



ANNUAL STATEMENT

For the Year Ended December 31, 2002
of the Condition and Affairs of the

UNIVERSAL GUARANTY LIFE INSURANCE COMPANY

NAIC Group Code..... 137, 137 (Current Period) (Prior Period) NAIC Company Code..... 70130 Employer's ID Number..... 31-0727974

Organized under the Laws of Ohio State of Domicile or Port of Entry Ohio
Country of Domicile US
Incorporated..... November 15, 1966 Commenced Business..... December 31, 1966

Statutory Home Office 65 East State Street, Suite 2100 Columbus OH 43215-4260
(Street and Number) (City or Town, State and Zip Code)
Main Administrative Office 5250 South Sixth Street Road Springfield IL 62703 877-881-1777
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)
Mail Address P.O. Box 5147 Springfield IL 62705-5147
(Street and Number or P. O. Box) (City or Town, State and Zip Code)
Primary Location of Books and Records 5250 South Sixth Street Road Springfield IL 62703 877-881-1777
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)
Internet Website Address www.unitedtrustgroup.com
Statement Contact Theodore Clayton Miller 877-881-1777
(Name) (Area Code) (Telephone Number) (Extension)
accounting@unitedtrustgroup.com 217-241-6578
(E-Mail Address) (Fax Number)
Policyowner Relations Contact 5250 South Sixth Street Road Springfield IL 62703 800-323-0050
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President Randall Lanier Attkisson Treasurer Theodore Clayton Miller
Secretary Theodore Clayton Miller Actuary Wilfred Joseph Albracht

VICE PRESIDENTS

Michael Keith Borden Joyce Marie Copp Douglas August Dockter Patricia Grace Fowler
Theodore Clayton Miller James Patrick Rousey Brad Marshall Wilson

DIRECTORS OR TRUSTEES

Randall Lanier Attkisson Jesse Thomas Correll John W Croswell Dennis Thomas Ditto
Robert Woodson Teater

State of.....Illinois
County of.....Sangamon

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) Randall Lanier Attkisson _____ (Printed Name) President	_____ (Signature) Theodore Clayton Miller _____ (Printed Name) Secretary	_____ (Signature) Theodore Clayton Miller _____ (Printed Name) Treasurer
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Subscribed and sworn to before me this
.....6th.....day ofFebruary....., 2003

- a. Is this an original filing? Yes [X] No []
b. If no: 1. State the amendment number
2. Date filed.....
3. Number of pages attached.....

SCHEDULE A - PART 1

Showing all Real Estate OWNED December 31 of Current Year

1 Description of Property	Location		4 Date Acquired	5 Date of Last Appraisal	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Fair Value Less Encumbrances	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Amounts Received During Year	13 Expended for Additions, Permanent Improvements and Changes in Encumbrances During Year	14 Gross Income Earned Less Interest Incurred on Encumbrances	15 Taxes, Repairs, and Expenses Incurred
	2 City	3 State												
Properties Occupied by the Reporting Entity - Administrative														
Home Office.....	Springfield	IL.....	01/01/1992	0.....	4,379,056	0	2,029,272	2,029,272	(141,070)	0	0	3,025	0	71,577
0299999. Properties Occupied by the Reporting Entity - Administrative.....					4,379,056	0	2,029,272	2,029,272	(141,070)	0	0	3,025	0	71,577
0399999. Total - Properties Occupied by the Reporting Entity.....					4,379,056	0	2,029,272	2,029,272	(141,070)	0	0	3,025	0	71,577
Properties Held for Sale														
Country Place.....	Springfield	IL.....	01/01/1992	0.....	119,691	0	0	0	0	0	0	0	0	2,664
Toronto Terrace.....	Springfield	IL.....	01/01/1992	08/15/2000	1,215,521	0	656,716	656,716	0	0	0	0	0	2,224
14 Acres.....	Springfield	IL.....	01/01/1993	12/21/2000	885,655	0	62,953	62,953	0	0	0	0	1,588	338
Area A.....	Springfield	IL.....	01/01/1992	11/12/2000	472,633	0	450,000	450,000	0	0	0	0	680	11,048
Lake Pointe.....	Springfield	IL.....	01/01/1993	12/21/2000	2,079,342	0	294,371	294,371	0	0	0	0	295	4,632
0599999. Total - Properties Held for Sale.....					4,772,842	0	1,464,040	1,464,040	0	0	0	0	2,563	20,906
9999999. Totals.....					9,151,898	0	3,493,312	3,493,312	(141,070)	0	0	3,025	2,563	92,483

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Year

1	Location		4	5	6	7	8	9
Description of Property	2 City	3 State	Date Acquired	Name of Vendor	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Expended for Additions and Permanent Improvements

NONE

SCHEDULE A - PART 3

Showing all Real Estate SOLD During the Year, Including Payments During the Final Year on "Sales under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs, and Expenses Incurred
	2 City	3 State													
Property Sold															
Lake Pointe Lot 71.....	Springfield.....	IL.....	01/11/2002.	Larson.....	23,400	0	0	0	23,400	24,724	0	1,324	1,324	0	12
Lake Pointe 4th & 5th Phase.....	Springfield.....	IL.....	02/15/2002.	Lake Pointe Estates, LLC.....	405,524	0	0	0	405,524	405,524	0	0	0	0	0
Lake Pointe Lot 157.....	Springfield.....	IL.....	02/27/2002.	Fomeris.....	25,000	0	0	0	25,000	26,345	0	1,345	1,345	0	0
Lake Pointe Lot 106.....	Springfield.....	IL.....	05/24/2002.	O'Connor.....	24,400	0	0	0	24,400	25,268	0	868	868	0	17
Lake Pointe Lot 134.....	Springfield.....	IL.....	06/11/2002.	Giacomini.....	25,400	0	0	0	25,400	25,855	0	455	455	0	18
Lake Pointe Lot 104.....	Springfield.....	IL.....	06/19/2002.	Moody.....	24,400	0	0	0	24,400	25,757	0	1,357	1,357	0	6
Lake Pointe Lot 118.....	Springfield.....	IL.....	07/10/2002.	Dozier.....	23,400	0	0	0	23,400	24,669	0	1,269	1,269	0	6
Lake Pointe Lot 64.....	Springfield.....	IL.....	07/12/2002.	Krell.....	24,300	0	0	0	24,300	24,312	0	12	12	0	6
Lake Pointe Lot 132.....	Springfield.....	IL.....	08/14/2002.	Stapleton.....	25,400	0	0	0	25,400	26,246	0	846	846	0	8
Lake Pointe Lot 73.....	Springfield.....	IL.....	09/18/2002.	Hill.....	23,400	0	0	0	23,400	25,278	0	1,878	1,878	0	9
Lake Pointe Lot 119.....	Springfield.....	IL.....	11/04/2002.	Ott.....	23,400	0	0	0	23,400	24,388	0	987	987	0	10
Lake Pointe Lot 123.....	Springfield.....	IL.....	11/15/2002.	JNC, Inc.....	23,900	0	0	0	23,900	24,289	0	390	390	0	0
Lake Pointe Lot 111.....	Springfield.....	IL.....	12/10/2002.	Stapleton Jr.....	24,300	0	0	0	24,300	24,388	0	88	88	0	12
Lake Pointe Lot 109.....	Springfield.....	IL.....	12/10/2002.	Stapleton Jr.....	24,300	0	0	0	24,300	24,388	0	88	88	0	12
0199999. Total - Property Sold.....					720,524	0	0	0	720,524	731,431	0	10,907	10,907	0	116
9999999. Totals.....					720,524	0	0	0	720,524	731,431	0	10,907	10,907	0	116

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SCHEDULE B - PART 1

Showing all Mortgage Loans OWNED December 31 of Current Year

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Book Value/Recorded Investment Excluding Accrued Interest	8 Increase (Decrease) by Adjustment	9 Increase (Decrease) by Foreign Exchange Adjustment	10 Value of Land and Buildings	11 Date of Last Appraisal or Valuation
	2 City	3 State								
Mortgages in Good Standing										
Farm Mortgages										
024F518	Lexington	KY		12/01/2000	7.500	2,799,976	0	0	5,000,000	10/17/2000
0199999. Total - Mortgages in Good Standing - Farm Mortgages						2,799,976	0	0	5,000,000	XXX
Residential Mortgages - Insured or Guaranteed										
200558	Huntington	WV		04/28/1978	8.750	24,904	0	0	69,500	08/22/1978
025R001	Petersburg	VA		01/23/1978	8.500	10,652	0	0	41,000	06/15/1978
025R001	Richmond	VA		01/16/1978	8.500	12,884	0	0	34,000	02/23/1978
025R001	Matoaca	VA		12/15/1977	8.500	13,912	0	0	36,900	02/23/1978
025R001	Roanake	VA		12/06/1977	8.500	14,179	0	0	36,950	04/26/1978
025R001	Richmond	VA		01/27/1978	8.500	19,697	0	0	53,900	06/12/1978
0299999. Total - Mortgages in Good Standing - Residential Mortgages - Insured or Guaranteed						96,228	0	0	272,250	XXX
Residential Mortgages - All Other										
020A029	New Orleans	LA		10/11/1989	10.000	1,709	0	0	118,300	10/31/1978
024R006	Leesburg	VA		10/01/1979	10.500	26,831	0	0	96,000	11/07/1979
0399999. Total - Mortgages in Good Standing - Residential Mortgages - All Other						28,540	0	0	214,300	XXX
Commercial Mortgages - Insured or Guaranteed										
024F294	Somerset	KY		07/13/1999	7.750	1,830,145	0	0	3,800,000	07/01/1999
0499999. Total - Mortgages in Good Standing - Commercial Mortgages - Insured or Guaranteed						1,830,145	0	0	3,800,000	XXX
Commercial Mortgages - All Other										
024F296	Decatur	AL		12/30/1999	6.750	2,418,452	0	0	3,400,000	11/10/1999
024F500	Richmond	KY		05/29/1998	6.750	247,259	0	0	980,000	04/10/1998
024F503	Richmond	KY		06/05/2000	8.500	531,473	0	0	845,000	05/01/2000
024F504	Indianapolis	IN		06/19/2000	7.000	620,000	0	0	1,010,000	06/10/2000
024F506	New Albany	IN		05/11/1999	7.750	168,929	0	0	5,100,000	02/19/1999
024F507	Richmond	KY		07/19/2000	4.750	206,678	0	0	389,769	06/11/1999
024F58	Richmond	KY		07/19/2000	4.750	246,325	0	0	464,540	06/11/1999
024F509	Richmond	KY		07/19/2000	4.750	134,521	0	0	253,691	06/11/1999
024F510	Covington	KY		07/01/2000	8.750	1,183,371	0	0	3,050,000	06/26/1997
024F511	Barbourville	KY		08/08/2000	7.750	1,915,850	0	0	2,900,000	04/17/2000
024F513	Monticello	KY		08/15/2000	7.750	807,906	0	0	1,900,000	10/31/1997
024F514	Danville	KY		08/30/2000	5.750	488,147	0	0	715,000	06/14/1995
024F521	Raleigh	NC		01/12/2001	4.750	2,325,442	0	0	15,375,000	01/04/2001
024F524	Tuscaloosa	AL		03/11/2000	6.750	998,325	0	0	3,600,000	07/01/2000
024F525	Lexington	KY		05/16/2000	8.250	1,100,000	0	0	1,600,000	08/18/1999
024F526	Mt Washington	KY		07/27/2001	8.500	310,896	0	0	2,488,000	02/25/1998
024F527	Cattlesburg	KY		08/18/2000	7.000	2,660,232	0	0	6,600,000	08/17/2000
024F530	Corbin	KY		07/03/2002	5.750	1,852,243	0	0	5,720,000	06/24/2002
024F531	Warfield	KY		11/04/2002	5.750	730,695	0	0	961,538	10/24/2002
024H022	Oklahoma City	OK		08/29/1990	10.625	51,895	0	0	340,000	07/15/1987
0599999. Total - Mortgages in Good Standing - Commercial Mortgages - All Other						18,998,640	0	0	57,692,538	XXX
0799999. Total - Mortgages in Good Standing						23,753,528	0	0	66,979,088	XXX
Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure										
Residential Mortgages - All Other										
020C055	Junction City	KS		12/23/1986	6.500	13,358	0	0	85,000	12/16/1986
020C875	Junction City	KS		03/18/1986	8.220	9,971	0	0	85,000	08/27/1998
020R065	Albuquerque	NM		11/15/1982	12.000	27,971	0	0	88,000	11/15/1982
1799999. Total - Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure - Residential Mortgages - All Other						51,300	0	0	258,000	XXX
2199999. Total - Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure						51,300	0	0	258,000	XXX
9999999. Totals						23,804,828	0	0	67,237,088	XXX

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General Interrogatory:

1. Mortgages in good standing \$.....0 unpaid taxes \$.....0 interest due and unpaid.

SCHEDULE B - PART 1

Showing all Mortgage Loans OWNED December 31 of Current Year

1	Location		4	5	6	7	8	9	10	11
Loan Number	2 City	3 State	Loan Type	Date Acquired	Rate of Interest	Book Value/Recorded Investment Excluding Accrued Interest	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Value of Land and Buildings	Date of Last Appraisal or Valuation

2. Restructured mortgages \$.....0 unpaid taxes \$.....0 interest due and unpaid.

3. Mortgages with overdue interest over 90 days not in process of foreclosure \$.....0 unpaid taxes \$.....0 interest due and unpaid.

4. Mortgages in process of foreclosure \$.....0 unpaid taxes \$.....0 interest due and unpaid.

SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD, Transferred or Paid in Full During the Year

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book Value/Recorded Investment Excluding Accrued Interest at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										
Mortgages Closed by Repayment												
024F512.....	Warfield.....	KY.....		08/18/2000..	2,016,602	0	0	0	2,016,602	0	0	0
024F515.....	Somerset.....	KY.....		10/05/2000..	432,955	0	0	0	432,955	0	0	0
024F516.....	Somerset.....	KY.....		10/05/2000..	326,730	0	0	0	326,730	0	0	0
024R002.....	Richmond.....	VA.....		08/02/1978..	11,643	0	0	0	11,643	0	0	0
024F519.....	Elizabethtown.....	KY.....		12/15/2000..	443,566	0	0	0	443,566	0	0	0
024F529.....	Palm Beach.....	FL.....		04/19/2002..	549,947	0	0	0	549,947	0	0	0
0199999. Total - Mortgages Closed by Repayment.....					3,781,443	0	0	0	3,781,443	0	0	0
9999999. Totals.....					3,781,443	0	0	0	3,781,443	0	0	0

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

1 Number of Units and Description	Location		4 Name of Vendor	5 Date Acquired	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment
	2 City	3 State							
Joint Venture, Partnership or Limited Liability Company Interests That Have Underlying Characteristics of Real Estate									
Hampshire Plaza, LLC.....	Manchester.....	NH.....	Hampshire Plaza Development Company.....	10/01/2001.....	6,491,734	0	6,827,689	335,955	0
0999999. Total - Joint Venture, Partnership or Limited Liability Company Interests That Have Underlying Characteristics of Real Estate.....					6,491,734	0	6,827,689	335,955	0
9999999. Totals.....					6,491,734	0	6,827,689	335,955	0

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Year

1 Number of Units and Description	Location		4 Name of Purchaser or Nature of Disposition	5 Date Acquired	6 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book/Adjusted Carrying Value Less Encumbrances at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										
Joint Venture, Partnership or Limited Liability Company Interests That Have Underlying Characteristics of Real Estate												
Merlot Court, LLC.....	Metarie.....	LA.....	LLC liquidation.....	01/27/2000	200,000	0	0	0	200,000	0	0	0
0999999. Total - Joint Venture, Partnership or Limited Liability Company Interests That Have Underlying Characteristics of Real Estate.....					200,000	0	0	0	200,000	0	0	0
9999999. Totals.....					200,000	0	0	0	200,000	0	0	0

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21	
			4	5									14	15							
CUSIP Identifi- cation	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Design- ation	Date Acquired	Effective Rate of Interest	
U.S. Government - Issuer Obligations																					
312924 BB 8..	FHLMC MTN.....		5.375	FA...	08/16/2006	08/16/2004	100.000	1,252,494	1,250,000	105.6560	1,320,700	1,254,413	25,195	67,188	(1,435)	0	0	0	1PE	08/24/2001	5.245
312924 FC 2..	FHLMC MTN.....		5.250	MS...	09/06/2006			1,449,516	1,450,000	100.6560	1,459,512	1,449,362	24,318	76,125	116	0	0	0	1PE	08/29/2001	5.260
31331R ZU 2..	FEDERAL FARM CREDIT BANKS-MTN.....		5.375	MS...	09/08/2003			744,148	750,000	102.7860	770,895	721,172	12,654	40,313	8,070	0	0	0	1PE	12/14/1999	6.553
3133M7 LL 8..	FEDERAL HOME LN BKS DEB.....		5.285	FA...	02/11/2004			2,698,529	2,725,000	104.2190	2,839,968	2,639,522	56,006	114,949	17,896	0	0	0	1PE	12/27/2002	6.202
3133M8 C2 8..	FHLB BOND.....		5.575	MS...	03/26/2004			4,139,809	4,150,000	104.8750	4,352,313	4,113,688	61,054	231,363	7,733	0	0	0	1PE	05/06/1999	5.783
3133M8 CM 4..	FHLB-BOND.....		5.900	MS...	03/26/2009			2,764,243	2,750,000	113.1250	3,110,938	2,770,073	42,816	147,500	(1,709)	0	0	0	1PE	10/01/2002	5.800
3133MB Y9 2..	FHLB BOND.....		6.875	FA...	08/15/2005			2,276,534	2,200,000	112.3130	2,470,886	2,318,756	57,139	151,250	(26,529)	0	0	0	1PE	05/17/2001	5.434
3133MD GF 4..	FHLB-BOND.....		5.600	MS...	03/07/2005	03/07/2003	100.000	1,950,859	1,950,000	100.8125	1,965,844	1,958,836	34,580	109,200	(4,508)	0	0	0	1PE	03/09/2001	5.357
3133MG KQ 8..	FHLB-BOND.....		5.570	FA...	02/16/2007	08/16/2004	100.000	1,000,000	1,000,000	106.2500	1,062,500	1,000,000	20,888	55,700	0	0	0	0	1PE	07/24/2001	5.570
3133MG NH 5..	FHLB-BOND.....		5.320	FA...	02/21/2006	02/21/2003	100.000	950,000	950,000	100.4690	954,456	950,000	18,251	50,540	0	0	0	0	1PE	07/31/2001	5.320
3133MG QF 6..	FHLB-BOND.....		5.450	FA...	02/27/2007			1,498,545	1,500,000	102.7190	1,540,785	1,498,125	28,158	81,750	304	0	0	0	1PE	08/08/2001	5.476
912810 BZ 0..	US Treasury Bond.....		7.875	MN...	11/15/2007			0	0	0.0000	0	0	0	1,969	0	0	0	0	1PE	12/11/1989	0.000
912810 CG 1..	US Treasury Bond.....		9.125	MN...	05/15/2009			100,964	100,000	110.1880	110,188	102,094	1,185	9,125	(109)	0	0	0	1PE	06/15/1979	8.923
912827 5M 0..	US Treasury Note.....		6.000	FA...	08/15/2004			254,148	250,000	107.3750	268,438	257,813	5,666	15,000	(2,424)	0	0	0	1PE	08/27/2001	4.931
912827 5S 7..	US Treasury Note.....		5.875	MN...	11/15/2004			104,436	100,000	108.0000	108,000	105,750	763	2,938	(1,314)	0	0	0	1PE	06/03/2002	3.408
912827 6N 7..	US Treasury Note.....		5.750	MN...	11/15/2005			235,733	215,000	110.5310	237,642	236,769	1,605	6,181	(1,036)	0	0	0	1PE	11/08/2002	2.262
912827 6X 5..	US Treasury Note.....		4.625	MN...	05/15/2006			124,411	125,000	107.8440	134,805	124,170	751	5,781	158	0	0	0	1PE	06/13/2001	4.778
912827 P8 9..	US Treasury Note.....		7.250	MN...	05/15/2004			1,232,673	1,200,000	108.0310	1,296,372	1,310,250	43,921	87,000	(22,507)	0	0	0	1PE	04/16/1999	5.168
912827 T8 5..	US Treasury Note.....		6.500	MN...	05/15/2005			612,628	600,000	111.0000	666,000	621,781	8,314	32,500	(3,847)	0	0	0	1PE	06/03/2002	5.551
912828 AD 2..	US Treasury Note.....		3.250	MN...	05/31/2004			125,168	125,000	102.6560	128,320	125,234	350	2,031	(66)	0	0	0	1PE	06/03/2002	3.152
01999999	U.S. Government - Issuer Obligations.....							23,514,838	23,390,000	XXX	24,798,562	23,557,808	445,583	1,286,434	(31,207)	0	0	0	XXX	XXX	XXX
U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities																					
362029 V5 6..	GNMA 4236.....		8.000	MTLY	07/15/2004			1,043	1,050	103.4823	1,086	1,019	7	87	2	0	0	0	1	12/11/1989	8.423
36202A G2 7..	GNMA II 217.....		12.000	MTLY	10/20/2014			1,115	1,115	117.4563	1,310	1,086	11	134	1	0	0	0	1	06/30/1993	13.243
362034 LU 2..	GNMA 8439.....		8.500	MTLY	02/15/2006			4,036	4,067	106.7680	4,343	3,983	29	347	4	0	0	0	1	12/11/1989	8.880
362034 MU 1..	GNMA 8471.....		8.500	MTLY	04/15/2006			2,225	2,225	106.7679	2,376	2,240	16	192	(1)	0	0	0	1	12/11/1989	8.217
362055 J3 0..	GNMA 26382.....		9.000	MTLY	08/15/2008			4,270	4,290	108.4271	4,652	4,255	32	387	1	0	0	0	1	12/11/1989	9.084
362057 3F 6..	GNMA 28698X SF.....		9.000	MTLY	02/15/2009	04/30/2008	100.000	31,255	31,513	109.1330	34,391	30,941	236	2,858	15	0	0	0	1	04/29/1987	9.338
362060 QR 9..	GNMA 31064.....		9.000	MTLY	05/15/2009			19,867	19,982	109.1330	21,807	19,776	150	1,802	4	0	0	0	1	12/11/1989	9.157
362061 KZ 5..	GNMA 31812.....		9.500	MTLY	06/15/2009			2,876	2,873	110.7939	3,183	2,891	23	274	(1)	0	0	0	1	12/11/1989	9.176
362063 LB 3..	GNMA 33622.....		9.500	MTLY	10/15/2009			7,035	7,015	110.7940	7,772	7,082	56	667	(4)	0	0	0	1	12/11/1989	9.068
362064 RZ 2..	GNMA 34704.....		9.500	MTLY	10/15/2009			17,483	17,294	110.6570	19,137	17,751	137	1,649	(21)	0	0	0	1	12/11/1989	8.546
362065 C7 7..	GNMA 35194.....		9.500	MTLY	08/01/2009	12/31/2008	100.000	11,715	11,746	110.7940	13,013	11,712	93	1,116	(1)	0	0	0	1	12/11/1989	9.425
362066 EZ 1..	GNMA 36152.....		9.500	MTLY	10/15/2009			16,222	15,816	110.7940	17,524	16,706	125	1,503	(39)	0	0	0	1	12/11/1989	7.606
362066 LM 2..	GNMA 36332.....		9.500	MTLY	11/15/2009			16,401	16,198	110.7940	17,947	16,699	128	1,539	(22)	0	0	0	1	12/11/1989	8.426
362069 BC 9..	GNMA 38735.....		11.000	MTLY	01/15/2010			504	493	114.4313	564	518	5	54	(1)	0	0	0	1	12/11/1989	9.259
36214C R7 6..	GNMA 102310.....		10.750	MTLY	11/15/2003			270	267	99.8129	267	324	2	29	3	0	0	0	1	12/11/1989	0.028
362155 BY 8..	GNMA 154055Y.....		9.000	MTLY	05/15/2016			3,337	3,414	111.2081	3,797	3,327	26	307	2	0	0	0	1	05/28/1987	10.077
36217Q 4H 5..	GNMA 200724.....		9.000	MTLY	02/15/2017	09/30/2016	100.000	143,530	140,489	111.2770	156,332	144,309	1,054	12,644	(91)	0	0	0	1	12/11/1989	7.645
36218B SQ 1..	GNMA 217527.....		9.000	MTLY	09/15/2017	09/30/2015	100.000	6,536	6,325	111.2769	7,038	6,517	47	569	(6)	0	0	0	1	12/11/1989	7.012
36218P GK 6..	GNMA 228002.....		9.500	MTLY	09/15/2017			24,561	24,480	112.4250	27,522	24,615	194	2,326	(4)	0	0	0	1	12/11/1989	9.119
362193 M5 0..	GNMA 265980 Mobile B.....		10.250	MTLY	05/15/2004			25,344	25,407	105.1650	26,720	25,550	217	2,616	(23)	0	0	0	1	05/18/1989	10.007
36220A VW 2..	GNMA 272529.....		10.000	MTLY	08/15/2019			7,319	7,319	114.6830	8,393	7,319	61	732	30	0	0	0	1	05/25/1990	10.249
02999999	U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities.....							346,914	343,378	XXX	379,174	348,620	2,649	31,832	(152)	0	0	0	XXX	XXX	XXX
03999999	Total - U.S. Government.....							23,861,752	23,733,378	XXX	25,177,736	23,906,428	448,232	1,318,266	(31,359)	0	0	0	XXX	XXX	XXX
Political Subdivisions of States, Territories & Possessions (Direct and Guaranteed) - Issuer Obligations																					
Arizona																					
718911 ET 3..	Phoenix AZ Indl Dev. Auth.....		6.250	JD...	12/01/2008			800,000	800,000	112.3100	898,480	800,000	4,167	50,000	0	0	0	0	1PE	03/09/1998	6.250
	Arizona.....							800,000	800,000	XXX	898,480	800,000	4,167	50,000	0	0	0	0	XXX	XXX	XXX
Florida																					
340736 BG 1..	Florida Housing Fin. Agy.....		7.500	JJ....	07/01/2014	07/01/2003	100.000	531,160	530,000	100.5490	532,910	541,051	19,875	39,750	(2,209)	0	0	0	1PE	10/30/1997	7.047
34073M CC 4..	Florida Housing Fin Corp.....		6.320	JJ....	01/01/2004			840,000	840,000	103.2020	866,897	840,000	26,544	53,088	0	0	0	0	1PE	05/21/1998	6.320

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21	
			4	5									14	15							
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest	
	Florida							1,371,160	1,370,000	XXX	1,399,807	1,381,051	46,419	92,838	(2,209)	0	0	XXX	XXX	XXX	
Illinois																					
452010 6L 0...	Illinois Hsg Dev Auth Series 8		7.190	MS	09/01/2006			310,000	310,000	110.5550	342,721	310,000	7,430	22,289	0	0	0	1PE	05/20/1996	7.190	
850527 CC 4...	Springfield IL Municipal Bonds		0.000	MATR	06/01/2003			96,771	100,000	99.2080	99,208	95,497	0	1,274	0	0	0	1PE	10/01/2002	8.007	
850705 AT 1...	Springfield IL Tax Inc Muni Rev		7.000	FA	02/01/2003			239,977	240,000	100.3810	240,914	238,750	7,000	16,800	257	0	0	1PE	05/15/1997	7.113	
850705 AU 8...	Springfield, IL Tax Inc Muni Rev		7.125	FA	02/01/2004			254,822	255,000	100.3570	255,910	254,796	7,570	0	26	0	0	1PE	10/01/2002	7.193	
	Illinois							901,570	905,000	XXX	938,753	899,043	22,000	39,089	1,557	0	0	XXX	XXX	XXX	
Michigan																					
594653 A8 0...	Michigan State Hsg. Auth		6.630	JD	12/01/2004			150,000	150,000	100.0000	150,000	150,000	829	9,945	0	0	0	1PE	11/21/1997	6.630	
	Michigan							150,000	150,000	XXX	150,000	150,000	829	9,945	0	0	0	XXX	XXX	XXX	
Nebraska																					
63967C SP 8...	Nebraska Inv Fin Auth SF		6.410	MS	09/01/2024	03/01/2007	101.500	1,090,000	1,090,000	99.6630	1,086,327	1,090,000	23,290	69,869	(5,034)	0	0	1PE	05/01/1998	6.535	
	Nebraska							1,090,000	1,090,000	XXX	1,086,327	1,090,000	23,290	69,869	(5,034)	0	0	XXX	XXX	XXX	
Nevada																					
641271 SU 6...	Nevada Hsg Div Single Family Mtg		7.000	AO	04/01/2012	04/01/2007	100.000	120,000	120,000	104.5450	125,454	120,000	2,100	4,200	0	0	0	1PE	10/01/2002	6.998	
	Nevada							120,000	120,000	XXX	125,454	120,000	2,100	4,200	0	0	0	XXX	XXX	XXX	
New Jersey																					
646107 UK 6...	New Jersey Hsg & Mtg Fin Agy 96B		7.330	MN	05/01/2006			710,000	710,000	108.8640	772,934	710,000	14,456	55,342	0	0	0	1PE	08/29/1996	7.330	
	New Jersey							710,000	710,000	XXX	772,934	710,000	14,456	55,342	0	0	0	XXX	XXX	XXX	
Oregon																					
68607E TL 7...	Oregon State Tax Alt Energy Ser D		7.750	JJ	07/01/2005	07/01/2004	100.000	251,385	250,000	107.8140	269,535	251,532	9,688	0	(147)	0	0	1PE	10/01/2002	7.353	
	Oregon							251,385	250,000	XXX	269,535	251,532	9,688	0	(147)	0	0	XXX	XXX	XXX	
Pennsylvania																					
725299 R7 8...	Pittsburgh PA Urban Redev. Auth		6.900	AO	10/01/2017	03/01/2003	100.000	105,000	105,000	101.4500	106,523	105,000	1,811	3,623	0	0	0	1PE	10/01/2002	6.900	
	Pennsylvania							105,000	105,000	XXX	106,523	105,000	1,811	3,623	0	0	0	XXX	XXX	XXX	
Texas																					
88275F EN 5...	Texas State Dept Housing Comm Aff		6.800	MS	09/01/2029			340,000	340,000	98.8000	335,920	340,000	7,707	14,280	0	0	0	1PE	10/01/2002	6.800	
	Texas							340,000	340,000	XXX	335,920	340,000	7,707	14,280	0	0	0	XXX	XXX	XXX	
Virginia																					
457951 AT 8...	Innovative Tech Authority Va Lease		7.080	MN	05/01/2004			421,041	420,000	106.7820	448,484	422,735	4,956	21,948	(407)	0	0	1PE	10/01/2002	6.882	
765418 CK 2...	Richmond VA Met Auth Expwy Rev		7.850	JJ	07/15/2003			265,003	265,000	103.2910	273,721	265,037	9,592	20,803	(5)	0	0	1PE	08/11/1994	7.848	
92813A U9 0...	Virginia State Hsg. Dev. Auth		6.770	MN	11/01/2005			516,548	515,000	107.3220	552,708	517,671	5,811	25,895	(276)	0	0	1PE	10/01/2002	6.652	
	Virginia							1,202,592	1,200,000	XXX	1,274,913	1,205,443	20,359	68,646	(688)	0	0	XXX	XXX	XXX	
West Virginia																					
126817 AW 5...	Cabell Putnam Wayne County WV		7.375	AO	04/01/2010			15,000	15,000	116.5760	17,486	15,000	277	553	0	0	0	1	10/01/2002	7.375	
483672 AW 1...	Kanawha Cnty W VA Sgl Fam Mtg Rev		7.400	JD	12/20/2010			10,000	10,000	119.9950	12,000	10,000	23	370	0	0	0	1	10/01/2002	7.400	
956553 JU 6...	WV General Obligation Series E		6.700	MN	11/01/2010			248,029	250,000	109.9880	274,970	247,997	2,792	8,375	31	0	0	1PE	10/01/2002	6.832	
956622 SM 7...	WV ST HOSP FIN AUTH		4.700	JD	06/01/2013	12/01/2008	100.000	158,619	170,000	104.0530	176,890	158,353	666	3,995	266	0	0	1PE	10/01/2002	6.063	
978328 BF 8...	Wood Co WV St Joseph Hospital		6.875	JJ	07/01/2008			19,022	20,000	119.4570	23,891	18,998	688	24	0	0	0	1	10/01/2002	7.991	
978365 AW 4...	Wood Cnty W VA Sgl Fam Res Mtg Rev		7.200	MS	03/01/2011			10,000	10,000	127.0990	12,710	10,000	240	0	0	0	0	1PE	10/01/2002	7.200	
	West Virginia							460,670	475,000	XXX	517,947	460,348	4,686	13,293	321	0	0	XXX	XXX	XXX	
	Total States and US							7,502,377	7,515,000	XXX	7,876,593	7,512,417	157,512	421,125	(6,200)	0	0	XXX	XXX	XXX	
1899999...	Political Subdivisions of States, Territories & Possessions - Issuer Obligations							7,502,377	7,515,000	XXX	7,876,593	7,512,417	157,512	421,125	(6,200)	0	0	0	XXX	XXX	XXX
2499999...	Total - Political Subdivisions of States, Territories & Possessions (Direct and Guaranteed)							7,502,377	7,515,000	XXX	7,876,593	7,512,417	157,512	421,125	(6,200)	0	0	0	XXX	XXX	XXX
Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Single Class Mortgage-Backed/Asset-Backed Securities																					
United States																					
31282R XQ 2...	FHLMC M80687		6.000	MTLY	06/01/2008			1,106,422	1,098,350	103.8380	1,140,504	1,110,020	5,492	67,324	(1,703)	0	0	1	06/20/2001	5.007	
31283K A7 3...	FHLMC GOLD POOL G10930		5.500	MTLY	06/01/2009	12/31/2008	100.000	1,914,942	1,917,312	105.1640	2,016,322	1,915,171	8,788	92,533	(142)	0	0	1	10/01/2002	5.447	
31340M M5 1...	FHLMC 181280		11.000	MTLY	10/01/2010	06/30/2007	100.000	433	441	113.8254	502	429	4	52	1	0	0	1PE	06/30/1993	12.227	
31341Y Y5 1...	FHLMC 219732		9.000	MTLY	02/15/2004	07/31/2003	100.000	748	751	101.6705	763	744	6	67	0	0	0	1	08/17/1989	9.056	
31345B U2 8...	FHLMC #300601		10.250	MTLY	01/01/2016	01/31/2008	100.000	19,494	19,533	112.4670	21,968	19,497	167	2,010	(2)	0	0	1	05/24/1989	10.105	
31360F CN 3...	FNMA 4577		5.356	MTLY	10/01/2023	09/30/2017	100.000	54,548	53,083	103.1490	54,755	54,790	237	2,753	(37)	0	0	1PE	12/11/1989	4.430	

E08.1

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
			4	5									14	15						
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest
	U.S.							3,096,587	3,089,470	XXX	3,234,814	3,100,651	14,694	164,739	(1,883)	0	0	XXX	XXX	XXX
	Total States and US							3,096,587	3,089,470	XXX	3,234,814	3,100,651	14,694	164,739	(1,883)	0	0	XXX	XXX	XXX
2699999	Special Revenue & Assessment Obligations - Single Class Mtg.-Backed/Asset-Backed Securities							3,096,587	3,089,470	XXX	3,234,814	3,100,651	14,694	164,739	(1,883)	0	0	XXX	XXX	XXX
Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Defined Multi-Class Residential Mortgage-Backed Securities																				
United States																				
312915 QC 8	FHLMC 1491 GA CMO		6.250	MTLY	11/15/2021	09/15/2003		459,214	458,499	100.6635	461,541	461,697	2,388	25,838	(1,550)	0	0	1	10/01/2002	5.188
313398 N9 6	FHLMC CMO 2334 QC		6.000	MTLY	04/15/2022	11/15/2003		1,372,043	1,366,648	100.1013	1,368,032	1,380,238	6,833	68,999	(6,025)	0	0	1	10/01/2002	4.574
313398 PJ 2	FHLMC CMO 2334 GA		6.000	MTLY	12/15/2024	11/15/2005		4,050,028	4,000,000	102.8938	4,115,752	4,069,688	20,000	240,000	(18,799)	0	0	1	12/12/2001	5.315
313399 XN 2	FHLMC CMO 2360 PD		6.000	MTLY	06/15/2011	07/15/2005		2,028,287	2,000,000	103.7053	2,074,105	2,038,118	10,000	97,500	(7,889)	0	0	1	10/01/2002	5.210
31339M C4 8	FHLMC CMO 2386 QE		6.500	MTLY	04/15/2026	07/15/2006		1,797,795	1,750,000	103.5316	1,811,802	1,811,250	9,479	113,750	(12,978)	0	0	1	12/12/2001	5.347
31339N Z2 8	FHLMC CMO 2406 PC		6.500	MTLY	11/15/2025	05/15/2006		2,047,593	2,000,000	103.5379	2,070,758	2,056,014	10,833	119,167	(8,421)	0	0	1	01/08/2002	5.466
31339N J8 0	FHLMC CMO 2410 YA		6.500	MTLY	10/15/2031	07/15/2004		1,402,203	1,396,002	100.1562	1,398,183	1,407,345	7,562	76,639	(5,141)	0	0	1	01/18/2002	5.488
31339N LJ 3	FHLMC CMO 2410 JA		6.500	MTLY	08/15/2031	03/15/2004		346,463	344,561	100.2213	348,114	345,323	1,866	26,905	(1,651)	0	0	1	02/07/2002	5.210
31339W DB 9	FHLMC CMO 2424 PT		5.750	MTLY	11/15/2025	07/15/2006		1,996,132	2,000,000	103.2843	2,065,686	1,996,250	9,583	86,250	(118)	0	0	1	03/19/2002	5.739
3133MH YX 6	FHLB CMO 5S-08 1		4.770	MTLY	10/24/2008			995,320	995,320	100.0000	995,320	995,320	923	27,007	0	0	0	1	10/01/2002	4.770
3133T1 H9 6	FHLMC CMO Series 1622		6.250	MTLY	04/15/2022	10/15/2003		943,229	939,590	100.4853	944,150	947,408	4,894	62,352	(3,915)	0	0	1PE	03/29/2001	4.685
3133TC UL 0	FHLMC CMO 2034 PE		6.250	MTLY	06/15/2024	04/15/2005		1,005,362	1,000,000	101.8057	1,018,057	1,008,030	5,208	39,063	(2,077)	0	0	1	10/01/2002	5.730
3133TE VL 5	FHLMC CMO SERIES 2083 PD PAC		6.500	MTLY	01/15/2027	11/15/2007		2,751,181	2,750,000	103.6761	2,851,091	2,755,221	14,896	166,563	(1,549)	0	0	1	10/01/2002	6.389
3133TG T6 6	FHLMC CMO 2091 PF		6.000	MTLY	02/15/2027	11/15/2010		1,358,031	1,310,000	105.0919	1,376,704	1,356,231	6,550	23,700	1,800	0	0	1	10/01/2002	5.126
3133TH M8 7	FHLMC REMIC CMO SERIES 2112 PD PAC		6.000	MTLY	11/15/2023	05/15/2007		2,693,098	2,750,000	103.4144	2,843,895	2,664,072	13,750	142,500	9,212	0	0	1	10/01/2002	6.542
3133TR 2X 2	FHLMC CMO 2274 PV		6.000	MTLY	03/15/2014	07/15/2004		345,863	344,418	101.5853	349,878	347,197	1,722	16,682	(1,102)	0	0	1	10/01/2002	5.016
3133TR XV 7	FHLMC CMO 2292 QV		6.125	MTLY	06/15/2026	01/15/2006		2,023,174	2,000,000	102.4820	2,049,639	2,033,438	10,208	122,500	(9,741)	0	0	1	12/06/2001	5.401
3133TT DA 6	FHLMC CMO 2316 PM		5.500	MTLY	11/15/2020	09/15/2004		1,190,728	1,192,282	100.7405	1,201,111	1,191,909	5,465	68,389	(718)	0	0	1	05/11/2001	5.378
3133TT WX 5	FHLMC CMO 2326 PY		6.000	MTLY	10/15/2024	08/15/2005		2,026,119	2,000,000	102.6295	2,052,589	2,038,125	10,000	120,000	(11,183)	0	0	1	11/26/2001	5.209
3133TU PA 8	FHLMC CMO 2292 QV		5.500	MTLY	02/15/2012	11/15/2005		1,018,380	1,000,000	103.3007	1,033,007	1,025,000	4,583	55,000	(5,787)	0	0	1	10/10/2001	4.611
31340Y DB 2	FHLMC CMO SER 12 CLASS 12-A		9.250	MTLY	11/15/2019	12/15/2003		40,146	39,793	105.2497	41,882	41,422	164	3,760	(970)	0	0	1	02/13/1992	5.881
31359S G2 0	FNMA CMO SERIES 2001-14 QC		5.500	MTLY	05/25/2020	04/25/2004		1,375,773	1,377,191	100.5538	1,384,818	1,380,849	6,312	75,745	(3,284)	0	0	1	05/11/2001	5.056
313920 5R 7	FNMA CMO 2001-44 MW		6.000	MTLY	03/25/2027	09/25/2004		2,001,205	2,000,000	101.5904	2,031,808	2,005,625	10,000	90,000	(4,420)	0	0	1	03/22/2002	5.609
313921 KM 9	FNMA CMO 2001-52 PB		6.000	MTLY	07/25/2011	11/25/2006		2,035,921	2,000,000	103.1062	2,062,125	2,045,023	10,000	97,500	(7,798)	0	0	1	10/01/2002	5.375
313921 UT 3	FNMA CMO 2001-53 YB		6.000	MTLY	05/25/2031	11/25/2003		2,469	2,460	100.0984	2,462	2,478	25	89,82	(8)	0	0	1	10/01/2002	4.398
313921 YR 3	FNMA CMO 2001-53 LH		5.500	MTLY	10/25/2021	01/25/2005		2,019,624	2,000,000	101.2355	2,024,711	2,029,909	9,167	89,375	(8,418)	0	0	1	10/01/2002	3.832
31392A NK 0	FNMA CMO 2001-50 TY		6.000	MTLY	02/25/2025	12/25/2005		2,022,393	2,000,000	103.1136	2,062,271	2,030,625	10,000	110,000	(8,232)	0	0	1	01/08/2002	5.344
31392A WT 1	FNMA CMO 2001-71 EC		6.000	MTLY	08/25/2027	08/25/2009		2,074,521	2,000,000	104.6146	2,092,291	2,067,500	10,000	40,000	7,021	0	0	1	08/08/2002	5.157
31392E 6D 7	FNMA CMO 2002-67 PC		5.500	MTLY	04/25/2028	12/25/2009		1,017,848	1,000,000	104.7823	1,047,823	1,018,438	4,583	9,167	(590)	0	0	1	10/16/2002	5.100
31392E LS 7	FNMA CMO 2002-58 PD		6.000	MTLY	11/25/2027	05/25/2007		1,797,513	1,750,000	104.6798	1,831,897	1,802,158	8,750	26,250	(4,645)	0	0	1	08/08/2002	5.160
31392E QZ 6	FNMA CMO 2002-56 PC		6.000	MTLY	12/25/2027	10/25/2006		1,038,835	1,000,000	104.6028	1,046,028	1,040,625	5,000	5,000	(1,790)	0	0	1	11/06/2002	4.631
31392G GF 6	FNMA CMO 2002-83 LC		5.500	MTLY	06/25/2026	04/25/2010		1,036,862	1,000,000	104.8854	1,048,854	1,037,813	4,583	4,583	(951)	0	0	1	11/05/2002	4.685
31392P RU 1	FHLMC CMO 2484 CA		6.000	MTLY	07/15/2032	10/15/2007		1,974,591	1,954,818	101.6747	1,987,556	1,974,366	9,774	48,934	225	0	0	1	07/18/2002	5.238
31392V N3 2	FHLMC CMO 2496 TD		5.500	MTLY	03/15/2028	06/15/2007		1,038,181	1,000,000	103.8366	1,038,366	1,039,688	9,167	4,583	(1,506)	0	0	1	10/01/2002	4.409
31392W Q5 2	FHLMC CMO GOLD 2518-PD		5.500	MTLY	11/15/2027	11/15/2011		1,011,590	1,000,000	104.5283	1,045,283	1,011,875	4,583	9,167	(285)	0	0	1	10/17/2002	5.283
38373R GR 4	GNMA CMO 2001-19 PB		6.500	MTLY	09/20/2026	04/20/2006		1,015,488	1,000,000	103.9036	1,039,036	1,019,531	5,417	43,333	(4,043)	0	0	1	03/28/2002	5.771
38373R JF 7	GNMA CMO 2001-27 PC		6.500	MTLY	06/16/2027	07/16/2008		2,035,446	2,000,000	103.6698	2,073,397	2,041,563	10,833	86,667	(6,116)	0	0	1	03/28/2002	5.945
38373V HY 9	GNMA CMO 2002-60 PD		6.000	MTLY	10/20/2029	03/20/2008		2,060,133	2,000,000	104.8226	2,096,452	2,062,500	10,000	20,000	(2,367)	0	0	1	10/24/2002	5.180
38373W U7 1	GNMA CMO 2002-32 PE		6.000	MTLY	05/20/2029	07/20/2011		1,761,482	1,750,000	105.6295	1,848,515	1,762,578	8,750	61,250	(1,096)	0	0	1	05/24/2002	5.833
38373X ZV 1	GNMA CMO 2002-50 PC		6.000	MTLY	05/20/2029	11/20/2008		1,043,193	1,000,000	105.1018	1,051,018	1,045,625	5,000	15,000	(2,432)	0	0	1	09/12/2002	4.950
3837H1 ZH 7	GNMA CMO 1998-23 AW		5.500	MTLY	02/20/2024	09/20/2004		445,397	445,397	100.9349	449,561	445,397	2,041	24,905	403	0	0	1	03/20/2001	5.500
	U.S.							60,698,854	59,916,979	XXX	61,732,777	60,836,253	300,892	2,564,105	(138,934)	0	0	XXX	XXX	XXX
	Total States and US							60,698,854	59,916,979	XXX	61,732,777	60,836,253	300,892	2,564,105	(138,934)	0	0	XXX	XXX	XXX
2799999	Special Revenue & Assessment Obligations - Defined Multi-Class Residential Mtg.-Backed Securities							60,698,854	59,916,979	XXX	61,732,777									

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
			4	5									14	15						
CUSIP Identifi- cation	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Design- ation	Date Acquired	Effective Rate of Interest
020039 AF 0..	Alltel Corporation.....		7.250	AO	04/01/2004			1,832,969	1,850,000	105.6650	1,954,803	1,757,773	33,531	125,063	12,075	0	0	..1PE	10/01/2002	8.038
040555 BU 7..	Arizona Public Service Company.....		6.625	MS	03/01/2004			986,218	1,000,000	104.0950	1,040,950	915,650	22,083	66,250	10,853	0	0	..1PE	06/08/1994	7.882
07261L AT 9..	Bay States Gas Company MTN.....		6.000	FA	09/29/2003			247,108	250,000	101.0520	252,630	246,481	6,250	0	627	0	0	..2PE	10/01/2002	7.621
165123 AJ 9..	Chesapeake & Potomac Tel Co W VA.....		6.050	MN	05/15/2003			998,079	1,000,000	101.4050	1,014,050	998,678	7,731	30,250	402	0	0	..1PE	10/01/2002	6.303
247109 AU 5..	Delmarva Power & Light Company.....		6.400	JJ	07/01/2003			1,738,893	1,750,000	102.2070	1,788,623	1,604,383	56,000	112,000	21,050	0	0	..1PE	08/30/1994	7.718
252759 AB 1..	Diamond State Telephone Company.....		4.625	MS	09/01/2005			25,009	25,000	100.2790	25,070	25,068	385	1,156	(3)	0	0	..1PE	09/08/1965	4.610
402550 BZ 9..	Gulf States Utilities.....		8.250	AO	04/01/2004			252,076	250,000	106.0200	265,050	262,230	5,156	20,625	(1,525)	0	0	..2PE	04/14/1994	7.543
451380 AU 3..	Idaho Power Company.....		8.000	MS	03/15/2004			450,656	450,000	106.6170	479,777	449,583	10,600	16,000	72	0	0	..1PE	10/01/2002	7.872
452092 BF 5..	Illinois Power Company.....		7.950	JJ	07/01/2004			1,004,837	1,000,000	88.7500	887,500	1,024,350	39,750	79,500	(2,946)	0	0	..4	04/18/1994	7.603
505588 AR 4..	Laclede Gas Company.....		8.500	MN	11/15/2004			253,774	250,000	110.4520	276,130	254,083	2,715	10,625	(309)	0	0	..1PE	10/01/2002	7.620
650094 BY 0..	New York Telephone Company.....		5.875	MS	09/01/2003			247,602	250,000	101.0000	252,500	247,022	4,896	0	580	0	0	..1PE	10/01/2002	7.371
668027 AG 0..	Northwestern Bell Telephone Co.....		6.250	JJ	01/01/2007			23,941	26,000	87.5000	22,750	20,545	813	1,625	416	0	0	..4	02/12/1990	8.633
694308 FA 0..	Pacific Gas & Electric Company.....		6.250	JD	03/01/2004			245,596	250,000	98.5000	246,250	245,000	1,302	7,813	596	0	0	..6	10/01/2002	7.855
709051 CB 0..	Pennsylvania Power & Light.....		6.875	MS	03/01/2004			248,435	250,000	105.0970	262,743	248,222	5,729	0	212	0	0	..1PE	10/01/2002	7.444
744567 CM 8..	Public Service Electric & Gas Co.....		8.875	JD	06/01/2003			1,007,651	1,000,000	101.4690	1,014,690	1,137,260	7,396	88,750	(17,467)	0	0	..1PE	02/10/1993	6.985
781681 AS 0..	Rural Elec Corp Grantor.....		8.350	MS	09/15/2009	04/10/2005	100.000	148,774	148,774	104.7330	155,816	148,774	3,658	0	0	0	0	..1PE	10/01/2002	8.350
84533T EU 6..	Southwestern Bell Capital Corp.....		7.300	MS	01/13/2003			500,107	500,000	100.1100	500,550	522,630	10,950	36,500	(3,074)	0	0	..1PE	06/10/1993	6.654
84533T EV 4..	Southwestern Bell Capital Corp MTN.....		7.250	MS	01/13/2003			200,044	200,000	100.1094	200,219	209,277	4,833	14,500	(1,262)	0	0	..1PE	06/30/1993	6.588
882850 BJ 8..	Texas Utilities Electric.....		8.250	AO	04/01/2004			251,963	250,000	105.9320	264,830	251,548	5,156	20,625	(1,441)	0	0	..2PE	04/14/1994	7.581
927804 CB 8..	Virginia Electric Power Company.....		8.000	MS	03/01/2004			251,672	250,000	106.1320	265,330	251,899	6,667	0	(227)	0	0	..1PE	10/01/2002	7.392
927804 CK 8..	Virginia Electric & Power.....		6.625	AO	04/01/2003			1,150,549	1,150,000	100.9650	1,161,098	1,166,116	19,047	76,188	(2,097)	0	0	..1PE	05/12/1993	6.431
	United States.....							13,292,756	13,349,774	XXX	13,621,484	13,103,210	267,669	777,783	36,515	0	0	XXX	XXX	XXX
3299999	Public Utilities (Unaffiliated) - Issuer Obligations.....							13,292,756	13,349,774	XXX	13,621,484	13,103,210	267,669	777,783	36,515	0	0	XXX	XXX	XXX
3899999	Total - Public Utilities (Unaffiliated).....							13,292,756	13,349,774	XXX	13,621,484	13,103,210	267,669	777,783	36,515	0	0	XXX	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																				
United States																				
020002 AB 7..	Allstate Corporation.....		6.750	JD	06/15/2003			1,700,000	1,700,000	102.2160	1,737,672	1,700,000	5,100	114,750	0	0	0	..1PE	06/10/1993	6.750
035229 BK 8..	Anheuser Busch Cos., Inc.....		6.750	MN	11/01/2006	11/01/2003	100.000	1,852,966	1,850,000	104.6170	1,935,415	1,865,917	20,813	116,438	(2,976)	0	0	..1PE	10/01/2002	6.550
04454C CB 0..	Ashland Oil MTN.....		8.250	JD	02/04/2004			402,468	400,000	102.9210	411,684	416,304	1,467	33,000	(2,086)	0	0	..2PE	04/15/1994	7.652
046753 WC 9..	Atchinson Topeka & Santa Fe Eq.....		8.875	JD	06/01/2004			270,035	266,000	108.4830	288,565	270,481	1,967	11,804	(446)	0	0	..1PE	10/01/2002	7.725
05361H AW 4..	Avery Dennison Corporation MTN.....		6.450	JJ	04/21/2003			1,550,000	1,550,000	101.3830	1,571,437	1,550,000	46,100	99,975	0	0	0	..1PE	06/30/1993	6.450
12550X AK 2..	Cigna Corporation.....		6.740	MN	03/03/2003			1,000,000	1,000,000	101.6620	1,016,620	1,000,000	11,233	67,400	0	0	0	..1PE	03/03/1993	6.740
14018L BS 2..	Capital Holdings Corporation.....		9.300	MS	06/10/2003			1,719,066	1,700,000	103.2031	1,754,453	2,021,078	46,552	158,100	(40,745)	0	0	..1PE	03/23/1993	6.704
17123K AC 5..	CHUBB Capital Corporation Note.....		6.875	FA	02/01/2003			500,109	500,000	100.3210	501,605	507,145	14,323	34,375	(1,247)	0	0	..1PE	03/20/1996	6.612
173034 GM 5..	Citicorp.....		7.750	JD	06/15/2006			1,776,141	1,650,000	114.1200	1,882,980	1,804,387	5,683	112,375	(25,991)	0	0	..1PE	10/01/2002	5.300
205887 AB 8..	Conagra Inc.....		9.875	MN	11/15/2005			1,050,920	1,000,000	119.3440	1,193,440	1,150,230	12,618	98,750	(15,249)	0	0	..2PE	06/03/1994	7.861
211327 AD 3..	Continental Corporation.....		7.250	MS	03/01/2003			998,939	1,000,000	100.0330	1,000,330	999,370	24,167	72,500	6,014	0	0	..2PE	04/15/1994	7.895
21869F AA 0..	Corestates Cap Corp MTN.....		6.750	MN	11/15/2006			1,041,856	1,000,000	112.0920	1,120,920	1,051,780	8,625	67,500	(9,465)	0	0	..1	12/12/2001	5.535
277461 AS 8..	Eastman Kodak Company.....		9.750	AO	10/01/2004			828,298	800,000	110.3300	882,640	925,336	19,500	78,000	(14,583)	0	0	..2PE	04/14/1994	7.557
31945N AB 8..	First Chicago NBD Corp MTN.....		7.000	AO	10/16/2006			2,294,997	2,190,000	111.4063	2,439,797	2,312,191	32,363	132,650	(16,551)	0	0	..1PE	10/01/2002	5.580
319741 AB 0..	First Colony Corp.....		6.625	FA	08/01/2003			2,006,495	2,000,000	102.7490	2,054,980	2,068,000	55,208	132,500	(10,622)	0	0	..1PE	02/21/1996	6.051
337358 BL 8..	First Union Corp.....		6.300	AO	04/15/2008			2,702,550	2,655,000	107.9510	2,866,099	2,710,707	35,312	167,265	(7,606)	0	0	..1PE	03/29/2002	5.903
415864 AG 2..	Harsco Corporation.....		6.000	MS	09/15/2003			989,165	1,000,000	102.4160	1,024,160	893,680	17,667	60,000	14,374	0	0	..1PE	04/15/1994	7.601
485170 AD 0..	Kansas City Southern Ind Inc.....		6.625	MS	03/01/2005			973,342	1,000,000	107.8680	1,078,680	902,300	22,083	66,250	10,857	0	0	..2PE	04/25/1994	7.988
499040 AF 0..	Knight Ridder, Inc.....		6.300	JD	12/15/2005			640,284	650,000	110.8770	720,701	631,906	1,820	33,075	1,959	0	0	..1PE	10/01/2002	6.867
543859 AJ 1..	Loral Corporation.....		7.250	JD	06/15/2004			998,030	1,000,000	107.4280	1,074,280	990,000	3,389	76,250	1,234	0	0	..2PE	06/16/1994	7.771
573275 AM 6..	Martin Marietta Corp.....		6.500	AO	04/15/2003			999,829	1,000,000	101.0770	1,010,770	995,630	13,722	65,000	565	0	0	..2PE	04/22/1993	6.560
57859H AJ 3..	Maytag Corporation MTN.....		8.620	FA	11/15/2007			1,019,419	1,000,000	120.0720	1,200,720	1,039,830	32,564	86,200	(3,132)	0	0	..2PE	04/27/1994	8.130
57978Q AN 0..	McCormick & Co. Inc MTN.....		7.750	JJ	08/03/2004			504,497	500,000	108.1230	540,615	510,957	19,375	19,375	(1,516)	0	0	..1PE	10/01/2002	7.142
718154 BZ 9..	Phillip Morris.....		7.250	JJ	01/15/2003			1,000,077	1,000,000	100.1070	1,001,070	1,014,000	33,431	72,500	(1,882)	0	0	..1PE	02/10/1993	7.052
724477 AK 0..	Pitney Bowes Credit Corp Note.....		8.800	FA	02/15/2003			250,405	250,000	100.7720	251,930	250,945	8,311	0	(540)	0	0			

UNIVERSAL GUARANTY LIFE INSURANCE COMPANY

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
			4	5									14	15						
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest
786429 AD 2..	Safeco Corporation NT.....		7.875	AO	04/01/2005	04/01/2003	100.000	602,115	600,000	101.0910	606,546	635,410	11,813	47,250	(15,936)	0	0	..2PE	05/18/1998	6.442
811850 AH 9..	Seagram Company Ltd Debentures.....		6.500	AO	04/01/2003			1,199,632	1,200,000	93.3840	1,120,608	1,189,227	19,500	78,000	1,404	0	0	..4	04/16/1993	6.625
8447HB AC 6..	Southtrust BK N A Birmingham.....		6.565	JD	12/15/2027	12/15/2007	100.000	2,571,122	2,500,000	108.9250	2,723,125	2,577,835	7,294	131,300	(6,713)	0	0	..1PE	10/01/2002	5.895
867914 AQ 6..	Suntrust Bks Inc.....		6.250	JD	06/01/2008			816,509	800,000	113.1480	905,184	818,689	4,167	43,750	(2,006)	0	0	..1PE	10/01/2002	5.801
879868 AD 9..	Temple Inland, Inc.....		7.250	MS	09/15/2004			247,130	250,000	104.7060	261,765	246,871	5,337	0	259	0	0	..2PE	10/01/2002	7.982
881685 AT 8..	Texaco Capital Inc.....		8.500	FA	02/15/2003			1,252,724	1,250,000	100.7720	1,259,650	1,410,905	40,139	106,250	(21,237)	0	0	..1PE	02/19/1993	6.703
962166 AP 9..	Weyerhaeuser Company.....		9.050	FA	02/01/2003			500,562	500,000	100.3400	501,700	520,744	18,854	22,625	(3,628)	0	0	..2PE	10/01/2002	7.692
	United States.....							37,322,921	36,761,000	XXX	39,074,011	38,017,355	638,747	2,481,707	(179,431)	0	0	XXX	XXX	XXX
3999999.	Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations.....							37,322,921	36,761,000	XXX	39,074,011	38,017,355	638,747	2,481,707	(179,431)	0	0	XXX	XXX	XXX
4599999.	Total - Industrial & Miscellaneous (Unaffiliated).....							37,322,921	36,761,000	XXX	39,074,011	38,017,355	638,747	2,481,707	(179,431)	0	0	XXX	XXX	XXX
Totals																				
5499999.	Total - Issuer Obligations.....							81,632,892	81,015,774	XXX	85,370,650	82,190,790	1,509,511	4,967,049	(180,323)	0	0	XXX	XXX	XXX
5599999.	Total - Single Class Mortgage-Backed/Asset-Backed Securities.....							3,443,501	3,432,848	XXX	3,613,988	3,449,271	17,343	196,571	(2,035)	0	0	XXX	XXX	XXX
5699999.	Total - Defined Multi-Class Residential Mortgage-Backed Securities.....							60,698,854	59,916,979	XXX	61,732,777	60,836,253	300,892	2,564,105	(138,934)	0	0	XXX	XXX	XXX
6099999.	Grand Total - Bonds.....							145,775,247	144,365,601	XXX	150,717,415	146,476,314	1,827,746	7,727,725	(321,292)	0	0	XXX	XXX	XXX

SCHEDULE D - PART 2 - SECTION 1

Showing all PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Number of Shares	4 Par Value per Share	5 Rate per Share	6 Book/Adjusted Carrying Value	7 Rate per Share Used to Obtain Fair Value	8 Fair Value	9 Actual Cost	Dividends		12 Increase (Decrease) by Adjustment	13 Increase (Decrease) by Foreign Exchange Adjustment	14 NAIC Desig- nation	15 Date Acquired
									10 Declared but Unpaid	11 Amount Received During Year				
Preferred Stocks - Banks, Trust and Insurance Companies (Unaffiliated)														
United States														
12642C 20 1..	CTBI PFD Capitol TR II.....	14,025.000	10.00	0.000	140,250	10.250	143,756	140,250	0	10,606	0	0	P1A	01/28/2002
81311X 20 0..	Second Bancorp Cap TR I.....	100,000.000	0.00	0.000	1,000,000	10.660	1,066,000	1,000,000	0	56,250	0	0	P1L	10/01/2002
	United States.....			.XXX	1,140,250	.XXX	1,209,756	1,140,250	0	66,856	0	0	XXX	XXX
6299999.	Total - Preferred Stocks - Banks, Trust and Insurance Companies (Unaffiliated).....			.XXX	1,140,250	.XXX	1,209,756	1,140,250	0	66,856	0	0	XXX	XXX
6599999.	Total - Preferred Stocks.....				1,140,250	.XXX	1,209,756	1,140,250	0	66,856	0	0	XXX	XXX

UNIVERSAL GUARANTY LIFE INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Number of Shares	4 Book/Adjusted Carrying Value	5 Rate per Share Used to Obtain Fair Value	6 Fair Value	7 Actual Cost	Dividends		10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 NAIC Designation (a)	13 Date Acquired
							8 Declared but Unpaid	9 Amount Received During Year				
Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)												
United States												
05561V 10 1.....	BNL Financial Corporation.....	2,216,776.000	0	0.000	0	95,625	0	0	0	0	A	12/31/1987...
	United States.....		0	XXX	0	95,625	0	0	0	0	XXX	XXX
6799999	Total - Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)....		0	XXX	0	95,625	0	0	0	0	XXX	XXX
Common Stocks - Industrial and Miscellaneous (Unaffiliated)												
United States												
20539A 10 5.....	Computer Services, Inc. KY.....	70,844.000	2,196,164	31.000	2,196,164	828,779	0	20,554	1,164,058	0	A	10/01/2002...
640376 10 9.....	Thomas Nelson, Inc.....	147,500.000	1,477,950	10.020	1,477,950	1,119,314	0	0	(42,630)	0	L	10/01/2002...
	United States.....		3,674,114	XXX	3,674,114	1,948,093	0	20,554	1,121,428	0	XXX	XXX
6899999	Total - Common Stocks - Industrial and Miscellaneous (Unaffiliated).....		3,674,114	XXX	3,674,114	1,948,093	0	20,554	1,121,428	0	XXX	XXX
Common Stocks - Parent, Subsidiaries and Affiliates												
United States												
003770 10 4.....	Abraham Lincoln Insurance Company.....	600,000.000	2,799,296	4.665	2,799,296	2,998,962	0	280,000	(199,666)	0	A	10/01/2002...
037699 10 5.....	Appalachian Life Insurance Company.....	10.000	9,191,715	919,171.500	9,191,715	3,157,676	0	880,000	381,345	0	A	10/16/2001...
91311A 10 0.....	United Trust Group Inc.....	28,000.000	196,000	7.000	196,000	350,000	0	0	(11,200)	0	L	09/01/1989...
	United States.....		12,187,011	XXX	12,187,011	6,506,638	0	1,160,000	170,479	0	XXX	XXX
6999999	Total - Common Stocks - Parent, Subsidiaries and Affiliates.....		12,187,011	XXX	12,187,011	6,506,638	0	1,160,000	170,479	0	XXX	XXX
7099999	Total - Common Stock.....		15,861,125	XXX	15,861,125	8,550,356	0	1,180,554	1,291,907	0	XXX	XXX
	Total - Preferred Stock from Section 1.....		1,140,250	XXX	1,209,756	1,140,250	0	66,856	0	0	XXX	XXX
7199999	Total - Preferred and Common Stock.....		17,001,375	XXX	17,070,881	9,690,606	0	1,247,410	1,291,907	0	XXX	XXX

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(a) For all common stocks bearing the NAIC designation "U" provide: the number of such issues.....0, the total \$ value (included in Column 6) of all such issues \$.....0.

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

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
Bonds - U.S. Government							
3133M7 LL 8	FEDERAL HOME LN BKS DEB	12/27/2002	UG/APPL Coins Agreement		544,605	550,000	10,981
3133M8 CM 4	FHLB-BOND	10/01/2002	UG/APPL Coins Agreement		251,323	250,000	205
912827 5S 7	US Treasury Note	06/03/2002	Morgan Keegan		105,750	100,000	319
912827 6N 7	US Treasury Note	11/08/2002	Morgan Keegan		236,769	215,000	6,080
912827 T8 5	US Treasury Note	06/03/2002	Morgan Keegan		108,031	100,000	353
912828 AD 2	US Treasury Note	06/03/2002	Morgan Keegan		125,234	125,000	44
0399999	Total - Bonds - U.S. Government				1,371,712	1,340,000	17,982
Bonds - Political Subdivisions of States							
Illinois							
850527 CC 4	Springfield IL Municipal Bonds	10/01/2002	UG/APPL Coins Agreement		95,497	100,000	0
850705 AU 8	Springfield, IL Tax Inc Muni Rev	10/01/2002	UG/APPL Coins Agreement		254,796	255,000	3,028
	Illinois				350,293	355,000	3,028
Nevada							
641271 SU 6	Nevada Hsg Div Single Family Mtg	10/01/2002	UG/APPL Coins Agreement		130,000	130,000	4,574
	Nevada				130,000	130,000	4,574
Oregon							
68607E TL 7	Oregon State Tax Alt Energy Ser D	10/01/2002	UG/APPL Coins Agreement		251,532	250,000	4,844
	Oregon				251,532	250,000	4,844
Pennsylvania							
725299 R7 8	Pittsburgh PA Urban Redev. Auth	10/01/2002	UG/APPL Coins Agreement		105,000	105,000	3,623
	Pennsylvania				105,000	105,000	3,623
Texas							
88275F EN 5	Texas State Dept Housing Comm Aff	10/01/2002	UG/APPL Coins Agreement		130,000	130,000	737
	Texas				130,000	130,000	737
Virginia							
457951 AT 8	Innovative Tech Authority Va Lease	10/01/2002	UG/APPL Coins Agreement		220,609	220,000	6,490
92813A U9 0	Virginia State Hsg. Dev. Auth	10/01/2002	UG/APPL Coins Agreement		265,839	265,000	7,475
	Virginia				486,448	485,000	13,965
West Virginia							
126817 AW 5	Cabell Putnam Wayne County WV	10/01/2002	UG/APPL Coins Agreement		15,000	15,000	553
483672 AW 1	Kanawha Cnty W VA Sgl Fam Mtg Rev	10/01/2002	UG/APPL Coins Agreement		10,000	10,000	208
956553 JU 6	WV General Obligation Series E	10/01/2002	UG/APPL Coins Agreement		247,997	250,000	6,979
956622 SM 7	WV ST HOSP FIN AUTH	10/01/2002	UG/APPL Coins Agreement		158,353	170,000	2,663
978328 BF 8	Wood Co WV St Joseph Hospital	10/01/2002	UG/APPL Coins Agreement		18,998	20,000	344
978365 AW 4	Wood Cnty W VA Sgl Fam Res Mtg Rev	10/01/2002	UG/APPL Coins Agreement		10,000	10,000	60
	West Virginia				460,348	475,000	10,807
	Total States and US				1,913,621	1,930,000	41,578
2499999	Total - Bonds - Political Subdivision				1,913,621	1,930,000	41,578
Bonds - Special Revenue and Special Assessment							
United States							
31283K A7 3	FHLMC GOLD POOL G10930	10/01/2002	UG/APPL Coins Agreement		359,980	360,423	1,654
312915 QC 8	FHLMC 1491 GA CMO	10/01/2002	UG/APPL Coins Agreement		175,316	174,836	924
313398 N9 6	FHLMC CMO 2334 QC	10/01/2002	UG/APPL Coins Agreement		502,544	500,000	2,500
313399 XN 2	FHLMC CMO 2360 PD	10/01/2002	UG/APPL Coins Agreement		507,649	500,000	2,500
31339N 2Z 8	FHLMC CMO 2406 PC	01/08/2002	Smith Barney		2,056,014	2,000,000	10,472
31339N J8 0	FHLMC CMO 2410 YA	01/18/2002	Morgan Keegan		1,663,406	1,650,000	8,044
31339N LJ 3	FHLMC CMO 2410 JA	02/07/2002	Morgan Keegan		2,020,625	2,000,000	9,750
31339W DB 9	FHLMC CMO 2424 PT	03/19/2002	BANC ONE		1,996,250	2,000,000	8,625
3133MH YX 6	FHLB CMO 5S-08 1	10/01/2002	UG/APPL Coins Agreement		459,833	459,833	4,381
3133TC UL 0	FHLMC CMO 2034 PE	10/01/2002	UG/APPL Coins Agreement		502,952	500,000	2,604
3133TE VL 5	FHLMC CMO SERIES 2083 PD PAC	10/01/2002	UG/APPL Coins Agreement		250,143	250,000	1,354
3133TG T6 6	FHLMC CMO 2091 PF	10/01/2002	VARIOUS		1,356,231	1,310,000	4,120
3133TH M8 7	FHLMC REMIC CMO SERIES 2112 PD PAC	10/01/2002	UG/APPL Coins Agreement		489,307	500,000	2,500

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SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

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
3133TR 2X 2	FHLMC CMO 2274 PV	10/01/2002	UG/APPL Coins Agreement		169,212	168,272	895
313920 5R 7	FNMA CMO 2001-44 MW	03/22/2002	Morgan Keegan		2,005,625	2,000,000	8,667
313921 KM 9	FNMA CMO 2001-52 PB	10/01/2002	UG/APPL Coins Agreement		509,398	500,000	2,500
313921 UT 3	FNMA CMO 2001-53 YB	10/01/2002	UG/APPL Coins Agreement		343,965	342,292	2,140
313921 YR 3	FNMA CMO 2001-53 LH	10/01/2002	UG/APPL Coins Agreement		505,417	500,000	2,292
31392A NK 0	FNMA CMO 2001-50 TY	01/08/2002	COMPASS BANK		2,030,625	2,000,000	3,333
31392A WT 1	FNMA CMO 2001-71 EC	08/08/2002	Morgan Keegan		2,067,500	2,000,000	4,000
31392E 6D 7	FNMA CMO 2002-67 PC	10/16/2002	First TN Capital Markets		1,018,438	1,000,000	4,431
31392E LS 7	FNMA CMO 2002-58 PD	08/08/2002	Smith Barney		1,802,158	1,750,000	8,458
31392E QZ 6	FNMA CMO 2002-56 PC	11/06/2002	First TN Capital Markets		1,040,625	1,000,000	3,000
31392G GF 6	FNMA CMO 2002-83 LC	11/05/2002	Smith Barney		1,037,813	1,000,000	4,278
31392P RU 1	FHLMC CMO 2484 CA	07/18/2002	Morgan Keegan		2,020,000	2,000,000	9,667
31392V N3 2	FHLMC CMO 2496 TD	10/31/2002	First TN Capital Markets		1,039,688	1,000,000	611
31392W Q5 2	FHLMC CMO GOLD 2518-PD	10/17/2002	Smith Barney		1,011,875	1,000,000	4,431
38373R GR 4	GNMA CMO 2001-19 PB	03/28/2002	Morgan Keegan		1,019,531	1,000,000	361
38373R JF 7	GNMA CMO 2001-27 PC	03/28/2002	First TN Capital Markets		2,041,563	2,000,000	722
38373V HY 9	GNMA CMO 2002-60 PD	10/24/2002	First TN Capital Markets		2,062,500	2,000,000	9,333
38373W U7 1	GNMA CMO 2002-32 PE	05/24/2002	COMPASS BANK		1,762,578	1,750,000	8,458
38373X ZV 1	GNMA CMO 2002-50 PC	09/12/2002	First TN Capital Markets		1,045,625	1,000,000	2,667
	U.S.				36,874,386	36,215,656	139,672
	Total States and US				36,874,386	36,215,656	139,672
3199999	Total - Bonds - Special Revenue & Special Assessments				36,874,386	36,215,656	139,672
Bonds - Public Utilities							
United States							
01028Q AB 4	Alabama Gas Corporation MTN	10/01/2002	UG/APPL Coins Agreement		244,345	250,000	6,510
020039 AF 0	Alltel Corporation	10/01/2002	UG/APPL Coins Agreement		249,353	250,000	9,063
07261L AT 9	Bay States Gas Company MTN	10/01/2002	UG/APPL Coins Agreement		246,481	250,000	2,500
165123 AJ 9	Chesapeake & Potomac Tel Co W VA	10/01/2002	UG/APPL Coins Agreement		998,678	1,000,000	22,856
451380 AU 3	Idaho Power Company	10/01/2002	UG/APPL Coins Agreement		251,025	250,000	889
505588 AR 4	Laclede Gas Company	10/01/2002	UG/APPL Coins Agreement		254,083	250,000	8,028
650094 BY 0	New York Telephone Company	10/01/2002	UG/APPL Coins Agreement		247,022	250,000	1,224
694308 FA 0	Pacific Gas & Electric Company	10/01/2002	UG/APPL Coins Agreement		245,000	250,000	5,208
709051 CB 0	Pennsylvania Power & Light	10/01/2002	UG/APPL Coins Agreement		248,222	250,000	1,432
781681 AS 0	Rural Elec Corp Grantor	10/01/2002	UG/APPL Coins Agreement		148,774	148,774	552
927804 CB 8	Virginia Electric Power Company	10/01/2002	UG/APPL Coins Agreement		251,899	250,000	1,667
	United States				3,384,882	3,398,774	59,929
3899999	Total - Bonds - Public Utilities				3,384,882	3,398,774	59,929
Bonds - Industrial and Miscellaneous							
United States							
035229 BK 8	Anheuser Busch Cos., Inc	10/01/2002	UG/APPL Coins Agreement		250,477	250,000	7,031
046753 WC 9	Atchinson Topeka & Santa Fe Eq	10/01/2002	UG/APPL Coins Agreement		270,481	266,000	7,869
173034 GM 5	Citicorp	10/01/2002	UG/APPL Coins Agreement		431,925	400,000	9,128
31945N AB 8	First Chicago NBD Corp MTN	10/01/2002	VARIOUS		1,674,175	1,590,000	49,572
337358 BL 8	First Union Corp	03/29/2002	Morgan Keegan		652,387	655,000	19,257
499040 AF 0	Knight Ridder, Inc	10/01/2002	UG/APPL Coins Agreement		246,074	250,000	4,638
57978Q AN 0	McCormick & Co. Inc MTN	10/01/2002	UG/APPL Coins Agreement		252,472	250,000	4,844
724477 AK 0	Pitney Bowes Credit Corp Note	10/01/2002	UG/APPL Coins Agreement		250,945	250,000	2,811
8447HB AC 6	Southtrust BK N A Birmingham	10/01/2002	VARIOUS		2,577,835	2,500,000	41,214
867914 AQ 6	Suntrust Bks Inc	10/01/2002	UG/APPL Coins Agreement		204,235	200,000	4,167
879868 AD 9	Temple Inland, Inc	10/01/2002	UG/APPL Coins Agreement		246,871	250,000	806
962166 AP 9	Weyerhaeuser Company	10/01/2002	UG/APPL Coins Agreement		250,869	250,000	3,771
	United States				7,308,746	7,111,000	155,108
4599999	Total - Bonds - Industrial & Miscellaneous				7,308,746	7,111,000	155,108

E11.1

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

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
6099997	Total - Bonds - Part 3				50,853,347	49,995,430	414,269
6099998	Total - Bonds - Summary Item from Part 5				444,942	444,823	8,480
6099999	Total - Bonds				51,298,289	50,440,253	422,749
Preferred Stocks - Banks, Trust and Insurance Companies							
United States							
12642C 20 1	CTBI PFD Capitol TR II	01/28/2002	HILLIARD LYONS, INC	14,025.000	140,250	10.00	0
81311X 20 0	Second Bancorp Cap TR I	10/01/2002	UG/APPL Coins Agreement	50,000.000	500,000	0.00	0
	United States				640,250	10.00	0
6299999	Total - Preferred Stocks - Banks, Trust & Ins. Cos				640,250	10.00	0
6599997	Total - Preferred Stocks - Part 3				640,250	10.00	0
6599999	Total - Preferred Stocks				640,250	10.00	0
Common Stocks - Industrial and Miscellaneous							
United States							
20539A 10 5	Computer Services, Inc. KY	10/01/2002	VARIOUS	52,609.000	439,468		0
640376 10 9	Thomas Nelson, Inc	10/01/2002	UG/APPL Coins Agreement	48,800.000	425,010		0
	United States				864,478	XXX	0
6899999	Total - Common Stocks - Industrial & Miscellaneous				864,478	XXX	0
Common Stocks - Parent, Subsidiaries and Affiliates							
United States							
003770 10 4	Abraham Lincoln Insurance Company	10/01/2002	UG/APPL Coins Agreement	600,000.000	2,998,962		0
	United States				2,998,962	XXX	0
6999999	Total - Common Stocks - Parent, Subsidiaries and Affiliates				2,998,962	XXX	0
7099997	Total - Common Stocks - Part 3				3,863,440	XXX	0
7099999	Total - Common Stocks				3,863,440	XXX	0
7199999	Total - Preferred and Common Stocks				4,503,690	XXX	0
7299999	Total - Bonds, Preferred and Common Stocks				55,801,979	XXX	422,749

E11.2

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	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
Bonds - U.S. Government															
362029 V5 6	GNMA 4236	12/15/2002	PRINCIPAL RECEIPT		4,671	4,671	4,535	4,671	36	0	0	0	0	138	
36202A G2 7	GNMA II 217	12/20/2002	PRINCIPAL RECEIPT		39	39	38	39	1	0	0	0	0	2	
362034 LU 2	GNMA 8439	12/15/2002	PRINCIPAL RECEIPT		1,919	1,919	1,879	1,919	17	0	0	0	0	62	
362034 MU 1	GNMA 8471	12/15/2002	PRINCIPAL RECEIPT		1,033	1,033	1,040	1,033	0	0	0	0	0	56	
362055 J3 0	GNMA 26382	12/15/2002	PRINCIPAL RECEIPT		2,684	2,684	2,662	2,684	13	0	0	0	0	179	
362057 3F 6	GNMA 28698X SF	12/15/2002	PRINCIPAL RECEIPT		7,747	7,747	7,607	7,747	67	0	0	0	0	400	
362060 QR 9	GNMA 31064	12/15/2002	PRINCIPAL RECEIPT		2,760	2,760	2,732	2,760	17	0	0	0	0	133	
362061 KZ 5	GNMA 31812	12/15/2002	PRINCIPAL RECEIPT		311	311	312	311	(1)	0	0	0	0	16	
362063 LB 3	GNMA 33622	12/15/2002	PRINCIPAL RECEIPT		720	720	727	720	(3)	0	0	0	0	37	
362064 RZ 2	GNMA 34704	12/15/2002	PRINCIPAL RECEIPT		6,251	6,251	6,416	6,251	(76)	0	0	0	0	301	
362065 C7 7	GNMA 35194	12/15/2002	PRINCIPAL RECEIPT		8,434	8,434	8,409	8,434	21	0	0	0	0	468	
362066 EZ 1	GNMA 36152	12/15/2002	PRINCIPAL RECEIPT		3,249	3,249	3,431	3,249	(91)	0	0	0	0	173	
362066 LM 2	GNMA 36332	12/15/2002	PRINCIPAL RECEIPT		8,080	8,080	8,330	8,080	(112)	0	0	0	0	317	
362069 BC 9	GNMA 38735	12/15/2002	PRINCIPAL RECEIPT		45	45	48	45	(1)	0	0	0	0	3	
36214C R7 6	GNMA 102310	12/15/2002	PRINCIPAL RECEIPT		286	286	347	286	1	0	0	0	0	17	
362155 BY 8	GNMA 154055Y	12/15/2002	PRINCIPAL RECEIPT		3,062	3,062	2,984	3,062	71	0	0	0	0	177	
36216Q D9 4	GNMA 171228	09/15/2002	PRINCIPAL RECEIPT		3,484	3,484	3,487	3,484	(1)	0	0	0	0	233	
36217Q 4H 5	GNMA 200724	12/15/2002	PRINCIPAL RECEIPT		31,536	31,536	32,394	31,536	(703)	0	0	0	0	1,657	
36218B SQ 1	GNMA 217527	12/15/2002	PRINCIPAL RECEIPT		252	252	260	252	(9)	0	0	0	0	12	
36218P GK 6	GNMA 228002	12/15/2002	PRINCIPAL RECEIPT		33,623	33,623	33,808	33,623	(116)	0	0	0	0	2,616	
362193 M5 0	GNMA 265980 Mobile B	12/15/2002	PRINCIPAL RECEIPT		26,357	26,357	26,505	26,357	42	0	0	0	0	1,289	
36220A VW 2	GNMA 272529	12/15/2002	PRINCIPAL RECEIPT		165	165	165	165	1	0	0	0	0	9	
912810 BZ 0	US Treasury Bond	11/15/2002	VARIOUS		150,000	150,000	147,563	148,951	145	0	0	1,049	1,049	11,813	
912827 2Y 7	US Treasury Note	06/30/2002	MATURITY		200,000	200,000	200,219	200,000	(60)	0	0	0	0	9,375	
912827 F4 9	US Treasury Note	05/15/2002	MATURITY		500,000	500,000	514,688	500,000	(906)	0	0	0	0	18,750	
0399999	Total - Bonds - U.S. Government				996,708	996,708	1,010,586	995,659	(1,647)	0	0	1,049	1,049	48,233	XXX
Bonds - Political Subdivisions of States															
Arizona															
718911 ET 3	Phoenix AZ Incl Dev. Auth.	12/01/2002	CALLED @ 100.0000000		100,000	100,000	100,000	100,000	0	0	0	0	0	6,250	
	Arizona				100,000	100,000	100,000	100,000	0	0	0	0	0	6,250	XXX
California															
54474C AZ 0	Los Angeles County Cal Series A	06/30/2002	MATURITY		1,350,000	1,350,000	1,435,833	1,350,000	(8,463)	0	0	0	0	56,025	
	California				1,350,000	1,350,000	1,435,833	1,350,000	(8,463)	0	0	0	0	56,025	XXX
Connecticut															
108151 TP 6	Bridgeport CT General Obligation	09/01/2002	MATURITY		55,000	55,000	55,000	55,000	0	0	0	0	0	3,905	
	Connecticut				55,000	55,000	55,000	55,000	0	0	0	0	0	3,905	XXX
Florida															
340736 BG 1	Florida Housing Fin. Agy.	07/01/2002	CALLED @ 100.0000000		335,000	335,000	341,985	336,840	(290)	0	0	(1,840)	(1,840)	17,813	
	Florida				335,000	335,000	341,985	336,840	(290)	0	0	(1,840)	(1,840)	17,813	XXX
Illinois															
452010 6L 0	Illinois Hsg Dev Auth Series 8	09/01/2002	VARIOUS		40,000	40,000	40,000	40,000	0	0	0	0	0	2,157	
	Illinois				40,000	40,000	40,000	40,000	0	0	0	0	0	2,157	XXX
Michigan															
251135 DB 2	Detroit Mi Downtown Dev Authority	07/01/2002	MATURITY		250,000	250,000	250,000	250,000	0	0	0	0	0	17,825	
	Michigan				250,000	250,000	250,000	250,000	0	0	0	0	0	17,825	XXX
Minnesota															
60415M YW 8	MN State Housing Fin Agy-Tax Resid.	04/23/2002	CALLED @ 100.0000000		90,000	90,000	90,000	90,000	0	0	0	0	0	3,987	
	Minnesota				90,000	90,000	90,000	90,000	0	0	0	0	0	3,987	XXX
Nebraska															
63967C SP 8	Nebraska Inv Fin Auth SF	09/01/2002	VARIOUS		320,000	320,000	320,000	320,832	(646)	0	0	(832)	(832)	15,384	
	Nebraska				320,000	320,000	320,000	320,832	(646)	0	0	(832)	(832)	15,384	XXX

E12

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	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
Nevada															
641271 SU 6.....	Nevada Hsg Div Single Family Mtg.....	10/01/2002	CALLED @ 100.0000000.....		10,000	10,000	10,000	10,000	0	0	0	0	0	350	
	Nevada.....				10,000	10,000	10,000	10,000	0	0	0	0	0	350	XXX
New Jersey															
646107 UK 6.....	New Jersey Hsg & Mtg Fin Agy 96B.....	12/11/2002	VARIOUS.....		170,000	170,000	170,000	170,000	0	0	0	0	0	6,231	
	New Jersey.....				170,000	170,000	170,000	170,000	0	0	0	0	0	6,231	XXX
Texas															
88275F EN 5.....	Texas State Dept Housing Comm Aff.....	09/01/2002	CALLED @ 100.0000000.....		60,000	60,000	60,000	60,000	0	0	0	0	0	3,740	
	Texas.....				60,000	60,000	60,000	60,000	0	0	0	0	0	3,740	XXX
	Total States and US.....				2,780,000	2,780,000	2,872,818	2,782,672	(9,399)	0	0	(2,672)	(2,672)	133,667	XXX
2499999.	Total - Bonds - Political Subdivisions.....				2,780,000	2,780,000	2,872,818	2,782,672	(9,399)	0	0	(2,672)	(2,672)	133,667	XXX
Bonds - Special Revenue and Special Assessment															
District of Columbia															
3133MA T7 4.....	FHLB-BOND.....	02/15/2002	MATURITY.....		1,500,000	1,500,000	1,499,063	1,500,000	63	0	0	0	0	50,625	
31364G YB 9.....	FNMA MTN.....	03/12/2002	CALLED @ 100.0000000.....		1,500,000	1,500,000	1,500,000	1,500,000	0	0	0	0	0	45,000	
31364K 5P 1.....	FNMA MTN.....	03/15/2002	CALLED @ 100.0000000.....		1,750,000	1,750,000	1,748,359	1,748,799	93	0	0	1,201	1,201	46,375	
31364K 6Y 1.....	FNMA MTN.....	03/22/2002	CALLED @ 100.0000000.....		1,860,000	1,860,000	1,860,000	1,860,000	0	0	0	0	0	48,360	
	District of Columbia.....				6,610,000	6,610,000	6,607,422	6,608,799	156	0	0	1,201	1,201	190,360	XXX
United States															
31282R XQ 2.....	FHLMC M80687.....	12/15/2002	PRINCIPAL RECEIPT.....		761,264	761,264	769,352	761,264	(6,775)	0	0	0	0	29,564	
31283K A7 3.....	FHLMC GOLD POOL G10930.....	12/15/2002	PRINCIPAL RECEIPT.....		599,981	599,981	599,320	599,981	692	0	0	0	0	16,238	
312915 QC 8.....	FHLMC 1491 GA CMO.....	12/15/2002	PRINCIPAL RECEIPT.....		1,491,620	1,491,620	1,503,049	1,491,620	(7,901)	0	0	0	0	44,648	
313398 N9 6.....	FHLMC CMO 2334 QC.....	12/15/2002	PRINCIPAL RECEIPT.....		633,352	633,352	639,651	633,352	(5,293)	0	0	0	0	28,501	
31339N J8 0.....	FHLMC CMO 2410 JA.....	12/15/2002	PRINCIPAL RECEIPT.....		253,998	253,998	256,062	253,998	(2,064)	0	0	0	0	11,396	
31339N LJ 3.....	FHLMC CMO 2410 JA.....	12/15/2002	PRINCIPAL RECEIPT.....		1,655,439	1,655,439	1,672,511	1,655,439	(17,072)	0	0	0	0	78,448	
3133MH YX 6.....	FHLB CMO 5S-08 1.....	12/24/2002	PRINCIPAL RECEIPT.....		764,513	764,513	764,513	764,513	0	0	0	0	0	20,200	
3133T1 H9 6.....	FHLMC CMO Series 1622.....	12/15/2002	PRINCIPAL RECEIPT.....		1,656,410	1,656,410	1,670,191	1,656,410	(13,317)	0	0	0	0	84,019	
3133TR 2X 2.....	FHLMC CMO 2274 PV.....	12/15/2002	PRINCIPAL RECEIPT.....		768,950	768,950	775,676	768,950	(6,067)	0	0	0	0	20,171	
3133TR JT 3.....	FHLMC 2283 PA CMO.....	10/15/2002	PRINCIPAL RECEIPT.....		2,000,000	2,000,000	2,012,813	2,000,000	(10,924)	0	0	0	0	44,140	
3133TR TL 9.....	FHLMC CMO Series2300 CL-QA.....	11/15/2002	PRINCIPAL RECEIPT.....		1,114,397	1,114,397	1,114,397	1,114,397	369	0	0	0	0	44,694	
3133TT DA 6.....	FHLMC CMO 2316 PM.....	12/15/2002	PRINCIPAL RECEIPT.....		1,057,718	1,057,718	1,057,387	1,057,718	742	0	0	0	0	50,150	
3133TT FV 8.....	FHLMC CMO 2315 PB.....	12/15/2002	PRINCIPAL RECEIPT.....		2,250,000	2,250,000	2,274,258	2,250,000	(19,544)	0	0	0	0	123,674	
313400 AV 5.....	FHLMC GTD MTG CTF SER A-1979.....	03/15/2002	CALLED @ 100.0000000.....		1,082	1,082	1,082	1,082	0	0	0	0	0	53	
31340M M5 1.....	FHLMC 181280.....	12/15/2002	PRINCIPAL RECEIPT.....		521	521	507	521	11	0	0	0	0	41	
31340Y DB 2.....	FHLMC CMO SER 12 CLASS 12-A.....	12/15/2002	PRINCIPAL RECEIPT.....		16,494	16,494	17,169	16,494	(548)	0	0	0	0	727	
31341Y Y5 1.....	FHLMC 219732.....	12/15/2002	PRINCIPAL RECEIPT.....		3,325	3,325	3,296	3,325	13	0	0	0	0	111	
31345B U2 8.....	FHLMC #300601.....	12/15/2002	PRINCIPAL RECEIPT.....		2,631	2,631	2,626	2,631	5	0	0	0	0	157	
31359A EF 2.....	FNMA 1993-93 CMO REMIC PAC.....	04/25/2002	PRINCIPAL RECEIPT.....		43,363	43,363	38,525	43,363	173	0	0	0	0	474	
31359R VF 6.....	FNMA CMO SERIES 1998-2 KD.....	11/18/2002	PRINCIPAL RECEIPT.....		987,230	987,230	994,018	987,230	(5,944)	0	0	0	0	29,680	
31359S G2 0.....	FNMA CMO SERIES 2001-14 QC.....	12/25/2002	PRINCIPAL RECEIPT.....		872,809	872,809	875,128	872,809	(1,182)	0	0	0	0	46,129	
31360C J5 2.....	FNMA 2084.....	02/25/2002	PRINCIPAL RECEIPT.....		224	224	219	224	3	0	0	0	0	4	
31360F CN 3.....	FNMA 4577.....	12/25/2002	PRINCIPAL RECEIPT.....		8,348	8,348	8,617	8,348	(236)	0	0	0	0	226	
313921 UT 3.....	FNMA CMO 2001-53 YB.....	11/25/2002	PRINCIPAL RECEIPT.....		813,594	813,594	819,912	813,594	(5,934)	0	0	0	0	24,496	
31392P RU 1.....	FHLMC CMO 2484 CA.....	12/15/2002	PRINCIPAL RECEIPT.....		45,182	45,182	45,634	45,182	(452)	0	0	0	0	704	
3837H1 ZH 7.....	GNMA CMO 1998-23 AW.....	12/20/2002	PRINCIPAL RECEIPT.....		763,211	763,211	763,211	763,211	690	0	0	0	0	24,250	
	U.S.....				18,565,656	18,565,656	18,679,124	18,565,656	(100,555)	0	0	0	0	722,895	XXX
	Total States and US.....				25,175,656	25,175,656	25,286,546	25,174,455	(100,399)	0	0	1,201	1,201	913,255	XXX
3199999.	Total - Bonds - Special Revenue & Assessment.....				25,175,656	25,175,656	25,286,546	25,174,455	(100,399)	0	0	1,201	1,201	913,255	XXX
Bonds - Public Utilities															
United States															
03774B AL 7.....	Appalachian Power Company.....	07/24/2002	CALLED @ 100.0000000.....		500,000	500,000	500,000	500,000	0	0	0	0	0	24,291	

E12.1

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	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
155033 BF 9	Central Power & Light Company	12/01/2002	MATURITY		250,000	250,000	266,830	250,000	(2,724)	0	0	0	0	18,750	
165069 AC 9	Chesapeake Potomac Telephone Co	03/01/2002	CALLED @ 100.0000000		45,000	45,000	45,418	45,070	(5)	0	0	(70)	(70)	661	
25085J AA 1	Detroit Edison Company MTN	08/01/2002	MATURITY		1,000,000	1,000,000	982,760	1,000,000	1,592	0	0	0	0	72,000	
341081 DD 6	Florida Power & Light Company	06/10/2002	CALLED @ 100.0000000		2,000,000	2,000,000	1,956,540	1,996,232	2,515	0	0	3,768	3,768	113,729	
454614 AC 2	Indiana Bell Telephone	11/08/2002	CALLED @ 100.0000000		40,000	40,000	39,530	39,867	22	0	0	133	133	2,426	
677177 AB 3	Ohio Bell Telephone Company	11/08/2002	CALLED @ 100.0000000		40,000	40,000	39,745	39,930	12	0	0	70	70	2,550	
717537 CT 9	Philadelphia Electric Company	07/15/2002	MATURITY		1,000,000	1,000,000	996,790	1,000,000	276	0	0	0	0	75,000	
842400 DK 6	Southern California Edison Co	10/01/2002	MATURITY		1,850,000	1,850,000	1,816,768	1,850,000	74,000	0	0	0	0	104,063	
	United States				6,725,000	6,725,000	6,644,381	6,721,099	75,688	0	0	3,901	3,901	413,470	XXX
3899999	Total - Bonds - Public Utilities				6,725,000	6,725,000	6,644,381	6,721,099	75,688	0	0	3,901	3,901	413,470	XXX
Bonds - Industrial and Miscellaneous															
United States															
04454C CD 6	Ashland Oil MTN	02/14/2002	MATURITY		500,000	500,000	522,195	500,000	(453)	0	0	0	0	6,744	
04882P BR 9	Atlantic Richfield Company MTN	02/13/2002	MATURITY		2,000,000	2,000,000	2,206,140	2,000,000	(3,820)	0	0	0	0	37,987	
368836 AA 0	General American Transportation	03/15/2002	MATURITY		150,000	150,000	168,572	150,000	(674)	0	0	0	0	7,594	
45068H AD 8	ITT Hartford	11/01/2002	MATURITY		1,600,000	1,600,000	1,537,600	1,600,000	9,782	0	0	0	0	98,334	
669383 CD 1	Norwest Financial Inc	05/15/2002	MATURITY		250,000	250,000	264,165	250,000	(1,055)	0	0	0	0	9,938	
78643A AC 0	Safeco Corporation MTN	08/05/2002	MATURITY		1,000,000	1,000,000	958,540	1,000,000	4,302	0	0	0	0	46,000	
	United States				5,500,000	5,500,000	5,657,212	5,500,000	8,082	0	0	0	0	206,597	XXX
4599999	Total - Bonds - Industrial & Miscellaneous				5,500,000	5,500,000	5,657,212	5,500,000	8,082	0	0	0	0	206,597	XXX
6099997	Total - Bonds - Part 4				41,177,364	41,177,364	41,471,543	41,173,885	(27,675)	0	0	3,479	3,479	1,715,222	XXX
6099998	Total - Bonds - Summary Item from Part 5				444,823	444,823	444,942	444,823	(119)	0	0	0	0	10,563	XXX
6099999	Total - Bonds				41,622,187	41,622,187	41,916,485	41,618,708	(27,794)	0	0	3,479	3,479	1,725,785	XXX
7299999	Total - Bonds, Preferred and Common Stocks				41,622,187	XXX	41,916,485	41,618,708	(27,794)	0	0	3,479	3,479	1,725,785	0

E12.2

SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identification	Description	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Actual Cost	Consideration	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 and Dividends Received During Year	Paid for Accrued Interest and Dividends
Bonds - Special Revenue and Special Assessment																
United States																
3133TR TL 9.....	FHLMC CMO Series2300 CL-QA.....	10/01/2002	UG/APPL Coins Agreement..	11/15/2002	PRINCIPAL RECEIPT.....	141,886	141,886	141,886	141,886	0	0	0	0	0	776	1,891
31359R VF 6.....	FNMA CMO SERIES 1998-2 KD.....	10/01/2002	UG/APPL Coins Agreement..	11/18/2002	PRINCIPAL RECEIPT.....	52,937	53,030	52,937	52,937	(93)	0	0	0	0	412	339
	U.S.....					194,823	194,916	194,823	194,823	(93)	0	0	0	0	1,188	2,230
	Total States and US.....					194,823	194,916	194,823	194,823	(93)	0	0	0	0	1,188	2,230
3199999.	Total - Bonds - Special Revenue & Assessment.....					194,823	194,916	194,823	194,823	(93)	0	0	0	0	1,188	2,230
Bonds - Public Utilities																
United States																
155033 BF 9.....	Central Power & Light Company.....	10/01/2002	UG/APPL Coins Agreement..	12/01/2002	MATURITY.....	250,000	250,026	250,000	250,000	(26)	0	0	0	0	9,375	6,250
	United States.....					250,000	250,026	250,000	250,000	(26)	0	0	0	0	9,375	6,250
3899999.	Total - Bonds - Public Utilities.....					250,000	250,026	250,000	250,000	(26)	0	0	0	0	9,375	6,250
6099998.	Total - Bonds.....					444,823	444,942	444,823	444,823	(119)	0	0	0	0	10,563	8,480
7299999.	Total - Bonds, Preferred and Common Stocks.....					XXX	444,942	444,823	444,823	(119)	0	0	0	0	10,563	8,480

UNIVERSAL GUARANTY LIFE INSURANCE COMPANY

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identifi- cation	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 NAIC Company Code or Alien Insurer Identification Number	4 NAIC Valuation Method (See SVO Purposes and Procedures manual)	5 Do Insurer's Assets Include Intangible Assets Connected with Holding of Such Company's Stock?	6 Total Amount of Such Intangible Assets	7 Book/Adjusted Carrying Value	8 Stock of Such Company Owned by Insurer on Statement Date	
							8 Number of Shares	9 % of Outstanding
Common Stocks								
Parent								
91311A-10-0...	United Trust Group, Inc.....			No.....	0	196,000	28,000,000	0.9
0999999	Total - Common Stocks - Parent.....				0	196,000	XXX	XXX
U.S. Life Insurer								
003770-10-4...	Abraham Lincoln Insurance Company.....	60011		No.....	0	2,799,296	600,000,000	100.0
037699-10-5...	Appalachian Life Insurance Company.....	72591		No.....	0	9,191,715	10,000	100.0
1199999	Total - Common Stocks - U.S. Life Insurer.....				0	11,991,011	XXX	XXX
1699999	Total - Common Stocks.....				0	12,187,011	XXX	XXX
1799999	Total - Preferred and Common Stock.....				0	12,187,011	XXX	XXX

1. Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$.....0.
2. Total amount of intangible assets nonadmitted \$.....0.

SCHEDULE D - PART 6 - SECTION 2

1 CUSIP Identifi- cation	2 Name of Lower-tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 6, Section 1	5 Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding
NONE					

NONE

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Date Acquired	4 Name of Vendor	Interest		7 Maturity Date	8 Book/Adjusted Carrying Value	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment	11 Par Value	12 Actual Cost	Interest		15 Paid for Accrued Interest	16 NAIC Desig- nation	17 Effective Rate of Interest
				5 Rate of	6 How Paid							13 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	14 Gross Amount Received			
Exempt Money Market Mutual Funds																
United States																
S99990 21 0..	Aim Short Term Inv Co Treasury #2.....	12/31/2002	Bank of New York.....	1.238	MON	01/01/2004	6,766,820	0	0	6,766,820	6,766,820	3,762	16,851	0	1....	1.238
299920-43-9..	Evergreen Inst Treasury MM Fund.....	11/30/2002	Wachovia.....	1.200	MON	01/01/2004	50,000	0	0	50,000	50,000	68	0	0	1....	1.200
	United States.....						6,816,820	0	0	6,816,820	6,816,820	3,830	16,851	0	XXX	XXX....
7799999	Exempt Money Market Mutual Funds.....						6,816,820	0	0	6,816,820	6,816,820	3,830	16,851	0	XXX	XXX....
Other Short-Term Invested Assets																
United States																
	Mammoth Bancorp.....	01/20/2001	Mammoth Bancorp.....	6.250	MON		350,000	0	0	350,000	350,000	4,135	33,551	0	1....	6.250
	United States.....						350,000	0	0	350,000	350,000	4,135	33,551	0	XXX	XXX....
7999999	Other Short-Term Invested Assets.....						350,000	0	0	350,000	350,000	4,135	33,551	0	XXX	XXX....
8099999	Grand Total - Short-Term Investments.....						7,166,820	(a).....0	0	7,166,820	7,166,820	7,965	50,402	0	XXX	XXX....

(a) Includes \$.....0 other than accrual of discount and amortization of premium.

**Sch. DB-Pt. A-Sn. 1
NONE**

**Sch. DB-Pt. A-Sn. 2
NONE**

**Sch. DB-Pt. A-Sn. 3
NONE**

**Sch. DB-Pt. B-Sn. 1
NONE**

**Sch. DB-Pt. B-Sn. 2
NONE**

**Sch. DB-Pt. B-Sn. 3
NONE**

**Sch. DB-Pt. C-Sn. 1
NONE**

**Sch. DB-Pt. C-Sn. 2
NONE**

**Sch. DB-Pt. C-Sn. 3
NONE**

**Sch. DB-Pt. D-Sn. 1
NONE**

**Sch. DB-Pt. D-Sn. 2
NONE**

**Sch. DB-Pt. D-Sn. 3
NONE**

**Sch. DB-Pt. E-Sn. 1
NONE**

SCHEDULE DM

For bonds and preferred stocks owned as of December 31, state the aggregate statement (admitted) value, the aggregate fair value, and the aggregate difference, if any, between them.

	1	2	3
	Statement (Admitted) Value	Fair Value (a)	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
1. Bonds.....	152,592,066	157,534,234	4,942,168
2. Preferred stocks.....	1,140,250	1,209,756	69,506
3. Totals.....	153,732,316	158,743,990	5,011,674

(a) Amortized or book values shall not be substituted for fair values. Describe the sources or methods utilized in determining the fair values.

Bank of New York

Wall Street Journal

SCHEDULE E - PART 1 - CASH

1		2	3	4	5	6
Depository		Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
Open Depositories						
Bank One.....	Springfield, IL.....	0.600	2,417	0	179,550	XXX
First Southern National Bank.....	Stanford, KY.....	1.030	71,855	0	6,400,132	XXX
First Southern Nat'l Bank Money Market.....	Stanford, KY.....	1.070	56,777	0	4,603,250	XXX
First Southern Nat'l Bank Reinsurance.....	Stanford, KY.....	1.070	1,794	0	128,377	XXX
0199999. Total - Open Depositories.....		XXX	132,843	0	11,311,309	XXX
0399999. Total Cash on Deposit.....		XXX	132,843	0	11,311,309	XXX
0599999. Total Cash.....		XXX	132,843	0	11,311,309	XXX

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January.....	8,568,566	4. April.....	6,784,697	7. July.....	10,611,142	10. October.....	9,345,484
2. February.....	7,690,149	5. May.....	6,058,795	8. August.....	9,246,033	11. November.....	9,208,047
3. March.....	9,912,397	6. June.....	8,396,338	9. September.....	10,886,939	12. December.....	11,311,309

SCHEDULE E - PART 2 - SPECIAL DEPOSITS

1 Line Number	2 Type	3 Description of Deposit	4 Where Deposited and Purpose of Deposit	5 Par or Book Value	6 Statement Value (a)	7 Fair Value
SPECIAL DEPOSITS WHICH ARE NOT FOR THE BENEFIT OF ALL POLICYHOLDERS						
Illinois						
IL00001.	B	USTNTS 3.250%	IL Dept of Ins, IL National Bank, IL RSD by INS CODE 215 ILCS 5/111(3)	125,000	125,168	128,320
IL99999.	Illinois			125,000	125,168	128,320
Massachusetts						
MA00001.	B	USTNTS 6.000%	State Street Bank and Trust Company, MA RSD by INS CODE 175:151(4)	125,000	127,074	134,219
MA99999.	Massachusetts			125,000	127,074	134,219
Nevada						
NV00001.	B	Southwestern Bell Capital Corp MTN	Division of Insurance NV by INS CODE 662B015	200,000	200,044	200,219
NV99999.	Nevada			200,000	200,044	200,219
Virginia						
VA00001.	B	USTNTS 7.250%	Suntrust Bank, Richmond VA RSD by INS CODE 38.2-1045	300,000	308,168	324,093
VA99999.	Virginia			300,000	308,168	324,093
XX99999.	Total - All Special Deposits NOT Held for Benefit of all Policyholders, Claimants, & Creditors of the Company			750,000	760,454	786,851
SPECIAL DEPOSITS WHICH ARE FOR THE BENEFIT OF ALL POLICYHOLDERS						
Arizona						
AZ00001.	B	Arizona Department of Insurance		725,000	742,034	797,219
AZ99999.	Arizona			725,000	742,034	797,219
Arkansas						
AR00001.	B	Arkansas Department of Insurance		115,000	126,090	127,111
AR99999.	Arkansas			115,000	126,090	127,111
Florida						
FL00001.	B	Florida Department of Insurance		1,250,000	1,252,724	1,259,650
FL99999.	Florida			1,250,000	1,252,724	1,259,650
Georgia						
GA00001.	B	Georgia Department of Insurance		50,000	49,658	50,016
GA99999.	Georgia			50,000	49,658	50,016
New Mexico						
NM00001.	B	New Mexico Department of Insurance		225,000	225,375	244,993
NM99999.	New Mexico			225,000	225,375	244,993
North Carolina						
NC00001.	B	North Carolina Department of Insurance		900,000	924,505	972,279
NC99999.	North Carolina			900,000	924,505	972,279
Ohio						
OH00001.	B	Ohio Department of Insurance		1,500,000	1,528,632	706,755
OH99999.	Ohio			1,500,000	1,528,632	706,755
Oklahoma						
OK00001.	B	Oklahoma Department of Insurance		200,000	211,748	221,531
OK99999.	Oklahoma			200,000	211,748	221,531
South Carolina						
SC00001.	B	South Carolina Department of Insurance		845,000	845,054	864,854
SC99999.	South Carolina			845,000	845,054	864,854
ZZ99999.	Total - All Special Deposits Held for Benefit of all Policyholders, Claimants, & Creditors of the Company			5,810,000	5,905,820	5,244,408
9999999.	Totals			6,560,000	6,666,274	6,031,259

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(a) Includes \$.50,000 cash and short-term investments as defined in SSAP No. 2 of the NAIC Accounting Practices and Procedures Manual.