



QUARTERLY STATEMENT

As of March 31, 2002
of the Condition and Affairs of the

PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY

NAIC Group Code.....155, 155
(Current Period) (Prior Period)

Organized under the Laws of OHIO
Incorporated..... October 26, 1967

Statutory Home Office 6300 WILSON MILLS ROAD, W33..... MAYFIELD VILLAGE OH 44143-2182
(Street and Number) (City or Town, State and Zip Code)
Main Administrative Office 6300 WILSON MILLS ROAD, W33..... MAYFIELD VILLAGE OH 44143-2182 440-461-5000
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)
Mail Address 6300 WILSON MILLS ROAD, W33..... MAYFIELD VILLAGE OH 44143-2182
(Street and Number or P. O. Box) (City or Town, State and Zip Code)
Primary Location of Books and Records 6300 WILSON MILLS ROAD, W33..... MAYFIELD VILLAGE OH 44143-2182 440-461-5000
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)
Internet Website Address PROGRESSIVE.COM
Statement Contact ROBERT WILLIAM HEIN 440-395-4460
(Name) 440-446-7168
Financial_Reporting@Progressive.com (Fax Number)
(E-Mail Address)
Policyowner Relations Contact 300 N. COMMONS BLVD. OHT62..... MAYFIELD VILLAGE OH 44143-2182
(Street and Number) (City or Town, State and Zip Code)

POLICYHOLDER SERVICES AND CLAIMS REPORTING -- 1-800 PROGRESSIVE (1-800-776-4737)

OFFICERS

President CHARLES CLIFFORD BOUCHERLE

Treasurer DIANE MARIE BOICH

Secretary DANE ALLEN SHRALLOW

VICE PRESIDENTS

JEFFREY WAYNE BASCH (VICE PRESIDENT)
WILLIAM THOMAS FORRESTER, II (VICE PRESIDENT)
TIMOTHY FRANCIS KASELONIS (ASST. VICE PRESIDENT)
JAMES LEE KUSMER (VP/ASST. TREASURER)
DANE ALLEN SHRALLOW (VICE PRESIDENT)

KATHLEEN MARY CERNY (ASST. SECRETARY)
CHARLES ELWOOD JARRETT (VICE PRESIDENT)
THOMAS ALFRED KING (VICE PRESIDENT)
STEPHEN DAVID PETERSON (ASST. TREASURER)

DIRECTORS OR TRUSTEES

CHARLES CLIFFORD BOUCHERLE
GLENN MORRIS RENWICK

WILLIAM THOMAS FORRESTER, II

THOMAS ALFRED KING

JAMES LEE KUSMER

State of..... OHIO
County of..... CUYAHOGA

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.

(Signature)
CHARLES CLIFFORD BOUCHERLE
(Printed Name)
President

(Signature)
KATHLEEN MARY CERNY
(Printed Name)
Assistant Secretary

(Signature)
DIANE MARIE BOICH
(Printed Name)
Treasurer

Subscribed and sworn to before me this
.....day of May, 2002

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
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.....	6,546,095		6,546,095	5,881,604
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	.500		500	.500
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Policy loans.....			0	
6. Premium notes, including \$.....0 for first year premiums.....			0	
7. Cash (\$.....0) and short-term investments (\$.....0).....			0	
8. Other invested assets.....			0	
9. Receivable for securities.....			0	
10. Aggregate write-ins for invested assets.....	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10).....	6,546,595	0	6,546,595	5,882,104
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers.....			0	
12.2 Commissions and expense allowances due.....			0	
12.3 Experience rating and other refunds due.....			0	
12.4 Other amounts receivable under reinsurance contracts.....			0	
13. Electronic data processing equipment and software.....			0	
14. Federal and foreign income tax recoverable and interest thereon (including \$.....0 net deferred tax asset).....			0	
15. Guaranty funds receivable or on deposit.....			0	
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$.....0 loading).....			0	
17. Accident and health premiums due and unpaid.....			0	
18. Investment income due and accrued.....	96,099		96,099	44,379
19. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
20. Receivable from parent, subsidiaries and affiliates.....	4,842		4,842	679,008
21. Amounts receivable relating to uninsured accident and health plans.....			0	
22. Amounts due from agents.....			0	
23. Other assets nonadmitted.....			0	
24. Aggregate write-ins for other than invested assets.....	3,330	3,330	0	0
25. Total assets excluding Separate Accounts business (Lines 11 to 24).....	6,650,866	3,330	6,647,536	6,605,491
26. From Separate Accounts Statement.....			0	
27. Total (Lines 25 and 26).....	6,650,866	3,330	6,647,536	6,605,491

DETAILS OF WRITE-INS

1001.			0	
1002.			0	
1003.			0	
1098. Summary of remaining write-ins for Line 10 from overflow page.....	0	0	0	0
1099. Totals (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	0	0	0	0
2401. NET PREMIUM TAX DEPOSIT.....	3,330	3,330	0	
2402.			0	
2403.			0	
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	3,330	3,330	0	0

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$.....0 less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....		
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....		
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve).....		
4. Contract claims:		
4.1 Life.....		
4.2 Accident and health.....		
5. Policyholders' dividends \$.....0 and coupons \$.....0 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 \$.....0 Modco Reserve).....		
6.2 Dividends not yet apportioned (including \$.....0 Modco Reserve).....		
6.3 Coupons and similar benefits (including \$.....0 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 \$.....0 discount; including \$.....0 accident and health premiums.....		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including \$.....0 accident and health experience rating refunds.....		
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded.....		
9.4 Interest Maintenance Reserve.....	368,339	384,554
10. Commissions to agents due or accrued-life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....		
11. Commissions and expense allowances payable on reinsurance assumed.....	1,000	1,000
12. General expenses due or accrued.....		
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes.....	42,170	42,032
15. Federal and foreign income taxes, including \$....5,675 on realized capital gains (losses) (including \$....12,366 net deferred tax liability).....	30,332	13,613
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....		
18. Amounts held for agents' account, including \$.....0 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 \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve.....	14,906	17,751
24.2 Reinsurance in unauthorized companies.....		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers.....		
24.4 Payable to parent, subsidiaries and affiliates.....		
24.5 Drafts outstanding.....	2,259	2,014
24.6 Liability for amounts held under uninsured accident and health plans.....		
24.7 Funds held under coinsurance.....		
24.8 Payable for securities.....		
24.9 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	16	16
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25).....	459,022	460,980
27. From Separate Accounts Statement.....		
28. Total Liabilities (Line 26 and 27).....	459,022	460,980
29. Common capital stock.....	2,500,000	2,500,000
30. Preferred capital stock.....		
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus.....	9,364,125	9,364,125
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	(5,675,611)	(5,719,614)
36. Less treasury stock, at cost:		
36.1 ....0.000 shares common (value included in Line 29 \$.....0).....		
36.2 ....0.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	3,688,514	3,644,511
38. Totals of Lines 29, 30 and 37.....	6,188,514	6,144,511
39. Totals of Lines 28 and 38.....	6,647,536	6,605,491

DETAILS OF WRITE-INS

2501. OUTSIDE SERVICES PAYABLE.....	16	16
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	16	16
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
SUMMARY OF OPERATIONS
(Excluding Unrealized Capital Gains and Losses)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts.....			
2. Considerations for supplementary contracts with life contingencies.....			
3. Net investment income.....	72,942	127,051	475,107
4. Amortization of Interest Maintenance Reserve (IMR).....	16,215	19,154	52,511
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....			
6. Commissions and expense allowances on reinsurance ceded.....			
7. Reserve adjustments on reinsurance ceded.....			
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.....	.0	.0	0
8.3 Aggregate write-ins for miscellaneous income.....			
9. Totals (Lines 1 to 8.3).....	89,157	146,205	527,618
10. Death benefits.....		(1)	(2)
11. Matured endowments (excluding guaranteed annual pure endowments).....			
12. Annuity benefits.....			
13. Disability benefits and benefits under accident and health contracts.....			
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.....			
18. Payments on supplementary contracts with life contingencies.....		(29)	(94)
19. Increase in aggregate reserves for life and accident and health contracts.....			
20. Totals (Lines 10 to 19).....	.0	(30)	(96)
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....			
22. Commissions and expense allowances on reinsurance assumed.....			
23. General insurance expenses.....	1,026		(43)
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	24,722	21,808	38,322
25. Increase in loading on deferred and uncollected premiums.....			
26. Net transfers to or (from) Separate Accounts.....			
27. Aggregate write-ins for deductions.....	2,202	9,105	29,126
28. Totals (Lines 20 to 27).....	27,950	30,883	67,309
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	61,207	115,322	460,309
30. Dividends to policyholders.....			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	61,207	115,322	460,309
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	17,966	33,689	154,754
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).....	43,241	81,633	305,555
34. Net realized capital gains or (losses) less capital gains tax of \$.....0 (excluding taxes of \$.....0 and transferred to the IMR).....			46,034
35. Net income (Line 33 plus Line 34).....	43,241	81,633	351,589
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year.....	6,144,511	8,202,979	8,202,979
37. Net income (Line 35).....	43,241	81,633	351,589
38. Change in net unrealized capital gains (losses).....			
39. Change in net unrealized foreign exchange capital gain (loss).....			
40. Change in net deferred income tax.....	1,247	(455)	(27,043)
41. Change in nonadmitted assets and related items.....	(3,330)	455	13,429
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.....	2,845	1,985	3,557
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.....			
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.....			(2,400,000)
51.2 Transferred to capital (Stock Dividend).....			
51.3 Transferred from capital.....			
51.4 Change in surplus as a result of reinsurance.....			
52. Dividends to stockholders.....			
53. Aggregate write-ins for gains and losses in surplus.....	0	0	0
54. Net change in capital and surplus (Lines 37 through 53).....	44,003	83,618	(2,058,468)
55. Capital and surplus as of statement date (Lines 36 + 54).....	6,188,514	8,286,597	6,144,511

DETAILS OF WRITE-INS

08.301.			
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	.0	.0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	.0	.0	0
2701. INTEREST EXPENSE ON BALANCES PAYABLE TO AFFILIATES.....	2,202	9,105	29,126
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page.....	.0	.0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	2,202	9,105	29,126
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page.....	.0	.0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....	.0	.0	0

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
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 contracts.....		
2. Charges and fees for deposit-type contracts.....		
3. Considerations for supplementary contracts with life contingencies.....		
4. Net investment income.....	.23,684	606,994
5. Commissions and expense allowances on reinsurance ceded.....		
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts.....		
7. Aggregate write-ins for miscellaneous income.....	0	0
8. Total (Lines 1 to 7).....	.23,684	606,994
9. Death benefits.....		
10. Matured endowments.....		
11. Annuity benefits.....		
12. Disability benefits and benefits under accident and health contracts.....		
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).....	0	0
19. Commissions on premiums, annuity considerations and deposit-type contract funds.....		
20. Commissions and expense allowances on reinsurance assumed.....		
21. General insurance expenses.....	1,026	(43)
22. Insurance taxes, licenses and fees, excluding federal income taxes.....	24,584	42,591
23. Net transfers to or (from) Separate Accounts.....		
24. Aggregate write-ins for deductions.....	2,202	29,124
25. Total (Lines 18 to 24).....	.27,812	71,672
26. Dividends paid to policyholders.....		
27. Federal income taxes (excluding tax on capital gains).....	2,494	154,754
28. Total (Lines 25 to 27).....	.30,306	226,426
29. Net cash from operations (Line 8 minus Line 28).....	(6,622)	380,568
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds.....		6,434,684
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.....		
30.8 Total investment proceeds (Lines 30.1 to 30.7).....	0	6,434,684
31. Net tax on capital gains (losses).....	0	6,434,684
32. Total (Line 30.8 minus Line 31).....	0	6,434,684
33. Cost of investments acquired (long-term only):		
33.1 Bonds.....	667,789	3,643,968
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).....	667,789	3,643,968
34. Net increase (or decrease) in policy loans and premium notes.....		
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34).....	(667,789)	2,790,716
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in.....		(2,400,000)
36.2 Borrowed money \$.....0 less amounts repaid \$.....0		
36.3 Capital notes \$.....0 less amounts repaid \$.....0		
36.4 Deposits on deposit-type contracts funds and other liabilities without life or disability contingencies.....		
36.5 Other cash provided.....	.674,411	.571
36.6 Total (Lines 36.1 to 36.5).....	.674,411	(2,399,429)
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).....		771,855
37.5 Total (Lines 37.1 to 37.4).....	.0	771,855
38. Net cash from financing and miscellaneous sources (Lines 36.6 minus Line 37.5).....	.674,411	(3,171,284)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38).....	.0	.0
40. Cash and short-term investments:		
40.1 Beginning of year.....	0	0
40.2 End of period (Line 39 plus Line 40.1).....	0	0

DETAILS OF WRITE-INS

0701.....		
0702.....		
0703.....		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	0	0
0799. Total (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	0	0
2401. INTEREST EXPENSE TO ALLIATES.....	2,202	29,124
2402.....		
2403.....		
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0
2499. Total (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	2,202	29,124

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
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.....			
3. Ordinary individual annuities.....			
4. Credit life (group & individual).....			
5. Group life insurance.....			
6. Group annuities.....			
7. A&H - group.....			
8. A&H - credit (group & individual).....			
9. A&H - other.....			
10. Aggregate of all other lines of business.....	0	0	0
11. Subtotal.....	0	0	0
12. Deposit-type contracts.....			
13. Total.....	0	0	0

NONE

DEALS OF WRITE-INS			
1001.....			
1002.....			
1003.....			
1098. Summary of remaining write-ins for Line 10 from overflow page.....	0	0	0
1099. Total (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	0	0	0

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
NOTES TO FINANCIAL STATEMENTS

Income Taxes

The Company's Federal income tax return is consolidated with TPC and all its wholly-owned United States subsidiaries (the "Group"). The method of allocation between the companies is subject to written agreement and is jointly approved by an officer of TPC and the Company. The allocation is based upon separate tax return calculations with current credit for net losses or other items utilized in the consolidated tax return. Intercompany tax balances are settled monthly.

The amount of Federal income taxes incurred and available for recoupment by the Company in the event of future net losses is equal to approximately \$17,966 for the current tax year and \$154,120 for the first preceding year. The amounts that can be recouped may be subject to the alternative minimum tax rules, and therefore may be limited.

The components of the net deferred tax asset ("DTA") are as follows:

Description	March 31, 2002	December 31, 2001
Gross deferred tax assets	\$ 15,198	\$ 15,198
Gross deferred tax liabilities	27,564	28,811
Net deferred tax assets	(12,366)	(13,613)
Non-admitted deferred tax assets	--	--
Net admitted deferred tax assets	\$ (12,366)	\$ (13,613)
Increase (decrease) in non-admitted deferred tax assets	\$ --	\$ (13,430)

The significant components of the provision for Federal income tax are as follows:

Description	2002	2001
Current income tax expense	\$ 17,966	\$ 105,398
Prior year underaccrual (overaccrual)	--	574
Current income taxes incurred	\$ 17,966	\$ 105,972

The significant components of the 2002 DTAs and deferred taxliabilities ("DTLs") are as follows:

DTAs Resulting from Statutory/Tax Difference in	March 31, 2002	December 31, 2001	Change
Unpaid losses and LAE	\$ 89	\$ 89	\$ --
Non-deductible reserves	15,109	15,109	--
Intercompany deferred loss	--	--	--
Gross DTAs	\$ 15,198	\$ 15,198	\$ --
Non-admitted DTAs	\$ --	\$ --	\$ --

DTLs Resulting from Statutory/Tax Difference in	March 31, 2002	December 31, 2001	Change
Bond market discount	\$ 982	\$ 622	\$ 360
Intercompany deferred gains	26,582	28,189	(1,067)
Gross DTLs	\$ 27,564	\$ 28,811	\$ (1,247)

The change in net deferred income taxes is comprised of the following (this analysis excludes non-admitted assets; the change in non-admitted assets is reported separately from the change in net deferred income taxes in the Underwriting and Investment Exhibit):

Description	March 31, 2002	December 31, 2001	Change
Total deferred tax assets	\$ 15,198	\$ 15,198	\$ --
Total deferred tax liabilities	27,564	28,811	(1,247)
Net deferred tax asset (liability)	\$ (12,366)	\$ (13,613)	1,247
Tax effect of unrealized gains (losses)			--
Change in net deferred income tax			\$ 1,247

The provision for Federal income tax in the accompanying statutory-basis statements of income differs from the statutory rate. The significant statutory to tax adjustments are as follows:

Description	Amount	Tax Effect at 35%
Provision computed at statutory rate	\$ 21,422	35 %
Exempt interest income	(3,095)	(5)
Total	\$ 18,327	30 %
Federal and foreign income taxes incurred	\$ 17,966	29 %
Change in net deferred income taxes	(1,247)	(2)
Change in deferred from non-admitted assets and intercompany gains (losses)	1,608	3
Total statutory income taxes	\$ 18,327	30 %

17. Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable

B. Transfers and Servicing of Financial Assets

Not applicable

C. Wash Sales

The Company had no wash sales of securities with a NAIC rating of 3 or below during the year.

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since 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 name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that 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] N/A []

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.12/31/1997.....

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.12/31/1997.....

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).01/06/2000.....

7.4 By what department or departments? OHIO _____

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 (continued)

INVESTMENT

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

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.....	\$.....0	\$.....0
13.22 Preferred Stock.....	\$.....0	\$.....0
13.23 Common Stock.....	\$.....500	\$.....500
13.24 Short-Term Investments.....	\$.....0	\$.....0
13.25 Mortgages, Loans or Real Estate.....	\$.....0	\$.....0
13.26 All Other.....	\$.....0	\$.....0
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26).....	\$.....500	\$.....500
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$.....0	\$.....0
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above.....	\$.....0	\$.....0

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? If no, attach a description with this statement. Yes [] No []

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
The Bank of New York	One Wall St 14th Flr. New York, NY 10286

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

General Interrogatories-Part 2
NONE

Sch. A-Verification
NONE

Sch. B-Verification
NONE

Sch. BA-Verification
NONE

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.....	5,881,604	667,789		(3,298)	6,546,095			5,881,604
2. Class 2.....								
3. Class 3.....								
4. Class 4.....								
5. Class 5.....								
6. Class 6.....								
7. Total Bonds.....	5,881,604	667,789	.0	(3,298)	6,546,095	.0	.0	5,881,604
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	.0	0	.0	.0	0	0	0	0
15. Total Bonds and Preferred Stock.....	5,881,604	667,789	.0	(3,298)	6,546,095	.0	.0	5,881,604

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
8099999. Totals.....		XXX.....			

NONE

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	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.....	0	0	0	
2. Cost of short-term investments acquired.....				1,969
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.....				1,969
7. Book/adjusted carrying value, current period.....	0	0	0	0
8. Total valuation allowance.....				
9. Subtotal (Lines 7 plus 8).....	0	0	0	0
10. Total nonadmitted amounts.....				
11. Statement value (Lines 9 minus 10).....	0	0	0	0
12. Income collected during period.....	87			480
13. Income earned during period.....	87			480

Sch. DB-Part F-Section 1
NONE

Sch. DB-Part F-Section 2
NONE

Sch. S
NONE

PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

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, Mem- bership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations	
		2 Life Insurance Premiums	3 Annuity Considerations				
1. Alabama.....	.AL	YES.....					
2. Alaska.....	.AK	YES.....					
3. Arizona.....	.AZ	YES.....					
4. Arkansas.....	.AR	YES.....					
5. California.....	.CA	YES.....					
6. Colorado.....	.CO	YES.....					
7. Connecticut.....	.CT	YES.....					
8. Delaware.....	.DE	YES.....					
9. District of Columbia.....	.DC	YES.....					
10. Florida.....	.FL	NO.....					
11. Georgia.....	.GA	YES.....					
12. Hawaii.....	.HI	NO.....					
13. Idaho.....	.ID	YES.....					
14. Illinois.....	.IL	YES.....					
15. Indiana.....	.IN	YES.....					
16. Iowa.....	.IA	YES.....					
17. Kansas.....	.KS	NO.....					
18. Kentucky.....	.KY	YES.....					
19. Louisiana.....	.LA	YES.....					
20. Maine.....	.ME	NO.....					
21. Maryland.....	.MD	YES.....					
22. Massachusetts.....	.MA	YES.....					
23. Michigan.....	.MI	YES.....					
24. Minnesota.....	.MN	YES.....					
25. Mississippi.....	.MS	YES.....					
26. Missouri.....	.MO	NO.....					
27. Montana.....	.MT	YES.....					
28. Nebraska.....	.NE	YES.....					
29. Nevada.....	.NV	YES.....					
30. New Hampshire.....	.NH	NO.....					
31. New Jersey.....	.NJ	NO.....					
32. New Mexico.....	.NM	YES.....					
33. New York.....	.NY	NO.....					
34. North Carolina.....	.NC	YES.....					
35. North Dakota.....	.ND	YES.....					
36. Ohio.....	.OH	YES.....					
37. Oklahoma.....	.OK	YES.....					
38. Oregon.....	.OR	YES.....					
39. Pennsylvania.....	.PA	NO.....					
40. Rhode Island.....	.RI	YES.....					
41. South Carolina.....	.SC	YES.....					
42. South Dakota.....	.SD	YES.....					
43. Tennessee.....	.TN	YES.....					
44. Texas.....	.TX	YES.....					
45. Utah.....	.UT	YES.....					
46. Vermont.....	.VT	NO.....					
47. Virginia.....	.VA	YES.....					
48. Washington.....	.WA	YES.....					
49. West Virginia.....	.WV	YES.....					
50. Wisconsin.....	.WI	YES.....					
51. Wyoming.....	.WY	NO.....					
52. American Samoa.....	.AS	NO.....					
53. Guam.....	.GU	NO.....					
54. Puerto Rico.....	.PR	NO.....					
55. US Virgin Islands.....	.VI	NO.....					
56. Canada.....	.CN	NO.....					
57. Aggregate Other Alien.....	OT	XXX.....	0	0	0	0	0
58. Subtotal.....		(a).....40	0	0	0	0	0
90. Reporting entity contributions for employee benefit plans.....		XXX.....					
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 other amounts not allocable by State.....		XXX.....	0	0	0	0	0
95. Totals (Direct Business).....		XXX.....	0	0	0	0	0
96. Plus Reinsurance Assumed.....		XXX.....					
97. Totals (All Business).....		XXX.....	0	0	0	0	0
98. Less Reinsurance Ceded.....		XXX.....	0	0	0	0	0
99. Totals (All Business) less Reinsurance Ceded.....		XXX.....	0	0	0	0	0

DETAILS OF WRITE-INS

5701.....		XXX.....					
5702.....		XXX.....					
5703.....		XXX.....					
5798. Summary of remaining write-ins for line 57 from overflow page.....		XXX.....	0	0	0	0	0
5799. Total (Lines 5701 thru 5703 plus 5798) (Line 57 above).....		XXX.....	0	0	0	0	0
9401.....		XXX.....					
9402.....		XXX.....					
9403.....		XXX.....					
9498. Summary of remaining write-ins for line 94 from overflow page.....		XXX.....	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....		XXX.....	0	0	0	0	0

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

NONE

Statement as of March 31, 2002 of the **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
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 supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the SVO Compliance Certification be filed with this statement?

YES

2. Will the Trusted Surplus Statement be filed with the State of Domicile and the NAIC with this statement?

NO

EXPLANATIONS:

NOT APPLICABLE

BAR CODE:



Overflow Page
NONE

Sch. A-Part 2
NONE

Sch. A-Part 3
NONE

Sch. B-Part 1
NONE

Sch. B-Part 2
NONE

Sch. BA-Part 1
NONE

Sch. BA-Part 2
NONE

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
Bonds - U.S. Government								
912827-7F-3.....	U.S. TREASURY NOTE 3.500 11 2006.....	....03/08/2002.....	HSBC SECURITIES INC.....	.....	.....667,789	.....700,000	.....7,851	1.....
0399999.	Total - Bonds - U.S. Government.....	.....	.....	.....	.....667,789	.....700,000	.....7,851	....XXX.....
6099997.	Total - Bonds - Part 3.....	.....	.....	.....	.....667,789	.....700,000	.....7,851	....XXX.....
6099999.	Total - Bonds.....	.....	.....	.....	.....667,789	.....700,000	.....7,851	....XXX.....
7299999.	Total - Bonds, Preferred and Common Stocks.....	.....	.....	.....	.....667,789	.....XXX.....	.....7,851	....XXX.....

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues:.....0.

Sch. D-Part 4
NONE

Sch. DB-Part A-Section 1
NONE

Sch. DB-Part B-Section 1
NONE

Sch. DB-Part C-Section 1
NONE

Sch. DB-Part D-Section 1
NONE

Sch. E
NONE

Life Accident and Health Supplement for the Quarter Ending March 31, 2002 of the U. S. Branch of **PROGRESSIVE AMERICAN LIFE INSURANCE COMPANY**
Overflow Page for Write-Ins