



# QUARTERLY STATEMENT

As of September 30, 2009  
of the Condition and Affairs of the

## Reliance Standard Life Insurance Company

NAIC Group Code.....0074, 0074 (Current Period) (Prior Period)	NAIC Company Code..... 68381	Employer's ID Number..... 36-0883760
Organized under the Laws of Illinois	State of Domicile or Port of Entry Illinois	Country of Domicile US
Incorporated/Organized..... April 2, 1907	Commenced Business..... April 15, 1907	
Statutory Home Office	111 South Wacker Drive, Suite 4400..... Chicago ..... IL ..... 60606-4410 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	2001 Market Street, Suite 1500..... Philadelphia ..... PA ..... 19103 <i>(Street and Number) (City or Town, State and Zip Code)</i>	267-256-3500 <i>(Area Code) (Telephone Number)</i>
Mail Address	2001 Market Street, Suite 1500..... Philadelphia ..... PA ..... 19103 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	2001 Market Street, Suite 1500..... Philadelphia ..... PA ..... 19103 <i>(Street and Number) (City or Town, State and Zip Code)</i>	267-256-3500 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.rsli.com	
Statutory Statement Contact	Paul Van Haren <i>(Name)</i> paul.van.haren@rsli.com <i>(E-Mail Address)</i>	267-256-3664 <i>(Area Code) (Telephone Number) (Extension)</i> 267-256-3522 <i>(Fax Number)</i>

### 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	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

Lawrence Edmund Daurelle	Steven Andrew Hirsh	Harold Franz IIg	James Norbert Meehan
Philip Robert O'Connor	Robert Rosenkranz	Donald Alan Sherman	Robert Michael Smith Jr.
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.

Lawrence Edmund Daurelle  
1. (Printed Name)  
President  
(Title)

Charles Thomas Denaro  
2. (Printed Name)  
Secretary  
(Title)

Thomas William Burghart  
3. (Printed Name)  
Treasurer  
(Title)

Subscribed and sworn to before me  
This 13th day of November 2009

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  
DENISE C. BURWELL, Notary Public  
City of Philadelphia, Phila. County  
My Commission Expires February 25, 2013

**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.....	2,849,209,232		2,849,209,232	2,695,105,660
2. Stocks:				
2.1 Preferred stocks.....	13,444,461		13,444,461	22,851,323
2.2 Common stocks.....	93,093,438		93,093,438	85,125,383
3. Mortgage loans on real estate:				
3.1 First liens.....	83,517,895	90,955	83,426,940	108,709,950
3.2 Other than first liens.....	10,074,962	89,866	9,985,096	9,833,280
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).....	499	499	0	
4.3 Properties held for sale (less \$.....0 encumbrances).....	4,907,385		4,907,385	12,290,561
5. Cash (\$.....(846,388)), cash equivalents (\$.....0) and short-term investments (\$.....367,035,129).....	366,188,741		366,188,741	288,402,083
6. Contract loans (including \$.....0 premium notes).....	172,339		172,339	150,912
7. Other invested assets.....	140,108,531	1,478,728	138,629,803	72,631,181
8. Receivables for securities.....	1,135,295	264,446	870,849	4,176,808
9. Aggregate write-ins for invested assets.....	1,300,999	0	1,300,999	7,178
10. Subtotals, cash and invested assets (Lines 1 to 9).....	3,563,153,777	1,924,494	3,561,229,283	3,299,284,319
11. Title plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	28,238,979		28,238,979	29,005,103
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	69,961,845	484,913	69,476,932	57,696,949
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	130,266		130,266	250,193
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	6,941,671		6,941,671	4,913,716
14.2 Funds held by or deposited with reinsured companies.....			0	
14.3 Other amounts receivable under reinsurance contracts.....	3,854,352		3,854,352	5,748,809
15. Amounts receivable relating to uninsured plans.....			0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....	13,890,677		13,890,677	4,186,780
16.2 Net deferred tax asset.....	92,165,128	76,177,479	15,987,649	9,239,212
17. Guaranty funds receivable or on deposit.....	250,636		250,636	121,836
18. Electronic data processing equipment and software.....	6,428,711	5,541,109	887,602	1,014,605
19. Furniture and equipment, including health care delivery assets (\$.....0).....	4,220,742	4,220,742	0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	156		156	1,301
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	2,791,515	2,791,515	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	3,792,028,455	91,140,252	3,700,888,203	3,411,462,823
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	109,016,475		109,016,475	97,535,355
26. Total (Lines 24 and 25).....	3,901,044,930	91,140,252	3,809,904,678	3,508,998,178

**DETAILS OF WRITE-INS**

0901. Purchased options.....	1,300,999		1,300,999	7,178
0902.....			0	
0903.....			0	
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	1,300,999	0	1,300,999	7,178
2301. Prepaid pension costs and other expenses and suspense debits.....	2,451,828	2,451,828	0	
2302. Other assets nonadmitted.....	339,687	339,687	0	
2303.....			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	2,791,515	2,791,515	0	0

Statement as of September 30, 2009 of the **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 \$.....1,522,876,139 less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	1,522,876,139	1,358,998,034
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	724,104,921	698,110,255
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve).....	98,663,707	131,210,341
4. Contract claims:		
4.1 Life.....	57,000,769	63,419,919
4.2 Accident and health.....	423,550,675	395,716,914
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 \$.....186,845 accident and health premiums.....	192,996	144,600
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 \$.....1,072,990 assumed and \$.....295,919 ceded.....	1,368,909	8,465,981
9.4 Interest Maintenance Reserve.....	17,854,983	12,136,586
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....		56,662
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued.....	28,344,442	28,936,274
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....	(141,693)	(122,348)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes.....	786,132	3,988,126
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....		
15.2 Net deferred tax liability.....		
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....	3,685,013	4,425,408
18. Amounts held for agents' account, including \$.....2,480,121 agents' credit balances.....	2,480,121	1,818,868
19. Remittances and items not allocated.....	32,594,446	32,872,750
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 \$.....55,000,000 and interest thereon \$.....342,146.....	55,342,146	55,342,146
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve.....	19,976,176	21,604,978
24.2 Reinsurance in unauthorized companies.....		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers.....	64,834	89,227
24.4 Payable to parent, subsidiaries and affiliates.....	389,046	880,334
24.5 Drafts outstanding.....		
24.6 Liability for amounts held under uninsured plans.....		
24.7 Funds held under coinsurance.....		
24.8 Payable for securities.....	43,556,585	3,577,561
24.9 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	87,467,620	85,034,794
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	3,120,157,967	2,906,707,410
27. From Separate Accounts statement.....	109,016,564	90,572,939
28. Total liabilities (Lines 26 and 27).....	3,229,174,531	2,997,280,349
29. Common capital stock.....	6,003,113	6,003,113
30. Preferred capital stock.....	50,000,000	50,000,000
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....	45,000,000	20,000,000
33. Gross paid in and contributed surplus.....	110,724,189	60,724,189
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	369,002,845	374,990,527
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 29 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	524,727,034	455,714,716
38. Totals of Lines 29, 30 and 37.....	580,730,147	511,717,829
39. Totals of Lines 28 and 38.....	3,809,904,678	3,508,998,178

**DETAILS OF WRITE-INS**

2501. Retained assets program liability to claimants and other miscellaneous liabilities.....	75,610,156	73,177,330
2502. Minimum pension liability adjustment.....	11,857,464	11,857,464
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).....	87,467,620	85,034,794
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. ....		
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).....	0	0

**SUMMARY OF OPERATIONS**

(Excluding Unrealized Capital Gains and Losses)

	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.....	967,718,125	926,630,182	1,233,739,630
2. Considerations for supplementary contracts with life contingencies.....	234,625	522,154	522,154
3. Net investment income.....	141,276,688	120,060,031	175,296,581
4. Amortization of Interest Maintenance Reserve (IMR).....	1,123,954	1,341,724	1,663,112
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....			
6. Commissions and expense allowances on reinsurance ceded.....	2,025,584	3,828,236	4,660,282
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.....	1,135,242	1,454,038	1,828,293
8.2 Charges and fees for deposit-type contracts.....			
8.3 Aggregate write-ins for miscellaneous income.....	1,405,639	1,337,742	1,917,927
9. Totals (Lines 1 to 8.3).....	1,114,919,857	1,055,174,107	1,419,627,979
10. Death benefits.....	197,149,778	198,883,509	267,157,129
11. Matured endowments (excluding guaranteed annual pure endowments).....		3,000	3,000
12. Annuity benefits.....	26,620,472	17,461,826	24,729,455
13. Disability benefits and benefits under accident and health contracts.....	302,630,880	276,808,546	381,675,767
14. Coupons, guaranteed annual pure endowments and similar benefits.....			
15. Surrender benefits and withdrawals for life contracts.....	80,349,173	77,297,930	116,163,269
16. Group conversions.....			
17. Interest and adjustments on contract or deposit-type contract funds.....	8,291,766	10,128,846	13,235,221
18. Payments on supplementary contracts with life contingencies.....	1,241,593	1,326,281	1,805,396
19. Increase in aggregate reserves for life and accident and health contracts.....	189,872,771	186,156,487	358,106,274
20. Totals (Lines 10 to 19).....	806,156,433	768,066,425	1,162,875,511
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	86,243,675	81,258,468	109,369,727
22. Commissions and expense allowances on reinsurance assumed.....	1,430,722	1,042,484	1,937,611
23. General insurance expenses.....	97,789,275	97,958,167	131,756,935
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	20,094,658	21,535,047	28,516,737
25. Increase in loading on deferred and uncollected premiums.....	(619,075)	(1,689,283)	(130,723)
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	(3,308)	(2,124)	(3,068)
27. Aggregate write-ins for deductions.....	(302,555)	0	(135,397,716)
28. Totals (Lines 20 to 27).....	1,010,789,825	968,169,184	1,298,925,014
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	104,130,032	87,004,923	120,702,965
30. Dividends to policyholders.....			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	104,130,032	87,004,923	120,702,965
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	19,887,538	32,837,758	42,459,932
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).....	84,242,494	54,167,165	78,243,033
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....(12,442,661) (excluding taxes of \$.....3,684,344 transferred to the IMR).....	(100,681,771)	(41,391,129)	(54,958,191)
35. Net income (Line 33 plus Line 34).....	(16,439,277)	12,776,036	23,284,842
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year.....	511,717,829	457,548,006	457,548,006
37. Net income (Line 35).....	(16,439,277)	12,776,036	23,284,842
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....(5,442,829).....	6,459,464	(9,165,194)	(45,791,312)
39. Change in net unrealized foreign exchange capital gain (loss).....	773,508	(447,620)	(886,114)
40. Change in net deferred income tax.....	12,480,805	17,091,792	19,556,911
41. Change in nonadmitted assets.....	(14,521,490)	(18,446,416)	(30,570,325)
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.....	1,628,802	12,147,812	31,104,783
45. Change in treasury stock.....			
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....	6,962,416	10,546,866	10,311,422
47. Other changes in surplus in Separate Accounts Statement.....	(6,962,416)	(10,546,866)	(10,311,422)
48. Change in surplus notes.....	25,000,000		20,000,000
49. Cumulative effect of changes in accounting principles.....	7,596,617		
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.....	50,000,000		47,022,892
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.....	(3,200,000)	(2,400,000)	(2,400,000)
53. Aggregate write-ins for gains and losses in surplus.....	(766,111)	0	(7,151,854)
54. Net change in capital and surplus (Lines 37 through 53).....	69,012,318	11,556,410	54,169,823
55. Capital and surplus as of statement date (Lines 36 + 54).....	580,730,147	469,104,416	511,717,829

**DETAILS OF WRITE-INS**

08.301. Miscellaneous income.....	1,405,639	1,337,742	1,917,927
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).....	1,405,639	1,337,742	1,917,927
2701. Reserve adjustments on reinsurance assumed.....	(302,555)		(135,397,716)
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).....	(302,555)	0	(135,397,716)
5301. Interest paid on surplus debenture.....	(766,111)		
5302. Minimim pension liability adjustment.....			(7,151,854)
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).....	(766,111)	0	(7,151,854)

**CASH FLOW**

	1 Current Year to Date	2 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	956,960,165	1,233,082,746
2. Net investment income.....	125,675,713	134,337,891
3. Miscellaneous income.....	4,547,037	8,457,694
4. Total (Lines 1 through 3).....	1,087,182,915	1,375,878,331
5. Benefit and loss related payments.....	590,402,079	727,230,700
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	(3,391)	(3,006)
7. Commissions, expenses paid and aggregate write-ins for deductions.....	218,232,229	138,163,449
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	20,833,118	62,652,284
10. Total (Lines 5 through 9).....	829,464,035	928,043,427
11. Net cash from operations (Line 4 minus Line 10).....	257,718,880	447,834,904
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	569,995,278	452,274,970
12.2 Stocks.....	2,193,284	2,558,824
12.3 Mortgage loans.....	3,505,907	37,363,785
12.4 Real estate.....	5,584,355	151,168
12.5 Other invested assets.....	29,803,425	219,036,455
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(3,254)	(33,868)
12.7 Miscellaneous proceeds.....	10,268,464	26,946,224
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	621,347,459	738,297,558
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	783,597,629	867,833,500
13.2 Stocks.....		24,153,250
13.3 Mortgage loans.....	13,678,345	27,472,440
13.4 Real estate.....		21,966
13.5 Other invested assets.....	57,805,354	47,268,247
13.6 Miscellaneous applications.....	(34,192,244)	21,367,323
13.7 Total investments acquired (Lines 13.1 to 13.6).....	820,889,084	988,116,726
14. Net increase (decrease) in contract loans and premium notes.....	21,427	4,070
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(199,563,052)	(249,823,238)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	25,000,000	20,000,000
16.2 Capital and paid in surplus, less treasury stock.....	50,000,000	47,022,892
16.3 Borrowed funds.....	(3,079,312)	(4,105,750)
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	(38,070,646)	(10,537,395)
16.5 Dividends to stockholders.....	3,200,000	2,400,000
16.6 Other cash provided (applied).....	(11,019,212)	(118,243,724)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	19,630,830	(68,263,977)
<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 Line 15 plus Line 17).....	77,786,658	129,747,689
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	288,402,083	158,654,394
19.2 End of period (Line 18 plus Line 19.1).....	366,188,741	288,402,083
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 .....	22,987,534	9,937,124

**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.....	4,466,259	4,611,667	6,758,482
3. Ordinary individual annuities.....	171,910,701	117,846,893	147,554,705
4. Credit life (group and individual).....			
5. Group life insurance.....	296,189,284	297,310,401	398,120,467
6. Group annuities.....	61,156,171	78,986,906	99,181,547
7. A&H - group.....	454,289,977	448,070,764	607,323,101
8. A&H - credit (group and individual).....			
9. A&H - other.....	113,853	125,495	169,461
10. Aggregate of all other lines of business.....	.0	.0	.0
11. Subtotal.....	988,126,245	946,952,126	1,259,107,763
12. Deposit-type contracts.....			
13. Total.....	988,126,245	946,952,126	1,259,107,763

**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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

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

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

(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:

<u>CUSIP</u>	<u>Book/Adj Carrying Value Before Current Period OTTI</u>	<u>Present Value of Projected Cash Flows</u>	<u>Recognized OTTI</u>	<u>Book/Adj Carrying Value After OTTI</u>	<u>Fair Value</u>
02148BAC8	\$7,476,348	\$7,074,038	\$402,309	\$7,074,038	\$7,074,038
02151CBK1	1,412,216	1,377,648	34,568	1,377,648	1,362,909
02151CBK1	247,913	239,070	8,843	239,070	348,607
02151CBK1	66,612	64,236	2,376	64,236	93,668
058931BT2	914,160	563,401	350,759	563,401	563,401
058931BT2	462,641	287,262	175,379	287,262	287,262
059511BC8	2,639,786	655,563	1,984,223	655,563	655,563
07387QAM2	448,931	386,696	62,234	386,696	386,492
07387QAM2	37,519	28,115	9,404	28,115	58,401
07387QAM2	10,081	7,554	2,527	7,554	15,692
07387QAM2	406,773	284,033	122,740	284,033	283,629
07387QAM2	5,062,943	4,361,077	701,866	4,361,077	4,358,766
12544ABT1	115,565	60,252	55,313	60,252	60,252
12544TAW4	175,180	139,956	35,224	139,956	139,956
12566RAM3	356,440	260,357	96,083	260,357	260,357
12566RAN1	110,751	50,520	60,231	50,520	50,520
12666RAK6	98,049	82,036	16,013	82,036	82,036
126683AC5	2,499,565	1,495,858	1,003,707	1,495,858	1,495,858
12668VAC3	1,045,461	775,706	269,755	775,706	775,706
12668VAF6	2,587,979	2,091,849	496,130	2,091,849	2,091,849
12668VAF6	2,330,372	1,893,777	436,595	1,893,777	1,893,777
12668XAB1	3,407,185	3,136,055	271,130	3,136,055	3,136,055
1266943P1	109,288	105,777	3,511	105,777	105,777
126694J66	41,129	24,134	16,995	24,134	24,134
126694PA0	249,216	231,812	17,404	231,812	231,812
126694PB8	170,792	93,934	76,859	93,934	93,934

**NOTES TO FINANCIAL STATEMENTS**

CUSIP	Book/Adj Carrying Value Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized OTTI	Book/Adj Carrying Value After OTTI	Fair Value
12669GYG0	493,444	468,624	24,820	468,624	468,624
12669MAF5	181,730	128,319	53,411	128,318	110,832
12670BAC3	2,776,894	2,400,157	376,737	2,400,157	2,400,157
17307G4L9	15,864,067	15,777,977	86,090	15,777,977	15,777,977
17307GPK8	23,685	20,059	3,626	20,059	20,059
22544QAT6	507,444	353,287	154,158	353,287	353,287
23242MAA9	290,631	254,566	36,064	254,566	254,566
32052KAJ4	87,521	79,963	7,558	79,963	79,963
32052LAU7	2,200,560	880,571	1,319,989	880,571	880,571
362334KZ6	165,559	126,578	38,981	126,578	126,578
36242DK44	121,134	92,635	28,499	92,635	92,635
36246LAT8	1,861,532	492,432	1,369,100	492,432	492,432
466247WW9	1,932,238	1,334,703	597,536	1,334,703	1,334,703
466247ZJ5	219,190	170,969	48,221	170,969	170,969
46628BCE8	606,623	270,381	336,242	270,381	270,381
46628BCJ7	96,596	66,345	30,250	66,345	48,310
46629DBV6	88,282	69,691	18,591	69,691	67,398
46631BAU9	534,029	180,945	353,084	180,945	180,945
525221EB9	858,460	819,468	38,993	819,468	819,468
525221EB9	53,883	51,283	2,600	51,283	51,283
59023NBA5	195,355	127,110	68,245	127,110	127,110
61750YAB5	5,299,101	5,002,240	296,862	5,002,240	5,002,240
749581AY0	233,749	156,384	77,366	156,384	125,857
760985XZ9	1,118,282	969,420	148,862	969,420	969,420
76110WZW9	648,492	345,724	302,768	345,724	345,724
76111XA78	115,299	85,326	29,973	85,326	85,455
762009BV9	31,236	10,504	20,732	10,504	10,504
762009BZ0	25,876	9,037	16,840	9,037	5,114
863576CX0	1,811,129	1,013,541	797,587	1,013,541	1,013,541
87222EAC2	3,848,806	3,556,873	291,933	3,556,872	3,556,873
92922FF52	233,148	127,923	105,225	127,923	127,923
92922FQ92	1,991,931	1,569,397	422,535	1,569,397	1,569,397
933634AT4	1,445,926	1,254,493	191,433	1,254,493	1,254,493
933637AQ3	122,791	90,454	32,337	90,454	90,454
94981UAN9	594,321	479,390	114,931	479,390	477,573
94983SBB7	287,286	136,150	151,136	136,150	136,150
94983SBB7	287,286	136,150	151,136	136,150	136,150
94983SBC5	101,191	76,429	24,762	76,429	68,148
94983SBC5	121,429	91,715	29,714	91,715	81,777
94984HAW5	296,540	244,209	52,330	244,209	244,209
94984RAF0	90,082	69,905	20,177	69,905	69,905
94984SAN1	987,820	425,338	562,482	425,338	425,338
94985JCJ7	82,195	70,428	11,768	70,428	70,428
100756AE5	4,680,291	2,985,587	1,694,704	2,985,587	1,735,850
774262AF6	3,000,000	399,245	2,600,755	399,245	75,657
	<u>\$94,299,678</u>	<u>\$74,446,351</u>	<u>\$19,853,321</u>	<u>\$74,446,358</u>	<u>\$73,856,876</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	
Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
(dollars in thousands)					
\$ 34,663	(\$39)	\$542,767	(\$167,964)	\$ 577,430	(\$168,003)

- (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

No significant change.

9. INCOME TAXES

No significant change.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

B. On June 29, 2009, the Company received a contribution to its surplus from its parent, Reliance Standard Life Insurance Company of Texas ("RSL-Texas"), in the amount of \$10,000,000 in cash. On September 30, 2009, the Company received a contribution to its surplus from RSL-Texas, in the amount of \$40,000,000 in cash.

11. DEBT

No significant change.

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

No significant change.

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

A. On June 29, 2009 the Company issued a 6.25% fixed rate surplus note with a face value of \$15,000,000 to its ultimate parent, Delphi Financial Group, Inc. ("DFG"), in exchange for cash. Also, on June 29, 2009, the Company issued a 6.25% fixed rate surplus note with a face value of \$10,000,000 to Safety National Casualty Corporation, a subsidiary of DFG, in exchange for cash. The notes will mature on July 15, 2029. Interest is paid semiannually and will commence on January 15, 2010.

Each of the surplus notes have the following repayment conditions and restrictions: any payment of principal or interest on the surplus note may be made only with the prior written approval of the Director of the Division of Insurance of the State of Illinois, with the approval of the Company's Board of Directors and only out of the Company's surplus in excess of the minimum amount required under Illinois law. The Company's obligations under the surplus note are subordinate to all claims of policyholders and general creditors of the Company, other than any future holders of surplus notes of the Company or of indebtedness which is expressly subordinated to such obligations.

M. On January 22, 2009, the Company paid an ordinary dividend to stockholders on its preferred stock totaling \$1,200,000. On July 1, 2009, the Company paid an ordinary dividend to stockholders on its preferred stock totaling \$2,000,000.

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 EXTINGUISHMENT 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. Subprime Mortgages

The Company generally characterizes its subprime mortgage underlying mortgage loans to borrowers with weighted average Fair Issac & Co., Inc. (FICO) credit scores below 650. Additionally, the weighted-average loan-to-value ratios (LTVs) of these loans are generally above 80.0%. As of September 30, 2009, the Company owned subprime residential mortgage-backed securities with a cost, book/adjusted carrying value and fair value of \$61,072,099, \$61,633,418 and \$53,010,463, respectively. Additionally, the Company had subprime exposure through other investments with a cost, book/adjusted carrying value and fair value of \$54,196,827, \$47,133,177, and \$47,447,168 respectively. During 2009, the Company recognized \$734,190 of other-than-temporary impairment losses on its subprime investments.

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

No significant change.

29. PREMIUM DEFICIENCY RESERVES

Not applicable.

30. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

No significant change.

31. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT TYPE LIABILITIES BY WITHDRAWAL CHARACTERISTICS

No significant change.

32. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

No significant change.

33. SEPARATE ACCOUNTS

No significant change.

34. LOSS/CLAIM ADJUSTMENT EXPENSES

No significant change.

Statement as of September 30, 2009 of the **Reliance Standard Life Insurance Company**  
**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

1	2	3	Direct Business Only					
			Life Contracts		4	5	6	7
			Life Insurance Premiums	Annuity Considerations				
States, Etc.	Active Status							
1. Alabama.....	AL	L	8,601,516	28,774	12,174,727		20,805,017	
2. Alaska.....	AK	L	194,215	628,718	372,889		1,195,822	
3. Arizona.....	AZ	L	2,504,895	3,296,226	4,249,985		10,051,106	
4. Arkansas.....	AR	L	1,410,420	855,401	3,322,094		5,587,915	
5. California.....	CA	L	42,681,979	17,499,215	62,746,736		122,927,930	
6. Colorado.....	CO	L	2,209,607	4,138,804	4,622,276		10,970,687	
7. Connecticut.....	CT	L	3,228,595	12,564,221	3,559,383		19,352,199	
8. Delaware.....	DE	L	2,942,173	727,354	3,847,143		7,516,670	
9. District of Columbia.....	DC	L	1,761,819	954	2,614,178		4,376,951	
10. Florida.....	FL	L	19,586,587	17,573,360	26,052,011		63,211,958	
11. Georgia.....	GA	L	16,295,052	3,647,498	22,836,585		42,779,135	
12. Hawaii.....	HI	L	23,762	761,504	170,965		956,231	
13. Idaho.....	ID	L	63,278	670,782	764,996		1,499,056	
14. Illinois.....	IL	L	20,238,008	4,076,432	26,126,316		50,440,756	
15. Indiana.....	IN	L	3,698,210	3,122,140	7,702,795		14,523,145	
16. Iowa.....	IA	L	2,828,673	2,349,396	3,803,359		8,981,428	
17. Kansas.....	KS	L	3,096,513	1,459,965	3,714,683		8,271,161	
18. Kentucky.....	KY	L	3,085,693	1,544,908	4,709,789		9,340,390	
19. Louisiana.....	LA	L	7,019,631	2,217,158	12,375,914		21,612,703	
20. Maine.....	ME	L	204,895	1,674,490	836,382		2,715,767	
21. Maryland.....	MD	L	6,393,960	1,629,290	9,208,115		17,231,365	
22. Massachusetts.....	MA	L	8,839,736	13,302,019	15,500,931		37,642,686	
23. Michigan.....	MI	L	7,844,033	11,891,254	13,121,582		32,856,869	
24. Minnesota.....	MN	L	2,885,771	3,110,988	7,034,346		13,031,105	
25. Mississippi.....	MS	L	941,246	536,476	1,675,387		3,153,109	
26. Missouri.....	MO	L	5,843,629	2,164,311	11,782,961		19,790,901	
27. Montana.....	MT	L	86,292	372	373,553		460,217	
28. Nebraska.....	NE	L	773,097	334,214	1,552,916		2,660,227	
29. Nevada.....	NV	L	1,378,976	1,279,871	4,321,362		6,980,209	
30. New Hampshire.....	NH	L	710,600	1,746,355	1,309,295		3,766,250	
31. New Jersey.....	NJ	L	11,072,906	22,941,277	19,920,885		53,935,068	
32. New Mexico.....	NM	L	748,540	1,836	1,458,478		2,208,854	
33. New York.....	NY	Q	109,997	3,889,326	425,311		4,424,634	
34. North Carolina.....	NC	L	13,073,501	6,731,922	22,157,722		41,963,145	
35. North Dakota.....	ND	L	103,484	272,851	190,835		567,170	
36. Ohio.....	OH	L	7,003,764	13,127,328	15,419,011		35,550,103	
37. Oklahoma.....	OK	L	3,339,463	753,789	3,288,710		7,381,962	
38. Oregon.....	OR	L	2,285,230	1,622,682	3,998,792		7,906,704	
39. Pennsylvania.....	PA	L	14,948,570	21,880,401	20,405,064		57,234,035	
40. Rhode Island.....	RI	L	317,023	2,086,189	511,304		2,914,516	
41. South Carolina.....	SC	L	1,993,231	2,708,873	5,706,916		10,409,020	
42. South Dakota.....	SD	L	152,407	244,458	268,160		665,025	
43. Tennessee.....	TN	L	13,389,344	3,430,480	19,667,094		36,486,918	
44. Texas.....	TX	L	26,916,644	8,585,483	31,876,294		67,378,421	
45. Utah.....	UT	L	3,872,569	552,083	4,106,237		8,530,889	
46. Vermont.....	VT	L	200,519	587,122	496,827		1,284,468	
47. Virginia.....	VA	L	9,443,950	4,398,536	16,374,611		30,217,097	
48. Washington.....	WA	L	3,357,985	7,014,712	4,741,677		15,114,374	
49. West Virginia.....	WV	L	464,272	360,253	748,374		1,572,899	
50. Wisconsin.....	WI	L	4,733,855	16,816,293	6,370,360		27,920,508	
51. Wyoming.....	WY	L	118,809	228,527	306,105		653,441	
52. American Samoa.....	AS	N					0	
53. Guam.....	GU	L					0	
54. Puerto Rico.....	PR	L	2,182				2,182	
55. US Virgin Islands.....	VI	L	50,107				50,107	
56. Northern Mariana Islands.....	MP	N					0	
57. Canada.....	ON	N	2,879		93,671		96,550	
58. Aggregate Other Alien.....	OT	XXX	0	0	0	0	0	0
59. Subtotal.....	(a).....	53	295,074,092	233,066,871	451,016,092	0	979,157,055	0
90. Reporting entity contributions for employee benefit plans.....	XXX						0	
91. Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX		28,718				28,718	
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		108,729				108,729	
94. Aggregate other amounts not allocable by State.....	XXX		0	0	0	0	0	0
95. Totals (Direct Business).....	XXX		295,211,539	233,066,871	451,016,092	0	979,294,502	0
96. Plus Reinsurance Assumed.....	XXX		137,375	1,611,686	41,008,350		42,757,411	
97. Totals (All Business).....	XXX		295,348,914	234,678,557	492,024,442	0	1,022,051,913	0
98. Less Reinsurance Ceded.....	XXX		18,011,205	665,338	46,512,384		65,188,927	
99. Totals (All Business) less Reinsurance Ceded.....	XXX		277,337,709	234,013,219	445,512,058	0	956,862,986	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

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