FIRST INVESTORS LIFE VARIABLE ANNUITY FUND C

FIRST INVESTORS LIFE VARIABLE ANNUITY FUND D

INDIVIDUAL VARIABLE ANNUITY CONTRACTS

OFFERED BY

FIRST INVESTORS LIFE INSURANCE COMPANY

Statement of Additional Information dated May 1, 2012

This Statement of Additional Information ("SAI") is not a Prospectus and should be read in conjunction with the Prospectuses for the variable annuity contracts funded by First Investors Life Variable Annuity Fund C and First Investors Life Variable Annuity Fund D, which may be obtained at no cost by writing to First Investors Life Insurance Company, Raritan Plaza 1, Edison, New Jersey 08837, or by telephoning (800) 342-7963 or by visiting our website at www.firstinvestors.com. First Investors Life Variable Annuity Fund C currently funds two variable annuity contracts: an individual variable annuity contract called the "Tax Tamer I" with prospectus dated May 1, 2012 and an individual variable annuity contract called the "First Choice" with prospectus dated May 1, 2012. First Investors Life Variable Annuity Fund D currently funds an individual variable annuity contract called the "Tax Tamer II" with prospectus dated May 1, 2012.

The terms in this SAI have the same meaning as in the Prospectuses.

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GENERAL DESCRIPTION

First Investors Life Insurance Company. First Investors Life Insurance Company, 110 Wall Street, New York, New York 10005 ("FIL" or "First Investors Life"), a stock life insurance company incorporated under the laws of the State of New York in 1962, writes life insurance and annuities. First Investors Consolidated Corporation ("FICC"), a holding company, owns all of the voting common stock of First Investors Management Company, Inc. ("FIMCO" or "Adviser") and all of the outstanding stock of First Investors Life, First Investors Corporation ("FIC" or "Underwriter") and Administrative Data Management Corp., the transfer agent for First Investors Life Series Funds ("Life Series Funds"). The Independent Order of Foresters ("Foresters") controls FICC and, therefore, the Adviser and First Investors Life. Foresters is a Canadian fraternal benefit society with operations in Canada, the United States and the United Kingdom and its principal business address is 789 Don Mills Road, Toronto, Canada M3C 1T9.

The following chart provides information about the Officers and Directors of First Investors Life.

Name	FIL Office	Principal Occupation for Last Five Years
Bernard E. Bloom	Director	Director Foresters since 2000; Director Foresters Life Limited since 2000; Director FICC since 2011.
Carol Lerner Brown	Secretary	Assistant Secretary FIC since 1989; Secretary FIMCO since 1989, Secretary FICC 1989-2011, Assistant Secretary FICC since 2011; Secretary Administrative Data Management Corp. since 1989.
Pratibha Canaran	Vice President – Finance	Vice President – Finance FIL, FICC, FIC, FIMCO and Administrative Data Management Corp. since 2012; Assistant Vice President Foresters since 2003.
William H. Drinkwater	Senior Vice President and Chief Actuary	Senior Vice President and Chief Actuary FIL since 2003.
Lawrence M. Falcon	Senior Vice President and Comptroller	Senior Vice President and Comptroller FIL since 1990.
Richard M. Freeborough	Director	Chairman of the Board since 2009 and Director Foresters since 2005; Director ResMor Trust Company since 2009; Independent Review Committee Member Acuity Investment Funds since 2007; Chairman of the Board and Director Seniors Money Limited since 2007; Director RGA Life Reinsurance Company of Canada since 2006; Governor University of Guelph since 2005; Director ACE INA Insurance from 2005 to 2010; Director Triad Guaranty Insurance Corporations Canada from 2006 to 2008; Director FICC since 2011.
Richard H. Gaebler	Director	Retired since January 2000; Director FICC since 2011.
Sharon T. Giffen	Director	Senior Vice President and Chief Financial Officer Foresters since 2009; Senior Vice President and Chief Actuary, Vice President Actuarial, Vice President Product Management Foresters from 2000 to 2009; Director FICC since 2011.
Jason Helbraun	Assistant Vice President	Assistant Vice President FIL since 2006; Corporate Actuary FIL 2005 – 2006.

William M. Lipkus	Vice President, Chief Financial Officer, Treasurer and Chief Administrative Officer	Chief Financial Officer FIC and FICC since 1997; Treasurer and Director FIC since 2012; Vice President FIL since 1996; Chief Financial Officer FIL since 1998; Treasurer FIL since 2008; Chief Administrative Officer FIL since 2012; Treasurer FICC since 1999; Chief Administrative Officer FICC since 2012; Chief Administrative Officer FIC since 2012; Director FIMCO since 2007; Chief Financial Officer FIMCO since 1998; Chief Administrative Officer FIMCO since 2012; Director Administrative Data Management Corp. since 2007; Chief Financial Officer Administrative Data Management Corp. since 1998; Treasurer Administrative Data Management Corp. since 1998; Chief Administrative Officer Administrative Data Management Corp. since 2012.
Martha E. Marcon	Director	Director FIL since 2012; Director FICC since 2011; Director Mercury General Corp. 2008-present; Director NIA Group 2006-present.
Louise L. McCormick	Director	Director Foresters since 2005; Director Duncaster, Inc. since 2005; Trustee and Board President Hartford Art School, Inc. since 2005; Director Heska, Inc. since 2000; Director FICC since 2011.
George S. Mohacsi	Director	President and Chief Executive Officer Foresters since 2005; Chairman and Director FICC since 2011.
Glen Mueller	Vice President and Chief Underwriter	Vice President and Chief Underwriter FIL since 2005.
Christopher H. Pinkerton	Chairman and Director	President and Director FICC since 2011; Chairman and Director FIMCO and Administrative Data Management Corp. since 2011; President FIMCO 2011; Chairman and Director FIL and FIC since 2011; President FIC 2011-2012; Foresters US Division since 2008, Chairman Foresters Equity Services since 2007, and Chairman Foresters Financial Partners since 2006; Senior Vice President Foresters North American Sales and Marketing from 2005 to 2007.
David Schimmel	Vice President	Vice President FIL since 2011; Assistant Vice President FIL 2006-2011.
John Shey	Assistant Vice President	Assistant Vice President FIL since 2006; Actuary FIL 2002 – 2006.
Carol E. Springsteen	President and Director	President and Director FIL since 2003.

Separate Account Assets. First Investors Life Variable Annuity Fund C ("Separate Account C") was established on December 21, 1989. First Investors Life Variable Annuity Fund D ("Separate Account D") was established on April 8, 1997. Each Separate Account was established under the provisions of the New York Insurance Law. Each Separate Account's assets are segregated from the assets of First Investors Life, and that portion of each Separate Account's assets having a value equal to, or approximately equal to, the reserves and contract liabilities under the Contracts for the respective Separate Account are not chargeable with liabilities arising out of any other business of First Investors Life. Each Separate Account is registered with the Securities and Exchange Commission ("Commission") as a unit investment trust under the Investment Company Act of 1940, as amended (the "1940 Act"), but such registration does not involve any supervision by the Commission of the management or investment practices or policies of the Separate Account.

The assets of each Separate Account are invested at net asset value in shares of a corresponding series (each a "Fund" and collectively "Funds") of the Life Series Funds. For example, the Discovery Subaccount invests in the Discovery Fund, the Government Subaccount invests in the Government Fund, and so on. The Life Series Funds Prospectus describes the risks attendant to an investment in each Fund of the Life Series Funds. The Life Series Funds contains ten separate Funds: Cash Management Fund, Discovery Fund, Government Fund, Growth & Income Fund, High Yield Fund, International Fund, Investment Grade Fund, Select Growth Fund, Target Maturity 2015 Fund and Value Fund. All of these Funds are available under the Tax Tamer I, Tax Tamer II and First Choice Contracts.

SERVICES

Custodian. First Investors Life, subject to applicable laws and regulations, is the custodian of the securities of the Subaccounts of Separate Account C and Separate Account D.

Independent Registered Accounting Firm. KPMG LLP, 345 Park Avenue, New York, NY 10154, were selected as the independent registered public accounting firm for Separate Account C and Separate Account D, and First Investors Life Insurance Company for the year 2011.

Tait, Weller & Baker, LLP, 1818 Market Street, Philadelphia, PA 19103, an independent registered accounting firm, were the independent accountants for Separate Account C and Separate Account D, and First Investors Life Insurance Company for the years 2010, 2009, 2008 and 2007.

Underwriter. First Investors Life and each Separate Account have entered into an Underwriting Agreement with FIC. FIC, an affiliate of First Investors Life and of the Adviser, has its principal business address at 110 Wall Street, New York, New York 10005. For the fiscal years ended December 31, 2009, 2010 and 2011, FIC received fees from Separate Account C of $38,844, $352,227 and $1,209,404, respectively, in connection with the distribution of the Contracts in a continuous offering. For the fiscal years ended December 31, 2009, 2010 and 2011, FIC received fees from Separate Account D of $478,651, $304,272 and $92,133, respectively, in connection with the distribution of the Contracts in a continuous offering.

First Investors Life anticipates continuing to offer new First Choice Contracts, but reserves the right to discontinue this offering. New Tax Tamer I and Tax Tamer II Contracts are not currently being offered for sale. Existing Tax Tamer I and Tax Tamer II Contractowners may however continue to make additional premium payments to their existing Contracts.

The Contracts for both Separate Accounts are sold by insurance agents licensed to sell variable annuities, who are registered representatives of the Underwriter or broker-dealers who have sales agreements with the Underwriter.

VALUATION

Value of an Accumulation Unit. For each Subaccount of Separate Account C and each Subaccount of Separate Account D, the value of an Accumulation Unit was arbitrarily initially set at $10.00. The value of an Accumulation Unit for any subsequent Valuation Period is determined by multiplying the value of an Accumulation Unit for the immediately preceding Valuation Period by the Net Investment Factor for the Valuation Period for which the Accumulation Unit Value is being calculated (see Appendix I, Example B). The investment performance of each Fund, and expenses and deductions of certain charges, affect the Accumulation Unit Value. The value of an Accumulation Unit for the Subaccounts may increase or decrease from Valuation Period to Valuation Period.

Net Investment Factor. The Net Investment Factor for each Subaccount for any Valuation Period is determined by dividing (a) by (b) and subtracting (c) from the result, where:

(a) is the net result of:

the net asset value per share of the applicable Fund determined at the end of the current Valuation Period, plus

the per share amount of any dividend or capital gains distributions made by the applicable Fund if the "ex-dividend" date occurs during the current Valuation Period.

(b) is the net asset value per share of the applicable Fund determined as of the end of the immediately preceding Valuation Period.

(c) is a factor representing the charges deducted for mortality and expense risks. For Separate Account C, such factor is equal on an annual basis to 1.00% of the daily net asset value of the applicable Subaccount. For Separate Account D, such factor is equal on an annual basis to 1.40% of the daily net assets value of the applicable Subaccount.

The Net Investment Factor may be greater or less than one, and therefore, the value of an Accumulation Unit for any Subaccount may increase or decrease. (For an illustration of this calculation, see Appendix I, Example A.)

Value of Amounts Allocated to the Fixed Account. The First Choice Contract also allows Contractowners to allocate value to the Fixed Account. The Accumulation Value in a First Choice Contract thus consists of the Subaccount Accumulation Value in each Subaccount to which a Contractowner allocates value, which is based on the Accumulation Unit values described above, and the Fixed Account Accumulation Value. The Fixed Account Accumulation Value at any time is equal to the amount determined as described in the First Choice Contract's prospectus under the heading "THE CONTRACT IN DETAIL: THE ACCUMULATION PHASE – Fixed Account Accumulation Value."

Value of an Annuity Unit. For each Subaccount of Separate Account C and each Subaccount of Separate Account D, the value of an Annuity Unit was arbitrarily initially set at $10.00. The value of an Annuity Unit for any subsequent Valuation Period is determined by multiplying the Annuity Unit Value for the immediately preceding Valuation Period by the Net Investment Factor for the Valuation Period for which the Annuity Unit Value is being calculated, and multiplying the result by an interest factor to offset the effect of an investment earnings rate of 3.5% per annum (or 3.0% or a different rate chosen by a Contractowner for First Choice Contracts), which is assumed in the Annuity Tables contained in the Contracts. (For an illustration of this calculation, see Appendix III, Example A.)

Amount of Annuity Payments. When annuity payments are to commence, the Accumulated Value (or the Accumulation Value for First Choice Contracts) to be applied to a variable annuity option will be determined by multiplying the value of an Accumulation Unit for the Business Day (or the Valuation Date for First Choice Contracts) on or immediately preceding the seventh day before the Annuity Commencement Date (or the Maturity Date for First Choice Contracts) by the number of Accumulation Units owned. This seven day period is used to permit calculation of amounts of annuity payments and mailing of checks in advance of the due date. At that time any applicable Premium taxes not previously deducted may be deducted from the Accumulated Value to determine the net Accumulated Value. For First Choice Contracts, the net amount to be applied to an Annuity Option, the Net Accumulation Value, consists of the amounts derived from the Accumulation Units, as described above, as well as the Fixed Account Accumulation Value. The resultant value is then applied to the Annuity Tables set forth in the Contract to determine the amount of the first monthly annuity payment. The Contract contains Annuity Tables setting forth the amount of the first monthly installment for each $1,000 of Accumulated Value applied. These Annuity Tables vary according to the Annuity Option selected by the Contractowner and according to the sex and adjusted age of the Annuitant and any Joint Annuitant at the Annuity Commencement Date. The Contracts contain a formula for determining the adjusted age. The Annuity Tables are determined from the Progressive Annuity Table with interest at 3.5% per year and assumes births prior to 1900, adjusted by a setback of four years of age for persons born 1900 and later and an additional setback of one year of age for each completed five years by which the year of birth is later than 1900, except for First Choice Contracts. For First Choice Contracts the Annuity Tables are determined from the A2000 Individual Annuitant Mortality Table Age Last Birthday and an Assumed Investment Return of 3.00% or a different rate chosen by the Contractowner and the adjusted age is the age of the annuitant minus one year for each completed 10-year period measured from the year 2000 to the date of Annuity Payment Option commencement. Annuity Tables used by other insurers may provide greater or less benefits to the Annuitant.

The dollar amount of the first monthly Variable Payment, based on the Subaccount determined as above, is divided by the value of an Annuity Unit for the Subaccount for the Business Day on or immediately preceding the seventh day before the Annuity Commencement Date to establish the number of Annuity Units representing each monthly payment under the Subaccount. This seven day period is used to permit calculation of amounts of annuity payments and mailing of checks in advance of the due date. This number of Annuity Units remains fixed for all variable annuity payments. The dollar amount of the second and subsequent variable annuity payments is determined by multiplying the fixed number of Annuity Units for the Subaccount by the applicable value of an Annuity Unit Value for the Business Day on or immediately preceding the seventh day before the due date of the payment. The value of an Annuity Unit will vary with the investment performance of the corresponding Fund, and, therefore, the dollar amount of the second and subsequent variable annuity payments may change from month to month. (For an illustration of the calculation of the first and subsequent Variable Payments, see Appendix III, Examples B, C and D.)

A fixed annuity provides annuity payments which remain fixed as to dollar amount throughout the payment period and is based on an assumed interest rate of 3.5% (or 2.5% for the First Choice Contract) per year built into the Annuity Tables in the Contract.

OTHER INFORMATION

Time of Payments. All payments due under the Contracts will ordinarily be made within seven days of the payment due date or within seven days after the date of receipt of a request for partial surrender or termination. However, First Investors Life reserves the right to suspend or postpone the date of any payment due under the Contracts (1) for any period during which the New York Stock Exchange ("NYSE") is closed (other than customary weekend and holiday closings) or during which trading on the NYSE, as determined by the Commission, is restricted; (2) for any period during which an emergency, as determined by the Commission, exists as a result of which disposal of securities held by the Fund is not reasonably practical or it is not reasonably practical to determine the value of the Fund's net assets; or (3) for such other periods as the Commission may by order permit for the protection of security holders or as may be permitted under the 1940 Act.

In addition, for the First Choice Contract, First Investors Life may defer for up to six months the payment of any full or partial surrender of amounts allocated to the Fixed Account.

Reports to Contractowners. First Investors Life will mail to each Contractowner, at the last known address of record at the Home Office of First Investors Life, at least annually, a report containing such information as may be required by any applicable law or regulation and a statement of the Accumulation Units credited to the Contract for each Subaccount and the Accumulation Unit Values. In addition, latest available reports of the Life Series Funds will be mailed to each Contractowner.

Assignment. Any amounts payable under the Contracts may not be commuted, alienated, assigned or otherwise encumbered before they are due. To the extent permitted by law, no such payments shall be subject in any way to any legal process to subject them to payment of any claims against any Annuitant, Joint Annuitant or Beneficiary. The Contracts may be assigned. No assignment of a Contract shall be binding on First Investors Life unless such assignment is in writing and is filed with First Investors Life at its home office.

RELEVANCE OF FINANCIAL STATEMENTS

The values of the interests of Contractowners under the variable portion of the Contracts will be affected solely by the investment results of each Separate Account's Subaccounts. The financial statements of First Investors Life as contained herein should be considered only as bearing upon First Investors Life's ability to meet its obligations to Contractowners under the Contracts, and they should not be considered as bearing on the investment performance of the Subaccounts.

APPENDICES

APPENDIX I

EXAMPLE A
Formula and Illustration for Determining the Net Investment Factor of a Subaccount of Separate Account C

$$\text{Net Investment Factor} = \frac{A + B}{C} - D$$

Where:

A = The Net Asset Value of a Fund share as of the end of the current Valuation Period. Assume	=	$8.51000000
B = The per share amount of any dividend or capital gains distribution since the end of the immediately preceding Valuation Period. Assume	=	0
C = The Net Asset Value of a Fund share as of the end of the immediately preceding Valuation Period. Assume	=	$8.39000000
D = The daily deduction for mortality and expense risks, which totals 1.0% on an annual basis. On a daily basis	=	.00002740

$$\text{Then, the Net Investment Factor} = \frac{8.51000000 + 0}{8.39000000} - .00002740 = 1.01427534$$

Formula and Illustration for Determining the Net Investment Factor of a Subaccount of Separate Account D

$$\text{Net Investment Factor} = \frac{A + B}{C} - D$$

Where:

A = The Net Asset Value of a Fund share as of the end of the current Valuation Period. Assume	=	$8.51000000
B = The per share amount of any dividend or capital gains distribution since the end of the immediately preceding Valuation Period. Assume	=	0
C = The Net Asset Value of a Fund share as of the end of the immediately preceding Valuation Period. Assume	=	$8.39000000
D = The daily deduction for mortality and expense risks and administration, which totals 1.4% on an annual basis. On a daily basis	=	.00003836

$$\text{Then, the Net Investment Factor} = \frac{8.51000000 + 0}{8.39000000} - .00003836 = 1.01426438$$

EXAMPLE B
Formula and Illustration for Determining Accumulation Unit Value of a Subaccount of Separate Account C

Accumulation Unit Value = A x B
Where:

A = The Accumulation Unit Value for the immediately preceding Valuation Period.
Assume... = $1.46328760
B = The Net Investment Factor for the current Valuation Period.
Assume... = 1.01427534

Then, the Accumulation Unit Value = $1.46328760 x 1.01427534 .... = 1.48417653

Formula and Illustration for Determining Accumulation Unit Value of a Subaccount of Separate Account D

Accumulation Unit Value = A x B
Where:

A = The Accumulation Unit Value for the immediately preceding Valuation Period.
Assume... = $1.46328760
B = The Net Investment Factor for the current Valuation Period.
Assume... = 1.01426438

Then, the Accumulation Unit Value = $1.46328760 x 1.01426438 .... = 1.48416049

APPENDIX II

EXAMPLE A
Formula and Illustration for Determining Death Benefit Payable Under Annuity Option 4-Unit Refund Life Annuity For Separate Account C (Tax Tamer I only) and Separate Account D

Upon the death of the Annuitant, the designated Beneficiary under this option will receive under a Separate Account a lump sum death benefit of the then dollar value of a number of Annuity Units computed using the following formula:

Annuity Units Payable = $\frac{A}{B}$ - (CxD), if $\frac{A}{B}$ is greater than CxD

Where:

A = The Net Accumulated Value applied on the Annuity Commencement Date to purchase the Variable Annuity.
Assume .... = $20,000.00

B = The Annuity Unit Value at the Annuity Commencement Date.
Assume .... = $1.08353012

C = The number of Annuity Units represented by each payment made.
Assume .... = 116.61488844

D = The total number of monthly Variable Annuity Payments made prior to the Annuitant's death.
Assume .... = 30

Then the number of Annuity Units Payable:

$$\frac{\$20,000.00}{\$1.08353012} - (116.61488844 \times 30)$$

$$= 18,458.18554633 - 3,498.44665320$$

$$= 14,959.73889313$$

If the value of an Annuity Unit on the date of receipt of notification of death was $1.12173107 then the amount of the death benefit under the Separate Account would be:

14,959.73889313 x $1.12173107 = $16,780.80

APPENDIX III

EXAMPLE A

Formula and Illustration for Determining
Annuity Unit Value of
Separate Account C and Separate Account D

Annuity Unit Value = A x B x C

Where:

A = Annuity Unit Value of the immediately preceding Valuation Period.
Assume .... = $1.10071211

B = Net Investment Factor for the Valuation Period for which the Annuity Unit is being calculated.
Assume .... = 1.00083530

C = A factor to neutralize the assumed interest rate of 3½% built into the Annuity Tables used.
Daily factor equals .... = 0.99990575

Then, the Annuity Value is:

$1.10071211 x 1.00083530 x 0.99990575 = $1.10152771

EXAMPLE B

Formula and Illustration for Determining
Amount of First Monthly Variable Annuity Payment from
Separate Account C and Separate Account D

First Monthly Variable Annuity Payment = $\frac{A}{\$1{,}000}$ x B

Where:

A = The Net Accumulated Value allocated to Separate Account C for the Business Day on or immediately preceding the seventh day before the Annuity Commencement Date.
Assume .... = $20,000.00

B = The Annuity purchase rate per $1,000 based upon the option selected, the sex and adjusted age of the Annuitant according to the Annuity Tables contained in the Contract.
Assume .... = $6.40

Then, the first Monthly Variable Payment = $\frac{\$20{,}000}{\$1{,}000}$ x $6.40 = $128.00

EXAMPLE C

Formula and Illustration for Determining
the Number of Annuity Units for Separate Account C and Separate Account D
Represented by Each Monthly Variable Annuity Payment

Number of Annuity Units = $\frac{A}{B}$

Where:
A = The dollar amount of the first monthly Variable Annuity Payment.
Assume .... = $128.00

B = The Annuity Unit Value for the Business Day on or immediately preceding the seventh day before the Annuity Commencement Date.
Assume .... = $1.09763000

Then, the number of Annuity Units = $\frac{\$128.00}{\$1.09763000}$ = 116.61488844

EXAMPLE D

Formula and Illustration for Determining
the Amount of Second and Subsequent Monthly Variable
Annuity Payments From Separate Account C and Separate Account D

Second Monthly Variable Annuity Payment = A x B

Where:

A = The Number of Annuity Units represented by each monthly Variable Annuity Payment.
Assume .... = 116.61488844

B = The Annuity Unit Value for the Business Day on or immediately preceding the seventh day before the date on which the second (or subsequent) Variable Annuity Payment is due.
Assume .... = $1.11834234

Then, the second monthly Variable Annuity Payment = 116.61488844 x $1.11834234 = $130.42

The above example was based upon the assumption of an increase in the Annuity Unit Value since the initial Variable Annuity Payment due to favorable investment results of the Separate Account and the Fund. If the investment results were less favorable, a decrease in the Annuity Unit Value and in the second monthly Variable Annuity Payment could result. Assume B above was $1.08103230.

Then, the second monthly Variable Annuity Payment = 116.61488844 x $1.08103230 = $126.06

Financial Statements
as of
December 31, 2011

FIRST INVESTORS LIFE VARIABLE ANNUITY FUND C

Financial Statements

December 31, 2011

(With Report of Independent Registered Public Accounting Firm Thereon)

Report of Independent Registered Public Accounting Firm

The Board of Directors of First Investors Life Insurance Company and
Contract Owners of First Investors Life Variable Annuity Fund C:

We have audited the accompanying statements of assets and liabilities of each of the individual sub-accounts disclosed in note 1 which comprise First Investors Life Variable Annuity Fund C (Separate Account C), as of December 31, 2011, and the related statement of operations, statements of changes in net assets and the financial highlights for the year then ended. These financial statements and financial highlights are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2011, by correspondence with the transfer agent of the mutual funds. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of each of the individual sub-accounts which comprise Separate Account C as of December 31, 2011, the results of its operations, changes in its net assets and financial highlights for the year then ended, in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP

New York, New York
April 26 , 2012

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Statement of Assets and Liabilities

December 31, 2011

	Cash Management	High Yield	Growth and Income	Discovery	International	Select Growth	Government	Investment Grade	Value	Target Maturity 2015
Assets:										
Investments at net asset value (note 3):										
First Investors Life Series Fund	$ 5,802,838	$ 16,140,194	$ 87,798,387	$ 32,527,810	$ 22,874,652	$ 4,194,358	$ 12,948,227	$ 19,384,848	$ 21,228,772	$ 7,834,433
Liabilities:										
Payable to First Investors Life Insurance Company	4,309	13,148	73,437	27,305	19,248	3,475	10,721	15,819	176,925	6,506
Net assets	5,798,529	16,127,046	87,724,950	32,500,505	22,855,404	4,190,883	12,937,506	19,369,029	21,051,847	7,827,927
Net assets represented by Contracts in accumulation period	$ 5,798,529	$ 16,127,046	$ 87,724,950	$ 32,500,505	$ 22,855,404	$ 4,190,883	$ 12,937,506	$ 19,369,029	$ 21,051,847	$ 7,827,927

See accompanying notes to financial statements.

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Statement of Operations

Year ended December 31, 2011

	Cash Management	High Yield	Growth and Income	Discovery	Blue Chip	International	Select Growth	Government	Investment Grade	Value	Target Maturity 2015
Investment income:											
Income:											
Dividends	$ —	996,996	975,308	166,437	518,911	510,604	4,165	429,900	808,708	458,536	301,342
Expenses:											
Mortality and expense risks (note 5)	54,715	147,817	592,752	333,334	328,255	238,531	33,587	125,907	178,967	219,101	76,260
Administrative charges (note 5)	4	297	549	305	113	209	142	313	316	326	103
Total expenses	54,719	148,114	593,301	333,639	328,368	238,740	33,729	126,220	179,283	219,427	76,363
Net investment income (loss)	(54,719)	848,882	382,007	(167,202)	190,543	271,864	(29,564)	303,680	629,425	239,109	224,979
Realized gain on investments:											
Realized gain distributions	—	—	—	—	—	—	—	—	—	—	106,373
Realized gain (loss) on investments	—	(104,091)	(322,643)	747,998	4,140,557	(195,114)	12,515	24,987	(12,624)	301,553	61,003
Realized gains (losses)	—	(104,091)	(322,643)	747,998	4,140,557	(195,114)	12,515	24,987	(12,624)	301,553	167,376
Change in unrealized appreciation (depreciation) on investments	—	(78,381)	701,519	(192,560)	(4,254,808)	(195,594)	105,436	209,817	282,841	(424,427)	50,651
Net increase (decrease) in net assets resulting from operations	$ (54,719)	666,410	760,883	388,236	76,292	(118,844)	88,387	538,484	899,642	116,235	443,006

See accompanying notes to financial statements.

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Statements of Changes in Net Assets

Years ended December 31, 2011 and 2010

	Cash Management		High Yield		Growth and Income		Discovery		Blue Chip		International	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	201
Increase (decrease) in net assets:												
From operations:												
Net investment income (loss)	$ (54,719)	(44,151)	848,882	866,698	382,007	52,721	(167,202)	(40,057)	190,543	232,784	271,864	(232,2
Realized gain distributions	—	—	—	—	—	—	—	—	—	—	—	-
Realized gain (loss) on investments	—	—	(104,091)	(287,999)	(322,643)	(1,228,010)	747,998	584,658	4,140,557	221,544	(195,114)	(580,9
Change in unrealized appreciation (depreciation) on investments	—	—	(78,381)	945,866	701,519	8,612,975	(192,560)	6,242,618	(4,254,808)	2,645,365	(195,594)	3,515,3
Net increase in net assets resulting from operations	(54,719)	(44,151)	666,410	1,524,565	760,883	7,437,686	388,236	6,787,219	76,292	3,099,693	(118,844)	2,702,0
From contract transactions:												
Net insurance premiums from contract owners	1,726,009	812,208	2,029,015	510,945	3,241,961	960,635	2,539,111	588,047	998,351	286,127	1,700,749	444,0
Transfers between sub-accounts	(863,892)	1,469,559	1,000,527	223,442	32,856,018	(18,941)	(480,220)	(501,934)	(34,685,193)	(643,931)	(354,068)	(454,6
Transfers for contract benefits and terminations	(1,063,425)	(1,010,610)	(1,094,304)	(1,584,910)	(5,186,524)	(5,776,310)	(2,532,080)	(3,418,700)	(2,945,497)	(4,250,166)	(2,126,272)	(2,849,0
Increase (decrease) in net assets derived from contract transactions	(201,308)	1,271,157	1,935,238	(850,523)	30,911,455	(4,834,616)	(473,189)	(3,332,587)	(36,632,339)	(4,607,970)	(779,591)	(2,860,
Net increase (decrease) in net assets	(256,027)	1,227,006	2,601,648	674,042	31,672,338	2,603,070	(84,953)	3,454,632	(36,556,047)	(1,508,277)	(898,435)	(158,0
Net assets:												
Beginning of year	6,054,556	4,827,550	13,525,398	12,851,356	56,052,612	53,449,542	32,585,458	29,130,826	36,556,047	38,064,324	23,753,839	23,911,

	5,798,529	6,054,556	16,127,046	13,525,398	87,724,950	56,052,612	32,500,505	32,585,458		36,556,047		
End of year	$								—		22,855,404	23,753,[illegible]

	Select Growth		Government		Investment Grade		Value		Target Maturity 2015	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Increase (decrease) in net assets:										
From operations:										
Net investment income (loss)	$ (29,564)	(17,204)	303,680	346,906	629,425	604,613	239,109	245,007	224,979	198,011
Realized gain distributions	—	—	—	—	—	—	—	—	106,373	31,502
Realized gain (loss) on investments	12,515	(31,065)	24,987	30,421	(12,624)	(39,964)	301,553	120,003	61,003	73,130
Change in unrealized appreciation (depreciation) on investments	105,436	455,742	209,817	48,106	282,841	642,658	(424,427)	2,304,031	50,651	152,812
Net increase in net assets resulting from operations	88,387	407,473	538,484	425,433	899,642	1,207,307	116,235	2,669,041	443,006	455,455
From contract transactions:										
Net insurance premiums from contract owners	1,233,422	212,993	960,709	598,141	2,171,600	574,878	1,159,863	530,838	451,440	154,708
Transfers between sub-accounts	569,328	74,540	673,838	1,742,290	1,351,990	1,619,128	(414,991)	106,026	290,675	1,307,418
Transfers for contract benefits and terminations	(209,536)	(207,940)	(1,604,185)	(1,857,848)	(1,576,409)	(1,646,310)	(2,166,978)	(2,912,877)	(1,052,990)	(692,011)
Increase (decrease) in net assets derived from contract transactions	1,593,214	79,593	30,362	482,583	1,947,181	547,696	(1,422,106)	(2,276,013)	(310,875)	770,115
Net increase (decrease) in net assets	1,681,601	487,066	568,846	908,016	2,846,823	1,755,003	(1,305,871)	393,028	132,131	1,225,570
Net assets:										
Beginning of year	2,509,282	2,022,216	12,368,660	11,460,644	16,522,206	14,767,203	22,517,018	22,123,990	7,695,796	6,470,226
End of year	$ 4,190,883	2,509,282	12,937,506	12,368,660	19,369,029	16,522,206	21,211,147	22,517,018	7,827,927	7,695,796

See accompanying notes to financial statements.

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Notes to Financial Statements

December 31, 2011

(1) Organization

First Investors Life Variable Annuity Fund C (Separate Account C), a unit investment trust registered under the Investment Company Act of 1940 (the 1940 Act), is a segregated investment account established by First Investors Life Insurance Company (FIL) and exists in accordance with the regulations of the New York State Insurance Department. Assets of Separate Account C have been used to purchase shares of First Investors Life Series Fund (the Fund), an open-end diversified management investment company registered under the 1940 Act. The contract holder directs the deposits into the sub-accounts that comprise Separate Account C and bear the investment risk that the sub-accounts may not meet their stated investment objectives. The sub-accounts invest in the following underlying fund portfolios: Cash Management, High Yield, Growth & Income, Discovery, International, Select Growth, Government, Investment Grade, Value, and Target Maturity 2015. In 2011, Blue Chip merged into Growth and Income Fund.

(2) Significant Accounting Practices

(a) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(b) Subsequent Events

Subsequent events after the balance sheet date through the date that the financial statements were available for issuance, April 26, 2012, have been evaluated in the preparation of the financial statements.

(c) Investments

Shares of the Funds held by Separate Account C are valued at net asset value per share of such Funds, which value its investment securities at fair value on a daily basis. All distributions received from the Funds are reinvested to purchase additional shares of the Funds at net asset value. Investment transactions are accounted for on a trade date basis and average cost is the basis followed in determining the cost of investments sold for financial statement purposes.

(d) Investment Income

Investment income consists of dividends declared by the Funds and is recognized on the ex-dividend date.

(e) Federal Income Taxes

Separate Account C is not taxed separately because its operations are part of the total operations of FIL, which is taxed as a life insurance company under the Internal Revenue Code. Separate Account C will not be taxed as a regulated investment company under Subchapter M of the Code. Under

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Notes to Financial Statements

December 31, 2011

existing Federal income tax law, no taxes are payable on the investment income or on the capital gains of Separate Account C.

(f) ***Reclassifications***

Certain prior period numbers were reclassified to conform to the current year presentation.

(3) Investments

Investments consist of the following at December 31, 2011:

First Investors Life Series Fund:	Shares	Net asset value	Market value	Cost
Cash Management	5,802,838	$ 1.00	$ 5,802,838	$ 5,802,838
High Yield	2,513,329	6.42	16,140,194	17,668,741
Growth and Income	3,074,197	28.56	87,798,387	91,422,936
Discovery	1,018,372	31.94	32,527,810	23,923,579
International	1,391,910	16.44	22,874,652	24,885,408
Select Growth	495,853	8.46	4,194,358	4,040,665
Government	1,229,898	10.53	12,948,227	12,478,719
Investment Grade	1,784,435	10.86	19,384,848	19,221,314
Value	1,416,349	14.99	21,228,772	18,724,305
Target Maturity 2015	481,396	16.27	7,834,433	7,124,236

The cost of purchases and proceeds from sale of investments for the year ended December 31, 2011 were as follows:

	Purchases	Sales
Cash Management	$ 1,726,009	1,982,004
High Yield	4,026,538	1,240,119
Growth and Income	37,073,287	5,751,134
Discovery	2,705,548	3,344,773
Blue Chip	1,517,262	37,988,688
International	2,211,353	2,718,966
Select Growth	1,806,915	241,691
Government	2,064,447	1,729,677
Investment Grade	4,332,298	1,753,341
Value	1,618,399	2,801,650
Target Maturity 2015	1,149,830	1,129,126

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Notes to Financial Statements

December 31, 2011

Separate Account C utilizes various methods to measure the fair value of its financial instruments on a recurring basis. Generally accepted accounting principles establish a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are described below:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that Separate Account C has the ability to access.

Level 2 – observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – unobservable inputs for the asset and liability, to the extent relevant inputs are not available, representing Separate Account C's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The inputs methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The summary of inputs used to value Separate Account C investments as of December 31, 2011 is as follows:

	Total	Level 1 Quoted prices	Level 2 Other significant observable inputs	Level 3 Significant unobservable inputs
Cash Management	$ 5,802,838	$ 5,802,838	$ —	$ —
High Yield	16,140,194	16,140,194	—	—
Growth and Income	87,798,387	87,798,387	—	—
Discovery	32,527,810	32,527,810	—	—
International	22,874,652	22,874,652	—	—
Select Growth	4,194,358	4,194,358	—	—
Government	12,948,227	12,948,227	—	—
Investment Grade	19,384,848	19,384,848	—	—
Value	21,228,772	21,228,772	—	—
Target Maturity 2015	7,834,433	7,834,433	—	—
	$ 230,734,519	$ 230,734,519	—	—

There were no transfers between Level 1 and Level 2 during the year ended December 31, 2011.

(Continued)

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Notes to Financial Statements

December 31, 2011

(4) Changes in Units

The changes in units outstanding for the years ended December 31, 2011 and 2010 were as follows:

	2011			2010		
	Units Issued	Units redeemed	Net increase (decrease)	Units issued	Units redeemed	Net increase (decrease)
Cash Management	733,847	(748,199)	(14,352)	351,478	(270,717)	80,761
High Yield	68,917	(19,893)	49,024	18,033	(42,049)	(24,016)
Growth and Income	691,000	(87,878)	603,122	11,717	(119,104)	(107,387)
Discovery	35,062	(43,464)	(8,402)	8,063	(78,276)	(70,213)
Blue Chip	17,724	(1,101,242)	(1,083,518)	7,843	(155,655)	(147,812)
International	38,214	(61,908)	(23,694)	8,912	(99,511)	(90,599)
Select Growth	231,701	(32,138)	199,563	46,179	(34,905)	11,274
Government	58,085	(56,898)	1,187	79,671	(59,593)	20,078
Investment Grade	118,545	(45,670)	72,875	70,467	(49,306)	21,161
Value	45,404	(112,512)	(67,108)	32,144	(151,674)	(119,530)
Target Maturity 2015	36,439	(51,524)	(15,085)	70,293	(35,119)	35,174

(5) Mortality and Expense Risks and Deductions

In consideration for its assumption of the mortality and expense risks connected with the Variable Annuity Contracts, FIL deducts an amount equal on an annual basis to 1.00% of the daily net asset value of Separate Account C. This deduction is assessed through a reduction of unit values. An additional administrative charge of $7.50 may be deducted annually by FIL from the Accumulated Value of Deferred Annuity Contracts, which have an Accumulated Value of less than $1,500 due to partial surrenders and would be assessed through a redemption of units. There was no deduction under this provision during 2011.

An annual contract maintenance charge of $35 is deducted from the accumulated value of the contract on the last business day of the contract year or on the date of surrender of the contract, if earlier and is assessed through the redemption of units.

Effective June 1, 2010 the Variable Annuity Contracts are sold without an initial sales charge, but at the time of a full or partial surrender of the Contract, they may be subject to a contingent deferred sales charge (CDSC) of 0% to 8% of the value of the Accumulation Units surrendered.

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Notes to Financial Statements

December 31, 2011

(6) Financial Highlights Table

	Net assets			Investment Income Ratio[1]	Expense Ratio[2]	Total Return[3, 4]
	Units	Units value	(000s)			
Cash Management:						
December 31:						
2011	369,425	$ 15.606	5,799	—	1.00%	-1.00%
2010	383,776	$ 15.763	6,055	—	1.00%	-1.00%
2009	303,015	$ 15.921	4,828	0.19%	1.00%	-0.83%
2008	376,676	$ 16.054	6,050	2.06%	1.00%	1.01%
2007	518,520	$ 15.893	8,239	3.92%	1.00%	3.59%
High Yield:						
December 31:						
2011	399,663	$ 40.322	16,127	6.68%	1.00%	4.61%
2010	350,639	$ 38.547	13.525	7.66%	1.00%	12.58%
2009	374,655	$ 34.240	12.851	9.91%	1.00%	33.81%
2008	413,013	$ 25.589	10,584	8.89%	1.00%	-26.60%
2007	482,188	$ 34.860	16,823	7.91%	1.00%	0.05%
Growth and Income:						
December 31:						
2011	1,711,970	$ 51.173	87,725	1.64%	1.00%	1.35%
2010	1,108,848	$ 50.493	56,053	1.11%	1.00%	15.03%
2009	1,216,235	$ 43.894	53,450	2.00%	1.00%	26.77%
2008	1,404,403	$ 34.625	48,577	1.53%	1.00%	-35.86%
2007	1,626,474	$ 53.986	87,868	0.52%	1.00%	0.97%
Discovery:						
December 31:						
2011	575,022	$ 56.494	32,501	0.50%	1.00%	1.23%
2010	583,423	$ 55.810	32,585	0.87%	1.00%	25.31%
2009	653,636	$ 44.537	29,131	1.30%	1.00%	29.46%
2008	732,306	$ 34.401	25,201	0.45%	1.00%	-33.91%
2007	856,791	$ 52.055	44,616	0.18%	1.00%	5.56%
Blue Chip:						
December 31:						
2011	—	—	—	1.58%	1.00%	0.43%
2010	1,083,518	$ 33.680	36,556	1.67%	1.00%	9.12%
2009	1,231,330	$ 30.865	38,064	2.29%	1.00%	20.40%
2008	1,424,765	$ 25.635	36,571	1.60%	1.00%	-32.76%
2007	1,685,065	$ 38.125	64,308	1.12%	1.00%	3.17%
International:						
December 31:						
2011	668,685	$ 34.115	22,855	2.14%	1.00%	-0.36%
2010	692,380	$ 34.238	23,754	0.00%	1.00%	12.32%
2009	782,979	$ 30.482	23,912	4.69%	1.00%	22.01%
2008	888,496	$ 24.983	22,220	0.21%	1.00%	-42.47%
2007	1,010,953	$ 43.425	43,971	3.14%	1.00%	19.79%

(Continued)

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Notes to Financial Statements

December 31, 2011

	Net assets					
	Units	**Units value**	**(000s)**	**Investment Income Ratio[1]**	**Expense Ratio[2]**	**Total Return[3, 4]**
Select Growth:						
December 31:						
2011	531,020	$ 7.890	4,191	0.12%	1.00%	4.21%
2010	331,457	$ 7.572	2,509	0.18%	1.00%	19.90%
2009	320,183	$ 6.315	2,022	0.00%	1.00%	8.81%
2008	326,913	$ 5.804	1,896	0.16%	1.00%	-42.05%
2007	271,526		2,722	0.75%	1.00%	10.31%
		$ 10.016				
Government:						
December 31:						
2011	514,969	$ 25.125	12,938	3.41%	1.00%	4.36%
2010	513,782	$ 24.075	12,369	3.89%	1.00%	3.78%
2009	493,704	$ 23.199	11,461	4.15%	1.00%	3.24%
2008	514,513	$ 22.471	11,567	4.31%	1.00%	5.86%
2007	514,817	$ 21.226	10,934	5.12%	1.00%	5.49%
Investment Grade:						
December 31:						
2011	712,064	$ 27.185	19,369	4.49%	1.00%	5.17%
2010	639,189	$ 25.849	16,522	4.81%	1.00%	8.17%
2009	618,028	$ 23.896	14,767	6.12%	1.00%	19.74%
2008	655,154	$ 19.957	13,079	5.70%	1.00%	-12.48%
2007	738,2223	$ 22.803	16,846	5.47%	1.00%	4.47%
Value:						
December 31:						
2011	997,802	$ 21.248	21,211	2.09%	1.00%	0.52%
2010	1,064,610	$ 21.138	22,517	2.17%	1.00%	13.19%
2009	1,184,140	$ 18.675	22,124	3.26%	1.00%	19.83%
2008	1,377,532	$ 15.585	21,478	2.07%	1.00%	-30.11%
2007	1,577,728	$ 22.300	35,205	1.60%	1.00%	-1.65%
Target Maturity 2015:						
December 31:						
2011	350,601	$ 22.256	7,828	3.95%	1.00%	6.07%
2010	365,686	$ 20.982	7,696	3.88%	1.00%	7.50%
2009	330,512	$ 19.518	6,470	4.09%	1.00%	-3.19%
2008	361,598	$ 20.162	7,311	3.78%	1.00%	13.42%
2007	376,025	$ 17.776	6,703	3.87%	1.00%	8.61%

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND C

Notes to Financial Statements

December 31, 2011

1 These amounts represent the dividends, excluding distributions of capital gains, received by the sub-account from the underlying mutual fund, net of management fees assessed by the fund manager, divided by the average net assets. These ratios exclude those expenses, such as mortality and expense charges, that are assessed against contract owner accounts either through reductions in unit values or redemption of units. The recognition of investment income by the sub-account is affected by the timing of the declaration of dividends by the underlying fund in which the sub-account invests.

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

3 These amounts represent the total return for the periods indicated, including changes in value of the underlying fund, and expenses assessed through the reduction of unit values. These ratios do not include any expenses assessed through the redemption of units.

4 Blue Chip merged into Growth and Income Fund on December 9, 2011. Total return represents period January 1, 2011 to December 9, 2011.

TAIT, WELLER & BAKER LLP

Certified Public Accountants

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
First Investors Life Insurance Company
New York, New York

We have audited the accompanying statement of assets and liabilities of each of the individual sub-accounts disclosed in Note 1 which comprise First Investors Life Variable Annuity Fund C (a separate account of First Investors Life Insurance Company, registered as a unit investment trust under the Investment Company Act of 1940) ("Separate Account C"), as of December 31, 2010, and the related statements of operations for the year then ended and of changes in net assets for the years ended December 31, 2010 and 2009 for each of the individual sub-accounts which comprise Separate Account C. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of Separate Account C's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Separate Account C's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned at December 31, 2010 by correspondence with Separate Account C's custodian. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each of the individual sub-accounts which comprise Separate Account C as of December 31, 2010, and the results of their operations for the year then ended for each of the individual sub-accounts and the changes in their net assets for the years ended December 31, 2010 and 2009, in conformity with accounting principles generally accepted in the United States of America.

Tait, Weller & Baker LLP

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
March 9, 2011

FIRST INVESTORS LIFE VARIABLE ANNUITY FUND D

Financial Statements

December 31, 2011

(With Report of Independent Registered Public Accounting Firm Thereon)

Report of Independent Registered Public Accounting Firm

The Board of Directors of First Investors Life Insurance Company and
Contract Owners of First Investors Life Variable Annuity Fund D:

We have audited the accompanying statement of assets and liabilities of each of the individual sub-accounts disclosed in note 1 which comprise First Investors Life Variable Annuity Fund D (Separate Account D), as of December 31, 2011, and the related statement of operations, statements of changes in net assets and the financial highlights for the year then ended. These financial statements and financial highlights are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2011, by correspondence with the transfer agent of the mutual funds. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of each of the individual sub-accounts which comprise Separate Account D as of December 31, 2011, the results of its operations, changes in its net assets and financial highlights for the year then ended, in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP

New York, New York
April 26, 2012

**FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND D**

Statement of Assets and Liabilities

December 31, 2011

	Cash Management	High Yield	Growth and Income	Discovery	Blue Chip	International	Select Growth	Government	Investment Grade	Value	Target Maturity 2015
Assets:											
Investments at net asset value (note 3):											
First Investors Life Series Fund	$ 3,376,670	$ 12,114,968	$ 43,392,276	$ 15,495,176	$—	$ 12,717,290	$ 2,742,452	$ 8,552,751	$ 15,275,720	$ 17,871,405	$18,207,381
Liabilities:											
Payable to First Investors:											
Life Insurance Company	3,985	13,982	50,989	18,426	—	15,071	3,153	9,945	17,589	20,831	21,210
Net assets	3,372,685	12,100,986	43,341,287	15,476,750	—	12,702,219	2,739,299	8,542,806	15,258,131	17,850,574	18,186,171
Net assets represented by Contracts in accumulation period	$ 3,372,685	$ 12,100,986	$ 43,341,287	$ 15,476,750	$—	$ 12,702,219	$ 2,739,299	$ 8,542,806	$ 15,258,131	$ 17,850,574	$18,186,171

See accompanying notes to financial statements.

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND D
Statement of Operations

Year ended December 31, 2011

	Cash Management	High Yield	Growth and Income	Discovery	Blue Chip	International	Select Growth	Government	Investment Grade	Value	Target Maturity 2015
Investment income:											
Income:											
Dividends	$ —	$ 886,534	$ 570,821	$ 88,692	$ 228,171	$ 305,051	$ 3,991	$ 306,769	$ 745,442	$ 401,329	$ 747,589
Expenses:											
Mortality and expense risks (note 5)	40,326	171,329	465,374	239,224	195,286	194,383	37,500	121,188	214,368	265,025	266,887
Administrative charges (note 5)	2,076	6,008	21,074	10,369	8,861	8,182	1,700	4,613	8,069	10,765	9,123
Total expenses	42,402	177,337	486,448	249,593	204,147	202,565	39,200	125,801	222,437	275,790	276,010
Net investment income (loss)	(42,402)	709,197	84,373	(160,901)	24,024	102,486	(35,209)	180,968	523,005	125,539	471,579
Realized gain on investments:											
Realized gain distributions	—	—	—	—	—	—	—	—	—	—	263,897
Realized gain (loss) on investments	—	(166,571)	(256,604)	690,900	1,743,180	(188,485)	18,560	31,880	(4,522)	275,630	287,784
Realized gains (losses)	—	(166,571)	(256,604)	690,900	1,743,180	(188,485)	18,560	31,880	(4,522)	275,630	551,681
Change in unrealized appreciation (depreciation) on investments	—	(49,790)	489,833	(411,604)	(1,758,250)	(30,197)	94,765	116,984	202,981	(400,139)	13,108
Net increase (decrease) in net assets resulting from operations	$ (42,402)	$ 492,836	$ 317,602	$ 118,395	$ 8,954	$ (116,196)	$ 78,116	$ 329,832	$ 721,464	$ 1,030	$ 1,036,368

See accompanying notes to financial statements.

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND D

Statements of Changes in Net Assets

Years ended December 31, 2011 and 2010

	Cash Management		High Yield		Growth and Income		Discovery		Blue Chip		Internat
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Increase (decrease) in net assets:											
From operations:											
Net investment income (loss)	$ (42,402)	$ (42,989)	$ 709,197	$ 698,428	$ 84,373	$ (112,577)	$ (160,901)	$ (94,257)	$ 24,024	$ 31,455	$ 102,486
Realized gain distributions	—	—	—	—	—	—	—	—	—	—	—
Realized gain (loss) on investments	—	—	(166,571)	(232,159)	(256,604)	(1,006,086)	690,900	257,104	1,743,180	78,913	(188,485)
Change in unrealized appreciation (depreciation) on investments	—	—	(49,790)	818,469	489,833	5,336,184	(411,604)	3,317,586	(1,758,250)	1,152,190	(30,197)
Net increase in net assets resulting from operations	(42,402)	(42,989)	492,836	1,284,738	317,602	4,217,521	118,395	3,480,433	8,954	1,262,558	(116,196)
From contract transactions:											
Net insurance premiums from contract owners	(3,150)	70,711	131,780	555,144	350,415	929,403	273,518	514,244	109,064	365,832	157,470
Transfers between sub-accounts	1,384,988	1,243,997	761,023	681,349	13,091,381	58,039	(244,790)	117,532	(14,292,601)	(197,919)	(157,005)
Transfers for contract benefits and terminations	(1,753,906)	(1,070,340)	(1,189,836)	(1,347,629)	(3,674,884)	(4,272,839)	(1,942,186)	(2,080,320)	(1,966,167)	(2,348,471)	(1,339,145)
Increase (decrease) in net assets derived from contract transactions	(372,068)	244,368	(297,033)	(111,136)	9,766,912	(3,285,397)	(1,913,458)	(1,448,544)	(16,149,704)	(2,180,558)	(1,338,680)
Net increase (decrease) in net assets	(414,470)	201,379	195,803	1,173,602	10,084,514	932,124	(1,795,063)	2,031,889	(16,140,750)	(918,000)	(1,454,876)
Net assets:											
Beginning of	3,787,155	3,585,776	11,905,183	10,731,581	33,256,773	32,324,649	17,271,813	15,239,924	16,140,750	17,058,750	

year	3,372,685	3,787,155	12,100,986	11,905,183	43,341,287	33,256,773	15,476,750	17,271,813		16,140,750	14,157,095	1
End of year	$	$	$	$	$	$	$	$	$ —	$	$12,702,219	$1

FIRST INVESTORS LIFE
VARIABLE ANNUITY FUND D

Statements of Changes in Net Assets

Years ended December 31, 2011 and 2010

	Select Growth		Government		Investment Grade		Value		Target Maturity 2015	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Increase (decrease) in net assets:										
From operations:										
Net investment income (loss)	$ (35,209)	$ (27,547)	$ 180,968	$ 246,758	$ 523,005	$ 533,765	$ 125,539	$ 125,353	$ 471,579	$ 526,455
Realized gain distributions	—	—	—	—	—	—	—	—	263,897	97,257
Realized loss on investments	18,560	(40,456)	31,880	30,255	(4,522)	(37,022)	275,630	60,453	287,784	340,532
Change in unrealized appreciation (depreciation) on investments	94,765	461,388	116,984	26,111	202,981	627,691	(400,139)	2,044,953	13,108	421,164
Net increase in net assets resulting from operations	78,116	393,385	329,832	303,124	721,464	1,124,434	1,030	2,230,759	1,036,368	1,385,408
From contract transactions:										
Net insurance premiums from contract owners	24,514	275,546	122,389	329,163	109,600	509,359	212,088	791,448	187,142	399,258
Transfers between sub-accounts	367,497	104,856	(486,038)	927,832	645,715	1,311,032	(80,294)	24,097	(989,876)	(12,192)
Transfers for contract benefits and terminations	(245,010)	(232,814)	(920,888)	(1,488,007)	(1,663,716)	(2,362,768)	(2,061,858)	(2,348,318)	(1,902,322)	(2,540,731)
Increase (decrease) in net assets derived from contract transactions	147,001	147,588	(1,284,537)	(231,012)	(908,401)	(542,377)	(1,930,064)	(1,532,773)	(2,705,056)	(2,153,665)
Net increase (decrease) in net assets	225,117	540,973	(954,705)	72,112	(186,937)	582,057	(1,929,034)	697,986	(1,668,688)	(768,257)
Net assets:										
Beginning of year	2,514,182	1,973,209	9,497,511	9,425,399	15,445,068	14,863,011	19,779,608	19,081,622	19,854,859	20,623,116
End of year	$ 2,739,299	$ 2,514,182	$ 8,542,806	$ 9,497,511	$ 15,258,131	$ 15,445,068	$ 17,850,574	$ 19,779,608	$ 18,186,171	$ 19,854,859

See accompanying notes to financial statements.

FIRST INVESTORS LIFE

VARIABLE ANNUITY FUND D

Notes to Financial Statements

December 31, 2011

(1) Organization

First Investors Life Variable Annuity Fund D (Separate Account D), a unit investment trust registered under the Investment Company Act of 1940 (the 1940 Act), is a segregated investment account established by First Investors Life Insurance Company (FIL) and exists in accordance with the regulations of the New York State Insurance Department. Assets of Separate Account D have been used to purchase shares of First Investors Life Series Fund (the Fund), an open-end diversified management investment company registered under the 1940 Act. The contract holder directs the deposits into the sub-accounts that comprise Separate Account D and bear the investment risk that the sub-accounts may not meet their stated investment objectives. The sub-accounts invest in the following underlying mutual fund portfolios: Cash Management, High Yield, Growth & Income, Discovery, International, Select Growth, Government, Investment Grade, Value, and Target Maturity 2015. In 2011, Blue Chip merged into Growth and Income Fund.

(2) Significant Accounting Practices

(a) Use Of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(b) Subsequent Events

Subsequent events after the balance sheet date through the date that the financial statements were available for issuance, April 26, 2012, have been evaluated in the preparation of the financial statements.

(c) Investments

Shares of the Funds held by Separate Account D are valued at net asset value per share of such Funds, which value its investment securities at fair value on a daily basis. All distributions received from the Funds are reinvested to purchase additional shares of the Funds at net asset value. Investment transactions are accounted for on a trade date basis and average cost is the basis followed in determining the cost of investments sold for financial statement purposes.

(d) Investment Income

Investment income consists of dividends declared by the Funds and is recognized on the ex-dividend date.

(e) Federal Income Taxes

Separate Account D is not taxed separately because its operations are part of the total operations of FIL, which is taxed as a life insurance company under the Internal Revenue Code. Separate Account D will not be taxed as a regulated investment company under Subchapter M of the Code.

(Continued)

FIRST INVESTORS LIFE

VARIABLE ANNUITY FUND D

Notes to Financial Statements

December 31, 2011

Under existing Federal income tax law, no taxes are payable on the investment income or on the capital gains of Separate Account D.

(f) ***Reclassifications***

Certain prior period numbers were reclassified to conform to the current year presentation.

(3) Investments

Investments consist of the following at December 31, 2011:

	Shares	Net asset value	Market value	Cost
First Investors Life Series Fund:				
Cash Management	3,376,670	$ 1.00	$ 3,376,670	$ 3,376,670
High Yield	1,886,526	6.42	12,114,968	13,201,724
Growth and Income	1,519,349	28.56	43,392,276	45,137,641
Discovery	485,119	31.94	15,495,175	11,548,909
International	773,507	16.44	12,717,290	13,937,394
Select Growth	324,210	8.46	2,742,452	2,556,144
Government	812,390	10.53	8,552,751	8,229,631
Investment Grade	1,406,177	10.86	15,275,720	15,046,572
Value	1,192,351	14.99	17,871,405	15,937,802
Target Maturity 2015	1,118,775	16.27	18,207,381	16,210,741

The cost of purchases and proceeds from sale of investments for the year ended December 31, 2011 were as follows:

	Purchases	Sales
Cash Management	$ 1,381,838	1,795,883
High Yield	1,779,337	1,367,005
Growth and Income	14,012,617	4,147,901
Discovery	362,210	2,437,773
Blue Chip	337,235	16,481,196
International	462,521	1,699,694
Select Growth	396,002	283,893
Government	429,158	1,533,892
Investment Grade	1,500,757	1,886,561
Value	613,417	2,419,502
Target Maturity 2015	1,198,628	3,170,529

Separate Account D utilizes various methods to measure the fair value of its financial instruments on a recurring basis. Generally accepted accounting principles establish a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are described below:

FIRST INVESTORS LIFE

VARIABLE ANNUITY FUND D

Notes to Financial Statements

December 31, 2011

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that Separate Account D has the ability to access.

Level 2 – observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – unobservable inputs for the asset and liability, to the extent relevant inputs are not available, representing Separate Account D's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The inputs methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The summary of inputs used to value Separate Account D's investments as of December 31, 2011 is as follows:

	Total	Level 1 Quoted prices	Level 2 other significant observable inputs	Level 3 significant unobservable inputs
Cash Management	$ 3,376,670	$ 3,376,670	$ —	$ —
High Yield	12,114,968	12,114,968	—	—
Growth and Income	43,392,276	43,392,276	—	—
Discovery	15,495,176	15,495,176	—	—
International	12,717,290	12,717,290	—	—
Select Growth	2,742,452	2,742,452	—	—
Government	8,552,751	8,552,751	—	—
Investment Grade	15,275,720	15,275,720	—	—
Value	17,871,405	17,871,405	—	—
Target Maturity 2015	18,207,381	18,207,381	—	—
	$ 149,746,089	$ 149,746,089	$ —	$ —

There were no transfers between Level 1 and Level 2 during the year ended December 31, 2011.

(Continued)

FIRST INVESTORS LIFE

VARIABLE ANNUITY FUND D

Notes to Financial Statements

December 31, 2011

(4) Changes in Units

The changes in units outstanding for the years ended December 31, 2011 and 2010 were as follows:

	2011			2010		
	Units issued	Units redeemed	Net increase (decrease)	Units issued	Units redeemed	Net increase (decrease)
Cash Management	200,537	(231,138)	(30,601)	180,733	(159,783)	20,950
High Yield	65,185	(84,706)	(19,521)	86,112	(93,563)	(7,451)
Growth and Income	860,729	(260,858)	599,871	64,851	(298,923)	(234,072)
Discovery	38,444	(163,385)	(124,941)	58,438	(172,260)	(113,822)
Blue Chip	12,775	(1,486,992)	(1,474,217)	49,709	(268,954)	(219,245)
International	30,254	(118,185)	(87,931)	49,470	(140,195)	(90,725)
Select Growth	50,926	(33,737)	17,189	62,355	(40,494)	21,861
Government	29,907	(104,493)	(74,586)	80,597	(94,502)	(13,905)
Investment Grade	66,279	(118,135)	(51,856)	90,577	(123,852)	(33,275)
Value	34,137	(165,799)	(131,662)	75,464	(192,432)	(116,968)
Target Maturity 2015	14,539	(139,771)	(125,232)	56,946	(162,801)	(105,855)

(5) Mortality and Expense Risks and Deductions

In consideration for its assumption of the mortality and expense risks connected with the Variable Annuity Contracts, FIL deducts an amount equal on an annual basis to 1.25% of the daily net asset value of Separate Account D. An additional administrative charge equal on an annual basis to 0.15% of the daily net asset value is deducted. These deductions are assessed through a reduction of unit values.

An annual contract maintenance charge of $30 is deducted from the accumulated value of the contract on the last business day of the contract year or on the date of surrender of the contract, if earlier and is assessed through the redemption of units.

The Variable Annuity Contracts are sold without an initial sales charge, but at the time of a full or partial surrender of the Contract, they may be subject to a contingent deferred sales charge (CDSC) of 0% to 7% of the value of the Accumulation Units surrendered.

(6) Financial Highlights Table

	Net assets			Investment income ratio[1]	Expense ratio[2]	Total return[3,4]
	Units	Unit value	(000s)			
Cash Management:						
December 31:						
2011	285,368	$ 11.820	$ 3,373	—%	1.40%	(1.39)%
2010	315,969	11.986	3,787	—	1.40	(1.39)
2009	295,019	12.155	3,586	0.19	1.40	(1.22)
2008	387,525	12.305	4,769	2.02	1.40	0.61
2007	419,697	12.231	5,127	4.22	1.40	3.17

FIRST INVESTORS LIFE

VARIABLE ANNUITY FUND D

Notes to Financial Statements

December 31, 2011

	Net assets			Investment		
	Units	Unit value	(000s)	income ratio[1]	Expense ratio[2]	Total return[3,4]
High Yield:						
December 31:						
2011	758,661	$ 15.941	$ 12,101	7.23%	1.40%	4.19%
2010	778,182	15.300	11,905	7.53	1.40	12.13
2009	785,633	13.645	10,732	9.65	1.40	33.27
2008	813,100	10.238	8,332	8.91	1.40	(26.89)
2007	923,745	14.004	12,950	7.55	1.40	(0.35)
Growth and Income:						
December 31:						
2011	2,662,169	$ 16.273	$ 43,341	1.71%	1.40%	0.94%
2010	2,062,298	16.121	33,257	1.13	1.40	14.57
2009	2,296,370	14.071	32,325	1.97	1.40	26.27
2008	2,534,998	11.144	28,251	1.52	1.40	(36.12)
2007	2,877,684	17.445	50,198	0.51	1.40	0.57
Discovery:						
December 31:						
2011	998,177	$ 15.499	$ 15,477	0.52%	1.40%	0.82%
2010	1,123,118	15.372	17,272	0.87	1.40	24.81
2009	1,236,940	12.316	15,240	1.30	1.40	28.95
2008	1,342,860	9.551	12,828	0.44	1.40	(34.18)
2007	1,470,235	14.511	21,333	0.17	1.40	5.14
Blue Chip:						
December 31:						
2011	—	$ —	$ —	1.63%	1.40%	0.06%
2010	1,474,217	10.942	16,141	1.68	1.40	8.68
2009	1,693,462	10.068	17,059	2.29	1.40	19.92
2008	1,923,533	8.396	16,157	1.59	1.40	(33.03)
2007	2,185,320	12.536	27,405	1.12	1.40	2.76
International:						
December 31:						
2011	830,037	$ 15.298	$ 12,702	2.20%	1.40%	(0.76)%
2010	917,967	15.415	14,157	—	1.40	11.87
2009	1,008,692	13.779	13,906	4.66	1.40	21.53
2008	1,086,573	11.338	12,318	0.20	1.40	(42.70)
2007	1,123,247	19.787	22,232	2.97	1.40	19.31
Select Growth:						
December 31:						
2011	364,174	$ 7.524	$ 2,739	0.15%	1.40%	3.79%
2010	346,985	7.249	2,514	0.18	1.40	19.42
2009	325,124	6.070	1,973	—	1.40	8.37
2008	323,470	5.601	1,810	0.16	1.40	(42.29)
2007	294,571	9.705	2,860	0.74	1.40	9.87

FIRST INVESTORS LIFE

VARIABLE ANNUITY FUND D

Notes to Financial Statements

December 31, 2011

	Net assets			Investment income ratio[1]	Expense ratio[2]	Total return[3,4]
	Units	Unit value	(000s)			
Government:						
December 31:						
2011	479,192	$17.828	$ 8,543	3.56%	1.40%	3.94%
2010	553,779	17.152	9,498	4.04	1.40	3.36
2009	567,684	16.594	9,425	4.02	1.40	2.83
2008	499,666	16.138	8,067	4.08	1.40	5.44
2007	423,999	15.305	6,506	5.04	1.40	5.07
Investment Grade:						
December 31:						
2011	849,513	$17.952	$ 15,258	4.88%	1.40%	4.75%
2010	901,370	17.138	15,445	4.93	1.40	7.74
2009	934,645	15.906	14,863	5.94	1.40	19.26
2008	923,413	13.338	12,315	5.56	1.40	(12.83)
2007	971,615	15.301	14,874	5.33	1.40	4.05
Value:						
December 31:						
2011	1,201,943	$14.849	$ 17,851	2.11%	1.40%	0.12%
2010	1,333,605	14.831	19,780	2.15	1.40	12.74
2009	1,450,573	13.156	19,082	3.19	1.40	19.35
2008	1,582,798	11.023	17,446	2.06	1.40	(30.39)
2007	1,837,259	15.836	29,105	1.55	1.40	(2.04)
Target Maturity 2015:						
December 31:						
2011	815,875	$22.282	$ 18,186	3.94%	1.40%	5.65%
2010	941,107	21.090	19,855	4.04	1.40	7.07
2009	1,046,962	19.697	20,623	3.98	1.40	(3.58)
2008	1,067,133	20.429	21,801	3.80	1.40	12.97
2007	1,114,713	18.084	20,159	3.99	1.40	8.17

1 These amounts represent the dividends, excluding distributions of capital gains, received by the sub-account from the underlying mutual fund, net of management fees assessed by the fund manager, divided by the average net assets. These ratios exclude those expenses, such as mortality and expense charges, that are assessed against contract owner accounts either through reductions in unit values or redemption of units. The recognition of investment income by the sub-account is affected by the timing of the declaration of dividends by the underlying fund in which the sub-account invests.

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

FIRST INVESTORS LIFE

VARIABLE ANNUITY FUND D

Notes to Financial Statements

December 31, 2011

3 These amounts represent the total return for the periods indicated, including changes in value of the underlying fund, and expenses assessed through the reduction of unit values. These ratios do not include any expenses assessed through the redemption of units.

4 Blue Chip merged into Growth and income Fund on December 9, 2011. Total return represents period January 1, 2011 to December 9, 2011.

TAIT, WELLER & BAKER LLP

Certified Public Accountants

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
First Investors Life Insurance Company
New York, New York

We have audited the accompanying statement of assets and liabilities of each of the individual sub-accounts disclosed in Note 1 which comprise First Investors Life Variable Annuity Fund D (a separate account of First Investors Life Insurance Company, registered as a unit investment trust under the Investment Company Act of 1940) ("Separate Account D"), as of December 31, 2010, and the related statement of operations for the year then ended and the statements of changes in net assets for the years ended December 31, 2010 and 2009 for each of the individual sub-accounts which comprise Separate Account D. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of Separate Account D's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Separate Account D's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned at December 31, 2009 by correspondence with Separate Account D's custodian. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each of the individual sub-accounts which comprise First Investors Life Variable Annuity Fund D as of December 31, 2010, and the results of their operations for the year then ended for each of the individual sub-accounts and the changes in their net assets for years ended December 31, 2010 and 2009, in conformity with accounting principles generally accepted in the United States of America.

Tait, Weller & Baker LLP

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
March 9, 2011

FIRST INVESTORS LIFE INSURANCE COMPANY

Statutory Financial Statements

December 31, 2011, 2010 and 2009

(With Report of Independent Registered Public Accounting Firm)

FIRST INVESTORS LIFE INSURANCE COMPANY

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Report of Independent Registered Public Accounting Firm

Board of Directors
First Investors Life Insurance Company
New York, New York

We have audited the accompanying statutory statements of admitted assets, liabilities, and capital and surplus of First Investors Life Insurance Company as of December 31, 2011, and the related statutory statement of income and cash flows and changes in surplus for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our 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 the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in note 2 to the statutory financial statements, the Company prepared these financial statements using accounting practices prescribed or permitted by the New York State Department of Financial Services, which practices differ from U.S. generally accepted accounting principles. The effects on the financial statements of the variances between the statutory accounting practices and U.S. generally accepted accounting principles, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the statutory basis financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the financial position of First Investors Life Insurance Company as of December 31, 2011, or the results of its operations or its cash flows for the year then ended.

Also, in our opinion, the statutory basis financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of First Investors Life Insurance Company as of December 31, 2011, and the results of its operations and its cash flows for the year then ended, on the basis of accounting described in note 2 to the statutory financial statements.

/s/ KPMG LLP

New York, New York
April 26, 2012

FIRST INVESTORS LIFE INSURANCE COMPANY

Statutory Statements of Admitted Assets, Liabilities and Capital and Surplus

December 31, 2011 and 2010

Assets	**2011**	**2010**
Cash and invested assets:		
Bonds, at amortized cost (fair value: 2011 – $257,633,168; 2010 – $214,076,279)	$ 243,249,413	$ 206,500,116
Cash and cash equivalents	9,714,016	7,834,439
Receivable for securities	19,687	—
Policy loans	72,812,679	68,640,117
Total cash and invested assets	325,795,795	282,974,672
Deferred and uncollected premiums	3,552,940	3,044,964
Accrued investment income	5,599,625	4,862,630
Admitted deferred tax assets	2,022,000	2,028,000
Other assets	2,220,276	1,949,946
Total assets excluding separate accounts	339,190,636	294,860,212
Separate account assets	852,967,524	858,059,486
Total admitted assets	$ 1,192,158,160	$ 1,152,919,698
Liabilities and capital and surplus		
Liabilities:		
Life and accident and health reserves	$ 217,122,745	$ 206,198,476
Annuity reserves	73,086,652	48,196,647
Claims and other contract liabilities	11,215,052	9,869,057
Interest Maintenance Reserve	2,159,926	2,811,824
Asset Valuation Reserve	1,319,019	1,146,122
Accounts payable and accrued liabilities	5,688,236	5,236,091
Net transfers due from separate accounts	(7,938,129)	(7,072,795)
Total liabilities excluding separate accounts	302,653,501	266,385,422
Separate account liabilities	852,967,524	858,059,486
Total liabilities	1,155,621,025	1,124,444,908
Capital and surplus:		
Common stock, par value: $4.75, authorized, Issued and outstanding 534,350 shares	2,538,163	2,538,163
Additional paid in capital	6,496,180	6,496,180
Unassigned surplus	27,502,792	19,440,447
Total capital and surplus	36,537,135	28,474,790
Total liabilities and capital and surplus	$ 1,192,158,160	$ 1,152,919,698

See accompanying notes to statutory financial statements.

FIRST INVESTORS LIFE INSURANCE COMPANY

Statutory Statements of Income

December 31, 2011, 2010 and 2009

	2011	2010	2009
Revenues:			
Premiums and annuity considerations	$111,614,429	$101,563,898	$ 82,094,761
Investment income	15,046,178	16,207,172	16,735,873
Amortization of interest maintenance reserve	712,097	(12,811)	(383,372)
Income from fees associated with investment management, administration and contract guarantees from separate accounts	7,226,534	6,853,452	6,148,241
Other income	217,616	230,497	336,475
Total income	134,816,854	124,842,208	104,931,978
Benefits and expenses:			
Benefits and increases in contract liabilities	83,269,496	91,217,575	82,906,638
Increase in reserve for life and health policies	35,814,274	38,090,900	15,192,358
Net transfers to (from) separate accounts	(21,538,235)	(40,931,118)	(30,798,333)
Commissions and general expenses	22,904,439	22,861,854	21,297,584
Total benefits and expenses	120,449,974	111,239,211	88,598,247
Net gain from operations before dividends to policyholders and federal income taxes	14,366,880	13,602,997	16,333,731
Dividends to policyholders	783,911	762,433	736,104
Net gain from operations before federal income taxes	13,582,969	12,840,564	15,597,627
Federal income tax	3,297,629	725,389	6,581,267
Net gain from operations	10,285,340	12,115,175	9,016,360
Net realized capital losses	(113,631)	(370,549)	(959,009)
Net income	$ 10,171,709	$ 11,744,626	$ 8,057,351

See accompanying notes to statutory financial statements.

FIRST INVESTORS LIFE INSURANCE COMPANY

Statutory Statements of Changes in Surplus

Years ended December 31, 2011, 2010 and 2009

	2011	2010	2009
Balance at beginning of year	$ 28,474,790	$120,027,242	$119,664,010
Net income	10,171,709	11,744,626	8,057,351
Change in unrealized gain (loss) on investments	650	161,535	178,127
Change in asset valuation reserve	(172,898)	(87,223)	(449,026)
Change in nonadmitted assets	32,288	1,674,003	(40,434)
Change in net deferred income taxes	(25,404)	(2,045,393)	1,317,214
Dividends to stockholders	(1,944,000)	(103,000,000)	(8,700,000)
Balance at end of year	$ 36,537,135	$ 28,474,790	$120,027,242

See accompanying notes to statutory financial statements.

FIRST INVESTORS LIFE INSURANCE COMPANY

Statutory Statements of Cash Flows

Years ended December 31, 2011 and 2010

	2011	2010	2009
Increase (decrease) in cash and short term investments:			
Cash flows from operating activities:			
Premiums and other insurance amounts received	$ 111,205,061	$ 102,280,434	$ 81,377,319
Investment income received	15,863,077	17,697,022	17,274,237
Other receipts	7,444,150	7,083,949	6,484,716
Benefits and contract liabilities paid	(82,653,064)	(92,409,608)	(83,849,014)
Commissions and general expenses paid	(25,965,461)	(27,764,300)	(24,002,023)
Net transfers to separate accounts	20,672,902	40,776,817	30,565,812
Net cash provided by operating activities	46,566,665	47,664,314	27,851,047
Cash flows from investing activities:			
Proceeds from sale of investment securities	31,198,359	187,141,623	168,297,467
Purchase of investments securities	(69,687,171)	(126,831,071)	(194,395,607)
Purchase of furniture, equipment and other assets	(81,714)	(7,034)	(3,790)
Net increase in policy loans	(4,172,562)	(4,525,684)	(2,004,990)
Net cash provided by (used for) investing activities	(42,743,088)	55,777,834	(28,106,920)
Cash flows from financing activities:			
Dividends paid	(1,944,000)	(103,000,000)	(8,700,000)
Net cash used for financing activities	(1,944,000)	(103,000,000)	(8,700,000)
Net increase (decrease) in cash and short term investments	1,879,577	442,148	(8,955,873)
Cash and short term investments:			
Beginning of year	7,834,439	7,392,291	16,348,164
End of year	$ 9,714,016	$ 7,834,439	$ 7,392,291

The company paid federal income tax of $3,226,359 in 2011, $6,046,000 in 2010 and $2,733,000 in 2009.

See accompanying notes to statutory financial statements.

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

(1) Nature of Operations

First Investors Life Insurance Company (the Company) is a wholly owned subsidiary of First Investors Consolidated Corporation (FICC). The principal affiliates of the Company are: First Investors Corporation (Broker-Dealer), First Investors Management Company (Mutual Fund Management Company), and Administrative Data Management Company (Transfer Agent). The Company predominately writes variable annuity and variable life insurance products along with traditional life insurance and other accident and health insurance. On January 19, 2011, 100% of the outstanding stock of FICC was acquired by The Independent Order of Foresters (Foresters), a Fraternal Benefit Society in Canada.

(2) Basis of Presentation

The financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the New York State Department of Financial Services. The New York State Department of Financial Services recognizes only statutory accounting practices prescribed or permitted by the state of New York for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the New York Insurance Law. The State of New York has adopted the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP).

Such basis of presentation differs from U.S. generally accepted accounting principles (GAAP) in that:

(a) policy reserves are computed on the statutory valuation basis using the 1958, 1980 or 2001 CSO Mortality Table with interest rates from 2 1/2% to 5% rather than according to the Company's estimates of mortality, investment yields, withdrawals and other benefits and expenses. The new fixed deferred annuity is valued using CARVM at 4.25 – 5% and variable annuity D is valued at VACARVM 5.25% – 7.25%. On both a statutory and GAAP basis, the reserve held for old deferred annuities is equal to the funds accumulated at a current rate of 4% per annum;

(b) certain expenditures, principally for furniture and equipment and agents' debit balances, are charged to retained earnings rather than recognized as assets;

(c) commissions and other costs of acquiring new business are expensed as incurred rather than recognized as deferred acquisition costs and amortized over the premium paying period of policies and contracts;

(d) income tax effects of temporary differences are provided to the extent that the temporary differences will be realized upto three years (admitted deferred tax assets);

(e) the statutory asset valuation and interest maintenance reserves are recognized as liabilities rather than included in retained earnings;

(f) revenue is recognized as received on universal life type contracts rather than on a retrospective deposit method. On investment type contracts, the entire amount received from contract holders is recognized as revenue rather than just the portion of the payment deemed to be assessments against policyholder account balances;

(Continued)

(f) investments in fixed maturities that are deemed to be available-for-sale are recorded at amortized cost rather than estimated fair value.

(g) The statutory statements of cash flow do not classify cash flows consistent with GAAP, as a reconciliation of net income to net cash provided by operating activities is not provided.

The effects of these variances on the accompanying statutory financial statements has not been determined, but are presumed to be material.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

(3) **Other Significant Accounting Practices**

(a) ***Bonds***

Bonds are reported at amortized cost. The fair values for bonds are based upon quoted market prices, where available or are estimated using values from independent pricing services.

(b) ***Impairment of Invested Assets***

The Company regularly reviews fixed maturity securities to evaluate the necessity of recording impairment losses for other-than-temporary declines in the fair value of these securities. Management considers various factors in assessing impairments, including but not limited to, the financial condition and near term prospects of the issuer, specific adverse conditions affecting an industry or region, a significant and prolonged declines in fair value below the amortized cost of the asset, bankruptcy or default of the issuer, and delinquency in payments of interest or principal. Investments are deemed to be impaired when there is no longer reasonable assurance of timely collection of the full amount of the principal and interest due. The day to day management of the investment portfolio is performed by investment managers, who may, at a given point in time, believe that the preferred course of action is to hold securities with unrealized losses that are considered temporary until such losses are recovered, the dynamic nature of the portfolio management may result in a subsequent decision to sell the security and realize the loss based upon a change in the market and other factors described above. Investment managers maintain a watchlist that identifies rating agency downgrades of securities as well as any potential investment valuation issues at the end of each quarter.

(c) ***Cash and Short-term Investments***

The carrying amounts for cash and short-term investments approximate their fair values. Short-term investments are carried at amortized cost.

(d) ***Policy loans***

The carrying amounts for policy loans approximate their fair values.

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

(e) ***Asset Valuation Reserve***

The Company establishes a Asset Valuation Reserve ("AVR") to offset potential credit-related investment losses. Investments are assigned a NAIC rating which is used in the AVR computation.

(f) ***Recognition of Revenue and Related Expenses***

Premiums are reported as earned when due. Commissions, benefits and expenses are recognized when incurred rather than amortized over the life of the contracts.

(g) ***Annuities***

Annuity consideration is recognized as revenue when received. The carrying value and fair value of fixed annuities are equal to the policyholder account balances, which represent net premiums received plus accumulated interest.

(h) ***Policyholder Dividends***

The amount of dividends to be paid to policyholders is determined annually by the Company's Board of Directors. The aggregate amount of policyholders' dividends is related to actual interest, mortality, morbidity, and expense experience for the year, and judgment as to the appropriate level of statutory surplus to be retained by the Company.

(i) ***Business Risks and Uncertainties***

The Company's investments are primarily comprised of both short term and long term fixed maturity securities. Significant changes in prevailing interest rates and geographic conditions may adversely affect the timing and amount of cash flows on such investments and their related values. A significant decline in the fair values of these investments could have an adverse effect on the Company's balance sheet. Premiums and annuity considerations received from the Company's variable annuity and life products comprise approximately 55% in 2011 and 50% in 2010 of the Company's total premiums and annuity considerations received.

(j) ***Separate Accounts***

Separate account assets and the related liabilities, both of which are valued at market, represent segregated variable annuity and variable life contracts maintained in accounts to meet specific investment objectives of Contractholders who bear the investment risk. All investment income (gains and losses of these accounts) accrues directly to the Contractholders and therefore does not affect net income of the Company. The assets supporting the variable portion of the variable annuity and variable life contracts are carried at fair value and are reported as summary total separate assets with an equivalent summary total reported for liabilities.

(k) ***Subsequent Events***

Subsequent events after the balance sheet date through the date that the financial statements were available for issuance, April 26, 2012, have been evaluated in the preparation of the financial statements.

(Continued)

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

(4) Investments

Bonds are reported at amortized cost. Cash and cash equivalents include short-term investments with maturities less than sixty days.

Gains and losses on sales of investments are determined using the specific identification method.

Investment income for the years indicated consists of the following:

	2011	2010	2009
Interest on fixed maturities	$ 11,266,513	12,679,583	13,451,616
Interest on short term investments	77	19,106	38,539
Interest on policy loans	4,299,903	4,049,495	3,780,707
Total investment income	15,566,493	16,748,184	17,270,862
Investment expense	520,315	541,012	534,989
Net investment income	$ 15,046,178	16,207,172	16,735,873

There was no investment income deducted or excluded as nonadmitted.

The amortized cost and estimated fair value of investments at December 31, 2011 and 2010 are as follows:

	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
December 31, 2011:				
U.S. Treasury securities and obligations of U.S. Gov't corps and agencies	$ 23,845,642	$ 1,387,063	$ 9,055	$25,223,650
Debt securities issued by states of the U.S.	23,799,395	2,675,367	—	26,474,762
Corporate debt securities	195,604,376	11,638,466	1,308,086	205,934,756
	$ 243,249,413	$ 15,700,896	$ 1,317,141	$ 257,633,168

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
December 31, 2010:				
U.S. Treasury securities and obligations of U.S. Gov't corps and agencies	$30,901,178	1,055,874	75,416	31,881,636
Debt securities issued by states of the U.S.	21,919,439	100,227	889,947	21,129,719
corporate debt securities	153,679,499	8,467,035	1,081,610	161,064,924
	$ 206,500,116	9,623,136	2,046,973	214,076,279

All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss are:

	December 31, 2011		December 31, 2010	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Less than 12 months	$ 41,027,262	$ 1,317,141	$ 45,842,969	$ 1,541,530
12 months or more	—	—	2,861,822	505,443
	$ 41,027,262	$ 1,317,141	$ 48,704,791	$ 2,046,973

The amortized cost and estimated fair value of bonds at December 31, 2011, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized cost	Estimated fair value
Due in one year or less	$ 9,804,194	$ 9,982,479
Due after one year through five years	37,366,647	39,789,143
Due after five years through ten years	152,610,979	160,525,572
Due after ten years	43,467,593	47,335,974
	$ 243,249,413	$ 257,633,168

Proceeds from sales of investments in bonds were $31,198,359, $186,553,704 and 168,297,467 in 2011, 2010 and 2009, respectively. Gross gains of $251,696 and gross losses of $274,116 were realized on those sales in 2011. Gross gains of $7,532,336 and gross losses of $243,963 were realized on those sales in 2010. Gross gains of $3,884,570 and gross losses of $6,009,504 were realized on those sales in 2009. Realized gains (losses) transferred to the IMR were $60,199 in 2011, $4,863,639 in 2010 and $(769,511) in 2009.

(Continued)

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

(5) Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents and policy loans as reported in the accompanying balance sheet approximate their fair values. Bonds are carried at amortized cost for which the fair value is $257,633,168 in 2011 and $214,076,279 in 2010.

The carrying amounts for the Company's liabilities under investment – type contracts approximate their fair values because interest rates credited to account balances approximate current rates paid on similar investments and are generally not guaranteed beyond one year. Fair values for the Company's insurance contracts other than investment – type contracts are not required to be disclosed. However, the fair values of liabilities for all insurance contracts are taken into consideration in the overall management of interest rate risk, which minimizes exposure to changing interest rates.

(6) Retirement Plans

The Company participates in a qualified, noncontributory profit sharing plan sponsored by First Investors Consolidated Corporation, the Company's parent, for the benefit of its employees and those of other wholly owned subsidiaries of its parent. The Company has no legal obligation for benefits under this plan. First Investors Consolidated Corporation allocates amounts to the Company based on salary ratios. The Plan provides for retirement benefits based upon earnings. Vesting of benefits is based upon years of service. For the years ended December 31, 2011, 2010 and 2009, the Company charged operations $101,967, $103,000 and $13,000, respectively, for its portion of the contribution.

In addition, the Company participates in a 401(K) savings plan covering all of its eligible employees and those of other wholly owned subsidiaries of its parent whereby employee may voluntarily contribute a percentage of their compensation with the Company matching a portion of the contributions of certain employees. Contributions to this plan were not material.

(7) Commitments and Contingent Liabilities

The Company has agreements with nonaffiliates as follows:

(a) The Company's maximum retention on any one life is $250,000. The Company reinsures a portion of its risk with other insurance companies and reserves are reduced by the amount of reserves for such reinsured risks. The Company is liable for any obligations, which any reinsurance company may be unable to meet. The Company had reinsured 54.5% of its net life insurance in force at December 31, 2011 and 53% at December 31, 2010. The Company does not (1) have any reinsurance agreements in effect which can be canceled unilaterally for reasons other than for nonpayment of premiums; (2) transact with reinsurers controlled directly or indirectly by the Company or affiliated persons or chartered in a country other than the United States; or (3) have any reinsurance agreements where the amount of losses may result in a payment to the reinsurer which exceeds the total direct premiums collected under such insurance policies.

(b) The Company is subject to certain claims and lawsuits arising in the ordinary course of business. In the opinion of management, all such claims currently pending will not have a material adverse effect on the financial position of the Company or its results of operations.

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

(8) Related Party Transactions

The Company and certain affiliates, under various cost sharing allocation agreements, share office space, data processing and other facilities and management personnel. Charges for these services are based upon the Company's proportionate share of: space occupied, usage of data processing and other facilities and time allocated to management. During, the years ended December 31, 2011, 2010 and 2009, the Company paid approximately $2,593,605, $2,748,000 and $2,763,000 respectively for these services. In addition, the Company reimbursed an affiliate $10,292,575 in 2011, $6,681,000 in 2010 and $5,262,000 for commissions relating to the sale of its products.

(9) Capital and Surplus

(a) Participating business represented 1.8% and 2.0% of individual life insurance in force at December 31, 2011 and 2010, respectively.

The portion of earnings of participating policies that can inure to the benefit of shareholders is limited to the larger of 10% of such earnings or $0.50 per thousand dollars of participating insurance in force. Earnings in excess of that limit must be excluded from capital and surplus by a charge against operations. No such charge has been made, since participating business has operated at a loss to date on a statutory basis. It is anticipated, however, that the participating lines will be profitable over the lives of the policies.

(b) The maximum amount of dividends which can be paid by New York State insurance companies to shareholders is subject to restrictions relating to statutory unassigned surplus. New York State Insurance Law prohibits the payment of dividends to stockholders from any source other than the statutory unassigned surplus. The amount of said surplus was $27,502,792 and $19,440,447 at December 31, 2011 and 2010, respectively, and was earned partly by the participating and partly by the nonparticipating department. Distributions in excess of the lesser of 10% of policyholders' surplus as of the preceding year end or its net gain from operations for the immediately preceding calendar year are subject to approval by the New York State Department of Financial Services

During 2011 and 2010 the Company paid ordinary dividends of $1,944,000 and $10,696,360, respectively. The Company paid an extraordinary dividend in 2010 of $92,303,640 after receiving approval from the New York State Department of Financial Services.

(c) The NAIC has developed risk based capital formulas to be applied to all insurance companies. These formulas calculate a minimum required statutory net worth, based on the perceived degree of certain risks, such as asset, credit, interest rate, underwriting and other business risks inherent in an individual company's operations. Any insurance company that does not meet threshold risk based capital levels ultimately will be subject to regulatory proceedings. The Company was in excess of the minimum risk based capital as of December 31, 2011 and 2010.

(d) The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

	2011	2010
Unrealized losses	$ —	—
Nonadmitted asset values	5,508,029	5,540,317
Asset valuation reserve	1,319,019	1,146,122
Deferred tax assets, net of nonadmitted amount	2,022,000	2,028,000

(10) Life and Annuities Reserves

(a) The Company waives deduction of the deferred fractional premiums upon the death of the insured and returns a pro-rata portion of premiums for any period beyond the end of the policy month in which the death occurred. Surrender values are not promised in excess of the legally computed reserves.

(b) For policies issued subject to an extra premium, a reserve based on special tables prepared by the New York Department of Financial Services was included in the statutory financial statements.

(c) As of December 31, 2011 the Company has $169,654,129 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of New York.

(d) Tabular less Actual Reserves Released, and Tabular Cost has been determined by formula.

(e) The Tabular interest on funds not involving life contingencies have been determined by formula. Mean reserve at year end plus payments incurred during the year less mean reserve at prior year end, income during the year and other increases equals tabular interest.

(f) There are no significant other increases (net).

(11) Analysis of Annuity Actuarial Reserves and Deposit Liabilities

Withdrawal characteristics and annuity actuarial reserves and deposit fund liabilities at December 31, 2011.

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

	Amount	Percentage of total
Subject to discretionary withdrawal at book value:		
less surrender charge	$ —	—%
Subject to discretionary withdrawal without adjustment:		
At market value	385,605,339	82.52
At book value	70,140,636	15.01
Not subject to discretionary withdrawal	11,544,615	2.47
Total annuity and actuarial reserves and deposit fund liabilities (gross)	467,290,590	100.00
Less reinsurance	—	
Total annuity and actuarial reserves and deposit fund liabilities (net)	$ 467,290,590	100.00 %

Withdrawal characteristics and annuity actuarial reserves and deposit fund liabilities at December 31, 2010.

	Amount	Percentage of total
Subject to discretionary withdrawal at book value:		
less surrender charge	$ —	—%
Subject to discretionary withdrawal without adjustment:		
At market value	400,145,280	87.45
At book value	51,245,007	11.20
Not subject to discretionary withdrawal	6,202,876	1.35
Total annuity and actuarial reserves and deposit fund liabilities (gross)	457,593,163	100.00
Less reinsurance	—	
Total annuity and actuarial reserves and deposit fund liabilities (net)	$ 457,593,163	100.00%

(12) Premium and Annuity Consideration Deferred and Uncollected

Deferred and uncollected life insurance premiums and annuity consideration at December 31, 2011 were:

	Gross	Net	Loading
Type:			
Ordinary new business	$ 363,353	262,381	100,972
Ordinary renewal	2,971,610	3,290,559	(318,949)

Total	$ 3,334,963	3,552,940	(217,977)

(Continued)

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

Deferred and uncollected life insurance premiums and annuity consideration at December 31, 2010 were:

	Gross	Net	Loading
Type:			
Ordinary new business	$ 362,911	260,496	102,415
Ordinary renewal	2,791,002	2,782,801	8,201
Total	$ 3,153,913	3,043,297	110,616

(13) Separate Accounts

General Nature and Characteristics

The Company has two nonguaranteed separate accounts which fund both limited pay variable life insurance policies and single premium variable life policies and three nonguaranteed separate accounts which fund deferred variable annuity contracts. For all separate accounts, the net investment experience of the separate account is credited directly to the policyholder and can be positive or negative.

Two of the variable annuities provide an incidental death benefit of the greater of the account value or premiums paid. The third provides an incidental death benefit equal to the greater of the account value, the premiums paid or the account value on specified anniversaries.

The two variable life policies are a fixed premium product and single premium product with a minimum guaranteed death benefit.

The contracts have a policy loan provision. Loan funds are credited with a guaranteed interest rate of 4% and are held in the general account.

	Variable life	Annuities variable	Total
Premiums and considerations	$ 32,305,287	$ 19,887,060	$52,192,347
Reserves at December 31, 2011:			
		385,605,339	845,088,573
With assets at market value	459,483,234		
Subject to discretionary			
		385,605,339	845,088,573
withdrawal at market value	459,483,234		

(Continued)

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

Reconciliation of net transfers to (from) separate accounts is as follows:

	2011	2010
Transfers to separate accounts as contained in the annual statement of the separate accounts	$ 52,192,347	$ 42,111,340
Transfers from separate accounts as contained in the annual statement of the separate accounts	81,052,313	89,868,236
	(28,859,966)	(47,756,896)
Reconciling items	95,197	(27,674)
	(28,764,769)	(47,784,570)
Other	$	$

(14) Federal Income Taxes

The Company joins with its parent company, First Investors Consolidated Corporation, and its subsidiary companies(listed in footnote 1) in filing a consolidated Federal income tax return. The provision for federal income taxes is determined on a separate company basis as continued in a written agreement between the Company and its parent.

Unassigned surplus at December 31, 2011 included approximately $146,000, which is defined as "policyholders' surplus" and may by subject to Federal income tax at ordinary corporate rates under certain future conditions, including distributions to stockholders.

The Company adopted SSAP 10R effective 12/31/09. The 12/31/11 and 12/31/10 balances and related disclosures are calculated and presented pursuant to SSAP 10R.

The net deferred tax asset/(liability) at December 31 and the change from the prior year are comprised of the following components:

	2011 Ordinary	2010 Ordinary	Change Ordinary
Total gross deferred tax assets	$ 7,111,000	$ 7,111,000	$ —
Statutory Valuation Allowance	—	—	—
Adjusted gross deferred tax assets	7,111,000	7,111,000	—
Total gross deferred tax liabilities	(99,000)	(74,000)	(25,000)
Net deferred tax assets	7,012,000	7,037,000	(25,000)
Total deferred tax assets nonadmitted	(4,990,000)	(5,009,000)	19,000
Net admitted deferred tax assets	2,022,000	2,028,000	$ (6,000)

The Company did not have any deferred tax assets or liabilities that were classified as capital.

The Company has not elected to admit deferred tax assets pursuant to paragraph 10.e for the years ended 12/31/11 and 12/31/10.

(Continued)

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

The amount of admitted adjusted gross deferred tax assets admitted under each component of SSAP 10R:

	2011 Ordinary	2010 Ordinary	Change Ordinary
Admitted under paragraph 10. a. from prior years income taxes paid that can be recovered through loss carrybacks	$ 2,022,000	$ 2,028,000	$ (6,000)
Admitted under paragraph 10. b.	—	—	—
Adjusted gross DTAs offsetting existing DTL's, admitted under paragraph 10.c.	99,000	74,000	25,000
Total admitted from the application of paragraph 10.a. - 10.c.	$ 2,121,000	$ 2,102,000	$ 19,000

Tax planning strategies did not have an effect on the Company's net admitted deferred tax assets.

The change in deferred income taxes reported in surplus before consideration of nonadmitted assets is comprised of the following:

	2010	2011	Change
Net adjusted deferred tax asset (liability)	$ 7,111,000	$ 7,111,000	$ —
Tax-effect of unrealized gains and losses	—	—	—
Net tax effect without unrealized gains & losses	$ 7,111,000	$ 7,111,000	$ —

	2010	2009	Change
Net adjusted deferred tax asset (liability)	$ 7,111,000	$ 9,186,000	$ (2,075,000)
Tax-effect of unrealized gains and losses	—	—	—
Net tax effect without unrealized gains & losses	$ 7,111,000	$ 9,186,000	$ (2,075,000)

There are no unrecognized deferred tax liabilities.

(Continued)

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

Deferred tax assets and deferred tax liabilities comprise the following:

	2011	2010	Change
Deferred tax assets			
Policyholder dividend provision	$ 249,000	243,000	6,000
Deferred acquisition costs	4,959,000	4,848,000	111,000
Reserves	1,231,000	1,301,000	(70,000)
Unrealized loss on bonds	—	—	—
Capital loss carryforward	—	—	—
Deferred compensation	616,000	663,000	(47,000)
Other	56,000	56,000	—
Total	7,111,000	7,111,000	— (1)
Nonadmitted deferred tax assets	(4,990,000)	(5,009,000)	19,000
	2,121,000	2,102,000	19,000
Deferred tax liabilities:			
Depreciation	43,000	17,000	26,000 (1)
Bond discount	56,000	57,000	(1,000) (1)
Net admitted deferred taxes	$ 2,022,000	2,028,000	(6,000)

(1) Change in net deferred income taxes ($25,000) includes a change of $19,000 applicable to nonadmitted assets in surplus.

The realization of the deferred tax asset is dependent upon the Company's ability to generate sufficient taxable income in future periods. Based on historical results and the prospects for future current operations, management anticipates that it is more likely than not that future taxable income will be sufficient for the realization of the remaining deferred tax assets.

As of December 31, 2011, there are no operating loss, net capital loss or tax credit carryforwards available for tax purposes.

The provision for incurred taxes on earnings for the years ended December 31, are:

2011	2010	2009
$ 3,297,629	$ 725,389	$ 6,581,267

(Continued)

FIRST INVESTORS LIFE INSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2011

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate.

	2011	2010	2009
Federal income taxes incurred	$ 3,297,629	725,389	6,581,267
Change in net deferred income tax assets	25,404	2,045,393	(1,317,214)
Total tax provision	$ 3,323,033	2,770,782	5,264,053
Effective rate	24%	22%	36%

	2011	2010	2009
Application of statutory rate on net gain from operations less realized capital losses included in the statement of income	35%	35%	35%
Dividends received deduction	(8)	(14)	—
Other	(3)	1	1
Effective rate	24%	22%	36%

The Company is permitted a three-year carryback in the event of any current year operating losses. As of December 31, 2011, the Company has paid federal income taxes of approximately $12,005,000 for the three years 2009-2011.

The Parent and the Company are no longer subject to federal, state or local tax examination by taxing authorities for years before 2008. There is no IRS exam in process for open years 2008, 2009 and 2010.

(Continued)

TAIT, WELLER & BAKER LLP

Certified Public Accountants

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
First Investors Life Insurance Company
New York, New York

We have audited the accompanying statement of admitted assets, liabilities, and capital and surplus -- statutory basis -- of First Investors Life Insurance Company as of December 31, 2010 and 2009, and the related statements of income and cash flows -- statutory basis -- and changes in capital and surplus -- statutory basis -- for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared in conformity with the accounting practices prescribed by insurance regulatory authorities, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of First Investors Life Insurance Company as of December 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended, on the basis of accounting described in Note 1.

Philadelphia, Pennsylvania
March 9, 2011

Tait, Weller & Baker LLP