



QUARTERLY STATEMENT
AS OF MARCH 31, 2002
OF THE CONDITION AND AFFAIRS OF THE

Central Reserve Life Insurance Company

NAIC Group Code	1337 <small>(Current Period)</small>	1337 <small>(Prior Period)</small>	NAIC Company Code	61727	Employer's ID Number	34-0970995
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	Ohio	
Country of Domicile	United States of America					
Incorporated	07/02/1963		Commenced Business	05/12/1965		
Statutory Home Office	17800 Royalton Road <small>(Street and Number)</small>			Strongsville, OH 44136-5197 <small>(City or Town, State and Zip Code)</small>		
Main Administrative Office	17800 Royalton Rd <small>(Street and Number)</small>			440-572-2400 <small>(Area Code) (Telephone Number)</small>		
Mail Address	17800 Royalton Rd <small>(Street and Number or P.O. Box)</small>			Strongsville, OH 44136 <small>(City or Town, State and Zip Code)</small>		
Primary Location of Books and Records	17800 Royalton Rd <small>(Street and Number)</small>			440-572-8843 <small>(Area Code) (Telephone Number)</small>		
Internet Website Address	www.ceresgp.com					
Statement Contact	Richard Allan Kusnic <small>(Name)</small>			440-572-8843 <small>(Area Code) (Telephone Number) (Extension)</small>		
	rkusnic@centralreserve.com <small>(E-mail Address)</small>			440-572-8850 <small>(FAX Number)</small>		
Policyowner Relations Contact	17800 Royalton Rd <small>(Street and Number)</small>			440-572-2400 <small>(Area Code) (Telephone Number) (Extension)</small>		
	Strongsville, OH 44136 <small>(City or Town, State and Zip Code)</small>					

OFFICERS

President	Anthony John Pino	Secretary	Kathleen Lynn Mesel
Treasurer	Larry Eugene Wharton	Actuary	Thomas Joseph Reisch #

VICE PRESIDENTS

Mary Ellen Larkin	Richard Allan Kusnic	Charles Edward Miller Jr
Ronald Lee Kotowski	Joseph Anthony Parente	Thomas Joseph Reisch, Jr.
Henry Jude Reitinger	Joe Munoz Perez	David Alan Canzone
Gayle Mary Vixler	Celeste Ann Kloth	Patrick Louis Edmonds
George Anthony Gerhinger	Susan M Hahn	Amy Marian McFadden
Larry Eugene Wharton	Arthur Lewis Hastings	Lincoln Taylor Lafayette
Jeffrey Allen Johnson	Kathleen Lynn Mesel	Paul David Olson
Nancy Lynn Zalud	Jeffrey Allen Young	Thomas Vernon Baldwin
Michael Keith Owens	Elizabeth Catharine Tenner	Judith A Murphy #

DIRECTORS OR TRUSTEES

Anthony John Pino	Andrew Anthony Boemi	Michael Angelo Cavataio
George Anthony Gehringer		

State ofOhio.....

County ofCuyahoga.....

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The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Anthony John Pino

President

Kethleen Lynn Mesel

Secretary

Larry Eugene Wharton

Treasurer

Subscribed and sworn to before me this

_____day of _____, 2002

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	92,782,150		92,782,150	84,153,045
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	6,676,587		6,676,587	6,950,870
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances).....				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Policy loans	66,536		66,536	71,365
6. Premium notes, including \$ for first year premiums				
7. Cash (\$ (4,884,811)) and short -term investments (\$527,564)	(4,357,247)		(4,357,247)	16,576,756
8. Other invested assets	0		0	
9. Receivable for securities	116,835		116,835	26,979
10. Aggregate write-ins for invested assets				
11. Subtotals, cash and invested assets (Lines 1 to 10)	95,284,861		95,284,861	107,779,016
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers	301,499		301,499	231,199
12.2 Commissions and expense allowances due				
12.3 Experience rating and other refunds due	120,125		120,125	270,034
12.4 Other amounts receivable under reinsurance contracts	2,693,645		2,693,645	3,330,498
13. Electronic data processing equipment and software.....	15,724		15,724	17,209
14. Federal and foreign income tax recoverable and interest thereon (including \$1,235,647 net deferred tax asset)	4,085,705		4,085,705	3,801,647
15. Guaranty funds receivable or on deposit	171,977		171,977	171,977
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$65,025 loading)	67,165		67,165	73,742
17. Accident and health premiums due and unpaid	469,934		469,934	577,132
18. Investment income due and accrued	1,042,530		1,042,530	1,082,272
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates	1,669,947		1,669,947	
21. Amounts receivable relating to uninsured accident and health plans				
22. Amounts due from agents				
23. Other assets nonadmitted	455,459	455,459		
24. Aggregate write-ins for other than invested assets	974,590		974,590	1,240,187
25. Total assets excluding Separate Accounts business (Lines 11 to 24)	107,353,161	455,459	106,897,702	118,574,913
26. From Separate Accounts Statement				
27. Total (Lines 25 and 26)	107,353,161	455,459	106,897,702	118,574,913
DETAILS OF WRITE-INS				
1001.				
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page				
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)				
2401. Amount Receivable, other.....	974,590		974,590	1,240,187
2402.			0	0
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	974,590		974,590	1,240,187

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for Life contracts \$10,671,769 less \$included in Line 6.3 (including \$1,895,656 Modco Reserve)	10,671,769	10,748,819
2. Aggregate reserve for accident and health contracts (including \$Modco Reserve)	1,319,541	1,176,925
3. Liability for deposit-type contracts (including \$Modco Reserve)	21,506	21,506
4. Contract claims:		
4.1 Life	677,439	972,797
4.2 Accident and health	58,714,783	55,050,176
5. Policyholders' dividends \$and coupons \$due and unpaid		
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment to(including \$Modco Reserve)		
6.2 Dividends not yet apportioned (including \$Modco Reserve)		
6.3 Coupons and similar benefits (including \$Modco Reserve)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$discount; including \$3,440,833 accident and health premiums	3,507,517	4,888,090
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including \$accident and health experience rating refunds		
9.3 Other amounts payable on reinsurance including \$assumed and \$307,350 ceded	307,351	237,654
9.4 Interest Maintenance Reserve	1,180,912	1,274,460
10. Commissions to agents due or accrued—life and annuity contracts \$57,869 accident and health \$2,174,509 and deposit-type contract funds \$	2,232,378	2,473,196
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued	0	
13. Transfers to Separate Accounts due or accrued (net) (Including \$accrued for expense allowances recognized in reserves)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	722,998	975,580
15. Federal and foreign income taxes, including \$on realized capital gains (losses) (including \$net deferred tax liability)		
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee	657,180	971,960
18. Amounts held for agents' account, including \$agents' credit balances		
19. Remittances and items not allocated		
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve	303,824	165,027
24.2 Reinsurance in unauthorized companies		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates		2,194,220
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured accident and health plans		
24.7 Funds held under coinsurance	0	9,337,856
24.8 Payable for securities	0	
24.9 Capital notes \$and interest thereon \$		
25. Aggregate write-ins for liabilities	555,040	687,200
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	80,872,237	91,175,466
27. From Separate Accounts Statement		
28. Total Liabilities (Lines 26 and 27)	80,872,237	91,175,466
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus	51,862,110	51,862,110
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	(28,336,645)	(26,962,662)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including \$in Separate Accounts Statement)	23,525,465	24,899,447
38. Totals of Lines 29, 30 and 37	26,025,465	27,399,447
39. Totals of Lines 28 and 38	106,897,702	118,574,913
DETAILS OF WRITE-INS		
2501. Claim Interest Payable.....	32,040	164,200
2502. Guaranty Fund Payable.....	523,000	523,000
2503. Investment Expense Accrued, other.....		0
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	555,040	687,200
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year To Date	2 Prior Year Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health policies and contracts	52,387,182	64,265,920	245,264,383
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	1,463,983	1,518,362	5,967,788
4. Amortization of Interest Maintenance Reserve (IMR)	92,521	90,365	313,311
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	5,092,613	9,554,889	31,121,656
7. Reserve adjustments on reinsurance ceded	(928,371)	(87,532)	210,428
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income	115,143	330,519	1,403,118
9. Totals (Lines 1 to 8.3)	58,223,072	75,672,523	284,280,684
10. Death benefits	169,444	293,167	926,669
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits	520,225	569,129	2,121,885
13. Disability benefits and benefits under accident and health contracts	37,547,576	55,797,735	189,745,535
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts			
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds	0	(26,330)	(701,592)
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health contracts	(249,012)	(397,724)	(685,321)
20. Totals (Lines 10 to 19)	37,988,232	56,235,977	191,407,175
21. Commissions on premiums, annuity considerations, and deposit-type contract funds(direct business only)	8,460,626	11,841,675	43,316,313
22. Commissions and expense allowances on reinsurance assumed	403,997	3,776,610	10,679,215
23. General insurance expenses	9,887,639	10,026,299	44,169,263
24. Insurance taxes, licenses and fees, excluding federal income taxes	2,104,021	1,320,970	8,270,216
25. Increase in loading on deferred and uncollected premiums	(4,591)	(3,003)	(6,161)
26. Net transfers to or (from) Separate Accounts			
27. Aggregate write-ins for deductions	196,287	107	89,957
28. Totals (Lines 20 to 27)	59,036,210	83,198,635	297,925,978
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(813,138)	(7,526,113)	(13,645,294)
30. Dividends to policyholders			3,486
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(813,138)	(7,526,113)	(13,648,779)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(283,529)	(2,163,855)	(3,156,602)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(529,609)	(5,362,257)	(10,492,178)
34. Net realized capital gains or (losses) less capital gains tax of \$ (excluding taxes of \$ transferred to the IMR)			
35. Net income (Line 33 plus Line 34)	(529,609)	(5,362,257)	(10,492,178)
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	27,399,447	26,163,813	26,163,813
37. Net income (Line 35)	(529,609)	(5,362,257)	(10,492,178)
38. Change in net unrealized capital gains (losses)	(274,284)	(1,070,438)	(6,917,021)
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax			
41. Change in non-admitted assets and related items	70,986	8,177	170,737
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	(138,797)		(102,217)
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles	0	1,438,160	1,144,794
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in	0	1,500,000	21,500,000
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance	(502,277)	(1,541,569)	(4,068,481)
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus for the year (Lines 37 through 53)	(1,373,981)	(5,027,927)	1,235,634
55. Capital and surplus, as of statement date (Lines 36 + 54)	26,025,465	21,135,886	27,399,447
DETAILS OF WRITE-INS			
08.301. Miscellaneous Income.....	115,143	330,519	1,403,118
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. TOTALS (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	115,143	330,519	1,403,118
2701.			
2702. Regulatory Authority assessments.....	196,287	107	89,957
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	196,287	107	89,957
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums and annuity considerations for life and accident and health contracts51, 274, 884	247, 639, 392
2. Charges and fees for deposit-type contracts		
3. Considerations for supplementary contracts with life contingencies		
4. Net investment income	1, 503, 726	6, 416, 363
5. Commissions and expense allowances on reinsurance ceded	5, 012, 970	31, 243, 122
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts		
7. Aggregate write-ins for miscellaneous income	(598, 228)	1, 398, 546
8. Total (Lines 1 to 7)57, 193, 352	286, 697, 423
9. Death Benefits	464, 802	677, 456
10. Matured endowments		
11. Annuity Benefits	520, 225	2, 121, 885
12. Disability benefits and benefits under accident and health contracts	42, 213, 931	186, 952, 591
13. Coupons, guaranteed annual pure endowments and similar benefits		
14. Surrender benefits and withdrawals for life contracts		
15. Group conversions		
16. Interest and adjustments on contract or deposit-type contract funds		
17. Payments on supplementary contracts with life contingencies		
18. Total (Lines 9 to 17)	43, 198, 958	189, 751, 932
19. Commissions on premiums, annuity considerations and deposit-type contract funds	8, 701, 444	44, 169, 171
20. Commissions and expense allowances on reinsurance assumed	403, 997	10, 679, 215
21. General insurance expenses	9, 887, 639	44, 202, 754
22. Insurance taxes, licenses and fees, excluding federal income taxes	2, 356, 603	8, 497, 748
23. Net transfers to or (from) Separate Accounts		
24. Aggregate write-ins for deductions	196, 287	89, 957
25. Total (Lines 18 to 24)	64, 744, 927	297, 390, 776
26. Dividends paid to policyholders	0	3, 227
27. Federal income taxes (excluding tax on capital gains)		
28. Total (Lines 25 to 27)	64, 744, 927	297, 394, 003
29. Net cash from operations (Line 8 minus Line 28)	(7, 551, 575)	(10, 696, 579)
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds	4, 664, 555	79, 973, 398
30.2 Stocks		
30.3 Mortgage loans		
30.4 Real estate		
30.5 Other invested assets		
30.6 Net gains or (losses) on cash and short-term investments		
30.7 Miscellaneous proceeds	0	
30.8 Total investment proceeds (Lines 30.1 to 30.7)	4, 664, 555	79, 973, 398
31. Net tax on capital gains (losses)		
32. Total (Line 30.8 minus Line 31)	4, 664, 555	79, 973, 398
33. Cost of investments acquired (long-term only):		
33.1 Bonds	13, 356, 250	75, 292, 876
33.2 Stocks		
33.3 Mortgage loans		
33.4 Real estate		
33.5 Other invested assets		
33.6 Miscellaneous applications		
33.7 Total investments acquired (Lines 33.1 to 33.6)	13, 356, 250	75, 292, 876
34. Net increase (or decrease) in policy loans and premium notes	(4, 829)	(5, 456)
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34)	(8, 686, 866)	4, 685, 978
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in		21, 500, 000
36.2 Borrowed money \$less amounts repaid \$		
36.3 Capital notes \$less amounts repaid \$		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies		
36.5 Other cash provided	0	2, 939, 399
36.6 Total (Lines 36.1 to 36.5)	0	24, 439, 399
37. Cash applied:		
37.1 Dividends to stockholders paid		
37.2 Interest on indebtedness		
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies		
37.4 Other applications (net)	4, 695, 562	
37.5 Total (Lines 37.1 to 37.4)	4, 695, 562	
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5)	(4, 695, 562)	24, 439, 399
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38)	(20, 934, 003)	18, 428, 798
40. Cash and short-term investments:		
40.1 Beginning of year	16, 576, 756	(1, 852, 042)
40.2 End of period (Line 39 plus Line 40.1)	(4, 357, 247)	16, 576, 756
DETAILS OF WRITE-INS		
0701. Miscellaneous Income	(598, 228)	1, 398, 546
0702.		
0703.		
0798. Summary of remaining write-ins for Line 7 from overflow page		
0799. TOTALS (Lines 0701 thru 0703 plus 0798) (Line 7 above)	(598, 228)	1, 398, 546
2401. Fines and penalties of regulatory authorities	196, 287	89, 957
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page		
2499. TOTALS (Lines 2401 thru 2403 plus 2498) (Line 24 above)	196, 287	89, 957

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS			
	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Industrial Life			
2. Ordinary Life Insurance	112,051	121,460	467,501
3. Ordinary Individual Annuities	100,295	220,376	668,730
4. Credit Life (Group & Individual)			
5. Group Life Insurance	1,226,905	1,704,369	6,237,556
6. Group Annuities			
7. A & H - Group	66,646,889	85,334,894	318,339,195
8. A & H - Credit (Group & Individual)			
9. A & H - Other	1,024,244	152,163	2,675,226
10. Aggregate of All Other Lines of Business			
11. Subtotal	69,110,383	87,533,262	328,388,208
12. Deposit-Type Contracts			
13. Total	69,110,383	87,533,262	328,388,208
DETAILS OF WRITE-INS			
1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page			
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)			

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

	2000	2001
1. Total of all deferred tax assets (admitted and nonadmitted)	<u>0</u>	<u>\$ 17,404,373</u>
2. Total of all deferred tax liabilities.	<u>0</u>	<u>130,366</u>
3. Total deferred tax assets nonadmitted in accordance With SSAP No. 10, Income Taxes	<u>0</u>	<u>16,038,858</u>
4. Increase (decrease) in deferred tax assets nonadmitted	<u>0</u>	<u>0</u>

The components of incurred income tax expense and the change in deferred tax assets and deferred tax liabilities for the year ended December 31, 2001 are as follows:

Current income tax expense (benefit)	\$ (3,156,862)
Change (decrease)\increase in net deferred tax assets	1,366,075
Change decrease\increase in net deferred tax liabilities	<u>(130,366)</u>
Net change (decrease)\increase in deferred taxes	1,235,647

B. Deferred tax liabilities are not recognized for the following amounts:

- As of December 31, the Company had a balance of \$ 2,869,768 in its Policyholder surplus account under the provisions of the Internal revenue Code. This amount could become taxable to the extent that future shareholder dividends are paid from this account.
- As of December 31, the Company has no investments in foreign subsidiaries.

C. The company is currently under a loss condition.

D. At December 31, the Company has no loss carry forwards.

The Company has no income tax incurred available to recoup future losses.

F. 1. The Company's Federal Income Tax is consolidated with the following entities:

Central Reserve Life Insurance Company
Ceres Financial Services, Inc.
Ceres Group, Inc.
Ceres Health Care, Inc.
Ceres Net, Inc.
Ceres Savers Plan, Inc.
Continental Agency Services, Inc.
Continental Association Management Corporation
Continental General Corporation
Continental Print & Photo Company
Provident American Life and Health Insurance Company
QQAAgency, Inc.
QQLink.Com, Inc.
United Benefit Life Insurance Company
Western Reserve Administrative Services, Inc.
QQAAgency Insurance Agency of Massachusetts, Inc.
QQAAgency of Texas, Inc.
QQBiz.com, Inc.

- The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations. Inter-company tax balances are then settled annually.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A.,B,
& C. All outstanding shares of The Company are owned by Ceres Group, Inc., an insurance holding company domiciled in the State of Delaware.
- D. The Company paid salary and benefit expense to Ceres Administrators, an affiliate, in the amount of \$ 11,284,694. The Company paid marketing expenses to Ceres Sales, an affiliate, in the amount of \$ 379,188. The Company paid Managed Care and PPO expenses to Ceres Health, an affiliate, in the amount of \$ 2,954,941.
- E. At March 31, The Company reports amounts due from affiliates in the amount of \$ 1,669,947
- F. The Company has agreements with several non-life affiliates who provide certain services to the Company and are reimbursed as described in 10-d. The Company also has cost sharing agreements with its life subsidiaries Provident American Life and Health Insurance Company and United Benefit Life Company, as well as with affiliates Continental General Life and Pyramid Life for reimbursement and sharing of costs for services provided by the Company.
- G. All outstanding shares of the Company are owned by the Parent Company, Ceres Croup Inc., an insurance holding company domiciled in the State of Delaware.
- H. Not applicable
- I. Not applicable
- J. Not applicable

17. The company does not have any Wash sales.

NOTES TO FINANCIAL STATEMENTS

28. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by withdrawal Characteristics

The amount of Annuity Reserves from Exhibit 8, Section B & C, Line 029999 is \$8,931,952. The total deposit liability from Page 3, Line 3 is \$ 19,735. The Annuity Reserves are not subject to discretion of any type. A surrender charge not exceeding 5% is assessed to any withdrawal within the first five years of the Annuity.

	Amount	% of Total
A. Subject to discretionary withdrawal:		
(1) With market value adjustment	\$ 0	0%
(2) At book value less current surrender charge of 5% or more	0	0
(3) At fair value	0	0
(4) Total with adjustment or at market value (Total of 1 through 3)	0	0
(5) At book value without adjustment (minimal or no charge or adjustment)	0	0
B Not subject to discretionary withdrawal	11,696,507	100
A. Total (gross)	11,696,507	100%
D Reinsurance ceded	2,764,555	
E Total (net)*(C)-(D)	\$ 8,931,952	

*Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

F. Life & Accident & Health Annual Statement:	Amount
1. Exhibit 8, Annuities Section, Total (net)	\$ 8,323,798
2. Exhibit 8, Supplementary Contracts with Life Contingencies Section, total (net)	\$ 608,154
3. Exhibit Of Deposit-Type Contracts, Line 14, column 1	\$ 19,735
4. Subtotal	\$ 8,951,687
Separate Accounts Annual Statement:	
5. Exhibit 6, Line 0299999, Column 2	N/A
6. Exhibit 6, Line 0399999, Column 2	N/A
7. Page 3, , Line 2, Column 3	N/A
8. Page 3, , Line 3.1, Column 3	N/A
9. Page 3, , Line 3.2, Column 3	N/A
10. Page 3, , Line 3.3, Column 3	N/A
11. Subtotal	N/A
12. Combined Total	\$ 8,951,687

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes [] No [X]

1.2 If yes, explain:
.....

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

2.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

3.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, attach an organizational chart.

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []
If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 06/01/2000

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1999

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 01/31/2001

7.4 By what department or departments?
Ohio Department of Insurance.....

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [] No [X]

8.2 If yes, give full information:
.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

INVESTMENT

9.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No [X]

9.2 If yes, explain:
.....

10.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

10.2 If yes, give full and complete information relating thereto:
.....

11. Amount of real estate and mortgages held in other invested assets in Schedule BA:\$

12. Amount of real estate and mortgages held in short-term investments:\$

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No []

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds	\$	\$
13.22 Preferred Stock	\$	\$
13.23 Common Stock	\$6,950,870	\$6,676,587
13.24 Short-term Investments	\$	\$
13.25 Mortgages, Loans or Real Estate	\$	\$
13.26 All Other	\$	\$
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26).....	\$6,950,870	\$6,676,587
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$	\$
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$	\$

14.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

14.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No []

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

15.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
KeyBank National Association.....	127 Public Sq, Cleveland, Ohio 44114.....
State Department of Insurance.....	various.....

15.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

15.3 Have there been any changes, including name changes in the custodian(s) identified in 15.1 during the current year? Yes [] No [X]

15.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

15.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
110497.....	Hyperion Capital Mgmt., Inc.....	One Liberty Plaza, 36th Fl., NY, NY 10006.....

GENERAL INTERROGATORIES (continued)

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 2 - LIFE & HEALTH

1.			1
	Report the statement value of mortgage loans at the end of this reporting period for the following categories:		Amount
1.1	Long-Term Mortgages In Good Standing		
1.11	Farm Mortgages	\$	0
1.12	Residential Mortgages	\$	0
1.13	Commercial Mortgages	\$	0
1.14	Total Mortgages in Good Standing	\$	
1.2	Long-Term Mortgages In Good Standing with Restructured Terms		
1.21	Total Mortgages in Good Standing	\$	0
1.3	Long-Term Mortgages Loans Upon which Interest is Overdue more than Three Months		
1.31	Farm Mortgages	\$	0
1.32	Residential Mortgages	\$	0
1.33	Commercial Mortgages	\$	0
1.34	Total Mortgages with Interest Overdue more than Three Months.....	\$	
1.4	Long-Term Mortgages Loans in Process of Foreclosure		
1.41	Farm Mortgages	\$	0
1.42	Residential Mortgages	\$	0
1.43	Commercial Mortgages	\$	0
1.44	Total Mortgages in Process of Foreclosure.....	\$	
1.5	Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Col. 3, Lines 3.1 plus 3.2).....	\$	
1.6	Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter		
1.61	Farm Mortgages	\$	0
1.62	Residential Mortgages	\$	0
1.63	Commercial Mortgages	\$	0
1.64	Total Mortgages Foreclosed and Transferred to Real Estate	\$	

SCHEDULE A - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	NONE			
2. Increase (decrease) by adjustment				
3. Cost of acquired				
4. Cost of additions to and permanent improvements				
5. Total profit (loss) on sales				
6. Increase (decrease) by foreign exchange adjustment				
7. Amount received on sales				
8. Book/adjusted carrying value at end of current period				
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)				
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)				

SCHEDULE B - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period	NONE			
2. Amount loaned during period:				
2.1. Actual cost at time of acquisitions				
2.2. Additional investment made after acquisitions				
3. Accrual of discount and mortgage interest points and commitment fees				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period				

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period	NONE			
2. Cost of acquisitions during period:				
2.1. Actual cost at time of acquisitions				
2.2. Additional investment made after acquisitions				
3. Accrual of discount				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book/adjusted carrying value of long-term invested assets at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of long-term invested assets at end of current period				

STATEMENT AS OF MARCH 31,2002 OF THE CENTRAL RESERVE LIFE INSURANCE COMPANY

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
BONDS								
1. Class 1	78,646,570	67,063,123	73,116,426	(6,437,500)	66,155,767	0	0	78,646,570
2. Class 2	20,123,993	1,059,170	2,196,330	2,709,830	21,696,663	0	0	20,123,993
3. Class 3	1,792,206	0	1,561	3,666,636	5,457,281	0	0	1,792,206
4. Class 4	0	0	0	0	0	0	0	0
5. Class 5	0	0	0	0	0	0	0	0
6. Class 6	0	0	0	0	0	0	0	0
7. Total Bonds	100,562,769	68,122,293	75,314,317	(61,034)	93,309,711			100,562,769
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock			0	0	0			
15. Total Bonds and Preferred Stock	100,562,769	68,122,293	75,314,317	(61,034)	93,309,711			100,562,769

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999 Totals	527,564	XXX	527,564	21,855	

SCHEDULE DA - PART 2- Verification

Short-Term Investments Owned				
	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	16,409,728			5,750,378
2. Cost of short-term investments acquired	54,766,043			814,838,022
3. Increase (decrease) by adjustment				
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				
6. Consideration received on disposal of short-term investments	70,648,206			804,178,672
7. Book/adjusted carrying value, current period	527,565			16,409,728
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	527,565			16,409,728
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	527,565			16,409,728
12. Income collected during period	21,855			394,615
13. Income earned during period	21,855			394,615

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS

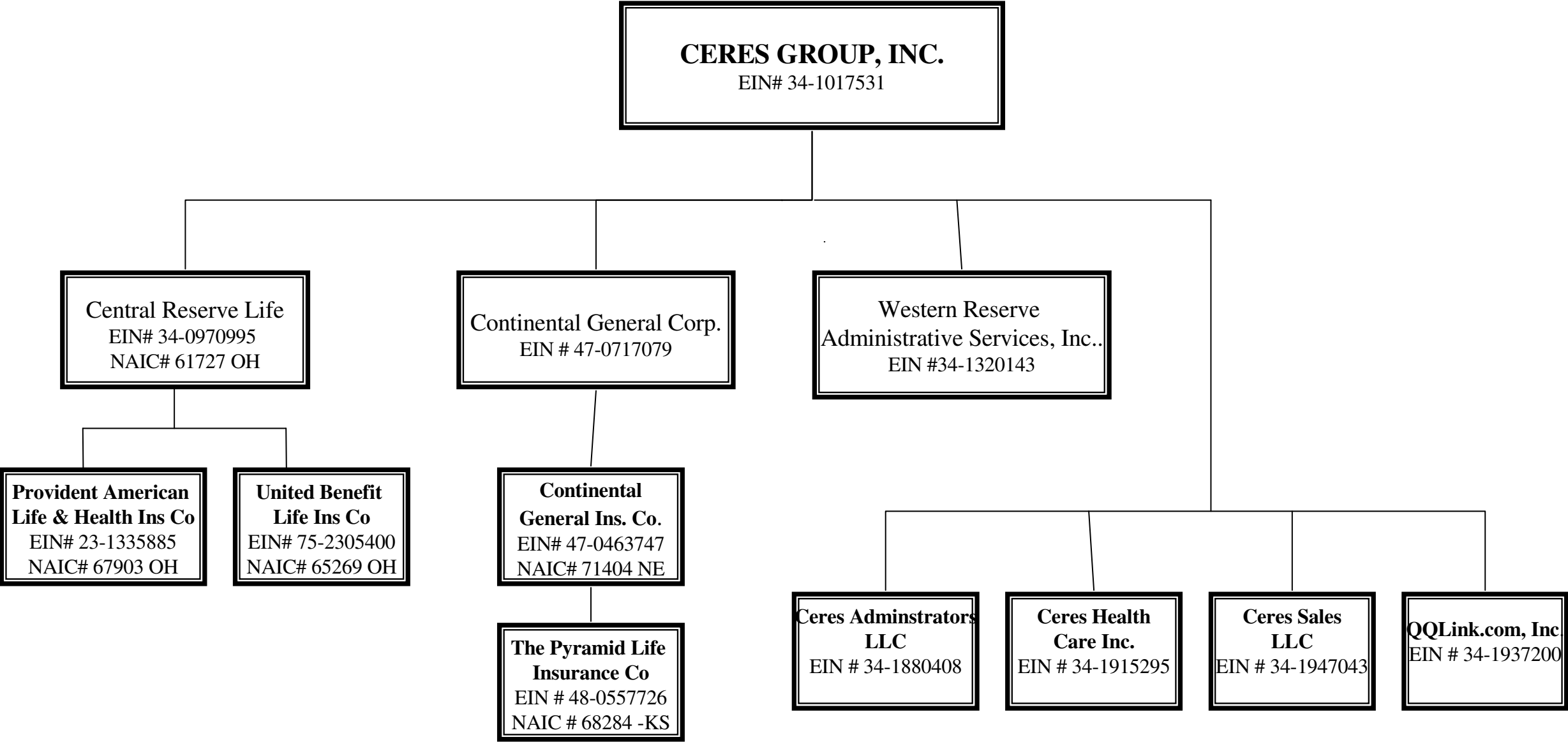
During Current Year to Date - Allocated by States and Territories

States, Etc.		1 Is Insurer Licensed? (Yes or No)	Direct Business Only				
			Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations
			2 Life Insurance Premiums	3 Annuity Considerations			
1. Alabama	AL	Yes	29,120	4,150	2,206,411		
2. Alaska	AK	No	.0	.0	.0		
3. Arizona	AZ	Yes	102,049	400	4,836,680		
4. Arkansas	AR	Yes	34	.0	358		
5. California	CA	No	.0	.0	.0		
6. Colorado	CO	Yes	1,857	7,200	767		
7. Connecticut	CT	No	.0	.0	.0		
8. Delaware	DE	Yes	527	.0	47,183		
9. District of Columbia	DC	No	.0	.0	.0		
10. Florida	FL	Yes	1,429	.0	3,153		
11. Georgia	GA	Yes	1,907	.0	292,676		
12. Hawaii	HI	No	.0	.0	.0		
13. Idaho	ID	No	.0	.0	.0		
14. Illinois	IL	Yes	24,395	.0	1,489,793		
15. Indiana	IN	Yes	171,341	14,755	7,970,975		
16. Iowa	IA	Yes	.0	.0	.0		
17. Kansas	KS	Yes	34,473	2,800	2,747,554		
18. Kentucky	KY	Yes	1,177	690	1,030		
19. Louisiana	LA	Yes	39	.0	4,411		
20. Maine	ME	No	.0	.0	.0		
21. Maryland	MD	No	.0	.0	.0		
22. Massachusetts	MA	Yes	38	.0	2,135		
23. Michigan	MI	Yes	22,185	4,200	1,375,520		
24. Minnesota	MN	No	.0	.0	.0		
25. Mississippi	MS	Yes	696	.0	10,605		
26. Missouri	MO	Yes	68,981	50	4,129,046		
27. Montana	MT	Yes	.0	.0	294		
28. Nebraska	NE	Yes	36,038	.0	520,438		
29. Nevada	NV	Yes	18,623	.0	1,210,557		
30. New Hampshire	NH	No	.0	.0	.0		
31. New Jersey	NJ	No	.0	.0	.0		
32. New Mexico	NM	Yes	375	.0	29,194		
33. New York	NY	No	.0	.0	.0		
34. North Carolina	NC	Yes	4,231	75	(3,293)		
35. North Dakota	ND	Yes	.0	.0	.0		
36. Ohio	OH	Yes	507,888	64,645	19,103,010		
37. Oklahoma	OK	Yes	16,396	.0	1,075,598		
38. Oregon	OR	Yes	.0	.0	27		
39. Pennsylvania	PA	Yes	15,867	780	5,065,552		
40. Rhode Island	RI	No	.0	.0	.0		
41. South Carolina	SC	Yes	5,423	.0	943,773		
42. South Dakota	SD	Yes	.0	.0	.0		
43. Tennessee	TN	Yes	35,417	.0	2,469,082		
44. Texas	TX	Yes	119,832	.0	5,535,103		
45. Utah	UT	Yes	236	.0	517		
46. Vermont	VT	No	.0	.0	.0		
47. Virginia	VA	Yes	36,914	150	1,763,999		
48. Washington	WA	No	.0	.0	.0		
49. West Virginia	WV	Yes	63,752	400	3,365,768		
50. Wisconsin	WI	Yes	11,191		1,349,290		
51. Wyoming	WY	Yes	.0				
52. American Samoa	AS	No	.0				
53. Guam	GU	No	.0				
54. Puerto Rico	PR	No	.0				
55. US Virgin Islands	VI	No	.0				
56. Canada	CN	No	.0				
57. Aggregate Other Alien	OT	XXX					
58. Subtotal	(a) 36		1,332,434	100,295	67,547,208		
90. Reporting entity contributions for employee benefit plans	XXX		6,522		123,924		
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX						
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX						
93. Premium or annuity considerations waived under disability or other contract provisions	XXX						
94. Aggregate of other amounts not allocable by State	XXX						
95. Totals (Direct Business)	XXX		1,338,956	100,295	67,671,132		
96. Plus Reinsurance Assumed	XXX				4,064,815		
97. Totals (All Business)	XXX		1,338,956	100,295	71,735,947		
98. Less Reinsurance Ceded	XXX		900,159	35,103	20,965,052		
99. Totals (All Business) less Reinsurance Ceded	XXX		438,797	65,192	50,770,895		
DETAILS OF WRITE-INS							
5701.	XXX						
5702.	XXX						
5703.	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX						
5799. Totals (Lines 5701 thru 5703 plus 5798)(Line 57 above)	XXX						
9401.	XXX						
9402.	XXX						
9403.	XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX						
9499. Totals (Lines 9401 thru 9403 plus 9498)(Line 94 above)	XXX						

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

18



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplemental is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSES

1.

Will the SVO Compliance Certification be filed with this statement?

.....Yes.....
2.

Will the Trusteed Surplus Statement be filed with the State of Domicile and the NAIC with this statement?

.....No.....

Explanations:

Bar Codes:

Trusteed Surplus Statement (Document Identifier 490) here:



OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

E04

E04

E04	60999997 - Total - Bonds - Part 3
	60999998 - Total - Bonds - Part 5
	60999999 - Total - Bonds

[illegible][illegible]

STATEMENT AS OF MARCH 31,2002 OF THE CENTRAL RESERVE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identi- fication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Desig- nation (a)
BONDS Special Revenue & Assessment United States																
3133T1-LX-8	FHLMC 1590 FA 5.500% 01/15/19	01/01/2002	Paydown		74,402	74,402	71,333	74,402	582					341		1
3133T1-LX-8	FHLMC 1590 FA 5.500% 01/15/19	02/01/2002	Paydown		74,083	74,083	71,027	74,083	580					679		1
3133T1-LX-8	FHLMC 1590 FA 5.500% 01/15/19	03/01/2002	Paydown		73,766	73,766	70,723	73,766	577					1,014		1
3133T4-WD-4	FHLMC 1711 E 7.000% 03/15/23	01/01/2002	Paydown		9,177	9,177	9,097	9,177	40					54		1
3133T4-WD-4	FHLMC 1711 E 7.000% 03/15/23	02/01/2002	Paydown		8,946	8,946	8,868	8,946	39					104		1
3133T4-WD-4	FHLMC 1711 E 7.000% 03/15/23	03/01/2002	Paydown		8,868	8,868	8,790	8,868	38					155		1
31359D-WK-5	FNMA 1993-160 H 6.500% 09/25/23	01/01/2002	Paydown		7,826	7,826	7,677	7,826	37					42		1
31388K-K6-8	FNMA 15 YR POOL 6.500% 10/01/16	01/01/2002	Paydown		11,482	11,482	11,787	11,482	(302)					62		1
31388K-K6-8	FNMA 15 YR POOL 6.500% 10/01/16	02/01/2002	Paydown		82,965	82,965	85,169	82,965	(2,180)					899		1
31388K-K6-8	FNMA 15 YR POOL 6.500% 10/01/16	03/01/2002	Paydown		11,088	11,088	11,382	11,088	(291)					180		1
31388Q-CM-9	FNMA 30 YR POOL # 6.500% 10/01/31	01/01/2002	Paydown		95,891	95,891	96,940	95,891	(1,044)					519		1
31388Q-CM-9	611276 FNMA 30 YR POOL # 6.500% 10/01/31	02/01/2002	Paydown		40,156	40,156	40,595	40,156	(437)					435		1
31388Q-CM-9	611276 FNMA 15 YR POOL 5.500% 12/01/16	03/01/2002	Paydown		27,484	27,484	27,784	27,484	(299)					447		1
31389D-QS-9	#622465 FNMA 15 YR POOL 5.500% 12/01/16	01/01/2002	Paydown		10,051	10,051	9,964	10,051	86					46		1
31389D-QS-9	#622465 FNMA 15 YR POOL 5.500% 12/01/16	02/01/2002	Paydown		14,137	14,137	14,015	14,137	121					130		1
31389D-QS-9	#622465 FNMA 15 YR POOL 5.500% 12/01/16	03/01/2002	Paydown		5,939	5,939	5,888	5,939	51					82		1
Total United States					556,261	556,261	551,041	556,261	(2,403)	0	0	0	0	5,189	XXX	XXX
3199999 - Bonds - Special Revenues					556,261	556,261	551,041	556,261	(2,403)	0	0	0	0	5,189	XXX	XXX
Industrial & Miscellaneous United States																
00077B-UD-3	ABN AMRO MORTGAGE CORP 6.750% 07/25/31 2001-3 B3	12/01/2001	Paydown		555	555	422	555	131					3		3
00077B-UD-3	ABN AMRO MORTGAGE CORP 6.750% 07/25/31 2001-3 B3	01/01/2002	Paydown		561	561	427	561	133					6		3
00077B-UD-3	ABN AMRO MORTGAGE CORP 6.750% 07/25/31 2001-3 B3	02/01/2002	Paydown		569	569	434	569	135					10		3
00077B-UD-3	ABN AMRO MORTGAGE CORP 6.750% 07/25/31 2001-3 B3	03/01/2002	Paydown		585	585	445	585	138					13		3
060506-T5-1	BANK OF AMERICA MTG 6.750% 08/25/31 SEC 2001-8 1B4	01/01/2002	Paydown		661	661	510	661	151					4		3
060506-T5-1	BANK OF AMERICA MTG 6.750% 08/25/31 SEC 2001-8 1B4	02/01/2002	Paydown		667	667	515	667	152					8		3
060506-T5-1	BANK OF AMERICA MTG 6.750% 08/25/31 SEC 2001-8 1B4	03/01/2002	Paydown		678	678	523	678	155					11		3
07383F-DB-1	BEAR STEARNS COMM MTG 0.259% 11/15/19 2000 WF1 X	01/01/2002	Paydown				493		(479)					5		1
07383F-DB-1	BEAR STEARNS COMM MTG 0.259% 11/15/19 2000 WF1 X	02/01/2002	Paydown				496		(482)					10		1

STATEMENT AS OF MARCH 31,2002 OF THE CENTRAL RESERVE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identi- fication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Design- ation (a)
07383F-DB-1	BEAR STEARNS COMM NTG 0.259% 11/15/19															
126690-DK-9	2000 WF1 X	03/01/2002	Paydown				781		(758)					25		1
126690-DK-9	CWMBS INC 1993-3 B1 7.000% 10/25/23	01/01/2002	Paydown		17,375	17,375	17,094	17,375	229					101		2
126690-DK-9	CWMBS INC 1993-3 B1 7.000% 10/25/23	02/01/2002	Paydown		16,496	16,496	16,229	16,496	218					192		2
126690-DK-9	CWMBS INC 1993-3 B1 7.000% 10/25/23	03/01/2002	Paydown		8,778	8,778	8,635	8,778	116					154		2
126690-NB-8	CWMBS INC 1993-13 B1 6.375% 02/25/24	01/01/2002	Paydown		2,049	2,049	1,859	2,049	156					11		2
126690-NB-8	CWMBS INC 1993-13 B1 6.375% 02/25/24	02/01/2002	Paydown		3,279	3,279	2,975	3,279	250					35		2
126690-NB-8	CWMBS INC 1993-13 B1 6.375% 02/25/24	03/01/2002	Paydown		2,358	2,358	2,139	2,358	180					38		2
126690-ZP-4	CWMBS INC 1994-11 B1 6.500% 05/25/24	01/01/2002	Paydown		9,935	9,935	8,923	9,935	861					54		2
126690-ZP-4	CWMBS INC 1994-11 B1 6.500% 05/25/24	02/01/2002	Paydown		6,363	6,363	5,715	6,363	551					69		2
126690-ZP-4	CWMBS INC 1994-11 B1 6.500% 05/25/24	03/01/2002	Paydown		7,445	7,445	6,687	7,445	645					121		2
165069-AC-9	CHESAPEAKE & POTOMAC 5.875% 06/01/04 TEL CO	03/01/2002	Call	100.0000	500,000	500,000	474,670	493,292	429					7,344		1PE
268766-AC-6	EOP OPERATING LP 6.375% 02/15/03	03/11/2002	AUTRANET INC		1,020,000	1,000,000	1,029,410	1,021,371	(4,603)			6,708	6,708	37,010		2PE
31331F-AG-6	FEDERAL EXPRESS 7.530% 09/23/06	03/23/2002	Redemption	100.0000	23,769	23,769	23,769	23,769				(1,371)	(1,371)	895		2PE
36157L-UP-1	GECMS 1993-17 B1 6.500% 12/25/23	01/01/2002	Paydown		34,201	34,201	32,929	34,201	1,080					185		1PE
36157L-UP-1	GECMS 1993-17 B1 6.500% 12/25/23	02/01/2002	Paydown		18,772	18,772	18,074	18,772	593					203		1PE
36157L-UP-1	GECMS 1993-17 B1 6.500% 12/25/23	03/01/2002	Paydown		28,043	28,043	27,000	28,043	886					456		1PE
36157R-N7-6	GECMS 1999-10 A2 6.250% 04/25/14	01/01/2002	Paydown		81,718	81,718	83,927	81,718	(2,165)					426		1Z*
36157R-N7-6	GECMS 1999-10 A2 6.250% 04/25/14	02/01/2002	Paydown		48,890	48,890	50,212	48,890	(1,295)					509		1Z*
36157R-N7-6	GECMS 1999-10 A2 6.250% 04/25/14	03/01/2002	Paydown		55,185	55,185	56,676	55,185	(1,462)					862		1Z*
36157R-V7-7	GECMS 1999-9 B3 6.750% 04/25/29	01/01/2002	Paydown		715	715	569	715	141					4		3
36157R-V7-7	GECMS 1999-9 B3 6.750% 04/25/29	02/01/2002	Paydown		719	719	572	719	142					8		3
36157R-V7-7	GECMS 1999-9 B3 6.750% 04/25/29	03/01/2002	Paydown		727	727	578	727	144					12		3
438116-AD-7	HONDA AUTO LEASE TRUST 6.450% 09/16/02															
438116-AD-7	1999-A A4	01/15/2002	Paydown		220,767	220,767	218,835	220,767	51					1,187		1PE
44182D-HG-7	HOUSING SECURITIES INC 7.000% 09/25/23															
44182D-HG-7	1993-F F9M3	01/01/2002	Paydown		15,145	15,145	15,024	15,145	112					88		2
44182D-HG-7	HOUSING SECURITIES INC 7.000% 09/25/23															
44182D-HG-7	1993-F F9M3	02/01/2002	Paydown		12,634	12,634	12,533	12,634	94					147		2
44182D-HG-7	HOUSING SECURITIES INC 7.000% 09/25/23															
44182D-HG-7	1993-F F9M3	03/01/2002	Paydown		10,523	10,523	10,439	10,523	78					184		2
61745M-LE-1	MORGAN STANLEY CAPITAL 0.392% 12/15/31															
61745M-LE-1	1 1999-RM1 X	01/01/2002	Paydown				562		(545)					8		1
61745M-LE-1	MORGAN STANLEY CAPITAL 0.392% 12/15/31															
61745M-LE-1	1 1999-RM1 X	02/01/2002	Paydown				566		(548)					15		1
61745M-LE-1	MORGAN STANLEY CAPITAL 0.392% 12/15/31															
61745M-LE-1	1 1999-RM1 X	03/01/2002	Paydown				819		(794)					33		1
66937R-LR-8	NORWEST ASSET 6.500% 02/25/29 SECURITIES CORP 1999-1 B4	01/01/2002	Paydown		512	512	404	512	106					3		3
66937R-LR-8	NORWEST ASSET 6.500% 02/25/29 SECURITIES CORP 1999-1 B4	02/01/2002	Paydown		525	525	415	525	108					6		3

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Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identi- fication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Design- ation (a)
66937R-LR-8	NORWEST ASSET 6.500% 02/25/29 SECURITIES CORP 1999-1 B4	03/01/2002	Paydown		524	524	414	524	108					9		3
66937R-MS-5	NORWEST ASSET 6.000% 03/25/14 SECURITIES CORP 1999-5 A7	01/01/2002	Paydown		80,744	80,744	82,131	80,744	(1,350)					404		12*
66937R-MS-5	NORWEST ASSET 6.000% 03/25/14 SECURITIES CORP 1999-5 A7	02/01/2002	Paydown		81,548	81,548	82,950	81,548	(1,363)					815		12*
66937R-MS-5	NORWEST ASSET 6.000% 03/25/14 SECURITIES CORP 1999-5 A7	03/01/2002	Paydown		84,209	84,209	85,656	84,209	(1,408)					1,263		12*
69348H-DL-9	PNC MORTGAGE 1.368% 03/12/21 ACCEPTANCE CORP 2001-C1 X	12/01/2001	Paydown				350		(329)					5		1
69348H-DL-9	PNC MORTGAGE 1.368% 03/12/21 ACCEPTANCE CORP 2001-C1 X	01/01/2002	Paydown				270		(253)					(2,179)		1
69348H-DL-9	PNC MORTGAGE 1.368% 03/12/21 ACCEPTANCE CORP 2001-C1 X	02/01/2002	Paydown				272		(255)					11		1
69348H-DL-9	PNC MORTGAGE 1.368% 03/12/21 ACCEPTANCE CORP 2001-C1 X	03/01/2002	Paydown				521		(489)					27		1
695927-CM-3	PAINE WEBBER MTG ACCEP 6.875% 06/25/08 CORP 1993-5 M1	01/01/2002	Paydown		7,306	7,306	7,238	7,306	51					42		1PE
695927-CM-3	PAINE WEBBER MTG ACCEP 6.875% 06/25/08 CORP 1993-5 M1	02/01/2002	Paydown		7,021	7,021	6,956	7,021	49					80		1PE
695927-CM-3	PAINE WEBBER MTG ACCEP 6.875% 06/25/08 CORP 1993-5 M1	03/01/2002	Paydown		8,533	8,533	8,453	8,533	59					147		1PE
695927-DB-6	PAINE WEBBER MTG ACCEP 7.500% 07/25/23 CORP 1993-7 M2	01/01/2002	Paydown		23,094	23,094	23,080	23,094	51					144		1PE
695927-DB-6	PAINE WEBBER MTG ACCEP 7.500% 07/25/23 CORP 1993-7 M2	02/01/2002	Paydown		4,470	4,470	4,467	4,470	10					56		1PE
695927-DB-6	PAINE WEBBER MTG ACCEP 7.500% 07/25/23 CORP 1993-7 M2	03/01/2002	Paydown		16,520	16,520	16,510	16,520	36					310		1PE
74434T-UA-3	PRU HOME MTGE 1993-43 6.750% 10/25/23 M	01/01/2002	Paydown		32,740	32,740	32,714	32,740	47					184		1PE
74434T-UA-3	PRU HOME MTGE 1993-43 6.750% 10/25/23 M	02/01/2002	Paydown		19,557	19,557	19,542	19,557	28					220		1PE
74434T-UA-3	PRU HOME MTGE 1993-43 6.750% 10/25/23 M	03/01/2002	Paydown		25,998	25,998	25,978	25,998	38					439		1PE
760972-R7-6	RESIDENTIAL FUNDING 6.250% 10/25/13 MTG SEC 1 1998 S25 A2	01/01/2002	Paydown		99,973	99,973	102,399	99,973	(2,356)					521		1PE
760972-R7-6	RESIDENTIAL FUNDING 6.250% 10/25/13 MTG SEC 1 1998 S25 A2	02/01/2002	Paydown		73,720	73,720	75,508	73,720	(1,738)					768		1PE
760972-R7-6	RESIDENTIAL FUNDING 6.250% 10/25/13 MTG SEC 1 1998 S25 A2	03/01/2002	Paydown		48,773	48,773	49,956	48,773	(1,150)					762		1PE
786514-AV-1	SAFEWAY INC 6.050% 11/15/03	03/22/2002	BANC ONE CAPITAL CORP		1,023,070	1,000,000	1,038,570	1,029,963	(4,227)			(6,893)	(6,893)	22,183		2PE
84348Q-AJ-6	SOUTHERN NEW ENGLAND 6.500% 02/15/02 SER 2	02/15/2002	Maturity		250,000	250,000	248,313	250,000	98					8,125		1PE
909317-AR-0	UNITED AIR LINES 7.783% 01/01/14 2000-1 A1	01/01/2002	Paydown		45,517	45,517	45,517	45,517						1,771		2
94976H-AQ-8	WELLS FARGO MBS 7.500% 12/25/30 2000-13 B4	01/01/2002	Paydown		582	582	465	582	105					4		2Z
94976H-AQ-8	WELLS FARGO MBS 7.500% 12/25/30 2000-13 B4	02/01/2002	Paydown		574	574	459	574	104					7		2Z
94976H-AQ-8	WELLS FARGO MBS 7.500% 12/25/30 2000-13 B4	03/01/2002	Paydown		547	547	437	547	99					10		2Z
Total United States					4,086,219	4,043,149	4,092,412	4,087,774	(19,000)	0	0	(1,556)	(1,556)	86,584	XXX	XXX

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Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

