



QUARTERLY STATEMENT

As of March 31, 2010
of the Condition and Affairs of the

First Reliance Standard Life Insurance Company

NAIC Group Code.....0074, 0074
(Current Period) (Prior Period)

NAIC Company Code..... 71005

Employer's ID Number..... 13-3176850

Organized under the Laws of New York
Incorporated/Organized..... June 16, 1983

State of Domicile or Port of Entry New York

Country of Domicile US

Commenced Business..... October 1, 1984

Statutory Home Office 590 Madison Avenue, 29th Floor..... New York NY 10022
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 590 Madison Avenue, 29th Floor..... New York NY 10022
(Street and Number) (City or Town, State and Zip Code)

212-303-8400
(Area Code) (Telephone Number)

Mail Address 590 Madison Avenue, 29th Floor..... New York NY 10022
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 590 Madison Avenue, 29th Floor..... New York NY 10022
(Street and Number) (City or Town, State and Zip Code)

212-303-8400
(Area Code) (Telephone Number)

Internet Web Site Address N/A

Statutory Statement Contact Paul Van Haren
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OFFICERS

Name	Title	Name	Title
1. Lawrence Edmund Daurelle	President	2. Charles Thomas Denaro	Secretary
3. Thomas William Burghart	Treasurer	4. Rosemary Theresa Barton, FSA, MAAA	Appointed Actuary

OTHER

Thomas William Burghart	Senior Vice President	Warren Mark Cohen	Senior Vice President
Chad William Coulter	Senior Vice President	Charles Thomas Denaro	Vice President
Daniel Joseph Falkenstein	Senior Vice President	Christopher Anthony Fazzini	Executive Vice President
Danny Ronald Green	Senior Vice President	Debra Glazer Staples	Senior Vice President

DIRECTORS OR TRUSTEES

Thomas William Burghart	Lawrence Edmund Daurelle	Steven Andrew Hirsh	Harold Franz Ilg
Bernard Joseph Kilkelly	James Michael Litvack	James Norbert Meehan	Robert Rosenkranz
Nita Ione Savage	Donald Alan Sherman	Robert Floyd Wright	

State of..... Pennsylvania
County of..... Philadelphia

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)
Lawrence Edmund Daurelle	Charles Thomas Denaro	Thomas William Burghart
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me

This 13th day of May, 2010

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
NICOLE FULMORE, Notary Public
City of Philadelphia, Phila. County
My Commission Expires November 9, 2011

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.....	126,185,699		126,185,699	131,429,975
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....596,462), cash equivalents (\$.....0) and short-term investments (\$.....17,483,816).....	18,080,278		18,080,278	8,590,772
6. Contract loans (including \$.....0 premium notes).....	23,500		23,500	23,500
7. Derivatives.....			.0	
8. Other invested assets.....			.0	
9. Receivables for securities.....			.0	
10. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
11. Subtotals, cash and invested assets (Lines 1 to 10).....	144,289,477	.0	144,289,477	140,044,247
12. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
13. Investment income due and accrued.....	1,599,819		1,599,819	1,495,707
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection.....	3,822,523	8,638	3,813,885	4,193,232
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	21,529		21,529	21,529
14.3 Accrued retrospective premiums.....			.0	
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers.....	546,203		546,203	474,086
15.2 Funds held by or deposited with reinsured companies.....			.0	
15.3 Other amounts receivable under reinsurance contracts.....			.0	
16. Amounts receivable relating to uninsured plans.....			.0	
17.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
17.2 Net deferred tax asset.....	3,071,410	2,272,372	799,038	781,008
18. Guaranty funds receivable or on deposit.....			.0	
19. Electronic data processing equipment and software.....	31,614	31,614	.0	
20. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
21. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
22. Receivables from parent, subsidiaries and affiliates.....	1,286,928		1,286,928	698,590
23. Health care (\$.....0) and other amounts receivable.....			.0	
24. Aggregate write-ins for other than invested assets.....	181,227	181,227	.0	.0
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 through 24).....	154,850,730	2,493,851	152,356,879	147,708,399
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
27. Total (Lines 25 and 26).....	154,850,730	2,493,851	152,356,879	147,708,399

DETAILS OF WRITE-INS

10010	
10020	
10030	
1098. Summary of remaining write-ins for Line 10 from overflow page.....	.0	.0	.0	.0
1099. Totals (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	.0	.0	.0	.0
2401. Prepaid pension costs and other expenses and suspense debits.....	181,227	181,227	.0	
24020	
24030	
2498. Summary of remaining write-ins for Line 24 from overflow page.....	.0	.0	.0	.0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	181,227	181,227	.0	.0

Statement as of March 31, 2010 of the **First Reliance Standard Life Insurance Company**
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$.....10,018,078 less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	10,018,078	9,552,469
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	50,213,442	51,213,558
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve).....	966,099	1,014,446
4. Contract claims:		
4.1 Life.....	4,050,409	3,633,201
4.2 Accident and health.....	17,849,924	18,096,219
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid.....		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....		
6.2 Dividends not yet apportioned (including \$.....0 Modco).....		
6.3 Coupons and similar benefits (including \$.....0 Modco).....		
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 \$.....1,940 accident and health premiums.....	2,682	3,568
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including \$.....0 accident and health experience rating refunds.....		
9.3 Other amounts payable on reinsurance, including \$.....2,179 assumed and \$.....0 ceded.....	2,179	18,424
9.4 Interest Maintenance Reserve.....	1,050,984	879,930
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....		
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued.....	1,005,767	1,163,940
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.....	470,142	84,793
15.1 Current federal and foreign income taxes, including \$.....(442) on realized capital gains (losses).....	1,925,134	594,632
15.2 Net deferred tax liability.....		
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....	46,317	59,380
18. Amounts held for agents' account, including \$.....131,233 agents' credit balances.....	131,233	70,941
19. Remittances and items not allocated.....	1,016,181	1,305,606
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....		
22. Borrowed money \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve.....	21,285	
24.02 Reinsurance in unauthorized companies.....		
24.03 Funds held under reinsurance treaties with unauthorized reinsurers.....		
24.04 Payable to parent, subsidiaries and affiliates.....		26,019
24.05 Drafts outstanding.....		
24.06 Liability for amounts held under uninsured plans.....		
24.07 Funds held under coinsurance.....		
24.08 Derivatives.....		
24.09 Payable for securities.....	257,628	169,568
24.10 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	3,270,078	3,061,569
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	92,297,562	90,948,263
27. From Separate Accounts statement.....		
28. Total liabilities (Lines 26 and 27).....	92,297,562	90,948,263
29. Common capital stock.....	2,000,000	2,000,000
30. Preferred capital stock.....		
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus.....	5,749,758	5,749,758
34. Aggregate write-ins for special surplus funds.....	303,932	286,734
35. Unassigned funds (surplus).....	52,005,627	48,723,644
36. Less treasury stock, at cost:		
36.10.000 shares common (value included in Line 29 \$.....0).....		
36.20.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	58,059,317	54,760,136
38. Totals of Lines 29, 30 and 37.....	60,059,317	56,760,136
39. Totals of Lines 28 and 38.....	152,356,879	147,708,399

DETAILS OF WRITE-INS

2501. Retained asset program liability to claimants and miscellaneous accounts payable.....	3,031,801	2,823,292
2502. Minimum pension liability adjustment.....	238,277	238,277
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	3,270,078	3,061,569
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0
3401. Change in accounting method - SSAP 10R.....	303,932	286,734
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	303,932	286,734

SUMMARY OF OPERATIONS

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts.....	14,654,326	16,616,227	58,107,459
2. Considerations for supplementary contracts with life contingencies.....			
3. Net investment income.....	1,569,541	1,517,554	6,232,452
4. Amortization of Interest Maintenance Reserve (IMR).....	20,798	13,867	57,005
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....			
6. Commissions and expense allowances on reinsurance ceded.....	14,843	15,859	59,542
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.....			
8.3 Aggregate write-ins for miscellaneous income.....	0	0	0
9. Totals (Lines 1 to 8.3).....	16,259,508	18,163,507	64,456,458
10. Death benefits.....	4,070,547	4,037,118	13,292,610
11. Matured endowments (excluding guaranteed annual pure endowments).....			
12. Annuity benefits.....	5,401	6,939	27,325
13. Disability benefits and benefits under accident and health contracts.....	4,607,636	5,477,360	19,359,098
14. Coupons, guaranteed annual pure endowments and similar benefits.....			
15. Surrender benefits and withdrawals for life contracts.....			1,475
16. Group conversions.....			
17. Interest and adjustments on contract or deposit-type contract funds.....	55,174	(23,348)	255,879
18. Payments on supplementary contracts with life contingencies.....			
19. Increase in aggregate reserves for life and accident and health contracts.....	(534,507)	1,587,294	4,409,109
20. Totals (Lines 10 to 19).....	8,204,251	11,085,363	37,345,496
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	1,335,380	1,275,727	5,305,050
22. Commissions and expense allowances on reinsurance assumed.....	3,087	3,495	13,823
23. General insurance expenses.....	1,656,490	1,747,170	7,294,238
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	486,975	677,181	2,005,520
25. Increase in loading on deferred and uncollected premiums.....	(45,483)	240,929	136,253
26. Net transfers to or (from) Separate Accounts net of reinsurance.....			
27. Aggregate write-ins for deductions.....	0	0	0
28. Totals (Lines 20 to 27).....	11,640,700	15,029,865	52,100,380
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	4,618,808	3,133,642	12,356,078
30. Dividends to policyholders.....			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	4,618,808	3,133,642	12,356,078
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	1,330,502	959,446	3,239,706
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).....	3,288,306	2,174,196	9,116,372
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....(103,306) (excluding taxes of \$.....103,306 transferred to the IMR).....	76,424	(1,434,296)	(3,059,490)
35. Net income (Line 33 plus Line 34).....	3,364,730	739,900	6,056,882
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year.....	56,760,136	48,500,665	48,500,666
37. Net income (Line 35).....	3,364,730	739,900	6,056,882
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....	3,606	(197,677)	1,301,612
39. Change in net unrealized foreign exchange capital gain (loss).....			
40. Change in net deferred income tax.....	(75,230)	1,244,920	1,030,856
41. Change in nonadmitted assets.....	10,162	(1,372,317)	(201,407)
42. Change in liability for reinsurance in unauthorized companies.....			
43. Change in reserve on account of change in valuation basis, (increase) or decrease.....			
44. Change in asset valuation reserve.....	(21,285)		
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.....			174,711
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.....			(500,000)
53. Aggregate write-ins for gains and losses in surplus.....	17,198	0	396,816
54. Net change in capital and surplus (Lines 37 through 53).....	3,299,181	414,826	8,259,470
55. Capital and surplus as of statement date (Lines 36 + 54).....	60,059,317	48,915,491	56,760,136
DETAILS OF WRITE-INS			
08.301.			
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	0	0	0
2701.			
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0	0
5301. Minimum pension liability adjustment.....			110,082
5302. Change in accounting method - SSAP 10R.....	17,198		286,734
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page.....	0	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....	17,198	0	396,816

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.....	15,078,270	14,352,100	56,570,918
2. Net investment income.....	1,409,267	1,495,446	5,773,575
3. Miscellaneous income.....	14,843	15,859	59,542
4. Total (Lines 1 through 3).....	16,502,380	15,863,405	62,404,035
5. Benefit and loss related payments.....	8,618,074	8,512,712	30,776,253
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	3,232,616	3,971,980	14,248,290
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....		626,438	3,458,288
10. Total (Lines 5 through 9).....	11,850,690	13,111,130	48,482,831
11. Net cash from operations (Line 4 minus Line 10).....	4,651,690	2,752,275	13,921,204
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	6,860,985	1,216,066	15,315,020
12.2 Stocks.....			
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.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	6,860,985	1,216,066	15,315,020
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	1,288,167	1,507,587	22,510,878
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	(88,060)		(169,568)
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,200,107	1,507,587	22,341,310
14. Net increase (decrease) in contract loans and premium notes.....			4,756
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	5,660,878	(291,521)	(7,031,046)
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.....	(62,120)	26,921	68,384
16.5 Dividends to stockholders.....			500,000
16.6 Other cash provided (applied).....	(760,942)	(572,869)	(223,557)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(823,062)	(545,948)	(655,173)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	9,489,506	1,914,806	6,234,985
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	8,590,772	2,355,787	2,355,787
19.2 End of period (Line 18 plus Line 19.1).....	18,080,278	4,270,593	8,590,772

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

20.0001			
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EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life.....			
2. Ordinary life insurance.....			87,169
3. Ordinary individual annuities.....			
4. Credit life (group and individual).....			
5. Group life insurance.....	6,320,883	6,273,936	23,128,789
6. Group annuities.....			
7. A&H - group.....	9,460,952	11,076,739	37,694,716
8. A&H - credit (group and individual).....			
9. A&H - other.....	2,395	2,582	5,216
10. Aggregate of all other lines of business.....	0	0	0
11. Subtotal.....	15,784,230	17,353,257	60,915,890
12. Deposit-type contracts.....			
13. Total.....	15,784,230	17,353,257	60,915,890

DETAILS OF WRITE-INS

1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page.....	0	0	0
1099. Total (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	0	0	0

Statement as of March 31, 2010 of the First Reliance Standard Life Insurance Company
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

The accompanying financial statements of First Reliance Standard Life Insurance Company (the "Company") have been prepared in conformity with statutory accounting practices prescribed or permitted by the State of New York. The State of New York has adopted statutory accounting principles ("SAP") as set forth in the National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures* manuals and the NAIC *Annual Statement Instructions* manuals with certain modifications.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No significant change.

3. BUSINESS COMBINATIONS AND GOODWILL

Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

D. Loan Backed Securities

(2) Prepayment assumptions for multi-class mortgage-backed and asset-backed securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate environment. The prospective adjustment method is used to value all securities.

(4) The Company did not experience any other-than-temporary impairments based on the Company's intent to sell or inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis. Other-than-temporary impairments classified on the basis that the present value of cash flows expected to be collected is less than the amortized cost basis of the security are presented in the table below:

CUSIP	Book/Adjusted	Present	Recognized	Book/Adjusted	Fair
	Carrying			Value	
	Value	Value	OTTI	Value	Value
	Before	of		After	
	Current Period	Projected		OTTI	
	OTTI	Cash Flows			
12544KAW3	\$27,927	\$10,410	(\$17,517)	\$10,410	\$9,497
41161PNE9	30,271	23,618	(6,653)	23,618	19,378
76111XA78	16,475	11,020	(5,455)	11,020	9,694
	<u>\$74,673</u>	<u>\$45,048</u>	<u>(\$29,625)</u>	<u>\$45,048</u>	<u>\$38,569</u>

(6) The gross unrealized losses and fair value of loan backed securities aggregated by the length of time the individual securities have been in a continuous temporarily impaired position, are as follows:

Less Than 12 Months		More than 12 Months		Total	
(dollars in thousands)					
Fair	Unrealized	Fair	Unrealized	Fair	Unrealized
Value	Losses	Value	Losses	Value	Losses
<u>\$4,395</u>	<u>(\$120)</u>	<u>\$7,799</u>	<u>(\$1,033)</u>	<u>\$12,194</u>	<u>(\$1,153)</u>

(7) Declines in the fair value of investments that are considered in the judgement of management to be other than temporary are reported as realized losses. Management evaluates, among other things, the financial position and prospects of the issuer, conditions in the issuer's industry and geographical area, liquidity of the investment, changes in the amount or timing of expected future cash flows from the investment and recent changes in the credit ratings of the issuer by a ratings agency to determine if and when a decline in the fair value of an investment below amortized cost is other than temporary. The length of time and extent to which the fair value of the investment is lower than its amortized cost, the Company's ability and intent to retain the investment to allow for anticipated recovery in the investment's fair value and whether the Company has made a decision to sell the investment are other factors also considered.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

Not applicable.

7. INVESTMENT INCOME

Not applicable.

8. DERIVATIVE INSTRUMENTS

Not applicable.

9. INCOME TAXES

No significant change.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No significant change.

11. DEBT

Not applicable.

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

No significant change.

13. CAPITAL AND SURPLUS, SHAREHOLDER'S DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

No significant change.

14. CONTINGENCIES

No significant change.

15. LEASES

No significant change.

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

Not applicable.

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

Not applicable.

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

Not applicable.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MGA'S AND TPA'S

No significant change.

20. OTHER ITEMS

H. The Company generally characterizes its subprime mortgage investments as those having underlying mortgage loans to borrowers with weighted average Fair Issac & Co., Inc. credit scores below 650. Additionally, the weighted-average-loan-to-value ratios of these loans are generally above 80.0%. As of March 31, 2010, the Company owned subprime residential mortgage-backed securities with a cost, book/adjusted carrying value and fair value of \$788,694, \$874,497 and \$931,190, respectively. Additionally, the Company had subprime exposure through other investments with a cost, book/adjusted carrying value and fair value of \$504,838, \$510,521 and \$698,964 respectively.

21. EVENTS SUBSEQUENT

Not applicable.

22. REINSURANCE

No significant change.

23. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION
Not applicable.
24. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES
Not applicable.
25. INTERCOMPANY POOLING ARRANGEMENTS
Not applicable.
26. STRUCTURED SETTLEMENTS
Not applicable.
27. HEALTH CARE RECEIVABLES
Not applicable.
28. PARTICIPATING POLICIES
Not applicable.
29. PREMIUM DEFICIENCY RESERVES
Not applicable.
30. RESERVES FOR LIFE CONTRACTS AND DEPOSIT-TYPE CONTRACTS
No significant change.
31. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT LIABILITIES BY WITHDRAWAL CHARACTERISTICS
Not applicable.
32. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED
No significant change.
33. SEPARATE ACCOUNTS
Not applicable.
34. LOSS/CLAIM ADJUSTMENT EXPENSES
No significant change.

Statement as of March 31, 2010 of the **First Reliance Standard Life Insurance Company**
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Business Only					7 Deposit-Type Contracts
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	
		2 Life Insurance Premiums	3 Annuity Considerations				
1. Alabama.....AL.....N.....							0
2. Alaska.....AK.....N.....							0
3. Arizona.....AZ.....N.....							0
4. Arkansas.....AR.....N.....							0
5. California.....CA.....N.....							0
6. Colorado.....CO.....N.....							0
7. Connecticut.....CT.....N.....							0
8. Delaware.....DE.....L.....							0
9. District of Columbia.....DC.....L.....							0
10. Florida.....FL.....N.....							0
11. Georgia.....GA.....N.....							0
12. Hawaii.....HI.....N.....							0
13. Idaho.....ID.....N.....							0
14. Illinois.....IL.....N.....							0
15. Indiana.....IN.....N.....							0
16. Iowa.....IA.....N.....							0
17. Kansas.....KS.....N.....							0
18. Kentucky.....KY.....N.....							0
19. Louisiana.....LA.....N.....							0
20. Maine.....ME.....N.....							0
21. Maryland.....MD.....N.....							0
22. Massachusetts.....MA.....N.....							0
23. Michigan.....MI.....N.....							0
24. Minnesota.....MN.....N.....							0
25. Mississippi.....MS.....N.....							0
26. Missouri.....MO.....N.....							0
27. Montana.....MT.....N.....							0
28. Nebraska.....NE.....N.....							0
29. Nevada.....NV.....N.....							0
30. New Hampshire.....NH.....N.....							0
31. New Jersey.....NJ.....N.....							0
32. New Mexico.....NM.....N.....							0
33. New York.....NY.....L.....		6,320,883		9,463,347		15,784,230	
34. North Carolina.....NC.....N.....							0
35. North Dakota.....ND.....N.....							0
36. Ohio.....OH.....N.....							0
37. Oklahoma.....OK.....N.....							0
38. Oregon.....OR.....N.....							0
39. Pennsylvania.....PA.....N.....							0
40. Rhode Island.....RI.....N.....							0
41. South Carolina.....SC.....N.....							0
42. South Dakota.....SD.....N.....							0
43. Tennessee.....TN.....N.....							0
44. Texas.....TX.....N.....							0
45. Utah.....UT.....N.....							0
46. Vermont.....VT.....N.....							0
47. Virginia.....VA.....N.....							0
48. Washington.....WA.....N.....							0
49. West Virginia.....WV.....N.....							0
50. Wisconsin.....WI.....N.....							0
51. Wyoming.....WY.....N.....							0
52. American Samoa.....AS.....N.....							0
53. Guam.....GU.....N.....							0
54. Puerto Rico.....PR.....N.....							0
55. US Virgin Islands.....VI.....N.....							0
56. Northern Mariana Islands.....MP.....N.....							0
57. Canada.....CN.....N.....							0
58. Aggregate Other Alien.....OT.....XXX.....		0	0	0	0	0	0
59. Subtotal.....(a).....3.....		6,320,883	0	9,463,347	0	15,784,230	0
90. Reporting entity contributions for employee benefit plans.....	XXX					0	
91. Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX					0	
92. Dividends or refunds applied to shorten endowment or premium paying period.....	XXX					0	
93. Premium or annuity considerations waived under disability or other contract provisions.....	XXX					0	
94. Aggregate other amounts not allocable by State.....	XXX	0	0	0	0	0	0
95. Totals (Direct Business).....	XXX	6,320,883	0	9,463,347	0	15,784,230	0
96. Plus Reinsurance Assumed.....	XXX			18,098		18,098	
97. Totals (All Business).....	XXX	6,320,883	0	9,481,445	0	15,802,328	0
98. Less Reinsurance Ceded.....	XXX	263,845		460,213		724,058	
99. Totals (All Business) less Reinsurance Ceded.....	XXX	6,057,038	0	9,021,232	0	15,078,270	0

DETAILS OF WRITE-INS

5801.....	XXX					0	
5802.....	XXX					0	
5803.....	XXX					0	
5898. Summary of remaining write-ins for line 58 from overflow page.....	XXX	0	0	0	0	0	0
5899. Total (Lines 5801 thru 5803 plus 5898) (Line 58 above).....	XXX	0	0	0	0	0	0
9401.....	XXX					0	
9402.....	XXX					0	
9403.....	XXX					0	
9498. Summary of remaining write-ins for line 94 from overflow page.....	XXX	0	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....	XXX	0	0	0	0	0	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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