EDDLEMAN ROY T
Form 4
August 13, 2018

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
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(Print or Type Responses)

1. Name and Address of Reporting Person *
EDDLEMAN ROY T

(Last) (First) (Middle)

C/O TROYGOULD PC, 1801 CENTURY PARK E., 16TH FLOOR

(Street)

LOS ANGELES, CA 90067

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
REPLIGEN CORP [RGEN]

3. Date of Earliest Transaction (Month/Day/Year)
08/09/2018

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director __X__ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common stock	08/09/2018		S		76,858	D	$ 49.674 (1)	720,000	I	As trustee (2)
Common stock	08/09/2018		S		39,215	D	$ 49.5395 (3)	370,000	I	As trustee (4)
Common stock								357,518	D (5)	
Common stock								2,903,466	I	As trustee (6)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
EDDLEMAN ROY T C/O TROYGOULD PC, 1801 CENTURY PARK E. 16TH FLOOR LOS ANGELES, CA 90067	X			

Signatures

Istvan Benko, as Attorney-in-Fact for Roy T. Eddleman	08/13/2018
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The price is a weighted-average price. The shares were sold in multiple transactions at prices ranging from $49.6450 to $49.6950, inclusive. The reporting person undertakes to provide to the issuer, any security holder of the issuer, or the staff of the SEC, upon request, full information regarding the number of shares sold at each price with the price ranges set forth in this footnote and in footnote (3), below.

(2) The shares shown are held, of record, by a charitable remainder unitrust of which the reporting person is the sole trustee and, as such, has investment and voting control over such shares, and is a lifetime beneficiary. The reporting person disclaims as beneficial ownership of the shares except to the extent of his pecuniary interest therein.

(3) The price is a weighted-average price. The shares were sold in multiple transactions at prices ranging from $49.4328 to $49.5959, inclusive.

(4) The shares shown are held, of record, by a second charitable remainder unitrust of which the reporting person is the sole trustee and, as such, has investment and voting control over such shares, and is a lifetime beneficiary. The reporting person disclaims as beneficial ownership of the shares except to the extent of his pecuniary interest therein.

(5) The shares shown are held for the benefit of the reporting person in a 15-month escrow account established in connection with the acquisition of Spectrum, Inc. by the issuer on August 1, 2017 and are subject to potential indemnification claims of the issuer relating to the acquisition.

(6) The shares shown are held of record by the Roy T. Eddleman Living Trust UAD 8-7-2000, of which the reporting person is the sole trustee, and as such, has investment and voting control over such shares.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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$

78,028,485

Percentage of reinsured life insurance in force

89

%

89

%

Due from reinsurers includes ceded reserve balances and ceded claim liabilities. Reinsurance receivable and financial strength ratings by reinsurer were as follows:

	December 31, 2014		December 31, 2013	
	Reinsurance receivable	A.M. Best rating	Reinsurance receivable	A.M. Best rating
	(In thousands)			

Explanation of Responses:

Prime Reinsurance Company[1]	$2,645,011	NR	$2,572,800	NR
SCOR Global Life Reinsurance Companies[2]	373,947	A	372,479	A
Financial Reassurance Company 2010, Ltd.[1]	320,718	NR	343,144	NR
Swiss Re Life & Health America Inc.[3]	260,734	A+	260,775	A+
American Health and Life Insurance Company[1]	175,755	A-	174,722	A-
Munich American Reassurance Company	100,846	A+	100,856	A+
Korean Reinsurance Company	89,300	A	89,405	A
RGA Reinsurance Company	78,143	A+	75,629	A+
TOA Reinsurance Company	20,139	A+	18,824	A+
Hannover Life Reassurance Company	18,694	A+	16,862	A+
All other reinsurers	32,246	-	29,558	-
Due from reinsurers	$4,115,533		$4,055,054	

NR – not rated

(1) Reinsurers are affiliates of Citigroup. Amounts shown are net of their share of the reinsurance receivable from other reinsurers.

(2) Includes amounts ceded to Transamerica Reinsurance Companies and fully retroceded to SCOR Global Life Reinsurance Companies.

(3) Includes amounts ceded to Lincoln National Life Insurance and 100% retroceded to Swiss Re Life & Health America Inc.

Certain reinsurers with which we do business receive group ratings. Individually, those reinsurers are SCOR Global Life Americas Reinsurance Company, SCOR Global Life U.S.A. Reinsurance Company, SCOR Global Life Re Insurance Company of Delaware, and SCOR Global Life of Canada.

As Prime Re and Financial Reassurance Company 2010, Ltd. ("FRAC") do not have financial strength ratings, we required various safeguards prior to executing the coinsurance agreements with these entities. Both coinsurance agreements include provisions to ensure that Primerica Life and Primerica Life Canada receive full regulatory credit for the reinsurance treaties. Under these agreements, Primerica Life and Primerica Life Canada will be able to recapture the ceded business with no fee in the event Prime Re or FRAC do not comply with the various safeguard provisions in their respective coinsurance agreements. Prime Re also has entered into a capital maintenance agreement requiring Citigroup to provide additional funding, if needed, at any point during the term of the agreement up to the maximum as described in the capital maintenance agreement.

(7) Deferred Policy Acquisition Costs

We defer the costs of acquiring new business to the extent that they result directly from and are essential to the contract transaction(s) and would not have been incurred had the contract transaction(s) not occurred. The amortization of DAC requires us to make certain assumptions regarding persistency, expenses, interest rates and claims. For DAC associated with term life insurance policies, these assumptions may not be modified, or unlocked, unless recoverability testing deems them to be inadequate. We update assumptions for new business to reflect the most recent experience. For DAC associated with Canadian segregated funds, the assumptions used in determining amortization expense are evaluated regularly and are updated if actual experience or other evidence suggests revisions to earlier estimates are appropriate.

DAC amortization for term life insurance policies is affected by differences between the original assumptions used for persistency, expenses, interest rates and claims and actual results and are recognized in the period in which the change occurs. For policies underlying the Canadian segregated funds, gross profits and the resulting DAC amortization will vary with actual fund returns, redemptions and expenses. Due to the inherent uncertainties in making assumptions about future events, materially different experience from expected results could result in a material increase or decrease of DAC amortization in a particular period.

In determining DAC amortization expense for term life insurance policies, we use interest rates available at the time a policy is issued. For policies issued in 2010 and after, we have been using an increasing interest rate assumption based on the historically low interest rate environment. Interest rate assumptions at December 31, 2014 and 2013 ranged from 3.5% to 7.0%.

DAC is subject to recoverability testing annually and when impairment indicators exist. The recoverability of DAC is dependent on the future profitability of the related policies, which, in turn, is dependent principally upon mortality, persistency, investment returns, and the expense of administering the business, as well as upon certain economic variables, such as inflation.

The balances of and activity in DAC were as follows:

	Year ended December 31,		
	2014	2013	2012
	(In thousands)		
DAC balance, beginning of period	$1,208,466	$1,066,422	$904,485
Capitalization	303,543	283,341	276,840
Amortization	(144,378)	(129,183)	(118,598)
Foreign exchange and other	(16,451)	(12,114)	3,695
DAC balance, end of period	$1,351,180	$1,208,466	$1,066,422

(8) Separate Accounts

The Funds primarily consist of a series of banded investment funds known as the Asset Builder Funds and a money market fund known as the Cash Management Fund. In 2014, the Funds introduced a registered retirement income fund known as the Strategic Retirement Income Fund. The principal investment objective of the Asset Builder Funds is to achieve long-term growth while preserving capital. The principal objective of the Strategic Retirement Income Fund is to provide a stream of investment income while at the same time defensively preserving capital. The Asset Builder Funds and the Strategic Retirement Income Fund use diversified portfolios of publicly-traded Canadian stocks, investment-grade corporate bonds, Government of Canada bonds, and foreign equity investments to achieve their objectives. The Cash Management Fund invests in government guaranteed short-term bonds and short-term commercial and bank papers, with the principal investment objective being the provision of interest income while maintaining liquidity and preserving capital.

Under these contract offerings, benefit payments to contract holders or their designated beneficiaries are only due upon death of the annuitant or upon reaching a specific maturity date. Benefit payments are based on the value of the contract holder's units in the portfolio at the payment date, but are guaranteed to be no less than 75% of the contract holder's contribution, adjusted for withdrawals. Account values are not guaranteed for withdrawn units if contract holders make withdrawals prior to the maturity dates. Maturity dates for contracts investing in the Asset Builder Funds and Cash Management Fund vary by contract and range from 10 to 56 years from the contract issuance date. Contracts investing in the Strategic Retirement Income Fund mature when the policyholder reaches age 100, which is a minimum of 20 years after issue. The Strategic Retirement Income Fund is designed to provide periodic retirement income payments and as such, regular withdrawals, subject to legislated minimums, are anticipated. The cumulative effects of the periodic withdrawals are expected to substantially reduce both account and minimum guaranteed values prior to maturity.

Both the asset and the liability for the separate accounts reflect the net value of the underlying assets in the portfolio as of the reporting date. Primerica Life Canada's exposure to losses under the guarantee at the time of account maturity is limited to contract holder accounts that have declined in value more than 25%, adjusted for withdrawals, since the contribution date prior to maturity. Because maturity dates are of a long-term nature, the likelihood guarantee payments are required at any given point is very small. Additionally, the portfolios consist of a very large number of individual contracts, further spreading the risk related to the guarantee being exercised upon death. The length of the contract terms provides significant opportunity for the underlying portfolios to recover any short-term losses prior to maturities or deaths of the contract holders. Furthermore, the funds' investment allocations are aligned with the maturity risks of the related contracts and include investments in Government Strip Bonds and floating rate notes.

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We periodically assess the exposure related to these contracts to determine whether any additional liability should be recorded. As of December 31, 2014 and 2013, an additional liability for these contracts was deemed to be unnecessary.

The following table represents the fair value of assets supporting separate accounts by major investment category:

	Year ended December 31,	
	2014	2013
	(In thousands)	
Fixed income securities	$1,019,034	$1,044,231
Equity securities	1,318,382	1,425,491
Cash and cash equivalents	104,983	35,685
Due to/from funds	(2,536)	(2,210)
Other	440	632
Total separate accounts assets	$2,440,303	$2,503,829

(9) Insurance Reserves

Changes in policy claims and other benefits payable were as follows:

	Year ended December 31,		
	2014	2013	2012
	(In thousands)		
Policy claims and other benefits payable, beginning of period	$253,304	$254,533	$241,754
Less reinsured policy claims and other benefits payable	248,185	269,279	236,930
Net balance, beginning of period	5,119	(14,746)	4,824
Incurred related to current year	130,075	147,639	150,352
Incurred related to prior years	468	(4,956)	(3,208)
Total incurred	130,543	142,683	147,144
Claims paid related to current year, net of reinsured policy claims received	(136,873)	(150,922)	(183,208)
Reinsured policy claims received related to prior years, net of claims paid	7,534	28,601	16,307
Total paid	(129,339)	(122,321)	(166,901)
Sale of DBL	(5,047)	-	-
Foreign currency	(493)	(497)	187
Net balance, end of period	783	5,119	(14,746)
Add reinsured policy claims and other benefits payable	264,049	248,185	269,279
Balance, end of period	$264,832	$253,304	$254,533

See Note 1 (Description of Business, Basis of Presentation, and Summary of Significant Accounting Policies) for details regarding the accounting for policyholder liabilities.

(10) Debt

Notes Payable. Notes payable consisted of the following:

	December 31, 2014	December 31, 2013
	(Dollars in thousands)	
4.75% senior notes payable, due July 15, 2022	$375,000	$375,000

Unamortized issuance discount on notes payable	(468)	(519)
Total notes payable	$374,532	$374,481

At December 31, 2014, we had $375.0 million in principal amount of publicly-traded, senior unsecured notes (the “Senior Notes”). The Senior Notes were issued in 2012 at a price of 99.843% of the principal amount with an annual interest rate of 4.75%, payable semi-annually in arrears on January 15 and July 15, and are scheduled to mature on July 15, 2022. We were in compliance with the covenants of the Senior Notes at December 31, 2014. No events of default occurred on the Senior Notes during the year ended December 31, 2014.

As unsecured senior obligations, the Senior Notes rank equally in right of payment with all existing and future unsubordinated indebtedness and senior to all existing and future subordinated indebtedness of the Parent Company. The Senior Notes are structurally subordinated in right of payment to all existing and future liabilities of our subsidiaries. In addition, the Senior Notes contain covenants that restrict our ability to, among other things, 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.

Surplus Note. As of December 31, 2014, the principal amount outstanding on the Surplus Note issued by Vidalia Re was approximately $220.0 million, equal to the principal amount of the LLC Note invested asset. The Surplus Note was issued in exchange for the LLC Note, which supports certain obligations of Vidalia Re for a portion of the statutory accounting-based reserves (commonly referred to as Regulation XXX reserves) related to the Vidalia Re Coinsurance Agreement. The principal amount of the Surplus Note and the LLC Note will fluctuate over time to coincide with the amount of reserves contractually supported. Both the LLC Note and the Surplus Note mature on December 31, 2029 and bear interest at an annual interest rate of 4.50%. Based on the estimated reserves for ceded policies issued in 2011, 2012, 2013, and 2014, the maximum principal amounts of the Surplus Note and the LLC Note are expected to be approximately $915.0 million each. This financing arrangement is non-recourse to the Parent Company and Primerica Life, meaning that neither of these companies has guaranteed the Surplus Note or is otherwise liable for reimbursement for any payments triggered by the credit enhancement feature underlying the LLC Note. The Parent Company has agreed to support Vidalia Re's obligation to pay the credit enhancement fee incurred on the LLC Note.

See Note 4 (Investments) for more information on the LLC Note.

(11) Income Taxes

Income tax expense (benefit) from continuing operations consists of the following:

	Current	Deferred	Total
	(In thousands)		
Year ended December 31, 2014			
Federal	$44,356	$31,590	$75,946
Foreign	24,403	(4,826)	19,577
State and local	1,372	(1,007)	365
Total tax expense	$70,131	$25,757	$95,888
Year ended December 31, 2013			
Federal	$33,798	$32,919	$66,717
Foreign	32,797	(14,410)	18,387
State and local	1,377	(176)	1,201
Total tax expense	$67,972	$18,333	$86,305
Year ended December 31, 2012			
Federal	$51,032	$24,517	$75,549
Foreign	26,836	(11,130)	15,706
State and local	1,613	(55)	1,558
Total tax expense	$79,481	$13,332	$92,813

Total income tax expense from continuing operations is different from the amount determined by multiplying income from continuing operations before income taxes by the statutory federal tax rate of 35%. The reconciliation for such difference follows:

	Year ended December 31,								
	2014			2013			2012		
	Amount	Percentage		Amount	Percentage		Amount	Percentage	
	(Dollars in thousands)								
Computed tax expense	$96,503	35.0	%	$85,752	35.0	%	$93,143	35.0	%
Other	(615)	(0.2	)%	553	0.2	%	(330)	(0.1	)%
Total tax expense /	$95,888	34.8	%	$86,305	35.2	%	$92,813	34.9	%

effective rate

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The main components of deferred income tax assets and liabilities were as follows:

	December 31, 2014	2013
	(In thousands)	
Deferred tax assets:		
Policy benefit reserves and unpaid policy claims	$216,768	$207,662
Intangibles and tax goodwill	43,822	47,591
Future deductible liabilities	22,972	27,606
Other	19,764	15,759
Total deferred tax assets	303,326	298,618
Deferred tax liabilities:		
Deferred policy acquisition costs	(291,683)	(269,534)
Investments	(28,909)	(26,010)
Unremitted earnings on foreign subsidiaries	(2,602)	(2,848)
Reinsurance deposit asset	(55,040)	(43,544)
Other	(14,463)	(15,098)
Total deferred tax liabilities	(392,697)	(357,034)
Net deferred tax liabilities	$(89,371)	$(58,416)

The majority of total deferred tax assets are attributable to future policy benefit reserves and unpaid policy claims, which represents the difference between the financial statement carrying value and tax basis for liabilities for future policy benefits. The tax basis for future policy benefit reserves and unpaid policy claims is actuarially determined in accordance with guidelines set forth in the Internal Revenue Code. The majority of total deferred tax liabilities are attributable to DAC, which represents the difference between the policy acquisition costs capitalized for U.S. GAAP purposes and those capitalized for tax purposes, as well as the difference in the resulting amortization methods.

The Company has state net operating losses resulting in a deferred tax asset of approximately $7.3 million, which are available for use through 2034. The Company has no other material net operating loss or credit carryforwards.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, carryback and carryforward periods, and tax planning strategies in making this assessment. Management believes that it is more likely than not that the results of future operations will generate sufficient taxable income to realize the deferred tax assets. There was no deferred tax asset valuation allowance at December 31, 2014 and 2013.

The Company has direct and indirect ownership of a group of controlled foreign corporations in Canada. We have asserted a position of permanent reinvestment for the difference in share basis and certain operational earnings. Such operational earnings if not permanently reinvested would have generated a deferred tax liability of approximately $10.6 million as of December 31, 2014. For those operational earnings for which we have not made a permanent reinvestment assertion, we have established a deferred tax liability to account for the U.S. tax liability that will occur upon repatriation of such earnings. As of December 31, 2014, we had approximately $28.5 million in Canadian operational earnings available to be repatriated to the U.S. for which we have not made a permanent reinvestment assertion.

The total amount of unrecognized benefits on uncertain tax positions that, if recognized, would affect our effective tax rate was approximately $8.9 million and $8.3 million as of December 31, 2014 and 2013, respectively. We recognize interest expense related to unrecognized tax benefits in tax expense net of federal income tax. As of December 31, 2014 and 2013, the total amount of accrued interest and penalties in the consolidated balance sheets were approximately $2.6 million and $2.9 million, respectively. Additionally, we recognized interest related to unrecognized tax benefits in the consolidated statements of income of less than $0.1 million of expense in 2014 and 2013 and approximately $0.1 million of benefit in 2012.

A reconciliation of the change in the unrecognized income tax benefit for the years ended December 31, 2014 and 2013 is as follows:

	December 31,	
	2014	2013
	(In thousands)	
Unrecognized tax benefits, beginning of period	$16,607	$20,996
Change in prior period unrecognized tax benefits	(16)	32
Change in current period unrecognized tax benefits	2,102	2,108
Reductions as a result of a lapse in statute of limitations	(2,679)	(6,529)
Unrecognized tax benefits, end of period	$16,014	$16,607

We have no penalties included in calculating our provision for income taxes. There is no significant change that is reasonably possible to occur within twelve months of the reporting date.

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In connection with our corporate reorganization, we entered into a tax separation agreement with Citigroup, whereby Citigroup agreed to indemnify the Company against any consolidated, combined, affiliated, unitary or similar federal, state or local income tax liability related to any taxable period ending on or before April 2010. As of December 31, 2014, the Company had a Citigroup tax indemnification asset of $4.8 million.

As a result of the separation from Citigroup, the Company is required to file two U.S. consolidated income tax returns at least through December 31, 2014. Our life insurance companies comprise one of the U.S. consolidated tax groups, while the Parent Company and the remaining U.S. subsidiaries comprise the second U.S. consolidated tax group. The method of allocation between companies is pursuant to a written agreement. Allocations generally are based upon separate return calculations with credit for net losses as utilized, and are calculated and settled quarterly.

The major tax jurisdictions in which we operate are the United States and Canada. We are currently open to tax audit by the Internal Revenue Service for the years ended December 31, 2009 and thereafter for federal tax purposes. We are currently open to audit in Canada for tax years ended December 31, 2008 and thereafter for federal and provincial tax purposes. For those periods prior to the IPO, we are fully indemnified by Citigroup.

(12) Stockholders' Equity

A reconciliation of the number of shares of our common stock follows.

	Year ended December 31, 2014 (In thousands)	2013	2012
Common stock, beginning of period	54,834	56,374	64,883
Shares of restricted common stock issued	-	280	438
Shares issued for stock options exercised	4	-	-
Shares of common stock issued upon lapse of restricted stock units ("RSUs")	502	1,122	998
Common stock retired	(3,171)	(2,942)	(9,945)
Common stock, end of period	52,169	54,834	56,374

The above reconciliation excludes RSUs, which do not have voting rights. As RSUs lapse, we issue common shares with voting rights. As of December 31, 2014, we had a total of approximately 1.2 million RSUs outstanding.

In 2012, we purchased approximately 7.8 million shares of our common stock owned by certain private equity funds managed by Warburg Pincus LLC ("Warburg Pincus"), which obtained shares of our common stock and warrants to purchase 4,103,110 additional shares of our common stock (the "warrants") at a purchase price of $18.00 per underlying share in a private sale by Citigroup in connection with our IPO. The prices of the shares repurchased were based on the per share market value of our common stock at the time of the purchases. In addition, we repurchased approximately 1.7 million shares of our common stock in open market transactions during 2012.

In 2013, we repurchased the remaining equity interest in our Company held by Warburg Pincus, which included approximately 2.5 million shares of our common stock and all outstanding warrants. The per-share purchase price was determined based on the closing price of our common stock on May 28, 2013, which was the execution date of the agreement to repurchase the shares, and the purchase price per warrant was equal to the per-share purchase price less the warrant exercise price per underlying share as noted above.

In November 2013, our Board of Directors authorized a share repurchase program for up to $150.0 million of our outstanding common stock (the "share repurchase program"). Under the share repurchase program, we repurchased 3,016,615 shares of our common stock in open market transactions for an aggregate purchase price of approximately $147.9 million in 2014. As of December 31, 2014, there was approximately $2.1 million remaining for repurchases of our outstanding common stock under the share repurchase program.

In November 2014, our Board of Directors authorized a share repurchase program for up to $150.0 million of our outstanding common stock during 2015. Shares of our common stock have not been repurchased under this plan as of December 31, 2014.

(13) Earnings Per Share

The Company has outstanding common stock and equity awards that consist of restricted stock, RSUs and stock options. In addition, the warrants held by Warburg Pincus were outstanding until we repurchased and retired them in 2013. The restricted stock and RSUs maintain non-forfeitable dividend rights that result in dividend payment obligations on a one-to-one ratio with common shares for any future dividend declarations.

Unvested restricted stock and unvested RSUs are deemed participating securities for purposes of calculating EPS as they maintain dividend rights. We calculate EPS using the two-class method. Under the two-class method, we allocate earnings to common shares (excluding unvested restricted stock) and vested RSUs outstanding for the period. Earnings attributable to unvested participating securities, along with the corresponding share counts, are excluded from EPS as reflected in our consolidated statements of income.

In calculating basic EPS, we deduct any dividends and undistributed earnings allocated to unvested restricted stock and unvested RSUs from net income and then divide the result by the weighted-average number of common shares and vested RSUs outstanding for the period.

We determine the potential dilutive effect of warrants and stock options outstanding on EPS using the treasury-stock method. Under this method, we determine the proceeds that would be received from the exercise of the warrants and stock options outstanding, which includes cash received for the exercise price, the remaining unrecognized stock option compensation expense and the resulting effect on the income tax deduction from the exercise of stock options. We then use the average market price of our common shares during the period the warrants and stock options were outstanding to determine how many shares we could repurchase with the proceeds raised from the exercise of the warrants and stock options outstanding. The net incremental share count issued represents the potential dilutive securities. We then reallocate earnings to common shares and vested RSUs by incorporating the increased fully diluted share count to determine diluted EPS.

The calculation of basic and diluted EPS follows.

	Year ended December 31,		
	2014	2013	2012
	(In thousands, except per-share amounts)		
Basic EPS			
Numerator (continuing operations):			
Income from continuing operations	$179,834	$158,701	$173,309
Income attributable to unvested participating securities	(2,038)	(2,605)	(4,637)
Income from continuing operations used in calculating basic EPS	$177,796	$156,096	$168,672
Numerator (discontinued operations):			
Income from discontinued operations	$1,578	$4,024	$497
Income attributable to unvested participating securities	(18)	(66)	(13)
Income from discontinued operations used in calculating basic EPS	$1,560	$3,958	$484
Denominator:			
Weighted-average vested shares	54,567	55,834	61,059
Basic EPS from continuing operations	$3.26	$2.80	$2.76
Basic EPS from discontinued operations	$0.03	$0.07	$0.01
Diluted EPS			
Numerator (continuing operations):			
Income from continuing operations	$179,834	$158,701	$173,309
Income attributable to unvested participating securities	(2,037)	(2,575)	(4,548)
Income from continuing operations used in calculating diluted EPS	$177,797	$156,126	$168,761
Numerator (discontinued operations):			
Income from discontinued operations	$1,578	$4,024	$497
Income attributable to unvested participating securities	(18)	(65)	(13)
Income from discontinued operations used in calculating diluted EPS	$1,560	$3,959	$484
Denominator:			
Weighted-average vested shares	54,567	55,834	61,059
Dilutive effect of incremental shares if issued for warrants outstanding	-	787	1,342
Dilutive effect of incremental shares to be issued for equity awards	31	4	-
Weighted-average shares used in calculating diluted EPS	54,598	56,625	62,401
Diluted EPS from continuing operations	$3.26	$2.76	$2.70
Diluted EPS from discontinued operations	$0.03	$0.07	$0.01

(14) Share-Based Transactions

The Company has outstanding equity awards under its Omnibus Incentive Plan ("OIP"). The OIP provides for the issuance of equity awards, including stock options, stock appreciation rights, restricted stock, deferred stock, RSUs, unrestricted stock, as well as cash-based awards. In addition to time-based vesting requirements, awards granted under the OIP also may be subject to specified performance criteria. Since 2010, the Company has issued equity awards to our management (officers and other key employees), non-employee directors, and sales force leaders under the OIP. As of December 31, 2014, we had approximately 2.1 million shares available for future grants under this plan.

Employee and Director Share-Based Compensation. As of December 31, 2014, the Company had outstanding restricted stock, RSUs, and stock options issued to our management (officers and other key employees), as well as restricted stock, RSUs, and deferred RSUs issued to our non-employee directors, under the OIP.

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Restricted Stock and RSUs. The Company granted shares of restricted stock and RSUs to management ("management restricted stock and RSU awards") as follows:

- Prior to 2014, management of the Company's U.S. based subsidiaries received restricted stock and management of the Company's Canadian subsidiaries received RSUs. These awards have time-based vesting requirements with equal and annual graded vesting over approximately three years subsequent to the grant date.
- In 2014, management (regardless of geography) received RSUs that have time-based vesting requirements with equal and annual graded vesting over approximately three years subsequent to the grant date. During the third quarter of 2014, the Compensation Committee of the Board of Directors amended the equity awards granted to management in 2014 (the "modified awards") to provide for such awards to vest upon the voluntary termination of employment by any employee who is "retirement eligible" as of his or her termination date. In order to be retirement eligible, an employee must be at least 55 years old and his or her age plus years of service with the Company must equal at least 75.

The Company granted shares of restricted stock and RSUs to non-employee members of the Board of Directors ("director restricted stock and RSU awards") as follows:

- Prior to 2013, non-employee directors received restricted stock that have time-based vesting requirements with equal and annual graded vesting over approximately three years subsequent to the grant date.
- In 2013, non-employee directors received RSUs that have time-based vesting requirements that lapse approximately one year after the grant date. These awards also contain post-vesting sale restrictions until the non-employee director no longer serves on our Board.
- In 2014, non-employee directors received RSUs that have time-based vesting requirements with equal and annual graded vesting over four quarters subsequent to the grant date. These awards also contain post-vesting sale restrictions until the non-employee director no longer serves on our Board.
- In addition, certain directors elected to defer their cash and/or equity retainers into deferred RSUs, which vest immediately or on the dates the RSUs would have vested, respectively.

All of our outstanding management and director restricted stock and RSU awards are eligible for dividends or dividend equivalents regardless of vesting status.

In connection with our granting of management and director restricted stock and RSU awards, we recognized expense and tax benefit offsets as follows:

	Year ended December 31,		
	2014	2013	2012
	(In thousands)		
Total management and director restricted stock and RSU awards	$15,726	$13,101	$18,944
Tax benefit associated with total management and director restricted stock and RSU award expense	5,322	3,936	4,533

The following table summarizes management and director restricted stock and RSU activity during the years ended December 31, 2014, 2013, and 2012.

	Shares	Weighted-average measurement-date fair value per share
	(Shares in thousands)	
Unvested employee restricted stock and RSUs, December 31, 2011	2,064	$ 16.88
Granted	458	25.40
Forfeited	(13)	22.70

Vested	(1,002)	16.43
Unvested employee restricted stock and RSUs, December 31, 2012	1,507	19.72
Granted	322	32.76
Forfeited	(9)	28.72
Vested	(1,098)	17.59
Unvested employee restricted stock and RSUs, December 31, 2013	722	28.67
Granted	279	41.31
Forfeited	(13)	30.49
Vested	(408)	28.53
Unvested employee restricted stock and RSUs, December 31, 2014	580	34.67

As of December 31, 2014, total compensation cost not yet recognized in our financial statements related to management and director restricted stock and RSU awards with time-based vesting conditions yet to be reached was approximately $7.1 million, and the weighted-average period over which cost will be recognized was 0.8 years. Compensation costs related to management and director restricted stock and RSU awards were impacted by plan modifications, resulting in the accelerated recognition of expense for certain equity awards. Although the expense related to these modifications have been recognized, the respective equity awards are included in the above table until such time as the retirement eligible employees elect to retire. See the modifications section below for more details.

Stock Options. Beginning in 2013, the Company issued stock options to certain of its executive officers under the OIP as part of their annual equity compensation. The remaining annual equity compensation for these executive officers was granted in the form of management restricted stock awards and RSUs discussed above. Stock options are generally granted with an exercise price equal to the fair market value of our common stock on the grant date, and they expire 10 years from the date of grant. These options have time-based restrictions with equal and annual graded vesting over a three-year period. Stock options issued in 2014 are included in the equity awards that were modified to provide for such awards to vest upon the voluntary termination of employment by any employee who is “retirement eligible” as of his or her termination date. Upon retirement, employees have the lesser of three years or the remaining option term to exercise any vested options.

Compensation expense and related tax benefits recognized for stock options awards were as follows:

	Year ended December 31,		
	2014	2013	2012
	(In thousands)		
Expense recognized for stock option awards	$1,803	$323	$ -
Tax benefit recognized for stock option awards	631	113	-

The fair value of each option was estimated on the date of grant using the Black-Scholes model. We derived expected volatility after considering our own historical volatility, as well as other public peer companies’ historical volatilities. The Company’s per share dividend yield as of the grant date was used as the input for the expected dividend payout on the underlying shares. The risk-free interest rate was based on the U.S. Treasury yield for a term approximating the expected life of the options at the time of grant. The Company used the simplified method to determine the expected life of options, as there was no historical exercise activity for the Company’s stock option awards as of the grant date. All inputs into the Black-Scholes model were estimates made at the time of grant. The actual realized value of each option grant could materially differ from these estimates, which would have no impact to future reported compensation expense.

The following assumptions were used to estimate the fair value of stock options granted:

	Year ended December 31,		
	2014	2013	2012
Expected volatility	33.00 %	30.00 %	n/a
Expected per share dividend yield	1.17 %	1.35 %	n/a
Risk-free interest rate	1.81 %	1.06 %	n/a
Expected term of options using simplified method	6 years	6 years	n/a
Fair value per option	$12.54	$8.44	n/a

The following table summarizes activity related to stock options outstanding and exercisable during the years ended December 31, 2014 and 2013.

	Outstanding		Exercisable	
	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price
	(Shares in thousands)			
Outstanding at December 31, 2012	—	n/a	—	n/a
Granted	134	$ 32.63		

Exercised	—	—		n/a
Outstanding at December 31, 2013	134	32.63	—	n/a
Granted	116	41.20		
Exercised	(4)	32.63		
Outstanding at December 31, 2014	246	36.67	40	$ 32.63
Range of granted option exercise prices outstanding at December 31, 2014:				
$32.63 (average term remaining - 8.2 years)	130	$ 32.63	40	$ 32.63
$41.20 (average term remaining - 9.1 years)	116	41.20	—	n/a

The aggregate intrinsic value represents the difference between the exercise price of our stock options and the quoted closing price of our common stock as of December 31, 2014. A summary of the intrinsic values of our stock options is as follows:

	December 31, 2014 (In thousands)
Aggregate intrinsic value of exercisable stock options	$ 873
Aggregate intrinsic value of stock options expected to vest	3,451
Aggregate intrinsic value of stock options outstanding	$ 4,324

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The intrinsic value of options exercised and the tax benefit realized from the options that were exercised during the year ended December 31, 2014 was approximately $53 thousand and $19 thousand, respectively. The value of issued shares that were withheld to satisfy the exercise price for stock options exercised during the year ended December 31, 2014 was approximately $142 thousand. As of December 31, 2014, there was approximately $0.5 million of total unrecognized compensation cost related to unvested options, and the weighted-average period over which cost will be recognized was approximately 0.9 years. Compensation costs related to stock option awards were impacted by plan modifications, resulting in the accelerated recognition of expense for certain equity awards. Although the expense related to these modifications have been recognized, the respective equity awards are included in the above table until such time as the retirement eligible employees elect to retire. See the modifications section below for more details.

Modification of Equity Awards Issued to Management in 2014. All unrecognized equity compensation expense for the modified awards granted to retirement eligible employees as of the date of the modification was recognized immediately during the third quarter of 2014 as there is no remaining substantive future requisite service period for these awards. The modification affects the timing of expense recognition for the modified awards and not the total amount of expense to be recognized given that the amount of awards expected to vest under the original service condition is not significantly different from the amount of awards now expected to vest after the modification. Almost one-third of our 2014 management equity award recipients were retirement eligible as of the date the modification was made. As a result of this modification, approximately $4.6 million of equity compensation expense for the modified awards was accelerated into 2014 rather than being recognized over the three-year vesting period of the award. This expense acceleration in 2014 will reduce the originally scheduled equity compensation expense for the modified awards in each subsequent period through the final vesting date in 2017. The retirement eligibility provision is expected to be included in equity awards granted to management in future periods.

Non-Employee Share-Based Compensation. Non-employee share-based transactions relate to the granting of RSUs to members of our sales force ("agent equity awards"). Agent equity awards are generally granted as a part of quarterly contests for successful life insurance policy acquisitions or renewals and, in the second half of 2014, for sales of investment and savings products for which the grant and the service period occur within the same calendar quarter.

The following table summarizes non-employee RSU activity during the years ended December 31, 2014, 2013, and 2012.

	Shares	Weighted-average measurement-date fair value per share
	(Shares in thousands)	
Unvested non-employee RSUs, December 31, 2011	117	$ 17.55
Granted	379	22.94
Vested	(364)	20.38
Unvested non-employee RSUs, December 31, 2012	132	25.42
Granted	504	32.14
Vested	(532)	29.64
Unvested non-employee RSUs, December 31, 2013	104	36.44
Granted	295	45.08
Vested	(326)	41.23
Unvested non-employee RSUs, December 31, 2014	73	49.98

Agent equity awards vest and are measured using the fair market value at the conclusion of the quarterly contest; which is the time that performance is complete. However, agent equity awards are subject to long-term sales restrictions expiring over three years. Because the sale restrictions extend up to three years beyond the vesting period, the fair market value of the awards incorporates an illiquidity discount reflecting the risk associated with the post-vesting restrictions. To quantify this discount for each award, we use a series of put option models with one-, two- and three-year tenors to estimate a hypothetical cost of eliminating the downside risk associated with the sale restrictions.

The most significant assumptions in the Black-Scholes models are the volatility assumptions. We derive volatility assumptions primarily from the historical volatility of our common stock using terms comparable to the sale restriction terms.

The following table presents the assumptions used in valuing quarterly RSU grants to agents:

	Year ended December 31,		
	2014	2013	2012
Expected volatility	17% to 31%	20% to 35%	20% to 50%
Quarterly dividends expected	$0.12	$0.11	$0.03 to $0.09
Risk-free interest rates	Less than 2%	Less than 2%	Less than 1%

To the extent that these awards are an incremental direct cost of successful acquisitions or renewals of life insurance policies that result directly from and are essential to the policy acquisition(s) and would not have been incurred had the policy acquisition(s) not occurred, we defer and amortize the fair value of the awards in the same manner as other deferred policy acquisition costs. All agent equity awards that are not directly related to the acquisition or renewal of life insurance policies are recognized as expense over the requisite vesting period.

Details on the granting and valuation of these awards follow:

	Year ended December 31,		
	2014	2013	2012
	(Dollars in thousands, except per-share amounts)		
Total quarterly non-employee RSUs granted	294,985	503,737	378,505
Measurement date per-share fair value of awards	$42.96 to $49.98	$26.39 to $36.44	$20.36 to $25.42
Illiquidity discounts	8% to 9%	13% to 18%	17% to 32%
Quarterly incentive awards expense recognized currently	$453	$364	$-
Quarterly incentive awards expense deferred	13,598	15,818	8,686
Concurrent tax benefit of deferred expense	4,500	5,001	2,640

As of December 31, 2014, all agent equity awards were fully vested with the exception of approximately 73,000 shares that vested on January 1, 2015. As such, any related compensation cost not recognized as either expense or deferred acquisition costs in our financial statements through December 31, 2014 is immaterial.

(15) Statutory Accounting and Dividend Restrictions

U.S. Insurance Subsidiaries. Our U.S. insurance subsidiaries include Primerica Life, NBLIC, Peach Re, and Vidalia Re. Primerica Life, which wholly owns Peach Re and Vidalia Re, ceded to each in separate coinsurance arrangements certain level premium term life insurance policies.

Our U.S. insurance subsidiaries are required to report their results of operations and financial position to state authorities on the basis of statutory accounting practices prescribed or permitted by such authorities and the National Association of Insurance Commissioners (“NAIC”), which is a comprehensive basis of accounting other than U.S. GAAP. Prescribed statutory accounting practices include a variety of publications of the NAIC, as well as state laws, regulations and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed. The Company’s principal life insurance company, Primerica Life, prepares its statutory financial statements on the basis of accounting practices prescribed or permitted by the NAIC and the Massachusetts Division of Insurance (“Massachusetts DOI”) and includes the statutory financial statements of its wholly owned insurance subsidiaries, NBLIC, Peach Re, and Vidalia Re. NBLIC’s statutory financial statements are prepared on the basis of accounting practices prescribed or permitted by the NAIC and the New York State Department of Financial Services, while the statutory financial statements of Peach Re and Vidalia Re are prepared on the basis of accounting practices prescribed or permitted by the NAIC and the Vermont Department of Financial Regulation (“Vermont DOI”). Our U.S. insurance subsidiaries’ ability to pay dividends to their parent is subject to and limited by the various laws and regulations of their respective states. There are no regulatory restrictions on the ability of the Parent Company to pay dividends.

Primerica Life’s statutory ordinary dividend capacity is based on the greater of: (1) the previous year’s statutory net gain from operations (excluding pro rata distributions of any class of the insurer’s own securities) or (2) 10% of the previous year-end statutory surplus (net of capital stock), which may only be paid out of statutory unassigned surplus. Dividends that, together with the amount of other distributions or dividends made within the preceding 12 months, exceed this statutory limitation are referred to as extraordinary dividends. Extraordinary dividends require advance notice to the Massachusetts DOI, Primerica Life’s primary state insurance regulator, and are subject to potential disapproval. For dividends exceeding these thresholds, Primerica Life must provide notice to the Massachusetts DOI and receive notice that the Massachusetts DOI does not object to the payment of such dividends.

Primerica Life’s statutory capital and surplus and statutory unassigned surplus at December 31, 2014 and 2013 was as follows:

	December 31, 2014	December 31, 2013
	(In thousands)	
Statutory capital and surplus	$498,992	$563,260
Statutory unassigned surplus	9,773	99,707

Primerica Life's statutory net gain from operations was approximately $267.4 million and $306.7 million in 2014 and 2013, respectively. Primerica Life made no pro rata distributions of any class of its own securities during 2014 or 2013. During 2014, Primerica Life paid ordinary dividends of $235.0 million to the Parent Company and had estimated ordinary dividend capacity of approximately $9.8 million as of January 1, 2015.

Primerica Life's investment basis in NBLIC, Peach Re, and Vidalia Re reflect their statutory capital and surplus amounts recorded in accordance with statutory accounting practices prescribed or permitted by the NAIC and each subsidiary's state of domicile; New York and Vermont, respectively. Peach Re was formed as a special purpose financial captive insurance company and, with the explicit permission of the Vermont DOI, has included the value of a letter of credit serving as collateral for its policy reserves as an admitted asset in its statutory capital and surplus. This permitted accounting practice was critical to the organization and operational plans of Peach Re and explicitly included in the licensing order issued by the Vermont DOI. The impact of this permitted practice as of December 31, 2014 was approximately $507.0 million on Peach Re's statutory capital and surplus. As of December 31, 2014, if Peach Re had not been permitted to include the letter of credit as an admitted asset, Primerica Life would have been below the minimum statutory capital and surplus level of approximately $79.3 million that triggers a regulatory action event. However, if Peach Re was not permitted to include the letter of credit as an admitted asset in its statutory capital and surplus, Primerica Life would not have paid the ordinary dividends to the Parent Company that were paid in 2014.

Canadian Insurance Subsidiary. Primerica Life Canada is incorporated under the provisions of the Canada Business Corporations Act and is a domiciled Canadian Company subject to regulation under the Insurance Companies Act (Canada) by the Office of the Superintendent of Financial Institutions in Canada ("OSFI") and by Provincial Superintendents of Financial Institutions/Insurance in those provinces in which Primerica Life Canada is licensed. The financial statements of Primerica Life Canada are prepared in accordance with International Financial Reporting Standards ("IFRS").

Primerica Life Canada's capacity to pay ordinary dividends to its parent is limited by OSFI regulations to the extent that its capital exceeds projected capital requirements. OSFI requires companies to set internal target levels of capital sufficient to provide for all the risks of the insurer, including risks specified in OSFI's capital guidelines. As of December 31, 2014 and 2013, Primerica Life Canada's statutory capital and surplus satisfied regulatory requirements and was approximately $290.1 million and $279.9 million, respectively.

In Canada, dividends can be paid subject to the paying insurance company continuing to have adequate capital and forms of liquidity as defined by OSFI following the dividend payment and upon 15 days minimum notice to OSFI. Primerica Life Canada's dividend capacity at January 1, 2015 is estimated to be approximately $114.8 million, which is calculated based on its projection of maintaining internal target capital requirements under certain adverse capital scenarios during each year over the next five years. The actual amount of future dividends that Primerica Life Canada will declare and pay is also subject to the Company's asserted position of permanent reinvestment of certain unremitted earnings discussed in Note 11 (Income Taxes).

(16) Commitments and Contingent Liabilities

Commitments. We lease office equipment and office and warehouse space under various noncancellable operating lease agreements that expire through June 2028. Total minimum rent expense was $7.7 million, $8.3 million, and $6.9 million for the years ended December 31, 2014, 2013, and 2012, respectively. We had no contingent rent expense during 2014, 2013, and 2012. In March 2013, our agreement to lease our new corporate headquarters in Duluth, Georgia, commenced, which replaced and consolidated substantially all of our prior executive and home office operations. The initial lease term is 15 years with estimated minimum annual rental payments ranging from approximately $4.5 million at inception to approximately $5.6 million in year 15.

As of December 31, 2014, the minimum aggregate rental commitments for operating leases were as follows:

	December 31, 2014 (In thousands)
2015	$ 6,741
2016	6,689
2017	6,712
2018	6,052
2019	5,666
Thereafter	45,714
Total minimum rental commitments for operating leases	$ 77,574

Letter of Credit. Effective March 31, 2012, Peach Re entered into a Credit Facility Agreement with Deutsche Bank (the "Credit Facility Agreement") to support certain obligations for a portion of the reserves (commonly referred to as

Regulation XXX reserves) related to level premium term life insurance policies ceded to Peach Re from Primerica Life under the Peach Re Coinsurance Agreement.

Under the Credit Facility Agreement, Deutsche Bank issued a letter of credit in the initial amount of $450.0 million with a term of approximately 14 years (the “LOC”) for the benefit of Primerica Life, the direct parent of Peach Re. At December 31, 2014, the amount of the LOC outstanding was approximately $507.0 million. This amount was also the maximum amount of the LOC, which will decline over the term of the LOC to correspond with declines in the Regulation XXX reserves. 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 draws and interest thereon. 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. As of December 31, 2014, the Company was in compliance with all financial covenants under the Credit Facility Agreement.

Contingent Liabilities. The Company is involved from time to time in legal disputes, regulatory inquiries and arbitration proceedings in the normal course of business. These disputes are subject to uncertainties, including the large and/or indeterminate amounts sought in certain of these matters and the inherent unpredictability of litigation. As such, the Company is unable to estimate the possible loss or range of loss that may result from these matters unless otherwise indicated.

The Company is currently undergoing targeted multi-state treasurer audits by 30 jurisdictions with respect to unclaimed property laws, and Primerica Life and NBLIC are currently subject to a targeted multi-state market conduct examination with respect to their claims-paying practices. The Treasurer of the State of West Virginia brought a suit against Primerica Life and other insurance companies alleging violations of the West Virginia unclaimed property act. The suit was dismissed, and the Treasurer has appealed. Other jurisdictions may pursue similar audits, examinations and litigation. The audits, examinations and litigation are expected to take

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significant time to complete, and it is unclear whether the Company will be required to compare the Social Security Administration's Death Master File to its records for periods prior to 2011, including with respect to policies which have lapsed, to determine whether benefits are owed in instances where an insured appears to have died but no claim for death benefits has been made. The potential outcome of such actions is difficult to predict but could subject the Company to adverse consequences, including, but not limited to, settlement payments, additional payments to beneficiaries and additional escheatment of funds deemed abandoned under state laws. At this time, the Company cannot reasonably estimate the likelihood or the impact of additional costs or liabilities that could result from the resolution of these matters. These actions may also result in changes to the Company's procedures for the identification and escheatment of abandoned property and other financial liability.

(17) Benefit Plans

We established a defined contribution plan for the benefit of our employees in 2010. The expense associated with this plan was approximately $6.5 million, $6.5 million, and $6.4 million in 2014, 2013, and 2012, respectively.

Unaudited Quarterly Financial Data

In management's opinion, the following quarterly consolidated financial information fairly presents the results of operations for such periods and is prepared on a basis consistent with our annual audited consolidated financial statements. Financial information for the quarters presented was prepared on a consolidated basis.

	Quarter ended March 31, 2014	Quarter ended June 30, 2014	Quarter ended September 30, 2014	Quarter ended December 31, 2014
	(In thousands, except per-share amounts)			
Direct premiums	$568,205	$576,740	$577,482	$578,905
Ceded premiums	(402,715)	(410,546)	(402,198)	(401,359)
Net premiums	165,490	166,194	175,284	177,546
Commissions and fees	126,933	132,039	132,928	135,267
Net investment income	21,599	21,681	20,465	22,728
Realized investment gains (losses), including OTTI	263	831	(281)	(1,074)
Other, net	10,043	10,385	10,791	10,918
Total revenues	324,328	331,130	339,187	345,385
Total benefits and expenses	257,496	255,390	275,167	276,255
Income from continuing operations before income taxes	66,832	75,740	64,020	69,130
Income taxes	23,347	26,469	22,407	23,664
Income from continuing operations	43,485	49,271	41,613	45,466
Income (loss) from discontinued operations, net of income taxes	1,595	-	(18)	-
Net income	$45,080	$49,271	$41,595	$45,466
Basic earnings per share:				
Continuing operations	$0.78	$0.89	$0.75	$0.84
Discontinued operations	0.03	-	-	-
Basic earnings per share	$0.81	$0.89	$0.75	$0.84
Diluted earnings per share:				

Continuing operations	$0.78	$0.89	$0.75	$0.84
Discontinued operations	0.03	-	-	-
Diluted earnings per share	$0.81	$0.89	$0.75	$0.84

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	Quarter ended March 31, 2013	Quarter ended June 30, 2013	Quarter ended September 30, 2013	Quarter ended December 31, 2013
	(In thousands, except per-share amounts)			
Direct premiums	$560,904	$568,391	$567,047	$568,848
Ceded premiums	(410,604)	(417,450)	(407,488)	(408,615)
Net premiums	150,300	150,941	159,559	160,233
Commissions and fees	112,273	117,182	118,440	123,910
Net investment income	23,216	21,027	22,103	22,407
Realized investment gains (losses), including OTTI	2,286	3,468	(407)	899
Other, net	10,375	10,872	10,714	10,773
Total revenues	298,450	303,490	310,409	318,222
Total benefits and expenses	239,310	236,540	247,637	262,078
Income from continuing operations before income taxes	59,140	66,950	62,772	56,144
Income taxes	21,005	23,782	22,040	19,477
Income from continuing operations	38,135	43,168	40,732	36,667
Income (loss) from discontinued operations, net of income taxes	710	322	2,458	534
Net income	$38,845	$43,490	$43,190	$37,201
Basic earnings per share:				
Continuing operations	$0.66	$0.75	$0.74	$0.66
Discontinued operations	0.01	0.01	0.04	0.01
Basic earnings per share	$0.67	$0.76	$0.78	$0.67
Diluted earnings per share:				
Continuing operations	$0.64	$0.73	$0.74	$0.66
Discontinued operations	0.01	0.01	0.04	0.01
Diluted earnings per share	$0.65	$0.74	$0.78	$0.67

Quarterly amounts may not agree in total to the corresponding annual amounts due to rounding.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING MATTERS.
There have been no changes in, or disagreements with, accountants on accounting and financial disclosure matters during the years ended December 31, 2014 and 2013.

ITEM 9A. CONTROLS AND PROCEDURES.
Disclosure Controls and Procedures

The Company’s management, with the participation of the Company’s Co-Chief Executive Officers and Chief Financial Officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this report (the “Evaluation Date”). Based on such evaluation, the Company’s Co-Chief Executive Officers and Chief Financial Officer have concluded that, as of the Evaluation Date, the Company’s disclosure controls and procedures are effective.

Changes in Internal Control Over Financial Reporting

Changes that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) were finalized during the fourth fiscal quarter of 2014 related to the reimplementation of our financial management ("FM") software system. In 2014, we upgraded to the most current version of our FM software system in order to improve the efficiency of processing transactions in the general ledger and utilizing management financial reporting tools, which resulted in the elimination of certain manual processes and streamlining of certain key controls. These changes were undertaken to improve the efficiency of processes supporting our financial reporting and were not undertaken in response to any actual or perceived deficiencies or to remedy any gaps or weaknesses in the Company's internal control over financial reporting.

Management's Annual Report On Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for our company. With the participation of the Co-Chief Executive Officers and the Chief Financial Officer, our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework and criteria established in Internal Control—Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management has concluded that our internal control over financial reporting was effective as of December 31, 2014.

Our independent auditor, KPMG LLP, an independent registered public accounting firm, has issued an attestation report on the effectiveness of our internal control over financial reporting. This attestation report appears below.

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of Primerica, Inc.:

We have audited Primerica, Inc.'s (the Company) internal control over financial reporting as of December 31, 2014, based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit 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 effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Primerica, Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on criteria established in Internal Control—Integrated Framework (2013) issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Primerica, Inc. and subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2014, and our report dated February 26, 2015 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Atlanta, Georgia

February 26, 2015

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ITEM 9B. OTHER INFORMATION.
Not applicable.

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PART III

Pursuant to General Instruction G to Form 10-K, and as described below portions of Items 10 through 14 of this report are incorporated by reference from the Company's definitive Proxy Statement relating to the Company's 2015 Annual Meeting of Stockholders (the "Proxy Statement"), which will be filed with the SEC within 120 days of December 31, 2014, pursuant to Regulation 14A under the Exchange Act. The Report of the Audit Committee of our Board of Directors and the Report of the Compensation Committee of our Board of Directors to be included in the Proxy Statement shall be deemed to be furnished in this report and shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, as a result of such furnishing.

Our website address is www.primerica.com. You may obtain free electronic copies of our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports from the investors section of our website. These reports are available on our website as soon as reasonably practicable after we electronically file them with the SEC. These reports should also be available through the SEC's website at www.sec.gov.

We have adopted corporate governance guidelines. The guidelines and the charters of our board committees are available in the corporate governance subsection of the investor relations section of our website, www.primerica.com, and are also available in print upon written request to the Corporate Secretary, Primerica, Inc., 1 Primerica Parkway, Duluth, GA 30099.

Item 10. Directors, Executive Officers and Corporate Governance.
For a list of executive officers, see Part I Item X. Executive Officers of the Registrant herein.

We have adopted a written code of conduct that applies to all directors, officers and employees, including a separate code that applies to only our principal executive officers and senior financial officers in accordance with Section 406 of the Sarbanes-Oxley Act of 2002 and the rules of the SEC promulgated thereunder. Our Code of Conduct is available in the corporate governance subsection of the investor relations section of our website, www.primerica.com, and is available in print upon written request to the Corporate Secretary, Primerica, Inc., 1 Primerica Parkway, Duluth, GA 30099. In the event that we make changes in, or provide waivers from, the provisions of the Code of Conduct that the SEC requires us to disclose, we will disclose these events in the corporate governance section of our website.

Except for the information above and the information set forth in Part I, Item X. Executive Officers of the Registrant, the information required by this item will be contained under the following headings in the Proxy Statement and is incorporated herein by reference:

· Matters to be Voted on — Proposal 1: Election of Eleven Directors;
· Governance — Director Independence;
· Governance — Code of Conduct;
· Board of Directors — Board Members;
· Board of Directors — Board Committees;
· Board of Directors — Director Legal Matters;
· Share Ownership — Section 16(a) Beneficial Ownership Reporting Compliance;
· Executive Compensation — Employment Agreements with Named Executive Officers;
· Audit Committee Matters — Audit Committee Report; and
· Related Party Transactions — Transactions with Citigroup.

Item 11. Executive Compensation.
The information required by this item will be contained under the following headings in the Proxy Statement and is incorporated herein by reference:

- Board of Directors — Board Committees — Compensation Committee;
- Board of Directors — Director Compensation; and
- Executive Compensation.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Except for the information set forth in Part II, Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities, the information required by this item will be contained under the following headings in the Proxy Statement and is incorporated herein by reference:

- Share Ownership — Ownership of our Common Stock.

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Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item will be contained under the following headings in the Proxy Statement and is incorporated herein by reference:

- Introductory paragraph to Governance;
- Governance — Director Independence;
- Board of Directors — Board Committees; and
- Related Party Transactions.

Item 14. Principal Accounting Fees and Services.

The information required by this item will be contained under the following headings in the Proxy Statement and is incorporated herein by reference:

- Matters to be Voted on — Proposal 2: Ratification of the Appointment of KPMG LLP as Our Independent Registered Public Accounting Firm;
- Board of Directors — Board Committees — Audit Committee; and
- Audit Committee Matters — Fees and Services of Our Independent Registered Public Accounting Firm.

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PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.
(a) 1. FINANCIAL STATEMENTS

Included in Part II, Item 8, of this report:

Primerica, Inc.:

2. FINANCIAL STATEMENT SCHEDULES

Included in Part IV of this report:

3. EXHIBIT INDEX

An "Exhibit Index" has been filed as part of this Report beginning on the following page and is incorporated herein by reference.

Schedules other than those listed above are omitted because they are not required, are not material, are not applicable, or the required information is shown in the financial statements or notes thereto.

(b) Exhibit Index.

The agreements included as exhibits to this report are included to provide information regarding the terms of these agreements and are not intended to provide any other factual or disclosure information about the Company or its subsidiaries, our business or the other parties to these agreements. These agreements may contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- have been qualified by disclosures that were made to the other party in connection with the negotiation of the application agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to our investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

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Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time, and should not be relied upon by investors.

Exhibit Number	Description	Reference
3.1	Amended and Restated Certificate of Incorporation of the Registrant.	Incorporated by reference to Exhibit 3.1 to Primerica's Current Report on Form 8-K dated May 22, 2013 (Commission File No. 001-34680).
3.2	Amended and Restated Bylaws of the Registrant.	Incorporated by reference to Exhibit 3.2 to Primerica's Current Report on Form 8-K dated May 22, 2013 (Commission File No. 001-34680).
4.1	Indenture, dated July 16, 2012, among the Registrant and Wells Fargo Bank, National Association, as trustee.	Incorporated by reference to Exhibit 4.1 to Primerica's Current Report on Form 8-K dated July 11, 2012 (Commission File No. 001-34680).
4.2	First Supplemental Indenture, dated July 16, 2012, among the Registrant and Wells Fargo Bank, National Association, as trustee.	Incorporated by reference to Exhibit 4.2 to Primerica's Current Report on Form 8-K dated July 11, 2012 (Commission File No. 001-34680).
4.3	Form of 4.750% Senior Notes due 2022.	Incorporated by reference to Exhibit 4.3 (included in Exhibit 4.2 filed herewith) to Primerica's Current Report on Form 8-K dated July 11, 2012 (Commission File No. 001-34680).
10.1	Tax Separation Agreement dated as of March 30, 2010 by and between the Registrant and Citigroup Inc.	Incorporated by reference to Exhibit 10.3 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.2	80% Coinsurance Agreement dated March 31, 2010 by and between Primerica Life Insurance Company and Prime Reinsurance Company, Inc.	Incorporated by reference to Exhibit 10.5 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.3	10% Coinsurance Agreement dated March 31, 2010 by and between Primerica Life Insurance Company and Prime Reinsurance Company, Inc.	Incorporated by reference to Exhibit 10.6 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.4	80% Coinsurance Trust Agreement dated March 29, 2010 among Primerica Life Insurance Company, Prime Reinsurance Company, Inc. and The Bank of New York Mellon.	Incorporated by reference to Exhibit 10.7 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.5	10% Coinsurance Economic Trust Agreement dated March 29, 2010 among Primerica Life Insurance Company, Prime Reinsurance Company, Inc. and The Bank of New York Mellon.	Incorporated by reference to Exhibit 10.8 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.6	10% Coinsurance Excess Trust Agreement dated March 29, 2010 among Primerica Life Insurance Company, Prime Reinsurance Company, Inc. and The Bank of New York Mellon.	Incorporated by reference to Exhibit 10.9 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.7	Capital Maintenance Agreement dated March 31, 2010 by and between Citigroup Inc. and Prime Reinsurance Company, Inc.	Incorporated by reference to Exhibit 10.10 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.8	90% Coinsurance Agreement dated March 31, 2010 by and between National Benefit Life Insurance	Incorporated by reference to Exhibit 10.11 to Primerica's Quarterly Report on Form 10-Q for the

	Company and American Health and Life Insurance Company.	quarter ended March 31, 2010 (Commission File No. 001-34680).
10.9	Trust Agreement dated March 29, 2010 among National Benefit Life Insurance Company, American Health and Life Insurance Company and The Bank of New York Mellon.	Incorporated by reference to Exhibit 10.12 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.10	Coinsurance Agreement dated March 31, 2010 by and between Primerica Life Insurance Company of Canada and Financial Reassurance Company 2010, Ltd.	Incorporated by reference to Exhibit 10.13 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.11	Monitoring and Reporting Agreement dated as of March 31, 2010 by and among Primerica Life Insurance Company and Prime Reinsurance Company, Inc.	Incorporated by reference to Exhibit 10.41 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.12	Monitoring and Reporting Agreement dated as of March 31, 2010 by and among National Benefit Life Insurance Company and American Health and Life Insurance Company.	Incorporated by reference to Exhibit 10.42 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.13	Monitoring and Reporting Agreement dated as of March 31, 2010 by and among Primerica Life Insurance Company of Canada and Financial Reassurance Company 2010 Ltd.	Incorporated by reference to Exhibit 10.43 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.14*	Primerica, Inc. Stock Purchase Plan for Agents and Employees.	Incorporated by reference to Exhibit 10.45 to Primerica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (Commission File No. 001-34680).
10.15*	Primerica, Inc. Amended and Restated 2010 Omnibus Incentive Plan.	Incorporated by reference to Exhibit 10.22 to Primerica's Annual Report on Form 10-K for the year ended December 31, 2011 (Commission File No. 001-34680).

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10.16*	Form of Restricted Stock Award Agreement under the Primerica, Inc. 2010 Omnibus Incentive Plan (2012 and 2013 awards).	Incorporated by reference to Exhibit 10.23 to Primerica's Annual Report on Form 10-K for the year ended December 31, 2011 (Commission File No. 001-34680).
10.17*	Form of U.S. Employee Restricted Stock Unit Restated Award Agreement under the Primerica, Inc. 2010 Omnibus Incentive Plan (2014 awards).	Incorporated by reference to Exhibit 10.1 to Primerica's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 (Commission File No. 001-34680).
10.18*	Form of Restated Nonqualified Stock Option Award Agreement under the Primerica, Inc. 2010 Omnibus Incentive Plan (2013 awards).	Incorporated by reference to Exhibit 10.2 to Primerica's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 (Commission File No. 001-34680).
10.19*	Form of Restated Nonqualified Stock Option Award Agreement under the Primerica, Inc. 2010 Omnibus Incentive Plan (2014 awards).	Incorporated by reference to Exhibit 10.2 to Primerica's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 (Commission File No. 001-34680).
10.20	Form of Director Restricted Stock Unit Award Agreement under the Primerica, Inc. 2010 Omnibus Incentive Plan.	Incorporated by reference to Exhibit 10.19 to Primerica's Annual Report on Form 10-K for the year ended December 31, 2013 (Commission File No. 001-34680).
10.21*	Form of Indemnification Agreement for Directors and Officers.	Incorporated by reference to Exhibit 10.48 to Primerica's Registration Statement on Form S-1 (File No. 333-162918).
10.22*	Transition Agreement, dated as of January 2, 2015, between the Registrant and Mr. D. Richard Williams.	Incorporated by reference to Exhibit 99.2 to Primerica's Current Report on Form 8-K dated January 2, 2015 (Commission File No. 001-34680).
10.23*	Transition Agreement, dated as of January 2, 2015, between the Registrant and Mr. John A. Addison, Jr.	Incorporated by reference to Exhibit 99.3 to Primerica's Current Report on Form 8-K dated January 2, 2015 (Commission File No. 001-34680).
10.24*	Amended and Restated Employment Agreement, dated as of January 2, 2015, between the Registrant and Mr. Peter W. Schneider.	Incorporated by reference to Exhibit 99.5 to Primerica's Current Report on Form 8-K dated January 2, 2015 (Commission File No.

		001-34680).
10.25*	Amended and Restated Employment Agreement, dated as of January 2, 2015, between the Registrant and Mr. Glenn J. Williams.	Incorporated by reference to Exhibit 99.4 to Primerica's Current Report on Form 8-K dated January 2, 2015 (Commission File No. 001-34680).
10.26*	Amended and Restated Employment Agreement, dated as of January 2, 2015, between the Registrant and Ms. Alison S. Rand.	Incorporated by reference to Exhibit 99.6 to Primerica's Current Report on Form 8-K dated January 2, 2015 (Commission File No. 001-34680).
10.27*	Amended and Restated Employment Agreement, dated as of January 2, 2015, between the Registrant and Mr. Gregory C. Pitts.	Incorporated by reference to Exhibit 99.7 to Primerica's Current Report on Form 8-K dated January 2, 2015 (Commission File No. 001-34680).
10.28	Nonemployee Directors' Deferred Compensation Plan, effective as of January 1, 2011, adopted on November 10, 2010.	Incorporated by reference to Exhibit 10.31 to Annual Report on Form 10-K for the year ended December 31, 2010 (Commission File No. 001-34680).
12.1	Statement re Computation of Ratios.	Filed with the Securities and Exchange Commission as part of this Annual Report.
21.1	Subsidiaries of the Registrant.	Filed with the Securities and Exchange Commission as part of this Annual Report.
23.1	Consent of KPMG LLP.	Filed with the Securities and Exchange Commission as part of this Annual Report.
31.1	Rule 13a-14(a)/15d-14(a) Certification, executed by D. Richard Williams, Chairman of the Board and Co-Chief Executive Officer.	Filed with the Securities and Exchange Commission as part of this Annual Report.
31.2	Rule 13a-14(a)/15d-14(a) Certification, executed by John A. Addison, Chairman of Primerica Distribution and Co-Chief Executive Officer.	Filed with the Securities and Exchange Commission as part of this Annual Report.
31.3	Rule 13a-14(a)/15d-14(a) Certification, executed by Alison S. Rand, Executive Vice President and Chief Financial Officer.	Filed with the Securities and Exchange Commission as part of this Annual Report.
32.1	Certifications required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350), executed by D. Richard Williams, Chairman of the Board and Co-Chief Executive Officer, John A. Addison, Chairman of Primerica Distribution and Co-Chief Executive Officer, and Alison S. Rand, Executive Vice President and Chief Financial Officer.	Filed with the Securities and Exchange Commission as part of this Annual Report.
101.INS	XBRL Instance Document[(1)]	Filed with the Securities and Exchange Commission as part of this Annual Report.

101.SCH	XBRL Taxonomy Extension Schema	Filed with the Securities and Exchange Commission as part of this Annual Report.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	Filed with the Securities and Exchange Commission as part of this Annual Report.

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101.DEF	XBRL Taxonomy Extension Definition Linkbase	Filed with the Securities and Exchange Commission as part of this Annual Report.
101.LAB	XBRL Taxonomy Extension Label Linkbase	Filed with the Securities and Exchange Commission as part of this Annual Report.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	Filed with the Securities and Exchange Commission as part of this Annual Report.

* Identifies a management contract or compensatory plan or arrangement.

(1) Includes the following materials contained in this Annual Report on Form 10-K for the year ended December 31, 2014, formatted in XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Income, (iii) Consolidated Statements of Stockholders' Equity, (iv) Consolidated Statements of Comprehensive Income, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements.

(c) Financial Statement Schedules.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON FINANCIAL

STATEMENT SCHEDULES

The Board of Directors and Stockholders of Primerica, Inc.:

Under date of February 26, 2015, we reported on the consolidated balance sheets of Primerica, Inc. and subsidiaries (the Company) as of December 31, 2014 and 2013, and the related consolidated statements of income, comprehensive income, stockholders’ equity, and cash flows for each of the years in the three-year period ended December 31, 2014. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related financial statement schedules included herein. These financial statement schedules are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statement schedules based on our audits.

In our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ KPMG LLP

Atlanta, Georgia

February 26, 2015

Schedule I

Consolidated Summary of Investments — Other Than Investments in Related Parties

PRIMERICA, INC.

Type of Investment	December 31, 2014 Amortized cost or cost (In thousands)	Fair value	Amount at which shown in the balance sheet
Fixed maturities:			
Bonds:			
United States Government and government agencies and authorities	$15,145	$15,647	$15,647
States, municipalities and political subdivisions	38,763	41,333	41,333
Foreign governments	122,396	124,030	124,030
Public utilities	-	-	-
Convertibles and bonds with warrants attached	2,553	2,912	2,912
All other corporate bonds[1]	1,713,509	1,809,024	1,800,215
Certificates of deposit	-	-	-
Redeemable preferred stocks	2,844	2,694	2,694
Total fixed maturities	1,895,210	1,995,640	1,986,831
Equity securities:			
Common stocks:			
Public utilities	8,811	12,097	12,097
Banks, trusts and insurance companies	9,238	12,969	12,969
Industrial, miscellaneous and all other	10,637	12,331	12,331
Nonredeemable preferred stocks	15,052	15,993	15,993
Total equity securities	43,738	53,390	53,390
Mortgage loans on real estate	-	-	-
Real estate	-	-	-
Policy loans	28,095	28,095	28,095
Other long-term investments	-	-	-
Short-term investments	-	-	-
Total investments	$1,967,043	$2,077,125	$2,068,316

[1] The amount shown on the balance sheet does not match the amortized cost or cost or fair value for "All other corporate bonds" due to our held-to-maturity security, which is carried at cost on the balance sheet and all other fixed maturities are carried at fair value.

See the accompanying report of independent registered public accounting firm.

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Schedule II

Condensed Financial Information of Registrant

PRIMERICA, INC. (Parent Only)

Condensed Balance Sheets

	December 31, 2014	2013
	(In thousands)	
Assets		
Investments:		
Fixed-maturity securities available-for-sale, at fair value (amortized cost: $160,839 in 2014 and $62,216 in 2013)	$161,840	$62,420
Total investments	161,840	62,420
Cash and cash equivalents	32,634	11,361
Due from affiliates*	92	76
Other receivables	1,318	364
Deferred income taxes	7,311	5,762
Investment in subsidiaries*	1,430,484	1,528,360
Other assets	2,442	2,801
Total assets	1,636,121	1,611,144
Liabilities and Stockholders' Equity		
Liabilities:		
Notes payable	374,532	374,481
Current income tax payable	3,287	2,185
Deferred income taxes	3,489	3,797
Due to affiliates*	1,182	168
Interest payable	8,214	8,214
Other liabilities	291	272
Commitments and contingent liabilities (see Note E)		
Total liabilities	390,995	389,117
Stockholders' equity:		
Common stock ($0.01 par value; authorized 500,000 in 2014 and 2013; issued and outstanding 52,169 shares in 2014 and 54,834 shares in 2013)	522	548
Paid-in capital	353,337	472,633
Retained earnings	795,740	640,840
Accumulated other comprehensive income, net of income tax	95,527	108,006
Total stockholders' equity	1,245,126	1,222,027
Total liabilities and stockholders' equity	$1,636,121	$1,611,144

*Eliminated in consolidation.
See the accompanying notes to condensed financial statements.

See the accompanying report of independent registered public accounting firm.

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Explanation of Responses:

Schedule II

Condensed Financial Information of Registrant

PRIMERICA, INC. (Parent Only)

Condensed Statements of Income

	Year ended December 31,		
	2014	2013	2012
	(In thousands)		
Revenues:			
Dividends from subsidiaries*	$319,740	$228,319	$238,747
Net investment income	1,010	762	1,074
Realized investment losses, including other-than-temporary impairment losses	(1,574)	11	545
Total revenues	319,176	229,092	240,366
Expenses:			
Interest expense	18,174	18,172	17,266
Other operating expenses	8,667	7,882	8,222
Total expenses	26,841	26,054	25,488
Income (loss) before income taxes	292,335	203,038	214,878
Income taxes	(7,540)	(7,043)	(5,998)
Income (loss) before equity in undistributed earnings of subsidiaries	299,875	210,081	220,876
Equity in undistributed earnings of subsidiaries*	(118,463)	(47,356)	(47,070)
Net income	$181,412	$162,725	$173,806

*Eliminated in consolidation.
See the accompanying notes to condensed financial statements.

See the accompanying report of independent registered public accounting firm.

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Schedule II

Condensed Financial Information of Registrant

PRIMERICA, INC. (Parent Only)

Condensed Statements of Comprehensive Income

	Year ended December 31,		
	2014	2013	2012
	(In thousands)		
Net income	$181,412	$162,725	$173,806
Other comprehensive income (loss) before income taxes:			
Unrealized investment gains (losses):			
Equity in unrealized holding gains (losses) on investment securities held by subsidiaries	7,296	(47,651)	18,127
Change in unrealized holding gains/(losses) on investment securities	(778)	(358)	1,127
Reclassification adjustment for realized investment (gains) losses included in net income	1,574	(11)	(545)
Foreign currency translation adjustments:			
Equity in unrealized foreign currency translation gains of subsidiaries	(20,527)	(13,695)	4,221
Total other comprehensive income (loss) before income taxes	(12,435)	(61,715)	22,930
Income tax expense (benefit) related to items of other comprehensive income (loss)	44	(311)	185
Other comprehensive income (loss), net of income taxes	(12,479)	(61,404)	22,745
Total comprehensive income	$168,933	$101,321	$196,551

See the accompanying notes to condensed financial statements.

See the accompanying report of independent registered public accounting firm.

Schedule II

Condensed Financial Information of Registrant

PRIMERICA, INC. (Parent Only)

Condensed Statements of Cash Flows

	Year ended December 31,		
	2014	2013	2012
	(In thousands)		
Cash flows from operating activities:			
Net income	$181,412	$162,725	$173,806
Adjustments to reconcile net income to cash provided by (used in) operating activities:			
Equity in undistributed earnings of subsidiaries* (1)	(70,472)	47,356	8,535
Deferred tax provision	(1,778)	(227)	(1,139)
Change in income taxes	979	(4,912)	2,451
Realized investment (gains) losses, including other-than-temporary impairments	1,574	(11)	(545)
Accretion and amortization of investments	203	60	400
Depreciation and amortization	23	23	183
Share-based compensation	998	718	215
Change in due to/from affiliates*	998	(336)	438
Change in other operating assets and liabilities, net	(550)	290	(109)
Net cash provided by (used in) operating activities	113,387	205,686	184,235
Cash flows from investing activities:			
Available-for-sale investments sold, matured or called:			
Fixed maturity securities — sold	45,312	2,679	67,267
Fixed-maturity securities — matured or called	53,512	20,269	24,503
Available-for-sale investments acquired:			
Fixed-maturity securities(1)	(10,290)	(33,118)	(82,107)
Other, net	-	-	(70)
Net cash provided by (used in) investing activities	88,534	(10,170)	9,593
Cash flows from financing activities:			
Dividends paid	(26,512)	(25,058)	(14,737)
Common stock repurchased	(147,922)	(86,280)	(257,584)
Warrants repurchased	-	(68,399)	-
Excess tax benefit on share-based compensation	163	79	22
Tax withholdings on share-based compensation	(6,377)	(14,793)	(10,628)
Proceeds from issuance of Senior Notes, net of discount	-	-	374,411
Payments of note issued to Citigroup	-	-	(300,000)
Payments of deferred financing costs	-	-	(3,109)
Net cash provided by (used) in financing activities	(180,648)	(194,451)	(211,625)
Change in cash and cash equivalents	21,273	1,065	(17,797)
Cash and cash equivalents, beginning of period	11,361	10,296	28,093
Cash and cash equivalents, end of period	$32,634	$11,361	$10,296

Supplemental disclosures of cash flow information:			
Interest paid	$17,813	$17,070	$15,858

*Eliminated in consolidation.

(1) Does not include $188,935 and $38,535 of fixed-maturity securities transferred from subsidiaries in the form of noncash dividends for the years ended December 31, 2014 and 2012, respectively.

See the accompanying notes to condensed financial statements.

See the accompanying report of independent registered public accounting firm.

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Schedule II

Condensed Financial Information of Registrant

PRIMERICA, INC. (Parent Only)

Notes to Condensed Financial Statements

(A) Corporate Reorganization

Primerica, Inc. (“we”, “us” or the “Company”) is a holding company with our primary asset being the capital stock of our operating subsidiaries, and our primary liability being $375.0 million in principal amount of senior unsecured notes issued in a public offering in 2012 (the “Senior Notes”). We were incorporated in Delaware on October 29, 2009 by Citigroup, Inc. (“Citigroup”), to serve as a holding company for the life insurance and financial product distribution businesses that we have operated for more than 30 years. In April 2010, these indirect subsidiaries of Citigroup were transferred to us through multiple transactions (the “corporate reorganization”), which culminated in the sale of a portion of our common stock owned by Citigroup in an initial public offering (the “IPO”). Prior to our corporate reorganization, we had no material assets or liabilities.

(B) Basis of Presentation

These condensed financial statements reflect the results of operations, financial position and cash flows for the Company. We prepare our financial statements in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). These principles are established primarily by the Financial Accounting Standards Board (“FASB”). The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect financial statement balances, revenues and expenses and cash flows, as well as the disclosure of contingent assets and liabilities. Management considers available facts and knowledge of existing circumstances when establishing the estimates included in our financial statements.

The most significant item that involves a greater degree of accounting estimates subject to change in the future is determination of our investments in subsidiaries. Estimates for this and other items are subject to change and are reassessed by management in accordance with U.S. GAAP. Actual results could differ from those estimates.

The accompanying condensed financial statements should be read in conjunction with the consolidated financial statements and notes thereto of Primerica, Inc. and subsidiaries included in Part II, Item 8 of this report.

Certain reclassifications have been made to prior-period amounts to conform to current-period reporting classifications. These reclassifications had no impact on net income or total stockholders’ equity.

(C) Note Payable

In July 2012, we issued the Senior Notes in a public offering at a price of 99.843% of the principal amount with an annual interest rate of 4.75%, payable semi-annually in arrears on January 15 and July 15. The Senior Notes mature on July 15, 2022.

As unsecured senior obligations, the Senior Notes rank equally in right of payment with all existing and future unsubordinated indebtedness and senior to all existing and future subordinated indebtedness of the Company. The Senior Notes are structurally subordinated in right of payment to all existing and future liabilities of our subsidiaries. In addition, the Senior Notes contain covenants that restrict our ability to, among other things, 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.

We were in compliance with the covenants of the Senior Notes at December 31, 2014. No events of default(s) occurred on the Senior Notes during the year ended December 31, 2014.

(D) Dividends

For the years ended December 31, 2014, 2013, and 2012, the Company received dividends from our non-life insurance subsidiaries of approximately $71.3 million, $63.9 million, and $73.6 million, respectively. For the years ended December 31, 2014, 2013, and 2012, the Company received dividends from our life insurance subsidiaries of approximately $248.4 million, $164.4 million, and $165.1 million, respectively.

(E) Commitments and Contingent Liabilities

We have capital maintenance agreements with Peach Re, Inc. (“Peach Re”) and Vidalia Re, Inc., (“Vidalia Re”), special purpose financial captive insurance companies and indirect wholly owned subsidiaries of the Company. Each of the capital maintenance agreement requires us at times to make capital contributions to Peach Re and Vidalia Re to insure that their regulatory accounts as defined in the coinsurance agreements with Primerica Life Insurance Company (“Primerica Life”), a life insurance company and wholly owned subsidiary of the Company, will not be less than $20.0 million for each financial captive insurance company. For Peach Re, the regulatory account will only be used to satisfy obligations under its coinsurance agreement after all other available assets have been used, including a letter of credit (“LOC”) issued by Deutsche Bank for the benefit of Primerica Life. The LOC was issued in

2012 with a term of approximately 14 years. At December 31, 2014, the amount of the LOC outstanding was approximately $507.0 million. For Vidalia Re, the regulatory account will only be used to satisfy obligations under its coinsurance agreement after all other available assets have been used including its held-to-maturity security guaranteed by Hannover Re.

The Company is involved from time to time in legal disputes, regulatory inquiries and arbitration proceedings in the normal course of business. These disputes are subject to uncertainties, including large and/or indeterminate amounts sought in certain of these matters and the inherent unpredictability of litigation. As such, the Company is unable to estimate the possible loss or range of loss that may result from these matters.

Schedule III

Supplementary Insurance Information

PRIMERICA, INC.

	Deferred policy acquisition costs (In thousands)	Future policy benefits	Unearned premiums	Other policy benefits and claims payable	Separate account liabilities
December 31, 2014					
Term Life Insurance	$1,264,152	$5,052,661	$ -	$252,525	$-
Investment and Savings Products	58,156	-	-	-	2,439,863
Corporate and Other Distributed Products	28,872	211,947	912	12,307	440
Total	$1,351,180	$5,264,608	$ 912	$264,832	$2,440,303
December 31, 2013					
Term Life Insurance	$1,115,286	$4,843,176	$ -	$237,197	$-
Investment and Savings Products	63,607	-	-	-	2,503,197
Corporate and Other Distributed Products	29,573	219,927	1,802	16,107	632
Total	$1,208,466	$5,063,103	$ 1,802	$253,304	$2,503,829

	Premium revenue (In thousands)	Net investment income	Benefits and claims	Amortization of deferred policy acquisition costs	Other operating expenses	Premiums written
Year ended December 31, 2014						
Term Life Insurance	$660,684	$ 69,772	$295,332	$ 133,331	$129,598	$ -
Investment and Savings Products	-	-	-	8,734	357,322	-
Corporate and Other Distributed Products	23,831	16,701	16,085	2,313	121,593	934
Total	$684,515	$ 86,473	$311,417	$ 144,378	$608,513	$ 934
Year ended December 31, 2013						
Term Life Insurance	$597,162	$ 68,796	$262,357	$ 115,891	$119,526	$ -
Investment and Savings Products	-	-	-	11,195	340,794	-
Corporate and Other Distributed Products	23,871	19,956	17,574	2,097	116,130	905
Total	$621,033	$ 88,752	$279,931	$ 129,183	$576,450	$ 905
Year ended December 31, 2012						
Term Life Insurance	$543,658	$ 66,119	$239,346	$ 104,272	$110,590	$ -
Investment and Savings Products	-	-	-	10,956	281,893	-
Corporate and Other Distributed Products	23,621	34,685	14,702	3,370	122,521	1,165
Total	$567,279	$ 100,804	$254,048	$ 118,598	$515,004	$ 1,165

See the accompanying report of independent registered public accounting firm.

Schedule IV

Reinsurance

PRIMERICA, INC.

	Year ended December 31, 2014				
	Gross amount	Ceded to other companies	Assumed from other companies	Net amount	Percentage of amount assumed to net
	(Dollars in thousands)				
Life insurance in force	$685,998,013	$607,218,906	$ -	$78,779,107	— %
Premiums:					
Life insurance	$2,299,355	$1,615,847	$ -	$683,508	— %
Accident and health insurance	1,977	970	-	1,007	— %
Total premiums	$2,301,332	$1,616,817	$ -	$684,515	— %

	Year ended December 31, 2013				
	Gross amount	Ceded to other companies	Assumed from other companies	Net amount	Percentage of amount assumed to net
	(Dollars in thousands)				
Life insurance in force	$679,337,825	$601,309,340	$ -	$78,028,485	— %
Premiums:					
Life insurance	$2,262,721	$1,642,775	$ -	$619,946	— %
Accident and health insurance	2,470	1,383	-	1,087	— %
Total premiums	$2,265,191	$1,644,158	$ -	$621,033	— %

	Year ended December 31, 2012				
	Gross amount	Ceded to other companies	Assumed from other companies	Net amount	Percentage of amount assumed to net
	(Dollars in thousands)				
Life insurance in force	$675,164,992	$599,133,626	$ -	$76,031,366	— %
Premiums:					
Life insurance	$2,227,821	$1,661,822	$ -	$565,999	— %
Accident and health insurance	3,211	1,931	-	1,280	— %
Total premiums	$2,231,032	$1,663,753	$ -	$567,279	— %

See the accompanying report of independent registered public accounting firm.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Primerica, Inc.

By:	/s/ Alison S. Rand Alison S. Rand Executive Vice President and Chief Financial Officer	February 26, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ D. Richard Williams D. Richard Williams	Chairman of the Board and Co-Chief Executive Officer (Principal Executive Officer)	February 26, 2015
/s/ John A. Addison, Jr. John A. Addison, Jr.	Chairman of Primerica Distribution and Co-Chief Executive Officer (Principal Executive Officer)	February 26, 2015
/s/ Alison S. Rand Alison S. Rand	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	February 26, 2015
/s/ Joel M. Babbit Joel M. Babbit	Director	February 26, 2015
/s/ P. George Benson P. George Benson	Director	February 26, 2015
/s/ Gary L. Crittenden Gary L. Crittenden	Director	February 26, 2015
/s/ Cynthia N. Day Cynthia N. Day	Director	February 26, 2015
/s/ Mark Mason Mark Mason	Director	February 26, 2015
/s/ Robert F. McCullough Robert F. McCullough	Director	February 26, 2015

/s/ Beatriz R. Perez Beatriz R. Perez	Director	February 26, 2015
/s/ Barbara A. Yastine Barbara A. Yastine	Director	February 26, 2015

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