Primerica, Inc.
Form 424B5
July 12, 2012
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Prospectus supplement

(To Prospectus dated April 8, 2011)

Primerica, Inc.

$375,000,000

4.750% Senior Notes due 2022

Issue price: 99.843%

Interest payable on January 15 and July 15

The notes will bear interest at the rate of 4.750% per year. Interest on the notes is payable on January 15 and July 15 of each year, commencing on January 15, 2013. The notes will mature on July 15, 2022. We may redeem some or all of the notes at any time before maturity at the make-whole price discussed under the section entitled Description of the notes Optional redemption beginning on page S-26 of this prospectus supplement.

The notes will be our senior unsecured obligations and will rank equally with all of our other unsubordinated indebtedness from time to time outstanding. Holders of any secured indebtedness will have claims that are prior to your claims as holders of the notes, to the extent of the value of the assets securing such indebtedness, in the event of any bankruptcy, liquidation or similar proceeding. The notes will not be obligations of, or guaranteed by, any of our subsidiaries. As a result, the notes will be structurally subordinated to all liabilities of our subsidiaries.

The notes will not be listed on any securities exchange. There is currently no public market for the notes.

Investing in the notes involves risks. See the sections entitled Risk factors beginning on page S-15 of this prospectus supplement and page 2 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Public Offering Price	Underwriting Discounts	Net Proceeds to Primerica, Inc. (before expenses)

Per note	99.843%	0.650%	99.193%
Total	$374,411,250	$2,437,500	$371,973,750

Interest on the notes will accrue from July 16, 2012 to the date of delivery.

Securities entitlements with respect to the notes will be credited on or about July 16, 2012, in book-entry form through the facilities of The Depository Trust Company to the accounts of its participants, including Clearstream Banking, *société anonyme*, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, on behalf of the purchasers.

Joint Book-Running Managers

J.P. Morgan **Citigroup** **Morgan Stanley**

Co-Managers

Keefe, Bruyette & Woods **SunTrust Robinson Humphrey**

July 11, 2012

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Prospectus Supplement

Prospectus

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About this prospectus supplement

This document consists of two parts. The first part is this prospectus supplement, which describes the terms of the offering of the notes and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, which provides more general information. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or any document incorporated herein and therein by reference, on the other hand, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. Neither we nor the underwriters have authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we nor the underwriters are making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted.

You should not assume that the information in this prospectus supplement, the accompanying prospectus or any other offering materials is accurate as of any date other than the date on the front of each document, regardless of the time of delivery of this prospectus supplement, the accompanying prospectus or any sale of the notes. Our business, financial condition, results of operations and prospects may have changed since then.

Except as otherwise indicated or unless the context requires, as used in this prospectus supplement: (i) references to Primerica, we, us and our refer to Primerica, Inc., a Delaware corporation, and its consolidated subsidiaries; (ii) references to Citi refer to Citigroup Inc. and its subsidiaries; and (iii) references to Warburg Pincus refer collectively to Warburg Pincus Private Equity X, L.P. and Warburg Pincus X Partners, L.P.

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Summary

This summary description about us and our business highlights selected information contained elsewhere in this prospectus supplement, the accompanying prospectus or incorporated by reference into this prospectus supplement and the accompany prospectus. It does not contain all the information you should consider before purchasing the notes. You should read in their entirety this prospectus supplement, the accompanying prospectus and any other offering materials, together with the additional information described under the sections entitled Where you can find more information beginning on page S-44 of this prospectus supplement and page 28 of the accompanying prospectus.

Our company

We are a leading distributor of financial products to middle income households in the United States and Canada with approximately 90,000 life-insurance licensed sales representatives at March 31, 2012. We assist our clients in meeting their needs for term life insurance, which we underwrite, and mutual funds, annuities and other financial products, which we distribute primarily on behalf of third parties. We insured more than 4.3 million lives and approximately two million clients maintained investment accounts with us at March 31, 2012. Our distribution model uniquely positions us to reach underserved middle income consumers in a cost effective manner and has proven itself in both favorable and challenging economic environments.

Our mission is to serve middle income families by helping them make informed financial decisions and providing them with a strategy and means to gain financial independence. Our distribution model is designed to:

Address our clients financial needs: Our sales representatives use our proprietary financial needs analysis tool and an educational approach to demonstrate how our products can assist clients to provide financial protection for their families, save for their retirement and manage their debt. Typically, our clients are the friends, family members and personal acquaintances of our sales representatives. Meetings are generally held in informal, face-to-face settings, usually in the clients own homes.

Provide a business opportunity: We provide an entrepreneurial business opportunity for individuals to distribute our financial products. Low entry costs and the ability to begin part-time allow our sales representatives to supplement their income by starting their own independent businesses without incurring significant start-up costs or leaving their current jobs. Our unique compensation structure, technology, training and back-office processing are designed to enable our sales representatives to successfully grow their independent businesses.

We were the largest provider of individual term life insurance in the United States in 2010 (the latest period for which information is available) based on the amount of in-force premiums collected, according to LIMRA International, an independent market research organization. In 2011, we issued new term life insurance policies with more than $73 billion of aggregate face value and sold approximately $4.26 billion of investment and savings products.

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Recent developments

Accounting Standards Update 2010-26

On January 1, 2012, we adopted Accounting Standards Update 2010-26, *Accounting for Costs Associated with Acquiring or Renewing Insurance Contracts* (ASU 2010-26), retrospectively. In accordance with the requirements of the Securities and Exchange Commission (the SEC), we were required to revise previously issued financial statements using the deferral and recognition guidance under ASU 2010-26 for each of the years presented in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 (the 2011 Annual Report). The revision of the previously-issued 2011 Annual Report was made in accordance with applicable accounting rules and should not be read as a restatement of our 2011 Annual Report. For further information on the revisions to the information contained in our 2011 Annual Report, please see our Form 8-K filed with the SEC on May 8, 2012 (the May 8, 2012 Form 8-K), which is incorporated by reference into this prospectus supplement and the accompanying prospectus.

The following items of the 2011 Annual Report were updated retrospectively to reflect the adoption described above and such items were filed as exhibits to the May 8, 2012 Form 8-K:

- Item 1. Business (Segment Financial and Geographic Disclosures section);
- Item 6. Selected Financial Data;
- Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations;
- Item 7A. Quantitative and Qualitative Disclosures About Market Risk;
- Item 8. Financial Statements and Supplementary Data; and
- Item 15. Exhibits, Financial Statement Schedules ((c) Financial Statement Schedules section).

The May 8, 2012 Form 8-K modified and updated the disclosures presented in the 2011 Annual Report for (i) matters relating to the adoption of ASU 2010-26 and its associated impact and (ii) the addition of Note 19 to the consolidated and combined financial statements to disclose the occurrence of subsequent events first publicly disclosed in our Current Reports on Forms 8-K filed with the SEC on April 2, 2012 and April 18, 2012. The information in the May 8, 2012 Form 8-K should be read in conjunction with the 2011 Annual Report.

Credit Facility Agreement

As of March 27, 2012, Peach Re, Inc. (Peach Re), our wholly owned indirect subsidiary, entered into a Credit Facility Agreement (the Credit Facility Agreement) with Deutsche Bank AG New York Branch (Deutsche Bank). Under the Credit Facility Agreement, effective as of March 31, 2012, Deutsche Bank issued a letter of credit (the LOC) in the initial amount of $450 million for the benefit of Primerica Life Insurance Company (Primerica Life), our principal life insurance company and the direct parent of Peach Re. Subject to certain conditions, the amount of the LOC will be periodically increased up to a maximum amount of $510 million in 2014. The LOC was issued to support certain obligations of Peach Re for a portion of reserves related to level premium term life insurance policies issued by Primerica Life that were reinsured by Peach Re under a coinsurance agreement, effective as of March 31, 2012. The average estimated annual expense of the LOC under generally accepted accounting principles is approximately $3 million, after tax. The LOC has a term of approximately 14 years.

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Pursuant to the terms of the Credit Facility Agreement, in the event amounts are drawn under the LOC by Primerica Life, Peach Re will be obligated, subject to certain limited conditions, to reimburse Deutsche Bank for the amount of any draw and interest thereon. The Credit Facility Agreement is non-recourse to Primerica, Inc. and Primerica Life, meaning that neither is liable to reimburse Deutsche Bank for any drawn amounts or interest thereon. Primerica, Inc. has agreed to guarantee the payment of fees to Deutsche Bank under the Credit Facility Agreement. Pursuant to the Credit Facility Agreement, Peach Re has collateralized its obligations to Deutsche Bank by granting it a security interest in all of its assets with the exception of amounts held in a special account established to meet minimum asset thresholds required by state regulatory authorities. In connection with the transactions contemplated by the coinsurance agreement and the Credit Facility Agreement, Primerica Life received regulatory approval for an extraordinary dividend to Primerica, Inc. of approximately $150 million, which was paid in April 2012. Primerica Life currently has no additional dividend capacity without prior regulatory approval.

Share Repurchase from Warburg Pincus

In April 2012, we completed the repurchase of an aggregate of approximately 5.7 million shares of our common stock beneficially owned by Warburg Pincus for a total purchase price of approximately $150 million. Proceeds from the payment of the extraordinary dividend from Primerica Life in April 2012 were used to fund the repurchase.

Our clients

Our clients are generally middle income consumers, which we define as households with $30,000 to $100,000 of annual income, representing approximately 50% of U.S. households. We believe that we understand the financial needs of this middle income segment well:

- they have inadequate or no life insurance coverage;
- they need help saving for retirement and other personal goals;
- they need to reduce their consumer debt; and
- they prefer to meet face-to-face when considering financial products.

We believe that our educational approach and distribution model best position us to address these needs profitably, which traditional financial services firms have found difficult to accomplish.

Our distribution model

The high fixed costs associated with in-house sales personnel and salaried career agents and the smaller-sized sales transactions typical of middle income consumers have forced many other financial services companies to focus on more affluent consumers. Product sales to affluent consumers tend to be larger, generating more sizable commissions for the selling agent, who usually works on a full-time basis. As a result, this segment has become increasingly competitive. Our distribution model, which borrows aspects from franchising, direct sales and traditional insurance agencies, is designed to reach and serve middle income consumers efficiently. Key characteristics of our unique distribution model include:

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Independent entrepreneurs: Our sales representatives are independent contractors, building and operating their own businesses. This business-within-a-business approach means that our sales representatives are entrepreneurs who take responsibility for selling products, recruiting sales representatives, setting their own schedules and managing and paying the expenses associated with their sales activities, including office rent and administrative overhead.

Part-time opportunity: By offering a flexible part-time opportunity, we are able to attract a significant number of recruits who desire to earn supplemental income and generally concentrate on smaller-sized transactions typical of middle income consumers. Virtually all of our sales representatives begin selling our products on a part-time basis, which enables them to hold jobs while exploring an opportunity with us.

Incentive to build distribution: When a sale is made, the selling representative receives a commission, as does the representative who recruited him or her, which we refer to as override compensation. Override compensation is paid through several levels of the selling representative s recruitment supervisory organization. This structure motivates existing sales representatives to grow our sales force and ensures their success by providing them with commission income from the sales completed by their recruits.

Sales force leadership: A sales representative who has built a successful organization can achieve the sales designation of Regional Vice President (RVP) and can earn higher compensation and bonuses. RVPs are independent contractors who open and operate offices for their sales organizations and devote their full attention to their Primerica businesses. RVPs also support and monitor the part-time sales representatives on whose sales they earn override commissions in compliance with applicable regulatory requirements. RVPs efforts to expand their businesses are a primary driver of our success.

Innovative compensation system: We have developed an innovative system for compensating our independent sales force. We advance to our representatives a significant portion of their insurance commissions upon their submission of an insurance application and the first month s premium payment. In addition to being a source of motivation, this upfront payment provides our sales representatives with immediate cash flow to offset costs associated with originating the business. In addition, monthly production bonuses are paid to sales representatives whose downline sales organizations meet certain sales levels. With compensation primarily tied to sales activity, our compensation approach accommodates varying degrees of individual productivity, which allows us to use a large group of part-time representatives while providing a variable cost structure. In addition, we incentivize our RVPs with equity compensation, which aligns their interests with those of our stockholders.

Large dynamic sales force: The members of our sales force primarily target and serve their friends, family members and personal acquaintances through individually driven networking activities. We believe that this warm markets approach is an effective way to distribute our products because it facilitates face-to-face interaction initiated by a trusted acquaintance of the prospective client, which is difficult to replicate using other distribution approaches. Due to the large size of our sales force, attrition and our active recruiting of new sales representatives, our sales force is constantly renewing itself, which allows us to continually access an expanding base of prospective clients without engaging costly media channels.

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Motivational culture: Through sales force recognition events and contests, we seek to create a culture that inspires and rewards our sales representatives for their personal successes and those of their sales organizations. We believe this motivational environment is a major reason that many sales representatives join and achieve success in our business.

These attributes have enabled us to build a large sales force in the United States and Canada with approximately 90,000 sales representatives licensed to sell life insurance as of March 31, 2012. Approximately 21,500 of our sales representatives were also licensed to sell mutual funds in the United States and Canada as of December 31, 2011.

Our segments

While we view the size and productivity of our sales force as the primary drivers of our product sales, the majority of our revenue is not directly correlated to our sales volume in any particular period. Rather, our revenue is principally driven by our in-force book of term life insurance policies, our sale, maintenance and administration of investment and savings products and accounts, and our investment income. The following is a summary description of our segments:

Term Life Insurance: We earn premiums on our in-force book of term life insurance policies, which are underwritten by our three life insurance subsidiaries. The term in-force book is commonly used in the insurance industry to refer to the aggregate policies issued by an insurance company that have not lapsed or been settled. Revenues from the receipt of premium payments for any given in-force policy are recognized over the multi-year life of the policy. This segment also includes investment income on the portion of our invested asset portfolio used to meet our required statutory reserves and targeted capital.

Investment and Savings Products: We earn commission and fee revenues from the distribution of mutual funds in the United States and Canada, annuities in the United States and segregated funds in Canada and from the associated administrative services we provide. We distribute these products on behalf of third parties, although we underwrite segregated funds in Canada. In the United States, the mutual funds that we distribute are managed by third parties such as American Funds, Franklin Templeton, Invesco, Legg Mason and Pioneer. In Canada, we sell Primerica-branded Concert mutual funds and the funds of several other third parties. The annuities that we distribute are underwritten by MetLife and Lincoln Financial. Revenues associated with these products are composed of commissions and fees earned at the time of sale, fees based on the asset values of client accounts and recordkeeping and custodial fees charged on a per-account basis.

Corporate and Other Distributed Products: We also earn fees and commissions from the distribution of various third-party products, including loans in Canada, long-term care insurance, auto insurance, homeowners insurance, prepaid legal services, a credit information product and a debt resolution product, and from our mail-order student life insurance and short-term disability benefit insurance, which we underwrite through our New York insurance subsidiary. This segment also includes corporate income and expenses not allocated to other segments, interest expense on our note payable to Citi and realized gains and losses on our invested asset portfolio.

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Our strengths

Proven excellence in building and supporting a large independent financial services sales force. We believe success in serving middle income consumers requires generating and supporting a large distribution system, which we view as one of our core competencies. We have recruited more than 200,000 new sales representatives and assisted more than 33,000 recruits in obtaining life insurance licenses in each of the last seven calendar years. Approximately 40,000 people attended our biennial convention in June 2011 at the Georgia Dome in Atlanta, Georgia. Our RVPs conduct thousands of meetings per month to introduce our business opportunity to new recruits, and our classes help our sales representatives obtain requisite life insurance licenses and fulfill state-mandated licensing requirements. We have excelled at motivating and coordinating a large and geographically diverse, mostly part-time sales force by connecting with them through multiple channels of communication and providing innovative compensation programs and home office support.

Cost-effective access to middle income consumers. We have a proven ability to reach middle income consumers in a cost-effective manner. Our back-office systems, technology and infrastructure are designed to process a high volume of transactions efficiently. Because our part-time sales representatives are supplementing their income, they are willing to pursue smaller-sized transactions typical of middle income clients. Our unique distribution model avoids the higher costs associated with advertising and media channels.

Exclusive distribution. Our sales representatives sell financial products solely for us; therefore, we do not have to compete for shelf space with independent agents for the distribution of our products. We, in turn, do not distribute our principal products through alternative channels. This approach garners loyalty from our sales representatives and eliminates competition for home office resources. Having exclusive distribution helps us to price our products appropriately for our clients needs, establish competitive sales force compensation and maintain our profitability.

Scalable operating platform. We have a compensation and administration system designed to encourage our sales representatives to build their sales organizations, which gives us the capacity to expand our sales force and increase the volume of transactions we process and administer with minimal additional investment.

Conservative financial profile and risk management. We manage our risk profile through conservative product design and selection and other risk-mitigating initiatives. Our life insurance products are generally limited to term life and do not include the guaranteed minimum benefits tied to asset values that have recently caused industry disruption. We further reduce and manage our life insurance risk profile by reinsuring a significant majority of the mortality risk in our newly issued life insurance products. Furthermore, our invested asset portfolio is composed primarily of highly liquid, investment-grade securities and cash equivalents.

Experienced management team and sales force. We are led by a management team that has extensive experience in our business and a thorough understanding of our unique culture and business model. Our senior executives largely have grown up in the business. Our Co-Chief Executive Officers, John Addison and Rick Williams, both joined our company more than 20 years ago and were appointed Co-Chief Executive Officers in 1999. The ten members of our senior management team have an average of 25 years of experience at Primerica. Equally important, our more successful sales representatives, who have become influential within our sales organization, also have significant longevity with us. Of our sales representatives, approximately 20,000 have been with us for at least ten years, and approximately 7,000 have been with us for at least 20 years.

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Our strategy

Our strategies are designed to leverage our core strengths to serve the vast and underserved middle income segment. These strategies include:

Grow our sales force. Our strategy to grow our sales force includes:

- *Increasing the number of recruits.* Our existing sales representatives replenish and grow our sales force through recruiting activities that generate a high volume of new recruits. Moreover, the introduction of new recruits to our business provides us with an opportunity for product sales, both to the recruits themselves and to their friends, family members and personal acquaintances. We intend to continue to focus on recruiting, and we routinely consider initiatives intended to expand the number of individuals interested in the business opportunity we provide.

- *Increasing the number of licensed sales representatives.* We have launched a series of initiatives designed to increase the number of recruits who obtain life insurance licenses. Working with industry groups and trade associations, we seek to address unnecessary regulatory barriers to licensing qualified recruits. In addition, we continue to design and improve educational courses, training tools and incentives that are made available to help recruits prepare for state and provincial licensing examinations. Recently, we have expanded the role of our licensing instructors and we have more clearly delineated the steps our recruits should take to improve their chances of obtaining a license. We also now provide a personalized study plan to each recruit who completes our pre-licensing education program. We also continue to seek ways to enhance our securities licensing program to incent more life-licensed representatives to obtain their securities licenses.

- *Growing the number of RVPs*. We had approximately 4,000 RVPs as of March 31, 2012. The number of RVPs is an important factor in our sales force growth; as RVPs build their individual sales organizations, they become the primary driver of our sales force recruiting and licensing success. We continue to provide new technology to our sales representatives to enable RVPs to reduce the time spent on administrative responsibilities associated with their sales organizations so they can devote more time to sales and recruiting activities. The new technology, coupled with our equity award program, is designed to encourage more of our sales representatives to make the commitment to become RVPs.

Increase our use of innovative technology. We continue to invest in technology that makes it easier for individuals to join our sales force, complete licensing requirements and build their own businesses. We provide our sales representatives with innovative technology, utilizing wireless mobile devices with a combination of deployed applications and web-based systems. Early in 2012, we introduced our new Primerica App for use with certain mobile devices. Through May 2012 our new Primerica App was activated on more than 37,000 devices. In addition, our next generation web-based FNA (Financial Needs Analysis) is being delivered in phases throughout 2012. Our web-based turbo apps have been widely adopted, with approximately 85% of new recruits and life insurance applications submitted electronically since February 2012.

Enhance our product offerings. We will continue to enhance and refine the basic financial products we offer with features, riders and terms that are most appropriate for the market we serve and our distribution system. We typically select products that we believe are highly valued by middle income families, making it easy for sales representatives to feel confident selling them to individuals with whom they have a personal relationship. Prior product developments have included a 35-year term life insurance policy, new mutual fund families, other protection products and a credit information product. The enhancement of our product offerings increases our sources of revenue.

The transactions

In March 2010, in connection with our initial public offering, we entered into coinsurance agreements with affiliates of Citi and Prime Reinsurance Company, Inc., then a wholly owned subsidiary of Primerica Life, under which we ceded between 80% and 90% of the risks and rewards of our term life insurance policies that were in force at year-end 2009 (the Citi reinsurance transactions).

In this prospectus supplement, we refer to the series of transactions that occurred in connection with our initial public offering, including a corporate reorganization, the Citi reinsurance transactions, certain concurrent transactions, and a private sale by Citi to private equity funds managed by Warburg Pincus of our common stock and warrants, as the Transactions. We believe that the Transactions and the resulting changes to our balance sheet favorably positioned our company with the growth profile of a newly-formed life insurance holding company combined with a proven track record and infrastructure developed over more than 30 years. See the section entitled Management s Discussion and Analysis of Financial Condition and Results of Operations The Transactions included in the 2011 Annual Report, as modified and updated by the May 8, 2012 Form 8-K, each of which is incorporated by reference into this prospectus supplement and the accompanying prospectus.

Conflicts of interest

Prior to this offering we have had, and after this offering we will continue to have, commercial and contractual arrangements with affiliates of Citi. In addition, Citigroup Global Markets Inc., a joint book-running manager of this offering, is a wholly owned subsidiary of Citigroup Inc. We intend to use the net proceeds from the sale of the notes to repay our $300.0 million note payable to Citi (the Citi note) and, if the net offering proceeds are greater than such amount, for working capital and general corporate purposes. Because an affiliate of Citigroup Global Markets Inc. will receive more than 5% of the net proceeds from this offering, not including underwriting compensation, Citigroup Global Markets Inc. has a conflict of interest as defined in Financial Industry Regulatory Authority Rule 5121 (Rule 5121). As such, this offering is being conducted in compliance with the full provisions of Rule 5121. Citigroup Global Markets Inc. will not confirm sales to any account over which it exercises discretionary authority without the prior written approval from the accountholder. A qualified independent underwriter is not necessary in connection with this offering because the notes are expected to be rated investment grade pursuant to FINRA Rule 5121(a)(1)(C). See the sections entitled Use of proceeds and Underwriting beginning on pages S-20 and S-39, respectively, of this prospectus supplement.

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Our principal executive offices are located at 3120 Breckinridge Blvd., Duluth, Georgia 30099, and our telephone number is (770) 381-1000. Our website address is *www.primerica.com*. This reference to our website is an inactive textual reference only and is not a hyperlink. The contents of our website are not part of this prospectus supplement, and you should not consider the contents of our website in making an investment decision with respect to the notes.

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The offering

For purposes of this section of the prospectus supplement summary, we, us and our refer to Primerica, Inc. and not to its subsidiaries.

Issuer	Primerica, Inc.
Securities Offered	$375,000,000 aggregate principal amount of 4.750% notes due 2022.
Interest	The notes will bear interest at the rate of 4.750% per year, payable semi-annually in arrears on January 15 and July 15, commencing on January 15, 2013. See the section entitled Description of the notes General beginning on page S-24 of this prospectus supplement.
Ranking	The notes will be our senior unsecured obligations and will rank equally with all of our other unsubordinated indebtedness from time to time outstanding. Holders of any secured indebtedness will have claims that are prior to your claims as holders of the notes, to the extent of the value of the assets securing such indebtedness, in the event of any bankruptcy, liquidation or similar proceeding. Other than the Citi note, which we intend to repay with the net proceeds from this offering, we had no unsecured indebtedness that would rank equally in right of payment with the notes as of March 31, 2012.
	The notes will not be obligations of, or guaranteed by, any of our subsidiaries. As a result, the notes will be structurally subordinated to all liabilities of our subsidiaries, which means that creditors of our subsidiaries will be paid from the assets of such subsidiaries before holders of the notes would have any claims to those assets. As of March 31, 2012, our subsidiaries had approximately $5.84 billion of liabilities (excluding intercompany liabilities and separate account liabilities for which there is an offsetting dedicated asset). See the section entitled Description of the notes Ranking beginning on page S-25 of this prospectus supplement.
Use of Proceeds	We expect to receive net proceeds from this offering of approximately $371.7 million, after expenses and underwriting discounts and commissions. We intend to use the net proceeds from this offering to repay amounts outstanding under the Citi note and for working capital and general corporate purposes, which may include share repurchases. See the section entitled Use of proceeds beginning on page S-20 of this prospectus supplement.
Optional Redemption	We may redeem some or all of the notes at any time and from time to time at a redemption price equal to the greater of:
	100% of the principal amount of the notes to be redeemed; or
	the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed, discounted

to the redemption date on a semiannual basis at the Treasury Rate (as defined in the section entitled Description of the notes Optional redemption beginning on page S-26 of this prospectus supplement) plus 50 basis points,

plus, in each case, accrued and unpaid interest thereon to the date of redemption. See the section entitled Description of the notes Optional redemption beginning on page S-26 of this prospectus supplement.

Certain Covenants

The notes will be issued under an indenture containing covenants that, among other things, restrict our ability to:

- create or incur any indebtedness that is secured by a lien on the capital stock of certain of our subsidiaries; and

- merge, consolidate or sell all or substantially all of our properties and assets.

These covenants are subject to a number of important exceptions and qualifications as described under the sections entitled Description of the notes Limitation on liens and Description of the notes Consolidation, merger, sale of assets and other transactions, beginning on page S-26, of this prospectus supplement.

Trustee

Wells Fargo Bank, National Association

Governing Law

State of New York

Summary financial and operating data

The summary statements of income data and summary segment data for the three months ended March 31, 2012 and 2011 and for the years ended December 31, 2011, 2010 and 2009 and the summary balance sheet data as of March 31, 2012 presented below have been derived from our unaudited condensed and audited financial statements included in our Quarterly Report on Form 10-Q for the three months ended March 31, 2012 (the First Quarter 2012 Quarterly Report) and the 2011 Annual Report, as modified and updated by the May 8, 2012 Form 8-K, each of which is incorporated by reference into this prospectus supplement and the accompanying prospectus. In the opinion of management, the unaudited condensed financial statements so incorporated by reference have been prepared on substantially the same basis as the audited financial statements so incorporated and reflect all normal and recurring adjustments necessary for a fair statement of the information for the periods presented.

All financial data presented in this prospectus supplement have been prepared using U.S. generally accepted accounting principles. The summary statements of income data may not be indicative of the revenues and expenses that would have existed or resulted if we had operated independently of Citi during all periods presented. The summary financial data are not necessarily indicative of the financial position or results of operations as of any future date or for any future period.

The Transactions have resulted, and will continue to result, in financial performance that is materially different from that reflected in the financial data prior to March 31, 2010 that appear elsewhere in this prospectus supplement and are incorporated by reference into this prospectus supplement and the accompanying prospectus. Due to the timing of the Transactions and their impact on our financial position and results of operations, year-over-year comparisons of our financial position and results of operations will reflect significant non-comparable accounting transactions and account balances. In addition, on January 1, 2012, we adopted ASU 2010-26 retrospectively. In accordance with the requirements of the SEC, we were required to revise previously-issued financial statements using the deferral and recognition guidance under ASU 2010-26 for each of the years presented in our 2011 Annual Report.

You should read the following summary financial and operating data in conjunction with the section entitled Selected financial data beginning on page S-22 of this prospectus supplement, the section entitled Management s Discussion and Analysis of Financial Condition and Results of Operations and our unaudited condensed financial statements included in the First Quarter 2012 Quarterly Report and the section entitled Management s Discussion and Analysis of Financial Condition and Results of Operations and our audited financial statements included in the 2011 Annual Report, as modified and updated by the May 8, 2012 Form 8-K. Each of the First Quarter 2012 Quarterly Report and the 2011 Annual Report, as modified and updated by the May 8, 2012 Form 8-K, is incorporated by reference into this prospectus supplement and the accompanying prospectus.

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	Three months ended March 31, 2012(1)	2011(1)(2)	Year ended December 31, 2011(2)	2010(2)	2009(2)
	(Dollars in thousands, except as noted)				
Statements of income data					
Revenues:					
Direct premiums	$ 561,037	$ 552,069	$ 2,229,467	$ 2,181,074	$ 2,112,781
Ceded premiums	(418,163)	(422,238)	(1,703,075)	(1,450,367)	(610,754)
Net premiums	142,874	129,831	526,392	730,707	1,502,027
Commissions and fees	103,905	106,116	412,979	382,940	335,986
Net investment income	26,097	28,626	108,601	165,111	351,326
Realized investment gains (losses), including other-than-temporary impairment losses	2,131	327	6,440	34,145	(21,970)
Other, net	11,594	11,452	48,681	48,960	53,032
Total revenues	286,601	276,352	1,103,093	1,361,863	2,220,401
Benefits and expenses:					
Benefits and claims	67,933	57,635	242,696	317,703	600,273
Amortization of deferred policy acquisition costs, net	26,531	23,229	104,034	147,841	352,257
Sales commissions	49,717	50,438	191,722	180,054	162,756
Insurance expenses	22,444	15,798	89,192	105,132	179,592
Insurance commissions	8,496	8,998	38,618	48,182	50,750