QUARTERLY STATEMENT

OF THE

HMO of Northeastern Pennsylvania, Inc.

of

Wilkes-Barre

in the state of

Pennsylvania

2012

TO THE

Insurance Department

OF THE STATE OF

Pennsylvania

FOR THE QUARTER ENDED
September 30, 2012

HEALTH

2012

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QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2012

OF THE CONDITION AND AFFAIRS OF THE

HMO of Northeastern Pennsylvania, Inc.

NAIC Group Code 1270 (current period), 1270 (prior period) NAIC Company Code 96601 Employer's ID Number 23-2413324

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

Country of Domicile United States of America

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[X] No[ ] N/A[ ]

Incorporated/Organized 05/05/1986 Commenced Business 01/01/1987

Statutory Home Office 19 North Main Street (Street and Number), Wilkes-Barre, PA 18711 (City, or Town, State and Zip Code)

Main Administrative Office 19 North Main Street (Street and Number)
Wilkes-Barre, PA 18711 (City, or Town, State and Zip Code) 800-822-8753 (Area Code)(Telephone Number)

Mail Address 19 North Main Street (Street and Number), Wilkes-Barre, PA 18711 (City, or Town, State and Zip Code)

Primary Location of Books and Records 19 North Main Street (Street and Number)
Wilkes-Barre, PA 18711 (City, or Town, State and Zip Code) 800-822-8753 (Area Code)(Telephone Number)

Internet Website Address www.bcnepa.com

Statutory Statement Contact Maura Marie Gribble (Name) 570-200-6398 (Area Code)(Telephone Number)
Maura.Gribble@bcnepa.com (E-Mail Address) 570-200-6866 (Fax Number)

OFFICERS

	Name	Title		Name	Title
1.	Denise Susan Cesare	President & CEO		John Peter Moses, Esq.	Chairman of the Board of Directors
2.	Gertrude Catherine McGowan, Esq.	Senior VP, Chief Legal Officer & Corporate Secretary	Other	Nina Mithi Taggart, M.A., M.D., M.B.A. #	VP-Clinical Operations & Chief Medical Officer
3.	William Jerome Farrell	Senior VP, CFO & Treasurer		Bruce Edward Sickel	VP-Investment & Treasury Services & Assistant Treasurer
4.					

DIRECTORS OR TRUSTEES

Larry Leroy Chilson	Angela Cooper #	Albert Steven Finarelli, Jr.
Karen Lynn Hanlon	John Peter Moses, Esq.	Matthew Vincent Thomas Ray

State of Pennsylvania
County of Luzerne 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.

(Signature)	(Signature)	(Signature)
Denise Susan Cesare	Gertrude Catherine McGowan, Esquire	William Jerome Farrell
(Printed Name) 1.	(Printed Name) 2.	(Printed Name) 3.
President & CEO	Senior VP, Chief Legal Officer & Corporate Secretary	Senior VP, CFO & Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this 7th day of November 2012

(Notary Public Signature)

a. Is this an original filing? Yes[X] No[ ]

b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Carol J. Stolarick, Notary Public
City of Wilkes-barre, Luzerne County
My commission expires June 06, 2013

ASSETS

		Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1.	Bonds	61,277,410		61,277,410	71,136,321
2.	Stocks:				
	2.1 Preferred stocks	52,192		52,192	
	2.2 Common stocks	20,953,140		20,953,140	21,563,430
3.	Mortgage loans on real estate:				
	3.1 First liens				
	3.2 Other than first liens				
4.	Real estate:				
	4.1 Properties occupied by the company (less $.....0 encumbrances)				
	4.2 Properties held for the production of income (less $.....0 encumbrances)				
	4.3 Properties held for sale (less $.....0 encumbrances)				
5.	Cash ($.....(1,047,997)), cash equivalents ($.....0) and short-term investments ($.....18,373,340)	17,325,343		17,325,343	3,776,810
6.	Contract loans (including $.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets	1,000,669		1,000,669	
9.	Receivables for securities	480,771		480,771	48,121
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	101,089,525		101,089,525	96,524,682
13.	Title plants less $.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	545,141		545,141	595,143
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	4,648,951		4,648,951	209,552
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)				
	15.3 Accrued retrospective premiums				
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers				
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans	1,267,776	119,200	1,148,576	1,577,801
18.1	Current federal and foreign income tax recoverable and interest thereon				738,662
18.2	Net deferred tax asset	1,842,146		1,842,146	3,177,085
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets ($.....0)				
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	40,576		40,576	665,904
24.	Health care ($.....100,493) and other amounts receivable	734,383	633,890	100,493	202,727
25.	Aggregate write-ins for other than invested assets				
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	110,168,498	753,090	109,415,408	103,691,556
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	110,168,498	753,090	109,415,408	103,691,556
DETAILS OF WRITE-INS					
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.					
2502.					
2503.					
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $.....0 reinsurance ceded)	7,796,270		7,796,270	9,380,168
2.	Accrued medical incentive pool and bonus amounts	1,539,231		1,539,231	1,057,787
3.	Unpaid claims adjustment expenses	167,940		167,940	202,068
4.	Aggregate health policy reserves, including the liability of $.....0 for medical loss ratio rebate per the Public Health Service Act	6,565,363		6,565,363	6,929,070
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	855,121		855,121	1,249,231
9.	General expenses due or accrued				
10.1	Current federal and foreign income tax payable and interest thereon (including $.....0 on realized gains (losses))	596,338		596,338	
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	908,987		908,987	851,432
16.	Derivatives				
17.	Payable for securities	470,185		470,185	
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)				
20.	Reinsurance in unauthorized companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans	580,291		580,291	634,073
23.	Aggregate write-ins for other liabilities (including $.....529,130 current)	529,130		529,130	468,246
24.	Total liabilities (Lines 1 to 23)	20,008,856		20,008,856	20,772,075
25.	Aggregate write-ins for special surplus funds	XXX	XXX		
26.	Common capital stock	XXX	XXX	431,667	431,667
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX	79,500,286	79,500,286
29.	Surplus notes	XXX	XXX		
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX		
31.	Unassigned funds (surplus)	XXX	XXX	9,474,599	2,987,528
32.	Less treasury stock, at cost:				
	32.1 .....0 shares common (value included in Line 26 $.....0)	XXX	XXX		
	32.2 .....0 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	89,406,552	82,919,481
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	109,415,408	103,691,556
DETAILS OF WRITE-INS					
2301.	Other liabilities	319,475		319,475	260,395
2302.	Uncashed checks	209,655		209,655	207,851
2303.					
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	529,130		529,130	468,246
2501.		XXX	XXX		
2502.		XXX	XXX		
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX		
3001.		XXX	XXX		
3002.		XXX	XXX		
3003.		XXX	XXX		
3098.	Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

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	XXX	244,603	308,177	398,159
2.	Net premium income (including $.....0 non-health premium income)	XXX	72,299,181	90,647,115	116,614,742
3.	Change in unearned premium reserves and reserves for rate credits	XXX			
4.	Fee-for-service (net of $.....0 medical expenses)	XXX			
5.	Risk revenue	XXX			
6.	Aggregate write-ins for other health care related revenues	XXX			
7.	Aggregate write-ins for other non-health revenues	XXX			
8.	Total revenues (Lines 2 to 7)	XXX	72,299,181	90,647,115	116,614,742
Hospital and Medical:					
9.	Hospital/medical benefits		48,336,477	65,088,996	83,688,686
10.	Other professional services				
11.	Outside referrals				
12.	Emergency room and out-of-area				
13.	Prescription drugs		9,488,418	11,212,144	14,685,982
14.	Aggregate write-ins for other hospital and medical				
15.	Incentive pool, withhold adjustments and bonus amounts		920,286	476,203	1,374,989
16.	Subtotal (Lines 9 to 15)		58,745,181	76,777,343	99,749,657
Less:					
17.	Net reinsurance recoveries				
18.	Total hospital and medical (Lines 16 minus 17)		58,745,181	76,777,343	99,749,657
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including $.....2,409,977 cost containment expenses		5,126,472	5,384,568	7,360,278
21.	General administrative expenses		5,487,156	5,979,450	8,615,970
22.	Increase in reserves for life and accident and health contracts (including $.....0 increase in reserves for life only)		(363,707)	2,246,057	6,078,711
23.	Total underwriting deductions (Lines 18 through 22)		68,995,102	90,387,418	121,804,616
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	3,304,079	259,697	(5,189,874)
25.	Net investment income earned		1,952,304	1,968,902	2,842,894
26.	Net realized capital gains (losses) less capital gains tax of $.....0		1,205,991	374,253	442,637
27.	Net investment gains or (losses) (Lines 25 plus 26)		3,158,295	2,343,155	3,285,531
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]				
29.	Aggregate write-ins for other income or expenses		4,812	8,853	10,630
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	6,467,186	2,611,705	(1,893,713)
31.	Federal and foreign income taxes incurred	XXX	1,985,000	1,636,000	1,385,000
32.	Net income (loss) (Lines 30 minus 31)	XXX	4,482,186	975,705	(3,278,713)
DETAILS OF WRITE-INS					
0601.		XXX			
0602.		XXX			
0603.		XXX			
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX			
0701.		XXX			
0702.		XXX			
0703.		XXX			
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX			
1401.					
1402.					
1403.					
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)				
2901.	Miscellaneous income		4,812	8,853	10,630
2902.					
2903.					
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		4,812	8,853	10,630

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	82,919,481	85,238,177	85,238,177
34.	Net income or (loss) from Line 32	4,482,186	975,705	(3,278,713)
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of $.....0	2,052,956	(2,559,421)	(1,493,805)
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax	(229,501)	723,425	2,001,788
39.	Change in nonadmitted assets	181,430	238,784	452,034
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
	44.1 Paid in			
	44.2 Transferred from surplus (Stock Dividend)			
	44.3 Transferred to surplus			
45.	Surplus adjustments:			
	45.1 Paid in			
	45.2 Transferred to capital (Stock Dividend)			
	45.3 Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	6,487,071	(621,507)	(2,318,696)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	89,406,552	84,616,670	82,919,481
DETAILS OF WRITE-INS				
4701.				
4702.				
4703.				
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

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	67,465,672	91,398,318	122,827,613
2.	Net investment income	2,459,587	2,463,984	3,444,347
3.	Miscellaneous income	4,812	8,853	10,630
4.	Total (Lines 1 to 3)	69,930,071	93,871,155	126,282,590
5.	Benefit and loss related payments	59,899,335	80,362,416	104,833,041
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	10,218,531	10,780,088	16,168,832
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	650,000	(302,900)	1,067,100
10.	Total (Lines 5 through 9)	70,767,866	90,839,604	122,068,973
11.	Net cash from operations (Line 4 minus Line 10)	(837,795)	3,031,551	4,213,617
	Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	49,921,240	25,099,117	28,590,028
	12.2 Stocks	2,898,701	826,406	826,404
	12.3 Mortgage loans			
	12.4 Real estate			
	12.5 Other invested assets			
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	15	295	198
	12.7 Miscellaneous proceeds	38,998		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	52,858,954	25,925,818	29,416,630
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	38,425,033	24,618,974	29,735,769
	13.2 Stocks	72,273		
	13.3 Mortgage loans			
	13.4 Real estate			
	13.5 Other invested assets	1,000,669		
	13.6 Miscellaneous applications		870,365	1,058,665
	13.7 Total investments acquired (Lines 13.1 to 13.6)	39,497,975	25,489,339	30,794,434
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	13,360,979	436,479	(1,377,804)
	Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes			
	16.2 Capital and paid in surplus, less treasury stock			
	16.3 Borrowed funds			
	16.4 Net deposits on deposit-type contracts and other insurance liabilities			
	16.5 Dividends to stockholders			
	16.6 Other cash provided (applied)	1,025,349	(480,693)	(658,156)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	1,025,349	(480,693)	(658,156)
	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)	13,548,533	2,987,337	2,177,657
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	3,776,810	1,599,153	1,599,153
	19.2 End of period (Line 18 plus Line 19.1)	17,325,343	4,586,490	3,776,810

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

20.0001				

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	29,662	13,811	15,851							
2. First Quarter	27,719	13,638	14,081							
3. Second Quarter	26,986	13,445	13,541							
4. Third Quarter	25,437	12,775	12,662							
5. Current Year										
6. Current Year Member Months	244,603	121,012	123,591							
Total Member Ambulatory Encounters for Period:										
7. Physician	109,478	47,716	61,762							
8. Non-Physician	3,655	1,584	2,071							
9. Total	113,133	49,300	63,833							
10. Hospital Patient Days Incurred	4,371	1,171	3,200							
11. Number of Inpatient Admissions	982	258	724							
12. Health Premiums Written (a)	72,299,181	25,075,859	47,223,322							
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	72,299,181	25,075,859	47,223,322							
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	59,899,335	21,063,965	38,835,370							
18. Amount Incurred for Provision of Health Care Services	58,745,181	20,712,647	38,032,534							

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $.....0.

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						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered						
0499999 Subtotals						
0599999 Unreported claims and other claim reserves						7,796,270
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						7,796,270
0899999 Accrued Medical Incentive Pool And Bonus Amounts						1,539,231

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	6
	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	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
1. Comprehensive (hospital & medical)	5,641,975	53,818,479	314,830	7,481,440	5,956,805	9,380,168
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other health						
9. Health subtotal (Lines 1 to 8)	5,641,975	53,818,479	314,830	7,481,440	5,956,805	9,380,168
10. Healthcare receivables (a)				230,800		179,100
11. Other non-health						
12. Medical incentive pools and bonus amounts	401,868	37,013	418,968	1,120,263	820,836	1,057,787
13. Totals (Lines 9 - 10 + 11 + 12)	6,043,843	53,855,492	733,798	8,370,903	6,777,641	10,258,855

(a) Excludes $.....487,115 loans or advances to providers not yet expensed.

Notes to Financial Statement

HEALTH

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22	Events Subsequent	Q10.8
23	Reinsurance	Q10.8
24	Retrospectively Rated Contracts and Contracts Subject to Redetermination	Q10.8
25	Change in Incurred Claims and Claim Adjustment Expenses	Q10.8
26	Intercompany Pooling Arrangements	Q10.8
27	Structured Settlements	Q10.8
28	Health Care Receivables	Q10.9
29	Participating Policies	Q10.9
30	Premium Deficiency Reserves	Q10.9
31	Anticipated Salvage and Subrogation	Q10.9

Notes to Financial Statement

1. **Summary of Significant Accounting Policies**

A. Accounting Practices

The financial statements of HMO of Northeastern Pennsylvania, Inc. ("HMO") are presented on the basis of accounting practices prescribed or permitted by the Insurance Department of the Commonwealth of Pennsylvania (the "PID").

The PID recognizes only statutory accounting practices prescribed or permitted by the Commonwealth of Pennsylvania for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Pennsylvania Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the Commonwealth of Pennsylvania. The Pennsylvania Insurance Commissioner (the "Commissioner") has the right to permit other specific practices that deviate from prescribed practices. For the period ended September 30, 2012, HMO had no differences between NAIC SAP and practices prescribed or permitted by the Commonwealth of Pennsylvania.

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

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

Material estimates that are particularly susceptible to significant change relate to the determination of claims unpaid, accrued medical incentive pool and bonus amounts, aggregate health policy reserves and the fair value determination of investment securities. While management uses available information to establish reserves for claims unpaid, accrued medical incentive pool and bonus amounts and aggregate health policy reserves, changes in utilization may necessitate revision of these estimates in future periods. The valuation of certain investment securities relies on cash flow modeling and assumptions about the relevance of comparable market transactions. Actual cash flows may vary or future market conditions could change and affect the value of investment securities in future periods.

C. Accounting Policy

Premiums are generally billed one to three months in advance of the respective coverage periods. Premium income is recorded ratably over the coverage period. The unearned portion of premiums for a coverage period is reflected on the statement of admitted assets, liabilities, capital and surplus as premiums received in advance and later reported ratably as premium income over the coverage term.

In accordance with NAIC SAP, HMO reports the income and claims attributable to Administrative Service Contract ("ASC") groups as components of claims adjustment and general administrative expenses and does not record claims unpaid or accident and health premiums due and unpaid for ASC groups.

In addition, HMO uses the following accounting policies:

(1) Short-term investments include Class 1 money market accounts and securities with a maturity of less than one year but greater than 90 days at the date of purchase. Cash equivalents include securities with a maturity of 90 days or less at the date of purchase. Securities are stated at amortized cost. Class 1 money market accounts are stated at fair value.

Notes to Financial Statement

(2) Bonds not backed by other loans are valued using the scientific (constant yield) method and stated at either amortized cost or market value, depending upon each bond's NAIC designation as reflected in the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office ("SVO").

(3) Common stocks are stated at market value in accordance with the NAIC SVO.

(4) Preferred stocks are stated at the lower of amortized cost or fair value in accordance with Statement of Statutory Accounting Principles ("SSAP") No. 32, based on the quality designation of the redeemable preferred stocks.

(5) HMO does not have investments in mortgage loans on real estate.

(6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or market value, depending on each security's NAIC designation as reflected in the *Purposes and Procedures Manual* of the NAIC SVO, except for those securities that would be impaired under SSAP No. 43R. The prospective method is used to value these securities.

(7) HMO does not have investments in subsidiaries, controlled and affiliated companies.

(8) HMO does not have ownership interest in joint ventures, partnerships or limited liability companies.

(9) HMO does not invest in derivatives.

(10) A premium deficiency reserve ("PDR") is established when future claims expense and related maintenance costs are expected to exceed future subscriber premiums on contracts in force for a given line of business or product grouping within a contract period. HMO does not anticipate investment income as a factor in the PDR calculation.

(11) Claims unpaid is accrued in the period in which services are provided to members based in part on estimates, including an accrual for services provided but not yet reported. These amounts are based on historical payment patterns with recognition of current trends. Management continually reviews the methods used to determine claims unpaid and any required adjustments are included in current operations. Estimated administrative expenses to process claims unpaid are accrued and recorded as unpaid claims adjustment expenses on the statement of admitted assets, liabilities, capital and surplus.

(12) HMO does not have investments in fixed assets that would require a capitalization policy.

(13) Pharmaceutical rebates receivable consist of earned rebates due from pharmaceutical companies. HMO estimates pharmaceutical rebates receivable based upon historical trends. HMO looks back to a period with completed rebate activity, calculates actual rebates received as a percentage of drug utilization and then applies the historical percentage to current drug utilization.

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

HMO has adopted the provisions of NAIC SSAP No. 101, Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10, effective January 1, 2012. The adoption of SSAP No. 101 is reported as a change in accounting principle and the cumulative effect of a change in accounting principle is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principle had been retroactively applied for all prior periods. The adoption of SSAP No. 101 did not result in any change in the amount of HMO's capital and surplus as of January 1, 2012, nor did it significantly change the data underlying disclosures by SSAP No. 101.

Notes to Financial Statement

3. **Business Combinations and Goodwill**

No changes.

4. **Discontinued Operations**

No changes.

5. **Investments**

A. There have been no mortgage loans made by HMO.

B. HMO has not had a debt restructuring.

C. There have been no reverse mortgage loans made by HMO.

D. Loan-Backed Securities

(1) Prepayment assumptions for loan-backed securities are obtained from IDC Corporation. These assumptions are consistent with the current interest rate and economic environment and historical performance of the bonds. HMO uses IDC pricing service in determining the market value of its loan-backed securities.

(2)&(3) HMO did not recognize any other-than-temporary impairments on loan-backed securities for the period ended September 30, 2012.

(4) The aggregate related fair value and aggregate amount of unrealized losses of HMO's loaned-backed securities with unrealized losses that are not deemed to be other-than-temporarily impaired at September 30, 2012 are as follows:

	Less than 12 Months		12 Months or Greater	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Industrial and miscellaneous	$ 292,501	$ 579	$ 133,742	$ 1,657
Special revenue & assessment	437,162	3,794	0	0
	$ 729,663	$ 4,373	$ 133,742	$ 1,657

(5) It is HMO's practice to purchase high quality investment grade securities. Though the entire portfolio is classified "available-for-sale", it is HMO's intent and ability to retain these securities in the portfolio for the long-term, with the expectation that the eventual market value of the securities will equal or exceed their cost basis for the duration of the holding period. The returns of the investment portfolio may be reduced or may incur losses as a result of changes in the general U.S. economic conditions, interest rates, global capital market conditions and numerous other factors beyond HMO's control. In addition to gains and losses realized when a security is sold, HMO recognizes a loss on investments when evidence demonstrates that the unrealized loss is other-than-temporary.

HMO monitors its investment portfolio and specifically reviews and considers securities to be other-than-temporarily impaired when significant declines in market value occur or when it is probable that a full recovery of an investment's cost will not be realized. This process is inherently judgmental. HMO generally considers the length of time and the severity of the decline in value as key elements in deciding whether impairment is other-than-temporary, in addition to its intent to sell or likelihood that it will need to sell the security. Security ratings, default rates, prepayment rates and general market conditions are also considered. All government and agency bonds showing an unrealized loss are considered temporary with full recovery expected.

Notes to Financial Statement

E. Repurchase Agreements

No changes.

F. Real Estate

No changes.

G. Low-Income Housing Tax Credits (LIHTC)

No changes.

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

No changes.

7. **Investment Income**

No changes.

8. **Derivative Instruments**

No changes.

9. **Income Taxes (Amounts have been rounded to the nearest thousand.)**

No substantial changes.

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

A. HMO is owned 60% by Hospital Service Association of Northeastern Pennsylvania (d/b/a Blue Cross of Northeastern Pennsylvania) ("Blue Cross") and 40% by Highmark Inc. ("Highmark").

B.,C. & D. On February 9, 2005, the Commissioner announced a sufficient surplus operating range for Blue Cross is 750%-950% of the lower of the NAIC Health Risk-Based Capital ("HRBC") ratio (parent company only basis) or the PID consolidated risk factor ratio. For the year ended December 31, 2011, Blue Cross was not operating with inefficient or excess surplus and its HRBC ratio was in the efficient surplus operating range. The determination by the Commissioner is an annual determination based on the lower of Blue Cross' HRBC percentage on a parent company only basis or on a consolidated basis.

Administrative and support services provided by Blue Cross to HMO amounted to $14,688,508 for the period ending September 30, 2012. These services represent allocations of costs in accordance with SSAP No. 70, *Allocation of Expenses.* Amounts due to affiliates of $1,565,607 at September 30, 2012 represent amounts due to Blue Cross for these services offset by $656,620 due from Blue Cross for amounts collected by Blue Cross on behalf of HMO.

Included in receivables from parent, subsidiaries and affiliates at September 30, 2012 are amounts due from First Priority Life Insurance Company, Inc. ("FPLIC") of $40,576.

E. HMO does not have guarantees or undertakings for the benefit of an affiliate that would result in a material contingent exposure of its or any related party's assets or liabilities.

All HMO physician, non-physician and facility provider contracts contain the regulatory required hold harmless provisions which preclude a contracted provider from seeking payment from subscriber and dependents, except for applicable co-payments, deductibles and non-covered services. Furthermore, termination provisions within these contracts provide that, should a provider be terminated, the provider is obligated to complete

Notes to Financial Statement

treatment of the member then receiving treatment.
In connection with Blue Cross Blue Shield Association membership standards for licensed controlled affiliates and applicable PID regulations, Blue Cross and Highmark guarantee the continuation of coverage of HMO members as well as to hold HMO members harmless for payment of claims in the event of HMO's insolvency.

F. Administrative and support services provided by Blue Cross are billed based on actual costs and amounts are paid by HMO on a monthly basis. This methodology represents allocations of costs in accordance with SSAP No. 70, *Allocation of Expenses.*

G. Blue Cross, a Hospital Plan Corporation domiciled in the state of Pennsylvania, owns 60% of the outstanding shares of HMO. Highmark, a professional health services plan and hospital plan corporation domiciled in the state of Pennsylvania, owns 40% of the outstanding shares of HMO.

H. HMO does not own shares, directly or indirectly, in Blue Cross or Highmark.

I. HMO does not hold investments in Subsidiary, Controlled or Affiliated Companies whose carrying value is equal to or exceeds 10% of the admitted assets of HMO.

J. HMO did not recognize an impairment write-down for its investments in Subsidiary, Controlled or Affiliated Companies.

K. HMO does not have an investment in foreign insurance subsidiaries.

L. HMO does not have an investment in downstream noninsurance holding companies.

11. **Debt**

No changes.

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

No substantial changes.

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

(1) HMO has 1,000,000 common shares authorized, 431,667 shares issued and outstanding, with a par value of $1.00 at September 30, 2012.

(2) HMO has no preferred stock authorized, issued or outstanding.

(3) State law provides that dividends or other distributions may be paid only to the extent of unassigned surplus. In addition, legislation requires PID approval of any dividend or other distribution.

(4) In accordance with the limitations in (3) above, no dividends may be paid to stockholders as of September 30, 2012.

(5) In accordance with the limitations in (3) above, none of HMO's profits may be paid as ordinary dividends to stockholders as of September 30, 2012.

(6) There are no restrictions placed on HMO's surplus, including for whom the surplus is held.

(7) There are no advances to surplus that have not been repaid.

(8) There is no stock held by HMO, including stock of affiliated companies, for special purposes.

(9) There have been no changes in balances of special surplus funds from the prior year.

Notes to Financial Statement

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses at September 30, 2012 was $2,052,956.

(11) HMO has not issued surplus debentures or similar obligations as of September 30, 2012.

(12) & (13) HMO has not been involved in any quasi-reorganizations.

14. **Contingencies**

A. HMO is not part of commitments or contingent commitments to a subsidiary, controlled and affiliated entity, joint venture, partnership or limited liability company, other than those disclosed in note 10 E.

B. Management is not aware of any assessments that would have a material financial impact on HMO.

C. There are no gain contingencies that have been identified subsequent to the balance sheet date.

D. HMO does not have any claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

E. In the ordinary course of business, HMO is involved in and subject to claims, contractual disputes and other uncertainties. HMO makes an assessment of its possible exposure to loss contingencies based on the facts and circumstances of current investigations and accrues an amount which, in the opinion of management, is the best estimate of its liability that may result from settlement. In the opinion of management, after consultation with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse affect on HMO's financial position.

15. **Leases**

No changes.

16. **Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk**

No changes.

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

A. HMO had no transfers of receivables reported as sales.

B. HMO did not have transactions involving the transfer and servicing of financial assets and extinguishment of liabilities including securities lending for the period ended September 30, 2012.

C. HMO had no wash sale activity requiring disclosure during the period covered by this statement.

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

No substantial changes.

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

No changes.

Notes to Financial Statement

20. **Fair Value Measurements**

A. Assets measured at fair value

Common stocks are valued at fair value on HMO's statements of admitted assets, liabilities, capital and surplus. The statement value of bonds and preferred stocks are based on a quality valuation designation ascribed by the NAIC SVO. Redeemable preferred stocks and bonds with higher quality designations have a statement value equal to amortized cost while redeemable preferred stocks and bonds with lower quality designations are carried at the lower of amortized cost or fair value on the statements of admitted assets, liabilities, capital and surplus.

HMO's financial assets carried at fair value have been classified based on the three-tier value hierarchy defined by SSAP No. 100's guidance for fair value measurements and disclosures. The levels of the fair value hierarchy are as follows:

Level 1 – Values are unadjusted quoted prices for identical assets in active markets at the measurement date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
Level 2 – Inputs are other than quoted market prices in Level 1 that are observable for the asset through corroboration with market data at the measurement date.
Level 3 – Inputs are unobservable and supported by little or no market activity that reflect management's best estimate of what market participants would use in pricing the asset at the measurement date.

The fair value of actively exchange listed debt and equity securities is based on quoted market prices and includes U.S. Treasury bonds and generally classified as Level 1. Inactively traded debt securities are based on quoted market prices of identical or similar securities based on observable inputs like interest rates using either a market or income valuation approach and generally classified as Level 2. Privately held debt and equity securities as well as distressed debt securities are estimated using a variety of valuation methodologies, including both market and income approaches, where an observable quoted market does not exist and are generally classified as Level 3. Potential taxes and other transaction costs are not considered in estimating fair values.

(1) Fair value measurements at September 30, 2012 for assets:

	Level 1	Level 2	Level 3	Total
Bonds	$ 0	$ 2,190,193	$ 0	$ 2,190,193
Redeemable preferred stock	52,192			52,192
Common Stock	20,953,140	0	0	20,953,140
Total assets at fair value	$ 21,005,332	$ 2,190,193	$ 0	$ 23,195,525

(2)&(3) HMO did not have any assets categorized within Level 3 of the fair value hierarchy at September 30, 2012. HMO did not have any transfers between levels as of September 30, 2012.

(4) The securities included within Level 2 at September 30, 2012 are comprised of non-U.S. Treasury debt instruments. These securities include corporations with various dates of issue and maturity. The fair value of all bonds is based on quotations from widely used pricing services. HMO did not have any assets categorized within Level 3 of the fair value hierarchy at September 30, 2012.

B. The carrying amounts of HMO's receivables and deposits, claims unpaid, premiums received in advance and other liabilities approximate fair value due to the short-term nature of these items.

Notes to Financial Statement

C. The aggregate fair value for all HMO's financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall at September 30, 2012 are as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	$ 66,286,984	$ 62,551,643	$ 8,482,396	$ 54,069,247	$ 0	$ 0
Redeemable preferred stock	52,192	52,192	52,192			
Common stock	20,953,140	20,953,140	20,953,140	0	0	0
Total assets	$ 87,292,316	$ 83,556,975	$ 29,487,728	$ 54,069,247	$ 0	$ 0

D. HMO does not have any financial instruments where it is not practicable to estimate fair value.

21. **Other Items**

No changes.

22. **Events Subsequent**

On October 3, 2012, the PID approved an extraordinary other distribution of $30,000,000 from HMO to Blue Cross and Highmark. This extraordinary other distribution was a cash return of capital paid from other than unassigned funds. This transaction was completed on October 31, 2012.

HMO has evaluated subsequent events for recognition or disclosure through November 13, 2012, the date the financial statements were issued.

23. **Reinsurance**

No changes.

24. **Retrospectively Rated Contracts & Contracts Subject to Redetermination**

No changes.

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

Reserves as of December 31, 2011 were $9,403,136. As of September 30, 2012, $5,641,975 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $516,898 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a $3,244,263 favorable prior year development since December 31, 2011 to September 30, 2012. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26. **Intercompany Pooling Arrangements**

No changes.

27. **Structured Settlements**

Not applicable for companies that file the health statement.

Notes to Financial Statement

28. **Health Care Receivables**

A. Pharmaceutical Rebate Receivables

Quarter Ended	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Invoiced / Confirmed	Actual Rebates Collected Within 90 Days of Invoicing / Confirmation	Actual Rebates Collected Within 91 to 180 Days of Invoicing / Confirmation	Actual Rebates Collected More Than 180 Days After Invoicing / Confirmation
9/30/2012	$ 189,300				
6/30/2012	250,800				
3/31/2012	285,600	$ 342,968	$ 273,921	$ 69,047	$ 0
12/31/2011	$ 327,500	$ 420,067	$ 358,368	$ 53,244	$ 8,455
9/30/2011	285,400	408,924	345,829	36,777	26,318
6/30/2011	382,500	452,514	362,598	80,502	9,414
3/31/2011	362,700	469,081	291,943	155,912	21,226
12/31/2010	$ 457,200	$ 486,598	$ 399,066	$ 84,698	$ 2,834
9/30/2010	450,100	507,971	447,419	39,220	21,332
6/30/2010	569,600	504,908	431,326	54,922	18,660
3/31/2010	466,900	517,554	431,812	59,472	26,270

B. HMO does not have a receivable related to risk sharing arrangements at September 30, 2012.

29. **Participating Policies**

No changes.

30. **Premium Deficiency Reserves**

At September 30, 2012, HMO has a liability of $6,565,363 related to PDR. HMO's most recent evaluation was conducted on September 30, 2012. HMO does not anticipate investment income in calculating PDR's.

31. **Anticipated Salvage and Subrogation**

No changes.

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. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[X] No[ ]
If yes, complete the Schedule Y - Part 1 - organizational chart.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
4.2 If yes, provide the name of 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[X] N/A[ ]
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. 12/31/2008
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. 12/31/2008
6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/01/2010
6.4 By what department or departments?
Pennsylvania Insurance Department (PID)
6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[ ] No[ ] N/A[X]
6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]

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

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] 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[ ] No[X]
9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[X] No[ ]
11.2 If yes, give full and complete information relating thereto:
Federal Home Loan Bank Bond on deposit with the state of Pennsylvania (Cusip #3133XPNZ3); statement value at 9/30/2012 $100,731.

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

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:

GENERAL INTERROGATORIES (Continued)

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

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

1 Name of Custodian(s)	2 Custodian Address
Wells Fargo Institutional Trust Services	733 Marquette Avenue 8th Floor, Minneapolis, MN 55402-2315
PNC Bank	201 Penn Avenue, Scranton, PA 18501

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes[ ] No[X]
16.4 If yes, give full and complete information relating thereto:

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

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

1 Central Registration Depository	2 Name(s)	3 Address
104863	Income Research & Management	100 Federal Street, 31st Floor, Boston, MA 02110
104559	Pacific Investment Management Company LLC	840 Newport Center Drive, Newport Beach, CA 92660
107038	J.P. Morgan Investment Management Inc.	1111 Polaris Pkwy, Suite 4P, Columbus, OH 43240

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[ ]
17.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:
   1.1 A&H loss percent 84.590%
   1.2 A&H cost containment percent 3.330%
   1.3 A&H expense percent excluding cost containment expenses 11.350%

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

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

			Direct Business Only							
		1	2	3	4	5	6	7	8	9
	State, Etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	N								
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	L	72,299,181						72,299,181	
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CN)	N								
58.	Aggregate other alien (OT)	XXX								
59.	Subtotal	XXX	72,299,181						72,299,181	
60.	Reporting entity contributions for Employee Benefit Plans	XXX								
61.	Total (Direct Business)	(a) 1	72,299,181						72,299,181	
DETAILS OF WRITE-INS										
5801.		XXX								
5802.		XXX								
5803.		XXX								
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX								

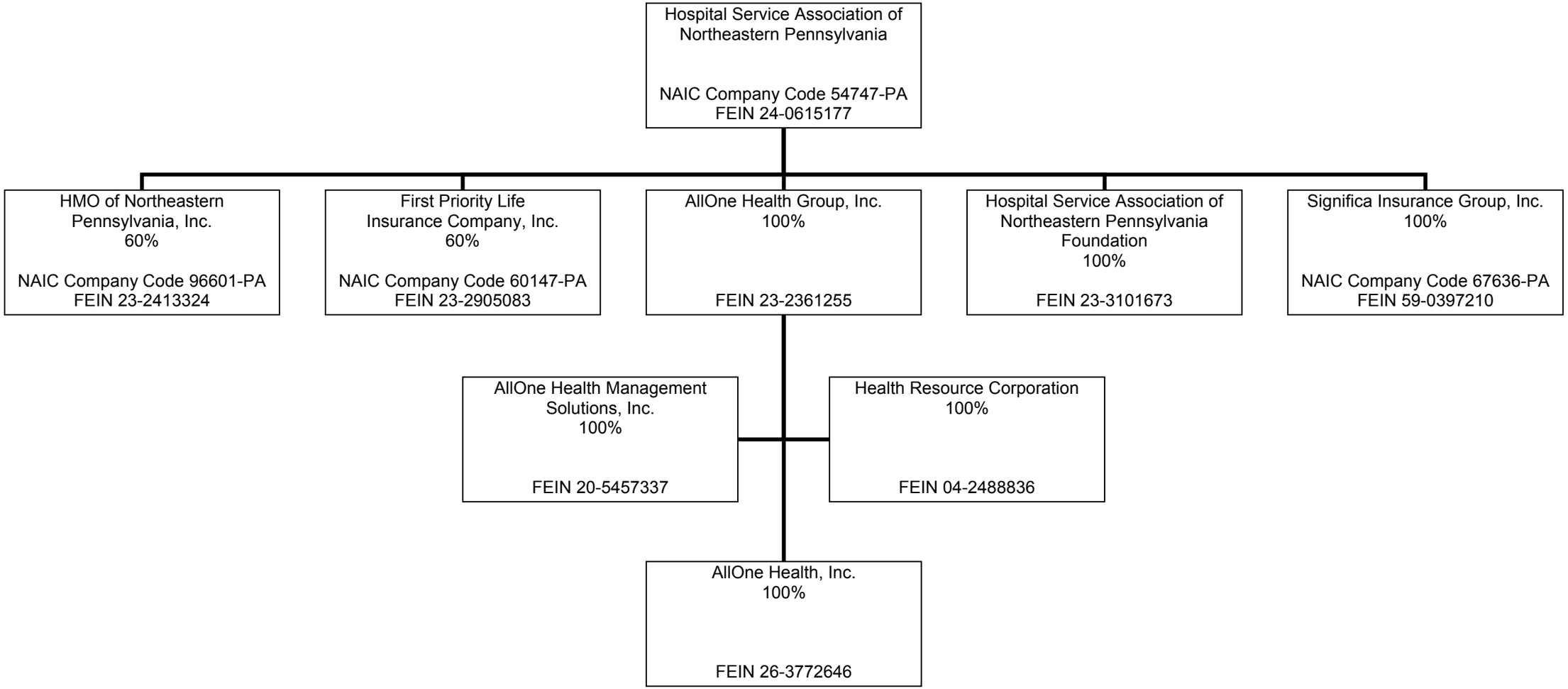
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business 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 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 FEDERAL RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Name of Parent Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity / Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies) / Person(s)	15 *
1270	Hospital Service Association of NEPA	54747	24-0615177				Hospital Service Association of NEPA	PA	UDP		Board of Directors			
1270	Hospital Service Association of NEPA	96601	23-2413324				HMO of Northeastern Pennsylvania, Inc.	PA		Hospital Service Association of NEPA	Ownership, Board of Directors	60.0	Hospital Service Association of NEPA	1
1270	Hospital Service Association of NEPA	60147	23-2905083				First Priority Life Insurance Company, Inc.	PA	IA	Hospital Service Association of NEPA	Ownership, Board of Directors	60.0	Hospital Service Association of NEPA	2
1270	Hospital Service Association of NEPA	67636	59-0397210				Significa Insurance Group, Inc.	PA	IA	Hospital Service Association of NEPA	Ownership, Board of Directors	100.0	Hospital Service Association of NEPA	
		00000	20-5457337				AllOne Health Management Solutions, Inc.	PA	NIA	AllOne Health Group, Inc.	Ownership, Board of Directors	100.0	Hospital Service Association of NEPA	
		00000	04-2488836				Health Resources Corporation	PA	NIA	AllOne Health Group, Inc.	Ownership, Board of Directors	100.0	Hospital Service Association of NEPA	
		00000	23-2361255				AllOne Health Group, Inc.	PA	NIA	Hospital Service Association of NEPA	Ownership, Board of Directors	100.0	Hospital Service Association of NEPA	
		00000	26-3772646				AllOne Health, Inc.	PA	NIA	AllOne Health Group, Inc.	Ownership, Board of Directors	100.0	Hospital Service Association of NEPA	
		00000	23-3101673				Hospital Service Assn of NEPA Foundation	PA	NIA	Hospital Service Association of NEPA	Ownership, Board of Directors	100.0	Hospital Service Association of NEPA	

Asterisk	Explanation
0000001	40% ownership of HMO of Northeastern Pennsylvania, Inc. is outside of the above holding company system.
0000002	40% ownership of First Priority Life Insurance Company, Inc. is outside of the above holding company system.

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

96601201236500003 2012 Document Code: 365

OVERFLOW PAGE FOR WRITE-INS

N O N E

SCHEDULE A - VERIFICATION

Real Estate

NONE

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

SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition	1,000,000	
	2.2 Additional investment made after acquisition	669	
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	1,000,669	
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)	1,000,669	

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	92,699,751	94,814,475
2.	Cost of bonds and stocks acquired	38,497,306	29,735,769
3.	Accrual of discount	56,899	159,895
4.	Unrealized valuation increase (decrease)	3,156,931	(2,298,162)
5.	Total gain (loss) on disposals	1,205,976	442,439
6.	Deduct consideration for bonds and stocks disposed of	52,819,941	29,416,432
7.	Deduct amortization of premium	514,180	738,233
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	82,282,742	92,699,751
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	82,282,742	92,699,751

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	61,023,693	61,764,856	57,458,189	(518,008)	61,969,208	61,023,693	64,812,352	70,973,889
2. Class 2 (a)	7,098,866	320,268	2,285,599	431,889	6,701,860	7,098,866	5,565,424	7,418,232
3. Class 3 (a)	6,226,339	492,459	364,698	(388,875)	6,070,261	6,226,339	5,965,225	
4. Class 4 (a)	2,655,787	366,915	222,515	213,588	2,639,846	2,655,787	3,013,775	
5. Class 5 (a)	258,371		116,910	152,513	259,588	258,371	293,974	
6. Class 6 (a)								
7. Total Bonds	77,263,056	62,944,498	60,447,911	(108,893)	77,640,763	77,263,056	79,650,750	78,392,121
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4	58,100		14,455	8,547	72,273	58,100	52,192	
12. Class 5								
13. Class 6								
14. Total Preferred Stock	58,100		14,455	8,547	72,273	58,100	52,192	
15. Total Bonds & Preferred Stock	77,321,156	62,944,498	60,462,366	(100,346)	77,713,036	77,321,156	79,702,942	78,392,121

(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 $.....17,099,107; 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	18,373,340	X X X	18,373,340	1,324	1,865

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	7,255,800	2,508,450
2.	Cost of short-term investments acquired	186,369,768	148,104,116
3.	Accrual of discount	310	654
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals	15	200
6.	Deduct consideration received on disposals	175,247,983	143,344,829
7.	Deduct amortization of premium	4,570	12,791
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	18,373,340	7,255,800
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	18,373,340	7,255,800

SI04 Schedule DB - Part A Verification . . . . . NONE

SI04 Schedule DB - Part B Verification . . . . . NONE

SI05 Schedule DB Part C Section 1 . . . . . NONE

SI06 Schedule DB Part C Section 2 . . . . . NONE

SI07 Schedule DB - Verification . . . . . NONE

SCHEDULE E - Verification

(Cash Equivalents)

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		699,977
2.	Cost of cash equivalents acquired	61,600,000	145,666,848
3.	Accrual of discount		153
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		(2)
6.	Deduct consideration received on disposals	61,600,000	146,366,716
7.	Deduct amortization of premium		260
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)		

E01 Schedule A Part 2 . . . . . NONE

E01 Schedule A Part 3 . . . . . NONE

E02 Schedule B Part 2 . . . . . NONE

E02 Schedule B Part 3 . . . . . NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
Any Other Class of Assets - Unaffiliated												
	Eaton Vance Institutional Senior Loan Fund	Boston	Massachusetts	Eaton Vance Management		09/25/2012		1,000,000	669			
3799999 Subtotal - Any Other Class of Assets - Unaffiliated								1,000,000	669			XXX
3999999 Total - Unaffiliated								1,000,000	669			XXX
4099999 Total - Affiliated												XXX
4199999 TOTALS								1,000,000	669			XXX

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9 + 10 - 11 + 12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
4199999 TOTALS																			

NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
912828NT3	US TREASURY N/B		08/07/2012	JPMORGAN CHASE BANK	X X X	213,244	193,000.00	2,120	1
912828RF9	US TREASURY N/B		07/18/2012	CREDIT SUISSE SECURITIES (USA)	X X X	59,190	58,000.00	229	1
912828RZ5	US TREASURY N/B		08/29/2012	VARIOUS	X X X	808,181	809,000.00	126	1
912828SV3	US TREASURY N/B		08/24/2012	CREDIT SUISSE SECURITIES (USA)	X X X	134,247	133,000.00	670	1
912828SY7	US TREASURY N/B		09/10/2012	VARIOUS	X X X	239,487	240,000.00	371	1
912828TC4	US TREASURY N/B		07/09/2012	BANC OF AMERICA SECURITIES LLC	X X X	100,141	100,000.00	27	1
36178NV97	GN AB3340		09/17/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	1,056,004	1,000,100.00	1,583	1
38374CF63	GNR 2003-86 ZC		09/01/2012	DIRECT	X X X	2,250	2,249.95		1
38376VM95	GNR 2010-23 MH		09/19/2012	UBS SECURITIES LLC	X X X	140,860	131,338.11	378	1
83162CVA8	SBAP 2012-20I 1		09/04/2012	VARIOUS	X X X	212,000	212,000.00		1
0599999 Subtotal - Bonds - U.S. Governments					X X X	2,965,604	2,878,688.06	5,504	X X X
Bonds - U.S. Special Revenue, Special Assessment									
3135G0LN1	FANNIE MAE		07/05/2012	Citi Bank	X X X	499,946	500,000.00	28	1
463655GX2	IRVINE RANCH WTR-REF		08/23/2012	MERRILL LYNCH PIERCE FENNER	X X X	150,000	150,000.00		1FE
662826FL5	N TEXAS HGR EDU AUTH		07/19/2012	BANC OF AMERICA SECURITIES LLC	X X X	99,748	100,000.00		1FE
312934SC7	FG A87715		08/07/2012	BANC OF AMERICA SECURITIES LLC	X X X	217,690	201,332.11	302	1
3128MJMW7	FG G08372		07/01/2012	ADJUSTMENT	X X X	(7,539)	(7,053.32)	(10)	1
3132HLF40	FG Q10187		08/22/2012	BNP PARIBAS SECURITIES BOND	X X X	424,281	400,000.00	1,011	1
31418MYM8	FN AD0715		07/09/2012	CREDIT SUISSE SECURITIES (USA)	X X X	392,491	360,005.94	550	1
3138EGEZ3	FN AL0151		08/16/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	242,296	211,331.00	514	1
3138EG5U4	FN AL0858		07/19/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	310,494	290,903.90	419	1
3138EJPA0	FN AL2216		08/16/2012	BNP PARIBAS SECURITIES BOND	X X X	255,385	238,398.75	362	1
3138M13D8	FN AO9795		08/21/2012	JP MORGAN SECURITIES INC.	X X X	839,592	797,711.92	931	1
31394ARY4	FNR 2004-61 ZG		09/01/2012	DIRECT	X X X	5,865	5,865.32		1
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					X X X	3,430,249	3,248,495.62	4,107	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)									
001055AH5	AFLAC INC		07/27/2012	Morgan Stanley	X X X	217,552	211,000.00	2,656	1FE
02504UAB6	AMER CASINO & ENTERTAIN		07/13/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	10,525	10,000.00	101	4FE
03070QAN1	AMERISTAR CASINOS INC		07/13/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	10,825	10,000.00	194	4FE
03938LAX2	ARCELORMITTAL	F	09/19/2012	VARIOUS	X X X	40,313	40,000.00	190	2FE
055381AS6	B/E AEROSPACE INC		07/09/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	51,000	50,000.00	868	3FE
06051GDX4	BANK OF AMERICA CORP		08/15/2012	MERRILL LYNCH PIERCE FENNER	X X X	226,984	205,000.00	3,507	1FE
06406HBP3	BANK OF NEW YORK MELLON		08/16/2012	CREDIT SUISSE SECURITIES (USA)	X X X	275,819	245,000.00	1,127	1FE
077454AF3	BELDEN INC		08/13/2012	WELLS FARGO SECURITIES LLC	X X X	10,000	10,000.00		4FE
110394AE3	BRISTOW GROUP INC		09/27/2012	CREDIT SUISSE SECURITIES (USA)	X X X	3,000	3,000.00		3FE
12686CAZ2	CABLEVISION SYSTEMS CORP		07/25/2012	BANC OF AMERICA SECURITIES LLC	X X X	16,256	15,000.00	339	4FE
12686CBA6	CABLEVISION SYSTEMS CORP		09/17/2012	BANC OF AMERICA SECURITIES LLC	X X X	56,563	50,000.00	1,722	4FE
12686CBB4	CABLEVISION SYSTEMS CORP		09/13/2012	BANC OF AMERICA SECURITIES LLC	X X X	19,000	19,000.00		4FE
149123CA7	CATERPILLAR INC		08/28/2012	Unknown	X X X	41,307	40,410.34	56	1FE
1248EPAY9	CCO HLDGS LLC/CAP CORP		08/08/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	69,318	70,000.00		3FE
15672WAA2	CEQUEL COM HLDG I/CAP CP		09/05/2012	BNY CAPITAL MARKETS, INC.	X X X	2,148	2,000.00	55	4FE
12543DAR1	CHS/COMMUNITY HEALTH SYS		08/08/2012	CREDIT SUISSE SECURITIES (USA)	X X X	20,000	20,000.00		3FE
172967EV9	CITIGROUP INC		09/26/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	105,842	80,000.00	2,437	1FE
178760AB0	CITYCENTER HLDGS/FINANCE		07/13/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	X X X	10,650	10,000.00	6	4FE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
184496AH0	CLEAN HARBORS INC		07/17/2012	Goldman Sachs	XXX	22,000	22,000.00		3FE
23331ABE8	D.R. HORTON INC		09/11/2012	GREENWICH CAPITAL MARKETS, INC	XXX	6,000	6,000.00		3FE
254423AB2	DINEEQUITY INC		09/19/2012	LAZARD FRERES & CO.	XXX	11,475	10,000.00	380	4FE
25470XAG0	DISH DBS CORP		07/19/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	8,060	8,000.00	91	3FE
278642AE3	EBAY INC		07/20/2012	VARIOUS	XXX	75,470	75,000.00	4	1FE
278865AL4	ECOLAB INC		08/17/2012	CREDIT SUISSE SECURITIES (USA)	XXX	72,628	65,000.00	581	2FE
268787AA6	EP ENER/EVEREST ACQ FIN		08/08/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	4,000	4,000.00		4FE
319963BE3	FIRST DATA CORPORATION		08/02/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	24,798	25,000.00		4FE
35906AAM0	FRONTIER COMMUNICATIONS		09/24/2012	CREDIT SUISSE SECURITIES (USA)	XXX	19,595	19,000.00	127	3FE
369300AM0	GENERAL CABLE CORP		09/20/2012	Goldman Sachs	XXX	5,000	5,000.00		4FE
436440AD3	HOLOGIC INC		07/19/2012	Goldman Sachs	XXX	5,000	5,000.00		4FE
452308AR0	ILLINOIS TOOL WORKS INC		08/21/2012	BANC OF AMERICA SECURITIES LLC	XXX	59,423	60,000.00		1FE
459745GK5	INTL LEASE FINANCE CORP		07/11/2012	Goldman Sachs	XXX	11,850	10,000.00	2	3FE
466313AG8	JABIL CIRCUIT INC		08/23/2012	VARIOUS	XXX	28,062	28,000.00	82	3FE
46625HGY0	JPMORGAN CHASE & CO		08/28/2012	Stifel Nicolaus & Co.	XXX	142,996	120,000.00	920	1FE
48666KAR0	KB HOME		07/24/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	5,000	5,000.00		4FE
505861AC8	LAFARGE SA	F	07/18/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	10,175	10,000.00	16	3FE
52602EAD4	LENDER PROCESS SERVICES		09/28/2012	WELLS FARGO SECURITIES LLC	XXX	15,000	15,000.00		3FE
526057BH6	LENNAR CORP		07/17/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	4,000	4,000.00		4FE
574599BH8	MASCO CORP		09/26/2012	BROADPOINT CAPITAL	XXX	11,018	10,000.00	19	3FE
552704AB4	MEG ENERGY CORP	A	07/16/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	9,000	9,000.00		4FE
59018YJ69	MERRILL LYNCH & CO		07/25/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	111,905	100,000.00	2,702	1FE
59217GAD1	MET LIFE GLOB FUNDING I		08/16/2012	BNP PARIBAS SECURITIES BOND	XXX	141,691	135,000.00	469	1FE
61747YCJ2	MORGAN STANLEY		09/14/2012	JP MORGAN SECURITIES INC.	XXX	108,501	100,000.00	2,750	1FE
62886EAE8	NCR CORP		09/12/2012	BANC OF AMERICA SECURITIES LLC	XXX	9,000	9,000.00		3FE
65409QAZ5	NIELSEN FINANCE LLC/CO	R	09/18/2012	Goldman Sachs	XXX	10,000	10,000.00		3FE
654902AC9	NOKIA CORP	F	08/27/2012	VARIOUS	XXX	4,875	6,000.00	116	3FE
665859AN4	NORTHERN TRUST CORP		07/30/2012	BANC OF AMERICA SECURITIES LLC	XXX	114,675	115,000.00		1FE
629377BT8	NRG ENERGY INC		09/10/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	21,000	21,000.00		4FE
67020YAD2	NUANCE COMMUNICATIONS		08/09/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	8,000	8,000.00		3FE
67051XAA2	NUFARM AUSTRALIA LIMITED	F	09/28/2012	CREDIT SUISSE SECURITIES (USA)	XXX	5,000	5,000.00		3FE
693506BG1	PPG INDUSTRIES INC		07/31/2012	BNP PARIBAS SEC SVCS	XXX	134,976	135,000.00		2FE
74733VAC4	QEP RESOURCES INC		09/05/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	7,000	7,000.00		3FE
74834LAS9	QUEST DIAGNOSTIC INC		08/22/2012	Morgan Stanley	XXX	72,352	65,000.00	1,239	2FE
75886AAG3	REGENCY ENERGY PARTNERS		09/27/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	35,000	35,000.00		3FE
79546VAJ5	SALLY HOLDINGS/SALLY CAP		09/05/2012	BANC OF AMERICA SECURITIES LLC	XXX	5,313	5,000.00	89	3FE
78401FAE7	SBA TELECOMMUNICATIONS		07/10/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	2,000	2,000.00		4FE
816752AA7	SEMINOLE HARD ROCK ENT		07/13/2012	BANC OF AMERICA SECURITIES LLC	XXX	14,775	15,000.00	41	4FE
817082AF7	SENECA GAMING CORP		07/13/2012	BANC OF AMERICA SECURITIES LLC	XXX	20,900	20,000.00	215	4FE
822582AS1	SHELL INTERNATIONAL FIN	F	08/14/2012	Morgan Stanley	XXX	94,589	95,000.00		1FE
832248AV0	SMITHFIELD FOODS INC		07/18/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	4,975	5,000.00		3FE
852061AR1	SPRINT NEXTEL CORP		08/09/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	50,000	50,000.00		4FE
85571NAA7	STARZ LLC/STARZ FIN CORP		09/06/2012	BNY/SUNTRUST CAPITAL MARKETS	XXX	15,000	15,000.00		3FE
858119AS9	STEEL DYNAMICS INC		08/02/2012	BANC OF AMERICA SECURITIES LLC	XXX	16,000	16,000.00		3FE
858119AU4	STEEL DYNAMICS INC		08/02/2012	BANC OF AMERICA SECURITIES LLC	XXX	16,000	16,000.00		3FE
868998303	SUPERVALU		08/10/2012	CREDIT SUISSE SECURITIES (USA)	XXX	24,117	25,000.00	133	Z
88033GBP4	TENET HEALTHCARE CORP		07/31/2012	BANC OF AMERICA SECURITIES LLC	XXX	38,019	35,000.00	559	3FE
881609AY7	TESORO CORP		09/13/2012	GREENWICH CAPITAL MARKETS, INC	XXX	4,000	4,000.00		3FE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
881609AZ4	TESORO CORP		09/13/2012	GREENWICH CAPITAL MARKETS, INC	XXX	7,000	7,000.00		3FE
88160QAB9	TESORO LOGISTICS LP/CORP		09/07/2012	WELLS FARGO SECURITIES LLC	XXX	32,000	32,000.00		4FE
87311XAC2	TW TELECOM HOLDINGS INC		09/27/2012	CREDIT SUISSE SECURITIES (USA)	XXX	4,000	4,000.00		4FE
909214BP2	UNISYS CORP		08/16/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	13,000	13,000.00		4FE
909218AC3	UNIT CORP		07/12/2012	BANC OF AMERICA SECURITIES LLC	XXX	11,850	12,000.00	152	3FE
925369AA8	VESEY STREET INV TRUST I		07/23/2012	Goldman Sachs	XXX	174,839	173,000.00	371	1FE
91829KAA1	VPI ESCROW CORP	I	09/20/2012	Goldman Sachs	XXX	5,000	5,000.00		4FE
92976WBH8	WACHOVIA CORP		07/25/2012	Goldman Sachs	XXX	119,024	100,000.00	2,859	1FE
983130AS4	WYNN LAS VEGAS LLC/CORP		07/13/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	20,350	20,000.00	376	3FE
07388QAE9	BSCMS 2007-PW17 A4		08/10/2012	WELLS FARGO SECURITIES LLC	XXX	167,687	144,000.00	319	1FE
590201AA7	MLFT 2008-LAQA A1		07/10/2012	BANC OF AMERICA SECURITIES LLC	XXX	119,565	122,512.62	11	1FE
61755BAC8	MSC 2007-HQ12 A2		07/01/2012	ADJUSTMENT	XXX			(15)	4AM
02528RAA7	ACAR 2012-2 A		07/19/2012	WELLS FARGO SECURITIES LLC	XXX	105,995	106,000.00		1FE
02006GAC8	ALLYL 2012-SN1 A3		09/11/2012	CHASE SECURITIES	XXX	144,988	145,000.00		1FE
23336TAA1	DTAOT 2012-2A A		07/17/2012	WELLS FARGO SECURITIES LLC	XXX	59,999	60,000.00		1FE
43813BAD4	HAROT 2010-3 A4		09/13/2012	CREDIT SUISSE SECURITIES (USA)	XXX	145,838	145,000.00	102	1FE
43814AAC7	HAROT 2011-2 A3		08/08/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	227,059	226,000.00	148	1FE
41283TAC2	HDMOT 2012-1 A3		07/17/2012	CHASE SECURITIES	XXX	242,958	243,000.00		1FE
65475UAB8	NAROT 2012-A A2		07/12/2012	PERSHING LLC	XXX	500,254	500,000.00	210	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					XXX	4,928,721	4,716,922.96	28,326	XXX
8399997 Subtotal - Bonds - Part 3					XXX	11,324,574	10,844,106.64	37,937	XXX
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
8399999 Subtotal - Bonds					XXX	11,324,574	10,844,106.64	37,937	XXX
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX		XXX		XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	11,324,574	XXX	37,937	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

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	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 (a)
Bonds - U.S. Governments																					
912810QT8	US TREASURY N/B		07/09/2012	CREDIT SUISSE SECURITIES (USA)	XXX	110,637	100,000.00	100,477			(1)		(1)		100,475		10,162	10,162	2,038	11/15/2041	1
912828NT3	US TREASURY N/B		08/16/2012	CREDIT SUISSE SECURITIES (USA)	XXX	209,721	193,000.00	213,244			(228)		(228)		213,016		(3,295)	(3,295)	2,602	08/15/2020	1
912828PB0	US TREASURY N/B		07/09/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	37,118	37,000.00	37,130			(21)		(21)		37,109		9	9	136	10/15/2013	1
912828RF9	US TREASURY N/B		08/16/2012	VARIOUS	XXX	491,646	484,000.00	490,150			(242)		(242)		489,908		1,738	1,738	2,194	08/31/2016	1
912828RZ5	US TREASURY N/B		09/11/2012	JP MORGAN CHASE BANK/HSBCSI	XXX	119,925	120,000.00	119,883			6		6		119,889		36	36	48	01/15/2015	1
912828SY7	US TREASURY N/B		09/18/2012	VARIOUS	XXX	1,032,011	1,032,000.00	1,027,597			209		209		1,027,806		4,205	4,205	1,925	05/31/2017	1
36202D4A6	G2 3517		09/01/2012	REDEMPTION	XXX	11,387	11,386.56	12,241	12,094		(708)		(708)		11,387				453	02/20/2034	1
38373XVS2	GNR 2002-49 ZA		09/01/2012	REDEMPTION	XXX	13,243	13,243.21	14,915	14,851		(1,608)		(1,608)		13,243				584	07/20/2032	1
38376F4A7	GNR 2009-81 PA		09/01/2012	REDEMPTION	XXX	28,686	28,685.88	30,528	29,954		(1,268)		(1,268)		28,686				1,077	02/16/2038	1
83162CQN6	SBAP 2006-20I 1		09/01/2012	REDEMPTION	XXX	8,466	8,465.54	9,386	9,385		(920)		(920)		8,466				482	09/01/2026	1
83162CTB9	SBAP 2010-20B 1		09/26/2012	VARIOUS	XXX	531,163	482,242.83	482,243	482,243						482,243		48,920	48,920	23,198	02/01/2030	1
0599999 Subtotal - Bonds - U.S. Governments					XXX	2,594,003	2,510,024.02	2,537,794	548,527		(4,781)		(4,781)		2,532,228		61,775	61,775	34,737	XXX	XXX
Bonds - All Other Governments																					
135087YF5	CANADIAN GOVERNMENT	C	09/24/2012	CIBC WORLD MARKETS CORP.	XXX	324,260	285,830.95	295,378	279,903		(705)		(705)	12,158	291,356		35,145	35,145	9,101	06/01/2017	1FE
135087YN8	CANADIAN GOVERNMENT	C	09/24/2012	CIBC WOOD GUNDY SECURITIES INC	XXX	330,881	296,303.26	302,852	310,574		(1,139)		(1,139)	(12,235)	297,200		10,446	10,446	8,958	06/01/2013	1FE
1099999 Subtotal - Bonds - All Other Governments					XXX	655,141	582,134.21	598,230	590,477		(1,844)		(1,844)	(77)	588,556		45,591	45,591	18,059	XXX	XXX
Bonds - U.S. Special Revenue, Special Assessment																					
270618CN9	E BATON ROUGE		07/25/2012	FTN FINANCIAL SECURITIES	XXX	113,801	100,000.00	100,000	100,000						100,000		13,801	13,801	6,070	02/01/2045	1FE
3135G0LN1	FANNIE MAE		09/07/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	501,812	500,000.00	499,946			3		3		499,949		1,862	1,862	472	07/02/2015	1
3137EADD8	FREDDIE MAC		07/05/2012	CREDIT SUISSE SECURITIES (USA)	XXX	500,690	500,000.00	496,945			291		291		497,236		3,454	3,454	938	04/17/2015	1
3128K8NN2	FG A47597		09/01/2012	REDEMPTION	XXX	15,114	15,113.61	16,386			(1,273)		(1,273)		15,114				185	11/01/2035	1
312934SC7	FG A87715		09/01/2012	REDEMPTION	XXX	37,840	37,839.51	40,449			(2,609)		(2,609)		37,840				379	08/01/2039	1
3128M9A44	FG G06927		09/01/2012	VARIOUS	XXX	342,591	319,029.52	344,203			(2,523)		(2,523)		341,680		911	911	5,950	02/01/2037	1
3128MJMW7	FG G08372		09/01/2012	REDEMPTION	XXX	16,703	16,703.00	17,854			(1,151)		(1,151)		16,703				97	11/01/2039	1
3128MCRG2	FG G13887		09/01/2012	REDEMPTION	XXX	16,424	16,423.54	17,483	17,492		(1,069)		(1,069)		16,424				547	06/01/2025	1
3132GFBY2	FG Q01855		09/01/2012	REDEMPTION	XXX	5,207	5,206.86	5,651	3,426		(436)		(436)		5,207				127	06/01/2041	1
3132HLF40	FG Q10187		09/01/2012	REDEMPTION	XXX	674	673.83	715			(41)		(41)		674				2	08/01/2042	1
3128JQBP2	FH 1B4645		09/01/2012	REDEMPTION	XXX	34,376	34,376.08	35,419	35,358		(982)		(982)		34,376				868	03/01/2040	1
3128JQB80	FH 1B4662		09/24/2012	VARIOUS	XXX	201,733	192,881.87	197,546	197,281		(741)		(741)		196,540		5,193	5,193	5,560	03/01/2040	1
3128JRV37	FH 847834		09/01/2012	REDEMPTION	XXX	44,860	44,859.80	47,732	47,532		(2,672)		(2,672)		44,860				1,754	12/01/2037	1
3133T2KA7	FHG 24 ZE		09/01/2012	REDEMPTION	XXX	6,040	6,040.12	6,531	6,259		(219)		(219)		6,040				255	11/25/2023	1
31393JBX5	FHR 2551 QK		09/01/2012	REDEMPTION	XXX	7,340	7,339.68	7,991	7,982		(642)		(642)		7,340				269	01/15/2033	1
31394KU93	FHR 2692 AY		09/01/2012	REDEMPTION	XXX	15,882	15,882.41	16,874	16,700		(817)		(817)		15,882				531	10/15/2023	1
31394JYA9	FHR 2697 LG		09/01/2012	REDEMPTION	XXX	13,065	13,065.07	13,931	13,668		(603)		(603)		13,065				392	10/15/2023	1
31394X2C9	FHR 2783 JY		09/24/2012	VARIOUS	XXX	433,739	398,535.02	436,520	427,187		(5,285)		(5,285)		421,902		11,837	11,837	16,025	04/15/2024	1
3137A4JM0	FHR 3777 WA		09/01/2012	REDEMPTION	XXX	6,039	6,039.00	6,533			(494)		(494)		6,039				61	12/15/2040	1
3137A9QP4	FHR 3842 PH		09/01/2012	REDEMPTION	XXX	17,430	17,429.56	18,539	18,523		(1,093)		(1,093)		17,430				489	04/15/2041	1
31371MEP8	FN 255842		09/26/2012	VARIOUS	XXX	365,548	338,875.78	328,392	331,208		1,073		1,073		332,281		33,267	33,267	13,590	09/01/2035	1
31371MWN3	FN 256353		09/01/2012	REDEMPTION	XXX	10,613	10,612.58	10,639	10,604		9		9		10,613				420	08/01/2021	1
31371M5S2	FN 256557		09/01/2012	REDEMPTION	XXX	10,392	10,392.38	10,418	10,383		9		9		10,392				374	01/01/2022	1
31381SVH2	FN 469616		09/01/2012	REDEMPTION	XXX	593	592.64	593	593						593				14	11/01/2021	1
31407CDY0	FN 826419		09/01/2012	REDEMPTION	XXX	1,766	1,766.08	1,770	1,763		3		3		1,766				65	07/01/2020	1
31410GAE3	FN 888405		09/01/2012	REDEMPTION	XXX	26,284	26,283.86	25,294	25,320		964		964		26,284				876	12/01/2036	1
31410QR94	FN 894312		09/01/2012	REDEMPTION	XXX	779	778.86	785	781		(2)		(2)		779				32	10/01/2036	1
31411CJT9	FN 903974		09/01/2012	REDEMPTION	XXX	1,566	1,566.36	1,578	1,570		(3)		(3)		1,566				57	11/01/2036	1
31411CN64	FN 904113		09/01/2012	REDEMPTION	XXX	658	658.32	663	660		(2)		(2)		658				27	11/01/2036	1
31411EEP8	FN 905642		09/26/2012	VARIOUS	XXX	367,257	332,316.38	337,613	334,976		(82)		(82)		334,894		32,363	32,363	16,152	12/01/2021	1
31411FHX5	FN 906646		09/01/2012	REDEMPTION	XXX	4,127	4,126.76	4,193	4,157		(30)		(30)		4,127				165	11/01/2021	1
31412AA61	FN 919029		09/01/2012	REDEMPTION	XXX	52	52.16	53	52						52				2	12/01/2036	1
31412BKH4	FN 920196		09/01/2012	REDEMPTION	XXX	492	491.65	493	491		1		1		492				17	12/01/2021	1
31412PDT5	FN 930814		09/01/2012	REDEMPTION	XXX	53,567	53,566.90	57,810	57,582		(4,015)		(4,015)		53,567				2,005	02/01/2035	1

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	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 (a)
31412SWZ4	FN 933664		09/24/2012	VARIOUS	XXX	438,664	417,439.36	444,230	442,487		(6,699)		(6,699)		435,788		2,877	2,877	17,682	11/01/2038	1
31413GK90	FN 945020		09/01/2012	REDEMPTION	XXX	7,074	7,074.33	7,520	7,487		(413)		(413)		7,074				233	08/01/2037	1
31415P3Z9	FN 985616		09/01/2012	REDEMPTION	XXX	26,972	26,971.83	28,969	29,377		(2,406)		(2,406)		26,972				992	04/01/2034	1
31417T4Z8	FN AC7139		09/01/2012	REDEMPTION	XXX	90,054	90,054.13	91,285	90,804		(750)		(750)		90,054				2,701	01/01/2040	1
31417VLG6	FN AC8426		09/01/2012	REDEMPTION	XXX	54,103	54,102.99	54,843	54,600		(497)		(497)		54,103				1,609	02/01/2040	1
31418MYM8	FN AD0715		09/01/2012	REDEMPTION	XXX	27,717	27,717.13	30,218			(2,501)		(2,501)		27,717				176	07/01/2037	1
31418M4K5	FN AD0825		09/01/2012	REDEMPTION	XXX	1,102	1,101.75	1,143	1,136		(34)		(34)		1,102				34	02/01/2020	1
31418M7H9	FN AD0895		09/01/2012	REDEMPTION	XXX	828	828.47	925			(97)		(97)		828				16	07/01/2019	1
31418SA41	FN AD4526		09/24/2012	VARIOUS	XXX	377,066	354,973.23	366,149	365,485		(662)		(662)		364,824		12,242	12,242	10,625	04/01/2040	1
31419FWZ5	FN AE5163		08/21/2012	VARIOUS	XXX	907,670	870,558.53	847,434	850,050		3,381		3,381		853,432		54,238	54,238	23,501	11/01/2040	1
3138A6CM0	FN AH4575		09/01/2012	REDEMPTION	XXX	4,158	4,158.24	4,113	4,114		44		44		4,158				111	03/01/2041	1
3138ASSD5	FN AJ1415		09/01/2012	REDEMPTION	XXX	28,373	28,372.72	29,889	29,835		(1,462)		(1,462)		28,373				870	09/01/2041	1
3138EGEZ3	FN AL0151		09/01/2012	REDEMPTION	XXX	222	222.09	255			(33)		(33)		222				1	04/01/2021	1
3138EGYB4	FN AL0705		09/01/2012	REDEMPTION	XXX	796	795.90	829	828		(32)		(32)		796				33	12/01/2020	1
3138EG5U4	FN AL0858		09/01/2012	REDEMPTION	XXX	9,134	9,133.68	9,749			(615)		(615)		9,134				30	07/01/2035	1
3138EHAY8	FN AL0922		07/24/2012	VARIOUS	XXX	240,202	221,266.26	238,207	238,562		(1,272)		(1,272)		237,291		2,912	2,912	7,685	05/01/2038	1
3138EJPA0	FN AL2216		09/01/2012	REDEMPTION	XXX	3,942	3,942.27	4,223			(281)		(281)		3,942				8	09/01/2039	1
31392EH60	FNR 2002-69 Z		09/01/2012	REDEMPTION	XXX	17,459	17,458.63	18,473	18,493		(1,035)		(1,035)		17,459				625	10/25/2032	1
31394AEC6	FNR 2004-52 NE		09/01/2012	REDEMPTION	XXX	8,743	8,743.25	9,500	9,286		(543)		(543)		8,743				275	07/25/2033	1
31394AW77	FNR 2004-75 VK		09/24/2012	VARIOUS	XXX	343,593	331,408.20	341,661	337,787		(2,406)		(2,406)		335,381		8,212	8,212	12,136	09/25/2022	1
31394CQE5	FNR 2005-10 BK		09/01/2012	REDEMPTION	XXX	7,919	7,918.61	8,374	8,237		(318)		(318)		7,919				297	03/25/2025	1
31394EMX3	FNR 2005-62 DX		09/24/2012	GX CLARKE & CO.	XXX	407,461	375,000.00	393,984	386,621		(3,267)		(3,267)		383,354		24,107	24,107	15,313	05/25/2034	1
31394FN50	FNR 2005-84 XM		09/01/2012	REDEMPTION	XXX	6,310	6,309.81	6,757	6,733		(423)		(423)		6,310				241	10/25/2035	1
31396XQW7	FNR 2007-85 BA		09/24/2012	VARIOUS	XXX	159,775	148,965.91	161,069	155,785		(1,035)		(1,035)		154,750		5,025	5,025	7,178	03/25/2035	1
31396QTR0	FNR 2009-62 WA		09/01/2012	REDEMPTION	XXX	10,500	10,499.56	11,143	11,084		(584)		(584)		10,500				389	08/25/2039	1
31398F7A3	FNW 2009-W1 A		09/01/2012	REDEMPTION	XXX	6,431	6,430.87	6,986	6,962		(531)		(531)		6,431				257	12/25/2049	1
3137ANLN3	FHMS K501 A1		09/01/2012	REDEMPTION	XXX	1,677	1,677.19	1,690			(13)		(13)		1,677				7	06/25/2016	1
31398M6U5	FNA 2010-M3 A3		09/24/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	406,820	350,000.00	351,750	351,452		(132)		(132)		351,321		55,499	55,499	12,467	03/25/2020	1
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					XXX	6,769,819	6,412,644.13	6,578,910	5,078,753		(49,047)		(49,047)		6,502,020		267,800	267,800	190,259	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
00037BAC6	ABB FINANCE USA INC		09/24/2012	Morgan Stanley	XXX	16,384	15,000.00	14,631			2		2		14,633		1,751	1,751	250	05/08/2042	1FE
00440EAJ6	ACE INA HOLDINGS		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	177,705	150,000.00	147,379	148,136		231		231		148,367		29,338	29,338	9,500	02/15/2017	1FE
007903AU1	ADVANCED MICRO DEVICES		09/25/2012	VARIOUS	XXX	50,065	49,000.00	54,390			(546)		(546)		53,844		(3,779)	(3,779)	2,492	08/01/2020	3FE
001055AH5	AFLAC INC		09/25/2012	NATIONAL FINANCIAL SERVICES CO	XXX	89,162	85,000.00	87,639			(88)		(88)		87,551		1,611	1,611	1,427	02/15/2017	1FE
0258M0DD8	AMERICAN EXPRESS CREDIT		07/27/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	242,321	231,000.00	230,884			8		8		230,892		11,429	11,429	1,905	03/24/2017	1FE
031162BF6	AMGEN INC		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	15,615	15,000.00	14,965	14,968		5		5		14,973		642	642	268	06/15/2016	2FE
031162BQ2	AMGEN INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	30,962	30,000.00	29,946			4		4		29,950		1,012	1,012	230	05/15/2017	2FE
031652BC3	AMKOR TECHNOLOGIES INC		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	1,043	1,000.00	1,073			(7)		(7)		1,066		(23)	(23)	30	05/01/2018	3FE
037389AY9	AON CORP		09/24/2012	KING (CL) & ASSOCIATES	XXX	36,914	35,000.00	34,986	34,987		2		2		34,989		1,925	1,925	905	05/27/2016	2FE
037411BA2	APACHE CORP		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	17,040	15,000.00	14,959							14,959		2,081	2,081	329	04/15/2043	1FE
039483AM4	ARCHER DANIELS		09/24/2012	RBC Dain Rauscher (US)	XXX	13,541	10,000.00	12,452	12,377		(77)		(77)		12,300		1,241	1,241	771	03/15/2027	1FE
042735BA7	ARROW ELECTRONICS INC		09/24/2012	JEFFERIES & CO. - BONDS DIRECT	XXX	33,645	30,000.00	32,242	31,997		(146)		(146)		31,851		1,794	1,794	1,770	04/01/2020	2FE
001957BD0	AT&T CORP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	53,435	35,000.00	43,980	43,644		(173)		(173)		43,470		9,964	9,964	2,411	11/15/2031	1FE
00206RAJ1	AT&T INC		09/24/2012	HAPOALIM SECURITIES USA, INC.	XXX	12,088	10,000.00	9,978	9,985		2		2		9,987		2,102	2,102	633	02/01/2018	1FE
78387GAP8	AT&T INC		09/25/2012	NATIONAL FINANCIAL SERVICES CO	XXX	108,725	100,000.00	110,565	108,589		(2,306)		(2,306)		106,283		2,442	2,442	5,284	09/15/2014	1FE
05523UAJ9	BAE SYSTEMS HOLDINGS INC		09/25/2012	Southwest Securities	XXX	89,311	75,000.00	88,378			(614)		(614)		87,763		1,547	1,547	3,918	06/01/2019	2FE
06051GDX4	BANK OF AMERICA CORP		09/24/2012	VARIOUS	XXX	147,498	130,000.00	143,941			(163)		(163)		143,778		3,720	3,720	2,769	05/01/2018	1FE
06051GDY2	BANK OF AMERICA CORP		09/24/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	10,947	10,000.00	10,774			(213)		(213)		10,560		387	387	635	05/15/2014	1FE
06051GEA3	BANK OF AMERICA CORP		09/24/2012	MITSUBISHI UFJ SECURITIES	XXX	5,788	5,000.00	5,321			(42)		(42)		5,278		510	510	374	08/01/2016	1FE

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	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 (a)
06050TKW1	BANK OF AMERICA NA		08/15/2012	BANC OF AMERICA SECURITIES LLC	XXX	396,263	360,000.00	385,074	383,337		(2,420)		(2,420)		380,917		15,346	15,346	14,945	06/15/2017	2FE
06406HBL2	BANK OF NEW YORK MELLON		08/16/2012	CREDIT SUISSE SECURITIES (USA)	XXX	273,831	257,000.00	256,918	256,959		11		11		256,970		16,861	16,861	8,472	05/15/2014	1FE
06406HBN8	BANK OF NEW YORK MELLON		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	31,705	30,000.00	31,182	30,885		(209)		(209)		30,676		1,029	1,029	1,111	01/15/2015	1FE
06406HBP3	BANK OF NEW YORK MELLON		09/24/2012	JP MORGAN SECURITIES INC.	XXX	279,344	245,000.00	275,819			(359)		(359)		275,460		3,885	3,885	2,191	01/15/2020	1FE
06406HCC1	BANK OF NEW YORK MELLON		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	8,103	8,000.00	7,993			1		1		7,994		109	109	57	02/20/2015	1FE
054937AF4	BB&T CORPORATION		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	45,724	40,000.00	40,666	40,561		(44)		(44)		40,518		5,206	5,206	1,890	11/01/2019	1FE
084670AV0	BERKSHIRE HATHAWAY INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	10,611	10,000.00	9,992	9,995		1		1		9,996		615	615	359	02/11/2015	1FE
055451AF5	BHP BILLITON FIN USA LTD	F	09/24/2012	SUMRIDGE PARTNERS LLC	XXX	23,529	20,000.00	23,312	23,248		(432)		(432)		22,816		712	712	1,068	03/29/2017	1FE
09256BAA5	BLACKSTONE HOLDINGS FINA		09/24/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	174,075	150,000.00	148,871	149,073		70		70		149,143		24,932	24,932	11,042	08/15/2019	1FE
097023AH8	BOEING CO		09/26/2012	VARIOUS	XXX	249,160	165,000.00	191,280	188,289		(772)		(772)		187,518		61,642	61,642	13,127	08/15/2024	1FE
05565QBF4	BP CAPITAL MARKETS PLC	F	09/24/2012	KEYBANC CAPITAL MARKETS INC	XXX	36,830	35,000.00	36,356	35,797		(309)		(309)		35,488		1,341	1,341	1,623	11/07/2013	1FE
12189TAN4	BURLINGTN NORTH SANTA FE		09/24/2012	RBC Dain Rauscher (US)	XXX	36,852	30,000.00	34,961	34,751		(126)		(126)		34,625		2,228	2,228	2,081	03/15/2029	2FE
12189TBA1	BURLINGTN NORTH SANTA FE		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	6,044	5,000.00	5,373	5,298		(31)		(31)		5,267		776	776	295	03/15/2018	2FE
12686CAY5	CABLEVISION SYSTEMS CORP		09/17/2012	BANC OF AMERICA SECURITIES LLC	XXX	64,069	55,000.00	59,263			(167)		(167)		59,096		4,973	4,973	2,318	09/15/2017	4FE
12686CAZ2	CABLEVISION SYSTEMS CORP		09/25/2012	BANC OF AMERICA SECURITIES LLC	XXX	11,100	10,000.00	10,475			(17)		(17)		10,458		642	642	351	04/15/2018	4FE
136385AK7	CANADIAN NATL RESOURCES	A	07/05/2012	JP MORGAN SECURITIES INC.	XXX	99,445	85,000.00	84,766	84,868		11		11		84,879		14,566	14,566	3,163	05/15/2017	2FE
14040HAS4	CAPITAL ONE FINANCIAL CO		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	38,627	35,000.00	40,326	38,049		(907)		(907)		37,142		1,485	1,485	2,165	05/23/2014	2FE
141781AX2	CARGILL INC		09/24/2012	HAPOALIM SECURITIES USA, INC.	XXX	30,142	25,000.00	27,648	27,112		(234)		(234)		26,878		3,264	3,264	1,242	11/27/2017	1FE
144141CW6	CAROLINA POWER & LIGHT		09/24/2012	Morgan Stanley	XXX	130,857	118,000.00	124,954	122,116		(881)		(881)		121,235		9,622	9,622	5,976	04/01/2015	1FE
14912L4E8	CATERPILLAR FINANCIAL SE		09/26/2012	US BANCORP INVESTMENTS INC.	XXX	142,091	108,000.00	126,817	123,716		(1,404)		(1,404)		122,312		19,779	19,779	8,644	02/15/2019	1FE
149123BS9	CATERPILLAR INC		08/28/2012	Unknown	XXX	41,306	38,000.00	37,920	37,921		1		1		37,921		3,385	3,385	1,487	05/27/2041	1FE
149123CA7	CATERPILLAR INC		09/24/2012	VARIOUS	XXX	5,402	5,410.34	5,530							5,530		(129)	(129)	22	08/15/2042	1FE
1248EPAQ6	CCO HLDGS LLC/CAP CORP		09/13/2012	VARIOUS	XXX	10,990	10,000.00	10,725			(22)		(22)		10,703		287	287	223	10/30/2017	3FE
1248EPAU7	CCO HLDGS LLC/CAP CORP		09/19/2012	CREDIT SUISSE SECURITIES (USA)	XXX	32,850	30,000.00	31,725			(41)		(41)		31,684		1,166	1,166	1,733	04/30/2021	3FE
15089QAB0	CELANESE US HOLDINGS LLC		08/21/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	27,625	25,000.00	27,438			(272)		(272)		27,166		459	459	1,412	10/15/2018	3FE
92344SAK6	CELLCO PART/VERI WIRELSS		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	28,086	20,000.00	26,872	25,923		(565)		(565)		25,359		2,727	2,727	1,464	11/15/2018	1FE
15189XAJ7	CENTERPOINT ENER HOUSTON		08/27/2012	REDEEMED	XXX	32,819	30,000.00	29,993	30,000						30,000		2,819	2,819	2,077	03/01/2014	1FE
15672WAA2	CEQUEL COM HLDG I/CAP CP		07/31/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	10,794	10,000.00	10,800			(88)		(88)		10,712		82	82	615	11/15/2017	4FE
17275RAF9	CISCO SYSTEMS INC		09/24/2012	JEFFERIES & CO. - BONDS DIRECT	XXX	57,100	45,000.00	42,809	42,866		23		23		42,889		14,210	14,210	2,956	01/15/2040	1FE
125581GA0	CIT GROUP INC		09/05/2012	REDEEMED	XXX	47,989	47,988.86	48,229			(240)		(240)		47,989				2,473	05/02/2017	3FE
172967EM9	CITIGROUP INC		09/24/2012	JEFFERIES & CO. - BONDS DIRECT	XXX	70,470	60,000.00	60,458	60,369		(39)		(39)		60,330		10,140	10,140	3,103	11/21/2017	1FE
172967ES6	CITIGROUP INC		09/26/2012	VARIOUS	XXX	137,212	117,000.00	128,830			(701)		(701)		128,128		9,083	9,083	6,095	05/15/2018	1FE
18451QAD0	CLEAR CHANNEL WORLDWIDE		08/13/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	54,375	50,000.00	55,250			(1,036)		(1,036)		54,214		161	161	3,096	12/15/2017	4FE
18975FAC3	CNL LIFESTYLE PROPERTIES		07/26/2012	VARIOUS	XXX	9,288	10,000.00	9,625			15		15		9,640		(353)	(353)	558	04/15/2019	4FE
20030NAK7	COMCAST CORP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	18,989	15,000.00	16,543	16,528		(23)		(23)		16,505		2,484	2,484	840	11/15/2035	2FE
20030NAR2	COMCAST CORP		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	12,112	10,000.00	11,347	11,249		(136)		(136)		11,113		999	999	653	02/15/2018	2FE
20030NAW1	COMCAST CORP		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	30,323	25,000.00	26,381	26,109		(111)		(111)		25,998		4,325	4,325	1,227	05/15/2018	2FE
202795HX1	COMMONWEALTH EDISON		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	20,673	20,000.00	20,000	20,000						20,000		673	673	410	09/01/2016	1FE
40426WAU5	COMMONWEALTH REIT		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	32,740	30,000.00	31,185	30,976		(129)		(129)		30,847		1,893	1,893	1,458	06/15/2017	2FE
210795PL8	CONTL AIRLINES 2003-ERJ1		07/02/2012	REDEMPTION	XXX	7,216	7,215.88	7,288			(72)		(72)		7,216				284	07/02/2018	4FE

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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	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 (a)
22541LBK8	CREDIT SUISSE USA INC		09/24/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	44,218	40,000.00	43,149	42,244		(432)		(432)		41,812		2,406	2,406	2,278	08/15/2015	1FE
12626PAG8	CRH AMERICA INC		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	39,024	35,000.00	38,648	38,352		(478)		(478)		37,874		1,150	1,150	2,071	09/30/2016	2FE
126408GN7	CSX CORP		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	11,315	10,000.00	11,785	11,325		(291)		(291)		11,034		281	281	615	04/01/2015	2FE
126650BV1	CVS PASS-THROUGH TRUST		09/24/2012	VARIOUS	XXX	224,940	194,308.12	194,308	194,308						194,308		30,632	30,632	8,865	01/10/2033	2FE
240019BQ1	DAYTON POWER & LIGHT		09/24/2012	KING (CL) & ASSOCIATES	XXX	104,351	100,000.00	104,332	101,796		(736)		(736)		101,060		3,291	3,291	5,040	10/01/2013	2FE
24702RAL5	DELL INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	15,560	15,000.00	14,997	14,997						14,998		562	562	359	09/10/2015	1FE
250847EK2	DETROIT EDISON COMPANY		09/24/2012	SCOTIA CAPITAL USA INC	XXX	15,529	15,000.00	14,935							14,935		594	594	153	06/15/2042	1FE
251799AA0	DEVON ENERGY CORPORATION		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	14,678	10,000.00	14,261			(49)		(49)		14,211		466	466	353	04/15/2032	2FE
25459HAV7	DIRECTV HOLDINGS/FING		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	5,269	5,000.00	4,909	4,923		13		13		4,936		333	333	174	02/15/2016	2FE
25459HAX3	DIRECTV HOLDINGS/FING		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	21,892	20,000.00	19,215	19,224		7		7		19,232		2,660	2,660	1,333	08/15/2040	2FE
25470XAE5	DISH DBS CORP		09/25/2012	BANC OF AMERICA SECURITIES LLC	XXX	11,000	10,000.00	11,000			(49)		(49)		10,951		49	49	557	06/01/2021	3FE
25746UBG3	DOMINION RESOURCES INC		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	271,374	200,000.00	232,080	223,304		(2,429)		(2,429)		220,875		50,499	50,499	21,201	01/15/2019	2FE
260003AK4	DOVER CORP		09/24/2012	JEFFERIES & CO. - BONDS DIRECT	XXX	6,414	5,000.00	4,932	4,933		1		1		4,933		1,481	1,481	287	03/01/2041	1FE
260543CA9	DOW CHEMICAL CO/THE		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	44,628	40,000.00	44,681	44,319		(988)		(988)		43,332		1,297	1,297	2,622	02/15/2015	2FE
263534CC1	E.I. DU PONT DE NEMOURS		09/24/2012	BNY CAPITAL MARKETS, INC.	XXX	18,081	15,000.00	14,798	14,801		2		2		14,803		3,278	3,278	878	01/15/2041	1FE
278058AP7	EATON CORP		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	6,292	5,000.00	6,545	6,508		(69)		(69)		6,438		(146)	(146)	375	04/01/2024	1FE
278642AE3	EBAY INC		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	35,015	35,000.00	35,058			(1)		(1)		35,058		(43)	(43)	154	07/15/2022	1FE
278865AL4	ECOLAB INC		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	33,865	30,000.00	33,521			(30)		(30)		33,490		375	375	388	12/08/2021	2FE
29358QAB5	ENSCO PLC	F	09/24/2012	CREDIT SUISSE SECURITIES (USA)	XXX	5,336	5,000.00	4,962	4,968		5		5		4,973		363	363	167	03/15/2016	2FE
26875PAE1	EOG RESOURCES INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	34,490	30,000.00	29,966	29,971		2		2		29,973		4,517	4,517	1,078	06/01/2020	1FE
26884TAC6	ERAC USA FINANCE LLC		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	35,125	35,000.00	34,929	34,951		17		17		34,969		157	157	952	01/10/2014	2FE
26884AAU7	ERP OPERATING LP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	39,855	35,000.00	37,357	36,828		(270)		(270)		36,558		3,297	3,297	2,163	08/01/2016	2FE
302182AF7	EXPRESS SCRIPTS HOLDING		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	21,258	20,000.00	19,919	19,930		11		11		19,941		1,318	1,318	538	05/15/2016	2FE
319963BE3	FIRST DATA CORPORATION		09/21/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	25,063	25,000.00	24,798			3		3		24,802		261	261	188	11/01/2020	4FE
341099CK3	FLORIDA POWER CORP		09/24/2012	Goldman Sachs	XXX	12,160	10,000.00	9,964	9,974		2		2		9,977		2,183	2,183	439	06/15/2018	1FE
35177PAU1	FRANCE TELECOM	F	09/24/2012	TIMBER HILL LLC/IB CORP. STTL AC	XXX	20,564	20,000.00	19,894	19,920		15		15		19,935		629	629	436	09/16/2015	1FE
35671DAV7	FREEPORT-MCMORAN C & G		09/24/2012	NATIONAL FINANCIAL SERVICES CO	XXX	75,551	75,000.00	74,893			22		22		74,914		636	636	648	02/13/2015	2FE
36485MAA7	GARDA WORLD SECURITY COR	A	09/07/2012	UBS SECURITIES LLC	XXX	2,120	2,000.00	2,155			(13)		(13)		2,142		(22)	(22)	193	03/15/2017	4FE
36962G2G8	GENERAL ELEC CAP CORP		09/24/2012	FIRST TENNESSEE SECURITIES CORP	XXX	46,224	40,000.00	44,340	43,934		(524)		(524)		43,410		2,813	2,813	2,400	02/15/2017	1FE
36962G3U6	GENERAL ELEC CAP CORP		09/24/2012	PERSHING LLC	XXX	29,569	25,000.00	23,066	23,515		139		139		23,654		5,914	5,914	1,266	05/01/2018	1FE
36962G4D3	GENERAL ELEC CAP CORP		09/24/2012	VARIOUS	XXX	178,555	148,000.00	165,507	164,264		(1,244)		(1,244)		163,019		15,535	15,535	9,562	08/07/2019	1FE
36962G5F7	GENERAL ELEC CAP CORP		09/24/2012	Morgan Stanley	XXX	5,181	5,000.00	5,135			(24)		(24)		5,111		69	69	87	06/30/2015	1FE
36962GXZ2	GENERAL ELEC CAP CORP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	38,465	30,000.00	32,750	32,666		(51)		(51)		32,615		5,850	5,850	2,081	03/15/2032	1FE
373334JS1	GEORGIA POWER COMPANY		09/24/2012	SCOTIA CAPITAL USA INC	XXX	39,188	35,000.00	34,656	34,660		4		4		34,664		4,524	4,524	1,773	09/01/2040	1FE
38141EA25	GOLDMAN SACHS GROUP INC		09/24/2012	VARIOUS	XXX	148,126	123,000.00	145,898	138,533		(1,690)		(1,690)		142,649		5,477	5,477	9,469	02/15/2019	1FE
38141GCU6	GOLDMAN SACHS GROUP INC		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	22,891	20,000.00	20,412			(2)		(2)		20,410		2,480	2,480	749	02/15/2033	1FE
38141GFM1	GOLDMAN SACHS GROUP INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	58,426	50,000.00	53,219	52,579		(261)		(261)		52,318		6,108	6,108	3,024	04/01/2018	1FE
38141GGT5	GOLDMAN SACHS GROUP INC		09/24/2012	VARIOUS	XXX	182,520	180,000.00	180,068			(3)		(3)		180,064		2,456	2,456	1,424	05/03/2015	1FE
38259PAA0	GOOGLE INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	276,036	272,000.00	271,937	271,950		15		15		271,965		4,071	4,071	2,890	05/19/2014	1FE
362320BA0	GTE CORP		09/24/2012	Morgan Stanley	XXX	19,800	15,000.00	17,201	17,103		(59)		(59)		17,044		2,756	2,756	983	04/15/2028	1FE

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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	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 (a)
40414LAC3	HCP INC		09/24/2012	HAPOALIM SECURITIES USA, INC.	XXX	37,149	35,000.00	34,904	34,921		13		13		34,934		2,214	2,214	1,509	02/01/2016	2FE
428236AM5	HEWLETT-PACKARD CO		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	28,159	25,000.00	27,975	27,841		(376)		(376)		27,466		693	693	1,440	03/01/2017	1FE
428236BL6	HEWLETT-PACKARD CO		09/24/2012	Morgan Stanley	XXX	20,527	20,000.00	19,992	19,991		1		1		19,993		535	535	433	06/01/2016	1FE
437076AR3	HOME DEPOT INC		09/24/2012	KEYBANC CAPITAL MARKETS INC	XXX	129,113	122,000.00	133,452	130,852		(3,285)		(3,285)		127,567		1,546	1,546	4,964	12/16/2013	1FE
452308AR0	ILLINOIS TOOL WORKS INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	24,794	25,000.00	24,760							24,760		34	34	73	09/01/2042	1FE
458140AK6	INTEL CORP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	31,235	27,000.00	26,800	26,801		3		3		26,803		4,432	4,432	1,318	10/01/2041	1FE
458204AJ3	INTELSAT LUXEMBOURG SA	F	07/31/2012	BANC OF AMERICA SECURITIES LLC	XXX	52,000	50,000.00	52,000			(115)		(115)		51,885		115	115	2,683	02/04/2017	5FE
461202AB9	INTUIT INC		09/24/2012	JEFFERIES & CO. - BONDS DIRECT	XXX	34,699	30,000.00	33,883	33,537		(461)		(461)		33,076		1,623	1,623	1,773	03/15/2017	2FE
466112AC3	JBS USA LLC/JBS USA FINA		08/31/2012	VARIOUS	XXX	11,293	10,000.00	11,325			(163)		(163)		11,162		130	130	399	05/01/2014	3FE
466112AH2	JBS USA LLC/JBS USA FINA		09/04/2012	VARIOUS	XXX	9,565	10,000.00	10,263			(11)		(11)		10,252		(687)	(687)	497	02/01/2020	3FE
244217BK0	JOHN DEERE CAPITAL CORP		09/24/2012	US BANCORP INVESTMENTS INC.	XXX	155,166	153,000.00	164,031	160,096		(5,012)		(5,012)		155,084		82	82	9,320	01/15/2013	1FE
24422EQU6	JOHN DEERE CAPITAL CORP		09/24/2012	KEYBANC CAPITAL MARKETS INC	XXX	100,161	96,000.00	100,610	97,951		(831)		(831)		97,120		3,040	3,040	4,926	09/09/2013	1FE
24422ERF8	JOHN DEERE CAPITAL CORP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	5,175	5,000.00	4,997	4,998						4,998		177	177	100	09/15/2016	1FE
478366AU1	JOHNSON CONTROLS INC		09/24/2012	JEFFERIES & CO. - BONDS DIRECT	XXX	39,966	35,000.00	35,087	35,075		(6)		(6)		35,070		4,896	4,896	1,726	03/30/2020	2FE
46625HGY0	JPMORGAN CHASE & CO		09/24/2012	VARIOUS	XXX	197,583	166,000.00	183,909	128,428		(830)		(830)		181,221		16,362	16,362	8,763	01/15/2018	1FE
46625HHX1	JPMORGAN CHASE & CO		08/28/2012	US BANCORP INVESTMENTS INC.	XXX	140,196	132,000.00	131,728	131,772		34		34		131,806		8,390	8,390	4,554	03/01/2016	1FE
50075NAS3	KRAFT FOODS INC		09/24/2012	CREDIT SUISSE SECURITIES (USA)	XXX	24,534	20,000.00	22,677	22,155		(253)		(253)		21,902		2,632	2,632	1,459	08/11/2017	2FE
501044BK6	KROGER CO/THE		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	24,192	20,000.00	23,671	23,059		(313)		(313)		22,745		1,447	1,447	1,260	05/01/2018	2FE
501044BZ3	KROGER CO/THE		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	12,804	10,000.00	12,518	12,416		(53)		(53)		12,362		442	442	738	04/01/2031	2FE
521865AS4	LEAR CORP		09/28/2012	VARIOUS	XXX	56,000	50,000.00	56,125			(692)		(692)		55,433		567	567	4,201	03/15/2020	3FE
539830AZ2	LOCKHEED MARTIN CORP		09/24/2012	US BANCORP INVESTMENTS INC.	XXX	44,986	40,000.00	39,693	39,695		4		4		39,698		5,287	5,287	2,026	09/15/2041	1FE
55277BAB1	MCE FINANCE LTD	F	07/13/2012	BANC OF AMERICA SECURITIES LLC	XXX	11,500	10,000.00	11,300			(130)		(130)		11,170		330	330	692	05/15/2018	4FE
58405UAF9	MEDCO HEALTH SOLUTIONS		09/24/2012	TIMBER HILL LLC/IB CORP. STTL AC	XXX	15,660	15,000.00	14,995	14,996		1		1		14,997		663	663	424	09/15/2015	2FE
585055AT3	MEDTRONIC INC		09/24/2012	JEFFERIES & CO. - BONDS DIRECT	XXX	18,895	15,000.00	14,970	14,970						14,971		3,925	3,925	856	03/15/2040	1FE
59018YN64	MERRILL LYNCH & CO		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	59,808	50,000.00	55,842	54,951		(498)		(498)		54,453		5,355	5,355	3,151	04/25/2018	1FE
59018YTZ4	MERRILL LYNCH & CO		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	15,979	15,000.00	16,130	15,748		(210)		(210)		15,538		441	441	976	07/15/2014	1FE
592179JG1	MET LIFE GLOB FUNDING I		09/24/2012	MERRILL LYNCH PIERCE FENNER	XXX	120,958	118,000.00	112,106	115,944		1,161		1,161		117,105		3,853	3,853	5,796	04/10/2013	1FE
59217GAM1	MET LIFE GLOB FUNDING I		08/16/2012	BNP PARIBAS SECURITIES BOND	XXX	142,670	140,000.00	139,741			52		52		139,793		2,877	2,877	1,727	01/09/2015	1FE
594918AJ3	MICROSOFT CORP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	23,230	20,000.00	19,782	19,787		3		3		19,789		3,440	3,440	885	10/01/2040	1FE
611662BM8	MONSANTO CO		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	21,288	20,000.00	19,957	19,963		6		6		19,969		1,319	1,319	519	04/15/2016	1FE
24240VAM3	MORGAN STANLEY		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	22,251	20,000.00	22,443	22,216		(383)		(383)		21,833		418	418	1,665	01/01/2016	1FE
629568AQ9	NABORS INDUSTRIES INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	29,284	25,000.00	28,912			(318)		(318)		28,594		690	690	940	02/15/2018	2FE
637640AE3	NATIONAL SEMICONDUCTOR		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	31,238	25,000.00	29,810	29,362		(545)		(545)		28,817		2,420	2,420	1,283	06/15/2017	1FE
652482AX8	NEWS AMERICA INC		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	12,491	10,000.00	11,811	11,738		(45)		(45)		11,693		798	798	625	11/30/2028	2FE
65332VBG7	NEXTEL COMMUNICATIONS		08/24/2012	REDEEMED	XXX	25,000	25,000.00	24,625			52		52		24,677		323	323	1,040	08/01/2015	4FE
65473QAQ6	NISOURCE FINANCE CORP		09/24/2012	Loop Capital Markets	XXX	34,570	30,000.00	33,234			(282)		(282)		32,952		1,617	1,617	831	09/15/2017	2FE
654902AC9	NOKIA CORP	F	07/17/2012	VARIOUS	XXX	3,720	5,000.00	4,069			2		2		4,071		(351)	(351)	225	05/15/2039	3FE
665859AN4	NORTHERN TRUST CORP		09/24/2012	Stifel Nicolaus & Co.	XXX	49,439	50,000.00	49,859			2		2		49,860		(421)	(421)	175	08/02/2022	1FE

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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	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 (a)
66989GAA8	NOVARTIS SECS INVEST LTD	F	09/24/2012	RBC Dain Rauscher (US)	XXX	36,002	30,000.00	34,729	34,058		(380)		(380)		33,678		2,324	2,324	1,730	02/10/2019	1FE
629491AA9	NYSE EURONEXT		09/24/2012	Southwest Securities	XXX	98,143	95,000.00	97,540	95,957		(461)		(461)		95,496		2,647	2,647	3,382	06/30/2013	1FE
674599CB9	OCCIDENTAL PETROLEUM COR		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	5,154	5,000.00	4,952	4,955		6		6		4,961		193	193	96	02/15/2017	1FE
68389XAG0	ORACLE CORP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	48,138	40,000.00	43,388	42,881		(246)		(246)		42,635		5,503	5,503	2,428	07/08/2019	1FE
69371RK39	PACCAR FINANCIAL CORP		09/24/2012	Loop Capital Markets	XXX	26,468	26,000.00	25,971	25,974		7		7		25,981		488	488	399	09/29/2014	1FE
69318FAA6	PBF HOLDING CO LLC		08/17/2012	VARIOUS	XXX	5,216	5,000.00	5,025							5,025		191	191	179	02/15/2020	3FE
723456AK5	PINNACLE ENTERTAINMENT		07/02/2012	BANC OF AMERICA SECURITIES LLC	XXX	32,738	30,000.00	32,775			(338)		(338)		32,437		301	301	1,114	08/01/2017	3FE
693476BH5	PNC FUNDING CORP		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	42,555	40,000.00	39,960	39,974		6		6		39,980		2,575	2,575	1,639	02/08/2015	1FE
693506BG1	PPG INDUSTRIES INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	59,612	60,000.00	59,989							59,989		(378)	(378)	234	08/15/2022	2FE
74005PAU8	PRAXAIR INC		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	34,892	30,000.00	34,910			(212)		(212)		34,697		195	195	825	08/15/2019	1FE
144141DB1	PROGRESS ENERGY CAROLINA		09/24/2012	BANC OF AMERICA SECURITIES LLC	XXX	15,355	15,000.00	14,926							14,926		429	429	217	05/15/2042	1FE
74438GAE1	PRUDENTIAL HOLDINGS, LLC		09/25/2012	Southwest Securities	XXX	192,026	150,000.00	185,100	182,822		(1,412)		(1,412)		181,410		10,616	10,616	10,072	12/18/2023	1FE
74456QAV8	PUB SVC ELEC & GAS		09/24/2012	MERRILL LYNCH PROF CLRING CORP	XXX	44,856	35,000.00	34,832	34,836		2		2		34,838		10,018	10,018	2,053	03/01/2040	1FE
74834LAS9	QUEST DIAGNOSTIC INC		09/24/2012	HAPOALIM SECURITIES USA, INC.	XXX	33,621	30,000.00	33,393			(26)		(26)		33,367		254	254	682	04/01/2021	2FE
78355HJP5	RYDER SYSTEM INC		09/24/2012	FIRST TENNESSEE SECURITIES CORP	XXX	15,872	15,000.00	15,101	15,079		(13)		(13)		15,066		806	806	576	03/01/2016	2FE
816851AJ8	SEMPRA ENERGY		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	42,453	35,000.00	39,064	38,388		(339)		(339)		38,049		4,403	4,403	1,674	06/15/2018	2FE
822582AS1	SHELL INTERNATIONAL FIN	F	09/24/2012	HAPOALIM SECURITIES USA, INC.	XXX	40,264	40,000.00	39,827			1		1		39,828		436	436	90	08/21/2022	1FE
828807CB1	SIMON PROPERTY GROUP LP		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	37,714	35,000.00	39,220	37,284		(769)		(769)		36,515		1,198	1,198	2,034	05/15/2014	1FE
828807CD7	SIMON PROPERTY GROUP LP		09/24/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	95,514	80,000.00	79,431	79,523		37		37		79,560		15,955	15,955	5,223	02/01/2020	1FE
832248AV0	SMITHFIELD FOODS INC		08/09/2012	Goldman Sachs	XXX	5,200	5,000.00	4,975							4,975		225	225	12	08/15/2022	3FE
842400FQ1	SOUTHERN CAL EDISON		09/24/2012	US BANCORP INVESTMENTS INC.	XXX	39,520	35,000.00	34,920	34,922		1		1		34,923		4,597	4,597	1,680	09/01/2040	1FE
842587CE5	SOUTHERN CO		09/24/2012	SCOTIA CAPITAL USA INC	XXX	132,151	125,000.00	124,873	124,936		19		19		124,955		7,196	7,196	4,467	05/15/2014	1FE
847788AQ9	SPEEDWAY MOTORSPORTS INC		07/01/2012	ADJUSTMENT	XXX	26,063	25,000.00	26,250			(40)		(40)		26,210		(147)	(147)	713	02/01/2019	3FE
858119AR1	STEEL DYNAMICS INC		08/10/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	21,813	20,000.00	22,525			(243)		(243)		22,282		(470)	(470)	1,396	03/15/2020	3FE
858119AS9	STEEL DYNAMICS INC		08/09/2012	BANC OF AMERICA SECURITIES LLC	XXX	2,060	2,000.00	2,000							2,000		60	60		08/15/2019	3FE
858119AU4	STEEL DYNAMICS INC		08/09/2012	BANC OF AMERICA SECURITIES LLC	XXX	2,060	2,000.00	2,000							2,000		60	60		08/15/2022	3FE
84474YAA4	SW AIRLINES 07-1 TRUST		08/01/2012	REDEMPTION	XXX	3,061	3,060.82	2,816	2,849		212		212		3,061				188	08/01/2022	1FE
87938WAB9	TELEFONICA EMISIONES SAU	F	09/24/2012	VARIOUS	XXX	85,336	85,000.00	96,188	93,113		(954)		(954)		92,159		(6,823)	(6,823)	3,286	06/20/2016	2FE
882389CC1	TEXAS EASTERN TRANSMISS		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	32,961	25,000.00	30,986			(87)		(87)		30,900		2,061	2,061	1,215	07/15/2032	2FE
884903BB0	THOMSON REUTERS CORP		09/24/2012	NBCN CLEARING INC.	XXX	18,765	15,000.00	14,863	14,902		9		9		14,911		3,854	3,854	1,165	07/15/2018	1FE
88732JAN8	TIME WARNER CABLE INC		09/24/2012	Morgan Stanley	XXX	13,416	10,000.00	11,174	11,144		(13)		(13)		11,132		2,284	2,284	900	07/01/2038	2FE
89153VAC3	TOTAL CAPITAL INTL SA	F	09/24/2012	CREDIT SUISSE SECURITIES (USA)	XXX	20,359	20,000.00	19,963			2		2		19,964		394	394	75	06/28/2017	1FE
89233P5E2	TOYOTA MOTOR CREDIT CORP		09/24/2012	KEYBANC CAPITAL MARKETS INC	XXX	20,776	20,000.00	19,896	19,902		15		15		19,917		860	860	411	09/15/2016	1FE
89352HAF6	TRANS-CANADA PIPELINES	A	09/24/2012	WELLS FARGO SECURITIES LLC	XXX	37,633	30,000.00	35,276	34,425		(436)		(436)		33,989		3,644	3,644	2,167	08/15/2018	1FE
902118BL1	TYCO INTERNATIONAL FINAN	F	07/11/2012	NO BROKER	XXX	89,724	65,000.00	83,558	82,482		(1,150)		(1,150)		81,332		8,392	8,392	5,479	01/15/2019	1FE
907818CU0	UNION PACIFIC CORP		09/24/2012	CORTVIEW CAPITAL LLC	XXX	12,664	10,000.00	11,009	10,977		(17)		(17)		10,960		1,705	1,705	563	05/01/2034	2FE
913017BQ1	UNITED TECHNOLOGIES CORP		09/24/2012	MILLENNIUM ADVISORS, LLC	XXX	12,465	10,000.00	11,214	11,001		(90)		(90)		10,911		1,554	1,554	704	02/01/2019	1FE
91159HGU8	US BANCORP		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	37,057	35,000.00	34,939	34,960		9		9		34,969		2,088	2,088	1,167	03/04/2015	1FE
90333WAB4	US BANK NA		07/10/2012	US BANCORP INVESTMENTS INC.	XXX	270,798	250,000.00	285,800	273,244		(5,799)		(5,799)		266,436		4,362	4,362	14,788	02/04/2014	1FE
92553PAK8	VIACOM INC		09/24/2012	WELLS FARGO SECURITIES LLC	XXX	35,341	35,000.00	34,998							34,998		343	343	252	02/27/2015	2FE
92976WBH8	WACHOVIA CORP		09/24/2012	Stifel Nicolaus & Co.	XXX	54,274	45,000.00	52,742			(495)		(495)		52,247		2,027	2,027	1,682	02/01/2018	1FE
337358BH7	WACHOVIA CORPORATION		09/25/2012	WELLS FARGO SECURITIES LLC	XXX	210,606	157,000.00	172,558	170,527		(652)		(652)		149,875		60,731	60,731	13,304	08/01/2026	1FE

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	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 (a)
931142CJ0	WAL-MART STORES INC		09/24/2012	NATIONAL FINANCIAL SERVICES CO	XXX	124,472	100,000.00	111,159	108,979		(962)		(962)		108,018		16,454	16,454	6,444	02/15/2018	1FE
931142CS0	WAL-MART STORES INC		09/24/2012	JEFFERIES & CO. - BONDS DIRECT	XXX	45,372	35,000.00	34,704	34,711		3		3		34,714		10,658	10,658	1,936	04/01/2040	1FE
94974BFA3	WELLS FARGO & COMPANY		09/24/2012	Stifel Nicolaus & Co.	XXX	20,197	20,000.00	19,943			11		11		19,955		242	242	153	02/13/2015	1FE
92933BAB0	WMG ACQUISITION CORP		07/01/2012	ADJUSTMENT	XXX	5,450	5,000.00	5,519			(73)		(73)		5,446		4	4	261	06/15/2016	3FE
984121BY8	XEROX CORPORATION		09/24/2012	Nomura International Trust Co	XXX	33,308	30,000.00	30,828	30,517		(155)		(155)		30,362		2,947	2,947	2,131	05/15/2014	2FE
437690BU3	HMAC 2004-5 A1		09/25/2012	REDEMPTION	XXX	4,876	4,876.17	3,048	3,383		1,493		1,493		4,876				24	10/25/2034	1FM
466247AA1	JPMMT 2003-A1 1A1		09/01/2012	REDEMPTION	XXX	1,491	1,490.82	1,431	1,411		80		80		1,491				21	10/25/2033	1FM
525170BL9	LABS 2003-1 A1		09/01/2012	REDEMPTION	XXX	7,395	7,394.74	7,335	7,342		53		53		7,395				260	12/25/2033	1FM
05950XAB2	BACM 2006-5 A2		09/24/2012	VARIOUS	XXX	282,036	276,966.23	283,544	284,221		(3,042)		(3,042)		281,178		857	857	11,812	09/10/2047	1FM
07387BCL5	BSCMS 2005-T20 A4A		09/24/2012	UBS SECURITIES LLC	XXX	448,922	400,000.00	400,203	399,740		(108)		(108)		399,631		49,291	49,291	17,102	10/12/2042	1FM
07387BFS7	BSCMS 2006-T22 A4		09/24/2012	UBS SECURITIES LLC	XXX	228,914	200,000.00	205,148	202,790		(496)		(496)		202,294		26,620	26,620	9,214	04/12/2038	1FM
07388QAE9	BSCMS 2007-PW17 A4		09/24/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	169,459	144,000.00	167,687			(569)		(569)		167,118		2,341	2,341	1,275	06/11/2050	1FE
12513EAG9	CD 2005-CD1 A4		09/24/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	140,156	125,000.00	135,454	133,282		(1,697)		(1,697)		131,585		8,571	8,571	5,473	07/15/2044	1FM
396789LL1	GCCFC 2005-GG5 A5		08/10/2012	Goldman Sachs	XXX	167,978	152,000.00	160,437	158,864		(1,139)		(1,139)		157,725		10,253	10,253	5,602	04/10/2037	1FM
20173MAE0	GCCFC 2006-GG7 A4		09/24/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	174,000	150,000.00	171,516			(2,148)		(2,148)		169,367		4,633	4,633	3,667	07/10/2038	1FM
361849XD9	GMACC 2003-C1 A2		09/01/2012	REDEMPTION	XXX	37,362	37,362.02	38,214			(852)		(852)		37,362				666	05/10/2036	1FM
36228CPT4	GSMS 2003-C1 A3		09/01/2012	REDEMPTION	XXX	72,417	72,417.38	73,368			(950)		(950)		72,417				902	01/10/2040	1FM
46625YVV2	JPMCC 2005-CB13 A4		09/24/2012	DEUTSCHE BANK SECURITIES, INC.	XXX	388,596	350,000.00	370,406	366,740		(3,489)		(3,489)		363,252		25,344	25,344	15,510	01/12/2043	1FM
46631BAE5	JPMCC 2007-LD11 A4		09/24/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	69,485	60,000.00	65,705			(680)		(680)		65,025		4,461	4,461	2,333	06/15/2049	5AM
52108RAE2	LBUBS 2006-C4 A4		07/01/2012	ADJUSTMENT	XXX														(7)	06/15/2038	1FM
50180CAB6	LBUBS 2006-C7 A2		09/11/2012	REDEMPTION	XXX	1,114	1,113.88	1,122	1,123		(9)		(9)		1,114				39	11/15/2038	1FM
55312VAB4	MLCFC 2006-4 A2		09/01/2012	REDEMPTION	XXX	1,195	1,194.69	1,224	1,195						1,195				41	12/12/2049	1FM
61755BAC8	MSC 2007-HQ12 A2		09/01/2012	REDEMPTION	XXX	8,389	8,389.07	8,607			(218)		(218)		8,389				87	04/12/2049	4AM
61754KAC9	MSC 2007-IQ14 A2		09/01/2012	REDEMPTION	XXX	27,413	27,412.71	28,209			(797)		(797)		27,413				279	04/15/2049	1FE
61759LAA6	MSRR 2010-GG10 A4A		09/24/2012	Morgan Stanley	XXX	147,085	125,000.00	135,903	134,204		(1,296)		(1,296)		132,907		14,178	14,178	6,067	08/15/2045	1FE
655356JG9	NASC 1998-D6 A1C		09/11/2012	VARIOUS	XXX	22,569	22,569.28	23,910	22,789		(220)		(220)		22,569				921	03/15/2030	1FM
02528RAA7	ACAR 2012-2 A		09/15/2012	REDEMPTION	XXX	9,547	9,547.47	9,547							9,547				15	07/15/2016	1FE
05377RAC8	AESOP 2009-2A A		09/20/2012	REDEMPTION	XXX	29,167	29,166.67	29,165	29,166		1		1		29,167				1,243	02/20/2014	1FE
02005FAC1	ALLYA 2009-A A3		08/15/2012	VARIOUS	XXX	9,478	9,477.89	9,477	9,478						9,478				137	06/17/2013	1FE
03064CAD2	AMCAR 2010-1 B		09/15/2012	REDEMPTION	XXX	19,693	19,692.77	19,991	19,958		(265)		(265)		19,693				523	11/17/2014	1FE
03064PAC5	AMCAR 2011-3 A3		09/24/2012	BARCLAYS CAPITAL INC FIXED INC	XXX	68,396	68,000.00	67,991	67,993		3		3		67,996		400	400	634	01/08/2016	1FE
023767AA4	AMER AIRLN PT TRS 11-1		07/31/2012	REDEMPTION	XXX	1,766	1,765.65	1,783			(18)		(18)		1,766				46	01/31/2021	2FE
06052GAD0	BAAT 2009-3A A4		09/15/2012	REDEMPTION	XXX	37,814	37,813.58	38,301			(487)		(487)		37,814				350	12/15/2016	1FE
14313GAB3	CARMX 2012-1 A2		09/15/2012	REDEMPTION	XXX	9,485	9,484.96	9,486			(1)		(1)		9,485				27	03/16/2015	1FE
17305EBU8	CCCIT 2003-A7 A7		09/24/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	194,665	177,000.00	194,901			(2,052)		(2,052)		192,849		1,817	1,817	5,305	07/07/2017	1FE
23336TAA1	DTAOT 2012-2A A		09/15/2012	REDEMPTION	XXX	6,612	6,611.54	6,611							6,612				6	11/16/2015	1FE
34529GAF2	FORDO 2009-D A3		09/15/2012	VARIOUS	XXX	13,109	13,109.18	13,108	13,109						13,109				188	10/15/2013	1FE
36159LBG0	GEDFT 2009-1 A		07/20/2012	VARIOUS	XXX	152,000	152,000.00	154,280	153,104		(1,104)		(1,104)		152,000				1,739	07/21/2014	1FE
36159JBM2	GEMNT 2009-2 A		07/15/2012	VARIOUS	XXX	383,000	383,000.00	398,728	388,433		(5,433)		(5,433)		383,000				8,244	07/15/2015	1FE
47787BAB1	JDOT 2012-A A2		09/24/2012	NOMURA SECURITIES INTL INC	XXX	125,112	125,000.00	125,088			(46)		(46)		125,042		71	71	422	06/16/2014	1FE
65475UAB8	NAROT 2012-A A2		09/24/2012	CITIGROUP GBL MKTS/SALOMON, NEW YORK	XXX	350,383	350,000.00	350,178			(47)		(47)		350,131		252	252	536	10/15/2014	1FE
80282DAC6	SDART 2010-1 A3		09/15/2012	REDEMPTION	XXX	20,748	20,748.00	20,900	5,613		(152)		(152)		20,748				169	11/17/2014	1FE
80282VAB8	SDART 2012-2 A2		09/24/2012	VARIOUS	XXX	54,130	54,000.00	53,996			2		2		54,044		86	86	251	05/15/2015	1FE
89578WAG9	TAROT 2007-B A4B		08/13/2012	VARIOUS	XXX	94,227	94,226.69	94,286	94,259		(32)		(32)		94,227				925	07/14/2014	1FE
98156YAF8	WOART 2009-A A4		09/15/2012	REDEMPTION	XXX	46,585	46,585.08	49,364	47,740		(1,155)		(1,155)		46,585				1,589	05/15/2014	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					XXX	14,332,440	12,875,400.49	13,633,104	9,437,980		(80,580)		(80,580)		13,430,467		901,960	901,960	521,215	XXX	XXX
8399997 Subtotal - Bonds - Part 4					XXX	24,351,403	22,380,202.85	23,348,038	15,655,737		(136,252)		(136,252)	(77)	23,053,271		1,277,126	1,277,126	764,270	XXX	XXX
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999 Subtotal - Bonds					XXX	24,351,403	22,380,202.85	23,348,038	15,655,737		(136,252)		(136,252)	(77)	23,053,271		1,277,126	1,277,126	764,270	XXX	XXX

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	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 (a)
Preferred Stock - Industrial and Miscellaneous (Unaffiliated)																					
37045V209	GENERAL MOTORS CO		09/19/2012	MILLER TABAK ROBERTS SEC LLC	350.000	14,102		14,455							14,455		(353)	(353)	416	XXX	RP4FE
8499999 Subtotal - Preferred Stock - Industrial and Miscellaneous (Unaffiliated)					XXX	14,102	XXX	14,455							14,455		(353)	(353)	416	XXX	XXX
8999997 Subtotal - Preferred Stock - Part 4					XXX	14,102	XXX	14,455							14,455		(353)	(353)	416	XXX	XXX
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999 Subtotal - Preferred Stock					XXX	14,102	XXX	14,455							14,455		(353)	(353)	416	XXX	XXX
Common Stock - Mutual Funds																					
464288885	ISHARES MSCI EAFE GROWTH INX		09/06/2012	FIRST CLEARING CORPORATION	10,000.000	557,993	XXX	726,775	520,100	206,675			206,675		726,775		(168,782)	(168,782)	8,955	XXX	L
464288877	ISHARES MSCI EAFE VALUE INX		09/06/2012	FIRST CLEARING CORPORATION	20,000.000	889,784	XXX	1,448,315	854,000	594,315			594,315		1,448,315		(558,531)	(558,531)	25,099	XXX	L
464287598	ISHARES RUSSELL 1000 VALUE		09/07/2012	FIRST CLEARING CORPORATION	20,000.000	1,436,822	XXX	1,655,932	1,269,600	386,332			386,332		1,655,932		(219,110)	(219,110)	14,805	XXX	L
9299999 Subtotal - Common Stock - Mutual Funds					XXX	2,884,599	XXX	3,831,022	2,643,700	1,187,322			1,187,322		3,831,022		(946,423)	(946,423)	48,859	XXX	XXX
9799997 Subtotal - Common Stocks - Part 4					XXX	2,884,599	XXX	3,831,022	2,643,700	1,187,322			1,187,322		3,831,022		(946,423)	(946,423)	48,859	XXX	XXX
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999 Subtotal - Common Stocks					XXX	2,884,599	XXX	3,831,022	2,643,700	1,187,322			1,187,322		3,831,022		(946,423)	(946,423)	48,859	XXX	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX	2,898,701	XXX	3,845,477	2,643,700	1,187,322			1,187,322		3,845,477		(946,776)	(946,776)	49,275	XXX	XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	27,250,104	XXX	27,193,515	18,299,437	1,187,322	(136,252)		1,051,070	(77)	26,898,748		330,350	330,350	813,545	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

E06 Schedule DB Part A Section 1 . . . . . NONE

E07 Schedule DB Part B Section 1 . . . . . NONE

E08 Schedule DB Part D . . . . . NONE

E09 Schedule DL - Part 1 - Securities Lending Collateral Assets . . . . . NONE

E10 Schedule DL - Part 2 - Securities Lending Collateral Assets . . . . . NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories										
PNC Bank-Claims Account	Scranton, PA						(2,227,250)	(1,259,337)	(1,168,654)	X X X
PNC Bank-Main Account	Scranton, PA						(39,903)	(12,795)	(77,767)	X X X
PNC Bank-Refund Account	Scranton, PA						(19,389)	(8,840)	(11,452)	X X X
PNC Bank-Concentration Account	Scranton, PA						736,823	232,080	209,876	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X			(1,549,719)	(1,048,892)	(1,047,997)	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X			(1,549,719)	(1,048,892)	(1,047,997)	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X			(1,549,719)	(1,048,892)	(1,047,997)	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
N O N E							
8699999 Total - Cash Equivalents							

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