

**TLIC VARIABLE ANNUITY ACCOUNT A**

**Statement of Additional Information**

**Dated April 30, 2012**

**For**

**Flexible Premium Deferred Variable Annuity Contract**

**Issued By**

**THRIVENT LIFE INSURANCE COMPANY**

**Service Center:**

4321 North Ballard Road  
Appleton, WI 54919-0001  
Telephone: 800-847-4836  
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**Corporate Office:**

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Minneapolis, MN 55415-1665  
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This Statement of Additional Information is not a prospectus, but should be read in conjunction with the Prospectus dated April 30, 2012 (the "Prospectus") describing a flexible premium deferred variable annuity contract (the "Contract") previously offered by Thrivent Life Insurance Company ("Thrivent Life"). Much of the information contained in this Statement of Additional Information expands upon subjects discussed in the Prospectus. A copy of the Prospectus may be obtained by writing to us at 4321 North Ballard Road, Appleton, WI 54919, by calling 800-847-4836, or by accessing the Securities and Exchange Commission's Web site at [www.sec.gov](http://www.sec.gov).

Capitalized terms used in this Statement of Additional Information that are not otherwise defined herein shall have the meanings given to them in the Prospectus.

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## **INTRODUCTION**

The Contract was issued by Thrivent Life, a stock life insurance company that is an indirect subsidiary of Thrivent Financial for Lutherans (“Thrivent Financial”), a fraternal benefit society organized under Wisconsin law. Thrivent Life began operating by its current name on or about June 13, 2003. Prior to that date, Thrivent Life did business as Lutheran Brotherhood Variable Insurance Products Company. The Contract may have been sold to or in connection with retirement plans which may or may not qualify for special federal tax treatment under the Internal Revenue Code. Annuity payments under the Contract are deferred until a selected later date.

Premiums will be allocated, as designated by the Contract Owner, to one or more Subaccounts of the Variable Account, a separate account of Thrivent Life and/or to the Fixed Account (which is the general account of Thrivent Life, and which pays interest at a guaranteed fixed rate). The assets of each Subaccount will be invested solely in a corresponding Portfolio of Thrivent Series Fund, Inc. ( a “Fund”), which is an open-end management investment company (commonly known as a “mutual fund”). The prospectus for the Fund that accompany the Prospectus describe the investment objectives and attendant risks of the Portfolios of the Fund.

Additional Subaccounts (together with the related additional Portfolios) may be added in the future. The Accumulated Value of the Contract and, except to the extent fixed amount annuity payments are elected by the Contract Owner, the amount of annuity payments will vary, primarily based on the investment experience of the Portfolios whose shares are held in the Subaccounts designated. Premiums allocated to the Fixed Account will accumulate at fixed rates of interest declared by Thrivent Life.

## **SERVICES**

### **Service Agreements and Other Services Providers**

Assurance and audit services are provided by Ernst & Young LLP, whose address is 220 South Sixth Street, Suite 1400, Minneapolis, Minnesota 55402.

There are no other service agreement contracts or service providers other than those described in this Statement of Additional Information. There is no custodian.

## **ADMINISTRATION OF THE CONTRACTS**

Thrivent Financial performs certain investment and administrative duties for Thrivent Life pursuant to a written agreement. This agreement includes services performed for the administration of the Contracts along with other insurance products issued by Thrivent Life. The agreement is automatically renewed each year, unless either party terminates it. Under this agreement, Thrivent Life pays Thrivent Financial for salary costs and other services and an amount for indirect costs incurred through Thrivent Life’s use of Thrivent Financial’s personnel and facilities.

## **PRINCIPAL UNDERWRITER**

Thrivent Investment Management Inc. (“Thrivent Investment Mgt.”), 625 Fourth Avenue South, Minneapolis, Minnesota 55415, an indirect subsidiary of Thrivent Financial, is a registered broker-dealer and acts as principal underwriter and distributor of the Contracts pursuant to a principal underwriting and servicing agreement to which Thrivent Investment Mgt. and Thrivent Life, on behalf of itself and the separate account, are parties. The Contract is no longer sold but we continue to take premium payments.

From time to time, Thrivent Life may offer to exchange this Contract offered in this Prospectus for the Flexible Premium Deferred Variable Annuity contract issued by Thrivent Financial in another prospectus (as part of Thrivent Variable Annuity Account I). No surrender charge will apply upon an exchange of Contracts pursuant to this exchange offer. In addition, as part of the exchange offer, the New Contracts will be deemed to have been issued on the same issue date as the Current Contract for purposes of computing the applicable surrender charge.

The offering of the contracts is continuous.

Thrivent Financial paid underwriting commissions for the last three fiscal years as shown below. Of these amounts, Thrivent Investment Mgt. retained \$0.

<u>2011</u>	<u>2010</u>	<u>2009</u>
\$1,970,147	\$3,331,752	\$4,133,647

#### **STANDARD AND POOR'S DISCLAIMER**

The contracts are not sponsored, endorsed, sold or promoted by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"). S&P makes no representation or warranty, express or implied, to the owners of the Contracts or any member of the public regarding the advisability of investing in securities generally or in the contracts particularly or the ability of the S&P MidCap 400 Index, S&P 500 or the S&P SmallCap 600 Indexes to track general stock market performance. S&P's only relationship to Thrivent Financial is the licensing of certain trademarks and trade names of S&P and of the S&P MidCap 400 Index, S&P 500 and S&P 600 SmallCap Indexes which are determined composed and calculated by the S&P without regard to the Licensee or the contracts. S&P is not responsible for, and has not participated in, the determination of the prices and amount of the contract or the timing of the issuance or sale of the contracts or in the determination or calculation of the equation by which the contract is to be converted into cash. S&P has no obligation or liability in connection with administration, marketing or trading of the contracts.

S&P does not guarantee the accuracy and/or the completeness of the S&P MidCap 400 Index, S&P 500 or the S&P 600 SmallCap Indexes or any data included therein and S&P shall have no liability for any errors, omissions, or interruptions therein. S&P makes no warranty, express or implied, as to results to be obtained by Thrivent Financial, owners of the contracts, or any other person/entity from the use of the S&P MidCap 400 Index, S&P 500 or the S&P 600 SmallCap Indexes or any data included therein. S&P makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the S&P MidCap 400 Index, S&P 500 or the S&P 600 SmallCap Indexes or any data included therein. Without limiting any of the foregoing, in no event shall S&P have liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

#### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM AND FINANCIAL STATEMENTS**

The balance sheets of Thrivent Life as of December 31, 2011 and 2010, as well as the related statements of operations, stockholder's equity and cash flows for each of the three years in the period ended December 31, 2011, and for 2011 the related financial statement schedules appearing in this SAI and Registration Statement, have been audited by Ernst & Young LLP, independent registered public accounting firm, whose address is 220 South Sixth Street, Suite 1400, Minneapolis, Minnesota 55402, as set forth in their report thereon appearing elsewhere herein and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The financial statements of TLIC Variable Annuity Account A as of December 31, 2011 and for the periods indicated therein, appearing in this SAI and Registration Statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The financial statements of Thrivent Life included in this Statement of Additional Information and Registration Statement should be considered as bearing only upon the ability of Thrivent Life Insurance Company to meet its obligations under the Contracts. The value of the interests of Contract Owners, Annuitants and Beneficiaries under the Contracts are affected primarily by the investment experience of the Subaccounts of the Variable Account.

## Report of Independent Registered Public Accounting Firm

The Board of Directors  
Thrivent Life Insurance Company

We have audited the accompanying balance sheets of Thrivent Life Insurance Company (“the Company”) as of December 31, 2011 and 2010, and the related statements of operations, stockholder’s equity and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company’s internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company at December 31, 2011 and 2010, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles.

*Ernst + Young LLP*

Minneapolis, Minnesota  
February 20, 2012

**Thrivent Life Insurance Company**  
Balance Sheets  
As of December 31, 2011 and 2010  
(in thousands)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
Fixed maturity securities, at fair value .....	\$1,572,407	\$1,416,700
Equity securities, at fair value .....	426	425
Contract loans .....	11,778	12,186
Short-term investments .....	17,649	36,324
Other invested assets .....	3,451	2,217
<b>Total investments</b> .....	<u>1,605,711</u>	<u>1,467,852</u>
Cash and cash equivalents .....	91,937	37,233
Amounts due from brokers .....	212	79
Accrued investment income .....	15,051	15,056
Deferred acquisition costs .....	11,409	39,703
Receivables and other assets .....	12	79
Assets held in separate accounts .....	<u>1,492,152</u>	<u>1,710,723</u>
<b>Total Assets</b> .....	<u>\$3,216,484</u>	<u>\$3,270,725</u>
<b>Liabilities</b>		
Future contract benefits .....	\$ 170,018	\$ 165,728
Contractholder funds .....	1,204,408	1,079,431
Unpaid claims and claim expenses .....	8,123	9,189
Amounts due to brokers .....	66,248	—
Securities lending obligation .....	6,105	36,319
Other liabilities .....	18,944	17,937
Liabilities related to separate accounts .....	<u>1,492,152</u>	<u>1,710,723</u>
<b>Total Liabilities</b> .....	<u>2,965,998</u>	<u>3,019,327</u>
<b>Stockholder's Equity</b>		
Common stock .....	5,000	5,000
Additional paid-in capital .....	90,800	90,800
Retained earnings .....	130,067	137,330
Accumulated other comprehensive income .....	24,619	18,268
<b>Total Stockholder's Equity</b> .....	<u>250,486</u>	<u>251,398</u>
<b>Total Liabilities and Stockholder's Equity</b> .....	<u>\$3,216,484</u>	<u>\$3,270,725</u>

The accompanying notes are an integral part of these financial statements.

**Thrivent Life Insurance Company**  
**Statements of Operations**  
For the Years Ended December 31, 2011, 2010 and 2009  
(in thousands)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Revenues</b>			
Premiums .....	\$ 18,447	\$ 12,979	\$ 5,149
Net investment income .....	82,847	79,810	71,695
Realized investment gains (losses), net .....	2,593	8,996	(708)
Contract charges .....	24,958	25,340	24,536
Other revenue .....	11	4	3
<b>Total Revenues</b> .....	<u>128,856</u>	<u>127,129</u>	<u>100,675</u>
<b>Benefits and Expenses</b>			
Contract claims and other benefits .....	24,933	26,345	28,831
Increase (decrease) in contract reserves .....	3,007	2,432	(9,310)
Interest credited .....	47,288	41,199	36,528
Total benefits .....	<u>75,228</u>	<u>69,976</u>	<u>56,049</u>
Underwriting, acquisition and insurance expenses .....	11,389	10,467	9,432
Amortization of deferred acquisition costs .....	18,555	21,313	14,012
Total expenses .....	<u>29,944</u>	<u>31,780</u>	<u>23,444</u>
<b>Total Benefits and Expenses</b> .....	<u>105,172</u>	<u>101,756</u>	<u>79,493</u>
<b>Income Before Income Taxes</b> .....	23,684	25,373	21,182
Income tax expense .....	7,347	7,906	828
<b>Net Income</b> .....	<u>\$ 16,337</u>	<u>\$ 17,467</u>	<u>\$ 20,354</u>

The accompanying notes are an integral part of these financial statements.

**Thrivent Life Insurance Company**  
**Statements of Stockholder's Equity**  
For the Years Ended December 31, 2011, 2010 and 2009  
(in thousands)

	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total</u>
<b>Balance, January 1, 2009</b> .....	\$5,000	\$90,800	\$141,209	\$(35,591)	\$201,418
Dividends to stockholder .....	—	—	(24,500)	—	(24,500)
Comprehensive Income:					
Net income .....	—	—	20,354	—	20,354
Other comprehensive income .....	—	—	—	41,422	41,422
Total comprehensive income .....	—	—	—	—	61,776
<b>Balance, December 31, 2009</b> .....	5,000	90,800	137,063	5,831	238,694
Dividends to stockholder .....	—	—	(17,200)	—	(17,200)
Comprehensive Income:					
Net income .....	—	—	17,467	—	17,467
Other comprehensive income .....	—	—	—	12,437	12,437
Total comprehensive income .....	—	—	—	—	29,904
<b>Balance, December 31, 2010</b> .....	5,000	90,800	137,330	18,268	251,398
Dividends to stockholder .....	—	—	(23,600)	—	(23,600)
Comprehensive Income:					
Net income .....	—	—	16,337	—	16,337
Other comprehensive income .....	—	—	—	6,351	6,351
Total comprehensive income .....	—	—	—	—	22,688
<b>Balance, December 31, 2011</b> .....	<u>\$5,000</u>	<u>\$90,800</u>	<u>\$130,067</u>	<u>\$ 24,619</u>	<u>\$250,486</u>

The accompanying notes are an integral part of these financial statements.

**Thrivent Life Insurance Company**  
**Statements of Cash Flows**  
For the Years Ended December 31, 2011, 2010 and 2009  
(in thousands)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Operating Activities</b>			
Net Income .....	\$ 16,337	\$ 17,467	\$ 20,354
Adjustments to reconcile net income to net cash provided by operating activities:			
Change in contract liabilities and accruals .....	3,224	1,798	(7,573)
Change in contractholder funds .....	126,947	159,618	145,697
Change in deferred acquisition costs .....	13,602	13,499	4,168
Realized investment (gains) losses, net .....	(2,593)	(8,996)	708
Changes in other assets and liabilities .....	756	(5,289)	(8,592)
Net Cash Provided by Operating Activities .....	<u>158,273</u>	<u>178,097</u>	<u>154,762</u>
<b>Investing Activities</b>			
Proceeds from sales, maturities or repayments of fixed maturity securities .....	288,982	486,783	250,263
Cost of fixed maturity securities acquired .....	(389,610)	(630,425)	(422,607)
Proceeds from sales of equity securities .....	1,538	4,884	6,742
Cost of equity securities acquired .....	(2,134)	(400)	(739)
Purchases of fixed maturity securities under mortgage roll program, net ...	(30,525)	—	—
Contract loans issued, net .....	408	(41)	602
Purchases of short-term investments, net .....	18,675	(27,180)	48,139
Change in collateral held for securities lending .....	(30,214)	27,177	(37,845)
Amounts due to/from brokers .....	66,115	685	(692)
Other, net .....	(1,234)	(75)	(991)
Net Cash Used in Investing Activities .....	<u>(77,999)</u>	<u>(138,592)</u>	<u>(157,128)</u>
<b>Financing Activities</b>			
Dividends paid .....	(23,600)	(17,200)	(24,500)
Universal life and investment contract receipts .....	120,041	29,725	14,454
Universal life and investment contract withdrawals .....	(122,011)	(44,411)	(39,693)
Net Cash Used in Financing Activities .....	<u>(25,570)</u>	<u>(31,886)</u>	<u>(49,739)</u>
Net Change in Cash and Cash Equivalents .....	54,704	7,619	(52,105)
Cash and Cash Equivalents, Beginning of Year .....	37,233	29,614	81,719
Cash and Cash Equivalents, End of Year .....	<u>\$ 91,937</u>	<u>\$ 37,233</u>	<u>\$ 29,614</u>
Supplemental information:			
Cash paid during the year for income taxes .....	\$ 11,892	\$ 15,035	\$ 6,647

**Thrivent Life Insurance Company**  
Notes to Financial Statements  
For the Years Ended December 31, 2011, 2010 and 2009

**Note 1. Nature of Operations and Significant Accounting Policies**

**Nature of Operations**

Thrivent Life Insurance Company (“the Company”) offers primarily variable life insurance and variable annuity products to its customers. The Company is a wholly owned subsidiary of Thrivent Financial Holdings, Inc. (“Holdings”), which is a wholly owned subsidiary of Thrivent Financial for Lutherans (“Thrivent Financial”). The Company, together with Thrivent Financial, a fraternal benefit society, provides financial products and services to its members through a network of career financial associates. The Company is licensed to sell business in 41 states throughout the United States. The Company has not issued any new contracts since 2003.

**Significant Accounting Policies**

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The significant accounting practices used in preparation of the financial statements are summarized as follows:

***Investments***

***Fixed maturity securities:*** Investments in fixed maturity securities are classified as available-for-sale and carried at fair value. The change in unrealized gains and losses on securities is included as a component of other comprehensive income. Discounts or premiums on fixed maturity securities are amortized over the term of the securities using the effective interest method.

***Equity securities:*** Investments in equity securities are classified as available-for-sale and carried at fair value. The change in unrealized gains and losses on equity securities is included as a component of other comprehensive income.

***Contract loans:*** Contract loans are generally carried at their aggregate unpaid balances.

***Short-term investments:*** Short-term investments are carried at fair value. Short-term investments consist of money market mutual funds and have contractual maturities of 12 months or less at the time of acquisition.

***Other invested assets:*** Other invested assets include the Company’s equity investment in Thrivent Asset Management LLC (“Asset Mgt.”), of which the Company owns a 40% share and Thrivent Investment Management, Inc., an affiliated entity, owns a 60% share. Asset Mgt. is valued using its audited equity basis.

***Loaned securities:*** Securities loaned under the Company’s securities lending agreement are included in the Balance Sheets at amortized cost or fair value depending on the nature of the security. The Company generally receives cash collateral in an amount that is in excess of the market value of the securities loaned, and the cash collateral is invested in an affiliated money market mutual fund included in short-term investments on the

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 1. Nature of Operations and Significant Accounting Policies, continued**

**Significant Accounting Policies, continued**

***Investments, continued***

Balance Sheets. An obligation is also recognized for the amount of the collateral and is included on the Balance Sheets. Market values of securities loaned and collateral are monitored daily, and additional collateral is obtained as necessary. The Company requires a minimum level of collateral to be held for loaned securities.

*Mortgage dollar roll program:* The Company uses a mortgage dollar roll program to enhance the yield on its mortgage-backed securities ("MBS"). MBS dollar rolls are similar to repurchase agreements, whereby the Company sells an MBS and subsequently enters into a commitment to purchase another security at a specified later date. The Company's mortgage dollar roll program generally includes a series of MBS dollar rolls extending for more than a year. The Company had \$30,525,000 in the mortgage dollar roll program as of December 31, 2011. The Company did not have a mortgage dollar roll program as of December 31, 2010.

*Unrealized investment gains and losses:* Unrealized investment gains and losses on securities classified as available-for-sale, net of related deferred acquisition costs and tax effects, are accounted for as a direct increase or decrease to the accumulated other comprehensive income component of stockholder's equity.

*Realized investment gains and losses:* Realized investment gains and losses on sales of securities are determined using an average cost method. The Company periodically reviews its securities portfolios and evaluates those securities where the current fair value is less than amortized cost for indicators that the decline in value is an other-than-temporary impairment. Factors considered in the evaluation include the following: 1) the Company's ability to collect all amounts due according to the contractual terms of the debt security; 2) the financial condition of the issuer; 3) the near-term prospects of the issuer; 4) the length of time of the impairment; 5) the extent of the impairment; 6) the Company's ability to hold the security for a period of time sufficient to allow for any anticipated recovery in the market and 7) the Company's intent to retain its investment in the security for a period of time sufficient to allow for any anticipated recovery in the market. Investments that are determined to be other-than-temporarily impaired are written down to fair value with the impairment included as a component of realized investment gains and losses or other comprehensive income, as appropriate.

***Cash and Cash Equivalents***

Cash and cash equivalents are carried at amortized cost and include all highly liquid investments purchased with an original maturity of three months or less.

***Deferred Acquisition Costs***

Costs that vary with and are primarily attributable to the production of new and renewal business have been deferred to the extent such costs are deemed recoverable from future profits. Such costs include commissions, selling, selection and contract issue expenses.

These costs are primarily amortized in proportion to estimated margins from interest, mortality and other factors under the contracts. Assumptions used in the amortization of deferred acquisition costs are periodically reviewed and updated as necessary to reflect actual experience. The impact of changes in assumptions is recognized as a component of amortization.

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 1. Nature of Operations and Significant Accounting Policies, continued**

**Significant Accounting Policies, continued**

***Separate Accounts***

Separate account assets and liabilities reported in the accompanying Balance Sheets represent funds that are separately administered for variable annuity, variable immediate annuity and variable universal life contracts and for which the contractholder, rather than the Company, bears the investment risk. Fees charged on separate account contractholder deposits are recognized when due. Separate account assets are carried at fair value based on quoted market prices. Operating results of the separate accounts are not included in the Statements of Operations. While separate account liability values are not guaranteed, the variable annuity products in the separate accounts include guaranteed minimum death benefits. There were no future contract benefits at December 31, 2011 or 2010, for these benefits.

***Contract Liabilities and Accruals***

Reserves for future contract benefits for limited-payment contracts are determined using realistic assumptions as to mortality, interest and withdrawal, with a provision for adverse deviation.

Claim reserves are established for future payments not yet due on claims already incurred, reported or unreported. These liabilities are based on individual case estimates for reported claims and estimates of unreported claims, based on past experience.

***Contractholder Funds***

Reserves for future contract benefits for universal life insurance and deferred annuities consist of contract account balances before applicable surrender charges with additional reserves for any death benefits that may exceed contract account balances.

***Insurance Revenues and Benefits***

Considerations for limited-payment contracts are recognized as premium when received. Revenues for universal life and investment contracts consist of policy charges for the cost of insurance, policy administration and surrender charges assessed during the period. Expenses include interest credited to contract account balances and benefits incurred in excess of contract account balances. Certain profits on limited payment contracts are deferred and recognized over the contract term.

***Income Taxes***

The Company is included in the consolidated federal income tax return of Holdings and Holdings' wholly owned subsidiaries. Consolidated federal income tax liabilities or credits, including utilization of loss carryforwards, are allocated among the affiliated members in accordance with a tax-sharing agreement with Holdings.

***New Accounting Guidance***

In January 2010, the Financial Accounting Standards Board ("FASB") updated the accounting standards for fair value measurements. The standard requires separately disclosing the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describing the reasons for the transfers. The Company adopted the guidance for the annual reporting period ended December 31, 2010.

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 1. Nature of Operations and Significant Accounting Policies, continued**

**Significant Accounting Policies, continued**

*New Accounting Guidance, continued*

In June 2009, the FASB established the FASB Accounting Standards Codification™ (“Codification”) as the single source of authoritative accounting principles recognized by the FASB in the preparation of financial statements in conformity with GAAP. The Codification supersedes existing non-grandfathered, non-SEC accounting and reporting standards. The Codification did not change GAAP but rather organized it into a hierarchy where all guidance within the Codification carries an equal level of authority. The Codification became effective on July 1, 2009.

In May 2009, the FASB updated the accounting standards on the recognition and disclosure of subsequent events. The standard also requires the disclosure of the date through which subsequent events were evaluated. The Company adopted the guidance for the annual reporting period ended December 31, 2009.

In April 2009, the FASB updated the accounting standards to provide guidance on estimating the fair value of a financial asset or liability when the trade volume and level of activity for the asset or liability have significantly decreased relative to historical levels. The standard requires entities to disclose the inputs and valuation techniques used to measure fair value and any changes in valuation inputs or techniques. In addition, debt and equity securities as defined by GAAP should be disclosed by major category. The Company adopted the guidance for the annual reporting period ended December 31, 2009.

In April 2009, the FASB updated the accounting standards for the recognition and presentation of other-than-temporary impairments for fixed maturity securities. Existing guidance was amended to require the credit portion of other-than-temporary impairments to be recorded in earnings and the noncredit portion of losses to be recorded in other comprehensive income. Separate presentation of both the credit and noncredit portions of other-than-temporary impairments is required on the financial statements and notes to the financial statements. The Company adopted the guidance for the annual reporting period ended December 31, 2009.

***Subsequent Events***

The Company evaluated events or transactions that may have occurred after the Balance Sheet date for potential recognition or disclosure through February 20, 2012, the date the financial statements were available to be issued.

During 2012, the Company will adopt Accounting Standards Update 2010-26, *Accounting for Costs Associated with Acquiring or Renewing Insurance Contracts*. This standard establishes new guidance regarding the amount of costs that can be deferred as part of acquiring new insurance contracts. The Company expects that the adoption of this new standard will significantly reduce the amount of costs that will be deferred.

***Reclassifications***

Certain prior year balances have been reclassified to conform to the current year presentation.

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 2. Investments**

**Fixed Maturity Securities**

The amortized cost and fair value of the Company's investments in fixed maturity securities are summarized as follows (in thousands):

	<u>Amortized Cost</u>	<u>Gross Unrealized</u>		<u>Fair Value</u>
		<u>Gains</u>	<u>Losses</u>	
<b>December 31, 2011</b>				
U.S. government and agency securities . . . . .	\$ 397,218	\$ 17,116	\$ 19	\$ 414,315
U.S. state and political subdivision securities . . . . .	1,013	210	—	1,223
Securities issued by foreign governments . . . . .	27,378	2,669	—	30,047
Corporate debt securities . . . . .	887,307	75,775	5,059	958,023
Residential mortgage-backed securities . . . . .	56,997	1,004	12,070	45,931
Commercial mortgage-backed securities . . . . .	61,774	5,721	—	67,495
Other debt obligations . . . . .	58,159	733	3,519	55,373
Total fixed maturity securities . . . . .	<u>\$1,489,846</u>	<u>\$103,228</u>	<u>\$20,667</u>	<u>\$1,572,407</u>
<b>December 31, 2010</b>				
U.S. government and agency securities . . . . .	\$ 313,574	\$ 10,218	\$ 855	\$ 322,937
U.S. state and political subdivision securities . . . . .	1,013	24	—	1,037
Securities issued by foreign governments . . . . .	33,133	1,874	16	34,991
Corporate debt securities . . . . .	838,295	55,739	2,973	891,061
Residential mortgage-backed securities . . . . .	62,871	233	8,114	54,990
Commercial mortgage-backed securities . . . . .	53,781	4,302	18	58,065
Other debt obligations . . . . .	55,934	1,285	3,600	53,619
Total fixed maturity securities . . . . .	<u>\$1,358,601</u>	<u>\$ 73,675</u>	<u>\$15,576</u>	<u>\$1,416,700</u>

The amortized cost and fair value of fixed maturity securities by contractual maturity as of December 31, 2011, are shown below (in thousands). Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	<u>Amortized Cost</u>	<u>Fair Value</u>
Due in one year or less . . . . .	\$ 51,630	\$ 53,286
Due after one year through five years . . . . .	460,876	484,902
Due after five years through ten years . . . . .	444,438	479,609
Due after ten years . . . . .	532,902	554,610
Total fixed maturity securities . . . . .	<u>\$1,489,846</u>	<u>\$1,572,407</u>

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 2. Investments, continued**

**Equity Securities**

The cost and fair value of the Company's investment in equity securities as of December 31 are summarized as follows (in thousands):

	<b>2011</b>	<b>2010</b>
Cost .....	\$400	\$400
Gross unrealized gains .....	26	25
Gross unrealized losses .....	—	—
Fair value .....	\$426	\$425

**Aging of Unrealized Losses**

The following table shows the fair value and gross unrealized losses aggregated by investment category and length of time that individual fixed maturity securities have been in a continuous unrealized loss position (dollars in thousands):

	Less than 12 Months			12 Months or More		
	Number of Securities	Fair Value	Gross Unrealized Losses	Number of Securities	Fair Value	Gross Unrealized Losses
<b>December 31, 2011</b>						
U.S. government and agency securities . . . .	1	\$ 10,319	\$ 19	—	\$ —	\$ —
Corporate debt securities .....	81	101,409	3,667	9	7,685	1,392
Residential mortgage-backed securities . . .	3	6,958	196	16	29,924	11,874
Other debt obligations .....	9	22,485	400	5	7,910	3,119
Total bonds .....	94	\$141,171	\$4,282	30	\$45,519	\$16,385
<b>December 31, 2010</b>						
U.S. government and agency securities . . . .	5	\$ 45,059	\$ 855	—	\$ —	\$ —
Securities issued by foreign governments .....	1	983	16	—	—	—
Corporate debt securities .....	91	101,550	2,178	5	6,303	795
Residential mortgage-backed securities . . .	2	11,912	692	15	30,487	7,422
Commercial mortgage-backed securities . . .	1	5,276	18	—	—	—
Other debt obligations .....	1	1,906	127	9	13,836	3,473
Total bonds .....	101	\$166,686	\$3,886	29	\$50,626	\$11,690

The Company had no equity securities in an unrealized loss position as of December 31, 2011 or 2010.

The Company performs periodic evaluations of its securities in accordance with its impairment policy in order to determine whether such securities are other-than-temporarily impaired. This review includes an evaluation of each security issuer's creditworthiness such as its ability to generate operating cash flow and remain current on all debt obligations as well as any changes in its credit ratings from third party agencies. Thrivent Financial also evaluates the severity and duration of any decline in fair value as another indicator of other-than-temporary impairment. The Company takes into consideration the current market environment, near-term and long-term asset liability management strategies and target allocation strategies for various asset classes

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 2. Investments, continued**

**Aging of Unrealized Losses, continued**

in evaluating the potential need to sell securities that are in an unrealized loss position but where there are no other indications of other-than-temporary impairment. Based on the investments within the available-for-sale portfolio, the asset/liability position and the market conditions that existed as of the balance sheet dates, the Company has no pending decisions to sell any of the securities within its available-for-sale portfolio, and generally has the ability and intent to hold securities in an unrealized loss position for a period of time sufficient for the security to recover in value; however, if a significant change in the capital markets occurs that affects the overall risk profile of its investment strategies, the Company may need to update its assessment of its investment holdings. If, in response to changed conditions in the capital markets, the Company decides to sell a security in an unrealized loss position, a realized loss is recognized in the period that the decision is made to sell that security.

Based on the Company's current evaluation of its securities in accordance with its impairment policy, a determination was made that the declines in the securities summarized above are temporary in nature.

**Securities Lending**

Elements of the securities lending program are presented below as of December 31 (in thousands):

	<u>2011</u>	<u>2010</u>
Securities lending:		
Carrying value .....	\$5,967	\$35,638
Fair value .....	5,967	35,638
Cash collateral reinvested:		
Carrying value .....	\$6,105	\$36,319
Fair value .....	6,105	36,319
Aging of cash collateral liability:		
Open collateral position .....	\$6,105	\$36,319

**Net Investment Income**

Net investment income by type of investment for the years ended December 31 is summarized as follows (in thousands):

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Fixed maturity securities .....	\$69,426	\$68,226	\$64,677
Income from investment in Asset Mgt. ....	13,233	9,675	6,192
Equity securities .....	110	265	265
Contract loans .....	885	900	879
Other .....	45	1,763	342
	<u>83,699</u>	<u>80,829</u>	<u>72,355</u>
Investment expenses .....	852	1,019	660
Net investment income .....	<u>\$82,847</u>	<u>\$79,810</u>	<u>\$71,695</u>

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 2. Investments, continued**

**Realized Investment Gains and Losses**

Realized investment gains and losses for the years ended December 31 were as follows (in thousands):

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net gains (losses) on sales:			
Fixed maturity securities:			
Gross gains .....	\$ 6,499	\$16,635	\$ 7,121
Gross losses .....	(1,473)	(4,209)	(2,644)
Equity securities:			
Gross gains .....	—	—	137
Gross losses .....	(556)	—	—
Provisions for losses .....	<u>(1,877)</u>	<u>(3,430)</u>	<u>(5,322)</u>
Realized investment gains (losses) .....	<u>\$ 2,593</u>	<u>\$ 8,996</u>	<u>\$ (708)</u>

Proceeds from the sale of fixed maturity securities in the available-for-sale portfolio, net of mortgage dollar roll transactions, were \$237 million, \$465 million and \$250 million for the years ended December 31, 2011, 2010 and 2009, respectively.

During 2011 and 2010, the Company recognized other-than-temporary impairments on structured securities totaling \$5 million and \$7 million, respectively. Based on cash flow analysis of the impaired securities, it is estimated that \$2 million of the 2011 impairment was credit related and \$3 million of the impairment was related to other factors. The credit related portion of the impairment was recognized as a realized investment loss in the Statement of Operations, while the impairment related to other factors was recognized in other comprehensive income.

The following table presents a rollforward of the cumulative amounts of other-than-temporary impairments reported in other comprehensive income (in thousands):

	<u>2011</u>	<u>2010</u>
Losses included in accumulated other comprehensive income, January 1 .....	\$(6,452)	\$(6,104)
Additional impairments on securities held at beginning of year, recorded in realized investment gains (losses) on Statement of Operations .....	1,059	844
Change in unrealized loss on securities held at beginning of year .....	(449)	900
Other-than-temporary impairments recorded in other comprehensive income for additional securities .....	<u>(888)</u>	<u>(2,092)</u>
Losses included in accumulated other comprehensive income, December 31 .....	<u>\$(6,730)</u>	<u>\$(6,452)</u>

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 2. Investments, continued**

**Accumulated Other Comprehensive Income**

The components of accumulated other comprehensive income as of December 31 are shown below (in thousands):

	<u>2011</u>	<u>2010</u>
Unrealized investment gains . . . . .	\$ 89,317	\$ 64,576
Unrealized investment losses on previously impaired structured securities . . . . .	(6,730)	(6,452)
Deferred acquisition cost adjustment . . . . .	(44,711)	(30,019)
Deferred income taxes adjustment . . . . .	(13,257)	(9,837)
Total . . . . .	<u>\$ 24,619</u>	<u>\$ 18,268</u>

**Other Comprehensive Income (Loss)**

The components of other comprehensive income (loss) for the years ended December 31, were as follows (in thousands):

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Unrealized investment gains and losses arising during the period on securities available-for-sale . . . . .	\$ 27,056	\$ 49,847	\$ 117,262
Reclassification adjustment for realized gains and losses included in net income . . . . .	(2,593)	(8,996)	708
Change in deferred acquisition costs due to unrealized investment gains and losses . . . . .	(14,692)	(21,716)	(54,244)
Change in deferred income taxes due to unrealized investment gains and losses . . . . .	(3,420)	(6,698)	(22,304)
Total other comprehensive income (loss) . . . . .	<u>\$ 6,351</u>	<u>\$ 12,437</u>	<u>\$ 41,422</u>

**Note 3. Deferred Acquisition Costs**

The changes in deferred acquisition costs for the years ended December 31 were as follows (in thousands):

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Balance at beginning of year . . . . .	\$ 69,722	\$ 83,221	\$ 87,389
Capitalization of acquisition costs . . . . .	4,953	7,814	9,844
Acquisition costs amortized . . . . .	(18,555)	(21,313)	(14,012)
	56,120	69,722	83,221
Adjustment for unrealized investment gains and losses . . . . .	(44,711)	(30,019)	(8,303)
Balance at end of year . . . . .	<u>\$ 11,409</u>	<u>\$ 39,703</u>	<u>\$ 74,918</u>

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 4. Income Taxes**

The components of the Company's net income tax liability, which is included as a component of other liabilities, as of December 31 were as follows (in thousands):

	<u>2011</u>	<u>2010</u>
Tax (payable) receivable .....	\$ (500)	\$ 792
Deferred tax liability, net .....	<u>(17,298)</u>	<u>(19,716)</u>
Total .....	<u><u>\$(17,798)</u></u>	<u><u>\$(18,924)</u></u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's net deferred tax liability as of December 31 were as follows (in thousands):

	<u>2011</u>	<u>2010</u>
Deferred tax assets:		
Loss reserves .....	\$ 6,242	\$ 5,863
Deferred compensation .....	1,811	1,811
Impairment on bonds .....	5,919	5,277
Other .....	<u>69</u>	<u>31</u>
Deferred tax assets .....	<u>14,041</u>	<u>12,982</u>
Deferred tax liabilities:		
Deferred acquisition costs .....	(17,631)	(22,477)
Unrealized investment gains .....	(13,257)	(9,837)
Other .....	<u>(451)</u>	<u>(384)</u>
Deferred tax liabilities .....	<u>(31,339)</u>	<u>(32,698)</u>
Net deferred tax liability .....	<u><u>\$(17,298)</u></u>	<u><u>\$(19,716)</u></u>

Components of the provision for income taxes for the years ended December 31 were as follows (in thousands):

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Current expense .....	\$13,185	\$11,550	\$10,359
Deferred benefit .....	<u>(5,838)</u>	<u>(3,644)</u>	<u>(9,531)</u>
Total tax expense .....	<u><u>\$ 7,347</u></u>	<u><u>\$ 7,906</u></u>	<u><u>\$ 828</u></u>

The Company's effective tax rate for the years ended December 31, 2011, 2010 and 2009 was 31%, 31% and 4%, respectively. The difference between the effective rate and the statutory rate of 35% is due primarily to the dividends received deduction for all years and the change in the valuation allowance due to realized capital losses and impairments in 2009.

At December 31, 2011, the Company had no capital loss carryforward. There are no material tax contingencies or provisions for uncertain tax positions recorded that warrant disclosure under FASB guidance. The Internal Revenue Service ("IRS") has completed an examination of tax years through 2007. Tax years 2008 through 2011 are open under the statute of limitations and remain subject to examination by the IRS.

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 5. Stockholder's Equity**

The capital stock of the Company consists of 2,000,000 shares of common stock authorized, issued and outstanding with a par value of \$2.50 per share. The amount of dividends that the Company may pay to its parent without prior approval of the Minnesota Department of Commerce is limited to the greater of 10% of statutory-basis surplus as of the prior year-end or 100% of statutory-basis gain from operations. In 2011, 2010 and 2009, respectively, the Company declared dividends to its parent in the amounts of \$23.6 million, \$17.2 million and \$24.5 million. Statutory-basis net income for the periods ended December 31, 2011, 2010 and 2009, was \$21 million, \$21 million and \$12 million, respectively. Statutory-basis capital and surplus as of December 31, 2011 and 2010, was \$169 million and \$172 million, respectively.

**Note 6. Fair Value of Financial Instruments**

**Fair Value of Financial Instruments Carried at Fair Value**

In estimating the fair values for financial instruments carried at fair value, the amount of observable and unobservable inputs used to determine fair value is taken into consideration. Each of the financial instruments has been classified into one of three categories based on that evaluation:

- Level 1: Fair value based on quoted prices for identical assets in active markets that are accessible.
- Level 2: Fair value based on quoted prices for similar instruments in active markets that are accessible; quoted prices for identical or similar instruments in markets that are not active; or model-derived valuations where the significant value driver inputs are observable.
- Level 3: Fair value based on significant value driver inputs that are not observable.

***Fixed Maturity Securities***

Fair values for fixed maturity securities are primarily based on quoted market prices in active markets, where available. These primarily include U.S. Treasury bonds.

When quoted prices are not available, the Company obtains a price from a third-party pricing vendor. Pricing from a third-party pricing vendor varies by asset class, but generally includes inputs such as estimated cash flows, benchmark yields reported trades, issuer spreads, bids, offers, credit quality, industry events and economic events. These primarily included corporate debt securities, asset-backed securities and other debt obligations.

***Equity Securities***

The fair values for investments in equity securities are primarily based on quoted market prices in active markets.

***Short-Term Investments***

The fair value for short-term investments carried at fair value is based on quoted daily net asset value of the invested funds.

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 6. Fair Value of Financial Instruments, continued**

**Fair Value of Financial Instruments Carried at Fair Value, continued**

***Separate Account Assets***

The fair values for separate account assets are based on quoted daily net asset values of the funds in which the separate accounts are invested.

The fair values of the Company's financial instruments carried at fair value were as follows (in thousands):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Fair Value at December 31, 2011:</b>				
Fixed maturity securities:				
U.S. government and agency securities . . . . .	\$114,589	\$ 299,726	\$—	\$ 414,315
U.S. state and political subdivision securities . . . . .	—	1,223	—	1,223
Securities issued by foreign governments . . . . .	—	30,047	—	30,047
Corporate debt securities . . . . .	—	958,023	—	958,023
Residential mortgage-backed securities . . . . .	—	45,931	—	45,931
Commercial mortgage-backed securities . . . . .	—	67,495	—	67,495
Other debt obligations . . . . .	—	55,373	—	55,373
Equity securities:				
Preferred stocks . . . . .	—	426	—	426
Short-term investments . . . . .	—	17,649	—	17,649
Assets held in separate accounts . . . . .	—	1,492,152	—	1,492,152
Total . . . . .	<u>\$114,589</u>	<u>\$2,968,045</u>	<u>\$—</u>	<u>\$3,082,634</u>
<b>Fair Value at December 31, 2010:</b>				
Fixed maturity securities:				
U.S. government and agency securities . . . . .	\$ 85,725	\$ 237,212	\$—	\$ 322,937
U.S. state and political subdivision securities . . . . .	—	1,037	—	1,037
Securities issued by foreign governments . . . . .	—	34,991	—	34,991
Corporate debt securities . . . . .	—	891,061	—	891,061
Residential mortgage-backed securities . . . . .	—	54,990	—	54,990
Commercial mortgage-backed securities . . . . .	—	58,065	—	58,065
Other debt obligations . . . . .	—	53,619	—	53,619
Equity securities:				
Preferred stocks . . . . .	—	425	—	425
Short-term investments . . . . .	—	36,324	—	36,324
Assets held in separate accounts . . . . .	—	1,710,723	—	1,710,723
Total . . . . .	<u>\$ 85,725</u>	<u>\$3,078,447</u>	<u>\$—</u>	<u>\$3,164,172</u>

The Company had no transfers into or out of Level 1 or Level 2 fair value measurements during 2011 or 2010 that required disclosures.

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 6. Fair Value of Financial Instruments, continued**

**Fair Value of Financial Instruments Not Carried at Fair Value**

The following methods and assumptions were used in estimating fair value disclosures for financial instruments not carried at fair value.

***Contract Loans***

The carrying amounts for these instruments approximate their fair values.

***Other invested assets***

Other invested assets include an equity investment in Asset Mgt. The carrying amount for this instrument approximates its fair value.

***Cash and Cash Equivalents***

The carrying amounts for these instruments approximate their fair values.

***Contractholder Funds — Deferred Annuities and Deposit-Type Contracts***

The fair values for investment-type contracts, such as deferred annuities, liabilities related to separate account liabilities and supplementary contracts without life contingencies, are estimated to be the cash surrender value payable upon immediate withdrawal.

***Liabilities Related to Separate Accounts***

The carrying amounts for these instruments reflect the amounts in the separate account assets and approximate their fair values.

The carrying value and estimated fair value of the Company's financial instruments not carried at fair value as of December 31 were as follows (in thousands):

	<b>2011</b>		<b>2010</b>	
	<b>Carrying Value</b>	<b>Estimated Fair Value</b>	<b>Carrying Value</b>	<b>Estimated Fair Value</b>
<b>Financial Assets:</b>				
Contract loans . . . . .	\$ 11,778	\$ 11,778	\$ 12,186	\$ 12,186
Other invested assets . . . . .	3,451	3,451	2,217	2,217
Cash and cash equivalents . . . . .	91,937	91,937	37,233	37,233
<b>Financial Liabilities:</b>				
Deferred annuities . . . . .	1,094,726	1,094,726	984,895	984,895
Deposit-type contracts . . . . .	97,593	97,593	82,303	82,303
Liabilities related to separate accounts . . . . .	1,492,152	1,492,152	1,710,723	1,710,723

The results of the valuation methods presented in this footnote are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. As a result, the derived fair value estimates, in many cases, could not be realized in immediate settlement of the financial instrument. These fair values are for certain financial instruments of the Company; accordingly, the aggregate fair value amounts presented do not represent the underlying value of the Company.

**Thrivent Life Insurance Company**  
Notes to Financial Statements, continued

**Note 7. Contingent Liabilities**

The Company is involved in various lawsuits, contractual matters and other contingencies that have arisen from the normal course of business. The Company assesses its exposure to these matters periodically and adjusts its provision accordingly. As of December 31, 2011, the Company believes adequate provision has been made for any losses that may result from these matters.

**Note 8. Related Party Transactions**

The Company has an agreement whereby Thrivent Financial provides administrative and operating functions on behalf of the Company. Expenses allocated to the Company under the terms of this agreement totaled \$11 million, \$13 million and \$14 million for the years ended December 31, 2011, 2010 and 2009, respectively. As of December 31, 2011 and 2010, the Company has a net payable to Thrivent Financial totaling \$1 million and \$0.4 million, respectively, which is included in other liabilities on the Balance Sheets.

The Company has an agreement with an affiliate who distributes its variable products. Under the terms of the agreement, the Company paid commissions to the affiliate totaling \$2 million, \$3 million and \$4 million for the years ended December 31, 2011, 2010 and 2009, respectively.

## Report of Independent Auditors on Other Financial Information

The Board of Directors  
Thrivent Life Insurance Company

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules I, III and IV is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Ernst + Young LLP*

Minneapolis, Minnesota  
April 23, 2012

**Thrivent Life Insurance Company**  
**Supplementary Insurance Information**  
Schedule I — Summary of Investments — Other than Investments in Related Parties  
As of December 31, 2011  
(in thousands)

<u>Type of Investment</u>	<u>Amortized Cost</u>	<u>Fair Value</u>	<u>Amount Shown on Balance Sheet</u>
Fixed maturities:			
Bonds:			
U.S.government and government agencies and authorities . . . . .	\$ 397,218	\$ 414,315	\$ 414,315
State, municipalities and political subdivisions . . . . .	1,013	1,223	1,223
Foreign governments . . . . .	27,378	30,047	30,047
Public utilities . . . . .	51,581	60,103	60,103
Convertibles and bonds with warrants attached . . . . .	—	—	—
All other corporate bonds . . . . .	1,012,656	1,066,719	1,066,719
Certificates of deposit . . . . .	—	—	—
Redeemable preferred stock . . . . .	—	—	—
Total fixed maturities . . . . .	<u>1,489,846</u>	<u>1,572,407</u>	<u>1,572,407</u>
Equity securities:			
Common stocks:			
Public utilities . . . . .	—	—	—
Banks, trust and insurance companies . . . . .	—	—	—
Industrial, miscellaneous and all other . . . . .	—	—	—
Nonredeemable preferred stocks . . . . .	400	426	426
Total equity securities . . . . .	<u>400</u>	<u>426</u>	<u>426</u>
Mortgage loans on real estate . . . . .	—	—	—
Real estate . . . . .	—	—	—
Policy loans . . . . .	11,778	—	11,778
Other long-term investments . . . . .	3,451	—	3,451
Short-term investments . . . . .	17,649	—	17,649
Total investments . . . . .	<u>\$1,523,124</u>	<u>—</u>	<u>\$1,605,711</u>

**Thrivent Life Insurance Company**  
Schedule III — Supplementary Insurance Information  
As of and For the Year Ended December 31, 2011  
(in thousands)

As of December 31, 2011:

	<u>Deferred acquisition costs</u>	<u>Future policy benefits</u>	<u>Unearned premiums</u>	<u>Other policy claims payable</u>
Life .....	\$ 22,080	\$ 5,034	\$—	\$ 13,056
Annuity .....	(10,671)	164,982	—	1,199,475
Health .....	—	2	—	—
	<u>\$ 11,409</u>	<u>\$170,018</u>	<u>\$—</u>	<u>\$1,212,531</u>

For the year ended December 31, 2011:

	<u>Premium revenue</u>	<u>Net investment income</u>	<u>Benefits, claims, etc</u>	<u>Amortization of deferred acquisition costs</u>	<u>Other operating expenses</u>	<u>Premiums written<sup>1</sup></u>
Life .....	\$ 2	\$ 1,392	\$ 3,747	\$ 1,649	\$ 1,045	
Annuity .....	18,445	81,566	71,481	16,906	10,344	
Health .....	—	—	—	—	—	
	<u>\$18,447</u>	<u>\$82,847</u>	<u>\$75,228</u>	<u>\$18,555</u>	<u>\$11,389</u>	

<sup>1</sup> Does not apply to life insurance

**Thrivent Life Insurance Company**  
Schedule IV — Reinsurance  
As of December 31, 2011  
(in thousands)

	<u>Direct amount</u>	<u>Ceded to other companies</u>	<u>Assumed from other companies</u>	<u>Net amount</u>	<u>Percentage of amount assumed to net</u>
Life insurance inforce .....	\$1,512,148	\$25,482	\$—	\$1,486,666	—
Premiums:					
Life .....	2	—	—	2	—
Annuity .....	18,445	—	—	18,445	—
Health .....	—	—	—	—	—
	<u>\$ 18,447</u>	<u>\$ —</u>	<u>\$—</u>	<u>\$ 18,447</u>	<u>—</u>

## Report of Independent Registered Public Accounting Firm

The Board of Directors and Contractholders  
Thrivent Life Insurance Company

We have audited the accompanying statements of assets and liabilities of the individual subaccounts of TLIC Variable Annuity Account A (the Variable Account) sponsored by Thrivent Life Insurance Company, referred to in Note 1, as of December 31, 2011, and the related statements of operations and changes in net assets for the periods indicated therein. These financial statements are the responsibility of the Variable Account's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Variable Account's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Variable Account's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2011, by correspondence with the affiliated transfer agent. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each of the respective subaccounts constituting the TLIC Variable Annuity Account A at December 31, 2011, and the results of their operations and changes in their net assets for the periods indicated therein, in conformity with U.S. generally accepted accounting principles.

*Ernst + Young LLP*

Minneapolis, Minnesota  
April 23, 2012

**TLIC VARIABLE ANNUITY ACCOUNT A**  
**Statements of Assets and Liabilities**  
**December 31, 2011**

Subaccount	Investments at fair value	Receivable from TLIC for annuity reserve adjustment	Total Assets	Payable to TLIC for annuity reserve adjustment	Net Assets	Contracts in accumulation period	Reserves for contracts in annuity payment period	Accumulation units outstanding	Unit value (accumulation)	Deathclaim units	Deathclaim unit value	Series funds, at cost	Series funds shares owned
Aggressive Allocation	\$ 36,825,442	\$ —	\$ 36,825,442	\$ —	\$ 36,825,442	\$ 36,825,442	\$ —	3,007,513	\$12.24	—	\$11.51	\$ 37,524,072	\$ 3,229,650
Moderately Aggressive Allocation	\$148,776,948	\$ —	\$148,776,948	\$ —	\$148,776,948	\$148,776,948	\$ —	12,079,481	\$12.31	6,425	\$11.73	\$155,936,669	\$13,294,933
Moderate Allocation	\$243,004,790	\$ —	\$243,004,790	\$ —	\$243,004,790	\$243,004,790	\$ —	19,355,468	\$12.55	3,727	\$12.12	\$247,694,298	\$21,598,122
Moderately Conservative Allocation	\$102,872,608	\$ —	\$102,872,608	\$ —	\$102,872,608	\$102,872,608	\$ —	8,206,362	\$12.53	1,759	\$12.23	\$101,582,341	\$ 9,118,700
Partner Technology	\$ 1,616,883	\$ 1,412	\$ 1,618,295	\$ —	\$ 1,618,295	\$ 1,604,457	\$ 13,838	146,764	\$10.93	—	\$10.06	\$ 1,687,384	\$ 260,766
Partner Healthcare	\$ 1,470,801	\$ —	\$ 1,470,801	\$ —	\$ 1,470,801	\$ 1,470,801	\$ —	129,202	\$11.38	—	\$11.45	\$ 1,376,078	\$ 130,612
Partner Natural Resources	\$ 2,527,578	\$ —	\$ 2,527,578	\$ —	\$ 2,527,578	\$ 2,527,578	\$ —	315,111	\$ 8.02	—	\$ 8.07	\$ 2,676,150	\$ 303,482
Partner Emerging Markets	\$ 2,529,952	\$ —	\$ 2,529,952	\$ —	\$ 2,529,952	\$ 2,529,952	\$ —	235,375	\$10.75	—	\$10.81	\$ 2,334,125	\$ 231,596
Real Estate Securities	\$ 9,575,737	\$ 2,069	\$ 9,577,806	\$ —	\$ 9,577,806	\$ 9,469,129	\$ 108,677	416,137	\$22.72	1,193	\$12.56	\$ 8,936,481	\$ 607,174
Partner Utilities	\$ 737,288	\$ —	\$ 737,288	\$ —	\$ 737,288	\$ 737,288	\$ —	83,621	\$ 8.82	—	\$ 8.87	\$ 711,464	\$ 85,241
Partner Small Cap Growth	\$ 3,591,232	\$ 9,381	\$ 3,600,613	\$ —	\$ 3,600,613	\$ 3,506,818	\$ 93,795	264,011	\$13.28	—	\$11.46	\$ 3,321,487	\$ 289,110
Partner Small Cap Value	\$ 6,414,532	\$ 3,089	\$ 6,417,621	\$ —	\$ 6,417,621	\$ 6,337,751	\$ 79,870	277,897	\$22.81	—	\$13.49	\$ 5,494,433	\$ 344,042
Small Cap Stock	\$ 6,108,326	\$ —	\$ 6,108,326	\$ 7,429	\$ 6,100,897	\$ 6,013,144	\$ 87,753	436,899	\$13.74	765	\$10.60	\$ 6,452,465	\$ 509,409
Small Cap Index	\$ 5,893,223	\$ 5,047	\$ 5,898,270	\$ —	\$ 5,898,270	\$ 5,854,201	\$ 44,069	371,805	\$15.75	10	\$12.19	\$ 6,314,879	\$ 461,504
Mid Cap Growth II	\$ 1,991,178	\$ 6,685	\$ 1,997,863	\$ —	\$ 1,997,863	\$ 1,972,382	\$ 25,481	152,251	\$12.95	—	\$13.61	\$ 1,937,019	\$ 217,015
Mid Cap Growth	\$ 68,408,063	\$175,735	\$ 68,583,798	\$ —	\$ 68,583,798	\$ 66,602,311	\$1,981,487	2,900,882	\$22.95	2,876	\$14.11	\$ 56,206,802	\$ 3,909,076
Partner Mid Cap Value	\$ 1,997,135	\$ —	\$ 1,997,135	\$ —	\$ 1,997,135	\$ 1,997,135	\$ —	155,331	\$12.86	—	\$11.88	\$ 1,945,283	\$ 159,637
Mid Cap Stock	\$ 7,898,008	\$ —	\$ 7,898,008	\$ 6,564	\$ 7,891,444	\$ 7,692,020	\$ 199,424	500,738	\$15.35	391	\$11.65	\$ 7,867,254	\$ 688,027
Mid Cap Index	\$ 5,797,102	\$ 8,596	\$ 5,805,698	\$ —	\$ 5,805,698	\$ 5,723,430	\$ 82,268	355,549	\$16.10	7	\$12.70	\$ 5,675,818	\$ 491,655
Partner Worldwide Allocation	\$ 4,033,652	\$ —	\$ 4,033,652	\$ —	\$ 4,033,652	\$ 4,033,652	\$ —	525,363	\$ 7.68	—	\$ 7.72	\$ 4,173,796	\$ 545,663
Partner International Stock	\$ 38,993,491	\$123,699	\$ 39,117,190	\$ —	\$ 39,117,190	\$ 37,912,542	\$1,204,648	2,907,416	\$13.02	4,421	\$ 9.56	\$ 48,626,736	\$ 4,244,975
Partner Socially Responsible Stock	\$ 270,717	\$ —	\$ 270,717	\$ —	\$ 270,717	\$ 270,717	\$ —	27,513	\$ 9.84	—	\$ 9.89	\$ 236,618	\$ 26,635
Partner All Cap Growth	\$ 1,131,302	\$ —	\$ 1,131,302	\$ —	\$ 1,131,302	\$ 1,131,302	\$ —	126,007	\$ 8.98	—	\$ 9.03	\$ 1,009,373	\$ 121,019
Partner All Cap Value	\$ 511,329	\$ —	\$ 511,329	\$ —	\$ 511,329	\$ 511,329	\$ —	63,299	\$ 8.08	—	\$ 8.12	\$ 499,166	\$ 62,955
Partner All Cap	\$ 6,528,996	\$ 7,605	\$ 6,536,601	\$ —	\$ 6,536,601	\$ 6,444,387	\$ 92,214	604,049	\$10.67	—	\$11.42	\$ 7,415,069	\$ 773,413
Large Cap Growth II	\$ 1,577,626	\$ 4,925	\$ 1,582,551	\$ —	\$ 1,582,551	\$ 1,546,594	\$ 35,957	160,800	\$ 9.62	19	\$10.13	\$ 2,152,436	\$ 247,537
Large Cap Growth	\$245,185,783	\$732,964	\$245,918,747	\$ —	\$245,918,747	\$237,264,784	\$8,653,963	4,546,901	\$52.11	29,971	\$10.58	\$273,696,628	\$15,359,149
Partner Growth Stock	\$ 5,953,153	\$ 10,881	\$ 5,964,034	\$ —	\$ 5,964,034	\$ 5,879,393	\$ 84,641	466,057	\$12.60	705	\$11.71	\$ 5,417,579	\$ 521,794
Large Cap Value	\$ 26,070,732	\$ 48,984	\$ 26,119,716	\$ —	\$ 26,119,716	\$ 25,561,541	\$ 558,175	2,178,275	\$11.73	1,165	\$10.70	\$ 25,148,683	\$ 2,508,200
Large Cap Stock	\$ 11,198,651	\$ —	\$ 11,198,651	\$16,796	\$ 11,181,855	\$ 10,868,446	\$ 313,409	1,050,692	\$10.32	2,295	\$ 9.94	\$ 11,675,925	\$ 1,380,709
Large Cap Index	\$ 9,760,200	\$ 19,932	\$ 9,780,132	\$ —	\$ 9,780,132	\$ 9,620,468	\$ 159,664	776,425	\$12.39	25	\$11.05	\$ 10,231,106	\$ 551,038
Equity Income Plus	\$ 1,830,924	\$ —	\$ 1,830,924	\$ —	\$ 1,830,924	\$ 1,830,924	\$ —	204,655	\$ 8.95	—	\$ 9.00	\$ 1,857,474	\$ 207,774
Balanced	\$ 5,794,484	\$ 11,506	\$ 5,805,990	\$ —	\$ 5,805,990	\$ 5,582,088	\$ 223,902	405,093	\$13.78	—	\$12.15	\$ 5,623,002	\$ 400,113
High Yield	\$123,043,531	\$463,793	\$123,507,324	\$ —	\$123,507,324	\$118,530,604	\$4,976,720	2,923,653	\$40.52	7,001	\$14.77	\$170,562,938	\$26,396,261
Diversified Income Plus	\$ 8,868,955	\$ 8,155	\$ 8,877,110	\$ —	\$ 8,877,110	\$ 8,546,815	\$ 330,295	496,201	\$17.18	1,755	\$13.12	\$ 8,913,987	\$ 1,352,655
Partner Socially Responsible Bond	\$ 648,825	\$ —	\$ 648,825	\$ —	\$ 648,825	\$ 648,825	\$ —	51,411	\$12.62	—	\$12.69	\$ 632,408	\$ 60,597
Income	\$125,398,377	\$508,355	\$125,906,732	\$ —	\$125,906,732	\$121,114,543	\$4,792,189	3,098,807	\$39.05	10,303	\$13.30	\$121,913,113	\$12,434,271
Bond Index	\$ 7,708,246	\$ 10,701	\$ 7,718,947	\$ —	\$ 7,718,947	\$ 7,555,099	\$ 163,848	505,318	\$14.92	1,251	\$13.29	\$ 7,182,272	\$ 687,586
Limited Maturity Bond	\$ 17,729,865	\$ 48,282	\$ 17,778,147	\$ —	\$ 17,778,147	\$ 17,062,905	\$ 715,242	1,355,138	\$12.58	1,177	\$11.67	\$ 18,129,532	\$ 1,833,207
Mortgage Securities	\$ 2,036,385	\$ —	\$ 2,036,385	\$ 2,065	\$ 2,034,320	\$ 1,987,926	\$ 46,394	146,138	\$13.60	—	\$13.13	\$ 1,928,364	\$ 194,957
Money Market	\$ 15,329,492	\$ 36,022	\$ 15,365,514	\$ —	\$ 15,365,514	\$ 14,821,201	\$ 544,313	7,554,880	\$ 1.96	2,952	\$ 1.08	\$ 15,329,492	\$15,329,492

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The accompanying notes are an integral part of these financial statements.

## TLIC VARIABLE ANNUITY ACCOUNT A

### Statements of Operations

December 31, 2011

Subaccount	Investment Income		Expenses		Realized and unrealized gain (loss) on investments				Net increase (decrease) in net assets resulting from operations
	Dividends		Mortality & expense risk charges	Net investment income (loss)	Net realized gain (loss) on sale of investments	Capital gain distributions	Change in unrealized appreciation (depreciation) of investments	Net gain (loss) on investments	
Aggressive Allocation	\$ 517,257		\$ (438,784)	\$ 78,473	\$ 176,824	\$ 668,480	\$ (2,885,682)	\$ (2,040,378)	\$ (1,961,905)
Moderately Aggressive Allocation	\$ 3,152,200		\$ (1,745,760)	\$ 1,406,440	\$ (85,780)	\$ 1,924,232	\$ (9,560,781)	\$ (7,722,329)	\$ (6,315,889)
Moderate Allocation	\$ 5,709,009		\$ (2,814,517)	\$ 2,894,492	\$ 87,049	\$ 3,694,103	\$ (12,252,809)	\$ (8,471,657)	\$ (5,577,165)
Moderately Conservative Allocation	\$ 2,301,310		\$ (1,162,284)	\$ 1,139,026	\$ 438,455	\$ 1,386,080	\$ (3,903,050)	\$ (2,078,515)	\$ (939,489)
Partner Technology	\$ —		\$ (21,784)	\$ (21,784)	\$ 41,825	\$ —	\$ (307,617)	\$ (265,792)	\$ (287,576)
Partner Healthcare	\$ —		\$ (17,425)	\$ (17,425)	\$ 46,186	\$ 51,269	\$ (156,615)	\$ (59,160)	\$ (76,585)
Partner Natural Resources	\$ 2,128		\$ (33,146)	\$ (31,018)	\$ 21,407	\$ —	\$ (496,316)	\$ (474,909)	\$ (505,927)
Partner Emerging Markets	\$ 30,960		\$ (32,224)	\$ (1,264)	\$ 155,336	\$ —	\$ (516,362)	\$ (361,026)	\$ (362,290)
Real Estate Securities	\$ —		\$ (112,664)	\$ (112,664)	\$ 84,393	\$ —	\$ 771,529	\$ 855,922	\$ 743,258
Partner Utilities	\$ 13,595		\$ (7,395)	\$ 6,200	\$ (3,721)	\$ —	\$ 49,017	\$ 45,296	\$ 51,496
Partner Small Cap Growth	\$ —		\$ (44,876)	\$ (44,876)	\$ 135,648	\$ —	\$ (313,139)	\$ (177,491)	\$ (222,367)
Partner Small Cap Value	\$ 15,377		\$ (78,174)	\$ (62,797)	\$ 259,818	\$ —	\$ (439,381)	\$ (179,563)	\$ (242,360)
Small Cap Stock	\$ —		\$ (79,656)	\$ (79,656)	\$ (6,764)	\$ —	\$ (340,686)	\$ (347,450)	\$ (427,106)
Small Cap Index	\$ 55,041		\$ (69,920)	\$ (14,879)	\$ (90,790)	\$ 187,701	\$ (130,029)	\$ (33,118)	\$ (47,997)
Mid Cap Growth II	\$ 2,593		\$ (27,042)	\$ (24,449)	\$ 55,269	\$ 91,095	\$ (258,854)	\$ (112,490)	\$ (136,939)
Mid Cap Growth	\$ 255,748		\$ (864,399)	\$ (608,651)	\$ 3,945,229	\$ —	\$ (8,190,363)	\$ (4,245,134)	\$ (4,853,785)
Partner Mid Cap Value	\$ 4,876		\$ (25,296)	\$ (20,420)	\$ 67,048	\$ —	\$ (204,795)	\$ (137,747)	\$ (158,167)
Mid Cap Stock	\$ 4,415		\$ (105,651)	\$ (101,236)	\$ 242,255	\$ —	\$ (797,801)	\$ (555,546)	\$ (656,782)
Mid Cap Index	\$ 55,184		\$ (75,732)	\$ (20,548)	\$ 260,567	\$ 405,672	\$ (798,998)	\$ (132,759)	\$ (153,307)
Partner Worldwide Allocation	\$ 90,940		\$ (54,631)	\$ 36,309	\$ 164,406	\$ 75,662	\$ (930,330)	\$ (690,262)	\$ (653,953)
Partner International Stock	\$ 18,489		\$ (536,710)	\$ (518,221)	\$ (1,063,108)	\$ —	\$ (5,467,886)	\$ (6,530,994)	\$ (7,049,215)
Partner Socially Responsible Stock	\$ 2		\$ (3,225)	\$ (3,223)	\$ 10,747	\$ —	\$ (17,500)	\$ (6,753)	\$ (9,976)
Partner All Cap Growth	\$ —		\$ (13,596)	\$ (13,596)	\$ 36,959	\$ —	\$ (143,018)	\$ (106,059)	\$ (119,655)
Partner All Cap Value	\$ 3,260		\$ (6,065)	\$ (2,805)	\$ 9,912	\$ —	\$ (69,505)	\$ (59,593)	\$ (62,398)
Partner All Cap	\$ 46,998		\$ (81,906)	\$ (34,908)	\$ (170,778)	\$ —	\$ (248,034)	\$ (418,812)	\$ (453,720)
Large Cap Growth II	\$ 2,718		\$ (20,417)	\$ (17,699)	\$ (124,013)	\$ 35,848	\$ (27,587)	\$ (115,752)	\$ (133,451)
Large Cap Growth	\$ 1,508,110		\$ (3,065,002)	\$ (1,556,892)	\$ (2,734,126)	\$ —	\$ (12,468,914)	\$ (15,203,040)	\$ (16,759,932)
Partner Growth Stock	\$ —		\$ (75,823)	\$ (75,823)	\$ 287,497	\$ —	\$ (361,753)	\$ (74,256)	\$ (150,079)
Large Cap Value	\$ 6,736		\$ (327,065)	\$ (320,329)	\$ 498,655	\$ —	\$ (1,353,339)	\$ (854,684)	\$ (1,175,013)
Large Cap Stock	\$ 1,547		\$ (143,264)	\$ (141,717)	\$ 40,574	\$ —	\$ (570,010)	\$ (529,436)	\$ (671,153)
Large Cap Index	\$ 181,561		\$ (119,516)	\$ 62,045	\$ (124,288)	\$ —	\$ 128,339	\$ 4,051	\$ 66,096
Equity Income Plus	\$ 4,365		\$ (17,596)	\$ (13,231)	\$ 476	\$ —	\$ (88,931)	\$ (88,455)	\$ (101,686)
Balanced	\$ 138,943		\$ (68,910)	\$ 70,033	\$ 78,278	\$ 206,116	\$ (162,722)	\$ 121,672	\$ 191,705
High Yield	\$ 10,236,597		\$ (1,446,415)	\$ 8,790,182	\$ (10,359,076)	\$ —	\$ 6,325,510	\$ (4,033,566)	\$ 4,756,616
Diversified Income Plus	\$ 450,661		\$ (99,697)	\$ 350,964	\$ 72,641	\$ —	\$ (305,391)	\$ (232,750)	\$ 118,214
Partner Socially Responsible Bond	\$ 17,845		\$ (7,123)	\$ 10,722	\$ 80	\$ —	\$ 24,069	\$ 24,149	\$ 34,871
Income	\$ 6,059,292		\$ (1,476,305)	\$ 4,582,987	\$ 930,108	\$ —	\$ 908,542	\$ 1,838,650	\$ 6,421,637
Bond Index	\$ 226,206		\$ (87,506)	\$ 138,700	\$ 105,971	\$ 50,423	\$ 243,237	\$ 399,631	\$ 538,331
Limited Maturity Bond	\$ 445,401		\$ (216,944)	\$ 228,457	\$ (57,520)	\$ —	\$ (185,980)	\$ (243,500)	\$ (15,043)
Mortgage Securities	\$ 63,227		\$ (23,945)	\$ 39,282	\$ 25,111	\$ 8,197	\$ 1,192	\$ 34,500	\$ 73,782
Money Market	\$ —		\$ (185,907)	\$ (185,907)	\$ —	\$ —	\$ —	\$ —	\$ (185,907)

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The accompanying notes are an integral part of these financial statements.

**TLIC VARIABLE ANNUITY ACCOUNT A**  
**Statements of Changes of Net Assets**  
**December 31, 2011**

Subaccount	Increase (decrease) in net assets from operations			Increase (decrease) in net assets from contract related transactions											
	Net investment income (loss)	Net realized gain (loss) on investments	Change in net unrealized appreciation (depreciation) on investments	Net Change in Net Assets from Operations	Proceeds from units issued	Death benefits	Surrenders and terminations	Administrative charges	Annuity benefit payments	Adjustments to annuity reserves	Transfers between subaccounts	Net Change in Net Assets from Unit Transactions	Net Change in Net Assets	Net Assets Beginning of Period	Net Assets End of Period
Aggressive															
Allocation	\$ 78,473	\$ 845,304	\$ (2,885,682)	\$(1,961,905)	\$1,195,472	\$ (198,311)	\$(1,975,184)	\$(2,182)	\$ —	\$ —	\$(2,579,059)	\$(3,559,264)	\$(5,521,169)	\$ 42,346,611	\$ 36,825,442
Moderately Aggressive															
Allocation	\$1,406,440	\$ 1,838,452	\$ (9,560,781)	\$(6,315,889)	\$4,853,954	\$ (851,366)	\$(9,497,926)	\$(3,900)	\$ —	\$ —	\$(328,932)	\$(5,828,170)	\$(12,144,059)	\$160,921,007	\$148,776,948
Moderate															
Allocation	\$2,894,492	\$ 3,781,152	\$(12,252,809)	\$(5,577,165)	\$6,180,706	\$(2,459,203)	\$(18,201,306)	\$(5,418)	\$ —	\$ —	\$ 6,769,152	\$(7,716,069)	\$(13,293,234)	\$256,298,024	\$243,004,790
Moderately Conservative															
Allocation	\$1,139,026	\$ 1,824,535	\$ (3,903,050)	\$(939,489)	\$1,955,934	\$(1,747,475)	\$(7,009,526)	\$(2,105)	\$ —	\$ —	\$ 4,005,351	\$(2,797,821)	\$(3,737,310)	\$106,609,918	\$102,872,608
Partner															
Technology	\$(21,784)	\$ 41,825	\$(307,617)	\$(287,576)	\$ 31,170	\$ (524)	\$(60,756)	\$(100)	\$(1,914)	\$ 91	\$(381,338)	\$(413,371)	\$(700,947)	\$ 2,319,242	\$ 1,618,295
Partner Healthcare	\$(17,425)	\$ 97,455	\$(156,615)	\$(76,585)	\$ 30,295	\$(14,219)	\$(26,089)	\$(11)	\$ —	\$ —	\$(190,325)	\$(200,349)	\$(276,934)	\$ 1,747,735	\$ 1,470,801
Partner Natural Resources	\$(31,018)	\$ 21,407	\$(496,316)	\$(505,927)	\$ 246,826	\$(4,167)	\$(175,330)	\$(179)	\$ —	\$ —	\$ 508,478	\$ 575,628	\$ 69,701	\$ 2,457,877	\$ 2,527,578
Partner Emerging Markets	\$(1,264)	\$ 155,336	\$(516,362)	\$(362,290)	\$ 107,149	\$(1,797)	\$(111,974)	\$(53)	\$ —	\$ —	\$(317,062)	\$(323,737)	\$(686,027)	\$ 3,215,979	\$ 2,529,952
Real Estate															
Securities	\$(112,664)	\$ 84,393	\$ 771,529	\$ 743,258	\$ 153,459	\$(75,293)	\$(832,587)	\$(294)	\$(13,013)	\$(2,084)	\$(1,160,434)	\$(1,930,246)	\$(1,186,988)	\$ 10,764,794	\$ 9,577,806
Partner Utilities	\$ 6,200	\$(3,721)	\$ 49,017	\$ 51,496	\$ 16,518	\$(7,364)	\$(22,543)	\$(6)	\$ —	\$ —	\$ 33,606	\$ 20,211	\$ 71,707	\$ 665,581	\$ 737,288
Partner Small Cap															
Growth	\$(44,876)	\$ 135,648	\$(313,139)	\$(222,367)	\$ 106,446	\$(14,718)	\$(232,459)	\$(126)	\$(11,938)	\$ 1,047	\$(17,243)	\$(168,991)	\$(391,358)	\$ 3,991,971	\$ 3,600,613
Partner Small Cap															
Value	\$(62,797)	\$ 259,818	\$(439,381)	\$(242,360)	\$ 100,992	\$(31,241)	\$(567,572)	\$(169)	\$(10,119)	\$ 285	\$(805,886)	\$(1,313,710)	\$(1,556,070)	\$ 7,973,691	\$ 6,417,621
Small Cap Stock	\$(79,656)	\$(6,764)	\$(340,686)	\$(427,106)	\$ 89,031	\$(33,926)	\$(501,571)	\$(161)	\$(13,243)	\$ 276	\$(1,261,290)	\$(1,720,884)	\$(2,147,990)	\$ 8,248,887	\$ 6,100,897
Small Cap Index	\$(14,879)	\$ 96,911	\$(130,029)	\$(47,997)	\$ 76,005	\$(53,979)	\$(354,284)	\$(278)	\$(5,938)	\$ 633	\$(729,514)	\$(1,067,355)	\$(1,115,352)	\$ 7,013,622	\$ 5,898,270
Mid Cap															
Growth II	\$(24,449)	\$ 146,364	\$(258,854)	\$(136,939)	\$ 77,576	\$(23,679)	\$(214,321)	\$(182)	\$(3,667)	\$ 32	\$(518,850)	\$(683,091)	\$(820,030)	\$ 2,817,893	\$ 1,997,863
Mid Cap Growth	\$(608,651)	\$ 3,945,229	\$(8,190,363)	\$(4,853,785)	\$1,252,062	\$(700,605)	\$(5,165,058)	\$(6,487)	\$(334,354)	\$(6,909)	\$(7,815,171)	\$(12,776,522)	\$(17,630,307)	\$ 86,214,105	\$ 68,583,798
Partner Mid Cap															
Value	\$(20,420)	\$ 67,048	\$(204,795)	\$(158,167)	\$ 43,865	\$(2,192)	\$(483,870)	\$(16)	\$ —	\$ —	\$(95,556)	\$(537,769)	\$(695,936)	\$ 2,693,071	\$ 1,997,135
Mid Cap Stock	\$(101,236)	\$ 242,255	\$(797,801)	\$(656,782)	\$ 121,298	\$(105,906)	\$(994,141)	\$(226)	\$(31,273)	\$ 1,298	\$(1,367,475)	\$(2,376,425)	\$(3,033,207)	\$ 10,924,651	\$ 7,891,444
Mid Cap Index	\$(20,548)	\$ 666,239	\$(798,998)	\$(153,307)	\$ 76,452	\$(18,910)	\$(831,870)	\$(261)	\$(11,588)	\$ 857	\$(1,070,914)	\$(1,856,234)	\$(2,009,541)	\$ 7,815,239	\$ 5,805,698
Partner Worldwide															
Allocation	\$ 36,309	\$ 240,068	\$(930,330)	\$(653,953)	\$ 158,962	\$(25,143)	\$(455,185)	\$(21)	\$ —	\$ —	\$(520,200)	\$(841,587)	\$(1,495,540)	\$ 5,529,192	\$ 4,033,652
Partner International															
Stock	\$(518,221)	\$(1,063,108)	\$(5,467,886)	\$(7,049,215)	\$ 914,208	\$(545,720)	\$(3,226,044)	\$(3,238)	\$(197,670)	\$(14,331)	\$(6,597,910)	\$(9,670,705)	\$(16,719,920)	\$ 55,837,110	\$ 39,117,190
Partner Socially Responsible															
Stock	\$(3,223)	\$ 10,747	\$(17,500)	\$(9,976)	\$ 22,208	\$ —	\$(23,781)	\$ —	\$ —	\$ —	\$ 579	\$(994)	\$(10,970)	\$ 281,687	\$ 270,717
Partner All Cap															
Growth	\$(13,596)	\$ 36,959	\$(143,018)	\$(119,655)	\$ 30,209	\$(5,386)	\$(68,655)	\$(2)	\$ —	\$ —	\$ 233,252	\$ 189,418	\$ 69,763	\$ 1,061,539	\$ 1,131,302
Partner All Cap															
Value	\$(2,805)	\$ 9,912	\$(69,505)	\$(62,398)	\$ 4,077	\$(652)	\$(19,869)	\$ —	\$ —	\$ —	\$ 15,613	\$(831)	\$(63,229)	\$ 574,558	\$ 511,329

The accompanying notes are an integral part of these financial statements.

**TLIC VARIABLE ANNUITY ACCOUNT A**  
**Statements of Changes of Net Assets (continued)**  
**December 31, 2011**

Subaccount	Increase (decrease) in net assets from operations			Increase (decrease) in net assets from contract related transactions											Net Assets Beginning of Period	Net Assets End of Period	
	Net investment income (loss)	Net realized gain (loss) on investments	Change in net unrealized appreciation (depreciation) on investments	Net Change in Net Assets from Operations	Proceeds from units issued	Death benefits	Surrenders and terminations	Administrative charges	Annuity benefit payments	Adjustments to annuity reserves	Transfers between subaccounts	Net Change in Net Assets from Unit Transactions	Net Change in Net Assets				
Partner All																	
Cap . . . . .	\$ (34,908)	\$ (170,778)	\$ (248,034)	\$ (453,720)	\$ 173,280	\$ (48,874)	\$ (735,229)	\$ (267)	\$ (11,454)	\$ (241)	\$ (685,326)	\$ (1,308,111)	\$ (1,761,831)	\$ 8,298,432	\$ 6,536,601		
Large Cap																	
Growth II . . .	\$ (17,699)	\$ (88,165)	\$ (27,587)	\$ (133,451)	\$ 32,626	\$ (13,402)	\$ (104,843)	\$ (84)	\$ (4,325)	\$ 53	\$ (258,060)	\$ (348,035)	\$ (481,486)	\$ 2,064,037	\$ 1,582,551		
Large Cap																	
Growth . . . . .	\$ (1,556,892)	\$ (2,734,126)	\$ (12,468,914)	\$ (16,759,932)	\$ 4,429,717	\$ (3,966,336)	\$ (18,200,050)	\$ (26,153)	\$ (1,348,674)	\$ (40,972)	\$ (24,966,734)	\$ (44,119,202)	\$ (60,879,134)	\$ 306,797,881	\$ 245,918,747		
Partner Growth																	
Stock . . . . .	\$ (75,823)	\$ 287,497	\$ (361,753)	\$ (150,079)	\$ 106,650	\$ (78,053)	\$ (752,079)	\$ (216)	\$ (10,857)	\$ 635	\$ (1,089,431)	\$ (1,823,351)	\$ (1,973,430)	\$ 7,937,464	\$ 5,964,034		
Large Cap																	
Value . . . . .	\$ (320,329)	\$ 498,655	\$ (1,353,339)	\$ (1,175,013)	\$ 481,328	\$ (295,084)	\$ (2,420,959)	\$ (760)	\$ (75,846)	\$ 3,781	\$ (3,948,971)	\$ (6,256,511)	\$ (7,431,524)	\$ 33,551,240	\$ 26,119,716		
Large Cap																	
Stock . . . . .	\$ (141,717)	\$ 40,574	\$ (570,010)	\$ (671,153)	\$ 151,329	\$ (73,985)	\$ (1,053,888)	\$ (391)	\$ (40,805)	\$ 2,472	\$ (2,099,676)	\$ (3,114,944)	\$ (3,786,097)	\$ 14,967,952	\$ 11,181,855		
Large Cap																	
Index . . . . .	\$ 62,045	\$ (124,288)	\$ 128,339	\$ 66,096	\$ 128,464	\$ (103,137)	\$ (896,087)	\$ (329)	\$ (23,732)	\$ 3,088	\$ (1,189,997)	\$ (2,081,730)	\$ (2,015,634)	\$ 11,795,766	\$ 9,780,132		
Equity Income																	
Plus . . . . .	\$ (13,231)	\$ 476	\$ (88,931)	\$ (101,686)	\$ 74,107	\$ (7,008)	\$ (98,105)	\$ (17)	\$ —	\$ —	\$ 971,096	\$ 940,073	\$ 838,387	\$ 992,537	\$ 1,830,924		
Balanced . . . . .	\$ 70,033	\$ 284,394	\$ (162,722)	\$ 191,705	\$ 139,158	\$ (41,059)	\$ (468,182)	\$ (223)	\$ (31,733)	\$ 2,889	\$ (634,206)	\$ (1,033,356)	\$ (841,651)	\$ 6,647,641	\$ 5,805,990		
High Yield . . .	\$ 8,790,182	\$ (10,359,076)	\$ 6,325,510	\$ 4,756,616	\$ 1,920,338	\$ (2,445,514)	\$ (9,363,473)	\$ (9,471)	\$ (755,507)	\$ 35,371	\$ (10,145,178)	\$ (20,763,434)	\$ (16,006,818)	\$ 139,514,142	\$ 123,507,324		
Diversified																	
Income																	
Plus . . . . .	\$ 350,964	\$ 72,641	\$ (305,391)	\$ 118,214	\$ 158,576	\$ (45,109)	\$ (703,599)	\$ (268)	\$ (44,669)	\$ 2,821	\$ 224,484	\$ (407,764)	\$ (289,550)	\$ 9,166,660	\$ 8,877,110		
Partner																	
Socially Responsible																	
Bond . . . . .	\$ 10,722	\$ 80	\$ 24,069	\$ 34,871	\$ 3,236	\$ —	\$ (19,404)	\$ (3)	\$ —	\$ —	\$ (40,493)	\$ (56,664)	\$ (21,793)	\$ 670,618	\$ 648,825		
Income . . . . .	\$ 4,582,987	\$ 930,108	\$ 908,542	\$ 6,421,637	\$ 2,136,149	\$ (3,329,986)	\$ (10,377,891)	\$ (7,673)	\$ (756,126)	\$ 30,297	\$ (11,790,005)	\$ (24,095,235)	\$ (17,673,598)	\$ 143,580,330	\$ 125,906,732		
Bond Index . . .	\$ 138,700	\$ 156,394	\$ 243,237	\$ 538,331	\$ 115,854	\$ (35,194)	\$ (558,287)	\$ (256)	\$ (16,372)	\$ 1,977	\$ (778,593)	\$ (1,270,871)	\$ (732,540)	\$ 8,451,487	\$ 7,718,947		
Limited																	
Maturity																	
Bond . . . . .	\$ 228,457	\$ (57,520)	\$ (185,980)	\$ (15,043)	\$ 423,804	\$ (251,077)	\$ (1,316,331)	\$ (726)	\$ (90,329)	\$ 9,609	\$ (2,721,648)	\$ (3,946,698)	\$ (3,961,741)	\$ 21,739,888	\$ 17,778,147		
Mortgage																	
Securities . .	\$ 39,282	\$ 33,308	\$ 1,192	\$ 73,782	\$ 5,487	\$ (20,923)	\$ (175,254)	\$ (38)	\$ (8,819)	\$ 113	\$ (174,522)	\$ (373,956)	\$ (300,174)	\$ 2,334,494	\$ 2,034,320		
Money																	
Market . . . .	\$ (185,907)	\$ —	\$ —	\$ (185,907)	\$ 1,654,105	\$ (400,154)	\$ (2,448,129)	\$ (1,263)	\$ (75,938)	\$ 5,344	\$ (1,110,291)	\$ (2,376,326)	\$ (2,562,233)	\$ 17,927,747	\$ 15,365,514		

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The accompanying notes are an integral part of these financial statements.

**TLIC VARIABLE ANNUITY ACCOUNT A**  
**Statements of Changes of Net Assets**  
**December 31, 2010**

Subaccount	Increase (decrease) in net assets from operations			Increase (decrease) in net assets from contract related transactions											Net Change in Net Assets	Net Assets Beginning of Period	Net Assets End of Period	
	Net investment income(loss)	Net realized gain (loss) on investments	Change in net unrealized appreciation (depreciation) on investments	Net Change in Net Assets from Operations	Proceeds from units issued	Death benefits	Surrenders and terminations	Administrative charges	Annuity benefit payments	Adjustments to annuity reserves	Transfers between subaccounts	Net Change in Net Assets from Unit Transactions						
Aggressive																		
Allocation	\$ 142,541	\$ (114,166)	\$ 5,964,764	\$ 5,993,139	\$ 2,452,472	\$ (91,295)	\$ (2,683,061)	\$ (2,210)	\$ —	\$ —	\$ (1,565,675)	\$ (1,889,769)	\$ 4,103,370	\$ 38,243,241	\$ 42,346,611			
Moderately Aggressive																		
Allocation	\$ 1,820,309	\$ 968,440	\$ 17,479,871	\$ 20,268,620	\$ 4,603,471	\$ (553,670)	\$ (9,857,627)	\$ (3,838)	\$ —	\$ —	\$ (3,331,954)	\$ (9,143,618)	\$ 11,125,002	\$ 149,796,005	\$ 160,921,007			
Moderate																		
Allocation	\$ 3,530,020	\$ 2,612,537	\$ 22,483,718	\$ 28,626,275	\$ 9,849,357	\$ (2,623,213)	\$ (18,609,266)	\$ (5,226)	\$ —	\$ —	\$ 6,274,843	\$ (5,113,505)	\$ 23,512,770	\$ 232,785,254	\$ 256,298,024			
Moderately Conservative																		
Allocation	\$ 1,342,870	\$ 1,621,299	\$ 7,010,038	\$ 9,974,207	\$ 2,552,983	\$ (1,930,288)	\$ (9,046,404)	\$ (1,911)	\$ —	\$ —	\$ 6,696,160	\$ (1,729,460)	\$ 8,244,747	\$ 98,365,171	\$ 106,609,918			
Partner																		
Technology	\$ (22,436)	\$ (50,494)	\$ 502,877	\$ 429,947	\$ 111,985	\$ (3,108)	\$ (146,974)	\$ (104)	\$ (1,768)	\$ 1,572	\$ (72,853)	\$ (111,250)	\$ 318,697	\$ 2,000,545	\$ 2,319,242			
Partner Healthcare	\$ (15,369)	\$ 48,185	\$ 108,381	\$ 141,197	\$ 78,659	\$ —	\$ (80,971)	\$ (10)	\$ —	\$ —	\$ 258,913	\$ 256,591	\$ 397,788	\$ 1,349,947	\$ 1,747,735			
Partner Natural Resources	\$ (22,666)	\$ (23,234)	\$ 344,820	\$ 298,920	\$ 145,667	\$ (2,711)	\$ (79,613)	\$ (169)	\$ —	\$ —	\$ (135,241)	\$ (72,067)	\$ 226,853	\$ 2,231,024	\$ 2,457,877			
Partner Emerging Markets	\$ (26,335)	\$ 76,747	\$ 519,481	\$ 569,893	\$ 382,099	\$ (3,753)	\$ (106,021)	\$ (43)	\$ —	\$ —	\$ 711,011	\$ 983,293	\$ 1,553,186	\$ 1,662,793	\$ 3,215,979			
Real Estate																		
Securities	\$ 170,309	\$ (296,618)	\$ 2,478,243	\$ 2,351,934	\$ 386,102	\$ (89,440)	\$ (638,383)	\$ (255)	\$ (15,089)	\$ 9,775	\$ (1,161,509)	\$ (1,508,799)	\$ 843,135	\$ 9,921,659	\$ 10,764,794			
Partner Utilities	\$ 7,076	\$ (16,760)	\$ 42,337	\$ 32,653	\$ 15,427	\$ (4,185)	\$ (25,880)	\$ (6)	\$ —	\$ —	\$ (73,910)	\$ (88,554)	\$ (55,901)	\$ 721,482	\$ 665,581			
Partner Small Cap Growth	\$ (37,340)	\$ (15,089)	\$ 894,031	\$ 841,602	\$ 86,758	\$ (27,134)	\$ (163,492)	\$ (160)	\$ (11,156)	\$ 10,525	\$ (106,098)	\$ (210,757)	\$ 630,845	\$ 3,361,126	\$ 3,991,971			
Partner Small Cap Value	\$ (9,310)	\$ 73,415	\$ 1,388,345	\$ 1,452,450	\$ 230,742	\$ (28,072)	\$ (547,960)	\$ (198)	\$ (8,505)	\$ 5,359	\$ (277,597)	\$ (626,231)	\$ 826,219	\$ 7,147,472	\$ 7,973,691			
Small Cap Stock	\$ (80,328)	\$ (323,460)	\$ 2,014,915	\$ 1,611,127	\$ 206,804	\$ (57,230)	\$ (510,452)	\$ (136)	\$ (14,514)	\$ 5,464	\$ (764,489)	\$ (1,134,553)	\$ 476,574	\$ 7,772,313	\$ 8,248,887			
Small Cap Index	\$ (16,795)	\$ (397,781)	\$ 1,828,980	\$ 1,414,404	\$ 106,244	\$ (21,401)	\$ (546,415)	\$ (336)	\$ (5,463)	\$ 4,535	\$ (596,140)	\$ (1,058,976)	\$ 355,428	\$ 6,658,194	\$ 7,013,622			
Mid Cap Growth																		
II	\$ (28,500)	\$ 220,549	\$ 426,137	\$ 618,186	\$ 52,132	\$ (5,580)	\$ (211,227)	\$ (218)	\$ (8,262)	\$ 3,595	\$ (357,692)	\$ (527,252)	\$ 90,934	\$ 2,726,959	\$ 2,817,893			
Mid Cap Growth	\$ (663,443)	\$ 1,292,676	\$ 18,842,067	\$ 19,471,300	\$ 1,588,082	\$ (690,654)	\$ (4,973,535)	\$ (7,087)	\$ (292,639)	\$ 215,373	\$ (6,795,861)	\$ (10,956,321)	\$ 8,514,979	\$ 77,699,126	\$ 86,214,105			
Partner Mid Cap Value	\$ (6,320)	\$ (17,470)	\$ 536,142	\$ 512,352	\$ 53,850	\$ (2,810)	\$ (140,334)	\$ (26)	\$ —	\$ —	\$ 33,224	\$ (56,096)	\$ 456,256	\$ 2,236,815	\$ 2,693,071			
Mid Cap Stock	\$ (65,757)	\$ (182,173)	\$ 2,472,217	\$ 2,224,287	\$ 271,149	\$ (86,475)	\$ (614,192)	\$ (222)	\$ (31,221)	\$ 11,853	\$ (1,180,981)	\$ (1,630,089)	\$ 594,198	\$ 10,330,453	\$ 10,924,651			
Mid Cap Index	\$ (3,958)	\$ (19,756)	\$ 1,654,802	\$ 1,631,088	\$ 135,079	\$ (38,842)	\$ (495,080)	\$ (294)	\$ (10,767)	\$ 8,789	\$ (778,674)	\$ (1,179,789)	\$ 451,299	\$ 7,363,940	\$ 7,815,239			
Partner Worldwide Allocation	\$ 17,128	\$ 65,053	\$ 526,187	\$ 608,368	\$ 271,218	\$ (74,890)	\$ (369,781)	\$ (26)	\$ —	\$ —	\$ 957,290	\$ 783,811	\$ 1,392,179	\$ 4,137,013	\$ 5,529,192			
Partner International Stock	\$ 394,668	\$ (2,117,129)	\$ 5,332,782	\$ 3,610,321	\$ 1,108,144	\$ (369,719)	\$ (3,707,460)	\$ (3,705)	\$ (209,256)	\$ 150,605	\$ (8,004,492)	\$ (11,035,883)	\$ (7,425,562)	\$ 63,262,672	\$ 55,837,110			
Partner Socially Responsible Stock	\$ (2,147)	\$ 1,160	\$ 41,329	\$ 40,342	\$ 40,625	\$ —	\$ (5,941)	\$ —	\$ —	\$ —	\$ 52,776	\$ 87,460	\$ 127,802	\$ 153,885	\$ 281,687			
Partner All Cap Growth	\$ (9,597)	\$ 29,261	\$ 161,523	\$ 181,187	\$ 70,034	\$ (7,513)	\$ (45,295)	\$ (2)	\$ —	\$ —	\$ 70,824	\$ 88,048	\$ 269,235	\$ 792,304	\$ 1,061,539			
Partner All Cap Value	\$ (6,162)	\$ 7,869	\$ 87,553	\$ 89,260	\$ 13,419	\$ (1,395)	\$ (59,502)	\$ —	\$ —	\$ —	\$ (11,418)	\$ (58,896)	\$ 30,364	\$ 544,194	\$ 574,558			
Partner All Cap	\$ (31,807)	\$ (434,167)	\$ 1,579,091	\$ 1,113,117	\$ 189,832	\$ (95,195)	\$ (705,504)	\$ (309)	\$ (15,993)	\$ 10,252	\$ (934,644)	\$ (1,551,561)	\$ (438,444)	\$ 8,736,876	\$ 8,298,432			

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The accompanying notes are an integral part of these financial statements.

**TLIC VARIABLE ANNUITY ACCOUNT A**  
**Statements of Changes of Net Assets (continued)**  
**December 31, 2010**

Subaccount	Increase (decrease) in net assets from operations				Increase (decrease) in net assets from contract related transactions								Net Change in Net Assets from Unit Transactions	Net Change in Net Assets	Net Assets Beginning of Period	Net Assets End of Period
	Net investment income(loss)	Net realized gain (loss) on investments	Change in net unrealized appreciation (depreciation) on investments	Net Change in Net Assets from Operations	Proceeds from units issued	Death benefits	Surrenders and terminations	Administrative charges	Annuity benefit payments	Adjustments to annuity reserves	Transfers between subaccounts					
Large Cap Growth II ..	\$ (16,559)	\$ 162,404	\$ (10,594)	\$ 135,251	\$ 21,982	\$ (12,200)	\$ (120,745)	\$ (93)	\$ (8,220)	\$ 4,358	\$ (196,571)	\$ (311,489)	\$ (176,238)	\$ 2,240,275	\$ 2,064,037	
Large Cap Growth .....	\$(1,631,367)	\$(8,267,664)	\$36,346,154	\$26,447,123	\$5,646,755	\$(4,752,807)	\$(21,097,854)	\$(29,454)	\$(1,474,519)	\$907,296	\$(27,719,430)	\$(48,520,013)	\$(22,072,890)	\$328,870,771	\$306,797,881	
Partner Growth Stock .....	\$(80,362)	\$(8,194)	\$ 1,156,097	\$ 1,067,541	\$ 204,163	\$ (19,791)	\$ (607,303)	\$ (226)	\$ (18,160)	\$ 8,386	\$ (720,877)	\$(1,153,808)	\$(86,267)	\$ 8,023,731	\$ 7,937,464	
Large Cap Value .....	\$ 65,655	\$(153,772)	\$ 3,527,255	\$ 3,439,138	\$ 648,303	\$ (243,289)	\$ (2,280,722)	\$ (900)	\$ (93,744)	\$ 55,655	\$ (3,588,181)	\$(5,502,878)	\$(2,063,740)	\$ 35,614,980	\$ 33,551,240	
Large Cap Stock .....	\$(61,585)	\$(372,901)	\$ 1,712,831	\$ 1,278,345	\$ 310,244	\$ (95,200)	\$ (1,082,976)	\$ (435)	\$ (46,070)	\$ 31,077	\$(2,258,208)	\$(3,141,568)	\$(1,863,223)	\$ 16,831,175	\$ 14,967,952	
Large Cap Index .....	\$ 92,228	\$(446,787)	\$ 1,777,714	\$ 1,423,155	\$ 230,251	\$ (77,230)	\$ (923,062)	\$ (358)	\$ (22,313)	\$ 17,021	\$(1,338,989)	\$(2,114,680)	\$(691,525)	\$ 12,487,291	\$ 11,795,766	
Equity Income Plus .....	\$ 9,036	\$ 171	\$ 66,290	\$ 75,497	\$ 29,914	\$ —	\$ (13,965)	\$ —	\$ —	\$ —	\$ 576,493	\$ 592,442	\$ 667,939	\$ 324,598	\$ 992,537	
Balanced .....	\$ 100,168	\$ 22,586	\$ 635,882	\$ 758,636	\$ 44,582	\$ (47,306)	\$(527,470)	\$(275)	\$(30,865)	\$ 17,797	\$(693,902)	\$(1,237,439)	\$(478,803)	\$ 7,126,444	\$ 6,647,641	
High Yield .....	\$10,075,952	\$(11,953,856)	\$19,555,634	\$17,677,730	\$2,912,495	\$(2,987,855)	\$(11,063,308)	\$(10,646)	\$(858,090)	\$471,850	\$(12,404,361)	\$(23,939,915)	\$(6,262,185)	\$145,776,327	\$139,514,142	
Diversified Income Plus .....	\$ 319,939	\$(58,241)	\$ 894,830	\$ 1,156,528	\$ 295,757	\$(35,584)	\$(572,224)	\$(173)	\$(41,397)	\$ 26,330	\$ 170,878	\$(156,413)	\$ 1,000,115	\$ 8,166,545	\$ 9,166,660	
Partner Socially Responsible Bond .....	\$ 10,612	\$ 25,794	\$(11,051)	\$ 25,355	\$ 23,789	\$ —	\$(18,672)	\$(3)	\$ —	\$ —	\$ 319,516	\$ 324,630	\$ 349,985	\$ 320,633	\$ 670,618	
Income .....	\$ 5,927,958	\$ 33,534	\$ 8,933,350	\$14,894,842	\$3,853,344	\$(4,170,339)	\$(12,507,844)	\$(8,609)	\$(864,876)	\$443,372	\$(12,086,384)	\$(25,341,336)	\$(10,446,494)	\$154,026,824	\$143,580,330	
Bond Index .....	\$ 179,689	\$ 46,431	\$ 459,331	\$ 685,451	\$ 225,179	\$(22,364)	\$(772,971)	\$(309)	\$(15,006)	\$ 11,650	\$(567,544)	\$(1,141,365)	\$(455,914)	\$ 8,907,401	\$ 8,451,487	
Limited Maturity Bond .....	\$ 503,186	\$(76,719)	\$ 528,862	\$ 955,329	\$ 850,972	\$(234,739)	\$(2,319,842)	\$(885)	\$(87,820)	\$ 56,076	\$(1,562,898)	\$(3,299,136)	\$(2,343,807)	\$ 24,083,695	\$ 21,739,888	
Mortgage Securities .....	\$ 56,617	\$ 47,780	\$ 150,950	\$ 255,347	\$ 23,952	\$(34,657)	\$(206,632)	\$(44)	\$(8,960)	\$ 1,167	\$(275,746)	\$(500,920)	\$(245,573)	\$ 2,580,067	\$ 2,334,494	
Money Market .....	\$(249,214)	\$ —	\$ —	\$(249,214)	\$3,245,167	\$(501,032)	\$(4,953,341)	\$(1,523)	\$(101,572)	\$ 50,418	\$(7,560,896)	\$(9,822,779)	\$(10,071,993)	\$ 27,999,740	\$ 17,927,747	

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The accompanying notes are an integral part of these financial statements.

**TLIC Variable Annuity Account A**  
Notes to Financial Statements  
December 31, 2011

**(1) ORGANIZATION**

The TLIC Variable Annuity Account A (the Variable Account), is registered as a unit investment trust under the Investment Company Act of 1940, and is a separate account of Thrivent Life Insurance Company (TLIC). TLIC offers financial services to Lutherans and along with parent, Thrivent Financial Holdings, Inc., a wholly owned subsidiary of Thrivent Financial for Lutherans (Thrivent Financial), a fraternal benefit society. The Variable Account contains 41 subaccounts each of which invests in a corresponding portfolio of the Thrivent Series Fund, Thrivent Series Fund, Inc. (each a Fund and collectively the Funds), as follows:

<u>Subaccount</u>	<u>Series</u>
Aggressive Allocation . . . . .	Thrivent Series Fund, Inc. — Aggressive Allocation Portfolio
Moderately Aggressive	
Allocation . . . . .	Thrivent Series Fund, Inc. — Moderately Aggressive Allocation Portfolio
Moderate Allocation . . . . .	Thrivent Series Fund, Inc. — Moderate Allocation Portfolio
Moderately Conservative	
Allocation . . . . .	Thrivent Series Fund, Inc. — Moderately Conservative Allocation Portfolio
Partner Technology (a) . . . . .	Thrivent Series Fund, Inc. — Partner Technology Portfolio
Partner Healthcare (b) . . . . .	Thrivent Series Fund, Inc. — Partner Healthcare Portfolio
Partner Natural Resources (b) . . . . .	Thrivent Series Fund, Inc. — Partner Natural Resources Portfolio
Partner Emerging Markets (b) . . . . .	Thrivent Series Fund, Inc. — Partner Emerging Markets Portfolio
Real Estate Securities . . . . .	Thrivent Series Fund, Inc. — Real Estate Securities Portfolio
Partner Utilities (b) . . . . .	Thrivent Series Fund, Inc. — Partner Utilities Portfolio
Partner Small Cap Growth . . . . .	Thrivent Series Fund, Inc. — Partner Small Cap Growth Portfolio
Partner Small Cap Value . . . . .	Thrivent Series Fund, Inc. — Partner Small Cap Value Portfolio
Small Cap Stock . . . . .	Thrivent Series Fund, Inc. — Small Cap Stock Portfolio
Small Cap Index . . . . .	Thrivent Series Fund, Inc. — Small Cap Index Portfolio
Mid Cap Growth II . . . . .	Thrivent Series Fund, Inc. — Mid Cap Growth Portfolio II
Mid Cap Growth . . . . .	Thrivent Series Fund, Inc. — Mid Cap Growth Portfolio
Partner Mid Cap Value . . . . .	Thrivent Series Fund, Inc. — Partner Mid Cap Value Portfolio
Mid Cap Stock . . . . .	Thrivent Series Fund, Inc. — Mid Cap Stock Portfolio
Mid Cap Index . . . . .	Thrivent Series Fund, Inc. — Mid Cap Index Portfolio
Partner Worldwide	
Allocation (b) . . . . .	Thrivent Series Fund, Inc. — Partner Worldwide Allocation Portfolio
Partner International Stock . . . . .	Thrivent Series Fund, Inc. — Partner International Stock Portfolio
Partner Socially Responsible	
Stock (b) . . . . .	Thrivent Series Fund, Inc. — Partner Socially Responsible Stock Portfolio
Partner All Cap Growth (b) . . . . .	Thrivent Series Fund, Inc. — Partner All Cap Growth Portfolio
Partner All Cap Value (b) . . . . .	Thrivent Series Fund, Inc. — Partner All Cap Value Portfolio
Partner All Cap . . . . .	Thrivent Series Fund, Inc. — Partner All Cap Portfolio
Large Cap Growth II . . . . .	Thrivent Series Fund, Inc. — Large Cap Growth Portfolio II
Large Cap Growth . . . . .	Thrivent Series Fund, Inc. — Large Cap Growth Portfolio
Partner Growth Stock . . . . .	Thrivent Series Fund, Inc. — Partner Growth Stock Portfolio
Large Cap Value . . . . .	Thrivent Series Fund, Inc. — Large Cap Value Portfolio
Large Cap Stock . . . . .	Thrivent Series Fund, Inc. — Large Cap Stock Portfolio
Large Cap Index . . . . .	Thrivent Series Fund, Inc. — Large Cap Index Portfolio
Equity Income Plus (b) . . . . .	Thrivent Series Fund, Inc. — Equity Income Plus Portfolio
Balanced . . . . .	Thrivent Series Fund, Inc. — Balanced Portfolio
High Yield . . . . .	Thrivent Series Fund, Inc. — High Yield Portfolio

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(1) ORGANIZATION - continued**

<u>Subaccount</u>	<u>Series</u>
Diversified Income Plus . . . . .	Thrivent Series Fund, Inc. — Diversified Income Plus Portfolio
Partner Socially Responsible	
Bond (b) . . . . .	Thrivent Series Fund, Inc. — Partner Socially Responsible Bond Portfolio
Income . . . . .	Thrivent Series Fund, Inc. — Income Portfolio
Bond Index . . . . .	Thrivent Series Fund, Inc. — Bond Index Portfolio
Limited Maturity Bond . . . . .	Thrivent Series Fund, Inc. — Limited Maturity Bond Portfolio
Mortgage Securities . . . . .	Thrivent Series Fund, Inc. — Mortgage Securities Portfolio
Money Market . . . . .	Thrivent Series Fund, Inc. — Money Market Portfolio

- (a) Formerly known as Technology, name change effective June 30, 2009
- (b) Since inception, April 30, 2008

The Funds are registered under the Investment Company Act of 1940 as diversified open-end investment companies.

The Variable Account is used to fund flexible premium deferred variable annuity contracts issued by TLIC. Under applicable insurance law, the assets and liabilities of the Variable Account are clearly identified and distinguished from the other assets and liabilities of TLIC. The assets of the Variable Account will not be charged with any liabilities arising out of any other business conducted by the insurance operations of TLIC.

A fixed account investment option is available for contract owners of the flexible premium deferred variable annuity. Assets of the fixed account are combined with the general assets of TLIC and invested by TLIC as allowed by applicable law. Accordingly, the fixed account assets are not included in the Variable Account financial statements.

**(2) SIGNIFICANT ACCOUNTING POLICIES**

**Valuation of Investments**

The investments in shares of the Funds are stated at fair value which is the closing net asset value per share as determined by the Fund. The cost of shares sold and redeemed is determined on the average cost method. Dividend distributions received from the Fund are reinvested in additional shares of the Fund and recorded as income by the Variable Account on the ex-dividend date.

**Federal Income Taxes**

TLIC is taxed as a life insurance company and includes its single premium variable life insurance operations in its tax return. Under existing federal income tax law, no income taxes are payable with respect to any investment income of the accounts to the extent the earnings are credited under the contracts. Based on this, TLIC anticipates no tax liability resulting from operations of the Variable Account and no provision for income taxes has been charged against the Variable Account. TLIC will periodically review the status of this policy in the event of changes in the tax law and reserves the right to charge for taxes in the future.

**Annuity Reserves**

Annuity reserves represented as reserves for contracts in annuity payout period on the statement of assets and liabilities, are computed based on amounts currently payable according to the 1983 Table A mortality table and the 2000 IAM mortality table. The assumed interest is 3.5%. Changes to annuity reserves are based on actual

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(2) SIGNIFICANT ACCOUNTING POLICIES - continued**

mortality and risk experience. If the reserves required are less than the original estimated reserve amount held in the Variable Account, the excess is reimbursed to TLIC. If additional reserves are required, TLIC reimburses the Variable Account.

**Death Claims**

Amounts payable under the contract for death benefits remain invested in the separate accounts until the beneficiaries provide instructions to disburse the benefits. Prior to October 2005, amounts payable for death benefits were transferred to the general account upon election of the first beneficiary, pending instructions from the other beneficiaries for disbursement.

**Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

**Fair Value of Financial Instruments**

In estimating the fair values for financial instruments carried at fair value, the amount of observable and unobservable inputs used to determine fair value are taken into consideration. Each of the financial instruments have been classified into one of three categories based on that evaluation:

- Level 1: Fair value based on quoted prices for identical assets in active markets that are accessible.
- Level 2: Fair value based on quoted prices for similar instruments in active markets that are accessible; quoted prices for identical or similar instruments in markets that are not active; or model-derived valuations where the significant value driver inputs are observable.
- Level 3: Fair value based on significant value driver inputs that are not observable.

The fair values for separate account assets are based on the quoted daily net asset values of the funds in which the separate accounts are invested. These investments have been categorized as Level 2 assets.

**Subsequent Events**

Management has evaluated the Variable Account related events and transactions that occurred during the period from the date of the Statement of Assets and Liabilities through the date of issuance of the Variable Account's financial statements. There were no events or transactions that occurred during the period that materially impacted the amounts or disclosures in the Variable Account's financial statements.

**(3) EXPENSE CHARGES**

Proceeds received by the Variable Account from units issued represent gross contract premiums received by TLIC less any applicable premium taxes. No charge for sales distribution expense is deducted from premiums received.

A surrender charge is deducted from the accumulated value of the contract to compensate TLIC if a contract is surrendered in whole or in part during the first six years the contract is in force. The surrender charge is 6% during the first contract year, and decreases by 1% each subsequent contract year. For purposes of the surrender charge calculation, up to 10% of a contract's accumulated value may be excluded from the calculation each year. This charge is deducted by redeeming units of the subaccounts of the Variable Account.

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(3) EXPENSE CHARGES - continued**

An annual administrative charge of \$30 is deducted on each contract anniversary from the accumulated value of the contract to compensate TLIC for administrative expenses relating to the contract and the Variable Account. This charge is deducted by redeeming units of the subaccounts of the Variable Account. No such charge is deducted from contracts which total premiums paid, less surrenders, equals or exceeds \$5,000. No administrative charge is payable during the annuity payment period.

A daily charge is deducted from the value of the net assets of the Variable Account to compensate Thrivent Financial for mortality and expense risks assumed in connection with the contract. The charge is based on the average daily net assets of the Variable Account and is equal to annual rate of 1.1% during accumulation period of the contract and 0.95% while the contract is pending payout due to a death claim.

Additionally, during the year ended December 31, 2011, management fees were paid indirectly to Thrivent Financial in its capacity as adviser to the Fund. The Fund's advisory agreement provides for fees as a percent of the average net assets for each subaccount, as shown below. These fees are paid at the Fund level.

<u>Subaccount</u>	<u>% of Average Net Assets</u>
Aggressive Allocation . . . . .	0.15%
Moderately Aggressive Allocation . . . . .	0.15%
Moderate Allocation . . . . .	0.15%
Moderately Conservative Allocation . . . . .	0.15%
Partner Technology . . . . .	0.75%
Partner Healthcare . . . . .	0.95%
Partner Natural Resources . . . . .	0.75%
Partner Emerging Markets . . . . .	1.20%
Real Estate Securities . . . . .	0.80%
Partner Utilities . . . . .	0.75%
Partner Small Cap Growth . . . . .	1.00%
Partner Small Cap Value . . . . .	0.80%
Small Cap Stock . . . . .	0.70%
Small Cap Index . . . . .	0.35%
Mid Cap Growth II . . . . .	0.90%
Mid Cap Growth . . . . .	0.40%
Partner Mid Cap Value . . . . .	0.75%
Mid Cap Stock . . . . .	0.70%
Mid Cap Index . . . . .	0.35%
Partner Worldwide Allocation . . . . .	0.90%
Partner International Stock . . . . .	0.85%
Partner Socially Responsible Stock . . . . .	0.80%
Partner All Cap Growth . . . . .	0.95%
Partner All Cap Value . . . . .	0.75%
Partner All Cap . . . . .	0.95%
Large Cap Growth II . . . . .	0.80%
Large Cap Growth . . . . .	0.40%
Partner Growth Stock . . . . .	0.80%
Large Cap Value . . . . .	0.60%
Large Cap Stock . . . . .	0.65%
Large Cap Index . . . . .	0.35%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(3) EXPENSE CHARGES - continued**

<u>Subaccount</u>	<u>% of Average Net Assets</u>
Equity Income Plus .....	0.65%
Balanced .....	0.35%
High Yield .....	0.40%
Diversified Income Plus .....	0.40%
Partner Socially Responsible Bond .....	0.70%
Income .....	0.40%
Bond Index .....	0.35%
Limited Maturity Bond .....	0.40%
Mortgage Securities .....	0.50%
Money Market .....	0.40%

**(4) UNIT ACTIVITY**

Transactions in units (including transfers among subaccounts) were as follows:

	<u>Units Outstanding at December 31, 2009</u>	<u>Units Issued</u>	<u>Units Redeemed</u>	<u>Units Outstanding at December 31, 2010</u>	<u>Units Issued</u>	<u>Units Redeemed</u>	<u>Units Outstanding at December 31, 2011</u>
Aggressive Allocation ...	3,450,023	866,951	(1,030,629)	3,286,345	377,062	(655,894)	3,007,513
Moderately Aggressive							
Allocation .....	13,347,518	1,665,785	(2,453,780)	12,559,523	1,304,992	(1,778,609)	12,085,906
Moderate Allocation ....	20,413,005	4,655,662	(5,080,521)	19,988,146	2,488,895	(3,117,846)	19,359,195
Moderately Conservative							
Allocation .....	8,570,959	2,385,330	(2,526,261)	8,430,028	1,167,148	(1,389,055)	8,208,121
Partner Technology .....	193,627	84,380	(96,493)	181,514	43,410	(78,160)	146,764
Partner Healthcare .....	124,038	86,963	(64,903)	146,098	43,509	(60,405)	129,202
Partner Natural							
Resources .....	275,875	107,514	(119,233)	264,156	159,759	(108,804)	315,111
Partner Emerging							
Markets .....	171,848	224,593	(132,539)	263,902	81,727	(110,254)	235,375
Real Estate Securities ...	588,049	275,437	(357,153)	506,333	68,943	(157,946)	417,330
Partner Utilities .....	93,167	10,892	(22,611)	81,448	30,215	(28,042)	83,621
Partner Small Cap							
Growth .....	298,575	113,933	(134,749)	277,759	95,070	(108,818)	264,011
Partner Small Cap							
Value .....	367,792	123,020	(155,794)	335,018	37,059	(94,180)	277,897
Small Cap Stock .....	647,716	298,200	(390,902)	555,014	53,735	(171,085)	437,664
Small Cap Index .....	520,271	148,224	(228,681)	439,814	60,762	(128,761)	371,815
Mid Cap Growth II .....	249,590	55,097	(101,047)	203,640	14,081	(65,470)	152,251
Mid Cap Growth .....	3,941,519	534,404	(1,059,497)	3,416,426	325,385	(838,053)	2,903,758
Partner Mid Cap							
Value .....	198,834	79,635	(84,415)	194,054	29,705	(68,428)	155,331
Mid Cap Stock .....	760,864	235,236	(351,403)	644,697	77,743	(221,311)	501,129
Mid Cap Index .....	544,798	136,107	(217,476)	463,429	60,361	(168,234)	355,556
Partner Worldwide							
Allocation .....	525,448	340,629	(240,136)	625,941	155,462	(256,040)	525,363

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(4) UNIT ACTIVITY - continued**

	Units Outstanding at December 31, 2009	Units Issued	Units Redeemed	Units Outstanding at December 31, 2010	Units Issued	Units Redeemed	Units Outstanding at December 31, 2011
Partner International							
Stock .....	4,340,422	1,134,529	(1,929,526)	3,545,425	306,348	(939,936)	2,911,837
Partner Socially							
Responsible Stock ...	17,772	11,166	(1,137)	27,801	6,587	(6,875)	27,513
Partner All Cap							
Growth .....	100,482	60,914	(52,792)	108,604	55,121	(37,718)	126,007
Partner All Cap Value ..	70,371	32,902	(40,072)	63,201	16,086	(15,988)	63,299
Partner All Cap .....	875,984	112,466	(266,663)	721,787	54,308	(172,046)	604,049
Large Cap Growth II ...	227,030	36,517	(68,661)	194,886	13,522	(47,589)	160,819
Large Cap Growth .....	6,323,510	967,627	(1,931,729)	5,359,408	713,171	(1,495,707)	4,576,872
Partner Growth Stock ...	708,510	123,295	(225,091)	606,714	76,354	(216,306)	466,762
Large Cap Value .....	3,187,726	913,019	(1,412,646)	2,688,099	227,154	(735,813)	2,179,440
Large Cap Stock .....	1,651,144	893,835	(1,210,896)	1,334,083	120,113	(401,209)	1,052,987
Large Cap Index .....	1,136,750	541,323	(734,919)	943,154	114,523	(281,227)	776,450
Equity Income Plus .....	40,243	84,805	(18,010)	107,038	180,224	(82,607)	204,655
Balanced .....	581,579	63,437	(165,572)	479,444	55,017	(129,368)	405,093
High Yield .....	4,076,746	588,265	(1,232,198)	3,432,813	420,112	(922,271)	2,930,654
Diversified Income							
Plus .....	529,918	215,638	(226,539)	519,017	139,030	(160,091)	497,956
Partner Socially							
Responsible Bond ...	28,655	45,485	(18,061)	56,079	1,112	(5,780)	51,411
Income .....	4,433,025	848,519	(1,555,322)	3,726,222	573,619	(1,190,731)	3,109,110
Bond Index .....	682,826	215,020	(301,902)	595,944	89,052	(178,427)	506,569
Limited Maturity Bond ..	1,935,983	979,346	(1,252,033)	1,663,296	274,922	(581,903)	1,356,315
Mortgage Securities .....	212,752	93,832	(133,214)	173,370	13,059	(40,291)	146,138
Money Market .....	13,614,269	11,747,571	(16,601,440)	8,760,400	6,878,927	(8,081,495)	7,557,832

**(5) PURCHASES AND SALES OF INVESTMENTS**

The aggregate costs of purchases and proceeds from sales of investments in the Funds for the year ended December 31, 2011 were as follows:

<u>Subaccount</u>	<u>Purchases</u>	<u>Sales</u>
Aggressive Allocation .....	\$ 4,381,461	\$ 7,193,772
Moderately Aggressive Allocation .....	15,102,719	17,600,216
Moderate Allocation .....	23,792,827	24,920,300
Moderately Conservative Allocation .....	12,460,779	12,733,493
Partner Technology .....	384,714	819,962
Partner Healthcare .....	292,807	459,312
Partner Natural Resources .....	1,355,178	810,568
Partner Emerging Markets .....	645,460	970,461
Real Estate Securities .....	711,496	2,752,323
Partner Utilities .....	207,813	181,402
Partner Small Cap Growth .....	809,482	1,024,396

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(5) PURCHASES AND SALES OF INVESTMENTS - continued**

<u>Subaccount</u>	<u>Purchases</u>	<u>Sales</u>
Partner Small Cap Value	367,010	1,743,802
Small Cap Stock	350,585	2,151,402
Small Cap Index	662,341	1,557,507
Mid Cap Growth II	212,268	828,746
Mid Cap Growth	4,123,742	17,502,007
Partner Mid Cap Value	148,191	706,380
Mid Cap Stock	791,010	3,269,970
Mid Cap Index	895,693	2,367,661
Partner Worldwide Allocation	894,814	1,624,429
Partner International Stock	1,919,242	12,093,838
Partner Socially Responsible Stock	66,510	70,727
Partner All Cap Growth	411,654	235,831
Partner All Cap Value	99,313	102,948
Partner All Cap	402,282	1,745,061
Large Cap Growth II	102,515	432,455
Large Cap Growth	14,857,909	60,493,032
Partner Growth Stock	543,023	2,442,829
Large Cap Value	927,621	7,508,242
Large Cap Stock	646,783	3,905,917
Large Cap Index	988,878	3,011,650
Equity Income Plus	1,448,220	521,378
Balanced	785,360	1,545,456
High Yield	17,160,772	29,169,394
Diversified Income Plus	2,347,485	2,407,106
Partner Socially Responsible Bond	31,439	77,381
Income	15,228,018	34,770,563
Bond Index	1,123,079	2,206,804
Limited Maturity Bond	2,161,430	5,889,281
Mortgage Securities	173,697	500,286
Money Market	10,933,807	13,501,384

**(6) UNIT VALUES**

A summary of units outstanding, unit values, net assets, expense ratios, investment income ratios and total return ratios for each of the five years in the period ended December 31, 2011, except as indicated in Note 1, follows:

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Aggressive Allocation</b>					
Units	3,007,513	3,286,345	3,449,238	3,533,823	3,381,310
Unit value	\$ 12.24	\$ 12.89	\$ 11.09	\$ 8.58	\$ 13.82
Deathclaim units	—	—	785	1,595	—
Deathclaim unit value	\$ 11.51	\$ 12.09	\$ 10.39	\$ 8.03	\$ 12.91
Net assets	\$ 36,825,442	\$ 42,346,611	\$ 38,243,241	\$ 30,333,828	\$ 46,737,319
Ratio of expenses to net					
assets (a)	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b)	1.29%	1.47%	4.43%	1.52%	0.59%
Total return (c)	(4.98)-(4.83)%	16.24-16.42%	29.19-29.39%	(37.92)-(37.83)%	8.12-8.29%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Moderately Aggressive Allocation</b>					
Units .....	12,079,481	12,556,224	13,343,691	13,475,126	13,482,283
Unit value .....	\$ 12.31	\$ 12.81	\$ 11.22	\$ 8.74	\$ 13.27
Deathclaim units .....	6,425	3,299	3,827	2,418	949
Deathclaim unit value .....	\$ 11.73	\$ 12.19	\$ 10.66	\$ 8.29	\$ 12.57
Net assets .....	\$ 148,776,948	\$ 160,921,007	\$ 149,796,005	\$ 117,821,197	\$ 178,941,319
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) .....	1.98%	2.30%	4.86%	2.04%	0.83%
Total return (c) .....	(3.92)-(3.78)%	14.17-14.34%	28.38-28.57%	(34.13)-(34.03)%	6.56-6.72%
<b>Moderate Allocation</b>					
Units .....	19,355,468	19,981,327	20,408,118	20,660,983	20,599,232
Unit value .....	\$ 12.55	\$ 12.82	\$ 11.40	\$ 9.09	\$ 12.71
Deathclaim units .....	3,727	6,819	4,887	2,409	25,151
Deathclaim unit value .....	\$ 12.12	\$ 12.36	\$ 10.97	\$ 8.73	\$ 12.20
Net assets .....	\$ 243,004,790	\$ 256,298,024	\$ 232,785,254	\$ 187,760,934	\$ 262,204,291
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) .....	2.23%	2.56%	4.80%	2.45%	1.18%
Total return (c) .....	(2.11)-(1.96)%	12.44-12.61%	25.50-25.69%	(28.53)-(28.42)%	5.60-5.76%
<b>Moderately Conservative Allocation</b>					
Units .....	8,206,362	8,426,795	8,566,166	8,589,118	8,375,986
Unit value .....	\$ 12.53	\$ 12.65	\$ 11.48	\$ 9.47	\$ 12.06
Deathclaim units .....	1,759	3,233	4,793	623	4,915
Deathclaim unit value .....	\$ 12.23	\$ 12.33	\$ 11.17	\$ 9.20	\$ 11.70
Net assets .....	\$ 102,872,608	\$ 106,609,918	\$ 98,365,171	\$ 81,344,058	\$ 101,075,143
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) .....	2.17%	2.43%	4.16%	2.69%	1.56%
Total return (c) .....	(0.90)-(0.75)%	10.19-10.36%	21.19-21.37%	(21.48)-(21.36)%	4.46-4.61%
<b>Partner Technology</b>					
Units .....	146,764	181,514	193,627	189,879	248,877
Unit value .....	\$ 10.93	\$ 12.68	\$ 10.26	\$ 6.62	\$ 12.96
Deathclaim units .....	—	—	—	179	—
Deathclaim unit value .....	\$ 10.06	\$ 11.65	\$ 9.41	\$ 6.07	\$ 11.86
Net assets .....	\$ 1,618,295	\$ 2,319,242	\$ 2,000,545	\$ 1,269,732	\$ 3,255,422
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) .....	0.00%	0.00%	0.00%	0.00%	0.00%
Total return (c) .....	(13.78)-(13.65)%	23.63-23.82%	54.87-55.10%	(48.89)-(48.81)%	9.85-10.02%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Partner Healthcare</b>					
Units .....	129,202	146,098	124,038	94,290	—
Unit value .....	\$ 11.38	\$ 11.96	\$ 10.88	\$ 8.89	—
Deathclaim units .....	—	—	—	—	—
Deathclaim unit value .....	\$ 11.45	\$ 12.01	\$ 10.91	\$ 8.90	—
Net assets .....	\$ 1,470,801	\$ 1,747,735	\$ 1,349,947	\$ 837,863	—
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) .....	0.00%	0.15%	0.01%	0.12%	—
Total return (c) .....	(4.84)-(4.70)%	9.92-10.08%	22.48-22.66%	(11.14)-(11.05)%	—
<b>Partner Natural Resources</b>					
Units .....	315,111	264,156	275,875	164,877	—
Unit value .....	\$ 8.02	\$ 9.30	\$ 8.09	\$ 5.69	—
Deathclaim units .....	—	—	—	—	—
Deathclaim unit value .....	\$ 8.07	\$ 9.34	\$ 8.11	\$ 5.69	—
Net assets .....	\$ 2,527,578	\$ 2,457,877	\$ 2,231,024	\$ 938,008	—
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) .....	0.07%	0.09%	0.00%	0.11%	—
Total return (c) .....	(13.79)-(13.66)%	15.06-15.23%	42.15-42.36%	(43.11)-(43.05)%	—
<b>Partner Emerging Markets</b>					
Units .....	235,375	263,902	171,848	60,927	—
Unit value .....	\$ 10.75	\$ 12.19	\$ 9.68	\$ 5.60	—
Deathclaim units .....	—	—	—	—	—
Deathclaim unit value .....	\$ 10.81	\$ 12.24	\$ 9.70	\$ 5.61	—
Net assets .....	\$ 2,529,952	\$ 3,215,979	\$ 1,662,793	\$ 341,184	—
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) .....	1.06%	0.00%	1.00%	0.90%	—
Total return (c) .....	(11.80)-(11.67)%	25.94-26.13%	72.79-73.05%	(44.00-43.94)%	—
<b>Real Estate Securities</b>					
Units .....	416,137	502,544	586,635	740,353	946,128
Unit value .....	\$ 22.72	\$ 21.11	\$ 16.73	\$ 13.10	\$ 21.11
Deathclaim units .....	1,193	3,789	1,414	1,746	3,008
Deathclaim unit value .....	\$ 12.56	\$ 11.65	\$ 9.22	\$ 7.21	\$ 11.60
Net assets .....	\$ 9,577,806	\$ 10,764,794	\$ 9,921,659	\$ 9,800,901	\$ 20,199,449
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) .....	0.00%	2.75%	4.06%	6.05%	1.43%
Total return (c) .....	7.64-7.80%	26.17-26.36%	27.67-27.86%	(37.93)-(37.84)%	(17.72)-(17.60)%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Partner Utilities</b>					
Units .....	83,621	81,448	93,167	100,151	—
Unit value .....	\$ 8.82	\$ 8.17	\$ 7.74	\$ 6.99	—
Deathclaim units .....	—	—	—	—	—
Deathclaim unit value .....	\$ 8.87	\$ 8.20	\$ 7.76	\$ 7.00	—
Net assets .....	\$ 737,288	\$ 665,581	\$ 721,482	\$ 700,146	—
Ratio of expenses to net					
assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) ...	2.02%	2.16%	0.00%	2.06%	—
Total return (c) .....	7.89-8.06%	5.53-5.68%	10.77-10.94%	(30.09)-(30.02)%	—
<b>Partner Small Cap Growth</b>					
Units .....	264,011	277,181	298,575	341,289	489,472
Unit value .....	\$ 13.28	\$ 13.97	\$ 10.96	\$ 8.22	\$ 14.64
Deathclaim units .....	—	578	—	86	—
Deathclaim unit value .....	\$ 11.46	\$ 12.03	\$ 9.43	\$ 7.06	\$ 12.56
Net assets .....	\$ 3,600,613	\$ 3,991,971	\$ 3,361,126	\$ 2,877,177	\$ 7,307,910
Ratio of expenses to net					
assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) ...	0.00%	0.00%	0.09%	0.01%	0.00%
Total return (c) .....	(4.90)-(4.75)%	27.46-27.65%	33.28-33.48%	(43.86)-(43.77)%	7.33-7.49%
<b>Partner Small Cap Value</b>					
Units .....	277,897	335,018	367,792	407,493	529,811
Unit value .....	\$ 22.81	\$ 23.53	\$ 19.27	\$ 14.96	\$ 20.73
Deathclaim units .....	—	—	—	133	—
Deathclaim unit value .....	\$ 13.49	\$ 13.90	\$ 11.36	\$ 8.81	\$ 12.19
Net assets .....	\$ 6,417,621	\$ 7,973,691	\$ 7,147,472	\$ 6,147,312	\$ 11,042,543
Ratio of expenses to net					
assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) ...	0.22%	0.97%	0.84%	1.16%	0.35%
Total return (c) .....	(3.06)-(2.91)%	22.11-22.29%	28.81-29.01%	(27.85)-(27.74)%	(2.12)-(1.97)%
<b>Small Cap Stock</b>					
Units .....	436,899	554,566	647,126	735,251	900,039
Unit value .....	\$ 13.74	\$ 14.68	\$ 11.86	\$ 9.96	\$ 16.12
Deathclaim units .....	765	448	590	247	392
Deathclaim unit value .....	\$ 10.60	\$ 11.30	\$ 9.12	\$ 7.65	\$ 12.36
Net assets .....	\$ 6,100,897	\$ 8,248,887	\$ 7,772,313	\$ 7,416,741	\$ 14,673,829
Ratio of expenses to net					
assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) ...	0.00%	0.04%	0.92%	0.99%	0.29%
Total return (c) .....	(6.35)-(6.21)%	23.72-23.91%	19.07-19.25%	(38.20)-(38.11)%	4.97-5.13%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Small Cap Index</b>					
Units . . . . .	371,805	439,814	520,271	612,229	859,252
Unit value . . . . .	\$ 15.75	\$ 15.83	\$ 12.72	\$ 10.26	\$ 15.05
Deathclaim units . . . . .	10	—	—	1,633	221
Deathclaim unit value . . . . .	\$ 12.19	\$ 12.24	\$ 9.81	\$ 7.91	\$ 11.58
Net assets . . . . .	\$ 5,898,270	\$ 7,013,622	\$ 6,658,194	\$ 6,337,213	\$ 13,005,303
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . .	0.86%	0.84%	1.99%	1.17%	0.62%
Total return (c) . . . . .	(0.56)-(0.41)%	24.50-24.69%	23.92-24.11%	(31.83)-(31.73)%	(1.60)-(1.45)%
<b>Mid Cap Growth II</b>					
Units . . . . .	152,251	203,328	249,590	303,181	398,039
Unit value . . . . .	\$ 12.95	\$ 13.69	\$ 10.81	\$ 7.32	\$ 12.92
Deathclaim units . . . . .	—	312	—	228	—
Deathclaim unit value . . . . .	\$ 13.61	\$ 14.36	\$ 11.32	\$ 7.66	\$ 13.49
Net assets . . . . .	\$ 1,997,863	\$ 2,817,893	\$ 2,726,959	\$ 2,246,821	\$ 5,207,235
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . .	0.11%	0.00%	0.00%	0.28%	0.46%
Total return (c) . . . . .	(5.36)-(5.22)%	26.63-26.82%	47.67-47.89%	(43.34)-(43.26)%	18.48-18.66%
<b>Mid Cap Growth</b>					
Units . . . . .	2,900,882	3,410,958	3,931,924	4,581,751	5,706,610
Unit value . . . . .	\$ 22.95	\$ 24.53	\$ 19.21	\$ 12.87	\$ 22.10
Deathclaim units . . . . .	2,876	5,468	9,595	4,722	3,662
Deathclaim unit value . . . . .	\$ 14.11	\$ 15.06	\$ 11.78	\$ 7.88	\$ 13.51
Net assets . . . . .	\$ 68,583,798	\$ 86,214,105	\$ 77,699,126	\$ 60,691,961	\$ 129,505,947
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . .	0.32%	0.25%	0.02%	1.11%	0.42%
Total return (c) . . . . .	(6.47)-(6.33)%	27.70-27.89%	49.29-49.52%	(41.77)-(41.69)%	18.60-18.78%
<b>Partner Mid Cap Value</b>					
Units . . . . .	155,331	194,054	198,834	221,210	290,674
Unit value . . . . .	\$ 12.86	\$ 13.88	\$ 11.25	\$ 8.60	\$ 13.38
Deathclaim units . . . . .	—	—	—	134	—
Deathclaim unit value . . . . .	\$ 11.88	\$ 12.80	\$ 10.36	\$ 7.91	\$ 12.29
Net assets . . . . .	\$ 1,997,135	\$ 2,693,071	\$ 2,236,815	\$ 1,902,387	\$ 3,889,308
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . .	0.21%	0.84%	1.01%	1.45%	0.00%
Total return (c) . . . . .	(7.35)-(7.22)%	23.36-23.55%	30.88-31.08%	(35.76)-(35.67)%	2.02-2.17%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Mid Cap Stock</b>					
Units . . . . .	500,738	644,312	759,922	901,460	1,210,895
Unit value . . . . . \$	15.35	\$ 16.56	\$ 13.33	\$ 9.69	\$ 16.54
Deathclaim units . . . . .	391	385	942	385	18
Deathclaim unit value . . . . . \$	11.65	\$ 12.55	\$ 10.09	\$ 7.32	\$ 12.47
Net assets . . . . . \$	7,891,444	\$ 10,924,651	\$ 10,330,453	\$ 8,889,197	\$ 20,297,412
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	0.05%	0.45%	0.57%	1.10%	0.85%
Total return (c) . . . . .	(7.30)-(7.16)%	24.21-24.40%	37.58-37.78%	(41.41)-(41.32)%	4.54-4.69%
<b>Mid Cap Index</b>					
Units . . . . .	355,549	463,429	544,464	646,836	903,865
Unit value . . . . . \$	16.10	\$ 16.65	\$ 13.37	\$ 9.89	\$ 15.69
Deathclaim units . . . . .	7	—	334	2,345	220
Deathclaim unit value . . . . . \$	12.70	\$ 13.11	\$ 10.51	\$ 7.76	\$ 12.30
Net assets . . . . . \$	5,805,698	\$ 7,815,239	\$ 7,363,940	\$ 6,493,233	\$ 14,323,140
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	0.80%	1.05%	1.91%	1.39%	0.97%
Total return (c) . . . . .	(3.30)-(3.16)%	24.53-24.72%	35.20-35.40%	(36.99)-(36.90)%	6.44-6.60%
<b>Partner Worldwide Allocation</b>					
Units . . . . .	525,363	625,941	525,448	243,631	—
Unit value . . . . . \$	7.68	\$ 8.83	\$ 7.87	\$ 6.05	—
Deathclaim units . . . . .	—	—	—	—	—
Deathclaim unit value . . . . . \$	7.72	\$ 8.87	\$ 7.89	\$ 6.05	—
Net assets . . . . . \$	4,033,652	\$ 5,529,192	\$ 4,137,013	\$ 1,472,938	—
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) . . . . .	1.83%	1.45%	2.06%	1.24%	—
Total return (c) . . . . .	(13.08)-(12.95)%	12.19-12.36%	30.23-30.42%	(39.54)-(39.48)%	—
<b>Partner International Stock</b>					
Units . . . . .	2,907,416	3,542,744	4,338,008	5,382,874	7,165,238
Unit value . . . . . \$	13.02	\$ 15.29	\$ 14.21	\$ 11.51	\$ 19.77
Deathclaim units . . . . .	4,421	2,681	2,414	5,843	3,140
Deathclaim unit value . . . . . \$	9.56	\$ 11.21	\$ 10.41	\$ 8.42	\$ 14.43
Net assets . . . . . \$	39,117,190	\$ 55,837,110	\$ 63,262,672	\$ 63,632,846	\$144,846,684
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	0.04%	1.81%	2.26%	4.76%	1.35%
Total return (c) . . . . .	(14.84)-(14.71)%	7.59-7.75%	23.43-23.62%	(41.75)-(41.66)%	9.35-9.52%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Partner Socially Responsible Stock</b>					
Units .....	27,513	27,801	17,772	7,284	—
Unit value .....	\$ 9.84	\$ 10.13	\$ 8.66	\$ 6.45	—
Deathclaim units .....	—	—	—	—	—
Deathclaim unit value .....	\$ 9.89	\$ 10.17	\$ 8.68	\$ 6.46	—
Net assets .....	\$ 270,717	\$ 281,687	\$ 153,885	\$ 47,009	—
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) .....	0.00%	0.13%	0.74%	0.28%	—
Total return (c) .....	(2.89)-(2.75)%	17.02-17.19%	34.17-34.37%	(35.46)-(35.40)%	—
<b>Partner All Cap Growth</b>					
Units .....	126,007	108,060	100,482	36,874	—
Unit value .....	\$ 8.98	\$ 9.77	\$ 7.89	\$ 5.30	—
Deathclaim units .....	—	544	—	—	—
Deathclaim unit value .....	\$ 9.03	\$ 9.81	\$ 7.90	\$ 5.31	—
Net assets .....	\$ 1,131,302	\$ 1,061,539	\$ 792,304	\$ 195,562	—
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) .....	0.00%	0.00%	0.00%	0.00%	—
Total return (c) .....	(8.15)-(8.01)%	23.96-24.15%	48.67-48.90%	(46.96)-(46.91)%	—
<b>Partner All Cap Value</b>					
Units .....	63,299	63,201	70,371	52,975	—
Unit value .....	\$ 8.08	\$ 9.09	\$ 7.73	\$ 5.54	—
Deathclaim units .....	—	—	—	—	—
Deathclaim unit value .....	\$ 8.12	\$ 9.13	\$ 7.75	\$ 5.54	—
Net assets .....	\$ 511,329	\$ 574,558	\$ 544,194	\$ 293,337	—
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) .....	0.59%	0.00%	1.62%	2.13%	—
Total return (c) .....	(11.14)-(11.01)%	17.56-17.73%	39.66-39.87%	(44.63)-(44.57)%	—
<b>Partner All Cap</b>					
Units .....	604,049	721,384	875,612	1,053,098	1,427,873
Unit value .....	\$ 10.67	\$ 11.33	\$ 9.85	\$ 7.75	\$ 13.73
Deathclaim units .....	—	403	372	613	168
Deathclaim unit value .....	\$ 11.42	\$ 12.11	\$ 10.51	\$ 8.26	\$ 14.61
Net assets .....	\$ 6,536,601	\$ 8,298,432	\$ 8,736,876	\$ 8,304,630	\$ 19,873,203
Ratio of expenses to net assets (a) .....	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) .....	0.63%	0.71%	1.34%	0.73%	0.44%
Total return (c) .....	(5.86)-(5.72)%	15.07-15.24%	27.08-27.27%	(43.53)-(43.45)%	19.04-19.22%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Large Cap Growth II</b>					
Units . . . . .	160,800	194,627	227,030	314,298	402,889
Unit value . . . . .	\$ 9.62	\$ 10.37	\$ 9.68	\$ 7.00	\$ 12.19
Deathclaim units . . . . .	19	259	—	227	—
Deathclaim unit value . . . . .	\$ 10.13	\$ 10.91	\$ 10.16	\$ 7.34	\$ 12.76
Net assets . . . . .	\$ 1,582,551	\$ 2,064,037	\$ 2,240,275	\$ 2,240,632	\$ 4,988,087
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	0.15%	0.29%	0.55%	0.63%	0.63%
Total return (c) . . . . .	(7.27)-(7.13)%	7.16-7.32%	38.25-38.46%	(42.56)-(42.47)%	15.19-15.36%
<b>Large Cap Growth</b>					
Units . . . . .	4,546,901	5,318,785	6,261,023	7,363,347	9,083,525
Unit value . . . . .	\$ 52.11	\$ 55.62	\$ 50.79	\$ 36.32	\$ 63.31
Deathclaim units . . . . .	29,971	40,623	62,487	61,434	56,826
Deathclaim unit value . . . . .	\$ 10.58	\$ 11.28	\$ 10.28	\$ 7.34	\$ 12.78
Net assets . . . . .	\$245,918,747	\$306,797,881	\$328,870,771	\$ 276,920,725	\$594,208,474
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	0.54%	0.56%	0.75%	1.11%	1.03%
Total return (c) . . . . .	(6.31)-(6.17)%	9.52-9.68%	39.85-40.06%	(42.64)-(42.55)%	15.46-15.64%
<b>Partner Growth Stock</b>					
Units . . . . .	466,057	603,472	707,504	922,553	1,303,592
Unit value . . . . .	\$ 12.60	\$ 12.93	\$ 11.21	\$ 7.92	\$ 13.83
Deathclaim units . . . . .	705	3,242	1,006	535	1,284
Deathclaim unit value . . . . .	\$ 11.71	\$ 12.00	\$ 10.39	\$ 7.32	\$ 12.78
Net assets . . . . .	\$ 5,964,034	\$ 7,937,464	\$ 8,023,731	\$ 7,382,509	\$ 18,197,605
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	0.00%	0.02%	0.31%	0.77%	0.51%
Total return (c) . . . . .	(2.56)-(2.41)%	15.35-15.52%	41.60-41.82%	(42.77)-(42.68)%	8.07-8.23%
<b>Large Cap Value</b>					
Units . . . . .	2,178,275	2,685,115	3,186,158	3,880,709	5,116,247
Unit value . . . . .	\$ 11.73	\$ 12.24	\$ 10.99	\$ 9.17	\$ 14.12
Deathclaim units . . . . .	1,165	2,984	1,568	1,583	2,272
Deathclaim unit value . . . . .	\$ 10.70	\$ 11.15	\$ 10.00	\$ 8.33	\$ 12.81
Net assets . . . . .	\$ 26,119,716	\$ 33,551,240	\$ 35,614,980	\$ 36,218,492	\$ 73,280,374
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	0.02%	1.30%	1.78%	3.50%	1.22%
Total return (c) . . . . .	(4.14)-(4.00)%	11.38-11.55%	19.78-19.96%	(35.05)-(34.95)%	3.54-3.69%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Large Cap Stock</b>					
Units . . . . .	1,050,692	1,331,774	1,650,308	2,055,676	2,728,381
Unit value . . . . .	\$ 10.32	\$ 10.94	\$ 9.98	\$ 7.91	\$ 12.83
Deathclaim units . . . . .	2,295	2,309	836	228	1,567
Deathclaim unit value . . . . .	\$ 9.94	\$ 10.52	\$ 9.58	\$ 7.58	\$ 12.28
Net assets . . . . .	\$ 11,181,855	\$ 14,967,952	\$ 16,831,175	\$ 16,577,294	\$ 35,603,934
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . .	0.01%	0.70%	0.93%	2.91%	1.13%
Total return (c) . . . . .	(5.62)-(5.48)%	9.61-9.77%	26.19-26.38%	(38.37)-(38.27)%	6.39-6.55%
<b>Large Cap Index</b>					
Units . . . . .	776,425	943,154	1,136,127	1,415,082	1,897,500
Unit value . . . . .	\$ 12.39	\$ 12.32	\$ 10.86	\$ 8.70	\$ 13.99
Deathclaim units . . . . .	25	—	623	2,158	—
Deathclaim unit value . . . . .	\$ 11.05	\$ 10.97	\$ 9.66	\$ 7.73	\$ 12.41
Net assets . . . . .	\$ 9,780,132	\$ 11,795,766	\$ 12,487,291	\$ 12,469,569	\$ 26,841,007
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . .	1.66%	1.89%	3.12%	2.31%	1.68%
Total return (c) . . . . .	0.60-0.75%	13.38-13.55%	24.82-25.01%	(37.81)-(37.72)%	4.01-4.17%
<b>Equity Income Plus</b>					
Units . . . . .	204,655	107,038	40,243	40,698	—
Unit value . . . . .	\$ 8.95	\$ 9.27	\$ 8.07	\$ 6.99	—
Deathclaim units . . . . .	—	—	—	—	—
Deathclaim unit value . . . . .	\$ 9.00	\$ 9.31	\$ 8.09	\$ 7.00	—
Net assets . . . . .	\$ 1,830,924	\$ 992,537	\$ 324,598	\$ 284,461	—
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) . . . .	0.27%	3.19%	1.62%	2.34%	—
Total return (c) . . . . .	(3.52)-(3.37)%	14.96-15.13%	15.40-15.57%	(30.10)-(30.03)%	—
<b>Balanced</b>					
Units . . . . .	405,093	479,444	580,663	762,073	1,008,314
Unit value . . . . .	\$ 13.78	\$ 13.37	\$ 11.93	\$ 9.91	\$ 13.55
Deathclaim units . . . . .	—	—	916	—	1,244
Deathclaim unit value . . . . .	\$ 12.15	\$ 11.77	\$ 10.49	\$ 8.70	\$ 11.87
Net assets . . . . .	\$ 5,805,990	\$ 6,647,641	\$ 7,126,444	\$ 7,737,043	\$ 13,935,393
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . .	2.20%	2.59%	4.45%	3.69%	3.06%
Total return (c) . . . . .	3.04-3.20%	12.06-12.22%	20.43-20.61%	(26.87)-(26.76)%	4.31-4.47%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>High Yield</b>					
Units . . . . .	2,923,653	3,420,616	4,068,012	4,745,863	5,920,639
Unit value . . . . .	\$ 40.52	\$ 39.13	\$ 34.53	\$ 24.33	\$ 31.16
Deathclaim units . . . . .	7,001	12,197	8,734	17,457	12,701
Deathclaim unit value . . . . .	\$ 14.77	\$ 14.24	\$ 12.55	\$ 8.83	\$ 11.29
Net assets . . . . .	\$123,507,324	\$139,514,142	\$145,776,327	\$ 120,160,596	\$191,380,523
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	7.73%	8.20%	9.14%	8.96%	8.06%
Total return (c) . . . . .	3.56-3.71%	13.32-13.49%	41.92-42.13%	(21.92)-(21.81)%	1.62-1.77%
<b>Diversified Income Plus</b>					
Units . . . . .	496,201	518,773	529,417	609,308	958,713
Unit value . . . . .	\$ 17.18	\$ 16.98	\$ 14.81	\$ 11.26	\$ 14.83
Deathclaim units . . . . .	1,755	244	501	5,189	—
Deathclaim unit value . . . . .	\$ 13.12	\$ 12.94	\$ 11.28	\$ 8.56	\$ 11.26
Net assets . . . . .	\$ 8,877,110	\$ 9,166,660	\$ 8,166,545	\$ 7,153,063	\$ 14,604,640
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	4.93%	4.89%	7.75%	6.56%	2.02%
Total return (c) . . . . .	1.20-1.35%	14.58-14.75%	31.61-31.81%	(24.08)-(23.96)%	(2.07)-(1.96)%
<b>Partner Socially Responsible Bond</b>					
Units . . . . .	51,411	56,079	28,655	21,119	—
Unit value . . . . .	\$ 12.62	\$ 11.96	\$ 11.19	\$ 10.19	—
Deathclaim units . . . . .	—	—	—	—	—
Deathclaim unit value . . . . .	\$ 12.69	\$ 12.01	\$ 11.22	\$ 10.20	—
Net assets . . . . .	\$ 648,825	\$ 670,618	\$ 320,633	\$ 215,259	—
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	—
Investment income ratio (b) . . . . .	2.75%	3.13%	3.44%	2.92%	—
Total return (c) . . . . .	5.53- 5.69%	6.87-7.03%	9.78-9.95%	1.93-2.03%	—
<b>Income</b>					
Units . . . . .	3,098,807	3,705,433	4,394,057	5,278,733	6,663,742
Unit value . . . . .	\$ 39.05	\$ 37.27	\$ 33.78	\$ 28.15	\$ 31.93
Deathclaim units . . . . .	10,303	20,789	38,968	55,587	36,181
Deathclaim unit value . . . . .	\$ 13.30	\$ 12.67	\$ 11.47	\$ 9.55	\$ 10.81
Net assets . . . . .	\$125,906,732	\$143,580,330	\$154,026,824	\$ 154,565,885	\$220,216,576
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	4.48%	5.04%	5.77%	5.71%	5.30%
Total return (c) . . . . .	4.79-4.95%	10.33-10.50%	19.97-20.15%	(11.82)-(11.68)%	2.65-2.81%

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

<u>Subaccount</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Bond Index</b>					
Units . . . . .	505,318	595,944	682,826	763,761	945,960
Unit value . . . . .	\$ 14.92	\$ 13.94	\$ 12.90	\$ 12.02	\$ 12.26
Deathclaim units . . . . .	1,251	—	—	—	3,916
Deathclaim unit value . . . . .	\$ 13.29	\$ 12.39	\$ 11.45	\$ 10.66	\$ 10.85
Net assets . . . . .	\$ 7,718,947	\$ 8,451,487	\$ 8,907,401	\$ 9,332,242	\$11,734,077
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	2.83%	3.13%	3.98%	4.88%	4.88%
Total return (c) . . . . .	7.03-7.19%	8.04-8.20%	7.29-7.45%	(1.91)-(1.76)%	4.52-4.68%
<b>Limited Maturity Bond</b>					
Units . . . . .	1,355,138	1,658,753	1,934,019	2,294,989	2,995,120
Unit value . . . . .	\$ 12.58	\$ 12.61	\$ 12.11	\$ 10.74	\$ 11.60
Deathclaim units . . . . .	1,177	4,543	1,964	1,747	2,755
Deathclaim unit value . . . . .	\$ 11.67	\$ 11.68	\$ 11.20	\$ 9.92	\$ 10.70
Net assets . . . . .	\$ 17,778,147	\$ 21,739,888	\$ 24,083,695	\$ 25,344,099	\$35,576,700
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	2.24%	3.25%	4.14%	4.56%	4.75%
Total return (c) . . . . .	(0.20)-(0.05)%	4.10- 4.26%	12.79-12.96%	(7.48)-(7.34)%	2.86-3.02%
<b>Mortgage Securities</b>					
Units . . . . .	146,138	173,261	212,752	252,949	329,303
Unit value . . . . .	\$ 13.60	\$ 13.16	\$ 11.87	\$ 10.62	\$ 11.30
Deathclaim units . . . . .	—	109	—	—	2,295
Deathclaim unit value . . . . .	\$ 13.13	\$ 12.68	\$ 11.42	\$ 10.20	\$ 10.84
Net assets . . . . .	\$ 2,034,320	\$ 2,334,494	\$ 2,580,067	\$ 2,747,200	\$ 3,818,822
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	2.89%	3.42%	3.56%	4.54%	4.99%
Total return (c) . . . . .	3.38-3.54%	10.87-11.03%	11.79-11.95%	(6.00)-(5.86)%	3.96-4.12%
<b>Money Market</b>					
Units . . . . .	7,554,880	8,671,241	13,592,675	24,029,840	22,193,342
Unit value . . . . .	\$ 1.96	\$ 1.98	\$ 2.00	\$ 2.02	\$ 1.98
Deathclaim units . . . . .	2,952	89,159	21,594	14,700	26,736
Deathclaim unit value . . . . .	\$ 1.08	\$ 1.09	\$ 1.10	\$ 1.11	\$ 1.09
Net assets . . . . .	\$ 15,365,514	\$ 17,927,747	\$ 27,999,740	\$ 49,397,201	\$44,876,774
Ratio of expenses to net assets (a) . . . . .	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%	0.95-1.10%
Investment income ratio (b) . . . . .	0.00%	0.00%	0.51%	2.91%	5.05%
Total return (c) . . . . .	(1.09)-(0.94)%	(1.09)-(0.95)%	(0.67)-(0.52)%	1.83-1.98%	4.02-4.18%

(a) These amounts represent the annualized contract expenses of the separate account, consisting primarily of mortality and expense charges, for each period indicated. The ratios include only those expenses that result in a direct reduction to unit values. Charges made directly to contract owner accounts through the redemption of units and expenses of the underlying fund have been excluded.

**TLIC Variable Annuity Account A**  
Notes to Financial Statements (continued)

**(6) UNIT VALUES - continued**

- (b) These amounts represent the dividends, excluding distributions of capital gains, received by the subaccount from the underlying mutual fund net of management fees assessed by the fund manager, divided by the average net assets. These ratios exclude those expenses, such as mortality and expense charges, that are assessed against the contract owner accounts either through reductions in the unit values or the redemption of units. The recognition of investment income is affected by the timing of the declaration of dividends by the underlying fund in which the subaccount invests.
- (c) These amounts represent the total return for periods indicated, including changes in the value of the underlying fund, and expenses assessed through the the reduction of unit values. These ratios do not include any expenses assessed through the redemption of units. Investment options with a date notation in Note 1 indicate the effective date of the investment option in the Variable Account. The total return is calculated for each period indicated or from the inception date through the end of the reporting period. The total return is calculated using accumulation unit values.