

**QUARTERLY STATEMENT**

**OF THE**

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of \_\_\_\_\_

in the state of \_\_\_\_\_

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF**

**FOR THE QUARTER ENDED**

**June 30, 2012**

**LIFE AND ACCIDENT AND HEALTH**

**2012**





63967201220100102

# QUARTERLY STATEMENT

AS OF JUNE 30, 2012  
OF THE CONDITION AND AFFAIRS OF THE

## Government Personnel Mutual Life Insurance Company

**NAIC Group Code** 4712 , 4712 **NAIC Company Code** 63967 **Employer's ID Number** 74-0651020  
(Current Period) (Prior Period)

**Organized under the Laws of** Texas , **State of Domicile or Port of Entry** Texas  
**Country of Domicile** United States

**Incorporated/Organized** May 15, 1934 **Commenced Business** October 9, 1934  
**Statutory Home Office** 2211 N.E. Loop 410 , San Antonio, TX 78217  
(Street and Number) (City or Town, State and Zip Code)

**Main Administrative Office** 2211 N.E. Loop 410  
(Street and Number)  
San Antonio, TX 78217 210-357-2222  
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

**Mail Address** GPM Life Bldg - P.O. Box 659567 , San Antonio, TX 78265-9567  
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

**Primary Location of Books and Records** 2211 N.E. Loop 410 San Antonio, TX 78217 210-357-2222  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

**Internet Website Address** www.gpmlife.com

**Statutory Statement Contact** Lourdes Mendoza 210-357-2222 X2809  
(Name) (Area Code) (Telephone Number) (Extension)  
alm@gpmlife.com 210-357-6722  
(E-Mail Address) (Fax Number)

### OFFICERS

Name	Title
1. <u>Peter John Hennessey III</u>	<u>Chairman of the Board, President and CEO</u>
2. <u>Charles Alan Ferguson</u>	<u>Sr. VP, General Counsel and Secretary</u>
3. <u>Maria de Lourdes Mendoza</u>	<u>Vice President and Treasurer</u>

### VICE-PRESIDENTS

Name	Title	Name	Title
<u>Pamela A Hutchins</u>	<u>Sr. Vice President and Chief Actuary</u>	<u>Peter John Hennessey IV</u>	<u>Sr. Vice President-Marketing</u>
<u>Charles Alan Ferguson</u>	<u>Sr. Vice President, General Counsel, and Secretary</u>		

### DIRECTORS OR TRUSTEES

<u>Peter John Hennessey III - Chairman</u>	<u>Eugene Emil Habiger</u>	<u>Maria de Lourdes Mendoza</u>	<u>Susan Lewellyn Pamerleau</u>
<u>Pamela A Hutchins</u>	<u>Charles Alan Ferguson</u>	<u>Neal Thomas Jaco</u>	<u>James Rudolph Reed</u>
<u>Roy Clark Boddy</u>	<u>Peter John Hennessey IV</u>		

State of Texas

County of Bexar 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.

<u>(Signature)</u> <u>Peter John Hennessey III</u> <u>(Printed Name)</u> 1. <u>Chairman of the Board, President and CEO</u> <u>(Title)</u>	<u>(Signature)</u> <u>Charles Alan Ferguson</u> <u>(Printed Name)</u> 2. <u>Sr. VP, General Counsel and Secretary</u> <u>(Title)</u>	<u>(Signature)</u> <u>Maria de Lourdes Mendoza</u> <u>(Printed Name)</u> 3. <u>Vice President and Treasurer</u> <u>(Title)</u>
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Subscribed and sworn to before me this  
     day of August, 2012

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

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	518,314,935		518,314,935	540,849,565
2. Stocks:				
2.1 Preferred stocks	3,017,100		3,017,100	3,017,100
2.2 Common stocks	4,753,786		4,753,786	4,720,389
3. Mortgage loans on real estate:				
3.1 First liens	141,140,548		141,140,548	134,658,370
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	6,784,920		6,784,920	6,888,227
4.2 Properties held for the production of income (less \$ 0 encumbrances)	5,600,071		5,600,071	5,627,397
4.3 Properties held for sale (less \$ 0 encumbrances)				2,250,000
5. Cash (\$ 21,592,906), cash equivalents (\$ 0), and short-term investments (\$ 22,629,775)	44,222,681		44,222,681	28,816,716
6. Contract loans (including \$ 0 premium notes)	72,957,018	83,790	72,873,228	73,390,041
7. Derivatives				
8. Other invested assets	857,545	857,545		
9. Receivables for securities	2,500,000		2,500,000	19,687
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	800,148,604	941,335	799,207,269	800,237,492
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	9,234,989		9,234,989	9,226,970
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	736,420		736,420	739,456
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	8,435,640		8,435,640	8,417,729
15.3 Accrued retrospective premiums	3,707,435		3,707,435	1,429
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	3,295,479		3,295,479	1,060,222
16.2 Funds held by or deposited with reinsured companies	411,947		411,947	480,601
16.3 Other amounts receivable under reinsurance contracts	1,053,739		1,053,739	822,090
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	741,954		741,954	897,727
18.2 Net deferred tax asset	17,815,380	6,182,682	11,632,698	12,027,519
19. Guaranty funds receivable or on deposit	139,067		139,067	119,222
20. Electronic data processing equipment and software	1,249,932	1,158,081	91,851	95,771
21. Furniture and equipment, including health care delivery assets (\$ 0)	223,588	223,588		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$ 0) and other amounts receivable	534,143	534,143		
25. Aggregate write-ins for other than invested assets	2,252,334	2,252,334		
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	849,980,651	11,292,163	838,688,488	834,126,228
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	849,980,651	11,292,163	838,688,488	834,126,228

DETAILS OF WRITE-IN LINES				
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. Amounts due from agents	1,788,449	1,788,449		
2502. Deposits and other prepaids	297,142	297,142		
2503. Supplies stationery printed matter	63,100	63,100		
2598. Summary of remaining write-ins for Line 25 from overflow page	103,643	103,643		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,252,334	2,252,334		

NONE

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31 Prior Year
1. Aggregate reserve for life contracts \$ 619,296,398 less \$ 0 included in Line 6.3 (including \$ 0 Modco Reserve)	619,296,398	618,776,265
2. Aggregate reserve for accident and health contracts (including \$ 0 Modco Reserve)	543,712	529,921
3. Liability for deposit-type contracts (including \$ 0 Modco Reserve)	62,873,483	62,642,582
4. Contract claims:		
4.1 Life	7,113,813	6,159,961
4.2 Accident and health	929,684	1,006,486
5. Policyholders' dividends \$ 0 and coupons \$ 0 due and unpaid	9,000	9,000
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ 0 Modco)	6,650,000	6,600,000
6.2 Dividends not yet apportioned (including \$ 0 Modco)		
6.3 Coupons and similar benefits (including \$ 0 Modco)	225	225
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ 0 discount; including \$ 101,030 accident and health premiums	178,476	161,268
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ 0 accident and health experience rating refunds of which \$ 0 is for medical loss ratio rebate per the Public Health Service Act	13,359	55,100
9.3 Other amounts payable on reinsurance, including \$ 0 assumed and \$ 4,546,647 ceded	4,546,647	1,394,886
9.4 Interest Maintenance Reserve	5,370,154	5,621,937
10. Commissions to agents due or accrued-life and annuity contracts \$ 49,896, accident and health \$ 532 and deposit-type contract funds \$ 0	50,429	78,854
11. Commissions and expense allowances payable on reinsurance assumed	17,517	17,041
12. General expenses due or accrued	5,012,243	4,713,467
13. Transfers to Separate Accounts due or accrued (net) (including \$ 0 accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	395,277	394,162
15.1 Current federal and foreign income taxes, including \$ (277,754) on realized capital gains (losses)		627,334
15.2 Net deferred tax liability		
16. Unearned investment income	2,204,713	2,215,168
17. Amounts withheld or retained by company as agent or trustee	2,253,062	1,345,430
18. Amounts held for agents' account, including \$ 311,334 agents' credit balances	311,334	228,817
19. Remittances and items not allocated	857,908	1,145,903
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above	5,088,110	5,039,636
22. Borrowed money \$ 0 and interest thereon \$ 0		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve	11,101,970	13,760,594
24.02 Reinsurance in unauthorized companies	1,716	1,712
24.03 Funds held under reinsurance treaties with unauthorized reinsurers		
24.04 Payable to parent, subsidiaries and affiliates		
24.05 Drafts outstanding	640,314	488,910
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance	51,862	69,282
24.08 Derivatives		
24.09 Payable for securities		2,500,000
24.10 Payable for securities lending		
24.11 Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities	1,518,560	1,547,507
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	737,029,966	737,131,448
27. From Separate Accounts statement		
28. Total liabilities (Lines 26 and 27)	737,029,966	737,131,448
29. Common capital stock		
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus		
34. Aggregate write-ins for special surplus funds	400,000	400,000
35. Unassigned funds (surplus)	101,258,522	96,594,780
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 29 \$ 0)		
36.2 0 shares preferred (value included in Line 30 \$ 0)		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ 0 in Separate Accounts Statement)	101,658,522	96,994,780
38. Totals of Lines 29, 30 and 37	101,658,522	96,994,780
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	838,688,488	834,126,228

DETAILS OF WRITE-IN LINES		
2501. Miscellaneous unclaimed funds and other liabilities	965,188	941,644
2502. Accounts payable	312,029	270,252
2503. Post retirement benefits	150,000	150,000
2598. Summary of remaining write-ins for Line 25 from overflow page	91,343	185,611
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,518,560	1,547,507
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above)		
3401. Surplus guaranty fund (required by Colorado)	400,000	400,000
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	400,000	400,000

NONE

## SUMMARY OF OPERATIONS

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	27,337,332	28,145,453	54,568,197
2. Considerations for supplementary contracts with life contingencies	406,072	115,847	180,532
3. Net investment income	21,864,365	22,521,748	44,229,140
4. Amortization of Interest Maintenance Reserve (IMR)	435,682	571,722	1,176,496
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	6,027,237	3,752,516	9,199,792
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts	18,875	20,339	45,069
8.3 Aggregate write-ins for miscellaneous income	45,672	79,646	138,981
9. Totals (Lines 1 to 8.3)	56,135,235	55,207,271	109,538,207
10. Death benefits	17,613,532	15,901,068	30,008,636
11. Matured endowments (excluding guaranteed annual pure endowments)	98,777	140,353	171,187
12. Annuity benefits	3,199,464	3,791,122	6,457,209
13. Disability benefits and benefits under accident and health contracts	1,255,111	1,173,797	2,265,432
14. Coupons, guaranteed annual pure endowments and similar benefits	100	100	225
15. Surrender benefits and withdrawals for life contracts	7,756,715	7,712,215	15,678,319
16. Group conversions	(796)		
17. Interest and adjustments on contract or deposit-type contract funds	1,054,260	1,194,809	2,362,641
18. Payments on supplementary contracts with life contingencies	528,235	565,315	1,208,968
19. Increase in aggregate reserves for life and accident and health contracts	533,924	1,191,994	3,378,301
20. Totals (Lines 10 to 19)	32,039,322	31,670,773	61,530,918
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	5,436,188	4,465,847	9,445,968
22. Commissions and expense allowances on reinsurance assumed	25,417	11,479	58,639
23. General insurance expenses	11,184,818	9,591,779	19,478,488
24. Insurance taxes, licenses and fees, excluding federal income taxes	863,745	899,176	1,661,018
25. Increase in loading on deferred and uncollected premiums	42,280	75,235	23,906
26. Net transfers to or (from) Separate Accounts net of reinsurance			
27. Aggregate write-ins for deductions	71	620	620
28. Totals (Lines 20 to 27)	49,591,841	46,714,909	92,199,557
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	6,543,394	8,492,362	17,338,650
30. Dividends to policyholders	3,409,829	3,462,864	6,569,730
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	3,133,565	5,029,498	10,768,920
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	835,790	1,598,717	2,803,955
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	2,297,775	3,430,781	7,964,965
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (372,490) (excluding taxes of \$ 94,736 transferred to the IMR)	172,436	(167,815)	(1,133,575)
35. Net income (Line 33 plus Line 34)	2,470,211	3,262,966	6,831,390
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year	96,994,780	92,048,069	92,048,069
37. Net income (Line 35)	2,470,211	3,262,966	6,831,390
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ 87,801	95,498	(63,127)	(567,236)
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax	(297,969)	143,190	422,245
41. Change in nonadmitted assets	(262,618)	213,151	(1,723,376)
42. Change in liability for reinsurance in unauthorized companies	(4)	(4)	
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	2,658,624	177,504	(83,229)
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders		(69,810)	66,917
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus (Lines 37 through 53)	4,663,742	3,663,870	4,946,711
55. Capital and surplus as of statement date (Lines 36 + 54)	101,658,522	95,711,939	96,994,780

DETAILS OF WRITE-IN LINES			
08.301. Miscellaneous income	45,672	79,646	138,981
08.302. ....			
08.303. ....			
08.398. Summary of write-ins for Line 08.3 from overflow page			
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 08.3 above)	45,672	79,646	138,981
2701. Fines and penalties of regulatory agencies	71	620	620
2702. ....			
2703. ....			
2798. Summary of write-ins for Line 27 from overflow page			
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	71	620	620
5301. Additional admitted Deferred Tax Asset under SSAP 10R		(69,810)	66,917
5302. ....			
5303. ....			
5398. Summary of write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above)		(69,810)	66,917

**CASH FLOW**

<b>Cash from Operations</b>	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1. Premiums collected net of reinsurance	27,059,009	28,479,609	54,767,809
2. Net investment income	22,160,809	22,681,250	44,794,644
3. Miscellaneous income	5,824,361	4,174,872	9,311,584
4. Total (Lines 1 to 3)	55,044,179	55,335,731	108,874,037
5. Benefit and loss related payments	31,896,261	29,984,221	56,199,119
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	17,293,692	15,032,150	30,138,893
8. Dividends paid to policyholders	3,359,829	3,411,863	6,666,730
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	1,029,598	1,021,925	2,551,087
10. Total (Lines 5 through 9)	53,579,380	49,450,159	95,555,829
11. Net cash from operations (Line 4 minus Line 10)	1,464,799	5,885,572	13,318,208
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	25,989,680	39,786,464	65,360,782
12.2 Stocks	192,604	343,569	715,182
12.3 Mortgage loans	6,035,322	12,330,328	14,817,249
12.4 Real estate	3,186,835		
12.5 Other invested assets			
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	35,404,441	52,460,361	80,893,213
13. Cost of investments acquired (long-term only):			
13.1 Bonds	3,319,600	38,722,044	68,407,971
13.2 Stocks		343,474	343,474
13.3 Mortgage loans	12,517,500	9,050,000	26,135,000
13.4 Real estate	271,724	7,849	295,364
13.5 Other invested assets	857,545		
13.6 Miscellaneous applications	2,480,313	524,162	
13.7 Total investments acquired (Lines 13.1 to 13.6)	19,446,682	48,647,529	95,181,809
14. Net increase (or decrease) in contract loans and premium notes	(513,071)	15,749	(255,525)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	16,470,830	3,797,083	(14,033,071)
<b>Cash from Financing and Miscellaneous Sources</b>			
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	(701,458)	(430,688)	(1,021,044)
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(1,828,207)	1,332,523	3,681,129
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(2,529,665)	901,835	2,660,085
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	15,405,964	10,584,490	1,945,222
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	28,816,716	26,871,494	26,871,494
19.2 End of period (Line 18 plus Line 19.1)	44,222,680	37,455,984	28,816,716

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

20.0001			
20.0002			
20.0003			

## EXHIBIT 1

### DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1	2	3
	Current Year to Date	Prior Year to Date	Prior Year Ended December 31
1. Industrial life			
2. Ordinary life insurance	23,977,064	24,007,749	47,821,951
3. Ordinary individual annuities	524,042	2,424,437	3,351,529
4. Credit life (group and individual)			
5. Group life insurance	14,333,359	9,457,308	19,241,229
6. Group annuities	51,220		
7. A & H - group	715,236	701,120	1,324,190
8. A & H - credit (group and individual)			
9. A & H - other	10,179,309	4,483,973	12,130,337
10. Aggregate of all other lines of business			
11. Subtotal	49,780,230	41,074,587	83,869,236
12. Deposit-type contracts			
13. Total	49,780,230	41,074,587	83,869,236

DETAILS OF WRITE-IN LINES			
1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page			
1099. Total (Lines 1001 through 1003 plus 1098) (Line 10 above)			

NONE

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

The financial statements of Government Personnel Mutual Life Insurance Company (GPM Life) are presented on the basis of accounting practices prescribed or permitted by the Texas Department of Insurance.

The Texas Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Texas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Texas 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 state of Texas.

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

No change

#### C. Accounting Policy

No Change

### 2. Accounting Changes and Corrections of Errors

There were no material changes in accounting principles.

### 3. Business Combinations and Goodwill

#### A. Statutory Purchase Method - NONE

#### B. Merger - NONE

#### C. Assumption Reinsurance - NONE

#### D. Impairment Loss - NONE

### 4. Discontinued Operations

The Company had no discontinued operations during the year.

### 5. Investments

#### A. Mortgage Loans – No material change

#### B. Debt Restructuring – No change

#### C. Reverse Mortgages

The Company had no reverse mortgages during the year.

#### D. Loan-Backed Securities

(1) Prepayment assumptions for single class and multi-class mortgage backed/asset-backed securities were obtained from broker dealer survey values or internal assumptions.

(2) GPM Life held the following bonds and preferred stocks that have been Other Than Temporarily Impaired:

a. With the intent to sell - None

b. With the inability or lack of intent to retain the investment for a period of time sufficient to recover the amortized cost basis. - None

(3) Held securities with a recognized other-than-temporary impairment, as the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:

<u>Description</u>	a. Pre OTTI amortized cost basis	b. Current quarter OTTI realized	c. Fair Value	d. Post OTTI amortized cost basis
ALESCO Pref Fdg, Ltd.	\$ 408,358	\$ 0	\$103,873	\$ 408,358
Trapeza	<u>407,695</u>	<u>39,755</u>	<u>72,152</u>	<u>367,940</u>
Totals	<u>\$ 816,053</u>	<u>\$ 39,755</u>	<u>\$ 176,025</u>	<u>\$ 776,298</u>

(4) The following bond had a fair value below the amortized cost for which an interest-related impairment remains. An Other than Temporary Impairment has been recognized for the non-interest related decline. The bond has been in a continuous unrealized loss positions for more than 12 months.

<u>Description</u>	a. <u>Unrealized loss</u>	b. <u>Fair Value</u>
Alesco Pref Fdg, Ltd.	\$304,485	\$103,873
Trapeza	295,788	72,152

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## NOTES TO FINANCIAL STATEMENTS

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- (5) Cash flows are obtained from Morgan Keegan for the Collateralized Debt Obligations. The present values of the cash flows are calculated to determine the value of the bonds. GPM Life has no intent to sell the bonds, but will impair the book value of the bonds if the present value of the cash flows is less than the current amortized or carry value of the bonds. The bonds will be impaired to the present value of the cash flows if this value is less than the current amortized value or carry value of the bonds. A fair value calculation is made based on the present value of the cash flows and where a buyer might purchase the bonds. The bonds are then carried at the fair value calculation on the financial statements.

E. Repurchase Agreements

The Company had no repurchase agreements during the year.

F. Real Estate

- (1) The Company has no impaired real estate assets.  
(2) The Company classified \$0 as real estate held for sale as of June 30, 2012.  
(3) The Company has not experienced changes to a plan of sale for an investment in real estate.  
(4) The Company does not engage in retail land sales.

G. Investments in low-income housing tax credits (LHITC): NONE

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in joint ventures, partnerships or limited liability companies.

7. Investment Income

A. Due and accrued income was excluded from surplus on the following basis:

Mortgage Loans - on loans delinquent more than 180 days: NONE

Bonds - where collection of interest is uncertain: Interest is not accrued for bonds in default

Real Estate - where rent is in arrears for more than three months: NONE

B. The total amount excluded was \$0.

8. Derivative Instruments

The Company had no derivative instruments as of June 30, 2012.

9. Income Taxes

No material change.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. The Company is not directly or indirectly owned or controlled by any other company, corporation, group of companies, partnership or individual unless the holding of a majority of the proxies of a mutual company amounts to such control. This is a mutual life insurance company.
- B. The Company owns 100% of the outstanding stock of Texas Directors Life Insurance Company whose carrying value is less than 10% of the admitted assets of the Company. The transactions between the companies are not material to Government Personnel Mutual Life Insurance Company.

11. Debt - The Company has no outstanding capital notes or debt.

12. Retirement Plans, Deferred compensation, Post Employment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No material change.

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

No change

14. Contingencies

A. Contingent Commitments – NONE

B. Assessments

The Company has not accrued for any guaranty association assessments.

C. Gain Contingencies

There are no gain contingencies.

D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits - NONE

E. All Other Contingencies - NONE

15. Leases

## NOTES TO FINANCIAL STATEMENTS

No material change.

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

The Company does not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk.

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

- A. Transfers of Receivables Reported as Sales - NONE
- B. Transfer and Servicing of Financial Assets - NONE
- C. Wash Sales – NONE

18. Gain or Loss to the Insurer from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The Company does not serve as an administrator for uninsured A&H plans.

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

There are no premiums written or produced by managing general agents/third party administrators.

20. Fair Value Measurements at June 30, 2012.

No material change.

21. Other Items

- A. Extraordinary Items – NONE
- B. Troubled Debt Restructuring: Debtors – NONE
- C. Other Disclosures – No material change.
- D. No material change
- E. Business Interruption Insurance Recoveries – NONE
- F. State Transferable Tax Credits – NONE
- G. Hybrid Securities – No material change
- H. Subprime Mortgage Related Risk Exposure – No material change
- I. FHLB (Federal Home Loan Bank) agreements – No material change

22. Events Subsequent

No significant changes.

23.. Reinsurance

No change

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

No material change

25. Change in Incurred Losses and Loss Adjustment Expenses

There were no significant changes in incurred losses from prior year events.

26. Inter-company Pooling Arrangements

The Company has no inter-company pooling arrangements among affiliated insurers. The Company does not have affiliates.

27. Structured Settlements

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

28. Health Care Receivables

- A. Pharmaceutical Rebate Receivables

None

- B. Risk Sharing Receivables

None

## NOTES TO FINANCIAL STATEMENTS

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29. Participating Policies

No material change

30. Premium Deficiency Reserves

The Company did not have any premium deficiency reserves relating to accident and health contracts.

31. Reserves for Life Contracts and Deposit-Type Contracts

No change

32. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

No change

33. Premiums and Annuity Considerations Deferred and Uncollected

No change

34. Separate Accounts

The Company holds no separate accounts.

35. Loss/Claim Adjustment Expenses - NONE

# GENERAL INTERROGATORIES

## PART 1 – COMMON INTERROGATORIES

### GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

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

2.2 If yes, date of change: \_\_\_\_\_

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

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

4.2 If yes, provide the name of 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. \_\_\_\_\_ 12/31/2010 \_\_\_\_\_

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. \_\_\_\_\_ 12/31/2010 \_\_\_\_\_

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). \_\_\_\_\_ 12/13/2011 \_\_\_\_\_

6.4 By what department or departments?  
Texas .....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]

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

7.2 If yes, give full information  
.....  
.....  
.....

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

## GENERAL INTERROGATORIES

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
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....

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?

- (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.

Yes [ X ] No [ ]

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 [ ] No [ X ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ \_\_\_\_\_

### INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [ ] No [ X ]

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

.....  
 .....  
 .....

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

\$ \_\_\_\_\_

## GENERAL INTERROGATORIES

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

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

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ _____	\$ _____
14.22 Preferred Stock .....	\$ _____	\$ _____
14.23 Common Stock .....	\$ 1,858,688	\$ 1,803,025
14.24 Short-Term Investments .....	\$ _____	\$ _____
14.25 Mortgage Loans on Real Estate .....	\$ _____	\$ _____
14.26 All Other .....	\$ _____	\$ _____
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	\$ 1,858,688	\$ 1,803,025
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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement. Yes  No

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  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
Frost National Bank .....	100 W Houston St., San Antonio, Texas 78296 .....
.....	.....

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

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

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

## GENERAL INTERROGATORIES

16.5 Identify all investment advisors, broker/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
.....	.....	.....
.....	.....	.....

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 - LIFE & HEALTH

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:

	1 Amount
1.1 Long-Term Mortgages in Good Standing	
1.11 Farm Mortgages	\$ _____
1.12 Residential Mortgages	\$ _____
1.13 Commercial Mortgages	\$ 138,966,876
1.14 Total Mortgages in Good Standing	\$ 138,966,876
1.2 Long-Term Mortgages in Good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing with Restructured Terms	\$ 2,173,672
1.3 Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months	
1.31 Farm Mortgages	\$ _____
1.32 Residential Mortgages	\$ _____
1.33 Commercial Mortgages	\$ _____
1.34 Total Mortgages with Interest Overdue more than Three Months	\$ _____
1.4 Long-Term Mortgage Loans in Process of Foreclosure	
1.41 Farm Mortgages	\$ _____
1.42 Residential Mortgages	\$ _____
1.43 Commercial Mortgages	\$ _____
1.44 Total Mortgages in Process of Foreclosure	\$ _____
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$ 141,140,548
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages	\$ _____
1.62 Residential Mortgages	\$ _____
1.63 Commercial Mortgages	\$ _____
1.64 Total Mortgages Foreclosed and Transferred to Real Estate	\$ _____
2. Operating Percentages:	
2.1 A&H loss percent	_____ 67.86 %
2.2 A&H cost containment percent	_____ %
2.3 A&H expense percent excluding cost containment expenses	_____ 66.81 %
3.1 Do you act as a custodian for health savings accounts?	Yes [ ] No [ X ]
3.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$ _____
3.3 Do you act as an administrator for health savings accounts?	Yes [ ] No [ X ]
3.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$ _____

**NONE    Schedule S**

## SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

### Current Year To Date - Allocated by States and Territories

States, Etc.	Active Status	Direct Business Only						
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 Through 5	7 Deposit-Type Contracts	
		2 Life Insurance Premiums	3 Annuity Considerations					
1. Alabama	AL	L	985,780	1,034	92,866		1,079,680	
2. Alaska	AK	L	99,449		2,402		101,851	
3. Arizona	AZ	L	632,766	1,000	432,227		1,065,993	
4. Arkansas	AR	L	538,583	652	61,125		600,360	
5. California	CA	L	2,919,475	29,638	17,209		2,966,322	
6. Colorado	CO	L	633,672	12,894	43,091		689,657	
7. Connecticut	CT	L	136,462	10,720	48,614		195,796	
8. Delaware	DE	L	74,991		28,159		103,150	
9. District of Columbia	DC	L	97,278		53		97,331	
10. Florida	FL	L	2,841,188	12,005	254,862		3,108,055	
11. Georgia	GA	L	2,068,863	8,917	323,500		2,401,280	
12. Hawaii	HI	L	425,770	437	2,149		428,356	
13. Idaho	ID	L	105,029		38,857		143,886	
14. Illinois	IL	L	713,079	360	934,411		1,647,850	
15. Indiana	IN	L	341,796	1,130	71,722		414,648	
16. Iowa	IA	L	88,918		74,746		163,664	
17. Kansas	KS	L	256,763	5,700	60,415		322,878	
18. Kentucky	KY	L	416,591	2,150	404,460		823,201	
19. Louisiana	LA	L	766,272	492	128,671		895,435	
20. Maine	ME	L	71,642		222,046		293,688	
21. Maryland	MD	L	621,916	1,150	378,010		1,001,076	
22. Massachusetts	MA	L	255,846	93,300	6,080		355,226	
23. Michigan	MI	L	444,254		1,458,781		1,903,035	
24. Minnesota	MN	L	103,065		52,105		155,170	
25. Mississippi	MS	L	362,579	51,400	169,284		583,263	
26. Missouri	MO	L	348,193	1,200	643,556		992,949	
27. Montana	MT	L	37,503		2,002		39,505	
28. Nebraska	NE	L	93,898		227,161		321,059	
29. Nevada	NV	L	266,849	985	4,904		272,738	
30. New Hampshire	NH	L	109,960	8,094	12,745		130,799	
31. New Jersey	NJ	N	126,731		2,669		129,400	
32. New Mexico	NM	L	402,477		3,420		405,897	
33. New York	NY	N	213,723	2,000	4,751		220,474	
34. North Carolina	NC	L	1,777,762	2,692	236,770		2,017,224	
35. North Dakota	ND	L	38,453		8,482		46,935	
36. Ohio	OH	L	806,643	12,160	1,379,293		2,198,096	
37. Oklahoma	OK	L	735,916	5,650	59,054		800,620	
38. Oregon	OR	L	126,258	883	34,322		161,463	
39. Pennsylvania	PA	L	454,827	900	144,495		600,222	
40. Rhode Island	RI	L	181,671		8,744		190,415	
41. South Carolina	SC	L	843,151	7,390	1,304,421		2,154,962	
42. South Dakota	SD	L	69,595		14,862		84,457	
43. Tennessee	TN	L	1,052,234	50,360	124,482		1,227,076	
44. Texas	TX	L	4,053,091	155,862	1,126,288		5,335,241	
45. Utah	UT	L	206,803		16,154		222,957	
46. Vermont	VT	L	70,054	4,000	70,809		144,863	
47. Virginia	VA	L	2,110,091	24,943	161,308		2,296,342	
48. Washington	WA	L	767,960	1,600	86,355		855,915	
49. West Virginia	WV	L	190,992		29,115		220,107	
50. Wisconsin	WI	L	161,795		16,014		177,809	
51. Wyoming	WY	L	51,796	2,961	17,197		71,954	
52. American Samoa	AS	N	1,661				1,661	
53. Guam	GU	L	78,748		340		79,088	
54. Puerto Rico	PR	N	17,551		815		18,366	
55. US Virgin Islands	VI	N	3,136		1,793		4,929	
56. Northern Mariana Islands	MP	N	857				857	
57. Canada	CN	N	64				64	
58. Aggregate Other Alien	OT	X X X	494,469	10,017	27,084		531,570	
59. Subtotal	(a) 50		31,896,939	524,676	11,075,250		43,496,865	
90. Reporting entity contributions for employee benefits plans	X X X		77,099	51,221			128,320	
91. Dividends or refunds applied to purchase paid-up additions and annuities	X X X		2,498,831				2,498,831	
92. Dividends or refunds applied to shorten endowment or premium paying period	X X X							
93. Premium or annuity considerations waived under disability or other contract provisions	X X X		99,964				99,964	
94. Aggregate other amounts not allocable by State	X X X							
95. Totals (Direct Business)	X X X		34,572,833	575,897	11,075,250		46,223,980	
96. Plus Reinsurance Assumed	X X X		275,087		20,565		295,652	
97. Totals (All Business)	X X X		34,847,920	575,897	11,095,815		46,519,632	
98. Less Reinsurance Ceded	X X X		10,572,826		9,293,867		19,866,693	
99. Totals (All Business) less Reinsurance Ceded	X X X		24,275,094	575,897	1,801,948		26,652,939	

DETAILS OF WRITE-INS							
5801. Other Foreign	X X X	493,100	10,017	27,084		530,201	
5802. Philippine Islands	X X X	1,369				1,369	
5803.	X X X						
5898. Summary of remaining write-ins for Line 58	X X X						
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	494,469	10,017	27,084		531,570	
9401.	X X X						
9402.	X X X						
9403.	X X X						
9498. Summary of remaining write-ins for Line 94	X X X						
9499. Totals (Lines 9401 through 9403 plus 9498) (Line 94 above)	X X X						

NONE

(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.

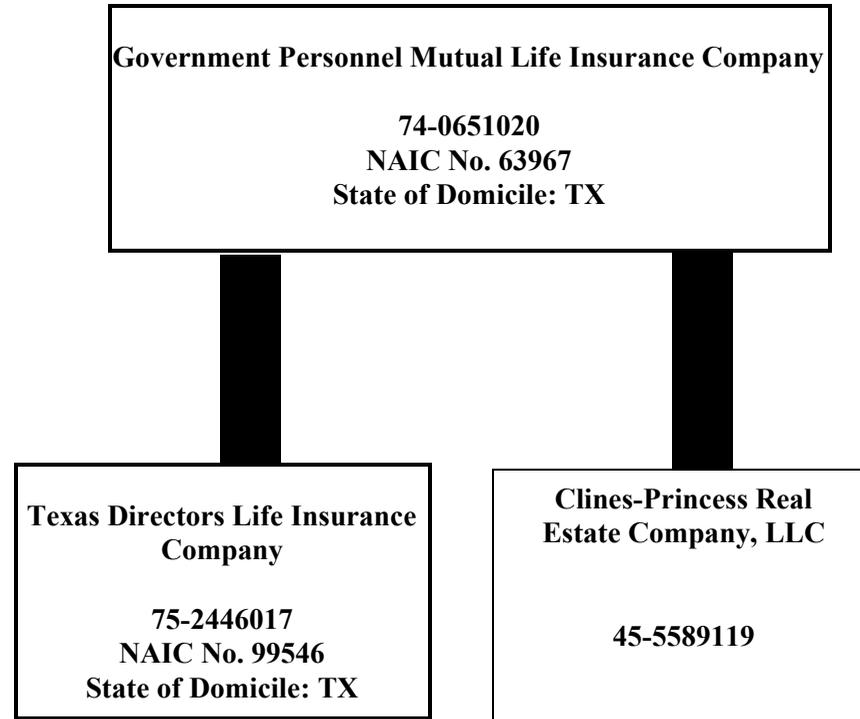
## SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

### PART 1 - ORGANIZATIONAL CHART

#### Government Personnel Mutual Life Insurance Company (GPM Life) Organizational Chart

**Texas Directors Life Insurance Company is 100% owned by GPM Life**

**Clines-Princess Real Estate Company, LLC is 100% owned by GPM Life**



## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
4712	GPM Life Group	63967	74-0651020				Government Personnel Mutual Life Ins. Co. (GPM Life)	TEXAS	UDP	Policyholders	Mutual Life Insurance Company		Policyholders	1
4712	GPM Life Group	99546	75-2446017				Texas Directors Life Insurance Company	TEXAS	DS	GPM Life	Ownership	100.0	GPM Life	
4712	GPM Life Group		45-5589119				Clines-Princess Real Estate Company, LLC	TEXAS	NIA	GPM Life	Ownership	100.0	GPM Life	

13

Asterik	Explanation
1	GPM is a Mutual Life Insurance Company owned by its policyholders

## 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.

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

**Explanation:**

- Question 1: Not applicable
- Question 2: Not applicable
- Question 3: Not applicable
- Question 4: Not applicable
- Question 5: Not applicable
- Question 6: Not applicable
- Question 7: Not applicable

**Bar Code:**



63967201249000102



63967201236500102



63967201244500102



63967201244600102

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES



63967201244700102



63967201244800102



63967201244900102

**OVERFLOW PAGE FOR WRITE-INS**

**Page 2 - Continuation**

	Current Year			Prior Year
	1	2	3	4
<b>REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS</b>	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504. Bills receivable	53,912	53,912		
2505. Dishonored checks and insufficient premiums	26,484	26,484		
2506. Real estate equipment	20,790	20,790		
2507. Supplies - Real Estate	2,457	2,457		
2597. Totals (Lines 2501 through 2596) (Page 2, Line 2598)	103,643	103,643		

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**OVERFLOW PAGE FOR WRITE-INS**


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**Page 3 - Continuation**

	1	2
<b>REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR LIABILITIES</b>	Current Statement Date	December 31 Prior Year
2504. Accrued interest on death claims .....	76,269	80,315
2505. Miscellaneous accrued bills .....	15,074	105,296
2597. Totals (Lines 2504 through 2596) (Page 3, Line 2598)	91,343	185,611

**SCHEDULE A - VERIFICATION****Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	15,615,997	16,703,357
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition	271,724	295,363
3. Current year change in encumbrances		
4. Total gain (loss) on disposals	(146,262)	
5. Deduct amounts received on disposals	3,186,836	
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		997,177
8. Deduct current year's depreciation	169,632	385,546
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)	12,384,991	15,615,997
10. Deduct total nonadmitted amounts		850,372
11. Statement value at end of current period (Line 9 minus Line 10)	12,384,991	14,765,625

**SCHEDULE B - VERIFICATION****Mortgage Loans**

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	134,658,370	123,670,619
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	12,517,500	26,135,000
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		(330,000)
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	6,035,322	14,817,249
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	141,140,548	134,658,370
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	141,140,548	134,658,370
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)	141,140,548	134,658,370

**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	857,545	
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 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)	857,545	
12. Deduct total nonadmitted amounts	857,545	
13. Statement value at end of current period (Line 11 minus Line 12)		

**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	548,587,052	544,925,621
2. Cost of bonds and stocks acquired	3,319,600	68,751,445
3. Accrual of discount	521,206	1,100,366
4. Unrealized valuation increase (decrease)	183,300	(452,237)
5. Total gain (loss) on disposals	316,381	1,702,298
6. Deduct consideration for bonds and stocks disposed of	26,182,284	66,075,966
7. Deduct amortization of premium	567,896	1,194,890
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized	91,538	169,585
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	526,085,821	548,587,052
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	526,085,821	548,587,052

## 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
<b>BONDS</b>								
1. Class 1 (a)	437,116,622	23,707,275	41,173,351	11,428,419	437,116,622	431,078,965		433,878,763
2. Class 2 (a)	103,476,857		5,347,977	61,182	103,476,857	98,190,062		107,980,090
3. Class 3 (a)	4,595,017			(545)	4,595,017	4,594,472		3,738,360
4. Class 4 (a)	3,314,891			(25)	3,314,891	3,314,866		5,826,174
5. Class 5 (a)	3,399,615			505	3,399,615	3,400,120		888,083
6. Class 6 (a)	339,299		5,000	31,926	339,299	366,225		332,324
7. Total Bonds	552,242,301	23,707,275	46,526,328	11,521,462	552,242,301	540,944,710		552,643,794
<b>PREFERRED STOCK</b>								
8. Class 1	1,000,000				1,000,000	1,000,000		1,000,000
9. Class 2	1,007,500				1,007,500	1,007,500		1,007,500
10. Class 3	1,009,600				1,009,600	1,009,600		1,009,600
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	3,017,100				3,017,100	3,017,100		3,017,100
15. Total Bonds & Preferred Stock	555,259,401	23,707,275	46,526,328	11,521,462	555,259,401	543,961,810		555,660,894

(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 \$ 18,734,781; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

**SCHEDULE DA - PART 1**

## Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	22,629,775	X X X	22,629,775	1,747	

**SCHEDULE DA - VERIFICATION**

## Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	11,794,233	21,856,434
2. Cost of short-term investments acquired	40,758,893	118,652,165
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	29,923,351	128,714,366
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	22,629,775	11,794,233
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	22,629,775	11,794,233

**NONE    Schedule DB - Part A and B Verification**

**NONE    Schedule DB - Part C - Section 1**

**NONE    Schedule DB - Part C - Section 2**

## SCHEDULE DB VERIFICATION

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

Book/Adjusted Carrying Value Check

- 1. Part A, Section 1, Column 14 .....
- 2. Part B, Section 1, Column 14 .....
- 3. Total (Line 1 plus Line 2) .....
- 4. Part D, Column 5 .....
- 5. Part D, Column 6 .....
- 6. Total (Line 3 minus Line 4 minus Line 5) .....

**NONE**

Fair Value Check

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

Potential Exposure Check

- 13. Part A, Section 1, Column 21 .....
- 14. Part B, Section 1, Column 19 .....
- 15. Part D, Column 11 .....
- 16. Total (Line 13 plus Line 14 minus Line 15) .....

## SCHEDULE E - VERIFICATION

(Cash Equivalents)

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

NONE

### SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
2211 N.E. Loop 410/Parking Lot	San Antonio	TX	06/19/2012	FSG Lighting, San Antonio, TX				7,880
2211 N.E. Loop 410/Starcrest Storage	San Antonio	TX	04/03/2012	FSG Lighting, Starcrest, SA, TX				1,227
3223 Kingsley	Garland	TX	04/12/2012	Garland Heating, Garland, TX				75,368
3223 Kingsley	Garland	TX	04/20/2012	Garland Heating, Garland, TX				12,450
3224 Kingsley	Garland	TX	05/23/2012	Sale of Kingsley/Closing cost				158,445
0199999 Acquired by Purchase								255,370
0399999 Totals								255,370

EM

### SCHEDULE A - PART 3

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							
3227 Kingsley	Garland	Texas	05/23/2012	Parker Sutton and Brant LLC	3,532,861	437,059	2,250,000	8,401			(8,401)	2,687,059	2,350,000		(146,262)	(146,262)	45,265	117,553	
0199999 Property Sold					3,532,861	437,059	2,250,000	8,401			(8,401)	2,687,059	2,350,000		(146,262)	(146,262)	45,265	117,553	
Aransas Princess 720 Acc	Port Aransas	Texas	06/30/2012	Clines-Princess Real Estate Comp	475,927		408,275	6,568			(6,568)	411,707	411,707				2,480	18,872	
Clines Landing 1000 N. St	Port Aransas	Texas	06/30/2012	Clines-Princess Real Estate Comp	499,245		432,097	6,969			(6,969)	425,138	425,128				6,340	18,170	
0299999 Property Transferred					975,172		840,372	13,537			(13,537)	836,845	836,835					8,820	37,042
0399999 Totals					4,508,033	437,059	3,090,372	21,938			(21,938)	3,523,904	3,186,835		(146,262)	(146,262)	54,085	154,595	

## SCHEDULE B - PART 2

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisitions	9 Value of Land and Buildings
	2 City	3 State						
0266200	Garland	TX		05/18/2012	2.000	2,115,000		3,250,000
0266000	Las Vegas	NV		04/04/2012	5.875	3,250,000		5,350,000
0266100	Las Vegas	NV		05/11/2012	5.875	3,650,000		5,800,000
0599999 Mortgages in good standing - Commercial mortgages - all other				X X X	X X X	9,015,000		14,400,000
0899999 Total Mortgages in good standing				X X X	X X X	9,015,000		14,400,000
<div style="position: absolute; left: -40px; top: 50%; transform: translateY(-50%); font-weight: bold;">E02</div>								
3399999 Totals				X X X	X X X	9,015,000		14,400,000

### SCHEDULE B - PART 3

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment					14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization) / Accretion	10 Current Year's Other than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)					
0261000	Addison	TX		12/28/2007		3,320,251							18,865			
0264700	Anniston	AL		06/30/2011		1,473,336							65,500			
0253900	Austin	TX		11/10/1999		1,648,540							18,847			
0264600	Austin	TX		06/17/2011		2,478,902							10,968			
0264800	Austin	TX		08/30/2011		910,462							9,828			
0265200	Austin	TX		11/18/2011		1,000,000							10,632			
0265900	Austin	TX		03/28/2012									6,193			
0260200	Buda	TX		07/23/2007		1,272,967							12,003			
0258300	Carrollton	TX		08/30/2005		536,664							11,932			
0261700	Carrollton	TX		05/09/2008		1,870,034							10,577			
0264900	Chandler	AZ		09/20/2011		697,619							7,366			
0259800	China Grove	TX		03/28/2007		562,388							5,165			
0235600	Dallas	TX		03/07/1989		150,270							15,646			
0249900	Dallas	TX		11/04/1997		456,926							15,471			
0252000	Dallas	TX		12/22/1998		2,243,379							17,423			
0253300	Dallas	TX		06/01/1999		1,775,056							19,324			
0255600	Dallas	TX		06/06/2001		1,475,236							15,257			
0258500	Dallas	TX		09/28/2005		1,096,120							12,847			
0259100	Dallas	TX		05/31/2006		627,212							4,044			
0259400	Dallas	TX		10/23/2006		600,720							5,933			
0260100	Dallas	TX		06/29/2007		1,075,239							6,492			
0260600	Dallas	TX		11/01/2007		1,202,877							6,935			
0261200	Dallas	TX		02/29/2008		3,728,626							20,881			
0262000	Dallas	TX		07/01/2008		592,157							3,171			
0262200	Dallas	TX		08/08/2008		2,075,010							10,952			
0262500	Dallas	TX		10/23/2008		2,791,884							14,526			
0262600	Dallas	TX		12/01/2008		2,755,488							11,801			
0262700	Dallas	TX		03/26/2009		443,134							5,960			
0262900	Dallas	TX		03/31/2009		3,342,905							16,500			
0265300	Dallas	TX		11/22/2011		2,400,000							10,599			
0257200	Denver	CO		11/12/2003		757,402							3,996			
0255500	Draper	UT		03/13/2001		863,984							43,462			
0259000	Duncanville	TX		04/17/2006		379,225							1,650			
0250500	Farmers Branch	TX		03/31/1998		488,750							96,136			

E021

### SCHEDULE B - PART 3

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment					14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization) / Accretion	10 Current Year's Other than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)					
0262300	Farmers Branch	TX		09/17/2008		1,986,071							10,242			
0257800	Fort Worth	TX		05/25/2005		865,997							19,668			
0258800	Fort Worth	TX		03/13/2006		3,275,527							22,669			
0259200	Fort Worth	TX		06/28/2006		2,057,949							8,800			
0260300	Fort Worth	TX		10/01/2007		556,405							3,103			
0261100	Fort Worth	TX		12/28/2007		1,743,651							7,504			
0264000	Fort Worth	TX		05/06/2010		2,184,822							25,225			
0264500	Fort Worth	TX		04/08/2011		1,927,520							5,853			
0263200	Garland	TX		08/05/2009		1,638,825							7,540			
0250300	Glendale	CO		03/05/1998		156,968							28,785			
0258900	Grand Prairie	TX		03/31/2006		358,823							4,906			
0259600	Grand Prairie	TX		11/30/2006		1,075,000							13,496			
0229900	Houston	TX		07/25/1983		97,968							15,018			
0253800	Houston	TX		09/27/1999		1,174,813							27,668			
0257400	Houston	TX		08/27/2004		1,400,011							17,802			
0257600	Houston	TX		11/12/2004		531,509							13,248			
0258700	Houston	TX		03/10/2006		401,449							3,471			
0259500	Houston	TX		10/30/2006		501,043							4,655			
0259900	Houston	TX		04/18/2007		965,702							5,395			
0260500	Houston	TX		10/18/2007		448,630							7,238			
0261400	Houston	TX		03/31/2008		466,357							3,521			
0261800	Houston	TX		06/19/2008		1,568,632							23,458			
0262100	Houston	TX		07/30/2008		1,815,725							15,356			
0262400	Houston	TX		09/23/2008		1,797,619							9,036			
0264200	Houston	TX		06/30/2010		660,652							7,486			
0264400	Houston	TX		04/01/2011		2,960,250							13,857			
0257900	Huntsville	TX		06/03/2005		2,157,373							49,626			
0257500	Irving	TX		11/11/2004		1,156,041							8,747			
0264100	Katy	TX		05/11/2010		2,590,407							10,769			
0260800	Keller	TX		12/19/2007		1,153,891							18,226			
0265700	Kingwood	TX		12/30/2011		3,150,000							14,374			
0265600	Lake Worth	TX		12/28/2011		1,650,000							7,425			
0263700	Las Vegas	NV		12/30/2009		1,308,765							7,561			
0264300	Las Vegas	NV		12/30/2010		3,595,946							15,660			
0266000	Las Vegas	NV		04/04/2012									9,585			

E022

### SCHEDULE B - PART 3

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

E023

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment					14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization) / Accretion	10 Current Year's Other than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)					
0231000	Mesquite	TX		08/01/1984		105,693							7,287			
0252400	Mesquite	TX		02/24/1999		654,997							26,988			
0261900	Odessa	TX		06/30/2008		2,305,379							12,148			
0263400	Pearland	TX		11/10/2009		1,793,129							7,580			
0263000	Phoenix	AZ		05/22/2009		2,019,837							9,324			
0261600	Piano	TX		05/09/2008		3,272,547							18,511			
0255700	Richardson	TX		06/06/2001		1,363,880							14,105			
0255800	Richardson	TX		06/06/2001		1,052,153							10,881			
0255900	Richardson	TX		06/06/2001		389,165							4,025			
0260000	Richardson	TX		04/30/2007		747,501							29,689			
0230200	San Antonio	TX		11/29/1983		222,249							9,362			
0251000	San Antonio	TX		07/30/1998		1,261,727							38,141			
0256400	San Antonio	TX		03/08/2002		1,912,139							18,035			
0261300	San Antonio	TX		03/13/2008		1,305,787							7,375			
0263800	San Antonio	TX		04/08/2010		1,561,175							6,657			
0265400	San Antonio	TX		11/29/2011		1,394,978							15,416			
0262800	Scottsdale	AZ		03/31/2009		1,626,404							7,762			
0265800	Scottsdale	AZ		02/16/2012									14,695			
0263900	Spring	TX		04/30/2010		852,497							9,845			
0265100	Spring	TX		10/24/2011		1,473,312							5,196			
0252500	Tempe	AZ		02/24/1999		255,105							7,048			
0249300	Tucson	AZ		06/12/1997		340,717							14,683			
0259700	Tucson	AZ		02/20/2007		1,634,018							10,159			
0265000	Tucson	AZ		10/11/2011		1,710,133							7,470			
0265501	Tucson	AZ		12/22/2011		2,675,000							11,103			
0299999 Mortgages with partial repayments						128,402,626							1,337,340			
0266100	Las Vegas	NV		05/11/2012	05/11/2012								700,000			
0399999 Mortgages disposed													700,000			
0599999 Totals						128,402,626							2,037,340			



### SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	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)
78390X-AC-5 808626-AG-0	SAIC Inc, Sr Unsecured 5.950% Science Applications, Int. 5.500%		06/06/2012 06/12/2012	Morgan Keegan & Co Morgan Keegan & Co		2,255,000 1,064,600	2,000,000.00 1,000,000.00	3,306 25,056	1FE 1FE
3899999	Total Bonds Industrial and Miscellaneous (Unaffiliated)				X X X	3,319,600	3,000,000.00	28,362	X X X
8399997	Total Bonds Part 3				X X X	3,319,600	3,000,000	28,362	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	3,319,600	3,000,000.00	28,362	X X X
31339@-10-5	Federal Home Loan Bank		06/29/2012	Stock Dividend	4,990				A
9099999	Total Common Stock Industrial and Miscellaneous (Unaffiliated)				X X X		X X X		X X X
9799997	Total Common Stock Part 3				X X X		X X X		X X X
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X
9799999	Total Common Stock				X X X		X X X		X X X
9899999	Total Preferred and Common Stock				X X X		X X X		X X X
9999999	Totals				X X X	3,319,600	X X X	28,362	X X X

E04

(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 Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
313375-CE-5	Federal Home Loan Bank 2.000%		05/25/2012	Call 100.0000		4,250,000	4,250,000.00	4,250,000	4,250,000						4,250,000				63,750	08/25/2021	1FE	
3136FR-2B-8	Federal Nat'l Mtg Assoc 2.500%		06/25/2012	Call 100.0000		2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				37,500	09/23/2026	1FE	
3136FR-QX-4	Federal Nat'l Mtg Assoc 3.000%		06/30/2012	Call 100.0000		2,500,000	2,500,000.00	2,492,500	2,523,611		8,956		8,956		2,532,568		(32,568)	(32,568)	37,500	06/30/2026	1FE	
3136FT-TC-3	FNMA 1.000%		06/14/2012	Call 100.0000		2,500,000	2,500,000.00	2,500,000	2,500,000						2,500,000				12,500	12/14/2026	1FE	
0599999	Total - Bonds - U.S. Governments				X X X		11,250,000	11,250,000.00	11,242,500	11,273,611		8,956		8,956	11,282,568		(32,568)	(32,568)	151,250	X X X	X X X	
134303-QM-1	Campbell County Tennessee 5.800%		06/01/2012	Call 100.0000		5,000	5,000.00	4,964	4,965		1		1		4,966		34	34	145	06/01/2031	1FE	
2499999	U.S. Total - Bonds - Political Subdivisions of States, Territories and Possessions				X X X		5,000	5,000.00	4,964	4,965		1		1	4,966		34	34	145	X X X	X X X	
313309-AJ-5	Federal Express 9.650%		06/15/2012	Maturity		3,000,000	3,000,000.00	3,218,800	3,010,258		(10,258)		(10,258)		3,000,000				144,750	06/15/2012	2FE	
68233J-AB-0	Oncor Electric Delivery 1st Mortgage		06/18/2012	Call 106.2235		1,347,977	1,269,000.00	1,188,736	1,237,217		8,400		8,400		1,245,617		102,360	102,360	60,195	09/01/2013	2FE	
94874R-CP-9	Weingarten Realty Invst Series A MTN		05/15/2012	Maturity		1,000,000	1,000,000.00	961,000	996,084		3,916		3,916		1,000,000				35,087	05/15/2012	2FE	
3899999	Total - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X		5,347,977	5,269,000.00	5,368,536	5,243,559		2,058		2,058	5,245,617		102,360	102,360	240,032	X X X	X X X	
8399997	Total - Bonds - Part 4				X X X		16,602,977	16,524,000	16,616,000	16,522,135		11,015		11,015	16,533,151		69,826	69,826	391,427	X X X	X X X	
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X		16,602,977	16,524,000.00	16,616,000	16,522,135		11,015		11,015	16,533,151		69,826	69,826	391,427	X X X	X X X	
31339@-10-5	Federal Home Loan Bank		04/30/2012	Federal Home Loan Ba	1,925.00	192,500		154,775	192,318	(37,543)			(37,543)		154,775		37,725	37,725			A	
31339@-10-5	Federal Home Loan Bank		06/29/2012	Cash Adjustment	0.99	99		79	99	(19)			(19)		79		20	20			A	
9099999	Total - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X		192,599		154,854	192,417	(37,562)		(37,562)		154,854		37,745	37,745		X X X	X X X	
9799997	Total - Common Stock - Part 4				X X X		192,599	X X X	154,854	192,417	(37,562)		(37,562)		154,854		37,745	37,745		X X X	X X X	
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9799999	Total Common Stocks				X X X		192,599	X X X	154,854	192,417	(37,562)		(37,562)		154,854		37,745	37,745		X X X	X X X	
9899999	Total Preferred and Common Stocks				X X X		192,599	X X X	154,854	192,417	(37,562)		(37,562)		154,854		37,745	37,745		X X X	X X X	

(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 Stock Sold, Redeemed or Otherwise Disposed of  
During the Current Quarter

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
999999	Totals					16,795,576	X X X	16,770,854	16,714,552	(37,562)	11,015		(26,547)		16,688,005		107,571	107,571	391,427	X X X	X X X

E05.1

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

**NONE    Schedule DB - Part A - Section 1**

**NONE    Schedule DB - Part B - Section 1**

**NONE    Schedule DB - Part D**

**NONE    Schedule DL - Part 1**

**NONE    Schedule DL - Part 2**

## SCHEDULE E - PART 1 - CASH

### Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
Broadway Bank San Antonio, Texas					(282,122)	(184,424)	(17,256)	
Broadway Bank San Antonio, Texas					(597,416)	(180,802)	(491,312)	
Broadway Bank San Antonio, Texas					1,444,375	1,709,875	1,740,078	
Broadway Bank San Antonio, Texas					412,567	(544,912)	318,669	
Broadway Bank San Antonio, Texas					987,991	1,020,026	1,293,678	
Broadway Bank San Antonio, Texas					25,404	25,404	25,370	
Broadway Bank San Antonio, Texas					(671,594)	(173,438)	(130,913)	
Broadway Bank San Antonio, Texas					28,522	28,522	(84,579)	
Broadway Bank San Antonio, Texas					19,213	19,213	56,630	
Broadway Bank San Antonio, Texas					21,059	29,083	2,880	
Broadway Bank San Antonio, Texas					602	602	2,945	
Broadway Bank San Antonio, Texas					26,587	26,487	18,458	
Frost National Bank San Antonio, Texas					2,216,837	362,733	1,468,000	
Frost National Bank San Antonio, Texas					73,760			
Bank of America Tampa, Florida					14,593,550	15,160,210	15,903,459	
Tower Bank Fort Wayne, Indiana					2,956	2,956	2,956	
Federal Home Loan Bank Dallas, Texas		0.041	50		540,414	732,921	733,064	
Citi Bank (CD Maturity 2-04-2013) Guam		0.350		80	56,604	56,604	56,604	
Frost National Bank San Antonio, Texas							60	
First National Bank Omaha, Nebraska					1,331,827	1,372,137	717,145	
First National Bank Omaha, Nebraska					(22,825)	(23,006)	(32,106)	
Mutual of Omaha Omaha, Nebraska					5,513	17,670	8,725	
0199998 Deposits in ( ) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	X X X	X X X						X X X
0199999 Total - Open Depositories	X X X	X X X	50	80	20,213,824	19,457,861	21,592,555	X X X
Suspended Depositories								
0299998 Deposits in ( ) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	X X X	X X X						X X X
0299999 Total Suspended Depositories	X X X	X X X						X X X
0399999 Total Cash on Deposit	X X X	X X X	50	80	20,213,824	19,457,861	21,592,555	X X X
0499999 Cash in Company's Office	X X X	X X X	X X X	X X X	350	350	350	X X X
0599999 Total	X X X	X X X	50	80	20,214,174	19,458,211	21,592,905	X X X

**NONE    Schedule E - Part 2**