------|-----------------------------------|---------------------------|-------------|------------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| Bonds - U.S. Governments | | | | | | | | | |
| 912828K74 | U S TREASURY NOTE | | 06/30/2016 | Goldman Sachs NY | X X | 2,012,753 | 1,925,000 | 15,019 | 1 |
| 912828Q29 | U S TREASURY NOTE | | 04/29/2016 | Goldman Sachs NY | X X | 1,787,836 | 1,800,000 | 2,361 | 1 |
| 912828Q52 | U S TREASURY NOTE | | 05/26/2016 | VARIOUS | X X | 28,158,832 | 28,231,000 | 13,222 | 1 |
| 912828R85 | U S TREASURY NOTE | | 06/29/2016 | VARIOUS | X X | 27,962,804 | 27,841,000 | 13,312 | 1 |
| 0599999 | Subtotal - Bonds - U.S. Governments | | | | X X X | 59,922,226 | 59,797,000 | 43,914 | X X X |
| Bonds - U.S. Special Revenue, Special Assessment | | | | | | | | | |
| 31300MLY7 | FHLMC POOL #84-9343 | | 06/01/2016 | VARIOUS | X X | 1,707,636 | 1,660,922 | 2,187 | 1 |
| 3138ETG59 | FNMA POOL #0AL8319 | | 06/01/2016 | VARIOUS | X X | 1,647,500 | 1,592,749 | 2,364 | 1 |
| 3138ETM45 | FNMA POOL #0AL8478 | | 06/15/2016 | BANK OF AMERICA NA, DALLAS | X X | 1,450,917 | 1,396,056 | 2,156 | 1 |
| 3138ETND4 | FNMA POOL #0AL8487 | | 05/20/2016 | Pershing LLC | X X | 881,521 | 857,080 | 1,370 | 1 |
| 3199999 | Subtotal - Bonds - U.S. Special Revenue, Special Assessment | | | | X X X | 5,687,573 | 5,506,808 | 8,077 | X X X |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | |
| 05578QAA1 | BPCE SA 144A | F | 04/27/2016 | HSBC Securities | X X X | 266,065 | 250,000 | 396 | 2FE |
| 00206RCC4 | AT&T INC | | 05/03/2016 | BNY/Mizuho Secs. | X X X | 1,677,944 | 1,648,000 | 6,423 | 2FE |
| 06051GFM6 | BANK OF AMERICA CORP | | 05/09/2016 | First Tennessee | X X X | 378,139 | 375,000 | 4,583 | 2FE |
| 07388PAE1 | BEAR STEARNS COMMERCIA PW14 A4 | | 05/17/2016 | Merrill Lynch | X X X | 1,589,830 | 1,574,333 | 4,322 | 1FM |
| 07388QAE9 | BEAR STEARNS COMMERCIA PW17 A4 | | 06/17/2016 | Pershing LLC | X X X | 2,990,676 | 2,887,798 | 9,592 | 1FM |
| 171798AC5 | CIMAREX ENERGY CO | | 04/25/2016 | Morgan Stanley | X X X | 380,550 | 375,000 | 6,699 | 2FE |
| 172967JN2 | CITIGROUP INC | | 04/07/2016 | Salomon Brothers | X X X | 950,248 | 952,000 | 7,418 | 2FE |
| 172967KS9 | CITIGROUP INC | | 06/02/2016 | Salomon Brothers | X X X | 594,691 | 595,000 | 0 | 2FE |
| 22822VAA9 | CROWN CASTLE INTERNATIONAL COR | | 04/26/2016 | Morgan Stanley | X X X | 51,319 | 50,000 | 416 | 2FE |
| 12635FAT1 | CSAIL 2015-C3 COMMERCIAL C3 A4 | | 05/09/2016 | Credit Suisse | X X X | 839,694 | 775,000 | 880 | 1FM |
| 247358AA2 | DELTA AIR LINES 2012-1 CLASS A | | 04/29/2016 | Salomon Brothers | X X X | 668,031 | 625,790 | 14,615 | 1FE |
| 25179MAP8 | DEVON ENERGY CORP | | 04/20/2016 | JPMorgan Securities Inc, New York | X X X | 514,608 | 575,000 | 8,306 | 2FE |
| 38141GES9 | GOLDMAN SACHS GROUP INC/THE | | 05/19/2016 | VARIOUS | X X X | 455,599 | 400,000 | 8,112 | 2FE |
| 44891BAE5 | HYUNDAI AUTO LEASE S B A4 144A | | 05/17/2016 | Salomon Brothers | X X X | 1,629,763 | 1,630,000 | 0 | 1FE |
| 44891AAE7 | HYUNDAI CAPITAL AMERICA 144A | | 04/06/2016 | Jefferies & Co | X X X | 1,170,718 | 1,160,000 | 1,853 | 2FE |
| 46631QAD4 | JP MORGAN CHASE COMMER CB20 A4 | | 06/23/2016 | Morgan Stanley | X X X | 1,353,066 | 1,303,375 | 5,664 | 1FM |
| 58769AAE6 | MERCEDES BENZ AUTO LEASE B A4 | | 05/04/2016 | RBC Captl Markets | X X X | 717,122 | 713,000 | 727 | 1FE |
| 55315FAC4 | MMAF EQUIPMENT FINA AA A3 144A | | 05/03/2016 | JPMorgan Securities Inc, New York | X X X | 2,384,700 | 2,385,000 | 0 | 1FE |
| 61763JAZ5 | MORGAN STANLEY BANK OF C-17 A5 | | 06/15/2016 | Deutsche Banc | X X X | 670,975 | 615,000 | 1,214 | 1FM |
| 65341KAK2 | NEXTGEAR FLOORPLAN 1A A2 144A | | 04/21/2016 | BNY/Mizuho Secs. | X X X | 595,861 | 596,000 | 0 | 1FE |
| 94989AAU9 | WELLS FARGO COMMERCIAL LC18 A5 | | 05/06/2016 | Credit Suisse | X X X | 486,306 | 460,000 | 435 | 1FM |
| 3899999 | Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | X X X | 20,365,905 | 19,945,295 | 81,653 | X X X |
| 8399997 | Subtotal - Bonds - Part 3 | | | | X X X | 85,975,703 | 85,249,103 | 133,644 | X X X |
| 8399998 | Summary Item from Part 5 for Bonds (N/A to Quarterly) | | | | X X X | X X X | X X X | X X X | X X X |
| 8399999 | Subtotal - Bonds | | | | X X X | 85,975,703 | 85,249,103 | 133,644 | X X X |
| 8399998 | Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) | | | | X X X | X X X | X X X | X X X | X X X |
| Common Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | |
| G0176J109 | ALLEGION PLC | F | 05/06/2016 | Investment Tech Group | 113,000 | 7,460 | X X X | 0 | L |
| G25839104 | COCA-COLA EUROPEAN PARTNERS | F | 05/31/2016 | VARIOUS | 666,000 | 25,439 | X X X | 0 | L |
| G27823106 | DELPHI AUTOMOTIVE PLC | F | 06/07/2016 | Salomon Brothers | 489,000 | 32,145 | X X X | 0 | L |
| G5960L103 | MEDTRONIC PLC | F | 05/06/2016 | Investment Tech Group | 663,000 | 52,874 | X X X | 0 | L |
| G60754101 | MICHAEL KORS HOLDINGS LTD | F | 05/06/2016 | Investment Tech Group | 37,000 | 1,883 | X X X | 0 | L |
| G7S00T104 | PENTAIR PLC | F | 05/06/2016 | Investment Tech Group | 138,000 | 8,025 | X X X | 0 | L |
| G97822103 | PERRIGO CO PLC | F | 06/07/2016 | Salomon Brothers | 419,000 | 41,510 | X X X | 0 | L |
| H84989104 | TE CONNECTIVITY LTD | F | 06/07/2016 | Salomon Brothers | 490,000 | 30,400 | X X X | 0 | L |
| G96629103 | WILLIS TOWERS WATSON PLC | F | 05/06/2016 | Investment Tech Group | 41,000 | 4,984 | X X X | 0 | L |

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------------|-------------------------------|---------|---------------|-----------------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| G98290102 | XL GROUP PLC | F | 05/06/2016 | Investment Tech Group | 227,000 | 7,518 | XXX | 0 | L |
| 002824100 | ABBOTT LABS COM | | 06/07/2016 | Salomon Brothers | 1,273,000 | 49,711 | XXX | 0 | L |
| 00287Y109 | ABBVIE INC | | 05/06/2016 | Investment Tech Group | 1,536,000 | 96,031 | XXX | 0 | L |
| 00508Y102 | ACUITY BRANDS INC | | 05/06/2016 | Investment Tech Group | 119,000 | 29,217 | XXX | 0 | L |
| 00751Y106 | ADVANCE AUTO PARTS INC | | 05/06/2016 | Investment Tech Group | 47,000 | 7,075 | XXX | 0 | L |
| 00130H105 | AES CORP COM | | 05/06/2016 | Investment Tech Group | 149,000 | 1,652 | XXX | 0 | L |
| 00817Y108 | AETNA INC COM NEW | | 05/06/2016 | Investment Tech Group | 56,000 | 6,318 | XXX | 0 | L |
| 008252108 | AFFILIATED MANAGERS GROUP INC | | 05/06/2016 | Investment Tech Group | 97,000 | 15,871 | XXX | 0 | L |
| 001055102 | AFLAC INC COM | | 05/06/2016 | Investment Tech Group | 100,000 | 6,886 | XXX | 0 | L |
| 00846U101 | AGILENT TECHNOLOGIES INC | | 05/06/2016 | Investment Tech Group | 229,000 | 9,490 | XXX | 0 | L |
| 011659109 | ALASKA AIR GROUP INC | | 06/07/2016 | Salomon Brothers | 399,000 | 26,482 | XXX | 0 | L |
| 013817101 | ALCOA INC COM | | 05/06/2016 | Investment Tech Group | 387,000 | 3,889 | XXX | 0 | L |
| 015351109 | ALEXION PHARMACEUTICALS INC | | 06/07/2016 | Salomon Brothers | 191,000 | 26,530 | XXX | 0 | L |
| G0177J108 | ALLERGAN PLC | | 05/06/2016 | Investment Tech Group | 161,000 | 32,467 | XXX | 0 | L |
| 018581108 | ALLIANCE DATA SYSTEMS CORP | | 06/07/2016 | Salomon Brothers | 165,000 | 37,366 | XXX | 0 | L |
| 02079K107 | ALPHABET INC | | 05/06/2016 | Investment Tech Group | 72,000 | 51,201 | XXX | 0 | L |
| 02079K305 | ALPHABET INC | | 05/06/2016 | Investment Tech Group | 72,000 | 52,214 | XXX | 0 | L |
| 02209S103 | ALTRIA GROUP INC | | 05/06/2016 | Investment Tech Group | 373,000 | 23,477 | XXX | 0 | L |
| 023135106 | AMAZON COM INC COM | | 05/06/2016 | Investment Tech Group | 97,000 | 65,374 | XXX | 0 | L |
| 023608102 | AMEREN CORP | | 05/06/2016 | Investment Tech Group | 284,000 | 13,689 | XXX | 0 | L |
| 025816109 | AMERICAN EXPRESS CO COM | | 05/06/2016 | Investment Tech Group | 1,133,000 | 73,101 | XXX | 0 | L |
| 026874784 | AMERICAN INTL GROUP INC COM | | 05/06/2016 | Investment Tech Group | 494,000 | 27,195 | XXX | 0 | L |
| 03027X100 | AMERICAN TOWER CORPORATION | | 06/07/2016 | Salomon Brothers | 289,000 | 31,226 | XXX | 0 | L |
| 03073E105 | AMERISOURCEBERGEN CORP COM | | 06/07/2016 | Salomon Brothers | 613,000 | 46,892 | XXX | 0 | L |
| 031100100 | AMETEK INC | | 06/07/2016 | Salomon Brothers | 293,000 | 14,322 | XXX | 0 | L |
| 031162100 | AMGEN INC | | 05/06/2016 | Investment Tech Group | 301,000 | 46,113 | XXX | 0 | L |
| 032095101 | AMPHENOL CORP NEW CL A | | 05/06/2016 | Investment Tech Group | 196,000 | 10,951 | XXX | 0 | L |
| 036752103 | ANTHEM INC | | 05/06/2016 | Investment Tech Group | 50,000 | 6,863 | XXX | 0 | L |
| 037411105 | APACHE CORP COM | | 05/06/2016 | Investment Tech Group | 275,000 | 14,809 | XXX | 0 | L |
| 037833100 | APPLE COMPUTER INC | | 05/06/2016 | Investment Tech Group | 1,448,000 | 134,273 | XXX | 0 | L |
| 038222105 | APPLIED MATLS INC COM | | 05/06/2016 | Investment Tech Group | 268,000 | 5,328 | XXX | 0 | L |
| 039483102 | ARCHER DANIELS MIDLAND CO COM | | 05/06/2016 | Investment Tech Group | 165,000 | 6,305 | XXX | 0 | L |
| 00206R102 | AT & T INC COM | | 05/06/2016 | Investment Tech Group | 1,478,000 | 57,642 | XXX | 0 | L |
| 052769106 | AUTODESK INC COM | | 05/06/2016 | Investment Tech Group | 161,000 | 9,446 | XXX | 0 | L |
| 053332102 | AUTOZONE INC COM | | 05/06/2016 | Investment Tech Group | 7,000 | 5,434 | XXX | 0 | L |
| 053484101 | AVALONBAY CMINTYS INC COM | | 05/06/2016 | Investment Tech Group | 99,000 | 18,584 | XXX | 0 | L |
| 057224107 | BAKER HUGHES INC COM | | 05/06/2016 | Investment Tech Group | 512,000 | 23,496 | XXX | 0 | L |
| 064058100 | BANK NEW YORK MELLON CORP COM | | 05/06/2016 | Investment Tech Group | 739,000 | 29,220 | XXX | 0 | L |
| 060505104 | BANK OF AMERICA CORP | | 06/07/2016 | Salomon Brothers | 11,359,000 | 164,478 | XXX | 0 | L |
| 07177M103 | BAXALTA INC | | 05/06/2016 | Investment Tech Group | 835,000 | 34,385 | XXX | 0 | L |
| 054937107 | BB&T CORP COM | | 06/07/2016 | Salomon Brothers | 1,627,000 | 59,971 | XXX | 0 | L |
| 075887109 | BECTON DICKINSON & CO COM | | 05/06/2016 | Investment Tech Group | 54,000 | 8,902 | XXX | 0 | L |
| 075896100 | BED BATH & BEYOND INC COM | | 05/06/2016 | Investment Tech Group | 521,000 | 23,586 | XXX | 0 | L |
| 084670702 | BERKSHIRE HATHAWAY INC DEL | | 06/07/2016 | VARIOUS | 1,085,000 | 154,668 | XXX | 0 | L |
| 086516101 | BEST BUY INC COM | | 05/06/2016 | Investment Tech Group | 33,000 | 1,056 | XXX | 0 | L |
| 09062X103 | BIOPEN IDEC INC COM | | 05/06/2016 | Investment Tech Group | 147,000 | 38,752 | XXX | 0 | L |
| 09247X101 | BLACKROCK INC | | 05/06/2016 | Investment Tech Group | 91,000 | 32,398 | XXX | 0 | L |
| 093671105 | BLACK H & R INC COM | | 06/07/2016 | Salomon Brothers | 755,000 | 16,316 | XXX | 0 | L |
| 097023105 | BOEING CO COM | | 05/06/2016 | Investment Tech Group | 320,000 | 42,646 | XXX | 0 | L |
| 099724106 | BORGWARNER INC | | 06/07/2016 | Salomon Brothers | 700,000 | 24,500 | XXX | 0 | L |
| 101121101 | BOSTON PPTY INC COM | | 05/06/2016 | Investment Tech Group | 111,000 | 14,531 | XXX | 0 | L |
| 101137107 | BOSTON SCIENTIFIC CORP COM | | 05/06/2016 | Investment Tech Group | 870,000 | 19,175 | XXX | 0 | L |
| 110122108 | BRISTOL MYERS SQUIBB CO COM | | 05/06/2016 | Investment Tech Group | 404,000 | 28,777 | XXX | 0 | L |
| 12686C109 | CABLEVISION SYSTEMS CORP | | 05/06/2016 | Investment Tech Group | 140,000 | 4,831 | XXX | 0 | L |

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------------|--------------------------------|---------|---------------|-----------------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| 127097103 | CABOT OIL & GAS CORP COM | | 05/06/2016 | Investment Tech Group | 288,000 | 6,146 | XXX | 0 | L |
| 14040H05 | CAPITAL ONE FINL CORP | | 05/06/2016 | Investment Tech Group | 136,000 | 9,438 | XXX | 0 | L |
| 14149Y08 | CARDINAL HEALTH INC COM | | 05/06/2016 | Investment Tech Group | 94,000 | 7,225 | XXX | 0 | L |
| 143130102 | CARMAX INC | | 05/06/2016 | Investment Tech Group | 202,000 | 10,185 | XXX | 0 | L |
| 12504L109 | CBRE GROUP INC CL A | | 05/06/2016 | Investment Tech Group | 212,000 | 6,222 | XXX | 0 | L |
| 124857202 | CBS CORP NEW CL B | | 05/06/2016 | Investment Tech Group | 154,000 | 8,884 | XXX | 0 | L |
| 151020104 | CELGENE CORP | | 05/06/2016 | Investment Tech Group | 373,000 | 37,397 | XXX | 0 | L |
| 15135B101 | CENTENE CORP | | 05/06/2016 | Investment Tech Group | 541,000 | 32,336 | XXX | 0 | L |
| 15189T107 | CENTERPOINT ENERGY INC | | 05/06/2016 | Investment Tech Group | 312,000 | 6,752 | XXX | 0 | L |
| 156700106 | CENTURYTEL INC COM | | 05/06/2016 | Investment Tech Group | 1,731,000 | 49,420 | XXX | 0 | L |
| 125269100 | CF INDS HLDGS INC | | 05/06/2016 | Investment Tech Group | 742,000 | 23,009 | XXX | 0 | L |
| 16119P108 | CHARTER COMMUNICATIONS INC | | 05/19/2016 | VARIOUS | 340,402 | 64,574 | XXX | 0 | L |
| 166764100 | CHEVRONTXACO CORP | | 05/06/2016 | Investment Tech Group | 1,275,000 | 129,884 | XXX | 0 | L |
| 169656105 | CHIPOTLE MEXICAN GRILL INC | | 05/06/2016 | Investment Tech Group | 13,000 | 5,640 | XXX | 0 | L |
| 171798101 | CIMAREX ENERGY CO | | 05/06/2016 | Investment Tech Group | 112,000 | 12,342 | XXX | 0 | L |
| 17275R102 | CISCO SYS INC COM | | 05/06/2016 | Investment Tech Group | 1,919,000 | 50,930 | XXX | 0 | L |
| 172967424 | CITIGROUP INC | | 05/06/2016 | Investment Tech Group | 1,805,000 | 80,178 | XXX | 0 | L |
| 174610105 | CITIZENS FINANCIAL GROUP INC | | 05/06/2016 | Investment Tech Group | 1,680,000 | 37,128 | XXX | 0 | L |
| 189054109 | CLOROX CO COM | | 05/06/2016 | Investment Tech Group | 95,000 | 12,395 | XXX | 0 | L |
| 12572Q105 | CME GROUP INC COM | | 05/06/2016 | Investment Tech Group | 246,000 | 22,851 | XXX | 0 | L |
| 125696100 | CMS ENERGY CORP COM | | 05/06/2016 | Investment Tech Group | 325,000 | 13,364 | XXX | 0 | L |
| 189754104 | COACH INC COM | | 05/06/2016 | Investment Tech Group | 122,000 | 4,870 | XXX | 0 | L |
| 191216100 | COCA COLA CO COM | | 05/06/2016 | Investment Tech Group | 894,000 | 40,525 | XXX | 0 | L |
| 19122T109 | COCA-COLA ENTERPRISES INC | | 05/06/2016 | Investment Tech Group | 153,000 | 8,271 | XXX | 0 | L |
| 192446102 | COGNIZANT TECH SOLUTIONS CL A | | 05/06/2016 | Investment Tech Group | 370,000 | 22,407 | XXX | 0 | L |
| 194162103 | COLGATE PALMOLIVE CO | | 05/06/2016 | Investment Tech Group | 141,000 | 10,128 | XXX | 0 | L |
| 198280109 | COLUMBIA PIPELINE GROUP INC | | 05/06/2016 | Investment Tech Group | 426,000 | 10,812 | XXX | 0 | L |
| 20030N101 | COMCAST CORP NEW CL A | | 05/06/2016 | Investment Tech Group | 564,000 | 34,647 | XXX | 0 | L |
| 200340107 | COMERICA INC COM | | 05/06/2016 | Investment Tech Group | 197,000 | 8,331 | XXX | 0 | L |
| 205687102 | CONAGRA FOODS INC COM | | 05/06/2016 | Investment Tech Group | 319,000 | 14,355 | XXX | 0 | L |
| 20605P101 | CONCHO RESOURCES INC/MIDLAND T | | 05/06/2016 | Investment Tech Group | 411,000 | 47,129 | XXX | 0 | L |
| 21036P108 | CONSTELLATION BRANDS INC CL A | | 05/06/2016 | Investment Tech Group | 49,000 | 7,820 | XXX | 0 | L |
| 22160K105 | COSTCO WHSL CORP NEW COM | | 05/06/2016 | Investment Tech Group | 112,000 | 16,402 | XXX | 0 | L |
| 126408103 | CSX CORP COM | | 05/06/2016 | Investment Tech Group | 877,000 | 22,951 | XXX | 0 | L |
| 231021106 | CUMMINS ENGINE INC COM | | 05/06/2016 | Investment Tech Group | 40,000 | 4,600 | XXX | 0 | L |
| 126650100 | CVS CORP | | 05/06/2016 | Investment Tech Group | 243,000 | 25,481 | XXX | 0 | L |
| 23331A109 | D R HORTON INC | | 05/06/2016 | Investment Tech Group | 241,000 | 7,122 | XXX | 0 | L |
| 237194105 | DARDEN RESTAURANTS INC | | 05/06/2016 | Investment Tech Group | 33,000 | 2,063 | XXX | 0 | L |
| 23918K108 | DAVITA INC COM | | 05/06/2016 | Investment Tech Group | 88,000 | 6,862 | XXX | 0 | L |
| 244199105 | DEERE & CO COM | | 05/06/2016 | Investment Tech Group | 323,000 | 26,312 | XXX | 0 | L |
| 247361702 | DELTA AIR LINES INC | | 05/06/2016 | Investment Tech Group | 477,000 | 20,058 | XXX | 0 | L |
| 24906P109 | DELTA SPLY SIRONA INC | | 05/06/2016 | Investment Tech Group | 467,000 | 28,842 | XXX | 0 | L |
| 25179M103 | DEVON ENERGY CORP NEW COM | | 05/06/2016 | Investment Tech Group | 675,000 | 21,202 | XXX | 0 | L |
| 25470F104 | DISCOVERY COMMUNICATIONS INC | | 05/06/2016 | Investment Tech Group | 177,000 | 5,007 | XXX | 0 | L |
| 25470F302 | DISCOVERY COMMUNICATIONS INC | | 05/06/2016 | Investment Tech Group | 239,000 | 6,616 | XXX | 0 | L |
| 254687106 | DISNEY WALT CO COM | | 05/06/2016 | Investment Tech Group | 312,000 | 32,932 | XXX | 0 | L |
| 256677105 | DOLLAR GENERAL CORP | | 05/06/2016 | Investment Tech Group | 211,000 | 17,572 | XXX | 0 | L |
| 256746108 | DOLLAR TREE INC | | 05/06/2016 | Investment Tech Group | 170,000 | 13,804 | XXX | 0 | L |
| 260543103 | DOW CHEM CO COM | | 05/06/2016 | Investment Tech Group | 501,000 | 25,636 | XXX | 0 | L |
| 263534109 | DU PONT E IDE NEMOURS & CO | | 05/06/2016 | Investment Tech Group | 474,000 | 30,464 | XXX | 0 | L |
| 26483E100 | DUN & BRADSTREET CORP DEL NEW | | 05/06/2016 | Investment Tech Group | 43,000 | 4,778 | XXX | 0 | L |
| 269246401 | E-TRADE FINANCIAL CORP | | 05/06/2016 | Investment Tech Group | 316,000 | 7,881 | XXX | 0 | L |
| 277432100 | EASTMAN CHEM CO COM | | 05/06/2016 | Investment Tech Group | 40,000 | 3,035 | XXX | 0 | L |
| G29183103 | EATON CORP PLC | | 05/06/2016 | Investment Tech Group | 119,000 | 7,296 | XXX | 0 | L |

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------------|--------------------------------|---------|---------------|-----------------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| 278642103 | EBAY INC COM | | 05/06/2016 | Investment Tech Group | 737,000 | 17,563 | XXX | 0 | L |
| 28176E108 | EDWARDS LIFESCIENCES CORP | | 05/06/2016 | Investment Tech Group | 249,000 | 26,332 | XXX | 0 | L |
| 291011104 | EMERSON ELEC CO COM | | 05/06/2016 | Investment Tech Group | 357,000 | 19,035 | XXX | 0 | L |
| 29364G103 | ENERGY CORP NEW COM | | 05/06/2016 | Investment Tech Group | 130,000 | 9,902 | XXX | 0 | L |
| 26884L109 | EQT CORP COM | | 05/06/2016 | Investment Tech Group | 234,000 | 16,272 | XXX | 0 | L |
| 29444U700 | EQUINIX INC | | 05/06/2016 | Investment Tech Group | 68,120 | 22,949 | XXX | 0 | L |
| 29476L107 | EQUITY RESIDENTIAL PPTYS TR SH | | 06/07/2016 | Salomon Brothers | 435,000 | 27,866 | XXX | 0 | L |
| 297178105 | ESSEX PPTY TR | | 05/06/2016 | Investment Tech Group | 41,000 | 9,519 | XXX | 0 | L |
| 30040W108 | EVERSOURCE ENERGY | | 05/06/2016 | Investment Tech Group | 248,000 | 14,178 | XXX | 0 | L |
| 30161N101 | EXELON CORP COM | | 05/06/2016 | Investment Tech Group | 262,000 | 9,351 | XXX | 0 | L |
| 30219G108 | EXPRESS SCRIPTS HLDG CO | | 06/07/2016 | Salomon Brothers | 725,000 | 55,144 | XXX | 0 | L |
| 30225T102 | EXTRA SPACE STORAGE INC | | 06/07/2016 | Salomon Brothers | 400,000 | 36,932 | XXX | 0 | L |
| 30231G102 | EXXON MOBIL CORP | | 06/07/2016 | VARIIOUS | 1,728,000 | 155,402 | XXX | 0 | L |
| 315616102 | F5 NETWORKS INC | | 05/06/2016 | Investment Tech Group | 219,000 | 22,042 | XXX | 0 | L |
| 30303M102 | FACEBOOK INC | | 05/06/2016 | Investment Tech Group | 613,000 | 73,254 | XXX | 0 | L |
| 311900104 | FASTENAL CO | | 05/06/2016 | Investment Tech Group | 117,000 | 5,441 | XXX | 0 | L |
| 31620M106 | FIDELITY NATL INFORMATION SVCS | | 05/06/2016 | Investment Tech Group | 197,000 | 14,038 | XXX | 0 | L |
| 316773100 | FIFTH THIRD BANCORP | | 06/07/2016 | Salomon Brothers | 1,723,000 | 33,047 | XXX | 0 | L |
| 336433107 | FIRST SOLAR INC COM | | 05/06/2016 | Investment Tech Group | 90,000 | 4,663 | XXX | 0 | L |
| 337932107 | FIRSTENERGY CORP COM | | 05/06/2016 | Investment Tech Group | 122,000 | 4,038 | XXX | 0 | L |
| 34354P105 | FLOWSERVE CORP COM | | 05/06/2016 | Investment Tech Group | 92,000 | 4,257 | XXX | 0 | L |
| 302491303 | FMC CORP NEW COM | | 05/06/2016 | Investment Tech Group | 38,000 | 1,824 | XXX | 0 | L |
| 344849104 | FOOT LOCKER INC | | 05/06/2016 | Investment Tech Group | 437,000 | 26,565 | XXX | 0 | 4 |
| 345370860 | FORD MTR CO DEL COM PAR \$0.01 | | 06/07/2016 | Salomon Brothers | 1,873,000 | 25,138 | XXX | 0 | L |
| 354613101 | FRANKLIN RES INC COM | | 05/06/2016 | Investment Tech Group | 90,000 | 3,250 | XXX | 0 | L |
| 35671D857 | FREEMPORT MCMORAN COPPER B | | 05/06/2016 | Investment Tech Group | 634,000 | 7,481 | XXX | 0 | L |
| 35906A108 | FRONTIER COMMUNICATIONS CORP | | 05/06/2016 | Investment Tech Group | 332,000 | 1,753 | XXX | 0 | L |
| 364760108 | GAP INC COM | | 06/07/2016 | Salomon Brothers | 541,000 | 10,539 | XXX | 0 | L |
| 369604103 | GENERAL ELEC CO COM | | 05/06/2016 | Investment Tech Group | 1,982,000 | 59,718 | XXX | 0 | L |
| 370023103 | GENERAL GROWTH PROPERTIES INC | | 05/06/2016 | Investment Tech Group | 423,000 | 12,445 | XXX | 0 | L |
| 370334104 | GENERAL MLS INC COM | | 05/06/2016 | Investment Tech Group | 132,000 | 8,200 | XXX | 0 | L |
| 37045V100 | GENERAL MOTORS CO | | 05/06/2016 | Investment Tech Group | 838,000 | 25,953 | XXX | 0 | L |
| 382550101 | GOODYEAR TIRE & RUBR CO COM | | 05/06/2016 | Investment Tech Group | 70,000 | 1,974 | XXX | 0 | L |
| 384802104 | GRAINGER W W INC COM | | 05/06/2016 | Investment Tech Group | 41,000 | 9,532 | XXX | 0 | L |
| 406216101 | HALLIBURTON CO COM | | 05/06/2016 | Investment Tech Group | 1,012,000 | 39,923 | XXX | 0 | L |
| 410345102 | HANESBRANDS INC | | 05/06/2016 | Investment Tech Group | 110,000 | 3,044 | XXX | 0 | L |
| 412822108 | HARLEY DAVIDSON INC COM | | 05/06/2016 | Investment Tech Group | 586,000 | 26,956 | XXX | 0 | L |
| 413875105 | HARRIS CORP DEL COM | | 05/06/2016 | Investment Tech Group | 91,000 | 6,789 | XXX | 0 | L |
| 416515104 | HARTFORD FINL SVCS GROUP INC | | 05/06/2016 | Investment Tech Group | 256,000 | 11,233 | XXX | 0 | L |
| 40412C101 | HCA HOLDINGS INC | | 05/06/2016 | Investment Tech Group | 187,000 | 15,130 | XXX | 0 | L |
| 40414L109 | HCP INC COM | | 05/06/2016 | Investment Tech Group | 133,000 | 4,596 | XXX | 0 | L |
| 423452101 | HELMERICH & PAYNE INC | | 05/06/2016 | Investment Tech Group | 31,000 | 1,882 | XXX | 0 | L |
| 42809H107 | HESS CORP | | 05/06/2016 | Investment Tech Group | 843,000 | 47,343 | XXX | 0 | L |
| 42824C109 | HEWLETT PACKARD CO | | 05/06/2016 | Investment Tech Group | 1,811,000 | 28,596 | XXX | 0 | L |
| 436440101 | HOLOGIC INC | | 05/06/2016 | Investment Tech Group | 786,000 | 26,512 | XXX | 0 | L |
| 437076102 | HOME DEPOT INC COM | | 05/06/2016 | Investment Tech Group | 305,000 | 41,392 | XXX | 0 | L |
| 440452100 | HORMEL FOODS CORP COM | | 05/06/2016 | Investment Tech Group | 328,000 | 12,648 | XXX | 0 | L |
| 44107P104 | HOST HOTELS & RESORTS INC | | 05/06/2016 | Investment Tech Group | 877,000 | 14,356 | XXX | 0 | L |
| 40434L105 | HP INC | | 05/06/2016 | Investment Tech Group | 1,843,000 | 21,379 | XXX | 0 | L |
| 444859102 | HUMANA INC COM | | 05/06/2016 | Investment Tech Group | 23,000 | 3,926 | XXX | 0 | L |
| 446150104 | HUNTINGTON BANCSHARES INC | | 05/06/2016 | Investment Tech Group | 573,000 | 5,667 | XXX | 0 | L |
| 459200101 | IBM CORP COM | | 05/06/2016 | Investment Tech Group | 1,048,000 | 154,370 | XXX | 0 | L |
| G47791101 | INGERSOLL-RAND PUBLIC LIMITED | | 05/06/2016 | Investment Tech Group | 282,000 | 18,482 | XXX | 0 | L |
| 45688C107 | INGEVITY CORP | | 05/16/2016 | VARIIOUS | 117,500 | 2,648 | XXX | 0 | L |

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------------|---------------------------------|---------|---------------|-----------------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| 45866F104 | INTERCONTINENTAL EXCHANGE GROUP | | 05/06/2016 | Investment Tech Group | 77,000 | 19,879 | XXX | 0 | L |
| 460146103 | INTERNATIONAL PAPER CO COM | | 05/06/2016 | Investment Tech Group | 106,000 | 4,464 | XXX | 0 | L |
| 460690100 | INTERPUBLIC GROUP COS INC COM | | 05/06/2016 | Investment Tech Group | 282,000 | 6,652 | XXX | 0 | L |
| 46113M108 | INTERVAL LEISURE GROUP INC COM | | 05/13/2016 | VARIOUS | 230,986 | 2,685 | XXX | 0 | L |
| 46625H100 | J P MORGAN CHASE & CO | | 06/07/2016 | VARIOUS | 2,226,000 | 140,188 | XXX | 0 | L |
| 832696405 | JM SMUCKER COMPANY | | 05/06/2016 | Investment Tech Group | 87,000 | 11,247 | XXX | 0 | L |
| 478160104 | JOHNSON & JOHNSON COM | | 05/06/2016 | Investment Tech Group | 369,000 | 41,605 | XXX | 0 | L |
| 48203R104 | JUNIPER NETWORKS INC COM | | 05/06/2016 | Investment Tech Group | 132,000 | 2,994 | XXX | 0 | L |
| 485170302 | KANSAS CITY SOUTHERN | | 05/06/2016 | Investment Tech Group | 124,000 | 11,554 | XXX | 0 | L |
| 49326T108 | KEYCORP NEW COM | | 05/06/2016 | Investment Tech Group | 1,199,000 | 14,256 | XXX | 0 | L |
| 49446R109 | KIMCO RLTY CORP COM | | 05/06/2016 | Investment Tech Group | 486,000 | 14,386 | XXX | 0 | L |
| 49456B101 | KINDER MORGAN INC/DELAWARE | | 05/06/2016 | Investment Tech Group | 964,000 | 16,253 | XXX | 0 | L |
| 500754106 | KRAFT HEINZ CO/THE | | 05/06/2016 | Investment Tech Group | 142,000 | 11,929 | XXX | 0 | L |
| 501044101 | KROGER CO COM | | 06/07/2016 | Salomon Brothers | 1,416,000 | 51,656 | XXX | 0 | L |
| 50540R409 | LABORATORY CORP AMER HLDGS | | 05/06/2016 | Investment Tech Group | 75,000 | 9,323 | XXX | 0 | L |
| 512607108 | LAM RESEARCH CORP | | 05/06/2016 | Investment Tech Group | 47,000 | 3,523 | XXX | 0 | L |
| 526057104 | LENNAR CORP COM | | 05/06/2016 | Investment Tech Group | 54,000 | 2,368 | XXX | 0 | L |
| 527288104 | LEUCADIA NATL CORP COM | | 05/06/2016 | Investment Tech Group | 379,000 | 6,435 | XXX | 0 | L |
| 52729N308 | LEVEL 3 COMMUNICATIONS INC | | 05/06/2016 | Investment Tech Group | 113,000 | 5,852 | XXX | 0 | L |
| 532457108 | LILLY ELI & CO COM | | 06/07/2016 | Salomon Brothers | 556,000 | 41,639 | XXX | 0 | L |
| 501797104 | LIMITED INC COM | | 06/07/2016 | Salomon Brothers | 815,000 | 57,352 | XXX | 0 | L |
| 534187109 | LINCOLN NATL CORP IND COM | | 06/07/2016 | Salomon Brothers | 557,000 | 25,494 | XXX | 0 | L |
| 535678106 | LINEAR TECHNOLOGY CORP COM | | 05/06/2016 | Investment Tech Group | 276,000 | 12,224 | XXX | 0 | L |
| 548661107 | LOWES COS INC COM | | 05/06/2016 | Investment Tech Group | 141,000 | 10,653 | XXX | 0 | L |
| N53745100 | LYONDELBASELL INDUSTRIES NV | | 05/06/2016 | Investment Tech Group | 447,000 | 36,703 | XXX | 0 | L |
| 55261F104 | M & T BK CORP COM | | 06/07/2016 | Investment Tech Group | 306,000 | 36,506 | XXX | 0 | L |
| 55616P104 | MACYS INC COM | | 05/06/2016 | Investment Tech Group | 77,000 | 2,900 | XXX | 0 | L |
| G5785G107 | MALLINKRODT PLC | | 05/06/2016 | Investment Tech Group | 72,000 | 4,062 | XXX | 0 | L |
| 565849106 | MARATHON OIL | | 05/06/2016 | Investment Tech Group | 1,322,000 | 15,917 | XXX | 0 | L |
| 571903202 | MARriott INTL INC NEW CL A | | 05/06/2016 | Investment Tech Group | 46,000 | 3,185 | XXX | 0 | L |
| 573284106 | MARTIN MARIETTA MATERIALS INC | | 05/06/2016 | Investment Tech Group | 42,000 | 7,473 | XXX | 0 | L |
| 574599106 | MASCO CORP COM | | 05/06/2016 | Investment Tech Group | 331,000 | 10,496 | XXX | 0 | L |
| 57636Q104 | MASTERCARD INC CL A | | 05/06/2016 | Investment Tech Group | 212,000 | 20,498 | XXX | 0 | L |
| 577081102 | MATTEL INC COM | | 05/06/2016 | Investment Tech Group | 98,000 | 3,016 | XXX | 0 | L |
| 582839106 | MEAD JOHNSON NUTRITION CO COM | | 05/06/2016 | Investment Tech Group | 78,000 | 6,635 | XXX | 0 | L |
| 58933Y105 | MERCK & CO INC NEW | | 05/06/2016 | Investment Tech Group | 1,055,000 | 56,559 | XXX | 0 | L |
| 59156R108 | METLIFE INC COM | | 06/07/2016 | Salomon Brothers | 896,000 | 40,221 | XXX | 0 | L |
| 595017104 | MICROCHIP TECHNOLOGY INC COM | | 05/06/2016 | Investment Tech Group | 91,000 | 4,364 | XXX | 0 | L |
| 595112103 | MICRON TECHNOLOGY INC COM | | 06/07/2016 | Salomon Brothers | 1,683,000 | 22,056 | XXX | 0 | L |
| 594918104 | MICROSOFT CORP COM | | 05/06/2016 | Investment Tech Group | 1,711,000 | 86,234 | XXX | 0 | L |
| 60871R209 | MOLSON COORS BREWING CO CL B | | 05/06/2016 | Investment Tech Group | 109,000 | 10,716 | XXX | 0 | L |
| 609207105 | MONDELEZ INTERNATIONAL INC | | 05/06/2016 | Investment Tech Group | 189,000 | 8,305 | XXX | 0 | L |
| 61166W101 | MONSANTO CO NEW COM | | 06/07/2016 | Salomon Brothers | 220,000 | 23,793 | XXX | 0 | L |
| 61174X109 | MONSTER BEVERAGE CORP | | 05/06/2016 | Investment Tech Group | 96,000 | 14,221 | XXX | 0 | L |
| 615369105 | MOODYS CORP COM | | 05/06/2016 | Investment Tech Group | 117,000 | 11,053 | XXX | 0 | L |
| 617446448 | MORGAN STANLEY DEAN WITTER & CO | | 06/07/2016 | Salomon Brothers | 2,752,000 | 73,644 | XXX | 0 | L |
| 61945C103 | MOSAIC CO/THE | | 05/06/2016 | Investment Tech Group | 150,000 | 3,900 | XXX | 0 | L |
| 626717102 | MURPHY OIL CORP COM | | 05/06/2016 | Investment Tech Group | 46,000 | 1,396 | XXX | 0 | L |
| 64110D104 | NETAPP INC COM | | 05/06/2016 | Investment Tech Group | 919,000 | 21,284 | XXX | 0 | L |
| 64110L106 | NETFLIX INC | | 05/06/2016 | Investment Tech Group | 255,000 | 23,167 | XXX | 0 | L |
| 651229106 | NEWELL RUBBERMAID INC | | 06/07/2016 | Salomon Brothers | 673,000 | 33,024 | XXX | 0 | L |
| 651290108 | NEWFIELD EXPLORATION CO | | 05/06/2016 | Investment Tech Group | 234,000 | 8,707 | XXX | 0 | L |
| 65249B109 | NEWS CORP | | 05/06/2016 | Investment Tech Group | 104,000 | 1,322 | XXX | 0 | L |
| 65473P105 | NISOURCE INC COM | | 05/06/2016 | Investment Tech Group | 378,000 | 8,853 | XXX | 0 | L |

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------------|-------------------------------|---------|---------------|-----------------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| 655044105 | NOBLE ENERGY INC | | 05/06/2016 | Investment Tech Group | 131,000 | 4,652 | XXX | 0 | L |
| 655664100 | NORDSTROM INC WASH COM | | 05/06/2016 | Investment Tech Group | 127,000 | 6,105 | XXX | 0 | L |
| 655844108 | NORFOLK SOUTHN CORP COM | | 05/06/2016 | Investment Tech Group | 327,000 | 29,322 | XXX | 0 | L |
| 665859104 | NORTHERN TR CORP COM | | 05/06/2016 | Investment Tech Group | 231,000 | 15,946 | XXX | 0 | L |
| 629377508 | NRG ENERGY INC | | 05/06/2016 | Investment Tech Group | 794,000 | 12,331 | XXX | 0 | L |
| 670346105 | NUCOR CORP | | 05/06/2016 | Investment Tech Group | 365,000 | 17,834 | XXX | 0 | L |
| 67066G104 | NVIDIA CORP COM | | 05/06/2016 | Investment Tech Group | 371,000 | 13,111 | XXX | 0 | L |
| 674599105 | OCCIDENTAL PETE CORP COM | | 05/06/2016 | Investment Tech Group | 102,000 | 7,759 | XXX | 0 | L |
| 682680103 | ONEOK INC | | 05/06/2016 | Investment Tech Group | 62,000 | 2,466 | XXX | 0 | L |
| 68389X105 | ORACLE CORPORATION COM | | 05/06/2016 | Investment Tech Group | 522,000 | 20,577 | XXX | 0 | L |
| 693718108 | PACCAR INC | | 05/06/2016 | Investment Tech Group | 250,000 | 13,888 | XXX | 0 | L |
| 701094104 | PARKER HANNIFIN CORP COM | | 05/06/2016 | Investment Tech Group | 35,000 | 3,941 | XXX | 0 | L |
| 704326107 | PAYCHEX INC COM | | 05/06/2016 | Investment Tech Group | 232,000 | 12,045 | XXX | 0 | L |
| 70450Y103 | PAYPAL HOLDINGS INC | | 05/06/2016 | Investment Tech Group | 173,000 | 6,832 | XXX | 0 | L |
| 714046109 | PERKINELMER INC COM | | 05/06/2016 | Investment Tech Group | 75,000 | 4,068 | XXX | 0 | L |
| 717081103 | PFIZER INC COM STK USD0.05 | | 05/06/2016 | Investment Tech Group | 1,816,000 | 60,999 | XXX | 0 | L |
| 69331C108 | PG&E CORP COM | | 05/06/2016 | Investment Tech Group | 516,000 | 30,449 | XXX | 0 | L |
| 718172109 | PHILIP MORRIS INTL INC COM | | 05/06/2016 | Investment Tech Group | 327,000 | 32,808 | XXX | 0 | L |
| 723787107 | PIONEER NAT RES CO | | 05/06/2016 | Investment Tech Group | 139,000 | 22,166 | XXX | 0 | L |
| 693475105 | PNC FINANCIAL SERVICES GROUP | | 05/06/2016 | Investment Tech Group | 348,000 | 29,796 | XXX | 0 | L |
| 693506107 | PPG INDS INC COM | | 05/06/2016 | Investment Tech Group | 172,000 | 18,631 | XXX | 0 | L |
| 69351T106 | PPL CORP COM | | 05/06/2016 | Investment Tech Group | 494,000 | 18,925 | XXX | 0 | L |
| 74005P104 | PRAXAIR INC COM | | 05/06/2016 | Investment Tech Group | 189,000 | 21,605 | XXX | 0 | L |
| 74144T108 | PRICE T ROWE GROUP INC COM | | 05/06/2016 | Investment Tech Group | 62,000 | 4,656 | XXX | 0 | L |
| 741503403 | PRICELINE COM INC | | 05/06/2016 | Investment Tech Group | 11,000 | 13,751 | XXX | 0 | L |
| 74251V102 | PRINCIPAL FINANCIAL GROUP INC | | 05/06/2016 | Investment Tech Group | 311,000 | 13,127 | XXX | 0 | L |
| 742718109 | PROCTER & GAMBLE CO COM | | 05/06/2016 | Investment Tech Group | 472,000 | 38,770 | XXX | 0 | L |
| 743315103 | PROGRESSIVE CORP OHIO COM | | 05/06/2016 | Investment Tech Group | 721,000 | 23,771 | XXX | 0 | L |
| 74340W103 | PROLOGIS INC | | 05/06/2016 | Investment Tech Group | 170,000 | 7,924 | XXX | 0 | L |
| 744320102 | PRUDENTIAL FINL INC | | 05/06/2016 | Investment Tech Group | 1,000,000 | 76,060 | XXX | 0 | L |
| 74460D109 | PUBLIC STORAGE INC COM | | 06/07/2016 | Salomon Brothers | 97,000 | 24,966 | XXX | 0 | L |
| 745867101 | PULTE CORP COM | | 05/06/2016 | Investment Tech Group | 362,000 | 6,603 | XXX | 0 | L |
| 693656100 | PVH CORP | | 05/06/2016 | Investment Tech Group | 21,000 | 1,920 | XXX | 0 | L |
| 74736K101 | QORVO INC | | 05/06/2016 | Investment Tech Group | 63,000 | 2,906 | XXX | 0 | L |
| 747525103 | QUALCOMM INC | | 06/07/2016 | Salomon Brothers | 842,000 | 46,235 | XXX | 0 | L |
| 75281A109 | RANGE RES CORP COM | | 05/06/2016 | Investment Tech Group | 198,000 | 8,300 | XXX | 0 | L |
| 756109104 | REALTY INCOME CORP | | 05/06/2016 | Investment Tech Group | 324,000 | 20,603 | XXX | 0 | L |
| 756577102 | RED HAT INC COM | | 05/06/2016 | Investment Tech Group | 132,000 | 9,470 | XXX | 0 | L |
| 75886F107 | REGENERON PHARMACEUTICALS INC | | 05/06/2016 | Investment Tech Group | 58,000 | 21,458 | XXX | 0 | L |
| 7591EP100 | REGIONS FINL CORP | | 05/06/2016 | Investment Tech Group | 1,432,000 | 13,017 | XXX | 0 | L |
| 761713106 | REYNOLDS AMERN INC | | 05/06/2016 | Investment Tech Group | 196,000 | 9,775 | XXX | 0 | L |
| 774341101 | ROCKWELL COLLINS INC | | 05/06/2016 | Investment Tech Group | 95,000 | 8,621 | XXX | 0 | L |
| 773903109 | ROCKWELL INTL CORP NEW COM | | 05/06/2016 | Investment Tech Group | 148,000 | 16,606 | XXX | 0 | L |
| 776696106 | ROPER INDUSTRIES INC | | 05/06/2016 | Investment Tech Group | 65,000 | 11,450 | XXX | 0 | L |
| 778296103 | ROSS STORES INC COM | | 05/06/2016 | Investment Tech Group | 437,000 | 24,944 | XXX | 0 | L |
| V7780T103 | ROYAL CARIBBEAN CRUISES LTD | | 06/07/2016 | Salomon Brothers | 337,000 | 25,956 | XXX | 0 | L |
| 783549108 | RYDER SYS INC COM | | 05/06/2016 | Investment Tech Group | 16,000 | 1,101 | XXX | 0 | L |
| 78409V104 | S&P GLOBAL INC | | 05/06/2016 | VARIOUS | 843,000 | 79,703 | XXX | 0 | L |
| 79466L302 | SALESFORCE COM INC | | 05/06/2016 | Investment Tech Group | 361,000 | 26,808 | XXX | 0 | L |
| 806857108 | SCHLUMBERGER LTD COM | | 04/04/2016 | VARIOUS | 337,236 | 24,429 | XXX | 0 | L |
| 808513105 | SCHWAB CHARLES CORP NEW COM | | 05/06/2016 | Investment Tech Group | 898,000 | 24,533 | XXX | 0 | L |
| 811065101 | SCRIPPS NETWORKS INTERACTIVE | | 05/06/2016 | Investment Tech Group | 111,000 | 7,297 | XXX | 0 | L |
| G7945M107 | SEAGATE TECHNOLOGY | | 06/07/2016 | Salomon Brothers | 949,000 | 23,364 | XXX | 0 | L |
| 81211K100 | SEALED AIR CORP NEW COM | | 05/06/2016 | Investment Tech Group | 122,000 | 5,688 | XXX | 0 | L |

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------------|---|---------|---------------|-----------------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| 816851109 | SEMPRA ENERGY COM | | 05/06/2016 | Investment Tech Group | 77,000 | 8,067 | XXX | 0 | L |
| 82481R106 | SHIRE PLC | | 06/03/2016 | Non Broker Trade | 321,298 | 62,078 | XXX | 0 | L |
| 83088M102 | SKYWORKS SOLUTIONS INC | | 05/06/2016 | Investment Tech Group | 609,000 | 39,366 | XXX | 0 | L |
| 78440X101 | SL GREEN REALTY CORP | | 05/06/2016 | Investment Tech Group | 118,000 | 12,381 | XXX | 0 | L |
| 833034101 | SNAP ON INC COM | | 05/06/2016 | Investment Tech Group | 68,000 | 10,884 | XXX | 0 | L |
| 844741108 | SOUTHWEST AIRLS CO COM | | 05/06/2016 | Investment Tech Group | 376,000 | 15,694 | XXX | 0 | L |
| 845467109 | SOUTHWESTERN ENERGY CO (DEL) | | 05/06/2016 | Investment Tech Group | 163,000 | 1,923 | XXX | 0 | L |
| 847560109 | SPECTRA ENERGY CORP COM | | 05/06/2016 | Investment Tech Group | 191,000 | 5,986 | XXX | 0 | L |
| 790849103 | ST JUDE MED INC COM | | 05/06/2016 | Investment Tech Group | 166,000 | 12,468 | XXX | 0 | L |
| 854502101 | STANLEY BLACK & DECKER | | 05/06/2016 | Investment Tech Group | 176,000 | 19,591 | XXX | 0 | L |
| 855030102 | STAPLES INC COM | | 05/06/2016 | Investment Tech Group | 190,000 | 1,951 | XXX | 0 | L |
| 855244109 | STARBUCKS CORP COM | | 05/06/2016 | Investment Tech Group | 339,000 | 19,092 | XXX | 0 | L |
| 85590A401 | STARWOOD HOTELS & RESORTS COM | | 05/06/2016 | Investment Tech Group | 108,000 | 8,786 | XXX | 0 | L |
| 863667101 | STRYKER CORP | | 05/06/2016 | Investment Tech Group | 208,000 | 23,134 | XXX | 0 | L |
| 867914103 | SUNTRUST BKS INC | | 05/06/2016 | Investment Tech Group | 355,000 | 14,427 | XXX | 0 | L |
| 87165B103 | SYNCHRONY FINANCIAL | | 05/06/2016 | Investment Tech Group | 533,000 | 16,038 | XXX | 0 | L |
| 881609101 | TESORO PETE CORP | | 05/06/2016 | Investment Tech Group | 84,000 | 6,546 | XXX | 0 | L |
| 882508104 | TEXAS INSTRS INC COM | | 05/06/2016 | Investment Tech Group | 219,000 | 12,529 | XXX | 0 | L |
| 883203101 | TEXTRON INC COM | | 05/06/2016 | Investment Tech Group | 191,000 | 7,304 | XXX | 0 | L |
| 887317303 | TIME WARNER INC NEW COM NEW | | 05/06/2016 | Investment Tech Group | 159,000 | 11,909 | XXX | 0 | L |
| 872540109 | TJX COS INC NEW COM | | 05/06/2016 | Investment Tech Group | 103,000 | 7,892 | XXX | 0 | L |
| 891906109 | TOTAL SYS SVCS INC | | 05/06/2016 | Investment Tech Group | 174,000 | 9,098 | XXX | 0 | L |
| 892356106 | TRACTOR SUPPLY CO | | 05/06/2016 | Investment Tech Group | 140,000 | 13,101 | XXX | 0 | L |
| 893641100 | TRANSIGM GROUP INC | | 06/07/2016 | Salomon Brothers | 143,000 | 38,140 | XXX | 0 | L |
| 89417E109 | TRAVELERS COS INC COM | | 05/06/2016 | Investment Tech Group | 125,000 | 13,808 | XXX | 0 | L |
| 896945201 | TRIPADVISOR INC | | 06/07/2016 | Salomon Brothers | 308,000 | 21,434 | XXX | 0 | L |
| 90130A101 | TWENTY FIRST CENTURY FOX INC | | 05/06/2016 | Investment Tech Group | 1,095,000 | 32,324 | XXX | 0 | L |
| 902973304 | U S BANCORP DEL NEW | | 06/07/2016 | VARIOUS | 1,185,000 | 50,448 | XXX | 0 | L |
| 902653104 | UDR INC | | 05/06/2016 | Investment Tech Group | 849,000 | 31,345 | XXX | 0 | 4 |
| 90384S303 | ULTA SALON COSMETICS & UNDER ARMOUR INC | | 05/06/2016 | Investment Tech Group | 171,000 | 35,686 | XXX | 0 | L |
| 904311206 | UNION PAC CORP COM | | 04/08/2016 | VARIOUS | 521,000 | 19,507 | XXX | 0 | L |
| 907818108 | UNITED CONTINENTAL HOLDINGS IN | | 05/06/2016 | Investment Tech Group | 116,000 | 9,946 | XXX | 0 | L |
| 910047109 | UNITED PARCEL SVC INC CL B | | 06/07/2016 | Salomon Brothers | 343,000 | 15,816 | XXX | 0 | L |
| 911312106 | UNITED PARCEL SVC INC CL B | | 05/06/2016 | Investment Tech Group | 424,000 | 43,299 | XXX | 0 | L |
| 913017109 | UNIVERSAL HEALTH SERVICES INC | | 06/07/2016 | VARIOUS | 703,000 | 71,298 | XXX | 0 | L |
| 913903100 | UNIVERSAL HEALTH SERVICES INC | | 05/06/2016 | Investment Tech Group | 171,000 | 22,893 | XXX | 0 | L |
| 91529Y106 | UNIMPROVIDENT CORP | | 05/06/2016 | Investment Tech Group | 54,000 | 1,818 | XXX | 0 | L |
| 918204108 | V F CORP COM | | 05/06/2016 | Investment Tech Group | 1,080,000 | 69,055 | XXX | 0 | L |
| 91913Y100 | VALERO ENERGY CORP COM NEW | | 05/06/2016 | Investment Tech Group | 314,000 | 17,386 | XXX | 0 | L |
| 92276F100 | VENTAS INC | | 05/06/2016 | Investment Tech Group | 252,000 | 16,660 | XXX | 0 | L |
| 92343V104 | VERIZON COMMUNICATIONS COM | | 05/06/2016 | Investment Tech Group | 330,000 | 16,873 | XXX | 0 | L |
| 92532F100 | VERTEX PHARMACEUTICALS INC | | 06/07/2016 | Salomon Brothers | 415,000 | 39,330 | XXX | 0 | L |
| 92553P201 | VIACOM INC NEW CL B | | 05/06/2016 | Investment Tech Group | 401,000 | 16,573 | XXX | 0 | L |
| 92826C839 | VISA INC COM CL A | | 06/07/2016 | Salomon Brothers | 1,154,000 | 93,439 | XXX | 0 | L |
| 929042109 | VORNADO RLTY TR COM | | 05/06/2016 | Investment Tech Group | 128,000 | 12,270 | XXX | 0 | L |
| 929160109 | VULCAN MATLS CO COM | | 05/06/2016 | Investment Tech Group | 161,000 | 18,425 | XXX | 0 | L |
| 931142103 | WAL MART STORES INC COM | | 05/06/2016 | Investment Tech Group | 1,466,000 | 100,069 | XXX | 0 | L |
| 931427108 | WALGREENS BOOTS ALLIANCE INC | | 05/06/2016 | Investment Tech Group | 432,000 | 34,318 | XXX | 0 | L |
| 941848103 | WATERS CORP COM | | 05/06/2016 | Investment Tech Group | 85,000 | 11,290 | XXX | 0 | L |
| 92939J106 | WEC ENERGY GROUP INC | | 05/06/2016 | Investment Tech Group | 197,000 | 11,674 | XXX | 0 | L |
| 949746101 | WELLS FARGO & CO NEW COM | | 05/06/2016 | Investment Tech Group | 1,646,000 | 80,703 | XXX | 0 | L |
| 95040Q104 | WELLTOWER INC | | 05/06/2016 | Investment Tech Group | 260,000 | 19,131 | XXX | 0 | L |
| 958102105 | WESTERN DIGITAL CORP DEL COM | | 06/07/2016 | VARIOUS | 897,685 | 42,785 | XXX | 0 | L |
| 959802109 | WESTERN UN CO COM | | 05/06/2016 | Investment Tech Group | 133,000 | 2,528 | XXX | 0 | L |

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------------|--|---------|---------------|-----------------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| 962166104 | WEYERHAEUSER CO COM | | 05/06/2016 | Investment Tech Group | 472,000 | 14,925 | XXX | 0 | L |
| 963320106 | WHIRLPOOL CORP COM | | 05/06/2016 | Investment Tech Group | 19,000 | 3,357 | XXX | 0 | L |
| 966837106 | WHOLE FOODS MKT INC | | 05/06/2016 | Investment Tech Group | 44,000 | 1,316 | XXX | 0 | L |
| 98310W108 | WYNDHAM WORLDWIDE CORP COM | | 05/06/2016 | Investment Tech Group | 120,000 | 8,423 | XXX | 0 | L |
| 983134107 | WYNN RESORTS LTD | | 05/06/2016 | Investment Tech Group | 23,000 | 2,098 | XXX | 0 | L |
| 98389B100 | XCEL ENERGY INC COM | | 05/06/2016 | Investment Tech Group | 322,000 | 13,031 | XXX | 0 | L |
| 984121103 | XEROX CORP COM | | 05/06/2016 | Investment Tech Group | 271,000 | 2,572 | XXX | 0 | L |
| 984332106 | YAHOO INC | | 05/06/2016 | Investment Tech Group | 1,041,000 | 38,767 | XXX | 0 | L |
| 988498101 | YUM BRANDS INC | | 05/06/2016 | Investment Tech Group | 429,000 | 34,736 | XXX | 0 | L |
| 98956P102 | ZIMMER HOLDINGS | | 05/06/2016 | Investment Tech Group | 125,000 | 14,426 | XXX | 0 | L |
| 98978V103 | ZOETIS INC | | 05/06/2016 | Investment Tech Group | 331,000 | 15,673 | XXX | 0 | L |
| 9099999 | Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | XXX | 8,086,855 | XXX | 0 | XXX |
| 9799997 | Subtotal - Common Stocks - Part 3 | | | | XXX | 8,086,855 | XXX | 0 | XXX |
| 9799998 | Summary Item from Part 5 for Common Stocks (N/A to Quarterly) | | | | XXX | XXX | XXX | XXX | XXX |
| 9799999 | Subtotal - Common Stocks | | | | XXX | 8,086,855 | XXX | 0 | XXX |
| 9899999 | Subtotal - Preferred and Common Stocks | | | | XXX | 8,086,855 | XXX | 0 | XXX |
| 9999999 | Total - Bonds, Preferred and Common Stocks | | | | XXX | 8,086,855 | XXX | 0 | XXX |
| | | | | | XXX | 94,062,558 | XXX | 133,644 | XXX |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|--|---|----------|--------------------------|---------------------------|---------------|------------|-------------|---|--|--|--|--|--|---|--|----------------------------------|-------------------------------|--|----------------------------------|--|
| | | | | | | | | | | 11 | 12 | 13 | 14 | | | | | | | |
| CUSIP Identification | Description | Disposal | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/(Decrease) | Current Years (Amortization)/Accretion | Current Years Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11 + 12 - 13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (e) |
| Bonds - U.S. Governments | | | | | | | | | | | | | | | | | | | | |
| 83162CP22 | SBA GTD PARTN CITS 2005-20F 1 | | PRINCIPAL RECEIPT | XXX | 183,594 | 183,594 | 204,592 | 194,151 | 0 | (10,557) | 0 | (10,557) | 0 | 183,594 | 0 | 0 | 0 | 0 | 06/01/2025 | 1 |
| 83162COH9 | SBA GTD PARTN CITS 2006-20F 1 | XXX | PRINCIPAL RECEIPT | XXX | 74,503 | 74,503 | 82,932 | 74,503 | 0 | (8,065) | 0 | (8,065) | 0 | 74,503 | 0 | 0 | 0 | 0 | 06/01/2026 | 1 |
| 83162CRA3 | SBA GTD PARTN CITS 2007-20E 1 | XXX | PRINCIPAL RECEIPT | XXX | 50,992 | 50,992 | 58,617 | 55,621 | 0 | (4,629) | 0 | (4,629) | 0 | 50,992 | 0 | 0 | 0 | 1,398 | 05/01/2027 | 1 |
| 91282RFS3 | U.S. TREASURY NOTE | XXX | Salomon Brothers | XXX | 15,200,136 | 15,119,010 | 15,119,010 | 0 | 0 | 7,358 | 0 | 7,358 | 0 | 15,119,368 | 0 | 80,768 | 80,768 | 42,625 | 04/15/2019 | 1 |
| 91282RWS8 | U.S. TREASURY NOTE | XXX | Montgomery Secs | XXX | 13,715,212 | 13,656,000 | 13,656,000 | 0 | 0 | 2,630 | 0 | 2,630 | 0 | 13,612,591 | 0 | 102,620 | 102,620 | 25,139 | 04/15/2019 | 1 |
| 91282RWT3 | U.S. TREASURY NOTES | XXX | Bank of America | XXX | 20,181,187 | 20,019,000 | 20,146,139 | 20,146,139 | 0 | (14,277) | 0 | (14,277) | 0 | 20,131,881 | 0 | 49,325 | 49,325 | 124,431 | 10/31/2018 | 1 |
| 91282RNX2 | U.S. TREASURY NOTE | XXX | Salomon Brothers | XXX | 953,139 | 950,000 | 948,475 | 948,153 | 0 | (17,421) | 0 | (17,421) | 0 | 948,574 | 0 | 4,564 | 4,564 | 6,803 | 07/15/2017 | 1 |
| 0695999 | Subtotal - Bonds - U.S. Governments | XXX | VARIOUS | XXX | 13,228,495 | 13,100,000 | 13,109,538 | 9,899,870 | 0 | (1,123) | 0 | (1,123) | 0 | 13,107,498 | 0 | 120,997 | 120,997 | 70,775 | 12/15/2018 | 1 |
| | | | | | | | | 31,326,502 | 0 | (28,241) | 0 | (28,241) | 0 | 63,228,983 | 0 | 358,274 | 358,274 | 271,171 | ... | XXX |
| Bonds - U.S. Special Revenue, Special Assessment | | | | | | | | | | | | | | | | | | | | |
| 31300MLY7 | FHLMC POOL #84-9343 | XXX | Clitgroup Global Markets | XXX | 865,034 | 841,371 | 865,034 | 0 | 0 | (17,333) | 0 | (17,333) | 0 | 847,701 | 0 | 17,333 | 17,333 | 1,108 | 08/01/2043 | 1 |
| 313389V73 | FHLMC POOL #49-1538 | XXX | PRINCIPAL RECEIPT | XXX | 93,133 | 93,133 | 100,701 | 100,603 | 0 | (7,470) | 0 | (7,470) | 0 | 93,133 | 0 | 0 | 0 | 1,540 | 03/01/2040 | 1 |
| 3128MUV56 | FHLMC POOL #50-9635 | XXX | PRINCIPAL RECEIPT | XXX | 35,189 | 35,189 | 37,789 | 35,781 | 0 | (692) | 0 | (692) | 0 | 35,189 | 0 | 0 | 0 | 384 | 04/01/2045 | 1 |
| 31328JWU0 | FHLMC POOL #50-9638 | XXX | PRINCIPAL RECEIPT | XXX | 14,865 | 14,865 | 14,901 | 14,900 | 0 | (36) | 0 | (36) | 0 | 14,865 | 0 | 0 | 0 | 162 | 08/01/2045 | 1 |
| 3132GDM9M | FHLMC POOL #00-0876 | XXX | PRINCIPAL RECEIPT | XXX | 36,236 | 36,236 | 39,169 | 39,127 | 0 | (2,892) | 0 | (2,892) | 0 | 36,236 | 0 | 0 | 0 | 589 | 05/01/2041 | 1 |
| 3132GPT7Y | FHLMC POOL #00-8239 | XXX | PRINCIPAL RECEIPT | XXX | 40,649 | 40,649 | 41,388 | 41,370 | 0 | (721) | 0 | (721) | 0 | 40,649 | 0 | 0 | 0 | 506 | 05/01/2042 | 1 |
| 3132JNFK7 | FHLMC POOL #02-7198 | XXX | PRINCIPAL RECEIPT | XXX | 18,199 | 18,199 | 17,821 | 17,833 | 0 | 367 | 0 | 367 | 0 | 18,199 | 0 | 0 | 0 | 210 | 09/01/2043 | 1 |
| 3132MXP8 | FHLMC POOL #02-7286 | XXX | PRINCIPAL RECEIPT | XXX | 86,863 | 86,863 | 88,370 | 88,317 | 0 | (4,454) | 0 | (4,454) | 0 | 86,863 | 0 | 0 | 0 | 1,153 | 07/01/2044 | 1 |
| 3132QRC40 | FHLMC POOL #03-4590 | XXX | PRINCIPAL RECEIPT | XXX | 13,852 | 13,852 | 13,792 | 13,792 | 0 | (60) | 0 | (60) | 0 | 13,852 | 0 | 0 | 0 | 164 | 07/01/2045 | 1 |
| 3132RQK9 | FHLMC POOL #03-4957 | XXX | PRINCIPAL RECEIPT | XXX | 12,044 | 12,044 | 12,074 | 12,074 | 0 | (30) | 0 | (30) | 0 | 12,044 | 0 | 0 | 0 | 127 | 07/01/2045 | 1 |
| 3133R3K24 | FHLMC MULTICLASS MTG | XXX | PRINCIPAL RECEIPT | XXX | 61,093 | 61,093 | 65,752 | 61,093 | 0 | 0 | 0 | 0 | 0 | 61,093 | 0 | 0 | 0 | 1,154 | 03/15/2018 | 1 |
| 3137ACTA1 | FHLMC MULTICLASS MTG 3902 MA | XXX | PRINCIPAL RECEIPT | XXX | 48,110 | 48,110 | 51,703 | 48,110 | 0 | 0 | 0 | 0 | 0 | 48,110 | 0 | 0 | 0 | 803 | 07/15/2039 | 1 |
| 3137ALYX6 | FHLMC MULTICLASS MTG 3977 AD | XXX | PRINCIPAL RECEIPT | XXX | 115,874 | 115,874 | 120,101 | 115,874 | 0 | (1,044) | 0 | (1,044) | 0 | 115,874 | 0 | 0 | 0 | 1,280 | 09/15/2029 | 1 |
| 31417LUS9 | FNMA POOL #0483872 | XXX | PRINCIPAL RECEIPT | XXX | 57,027 | 57,027 | 60,101 | 60,043 | 0 | (3,017) | 0 | (3,017) | 0 | 57,027 | 0 | 0 | 0 | 842 | 11/01/2041 | 1 |
| 3138ETG59 | FNMA POOL #04L8319 | XXX | Clitgroup Global Markets | XXX | 834,633 | 806,896 | 834,633 | 0 | 0 | (22,499) | 0 | (22,499) | 0 | 812,134 | 0 | 22,499 | 22,499 | 1,197 | 04/01/2046 | 1 |
| 3138ETND4 | FNMA POOL #0AL8487 | XXX | PRINCIPAL RECEIPT | XXX | 12,307 | 12,307 | 12,698 | 12,307 | 0 | (351) | 0 | (351) | 0 | 12,307 | 0 | 0 | 0 | 167 | 04/01/2046 | 1 |
| 3138W92G4 | FNMA POOL #0ASU0774 | XXX | PRINCIPAL RECEIPT | XXX | 15,648 | 15,648 | 15,670 | 15,669 | 0 | (22) | 0 | (22) | 0 | 15,648 | 0 | 0 | 0 | 274 | 07/01/2043 | 1 |
| 3138XQY28 | FNMA POOL #0AU1628 | XXX | PRINCIPAL RECEIPT | XXX | 24,912 | 24,912 | 24,946 | 24,946 | 0 | (34) | 0 | (34) | 0 | 24,912 | 0 | 0 | 0 | 315 | 07/01/2043 | 1 |
| 3138X3E21 | FNMA POOL #0AU3751 | XXX | PRINCIPAL RECEIPT | XXX | 93,636 | 93,636 | 98,683 | 98,573 | 0 | (4,937) | 0 | (4,937) | 0 | 93,636 | 0 | 0 | 0 | 1,355 | 08/01/2043 | 1 |
| 3136AHC2 | FNMA GTD REMIC PIT 11-98 VC | XXX | PRINCIPAL RECEIPT | XXX | 23,590 | 23,590 | 25,345 | 23,590 | 0 | (664) | 0 | (664) | 0 | 23,590 | 0 | 0 | 0 | 301 | 01/25/2023 | 1 |
| 31397LX52 | KENTUCKY ASSET | XXX | PRINCIPAL RECEIPT | XXX | 36,177 | 36,177 | 38,201 | 37,231 | 0 | (1,053) | 0 | (1,053) | 0 | 36,177 | 0 | 0 | 0 | 535 | 07/25/2026 | 1 |
| 491189FC5 | KENTUCKY REMIC PIT 2011-15 IMG | XXX | Sink PMT @ 100.00000000 | XXX | 380,042 | 380,042 | 396,460 | 387,129 | 0 | (7,087) | 0 | (7,087) | 0 | 380,042 | 0 | 0 | 0 | 0 | 04/01/2018 | 1FE |
| 924190GP0 | VERMONT ST HSG FIN AGY | XXX | CALLED @ 100.00000000 | XXX | 50,000 | 50,000 | 53,858 | 53,325 | 0 | (110) | 0 | (110) | 0 | 53,215 | 0 | (3,215) | (3,215) | 0 | 11/01/2044 | 1FE |
| 3195999 | Subtotal - Bonds - U.S. Special Revenue, Special Assessment | XXX | | XXX | 2,969,114 | 2,917,713 | 3,027,150 | 1,291,290 | 0 | (71,119) | 0 | (71,119) | 0 | 2,932,496 | 0 | 36,618 | 36,618 | 13,851 | ... | XXX |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | |
| 06739GA69 | BARCLAYS BANK PLC 444 | XXX | Chemical Securities | XXX | 834,571 | 788,000 | 868,423 | 845,693 | 0 | (10,477) | 0 | (10,477) | 0 | 835,216 | 0 | (645) | (645) | 20,924 | 12/04/2017 | 2FE |
| 85325AA19 | STANDARD CHARTERED PLC 144A | XXX | HSBC Securities | XXX | 292,485 | 300,000 | 288,000 | 288,800 | 0 | (62) | 894 | (62) | (440) | 288,160 | 0 | 4,325 | 4,325 | 9,579 | 01/11/2023 | 1FE |
| 03064LAD7 | AMERICREDIT AUTOMOBILE REC 2 B | XXX | PRINCIPAL RECEIPT | XXX | 266,709 | 266,709 | 268,997 | 266,772 | 0 | (697) | 0 | (697) | 0 | 266,709 | 0 | 0 | 0 | 1,224 | 05/08/2018 | 1FE |
| 03061UAE3 | AMERICREDIT AUTOMOBILE REC 3 C | XXX | PRINCIPAL RECEIPT | XXX | 137,933 | 137,933 | 140,751 | 138,631 | 0 | (697) | 0 | (697) | 0 | 137,933 | 0 | 0 | 0 | 1,287 | 05/08/2018 | 1FE |
| 04327YAB5 | ARF FLEET LEASE TRUS A 2 144A | XXX | PRINCIPAL RECEIPT | XXX | 284,979 | 284,979 | 284,998 | 284,998 | 0 | 21 | 0 | 21 | 0 | 284,979 | 0 | 0 | 0 | 1,222 | 11/15/2018 | 1FE |
| 07388PAE7 | BEAR STEARNS COMMERCIA PW12 A4 | XXX | VARIOUS | XXX | 96,838 | 96,838 | 105,217 | 98,180 | 0 | (1,342) | 0 | (1,342) | 0 | 96,838 | 0 | 0 | 0 | 2,215 | 09/11/2038 | 1FM |
| 07388PAE7 | BEAR STEARNS COMMERCIA PW14 A4 | XXX | PRINCIPAL RECEIPT | XXX | 82,198 | 82,198 | 83,007 | 82,198 | 0 | (609) | 0 | (609) | 0 | 82,198 | 0 | 0 | 0 | 761 | 02/11/2044 | 1FE |
| 07388PAE7 | BEAR STEARNS COMMERCIA PW15 A4 | XXX | PRINCIPAL RECEIPT | XXX | 33,687 | 33,687 | 36,119 | 34,814 | 0 | (1,127) | 0 | (1,127) | 0 | 33,687 | 0 | 0 | 0 | 266 | 06/11/2040 | 1FM |
| 07388QAE9 | BEAR STEARNS COMMERCIA PW16 A4 | XXX | PRINCIPAL RECEIPT | XXX | 13,523 | 13,523 | 14,969 | 14,068 | 0 | (545) | 0 | (545) | 0 | 13,523 | 0 | 0 | 0 | 49 | 06/11/2050 | 1FM |
| 07401D8C4 | BEAR STEARNS COMMERCIA PW17 A4 | XXX | PRINCIPAL RECEIPT | XXX | 2,508 | 2,508 | 2,762 | 2,604 | 0 | (96) | 0 | (96) | 0 | 2,508 | 0 | 0 | 0 | 80 | 09/11/2042 | 1FM |
| 073945AE7 | BEAR STEARNS COMMERCIA T28 A4 | XXX | PRINCIPAL RECEIPT | XXX | 4,127 | 4,127 | 4,581 | 4,311 | 0 | (185) | 0 | (185) | 0 | 4,127 | 0 | 0 | 0 | 254 | 09/11/2042 | 1FM |
| 08466BS9 | BERKSHIRE HATHAWAY FINANCE COR | XXX | SBC Capital Mkts | XXX | 11,156 | 11,156 | 12,405 | 11,689 | 0 | (533) | 0 | (533) | 0 | 11,156 | 0 | 0 | 0 | 0 | 09/11/2042 | 1FE |
| 14986DAF7 | CAPITAL AUTO RECEIVABLES 1 A4 | XXX | VARIOUS | XXX | 1,572,199 | 1,560,000 | 1,571,967 | 1,571,967 | 0 | (3,013) | 0 | (3,013) | 0 | 1,568,954 | 0 | 3,246 | 3,246 | 12,203 | 05/15/2017 | 1FE |
| 12513YAF7 | CD 2006-CD3 MORTGAGE TR CDS A5 | XXX | PRINCIPAL RECEIPT | XXX | 192,772 | 192,772 | 192,381 | 192,685 | 0 | 67 | 0 | 67 | 0 | 192,751 | 0 | 21 | 21 | 729 | 01/22/2018 | 1FE |
| 12514ARE1 | CD 2007-CD4 COMMERCIAL CDA A4 | XXX | PRINCIPAL RECEIPT | XXX | 4,005 | 4,005 | 4,030 | 4,013 | 0 | (104) | 0 | (104) | 0 | 4,005 | 0 | 0 | 0 | 78 | 12/11/2049 | 1FM |
| 12527EAB4 | CD 2007-CD5 MORTGAGE TR CDS A4 | XXX | PRINCIPAL RECEIPT | XXX | 10,894 | 10,894 | 12,066 | 11,948 | 0 | (655) | 0 | (655) | 0 | 10,894 | 0 | 0 | 0 | 307 | 11/15/2044 | 1FM |
| 1665182B6 | CHRE COMMERCIAL MIO C1 2 144A | XXX | PRINCIPAL RECEIPT | XXX | 8,350 | 8,350 | 8,453 | 8,350 | 0 | (36) | 0 | (36) | 0 | 8,350 | 0 | 0 | 0 | 890 | 04/15/2044 | 1FM |
| 17275RBB7 | CHESEAPEAKE FDG 15-1A 144A | XXX | PRINCIPAL RECEIPT | XXX | 50,032 | 50,032 | 50,032 | 50,032 | 0 | 0 | 0 | 0 | 0 | 50,032 | 0 | 0 | 0 | 177 | 02/07/2027 | 1FE |
| 17275RBB7 | CISCO SYSTEMS INC | XXX | Mitsubishi UFJ Secs | XXX | 1,434,677 | 1,416,000 | 1,415,589 | 1,415,589 | 0 | 51 | 0 | 51 | 0 | 1,415,640 | 0 | 19,037</ | | | | |

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|-----------------|---|------------|-----------------------------|------------|------------|------------|------------|------------|------------|--|---|---|--|-----------|-------|------------|----|----------|----|----|---------|------------|-----|
| | | | | | | | | | | Unrealized Valuation Increase/(Decrease) | Current Year's (Amortization)/Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11 + 12 - 13) | | | | | | | | | | |
| 2004TQAE3 | COMM 2006-C7 MORTGAGE TR C7 A4 | 04/18/2016 | VARIOUS | 401,842 | 411,372 | 395,847 | 395,847 | 411,372 | 401,842 | 0 | (5,995) | 0 | 0 | (5,995) | 0 | 395,847 | 0 | 0 | 0 | 0 | 7,782 | 06/10/2046 | IFM |
| 2007TQAE5 | COMM 2007-C3 MORTGAGE TR C9 A4 | 06/10/2016 | PRINCIPAL RECEIPT | 7,049 | 7,626 | 7,049 | 7,049 | 7,626 | 7,049 | 0 | (323) | 0 | 0 | (323) | 0 | 7,049 | 0 | 0 | 0 | 0 | 188 | 12/10/2049 | IFM |
| 20173VA0E1 | COMMERCIAL MORTGAGE TR GG11 A4 | 06/10/2016 | PRINCIPAL RECEIPT | 2,094 | 2,094 | 2,094 | 2,094 | 2,094 | 2,094 | 0 | (96) | 0 | 0 | (96) | 0 | 2,094 | 0 | 0 | 0 | 0 | 488 | 03/10/2039 | IFM |
| 20173TAE1 | COMMERCIAL MORTGAGE TRU G99 A4 | 06/10/2016 | PRINCIPAL RECEIPT | 22,678 | 22,981 | 21,924 | 21,924 | 22,981 | 22,678 | 0 | (754) | 0 | 0 | (754) | 0 | 21,924 | 0 | 0 | 0 | 0 | 335 | 09/15/2039 | IFM |
| 22545LAD1 | CREDIT SUISSE COMMERCIAL C4 A | 06/15/2016 | PRINCIPAL RECEIPT | 16,565 | 17,801 | 16,565 | 16,565 | 17,801 | 16,565 | 0 | (777) | 0 | 0 | (777) | 0 | 16,565 | 0 | 0 | 0 | 0 | 4,849 | 12/15/2039 | IFM |
| 12659VA0 | CREDIT SUISSE COMMERCIAL C5 A3 | 06/15/2016 | PRINCIPAL RECEIPT | 249,882 | 262,654 | 243,489 | 243,489 | 262,654 | 249,882 | 0 | (6,393) | 0 | 0 | (6,393) | 0 | 243,489 | 0 | 0 | 0 | 0 | 30 | 08/10/2036 | 2FE |
| 24736TZH4 | CVS PASS-THROUGH TR 2014 144A | 06/10/2016 | Sink PMT @ 100.00000000 | 2,126 | 2,126 | 2,126 | 2,126 | 2,126 | 2,126 | 0 | 0 | 0 | 0 | 0 | 0 | 2,126 | 0 | 0 | 0 | 0 | 0 | 11/23/2020 | 1FE |
| 247359AA2 | DELTA AIR LINES 2010-2 CLASS A | 05/23/2016 | Sink PMT @ 100.00000000 | 76,947 | 76,823 | 71,551 | 71,551 | 76,823 | 76,947 | 0 | (4,796) | 0 | 0 | (4,796) | 0 | 71,551 | 0 | 0 | 0 | 0 | 0 | 04/15/2021 | 1FE |
| 34530AD8 | DELTA AIR LINES 2012-1 CLASS A | 05/07/2016 | Sink PMT @ 100.00000000 | 40,018 | 42,719 | 40,018 | 40,018 | 42,719 | 40,018 | 0 | (2,701) | 0 | 0 | (2,701) | 0 | 40,018 | 0 | 0 | 0 | 0 | 64 | 04/15/2017 | 1FE |
| 44623YAC3 | FORD CREDIT AUTO LEASE TR A A3 | 04/18/2016 | PRINCIPAL RECEIPT | 24,777 | 24,774 | 24,789 | 24,789 | 24,774 | 24,777 | 0 | 12 | 0 | 0 | 12 | 0 | 24,789 | 0 | 0 | 0 | 0 | 21,375 | 04/06/2016 | 2FE |
| 46623PAC3 | J.P. MORGAN CHASE 07-CB18 CL A4 | 06/12/2016 | PRINCIPAL RECEIPT | 1,447,126 | 1,488,106 | 1,400,000 | 1,400,000 | 1,488,106 | 1,447,126 | 0 | (7,126) | 0 | 0 | (7,126) | 0 | 1,400,000 | 0 | 0 | 0 | 0 | 2,060 | 06/12/2047 | IFM |
| 46630UAC3 | J.P. MORGAN CHASE COMM LDP9 A3 | 06/15/2016 | PRINCIPAL RECEIPT | 93,425 | 95,014 | 90,328 | 90,328 | 95,014 | 93,425 | 0 | (3,697) | 0 | 0 | (3,697) | 0 | 90,328 | 0 | 0 | 0 | 0 | 288 | 05/15/2049 | IFM |
| 50100LAC4 | J.P. MORGAN CHASE COMM LDPX A3 | 06/15/2016 | PRINCIPAL RECEIPT | 1,636 | 1,636 | 1,636 | 1,636 | 1,636 | 1,636 | 0 | (62) | 0 | 0 | (62) | 0 | 1,636 | 0 | 0 | 0 | 0 | 31 | 07/15/2049 | IFM |
| 50179AAE7 | LB-JBS COMMERCIAL MORTG A C1 A2 | 06/15/2016 | PRINCIPAL RECEIPT | 3,057 | 3,401 | 3,057 | 3,057 | 3,401 | 3,057 | 0 | (344) | 0 | 0 | (344) | 0 | 3,057 | 0 | 0 | 0 | 0 | 78 | 04/15/2041 | IFM |
| 50180CAB6 | LB-JBS COMMERCIAL MORTG A C1 A4 | 06/15/2016 | PRINCIPAL RECEIPT | 4,868 | 5,294 | 4,868 | 4,868 | 5,294 | 4,868 | 0 | (426) | 0 | 0 | (426) | 0 | 4,868 | 0 | 0 | 0 | 0 | 105 | 02/15/2040 | IFM |
| 50192BME2 | LB-JBS COMMERCIAL MORTG A C7 A2 | 06/15/2016 | VARIOUS | 408,216 | 431,305 | 408,216 | 408,216 | 431,305 | 408,216 | 0 | (297) | 0 | 0 | (297) | 0 | 408,216 | 0 | (320) | 0 | 0 | 8,409 | 09/15/2040 | IFM |
| 55312YAE2 | ML-CFC COMMERCIAL MORTG A C7 A3 | 06/15/2016 | VARIOUS | 4,344 | 4,820 | 4,344 | 4,344 | 4,820 | 4,344 | 0 | (476) | 0 | 0 | (476) | 0 | 4,344 | 0 | (320) | 0 | 0 | 104 | 09/15/2045 | IFM |
| 55314QAD9 | ML-CFC COMMERCIAL MORTG A C7 A4 | 06/15/2016 | VARIOUS | 40,962 | 40,962 | 40,030 | 40,030 | 40,962 | 40,962 | 0 | (933) | 0 | 0 | (933) | 0 | 40,030 | 0 | 0 | 0 | 0 | 927 | 08/12/2048 | IFM |
| 60688CAE6 | ML-CFC COMMERCIAL MORTG A C9 A4 | 06/12/2016 | PRINCIPAL RECEIPT | 6,031 | 6,652 | 6,031 | 6,031 | 6,652 | 6,031 | 0 | (622) | 0 | 0 | (622) | 0 | 6,031 | 0 | 0 | 0 | 0 | 122 | 09/12/2049 | IFM |
| 55314QAD9 | MMAF EQUIPMENT FINA AA 144A | 06/10/2016 | PRINCIPAL RECEIPT | 15,809 | 15,880 | 15,778 | 15,778 | 15,880 | 15,809 | 0 | (106) | 0 | 0 | (106) | 0 | 15,778 | 0 | 0 | 0 | 0 | 81 | 10/10/2018 | 1FE |
| 61753JAE9 | MORGAN STANLEY CAPITAL IQ13 A4 | 06/15/2016 | PRINCIPAL RECEIPT | 3,257 | 3,358 | 3,150 | 3,150 | 3,358 | 3,257 | 0 | (201) | 0 | 0 | (201) | 0 | 3,150 | 0 | 0 | 0 | 0 | 59 | 03/15/2044 | 1FE |
| 61754JAF5 | MORGAN STANLEY CAPITAL T27 A4 | 06/11/2016 | PRINCIPAL RECEIPT | 150,861 | 159,317 | 145,444 | 145,444 | 159,317 | 150,861 | 0 | (8,473) | 0 | 0 | (8,473) | 0 | 145,444 | 0 | 0 | 0 | 0 | 3,341 | 11/12/2049 | 1FE |
| 61757LAE9 | MORGAN STANLEY CAPITAL T29 A4 | 06/11/2016 | PRINCIPAL RECEIPT | 6,900 | 7,273 | 6,595 | 6,595 | 7,273 | 6,900 | 0 | (368) | 0 | 0 | (368) | 0 | 6,595 | 0 | 0 | 0 | 0 | 155 | 06/11/2042 | 1FE |
| 61758FA0 | MORGAN STANLEY CAPITAL T29 A4 | 06/11/2016 | PRINCIPAL RECEIPT | 10,338 | 10,908 | 9,594 | 9,594 | 10,908 | 10,338 | 0 | (370) | 0 | 0 | (370) | 0 | 9,594 | 0 | 0 | 0 | 0 | 285 | 07/11/2043 | 1FE |
| 64829FA0 | MSRR 2008-GG10 A4A | 06/01/2016 | PRINCIPAL RECEIPT | 8,415 | 9,080 | 8,415 | 8,415 | 9,080 | 8,415 | 0 | (665) | 0 | 0 | (665) | 0 | 8,415 | 0 | 0 | 0 | 0 | 185 | 08/12/2045 | 1FE |
| 62337BJ0 | NEW RESIDENTIAL MOR YA A1 144A | 06/25/2016 | PRINCIPAL RECEIPT | 29,657 | 26,841 | 29,657 | 29,657 | 26,841 | 29,657 | 0 | (2,816) | 3,715 | 0 | (2,816) | 3,715 | 29,657 | 0 | 0 | 0 | 0 | 160 | 03/25/2056 | 1FE |
| 68389XAN5 | ORACLE CORP | 05/09/2016 | Goldman Sachs NY | 152,063 | 158,149 | 150,000 | 150,000 | 158,149 | 152,063 | 0 | (8,076) | 0 | 0 | (8,076) | 0 | 150,000 | 0 | (2,604) | 0 | 0 | 13,575 | 09/01/2020 | 4FE |
| 74432QCB8 | PROTECTIVE LIFE GLOBAL FU 144A | 05/09/2016 | SBC Capital Mkts | 1,972,779 | 1,970,246 | 1,964,000 | 1,964,000 | 1,970,246 | 1,972,779 | 0 | (8,533) | 29 | 0 | (8,504) | 29 | 1,964,000 | 0 | 10,026 | 0 | 0 | 6,263 | 11/25/2020 | 1FE |
| 80283DAE1 | PRUDENTIAL FINANCIAL INC | 06/15/2016 | First Union Cap Mkts | 1,114,466 | 1,146,965 | 1,046,951 | 1,046,951 | 1,146,965 | 1,114,466 | 0 | (18,768) | 0 | 0 | (18,768) | 0 | 1,046,951 | 0 | (17,775) | 0 | 0 | 31,621 | 12/01/2017 | 2FE |
| 80283DAE1 | SANTANDER DRIVE AUTO RECEI 2 C | 06/15/2016 | PRINCIPAL RECEIPT | 102,477 | 102,762 | 102,477 | 102,477 | 102,762 | 102,477 | 0 | (285) | 0 | 0 | (285) | 0 | 102,477 | 0 | 0 | 0 | 0 | 570 | 03/15/2018 | 1FE |
| 80283DAE1 | SANTANDER DRIVE AUTO RECEI 3 D | 06/15/2016 | PRINCIPAL RECEIPT | 77,324 | 78,436 | 77,324 | 77,324 | 78,436 | 77,324 | 0 | (1,112) | 0 | 0 | (1,112) | 0 | 77,324 | 0 | 0 | 0 | 0 | 235 | 05/15/2018 | 1FE |
| 845467AK5 | SOUTHWESTERN ENERGY CO | 06/23/2016 | VARIOUS | 13,120 | 13,308 | 12,902 | 12,902 | 13,308 | 13,120 | 0 | (388) | 0 | 0 | (388) | 0 | 12,902 | 0 | 0 | 0 | 0 | 9,363 | 01/23/2020 | 4FE |
| 89172EAU8 | TOMD POINT MORTGAGE 1 AIB 144A | 06/23/2016 | PRINCIPAL RECEIPT | 19,754 | 19,730 | 19,794 | 19,794 | 19,730 | 19,754 | 0 | 24 | 0 | 0 | 24 | 0 | 19,794 | 0 | (12,823) | 0 | 0 | 78 | 02/25/2055 | 1FE |
| 89171UAU3 | TOMD POINT MORTGAGE 4 AIB 144A | 06/26/2016 | PRINCIPAL RECEIPT | 30,330 | 30,309 | 30,330 | 30,330 | 30,309 | 30,330 | 0 | 21 | 0 | 0 | 21 | 0 | 30,330 | 0 | 0 | 0 | 0 | 326 | 04/26/2055 | 1FE |
| 89171VAK3 | TOMD POINT MORTGAGE 5 AIB 144A | 06/25/2016 | PRINCIPAL RECEIPT | 9,203 | 9,219 | 9,203 | 9,203 | 9,219 | 9,203 | 0 | (16) | 0 | 0 | (16) | 0 | 9,203 | 0 | 0 | 0 | 0 | 97 | 05/25/2055 | 1FE |
| 89172RAR6 | TOMD POINT MORTG TR 6 AIB 144A | 06/28/2016 | PRINCIPAL RECEIPT | 21,839 | 21,636 | 21,839 | 21,839 | 21,636 | 21,839 | 0 | 202 | 0 | 0 | 202 | 0 | 21,839 | 0 | 25,218 | 0 | 0 | 247 | 04/25/2025 | 1FE |
| 91324PCP5 | UNITEDHEALTH GROUP INC | 05/19/2016 | VARIOUS | 329,447 | 304,173 | 305,000 | 305,000 | 304,173 | 329,447 | 0 | (25) | 0 | 0 | (25) | 0 | 304,229 | 0 | 0 | 0 | 0 | 9,235 | 07/15/2025 | 1FE |
| 94874BEZ9 | WELLS FARGO & CO | 06/30/2016 | Salomon Brothers | 1,905,838 | 1,999,998 | 1,890,000 | 1,890,000 | 1,999,998 | 1,905,838 | 0 | (13,082) | 0 | 0 | (13,082) | 0 | 1,902,131 | 0 | 3,707 | 0 | 0 | 6,485 | 05/15/2014 | 1FE |
| 98157HAD9 | WORLD OMNI AUTO RECEIVABLE A B | 04/15/2016 | PRINCIPAL RECEIPT | 397,152 | 402,343 | 397,152 | 397,152 | 402,343 | 397,152 | 0 | (5,191) | 0 | 0 | (5,191) | 0 | 397,152 | 0 | (592) | 0 | 0 | 1,788 | 05/15/2014 | 1FE |
| 136355AR2 | WORLD OMNI AUTO RECEIVABLE A B | 04/15/2016 | Nomura Secs Intl | 360,000 | 360,000 | 360,000 | 360,000 | 360,000 | 360,000 | 0 | (221) | 0 | 0 | (221) | 0 | 360,592 | 0 | 0 | 0 | 0 | 6,248 | 11/15/2021 | 2FE |
| 292505AJ3 | CANADIAN NATURAL RESOURCES LTD | 04/25/2016 | Chase Secs | 384,900 | 370,256 | 400,000 | 400,000 | 370,256 | 384,900 | 0 | 341 | 28,944 | 0 | 29,285 | 0 | 370,565 | 0 | 14,335 | 0 | 0 | 8,667 | 11/15/2021 | 2FE |
| 385999 Subtotal | Bonds - Industrial and Miscellaneous (Unaffiliated) | | Jeffries High Yield Trading | 456,435 | 467,410 | 500,000 | 500,000 | 467,410 | 456,435 | 0 | 1,453 | 0 | 0 | 1,453 | 0 | 468,863 | 0 | (12,428) | 0 | 0 | 266,534 | 06/10/2021 | 1FE |
| 839999 Subtotal | Bonds - Part 4 | | | 14,493,362 | 18,351,522 | 17,874,145 | 17,874,145 | 18,351,522 | 14,493,362 | 0 | (99,113) | 0 | 0 | (99,113) | 0 | 17,932,495 | 0 | 46,015 | 0 | 0 | 551,556 | 06/10/2021 | 1FE |
| 839999 Subtotal | Bonds - Part 5 | | | 84,534,880 | 84,657,015 | 84,006,947 | 84,006,947 | 84,657,015 | 84,534,880 | 0 | (198,473) | 0 | 0 | (198,473) | 0 | 84,093,973 | 0 | 440,907 | 0 | 0 | 551,556 | 06/10/2021 | 1FE |
| 839999 Subtotal | Item from Part 5 for Bonds (NA to Quarterly) | | | 47,111,154 | 47,111,154 | 47,111,154 | 47,111,154 | 47,111,154 | 47,111,154 | 0 | 0 | 0 | 0 | 0 | 0 | 47 | | | | | | | |

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | | 15 | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|-----------|--------------------------------|---|------------|------------------------|-----------|---------|-----|---------|---|-------------|--|---|---------|--------|----------|----------|----------|----------|-----|-----|-----|----|
| | | | | | | | | | Prior Year Book/Adjusted Carrying Value | Actual Cost | Change in Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | 12 | 13 | 14 | | | | | | | |
| 001204106 | AGL RESOURCES INC | | 05/06/2016 | VARIOUS | 256,000 | 17,061 | XXX | 15,778 | 15,442 | (680) | 0 | 0 | 0 | 15,778 | 0 | 1,283 | 1,283 | 1,283 | 137 | XXX | L | |
| 003963102 | AIRGAS INC | | 05/23/2016 | Investment Tech Group | 144,000 | 20,592 | XXX | 18,812 | 18,812 | (688) | 0 | 0 | 0 | 18,812 | 0 | 7,361 | 7,361 | 7,361 | 86 | XXX | L | |
| 015351109 | ALEXION PHARMACEUTICALS INC | | 05/06/2016 | Investment Tech Group | 134,000 | 18,891 | XXX | 24,225 | 25,861 | (1,336) | 0 | 0 | 0 | 24,225 | 0 | (5,334) | (5,334) | (5,334) | 0 | XXX | L | |
| 00177108 | ALLERGAN PLC | | 06/07/2016 | Salomon Brothers | 230,000 | 37,381 | XXX | 69,743 | 67,500 | (1,950) | 0 | 0 | 0 | 69,743 | 0 | (12,361) | (12,361) | (12,361) | 0 | XXX | L | |
| 016581108 | ALLIANCE DATA SYSTEMS CORP | | 05/06/2016 | VARIOUS | 173,000 | 35,265 | XXX | 38,060 | 32,299 | (2,299) | 6,400 | 0 | 0 | 38,060 | 0 | (2,795) | (2,795) | (2,795) | 0 | XXX | L | |
| 02376R102 | AMERICAN AIRLINES GROUP INC | | 06/07/2016 | VARIOUS | 1,458,000 | 47,463 | XXX | 57,675 | 57,215 | (3,817) | 0 | 0 | 57,675 | 0 | (10,212) | (10,212) | (10,212) | 292 | XXX | L | | |
| 025816109 | AMERICAN EXPRESS CO COM | | 06/07/2016 | Salomon Brothers | 1,451,000 | 95,996 | XXX | 103,163 | 100,917 | (2,246) | 0 | 0 | 103,163 | 0 | (7,167) | (7,167) | (7,167) | 842 | XXX | L | | |
| 025816109 | AMERICAN EXPRESS CO COM | | 06/07/2016 | Salomon Brothers | 796,000 | 45,761 | XXX | 49,809 | 49,328 | (481) | 0 | 0 | 49,809 | 0 | (4,048) | (4,048) | (4,048) | 255 | XXX | L | | |
| 03076C106 | AMERIPRISE FINL INC | | 05/06/2016 | Merrill Lynch | 13,303 | 11,655 | XXX | 13,633 | 13,303 | (331) | 0 | 0 | 13,633 | 0 | (1,979) | (1,979) | (1,979) | 84 | XXX | L | | |
| 03073E105 | AMERISOURCEBERGEN CORP COM | | 05/06/2016 | VARIOUS | 497,000 | 38,025 | XXX | 47,634 | 23,231 | (1,496) | 0 | 0 | 47,634 | 0 | (9,670) | (9,670) | (9,670) | 169 | XXX | L | | |
| 031100100 | AMETEK INC | | 05/06/2016 | VARIOUS | 457,000 | 21,355 | XXX | 24,591 | 24,481 | (101) | 0 | 0 | 24,591 | 0 | (3,236) | (3,236) | (3,236) | 41 | XXX | L | | |
| 032511107 | ANADARKO PETE CORP COM | | 05/06/2016 | Merrill Lynch | 367,000 | 17,083 | XXX | 22,082 | 17,829 | (4,253) | 0 | 0 | 22,082 | 0 | (4,989) | (4,989) | (4,989) | 18 | XXX | L | | |
| 037833100 | APPLE COMPUTER INC | | 06/07/2016 | Salomon Brothers | 953,000 | 95,633 | XXX | 104,957 | 101,365 | (2,965) | 17,373 | 0 | 104,957 | 0 | (9,324) | (9,324) | (9,324) | 997 | XXX | L | | |
| 04621X108 | ASSURANT INC | | 05/06/2016 | Merrill Lynch | 135,000 | 11,657 | XXX | 10,698 | (215) | (215) | 0 | 0 | 10,698 | 0 | 999 | 999 | 999 | 68 | XXX | L | | |
| 05239W102 | AUTONATION INC COM | | 05/06/2016 | VARIOUS | 222,000 | 10,725 | XXX | 12,184 | 9,426 | (2,660) | 0 | 0 | 12,184 | 0 | (1,459) | (1,459) | (1,459) | 0 | XXX | L | | |
| 060501104 | BANK OF AMERICA CORP | | 05/06/2016 | VARIOUS | 5,510,000 | 17,689 | XXX | 94,385 | 92,733 | (1,652) | 0 | 0 | 94,385 | 0 | (16,696) | (16,696) | (16,696) | 276 | XXX | L | | |
| 07177M103 | BAXALTA INC | | 06/03/2016 | Non Broker Trade | 2,168,000 | 101,102 | XXX | 80,082 | 80,082 | (6,837) | 0 | 0 | 80,082 | 0 | 21,020 | 21,020 | 21,020 | 158 | XXX | L | | |
| 054937105 | BBT CORP COM | | 05/06/2016 | Investment Tech Group | 566,000 | 32,173 | XXX | 35,910 | 35,768 | (142) | 0 | 0 | 35,910 | 0 | (3,737) | (3,737) | (3,737) | 255 | XXX | L | | |
| 093671107 | BLOCK H & R INC COM | | 05/06/2016 | VARIOUS | 18,520 | 10,947 | XXX | 14,690 | 14,690 | (641) | 3,190 | 0 | 14,690 | 0 | (3,742) | (3,742) | (3,742) | 222 | XXX | L | | |
| 097023105 | BOEING CO COM | | 06/07/2016 | Salomon Brothers | 354,000 | 46,787 | XXX | 50,392 | 51,185 | (793) | 0 | 0 | 50,392 | 0 | (3,605) | (3,605) | (3,605) | 772 | XXX | L | | |
| 099724106 | BORGWARNER INC | | 05/06/2016 | Investment Tech Group | 457,000 | 15,501 | XXX | 19,756 | 19,756 | (320) | 0 | 0 | 19,756 | 0 | (3,935) | (3,935) | (3,935) | 59 | XXX | L | | |
| 1286C109 | CALEVISION SYSTEMS CORP | | 06/21/2016 | Merrill Lynch | 183,210 | 21,673 | XXX | 17,942 | 14,291 | (2,202) | 0 | 0 | 17,942 | 0 | 3,731 | 3,731 | 3,731 | 7 | XXX | L | | |
| 130670107 | CABLEFONIA RESOURCES CORP | | 05/06/2016 | VARIOUS | 471,000 | 31,231 | XXX | 28,514 | 24,395 | (2,922) | 0 | 0 | 28,514 | 0 | 262 | 262 | 262 | 0 | XXX | L | | |
| 13342B105 | CAMERON INTL CORP COM | | 04/04/2016 | Investment Tech Group | 796,000 | 58,013 | XXX | 55,509 | 57,600 | (7,054) | 9,345 | 0 | 55,509 | 0 | 4,717 | 4,717 | 4,717 | 0 | XXX | L | | |
| 14040H105 | CAPITAL ONE FINL CORP | | 06/07/2016 | Salomon Brothers | 427,000 | 22,300 | XXX | 22,721 | 22,721 | (2,230) | 0 | 0 | 22,721 | 0 | (421) | (421) | (421) | 638 | XXX | L | | |
| 143130102 | CARMAX INC | | 06/07/2016 | Salomon Brothers | 252,000 | 19,217 | XXX | 17,806 | 17,806 | (60) | 0 | 0 | 17,806 | 0 | 1,412 | 1,412 | 1,412 | 477 | XXX | L | | |
| 149123101 | CATERPILLAR INC | | 05/06/2016 | Merrill Lynch | 255,000 | 13,673 | XXX | 15,283 | 15,343 | (60) | 0 | 0 | 15,283 | 0 | (1,610) | (1,610) | (1,610) | 0 | XXX | L | | |
| 156782104 | CERNER CORP | | 05/06/2016 | VARIOUS | 187,000 | 17,015 | XXX | 18,861 | (874) | (874) | 0 | 0 | 18,861 | 0 | 1,154 | 1,154 | 1,154 | 0 | XXX | L | | |
| 172908105 | CINTAS CORP | | 06/07/2016 | Salomon Brothers | 3,273,000 | 150,064 | XXX | 136,648 | 169,378 | (11,442) | 44,172 | 0 | 136,648 | 0 | 13,416 | 13,416 | 13,416 | 327 | XXX | L | | |
| 19122T109 | COCA-COLA ENTERPRISES INC | | 05/31/2016 | Investment Tech Group | 666,000 | 35,096 | XXX | 31,488 | 20,878 | (1,768) | 0 | 0 | 31,488 | 0 | 3,608 | 3,608 | 3,608 | 354 | XXX | L | | |
| 20825C104 | CONOCOPHILLIPS | | 05/06/2016 | VARIOUS | 1,015,000 | 43,390 | XXX | 41,955 | 47,390 | (5,435) | 5,797 | 0 | 41,955 | 0 | 1,435 | 1,435 | 1,435 | 254 | XXX | L | | |
| 20854P109 | CONSOL ENERGY INC COM | | 06/07/2016 | James Capel Secs | 664,000 | 10,212 | XXX | 4,325 | 3,658 | (634) | 0 | 0 | 4,325 | 0 | 5,887 | 5,887 | 5,887 | 7 | XXX | L | | |
| 126501104 | CSRA INC | | 05/06/2016 | Investment Tech Group | 71,000 | 1,832 | XXX | 1,910 | (150) | (150) | 0 | 0 | 1,910 | 0 | (78) | (78) | (78) | 7 | XXX | L | | |
| 126650100 | CYS CORP | | 06/07/2016 | Salomon Brothers | 258,000 | 25,051 | XXX | 27,062 | 25,225 | (1,837) | 160 | 0 | 27,062 | 0 | (2,010) | (2,010) | (2,010) | 222 | XXX | L | | |
| 25271C102 | DIAMOND OFFSHORE DRILLING INC | | 05/06/2016 | Merrill Lynch | 130,000 | 3,223 | XXX | 2,243 | 2,743 | (500) | 0 | 0 | 2,243 | 0 | 979 | 979 | 979 | 0 | XXX | L | | |
| 254709108 | DISCOVER FINL SVCS COM | | 05/06/2016 | Investment Tech Group | 242,000 | 13,363 | XXX | 14,092 | 12,976 | (1,116) | 0 | 0 | 14,092 | 0 | (79) | (79) | (79) | 68 | XXX | L | | |
| 254687106 | DISNEY WALT CO COM | | 06/07/2016 | Cligrup Global Markets | 598,000 | 57,686 | XXX | 57,997 | 61,367 | (1,116) | 3,370 | 0 | 57,997 | 0 | (311) | (311) | (311) | 374 | XXX | L | | |
| 260003108 | DOVER CORP COM | | 05/06/2016 | Investment Tech Group | 206,000 | 13,165 | XXX | 12,630 | 12,630 | (2,630) | 0 | 0 | 12,630 | 0 | 535 | 535 | 535 | 87 | XXX | L | | |
| 26875P101 | EOG RES INC COM | | 06/07/2016 | VARIOUS | 912,000 | 75,072 | XXX | 69,399 | 64,560 | (16,222) | 11,384 | 0 | 69,399 | 0 | 5,673 | 5,673 | 5,673 | 287 | XXX | L | | |
| 29444U700 | EQUINIX INC | | 05/01/2016 | Investment Tech Group | 0,120 | 35 | XXX | 30 | 36 | (7) | 0 | 0 | 30 | 0 | 5 | 5 | 5 | 0 | XXX | L | | |
| 29476L107 | EQUITY RESIDENTIAL PPTYS TR SH | | 05/06/2016 | Investment Tech Group | 162,000 | 11,529 | XXX | 12,842 | 0 | (7) | 0 | 0 | 12,842 | 0 | (1,312) | (1,312) | (1,312) | 1,378 | XXX | L | | |
| 297178105 | EXXES PPTY TR | | 06/07/2016 | Salomon Brothers | 209,000 | 43,822 | XXX | 48,785 | 43,822 | (5,000) | 0 | 0 | 48,785 | 0 | (4,963) | (4,963) | (4,963) | 269 | XXX | L | | |
| 30219G108 | EXPRESS SCRIPTS HDG CO | | 05/06/2016 | VARIOUS | 362,000 | 26,469 | XXX | 32,703 | 31,642 | (6,777) | 7,386 | 0 | 32,703 | 0 | 1,603 | 1,603 | 1,603 | 0 | XXX | L | | |
| 316731100 | FIFTH THIRD BANCORP | | 05/06/2016 | Investment Tech Group | 637,000 | 28,353 | XXX | 32,622 | 32,622 | (81) | 0 | 0 | 32,622 | 0 | (4,350) | (4,350) | (4,350) | 422 | XXX | L | | |
| 30249U101 | FMC TECHNOLOGIES INC COM | | 05/06/2016 | VARIOUS | 18,931 | 18,931 | XXX | 19,232 | 13,403 | (870) | 0 | 0 | 19,232 | 0 | (3,011) | (3,011) | (3,011) | 0 | XXX | L | | |
| 344849104 | FOOT LOCKER INC | | 06/07/2016 | Salomon Brothers | 647,000 | 24,144 | XXX | 26,565 | 0 | 0 | 0 | 0 | 26,565 | 0 | (2,422) | (2,422) | (2,422) | 0 | XXX | L | | |
| 36467W109 | GAMES2T CORP NEW | | 06/07/2016 | Salomon Brothers | 306,000 | 8,745 | XXX | 8,973 | 0 | 0 | 0 | 0 | 8,973 | 0 | 872 | 872 | 872 | 113 | XXX | L | | |
| 364760108 | GAP INC COM | | 05/06/2016 | Investment Tech Group | 481,000 | 10,418 | XXX | 13,449 | 11,881 | (1,568) | 0 | 0 | 13,449 | 0 | (3,031) | (3,031) | (3,031) | 191 | XXX | L | | |
| 37045V100 | GENERAL MOTORS CO | | 06/07/2016 | Salomon Brothers | 1,297,000 | 39,246 | XXX | 44,111 | 44,111 | (379) | 0 | 0 | 44,111 | 0 | (4,485) | (4,485) | (4,485) | 483 | XXX | L | | |
| 375558103 | GILEAD SCIENCES INC COM | | 05/06/2016 | Investment Tech Group | 534,000 | 45,213 | XXX | 49,053 | 54,035 | (4,982) | 4,982 | 0 | 49,053 | 0 | (3,840) | (3,840) | (3,840) | 230 | XXX | L | | |
| 38141G104 | GOLDMAN SACHS GROUP INC COM | | 05/06/2016 | Investment Tech Group | 127,000 | 20,172 | XXX | 24,291 | 22,889 | (1,402) | 0 | 0 | 24,291 | 0 | (4,119) | (4,119) | (4,119) | 83 | XXX | L | | |
| 413086109 | HARMAN INTL INDS INC NEW COM | | 05/06/2016 | VARIOUS | 194,000 | 14,187 | XXX | 16,319 | 4,899 | (87) | 0 | 0 | 16,319 | 0 | (2,132) | (2,132) | (2,132) | 68 | XXX | L | | |
| 40414L109 | HCP INC COM | | 06/07/2016 | Salomon Brothers | 1,346,000 | 45,871 | XXX | 49,321 | 35,754 | (1,380) | 0 | 0 | 49,321 | 0 | (3,450) | (3,450) | (3,450) | 1,481 | XXX | L | | |
| 440452100 | HILLMINA INC | | 06/07/2016 | Salomon Brothers | 329,000 | 11,306 | XXX | 12,969 | 12,969 | (3,186) | 0 | 0 | 12,969 | 0 | 1,523 | 1,523 | 1,523 | 95 | XXX | L | | |
| 452327109 | ILLUMINA INC | | 06/07/2016 | VARIOUS | 360,000 | 51,850 | XXX | 64,184 | 53,937 | (3,033) | 0 | 0 | 64,184 | 0 | (12,334) | (12,334) | (12,334) | 0 | XXX | L | | |
| 45688C107 | INGEVITY CORP | | 06/07/2016 | VARIOUS | 117,500 | 3,700 | XXX | 2,648 | 0 | 0 | 0 | 0 | 2,648 | 0 | 1,052 | 1,052 | 1,052 | 0 | XXX | L | | |
| 46113M108 | INTERVAL LEISURE GROUP INC COM | | 05/31/2016 | Investment Tech Group | 0,986 | 14 | XXX | 14 | 0 | 0 | 0 | 0 | 14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | L |
| C491BT108 | INVESSCO LTD SHS | | 05/06/2016 | Investment Tech Group | 1,098,000 | 32,288 | XXX | 35,569 | 28,960 | (109) | 0 | 0 | 35,569 | 0 | (3,281) | (3,281) | (3,281) | 294 | XXX | L | | |
| 476366107 | JOHNSON CTLS INC COM | | 05/06/2016 | VARIOUS | 149,000 | 6,076 | XXX | 6,907 | 3,884 | (1,023) | 0 | 0 | 6,907 | 0 | (631) | (631) | (631) | 86 | XXX | L | | |
| 500251104 | KOHL'S CORP COM | | 05/06/2016 | VARIOUS | 949,000 | 22,706 | XXX | 25,315 | 19,004 | (1,686) | 0 | 0 | 25,315 | 0 | (3,609) | (3,609) | (3,609) | 275 | XXX | L | | |
| 501044101 | KROGER CO COM | | 05/06/2016 | Merrill Lynch | 797,000 | 27,528 | XXX | 32,711 | 0 | 0 | 0 | 0 | 32,711 | 0 | (5,184) | (5,184) | (5,184) | 94 | XXX | L | | |
| 524901105 | LEGG MASON INC | | | | | | | | | | | | | | | | | | | | | |

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | 12 | 13 | 14 | 15 | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|------------|---------------------------------|------------|----------|-----------------------|-----------|---------|-----|---------|---------|--|---|---|----|----|----------|--|--|---------|----------|----------|---------|-----|-----|----|
| | | | | | | | | | | Prior Year Book/ Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Years (Amortization)/ Accretion | | | | Current Years Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11 + 12 - 13) | | | | | | | |
| 50719704 | LIMITED INC COM | 05/06/2016 | VARIOUS | VARIOUS | 625,000 | 43,487 | XXX | 55,196 | 42,544 | (4,096) | 0 | 0 | 0 | 0 | (4,096) | 0 | 55,196 | 0 | (1,709) | (1,709) | 1,625 | XXX | L | |
| 534187109 | LINCOLN NATL CORP IND COM | 05/06/2016 | VARIOUS | VARIOUS | 25,281 | 20,829 | XXX | 19,718 | 25,281 | (5,563) | 0 | 5,054 | 0 | 0 | (5,563) | 0 | 19,718 | 0 | 1,111 | (1,111) | 252 | XXX | L | |
| 653745105 | LYONDELBASSELL INDUSTRIES NV | 06/07/2016 | VARIOUS | Salomon Brothers | 408,000 | 33,623 | XXX | 36,432 | 35,455 | 977 | 0 | 0 | 0 | 0 | 977 | 0 | 36,432 | 0 | (2,810) | (2,810) | 665 | XXX | L | |
| 55261F04 | M & T BK CORP COM | 05/06/2016 | VARIOUS | VARIOUS | 267,000 | 30,619 | XXX | 33,091 | 32,355 | 736 | 0 | 0 | 0 | 0 | 736 | 0 | 33,091 | 0 | (2,472) | (2,472) | 187 | XXX | L | |
| 565849106 | MARATHON OIL | 06/07/2016 | VARIOUS | Salomon Brothers | 1,361,000 | 19,857 | XXX | 20,961 | 17,135 | 3,826 | 0 | 0 | 0 | 0 | 3,826 | 0 | 20,961 | 0 | (1,104) | (1,104) | 136 | XXX | L | |
| 56585A102 | MARATHON PETROLEUM CORP | 06/07/2016 | VARIOUS | VARIOUS | 1,078,000 | 38,860 | XXX | 44,352 | 55,884 | (2,949) | 0 | 8,583 | 0 | 0 | (11,532) | 0 | 44,352 | 0 | (5,492) | (5,492) | 457 | XXX | L | |
| 580645109 | MCGRAW HILL COS INC COM | 04/28/2016 | VARIOUS | Merrill Lynch | 689,000 | 63,435 | XXX | 63,435 | 37,658 | (1,131) | 0 | 0 | 0 | 0 | (1,131) | 0 | 63,435 | 0 | 0 | 0 | 247 | XXX | L | |
| 59156R108 | METLIFE INC COM | 05/06/2016 | VARIOUS | Investment Tech Group | 1,207,000 | 26,193 | XXX | 26,759 | 29,660 | 0 | 2,600 | 0 | 0 | 0 | (2,600) | 0 | 26,759 | 0 | (567) | (567) | 472 | XXX | L | |
| 595112103 | MICRON TECHNOLOGY INC COM | 05/06/2016 | VARIOUS | Investment Tech Group | 1,207,000 | 12,046 | XXX | 12,637 | 17,091 | 4,674 | 0 | 9,128 | 0 | 0 | (4,454) | 0 | 12,637 | 0 | (592) | (592) | 0 | XXX | L | |
| 61166W101 | MONSANTO CO NEW COM | 05/06/2016 | VARIOUS | Investment Tech Group | 298,000 | 26,562 | XXX | 28,978 | 29,162 | (184) | 0 | 0 | 0 | 0 | (184) | 0 | 28,978 | 0 | (2,416) | (2,416) | 272 | XXX | L | |
| 617446448 | MORGAN STANLEY DEAN WITTER & CO | 05/06/2016 | VARIOUS | Investment Tech Group | 1,708,000 | 44,784 | XXX | 43,667 | 54,268 | 11,601 | 0 | 11,601 | 0 | 0 | (11,601) | 0 | 43,667 | 0 | 2,097 | (2,097) | 256 | XXX | L | |
| 637071101 | NATIONAL OILWELL INC | 05/06/2016 | VARIOUS | VARIOUS | 354,000 | 11,841 | XXX | 14,081 | 11,855 | 2,225 | 0 | 0 | 0 | 0 | 2,225 | 0 | 14,081 | 0 | (2,240) | (2,240) | 163 | XXX | L | |
| 64110L106 | NETFLIX INC | 06/07/2016 | VARIOUS | Salomon Brothers | 352,000 | 35,344 | XXX | 41,533 | 10,409 | 731 | 0 | 0 | 0 | 0 | 731 | 0 | 41,533 | 0 | (6,189) | (6,189) | 0 | XXX | L | |
| 65249B109 | NEWS CORP | 06/07/2016 | VARIOUS | Salomon Brothers | 590,000 | 6,669 | XXX | 6,065 | 7,482 | 583 | 0 | 0 | 0 | 0 | 583 | 0 | 6,065 | 0 | (1,395) | (1,395) | 56 | XXX | L | |
| 654106103 | NIKE INC CL B COM | 06/07/2016 | VARIOUS | Salomon Brothers | 707,000 | 38,092 | XXX | 43,408 | 44,188 | (780) | 0 | 0 | 0 | 0 | (780) | 0 | 43,408 | 0 | (5,315) | (5,315) | 226 | XXX | L | |
| 655664100 | NORFOLK SOUTHWEST CORP COM | 06/07/2016 | VARIOUS | Salomon Brothers | 408,000 | 16,548 | XXX | 20,102 | 13,997 | 0 | 0 | 0 | 0 | 0 | 0 | 20,102 | 0 | (3,553) | (3,553) | 255 | XXX | L | | |
| 655844108 | NORFOLK SOUTHWEST CORP COM | 06/07/2016 | VARIOUS | Salomon Brothers | 326,000 | 27,377 | XXX | 29,232 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 29,232 | 0 | (1,856) | (1,856) | 0 | XXX | L | | |
| 712704105 | PEOPLES UTD FINL INC COM | 05/06/2016 | VARIOUS | Investment Tech Group | 396,000 | 5,952 | XXX | 6,391 | (5) | (5) | 0 | 0 | 0 | 0 | (5) | 0 | 6,391 | 0 | (439) | (439) | 134 | XXX | L | |
| 74251V102 | PRINCIPAL FINANCIAL GROUP INC | 06/07/2016 | VARIOUS | Salomon Brothers | 862,000 | 37,686 | XXX | 38,356 | 24,784 | 445 | 0 | 0 | 0 | 0 | 445 | 0 | 38,356 | 0 | (670) | (670) | 546 | XXX | L | |
| 744320102 | PRINCIPAL FINL INC | 06/07/2016 | VARIOUS | Salomon Brothers | 418,000 | 32,327 | XXX | 35,484 | 34,029 | 1,455 | 0 | 0 | 0 | 0 | 1,455 | 0 | 35,484 | 0 | (3,157) | (3,157) | 585 | XXX | L | |
| 747525103 | QUALCOMM INC | 05/06/2016 | VARIOUS | VARIOUS | 612,000 | 31,156 | XXX | 31,298 | 30,591 | 7,934 | 0 | 7,227 | 0 | 0 | (707) | 0 | 31,298 | 0 | (141) | (141) | 294 | XXX | L | |
| 751212101 | RALPH LAUREN CORP | 05/06/2016 | VARIOUS | Investment Tech Group | 170,000 | 15,317 | XXX | 16,364 | 13,378 | 322 | 0 | 3,394 | 0 | 0 | (2,072) | 0 | 16,364 | 0 | (1,048) | (1,048) | 145 | XXX | L | |
| 75966F07 | REGENERON PHARMACEUTICALS INC | 06/07/2016 | VARIOUS | Investment Tech Group | 128,000 | 50,606 | XXX | 59,973 | 69,487 | (6,666) | 0 | 11,868 | 0 | 0 | (18,514) | 0 | 59,973 | 0 | (367) | (367) | 0 | XXX | L | |
| 770323103 | ROBERT HALF INTL INC COM | 05/06/2016 | VARIOUS | VARIOUS | 384,000 | 14,876 | XXX | 17,217 | 4,573 | 378 | 0 | 0 | 0 | 0 | 378 | 0 | 17,217 | 0 | (2,342) | (2,342) | 84 | XXX | L | |
| 77800T03 | ROYAL CARIBBEAN CRUISES LTD | 05/06/2016 | VARIOUS | VARIOUS | 217,000 | 16,229 | XXX | 19,217 | 16,700 | (2,029) | 0 | 0 | 0 | 0 | (2,029) | 0 | 19,217 | 0 | (2,988) | (2,988) | 143 | XXX | L | |
| 80004C01 | SANDISK CORP | 05/13/2016 | VARIOUS | Investment Tech Group | 591,000 | 44,130 | XXX | 36,137 | 31,232 | (7,427) | 0 | 0 | 0 | 0 | (7,427) | 0 | 36,137 | 0 | 7,993 | (7,993) | 0 | XXX | L | |
| 806857108 | SCHLUMBERGER LTD COM | 05/13/2016 | VARIOUS | Merrill Lynch | 18 | 0 | XXX | 17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17 | 0 | 17 | 0 | 0 | 0 | 0 | XXX | L |
| 808513105 | SCHWAB CHARLES CORP NEW COM | 06/07/2016 | VARIOUS | Salomon Brothers | 1,257,000 | 37,244 | XXX | 41,340 | 41,393 | (53) | 0 | 0 | 0 | 0 | (53) | 0 | 41,340 | 0 | (4,096) | (4,096) | 163 | XXX | L | |
| 831276100 | SEAGATE TECHNOLOGY | 05/06/2016 | VARIOUS | VARIOUS | 866,000 | 16,506 | XXX | 29,290 | 16,978 | 826 | 0 | 0 | 0 | 0 | 826 | 0 | 29,290 | 0 | (12,785) | (12,785) | 546 | XXX | L | |
| 85590A401 | SIGNET JEWELLERS LTD | 05/06/2016 | VARIOUS | VARIOUS | 196,000 | 21,056 | XXX | 24,615 | 19,790 | 458 | 0 | 0 | 0 | 0 | 458 | 0 | 24,615 | 0 | (3,559) | (3,559) | 94 | XXX | L | |
| 85594A401 | STARWOOD HOTELS & RESORTS COM | 05/13/2016 | COST ADJ | COST ADJ | 0 | 2,685 | XXX | 2,685 | 667 | 0 | 0 | 0 | 0 | 0 | 0 | 2,685 | 0 | 0 | 0 | 0 | 0 | XXX | L | |
| 857477103 | STATE STREET CORP | 05/06/2016 | VARIOUS | Investment Tech Group | 451,000 | 26,947 | XXX | 31,687 | 29,928 | 1,759 | 0 | 0 | 0 | 0 | 1,759 | 0 | 31,687 | 0 | (4,741) | (4,741) | 307 | XXX | L | |
| 858912108 | STERICYL INC COM | 05/06/2016 | VARIOUS | Investment Tech Group | 208,000 | 19,791 | XXX | 20,049 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20,049 | 0 | 36,970 | 0 | (4,258) | (4,258) | 0 | XXX | L |
| 871503108 | SWANVEG CORP COM | 05/06/2016 | VARIOUS | Investment Tech Group | 1,957,000 | 32,485 | XXX | 35,970 | 15,519 | (2,14) | 0 | 4,158 | 0 | 0 | (4,372) | 0 | 35,970 | 0 | (3,484) | (3,484) | 8,122 | XXX | L | |
| 87612E106 | TARGET CORP COM | 06/07/2016 | VARIOUS | Salomon Brothers | 471,000 | 32,338 | XXX | 37,549 | 34,099 | 3,349 | 0 | 0 | 0 | 0 | 3,349 | 0 | 37,549 | 0 | (5,210) | (5,210) | 409 | XXX | L | |
| 872375100 | TECO ENERGY INC COM | 05/06/2016 | VARIOUS | Merrill Lynch | 472,000 | 13,088 | XXX | 12,390 | 12,579 | (189) | 0 | 0 | 0 | 0 | (189) | 0 | 12,390 | 0 | 698 | (698) | 109 | XXX | L | |
| 88033G407 | TEEN HEALTHCARE CORP | 05/06/2016 | VARIOUS | Investment Tech Group | 145,000 | 3,323 | XXX | 4,254 | 3,700 | 553 | 0 | 0 | 0 | 0 | 553 | 0 | 4,254 | 0 | (900) | (900) | 41 | XXX | L | |
| 886547108 | TIFFANY & CO NEW COM | 05/06/2016 | VARIOUS | Investment Tech Group | 245,000 | 7,693 | XXX | 6,861 | 6,090 | 766 | 0 | 1,031 | 0 | 0 | (275) | 0 | 6,861 | 0 | 832 | (832) | 0 | XXX | L | |
| 88732J207 | TIME WARNER CABLE INC COM | 06/07/2016 | VARIOUS | Salomon Brothers | 323,000 | 20,759 | XXX | 22,715 | 6,179 | 89 | 0 | 0 | 0 | 0 | 89 | 0 | 22,715 | 0 | (1,957) | (1,957) | 162 | XXX | L | |
| 887317303 | TIME WARNER INC NEW COM | 05/19/2016 | VARIOUS | VARIOUS | 696,000 | 134,174 | XXX | 124,700 | 104,116 | (3,832) | 0 | 0 | 0 | 0 | (3,832) | 0 | 124,700 | 0 | 9,474 | (9,474) | 943 | XXX | L | |
| 896945201 | TRIPADVISOR INC | 06/07/2016 | VARIOUS | Salomon Brothers | 247,000 | 18,700 | XXX | 21,282 | 15,973 | 5,308 | 0 | 0 | 0 | 0 | 5,308 | 0 | 21,282 | 0 | (2,582) | (2,582) | 199 | XXX | L | |
| 90130A101 | TWENTY FIRST CENTURY FOX INC | 05/06/2016 | VARIOUS | Investment Tech Group | 277,000 | 17,190 | XXX | 18,421 | 19,352 | (803) | 0 | 3,699 | 0 | 0 | (4,502) | 0 | 18,421 | 0 | (1,230) | (1,230) | 0 | XXX | L | |
| 901442106 | TYCO INTERNATIONAL PLC | 06/07/2016 | VARIOUS | Investment Tech Group | 1,884,000 | 55,520 | XXX | 51,169 | 51,169 | 0 | 0 | 0 | 0 | 0 | 0 | 51,169 | 0 | 4,351 | (4,351) | 283 | XXX | L | | |
| 902653104 | UDR INC | 05/06/2016 | VARIOUS | Investment Tech Group | 225,000 | 8,471 | XXX | 7,175 | 7,175 | 0 | 0 | 0 | 0 | 0 | 0 | 7,175 | 0 | 1,296 | (1,296) | 67 | XXX | L | | |
| 904311107 | UNDER ARMOUR INC | 06/07/2016 | VARIOUS | Salomon Brothers | 849,000 | 28,432 | XXX | 31,345 | 28,432 | 0 | 0 | 0 | 0 | 0 | 0 | 31,345 | 0 | (2,913) | (2,913) | 0 | XXX | L | | |
| 904311206 | UNDER ARMOUR INC | 05/06/2016 | VARIOUS | Salomon Brothers | 85,000 | 22,796 | XXX | 22,870 | 10,576 | 0 | 0 | 0 | 0 | 0 | 0 | 22,870 | 0 | (74) | (74) | 0 | XXX | L | | |
| 910047108 | UNITED CONTINENTAL HOLDINGS IN | 05/06/2016 | VARIOUS | Merrill Lynch | 85,000 | 3,091 | XXX | 3,490 | 10,576 | 0 | 0 | 0 | 0 | 0 | 0 | 3,490 | 0 | (398) | (398) | 0 | XXX | L | | |
| 91913Y100 | VALERO ENERGY CORP COM NEW | 06/07/2016 | VARIOUS | Salomon Brothers | 181,000 | 8,270 | XXX | 9,589 | 10,371 | (782) | 0 | 0 | 0 | 0 | (782) | 0 | 9,589 | 0 | (1,319) | (1,319) | 0 | XXX | L | |
| 92532F100 | VERTEX PHARMACEUTICALS INC | 05/06/2016 | VARIOUS | Investment Tech Group | 490,000 | 26,731 | XXX | 30,813 | 19,516 | (2,236) | 0 | 0 | 0 | 0 | (2,236) | 0 | 30,813 | 0 | (4,082) | (4,082) | 576 | XXX | L | |
| 949746101 | WELLS FARGO & CO NEW COM | 06/07/2016 | VARIOUS | Investment Tech Group | 265,000 | 22,665 | XXX | 21,065 | 33,945 | (631) | 0 | 11,650 | 0 | 0 | (12,280) | 0 | 21,065 | 0 | 1,600 | (1,600) | 0 | XXX | L | |
| 958102105 | WESTERN DIGITAL CORP DEL COM | 05/06/2016 | VARIOUS | Investment Tech Group | 1,941,000 | 93,980 | XXX | 105,513 | 5,124 | 93,867 | 0 | 16,770 | 0 | 0 | (11,646) | 0 | 105,513 | 0 | 4,113 | (4,113) | 1,465 | XXX | L | |
| 96145D105 | WESTROCK CO | 05/16/2016 | COST ADJ | COST ADJ | 671,000 | 25,001 | XXX | 27,923 | 39,869 | 1,781 | 0 | 0 | 0 | 0 | 1,781 | 0 | 27,923 | 0 | (14,868) | (14,868) | 568 | XXX | L | |
| 969457100 | WILLIAMS COS INC COM | 05/06/2016 | VARIOUS | VARIOUS | 0 | 2,648 | XXX | 2,648 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,648 | 0 | 0 | 0 | 0 | 0 | XXX | L | |
| 98310DW108 | WYNDHAM WORLDWIDE CORP COM | 05/06/2016 | VARIOUS | Salomon Brothers | 531,000 | 10,455 | XXX | 8,533 | 13,647 | 6,162 | 0 | 11,275 | 0 | 0 | (5,114) | 0 | 8,533 | 0 | 1,922 | (1,922) | 340 | XXX | L | |
| 984321106 | WYNDHAM WORLDWIDE CORP COM | 06/07/2016 | VARIOUS | Salomon Brothers | 271,000 | 16,163 | XXX | 17,163 | 17,218 | (55) | 0 | 0 | 0 | 0 | (55) | 0 | 17,163 | 0 | (1,000) | (1,000) | 237 | XXX | L | |
| 9893701107 | ZIONS BANCORP | 05/06/2016 | VARIOUS | Investment Tech Group | 88,000 | | | | | | | | | | | | | | | | | | | |

SCHEDULE D - PART 4

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

| 1 CUSIP Identification | 2 Description | 3 F o r e i g n | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | 16 Book/Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Designation or Market Indicator (a) | |
|--|------------------|--------------------------------------|--------------------|------------------------|--------------------------------|--------------------|----------------|------------------|---|--|---|---|--|---|--|--|-------------------------------------|--|--|--|--|
| | | | | | | | | | | 11 Unrealized Valuation Increase/(Decrease) | 12 Current Year's (Amortization)/Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11 + 12 - 13) | | | | | | | | 15 Total Foreign Exchange Change in B./A.C.V. |
| 9999999 Total - Bonds, Preferred and Common Stocks | | | | | | 88,212,866 | | 88,536,121 | 50,464,205 | 56,092 | (198,473) | 286,798 | (429,179) | 0 | 0 | 239,787 | 239,787 | 586,617 | | | |
| (a) For all common stock bearing the NAIC market indicator "U" provide the number of such issues | | | | | | | | | | | | | (429,179) | 0 | 0 | 239,787 | 239,787 | 586,617 | | | |

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | |
|---------------|---|------------------------------|------------------------|---|------------|--------------------------------|---------------------|-----------------|---|--|--|---------------------|-------------------------------|------|------------|---|---|--|---|--------------------|------------------------------------|---|---|
| Description | Description of Item(s) Hedged, Used for Income Generation or Replicated | Schedule/ Exhibit Identifier | Type(s) of Risk(s) (e) | Exchange, Counterparty or Central Clearinghouse | Trade Date | Date of Maturity or Expiration | Number of Contracts | National Amount | Strike Price, Rate or Indexed Received (Paid) | Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid | Current Year Initial Premium (Received) Paid | Current Year Income | Book/ Adjusted Carrying Value | Code | Fair Value | Unrealized Valuation Increase/ (Decrease) | Total Foreign Exchange Change in B/A/C.V. | Current Years (Amortization) Accretion | Adjustment to Carrying Value of Hedged Item | Potential Exposure | Credit Quality of Reference Entity | Hedge Effectiveness at inception and at Quarter end (b) | |
| 144999 Totals | | | | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a)

| 1 | 2 |
|------|-------------------------------|
| Code | Description of Hedged Risk(s) |
| | NONE |

(b)

| 1 | 2 |
|------|--|
| Code | Financial or Economic Impact of the Hedge at the End of the Reporting Period |
| 0000 | |

SCHEDULE DB - PART B - SECTION 1

Future Contracts Open as of the Current Statement Date

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | Highly Effective Hedges | | | 19 | 20 | 21 | 22 | | | | | | | | | | | | | | | | | | | | | |
|----------------------|---------------------|-----------------|-------------|---|-----------------------------|------------------------|--------------------------------|----------|------------|-------------------|----------------------|------------|------------------------------|-------------------------|----|----|----|---|--------------------|---|------------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|-----|
| Ticker Symbol | Number of Contracts | Notional Amount | Description | Description of Item(s) Hedged, Used for Income Generation or Replicated | Schedule/Exhibit Identifier | Type(s) of Risk(s) (a) | Date of Maturity or Expiration | Exchange | Trade Date | Transaction Price | Reporting Date Price | Fair Value | Book/Adjusted Carrying Value | 15 | 16 | 17 | 18 | Change in Variation Margin Gain (Loss) Recognized in Current Year | Potential Exposure | Hedge Effectiveness at Inception and at Quarter-end (b) | Value of One (1) Point | | | | | | | | | | | | | | | | | | | | |
| 1449999 Totals | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |

| 1 Broker Name | 2 Beginning Cash Balance | 3 Cumulative Cash Change | 4 Ending Cash Balance |
|---|-----------------------------|-----------------------------|--------------------------|
| 9999999 Total - Net Cash Deposits | 0 | 0 | 0 |

| | | |
|-----|-----------|------|
| (a) | 1 Code | NONE |
| | | |
| | | |

| | | |
|------------|-----------|---|
| (b) | 1 Code | 2 Financial or Economic Impact of the Hedge at the End of the Reporting Period |
| | | |
| | | |
| 0000 | | |

SCHEDULE DB - PART D - SECTION 1

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

| 1 Description of Exchange, Counterparty or Central Clearinghouse | 2 Master Agreement (Y or N) | 3 Credit Support Annex (Y or N) | 4 Fair Value of Acceptable Collateral | Book/Adjusted Carrying Value | | Fair Value | | 10 Exposure Net of Collateral | 11 Potential Exposure | 12 Off-Balance Sheet Exposure |
|---|--------------------------------------|---|--|---|---|------------------------------------|--|-------------------------------------|-----------------------------|--|
| | | | | 5 Contracts With Book/Adjusted Carrying Value > 0 | 6 Contracts With Book/Adjusted Carrying Value < 0 | 7 Exposure net of Collateral | 8 Contracts With Fair Value > 0 | | | |
| NONE | | | | | | | | | | |
| 0999999 Gross Total | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1. Offset per SSAP No. 64 | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Net after right of offset per SSAP No. 64 | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

SCHEDULE DB - PART D - SECTION 2

Collateral for Derivative Instruments Open as of Current Statement Date

Collateral Pledged by Reporting Entity

| 1 Exchange, Counterparty or Central Clearinghouse | 2 Type of Asset Pledged | 3 CUSIP Identification | 4 Description | 5 Fair Value | 6 Par Value | 7 Book/Adjusted Carrying Value | 8 Maturity Date | 9 Type of Margin (I, V or IV) |
|--|-------------------------------|------------------------------|------------------|-----------------|----------------|--------------------------------------|-----------------------|--|
| NONE | | | | | | | | |
| 0199999 Total | | | | 0 | 0 | 0 | XXX | XXX |

SCHEDULE DB - PART D - SECTION 2

Collateral for Derivative Instruments Open as of Current Statement Date

Collateral Pledged to Reporting Entity

| 1 Exchange, Counterparty or Central Clearinghouse | 2 Type of Asset Pledged | 3 CUSIP Identification | 4 Description | 5 Fair Value | 6 Par Value | 7 Book/Adjusted Carrying Value | 8 Maturity Date | 9 Type of Margin (I, V or IV) |
|--|-------------------------------|------------------------------|------------------|-----------------|----------------|--------------------------------------|-----------------------|--|
| NONE | | | | | | | | |
| 0299999 Total | | | | 0 | 0 | XXX | XXX | XXX |

SCHEDULE DL - PART 1 SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

| 1 CUSIP Identification | 2 Description | 3 Code | 4 NAIC Designation / Market Indicator | 5 Fair Value | 6 Book/Adjusted Carrying Value | 7 Maturity Dates |
|------------------------------|------------------|-----------|--|--------------------|--------------------------------------|------------------------|
| NONE | | | | | | |
| 9999999 Grand Totals | | | | 0 | 0 | ... X X X ... |

General Interrogatories:

1. Total activity for the year to date Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
2. Average balance for the year to date Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation: NAIC 1 \$.....0, NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DL - PART 2 SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

| 1 CUSIP Identification | 2 Description | 3 Code | 4 NAIC Designation / Market Indicator | 5 Fair Value | 6 Book/Adjusted Carrying Value | 7 Maturity Dates |
|------------------------------|------------------|-----------|--|--------------------|--------------------------------------|------------------------|
| NONE | | | | | | |
| 9999999 Grand Totals | | | | 0 | 0 | ... X X X ... |

General Interrogatories:

1. Total activity for the year to date Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
2. Average balance for the year to date Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0

SCHEDULE E - PART 1 - CASH**Month End Depository Balances**

| 1 Depository | | 2 Code | 3 Rate of Interest | 4 Amount of Interest Received During Current Quarter | 5 Amount of Interest Accrued at Current Statement Date | Book Balance at End of Each Month During Current Quarter | | | 9 * |
|--|---------------------|-----------|-----------------------|---|---|--|-------------------|------------------|--------|
| | | | | | | 6 First Month | 7 Second Month | 8 Third Month | |
| open depositories | | | | | | | | | |
| US Bank - BlueCare Plus | Nashville, TN | | 0.000 | 0 | 0 | 25,386,421 | 11,786,177 | 9,925,179 | X X X |
| US Bank - Disbursing | Nashville, TN | | 0.000 | 0 | 0 | (1,175,779) | (476,577) | (820,169) | X X X |
| US Bank - Funding | Nashville, TN | | 0.000 | 0 | 0 | 172,127 | (1,105,411) | (1,073,610) | X X X |
| US Bank - TCS | Nashville, TN | | 0.000 | 0 | 0 | 14,648,126 | 18,139,828 | 14,619,142 | X X X |
| US Bank - VSHP Holding | Nashville, TN | | 0.000 | 0 | 0 | 685,227 | 685,262 | 714,864 | X X X |
| US Bank - CoverKids | Nashville, TN | | 0.000 | 0 | 0 | 5,060,980 | 3,471,281 | 9,307,838 | X X X |
| 0199998 Deposits in1 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories | | X X X | X X X | 0 | 0 | 12,298 | 12,337 | 12,478 | X X X |
| 0199999 Totals - Open Depositories | | X X X | X X X | 0 | 0 | 44,789,400 | 32,512,897 | 32,685,722 | X X X |
| 0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories | | X X X | X X X | 0 | 0 | 0 | 0 | 0 | X X X |
| 0299999 Totals - Suspended Depositories | | X X X | X X X | 0 | 0 | 0 | 0 | 0 | X X X |
| 0399999 Total Cash On Deposit | | X X X | X X X | 0 | 0 | 44,789,400 | 32,512,897 | 32,685,722 | X X X |
| 0499999 Cash in Company's Office | | X X X | X X X | X X X | X X X | 0 | 0 | 0 | X X X |
| 0599999 Total Cash | | X X X | X X X | 0 | 0 | 44,789,400 | 32,512,897 | 32,685,722 | X X X |

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 Description | 2 Code | 3 Date Acquired | 4 Rate of Interest | 5 Maturity Date | 6 Book/Adjusted Carrying Value | 7 Amount of Interest Due & Accrued | 8 Amount Received During Year |
|--|-----------|-----------------------|--------------------------|-----------------------|--------------------------------------|---|-------------------------------------|
| NONE | | | | | | | |
| 8699999 Total - Cash Equivalents | | | | | 0 | 0 | 0 |



MEDICARE PART D COVERAGE SUPPLEMENT (Net of Reinsurance)

NAIC Group Code: 3498

NAIC Company Code: 14046

| | Individual Coverage | | Group Coverage | | 5 Total Cash |
|--|---------------------|----------------|----------------|----------------|--------------------|
| | 1 Insured | 2 Uninsured | 3 Insured | 4 Uninsured | |
| 1. Premiums Collected | 0 | X X X | 0 | X X X | 0 |
| 2. Earned Premiums | 0 | X X X | 0 | X X X | X X X |
| 3. Claims Paid | 0 | X X X | 0 | X X X | 0 |
| 4. Claims Incurred | 0 | X X X | 0 | X X X | X X X |
| 5. Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a) | NONE | | 0 | X X X | 0 |
| 6. Aggregate Policy Reserves - change | NONE | | 0 | X X X | X X X |
| 7. Expenses Paid | NONE | | 0 | X X X | 0 |
| 8. Expenses Incurred | 0 | X X X | 0 | X X X | X X X |
| 9. Underwriting Gain or Loss | 0 | X X X | 0 | X X X | X X X |
| 10. Cash Flow Results | X X X | X X X | X X X | X X X | 0 |

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$.....0 due from CMS or \$.....0 due to CMS

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EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

| | 1 Name of debtor | 2 1 - 30 days | 3 31 - 60 days | 4 61 - 90 days | 5 Over 90 days | 6 Nonadmitted | 7 Admitted |
|---------|--|------------------|-------------------|-------------------|-------------------|------------------|---------------|
| 0199999 | Total Individuals..... | | | | | | |
| 0299999 | Total group..... | 211,562 | (36,873) | (10,867) | 1,471,735 | | 1,635,557 |
| 0399999 | Premiums due and unpaid from Medicare entities..... | | | | | | |
| | Medicaid Entities: | | | | | | |
| | ACA Fee Premium Receivable..... | | | | 47,872,192 | | 47,872,192 |
| | State of Tennessee Premium Withhold Receivable | 4,474,205 | | | | | 4,474,205 |
| | Premium Accrual..... | 6,617,694 | 5,115,099 | 4,963,462 | 10,576,271 | | 27,272,526 |
| 0499997 | Subtotal - Medicaid Entities:..... | 11,091,899 | 5,115,099 | 4,963,462 | 58,448,463 | | 79,618,923 |
| 0499999 | Premiums due and unpaid from Medicaid entities..... | - | - | - | - | | - |
| 0599999 | Accident and health premiums due and unpaid (Page 2, Line 15)..... | 11,303,461 | 5,078,226 | 4,952,595 | 59,920,198 | | 81,254,480 |

EXHIBIT 3 - HEALTH CARE RECEIVABLES

| 1 Name of debtor | 2 1 - 30 days | 3 31 - 60 days | 4 61 - 90 days | 5 Over 90 days | 6 Nonadmitted | 7 Admitted |
|---|------------------|-------------------|-------------------|-------------------|------------------|---------------|
| 0199998 Pharmaceutical Rebate Receivables - Not Individually Listed..... | 734,334 | 691,097 | 666,486 | 2,325,198 | 2,325,198 | 2,091,917 |
| 0199999 Subtotal - Pharmaceutical Rebate Receivables..... | 734,334 | 691,097 | 666,486 | 2,325,198 | 2,325,198 | 2,091,917 |
| Provider Receivables | - | - | - | 2,679,607 | 2,679,607 | - |
| 0299998 Claim Overpayment Receivables - Not Individually Listed..... | - | - | - | 2,679,607 | 2,679,607 | - |
| 0299999 Subtotal - Claim Overpayment Receivables..... | - | - | - | 2,679,607 | 2,679,607 | - |
| Loans and Advances to Providers | | | | | | |
| 3000001 SouthEast Transportation | - | - | - | - | - | - |
| 0399998 Loans and Advances to Providers - Not Individually Listed..... | | | | | | |
| 0399999 Subtotal - Loans and Advances to Providers..... | - | - | - | - | - | - |
| 0499998 Capitation Arrangement Receivables - Not Individually Listed..... | | | | | | |
| 0499999 Subtotal - Capitation Arrangement Receivables..... | | | | | | |
| 0599998 Risk Sharing Receivables - Not Individually Listed..... | | | | | | |
| 0599999 Subtotal - Risk Sharing Receivables..... | | | | | | |
| 0699998 Other Receivables - Not Individually Listed..... | | | | | | |
| 0699999 Subtotal - Other Receivables..... | - | - | - | - | - | - |
| 0799999 Gross health care receivables..... | 734,334 | 691,097 | 666,486 | 5,004,805 | 5,004,805 | 2,091,917 |

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

| 1 | 2 | 3 | 4 | 5 | 6 | Admitted | |
|---|-------------|--------------|--------------|--------------|-------------|----------|-------------|
| | | | | | | 7 | 8 |
| Name of Affiliate | 1 - 30 Days | 31 - 60 Days | 61 - 90 Days | Over 90 Days | Nonadmitted | Current | Non-Current |
| Individually listed receivables | | | | | | | |
| NONE | | | | | | | |
| 0199999 Total - individually listed receivables | | | | | | | |
| 0299999 Receivables not individually listed | | | | | | | |
| 0399999 Total gross amounts receivable | | | | | | | |

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

| Affiliate | 2 Description | 3 Amount | 5 | |
|--|--|-------------|--------------|-------------|
| | | | 4 Current | Non-Current |
| BlueCross BlueShield of Tennessee | Administrative Expense offset and Federal Income Tax Expense | 33,910,327 | 33,910,327 | - |
| 0199999 Total - Individually listed payables |XXX | 33,910,327 | 33,910,327 | - |
| 0299999 Payables not individually listed |XXX | | | |
| 0399999 Total gross payables |XXX | 33,910,327 | 33,910,327 | - |