



LIFE AND ACCIDENT AND HEALTH COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2002
OF THE CONDITION AND AFFAIRS OF THE

ACCELERATION LIFE INSURANCE COMPANY

NAIC Group Code 0458 (Current Period) 0458 (Prior Period) NAIC Company Code 71099 Employer's ID Number 31-0835312

Organized under the Laws of Ohio, State of Domicile or Port of Entry USA

Country of Domicile United States of America

Incorporated 01/08/1973 Commenced Business 08/31/1973

Statutory Home Office 7 WEST 7TH STREET, SUITE 1670 (Street and Number) CINCINNATI, OH 45202 (City or Town, State and Zip Code)

Main Administrative Office 520 MARYVILLE CENTRE DRIVE, SUITE 500 (Street and Number) ST. LOUIS, MO 63141 (City or Town, State and Zip Code) 314-275-5200 (Area Code) (Telephone Number)

Mail Address 520 MARYVILLE CENTRE, SUITE 500 (Street and Number or P.O. Box) ST. LOUIS, MO 63141 (City or Town, State and Zip Code)

Primary Location of Books and Records 520 MARYVILLE CENTRE DRIVE, SUITE 500 (Street and Number) ST. LOUIS, MO 63141 (City or Town, State and Zip Code) 314-275-5295 (Area Code) (Telephone Number)

Internet Website Address WWW.PROTECTIVE.COM

Statement Contact Mark Downar (Name) 314-275-5295 (Area Code) (Telephone Number) (Extension) Mark.Downar@Protective.com (E-mail Address) 314-275-5205 (FAX Number)

Policyowner Relations Contact 520 Maryville Centre Dr., Suite 500 (Street and Number) St. Louis, MO 63141 (City or Town, State and Zip Code) 800-950-6060 (Area Code) (Telephone Number) (Extension)

OFFICERS

President Brent Edwin Griggs # Secretary William Lloyd McMullen Jr. Treasurer Gregg Olav Cariolano Actuary

VICE PRESIDENTS

Gregg Olav Cariolano Jerry Walton DeFoor Richard Charles Hackett
Earl Perry Kupferman William Lloyd McMullen Jr. Richard Joseph Bielen
Thomas Michael Presley Carl Sitter Thigpen

DIRECTORS OR TRUSTEES

John Brian Deremo Brent Edwin Griggs John Robert Sawyer
Lawrence Gilbert Merrill

State of Missouri } ss
County of St. Louis }

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.

Brent Edwin Griggs
President

William Lloyd McMullen Jr.
Secretary

Gregg Olav Cariolano
Treasurer

Subscribed and sworn to before me this
day of February, 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

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE ACCELERATION LIFE INSURANCE COMPANY

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										
12,563 Units Krupp Ltd. Partnership II.....	Boston.....	MA.....	Lyndon Property Insurance Company.....	01/01/1988.....	34,332	(15,850)		18,482	18,482			
12,563 Units Krupp Ltd. Partnership III.....	Boston.....	MA.....	Lyndon Property Insurance Company.....	01/01/1988.....	37,712	(17,319)		20,393	20,393			
0999999 - Joint Venture Interests - Real Estate					72,044	(33,169)		38,875	38,875			
9999999 Totals					72,044	(33,169)		38,875	38,875			

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE ACCELERATION LIFE INSURANCE COMPANY

SCHEDULE D - PART 1

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

1 CUSIP Identification	2 Description	3 *	Interest		6 Maturity Date	7 Option Date	8 Option Call Price	9 Book/Adjusted Carrying Value	10 Par Value	11 Rate Used to Obtain Fair Value	12 Fair Value	13 Actual Cost	Interest		16 Increase (Decrease) by Adjustment	17 Increase (Decrease) by Foreign Exchange Adjustment	18 Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	19 NAIC Designation	20 Date Acquired	21 Effective Rate of In- terest				
			4 Rate of	5 How Paid									14 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	15 Gross Amount Received During Year										
US Governments																								
Issuer Obligations (10)																								
United States																								
912827-3E-0	U S Treasury Notes		6.125	FA	08/15/2007			1,076,386	1,012,000	115.0000	1,163,800	1,084,208	23,413	30,993	(7,822)			1		05/13/2002	4.582			
912827-3V-2	U S Treasury Notes		5.500	JJ	01/31/2003			3,499,184	3,500,000	100.3440	3,512,040	3,469,375	80,557	192,500	9,939			1		11/08/1999	5.798			
912827-J7-8	U S Treasury Notes		6.250	FA	02/15/2003			875,318	875,000	100.5940	880,198	882,636	20,656	54,688	(2,548)			1		12/23/1999	5.944			
912827-U8-3	U S Treasury Notes		6.500	FA	08/15/2005			1,445,998	1,350,000	111.8440	1,509,894	1,487,180	33,145	87,750	(34,291)			1		11/06/2001	3.632			
912827-Y5-5	U S Treasury Notes		7.000	JJ	07/15/2006			25,538	25,000	115.9380	28,985	25,852	808	1,750	(132)			1		06/29/2000	6.312			
Total United States								6,922,424	6,762,000	XXX	7,094,916	6,949,250	158,579	367,680	(34,853)	0	0	0	XXX	XXX	XXX			
0199999 - Total Bonds - U.S. Government - Issuer Obligations								6,922,424	6,762,000	XXX	7,094,916	6,949,250	158,579	367,680	(34,853)	0	0	0	XXX	XXX	XXX			
0399996 - Bonds - U.S. Government								6,922,424	6,762,000	XXX	7,094,916	6,949,250	158,579	367,680	(34,853)	0	0	0	XXX	XXX	XXX			
0399999 - Total - U.S. Government Bonds								6,922,424	6,762,000	XXX	7,094,916	6,949,250	158,579	367,680	(34,853)	0	0	0	XXX	XXX	XXX			
5499999 - Total - Issuer Obligations								6,922,424	6,762,000	XXX	7,094,916	6,949,250	158,579	367,680	(34,853)	0	0	0	XXX	XXX	XXX			
5599999 - Total - Single Class Mortgage-Backed/Asset-Backed Securities								0	0	XXX	0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	
5699999 - Total - Defined Multi-Class Residential Mortgage-Backed Securities								0	0	XXX	0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	
5799999 - Total - Other Multi-Class Residential Mortgage-Backed Securities								0	0	XXX	0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	
5899999 - Total - Defined Multi-Class Commercial Mortgage-Backed Securities								0	0	XXX	0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	
5999999 - Total - Other Multi-Class Commercial Mortgage-Backed Securities								0	0	XXX	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX
6099999 Totals								6,922,424	6,762,000	XXX	7,094,916	6,949,250	158,579	367,680	(34,853)	0	0	0	XXX	XXX	XXX			

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Schedule D - Part 2 - Section 1

NONE

Schedule D - Part 2 - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE ACCELERATION LIFE INSURANCE COMPANY

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															
US Governments															
United States															
36204F-VH-4	Govt Natl Mtg Assoc 7.000% 11/15/23	12/01/2002	Paydown		422,355	422,355	434,498	422,355	(5,219)				.0	23,069	
36204F-VH-4	Govt Natl Mtg Assoc 7.000% 11/15/23	12/30/2002	Lyndon Property Ins.		858,484	803,776	826,885	813,727	18			44,757	44,757	60,797	
36224E-TW-3	Govt Natl Mtg Assn 7.000% 11/15/23	12/01/2002	Paydown		204,128	204,128	209,104	204,128	(2,267)				.0	8,027	
36224E-TW-3	Govt Natl Mtg Assn 7.000% 11/15/23	12/30/2002	Lyndon Property Ins.		518,156	485,136	496,961	490,542	18			27,613	27,613	36,695	
912827-2P-6	U S Treasury Notes 6.625% 03/31/02	03/31/2002	Various		700,000	700,000	713,125	700,000	(796)				.0	23,188	
912827-F4-9	U S Treasury Notes 7.500% 05/15/02	05/15/2002	Various		1,000,000	1,000,000	1,024,531	1,000,000	(4,122)				.0	37,500	
912827-J7-8	U S Treasury Notes 6.250% 02/15/03	12/30/2002	Various		427,656	425,000	428,254	425,139	(1,089)			2,517	2,517	36,451	
	Total United States				4,130,779	4,040,395	4,133,358	4,055,892	(13,457)	0	0	74,887	74,887	225,727	XXX
	0399996 - Bonds - U.S. Government				4,130,779	4,040,395	4,133,358	4,055,892	(13,457)	0	0	74,887	74,887	225,727	XXX
	0399999 - Bonds - U.S. Governments				4,130,779	4,040,395	4,133,358	4,055,892	(13,457)	0	0	74,887	74,887	225,727	XXX
Special Revenue & Assessment															
United States															
United States															
312863-BW-1	Fed'l Home Loan Mtg 7.000% 05/01/28	12/01/2002	Paydown		469,293	469,293	476,699	469,293	(6,269)				.0	19,315	
312863-BW-1	Fed'l Home Loan Mtg 7.000% 05/01/28	12/30/2002	Lyndon Property Ins.		793,278	751,989	763,856	761,821	(213)			31,457	31,457	56,880	
	Total United State				1,262,571	1,221,282	1,240,555	1,231,114	(6,482)	0	0	31,457	31,457	76,194	XXX
	Total United States				1,262,571	1,221,282	1,240,555	1,231,114	(6,482)	0	0	31,457	31,457	76,194	XXX
	3199996 - Bonds - Special Revenues - United States				1,262,571	1,221,282	1,240,555	1,231,114	(6,482)	0	0	31,457	31,457	76,194	XXX
	3199997 - Bonds - Special Revenues - Canada				0	0	0	0	0	0	0	0	0	0	XXX
	3199998 - Bonds - Special Revenues - Other Countries				0	0	0	0	0	0	0	0	0	0	XXX
	3199999 - Bonds - Special Revenues				1,262,571	1,221,282	1,240,555	1,231,114	(6,482)	0	0	31,457	31,457	76,194	XXX
Public Utilities (unaffiliated)															
United States															
612085-AV-2	Montana Power Company 7.300% 12/01/06	12/30/2002	Lyndon Property Ins.		1,050,373	1,000,000	1,000,000	1,000,000				50,373	50,373	79,692	
92781F-BP-2	Virginia Electric 5.730% 11/25/08	12/30/2002	Lyndon Property Ins.		806,432	750,000	749,288	749,517	74			56,915	56,915	64,343	
	Total United States				1,856,805	1,750,000	1,749,288	1,749,517	74	0	0	107,288	107,288	144,035	XXX
Canada															
89352L-AF-7	Trans-Canada Pipeline 6.125% 02/19/10	12/30/2002	Lyndon Property Ins.		1,064,411	1,000,000	998,180	998,687	142			65,724	65,724	83,538	
	Total Canada				1,064,411	1,000,000	998,180	998,687	142	0	0	65,724	65,724	83,538	XXX
	3899996 - Bonds - Public Utilities - United States				1,856,805	1,750,000	1,749,288	1,749,517	74	0	0	107,288	107,288	144,035	XXX
	3899997 - Bonds - Public Utilities - Canada				1,064,411	1,000,000	998,180	998,687	142	0	0	65,724	65,724	83,538	XXX
	3899998 - Bonds - Public Utilities - Other Countries				0	0	0	0	0	0	0	0	0	0	XXX
	3899999 - Bonds - Public Utilities				2,921,216	2,750,000	2,747,468	2,748,204	216	0	0	173,012	173,012	227,573	XXX
Industrial & Miscellaneous															
United States															
017363-AB-8	Allegheny Energy 8.130% 11/15/07	12/30/2002	Lyndon Property Ins.		665,000	1,000,000	1,000,000	1,000,000				(335,000)	(335,000)	88,527	
032166-AG-5	AmSouth Bank of 6.450% 02/01/08	12/30/2002	Lyndon Property Ins.		1,097,960	1,000,000	1,003,370	1,002,055	(331)			95,905	95,905	91,196	
073902-AU-2	Bear Stearns Co 6.875% 10/01/05	12/30/2002	Lyndon Property Ins.		1,104,691	1,000,000	1,029,410	1,012,308	(3,962)			92,383	92,383	85,747	
126691-XT-6	Ind. Natl Mtg 7.750% 09/25/26	12/01/2002	Paydown		877,714	877,714	897,462	877,714	(4,132)				.0	42,714	
205363-AB-0	Computer Sciences Corp 6.250% 03/15/09	04/15/2002	R. W. Pressrich		975,360	1,000,000	994,840	996,129	132			(20,769)	(20,769)	36,979	
292845-AE-4	Engelhard Corporation 6.950% 06/01/28	12/30/2002	Lyndon Property Ins.		936,793	1,000,000	890,750	893,043	1,282			43,750	43,750	75,099	
393505-HJ-4	GreenTree Financial 7.650% 09/15/26	12/30/2002	Lyndon Property Ins.		675,270	1,000,000	1,048,125	1,040,401	(1,953)			(365,131)	(365,131)	79,688	
638610-AZ-1	Nationwide Health 6.900% 10/01/37	12/30/2002	Lyndon Property Ins.		534,134	500,000	508,535	508,317	(59)			25,817	25,817	43,029	
883203-BC-4	Textron Inc 6.375% 07/15/04	12/30/2002	Lyndon Property Ins.		929,129	500,000	497,370	499,097	539			20,832	20,832	46,484	
891027-AG-9	Torchmark Corp 7.375% 08/01/13	04/15/2002	Morgan Stanley		516,675	500,000	515,960	513,283	(229)			3,392	3,392	26,325	
908584-DK-8	Union Tank Car 7.450% 06/01/09	12/30/2002	Lyndon Property Ins.		1,088,766	955,000	1,029,328	1,004,194	(5,998)			84,572	84,572	76,879	
	Total United States				8,992,292	9,332,714	9,415,150	9,346,540	(14,711)	0	0	(354,249)	(354,249)	692,666	XXX
Canada															
136440-AN-4	Canadian Pacific 8.850% 06/01/22	06/03/2002	Call	104,3350	521,675	500,000	531,240	521,675	(944)			0	0	22,371	
	Total Canada				521,675	500,000	531,240	521,675	(944)	0	0	0	0	22,371	XXX
	4599996 - Bonds - Industrial and Misc - United States				8,992,292	9,332,714	9,415,150	9,346,540	(14,711)	0	0	(354,249)	(354,249)	692,666	XXX
	4599997 - Bonds - Industrial and Misc - Canada				521,675	500,000	531,240	521,675	(944)	0	0	0	0	22,371	XXX
	4599998 - Bonds - Industrial and Misc - Other Countries				0	0	0	0	0	0	0	0	0	0	XXX
	4599999 - Bonds - Industrial and Miscellaneous				9,513,967	9,832,714	9,946,390	9,868,215	(15,655)	0	0	(354,249)	(354,249)	715,036	XXX
	6099997 - Bonds - Part 4				17,828,533	17,844,391	18,067,771	17,903,425	(35,378)	0	0	(74,893)	(74,893)	1,244,530	XXX

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE ACCELERATION LIFE INSURANCE COMPANY

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 (Stock)	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 & Assessment																	
United States																	
United States																	
31339M-BW-7	FHLMC 2386 PW 6.000% 02/15/20	01/14/2002	Salomon Brothers, Inc	12/30/2002	Lyndon Property Ins	1,000,000	996,875	1,059,630	997,008	133			62,622	62,622	59,833	2,667	
Total United State						1,000,000	996,875	1,059,630	997,008	133	0	0	62,622	62,622	59,833	2,667	
Total United States						1,000,000	996,875	1,059,630	997,008	133	0	0	62,622	62,622	59,833	2,667	
3199996 - Bonds - Special Revenue - United States						1,000,000	996,875	1,059,630	997,008	133	0	0	62,622	62,622	59,833	2,667	
3199997 - Bonds - Special Revenue - Canada						0	0	0	0	0	0	0	0	0	0	0	
3199998 - Bonds - Special Revenue - Other Countries						0	0	0	0	0	0	0	0	0	0	0	
3199999 - Bonds - Special Revenue						1,000,000	996,875	1,059,630	997,008	133	0	0	62,622	62,622	59,833	2,667	
Public Utilities (unaffiliated)																	
United States																	
637432-CR-4	National Rural Util 5.250% 07/15/04	02/01/2002	Merrill Lynch	08/23/2002	B A Securities	1,000,000	1,016,440	1,030,160	1,012,836	(3,604)			17,324	17,324	32,521	3,063	
Total United States						1,000,000	1,016,440	1,030,160	1,012,836	(3,604)	0	0	17,324	17,324	32,521	3,063	
3899996 - Bonds - Public Utilities - United States						1,000,000	1,016,440	1,030,160	1,012,836	(3,604)	0	0	17,324	17,324	32,521	3,063	
3899997 - Bonds - Public Utilities - Canada						0	0	0	0	0	0	0	0	0	0	0	
3899998 - Bonds - Public Utilities - Other Countries						0	0	0	0	0	0	0	0	0	0	0	
3899999 - Bonds - Public Utilities						1,000,000	1,016,440	1,030,160	1,012,836	(3,604)	0	0	17,324	17,324	32,521	3,063	
6099998 - Total - Bonds						2,000,000	2,013,315	2,089,790	2,009,844	(3,471)	0	0	79,946	79,946	92,354	5,729	
COMMON STOCK																	
Industrial & Miscellaneous																	
United States																	
316146-20-8	Fidelity Short Term Bond Fund	11/29/2002	Fidelity Investments	12/11/2002	Fidelity Investments	14,550	101	128	130				27	27	2		
316153-10-5	Fidelity Fund	09/16/2002	Fidelity Investments	12/11/2002	Fidelity Investments	23,210	632	529	481				(102)	(102)	2		
Total United States						XXX	733	658	611	0	0	0	(75)	(75)	4	0	
6899999 - Common Stocks - Industrial and Miscellaneous						XXX	733	658	611	0	0	0	(75)	(75)	4	0	
7099998 - Total - Common Stocks						XXX	733	658	611	0	0	0	(75)	(75)	4	0	
7199999 - Total - Preferred and Common Stocks							733	658	611	0	0	0	(75)	(75)	4	0	
7299999 Totals								2,014,048	2,090,448	2,010,455	(3,471)	0	0	79,871	79,871	92,358	5,729

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SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identification	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	Stock of Such Company Owned by Insurer on Statement Date	
							8 Number of Shares	9 % of Outstanding
NONE								
1799999 Totals							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: \$
2. Total amount of intangible assets nonadmitted: \$

SCHEDULE D - PART 6 - SECTION 2

1 CUSIP Identification	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	Stock in Lower-tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding
NONE					
0399999 Total				XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE ACCELERATION LIFE INSURANCE COMPANY

SCHEDULE DA - PART 1

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

1 CUSIP Identification	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				
38141W-23-2	GS Financial Square Money Mkt.....	12/31/2002	Various.....	0.800	Mth.....	01/01/3000	149			149			149		1	0.800	
38141W-36-4	GS Financial Square Prime Obligation.....	12/31/2002	Various.....	0.800	Mth.....	01/01/3000	81			81			81		1	0.800	
62826N-77-0	JPMorgan Prime Money Mkt Fund.....	11/12/2002	No Broker.....	0.000	Mth.....	01/01/3000							138		1	0.000	
825251-78-8	AIM Liquid Assets Portfolio.....	10/09/2002	No Broker.....	0.000	Mth.....	01/01/3000							5,419		1	0.000	
000000-00-0	Suntrust Bank US Treas MM Fund.....	12/31/2002	No Broker.....	0.000	Mth.....	01/01/3000							26		1	0.000	
7899999 - Class One Money Market Mutual Funds							230			XXX			5,813		XXX	XXX	
8099999 Totals							230	(a)			XXX			5,813		XXX	XXX

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

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Schedule DB - Part A - Section 1

NONE

Schedule DB - Part A - Section 2

NONE

Schedule DB - Part A - Section 3

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part B - Section 2

NONE

Schedule DB - Part B - Section 3

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Part C - Section 3

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DB - Part D - Section 3

NONE

Schedule DB - Part E - Section 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	6,922,654	7,094,902	172,248
2. Preferred Stocks	0		0
3. Totals	6,922,654	7,094,902	172,248

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

Market values have been determined for all bonds and preferred stocks based on published values of such instruments where an established market exists. (If published by the NAIC, such values were used; otherwise, quoted values from established markets were used.) For bonds and preferred stocks without an established market, management has estimated the value based on the investment yield, financial strength of the issue, and other relevant factors. Amortized or book values are not used for market values.....

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE ACCELERATION LIFE INSURANCE COMPANY

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
AR00001	B	US Treasury Notes 6 1/8% due 8/15/2007 FA15	Arkansas, Arkansas Insurance Department, Policyholders	100,000	106,362	115,000
AR99999 - SUBTOTAL - ARKANSAS				100,000	106,362	115,000
FL00001	B	US Treasury Notes 6 1/4% due 2/15/2003 FA15	Florida, Florida Insurance Department, Policyholders	200,000	200,073	201,188
FL99999 - SUBTOTAL - FLORIDA				200,000	200,073	201,188
GA00001	B	US Treasury Notes 7% due 7/15/2006 JJ15	Georgia, Georgia Insurance Department, Policyholders	25,000	25,538	28,985
GA99999 - SUBTOTAL - GEORGIA				25,000	25,538	28,985
NM00001	B	US Treasury Notes 6 1/4% due 2/15/2003 FA15	New Mexico, New Mexico Insurance Department, Policyholders	125,000	125,045	125,743
NM99999 - SUBTOTAL - NEW MEXICO				125,000	125,045	125,743
NC00001	B	US Treasury Notes 6 1/8% due 8/15/2007 FA15	North Carolina, North Carolina Insurance Department, Policyholders	600,000	638,174	690,000
NC00002	B	US Treasury Notes 6 1/2% due 8/15/2005 FA15	North Carolina, North Carolina Insurance Department, Policyholders	100,000	107,111	111,844
NC99999 - SUBTOTAL - NORTH CAROLINA				700,000	745,285	801,844
SC00001	B	US Treasury Notes 6 1/4% due 2/15/2003 FA15	South Carolina, South Carolina Insurance Department, Policyholders	300,000	300,109	301,782
SC99999 - SUBTOTAL - SOUTH CAROLINA				300,000	300,109	301,782
TX00001	B	US Treasury Notes 6 1/8% due 8/15/2007 FA15	Texas, Texas Insurance Department, Policyholders	312,000	331,850	358,800
TX99999 - SUBTOTAL - TEXAS				312,000	331,850	358,800
XX99999 - Total - Not All Policyholders				1,762,000	1,834,262	1,933,342
00001	B	US Treasury Notes 5 1/2% due 1/31/2003 JJ31	Ohio, Ohio Insurance Department, Policyholders	3,500,000	3,499,184	3,512,040
00002	B	US Treasury Notes 6 1/4% due 2/15/2003 FA15	Ohio, Ohio Insurance Department, Policyholders	250,000	250,091	251,485
00003	B	US Treasury Notes 6 1/2% due 8/15/2005 FA15	Ohio, Ohio Insurance Department, Policyholders	1,250,000	1,338,887	1,398,050
ZZ99999 - Total - All Policyholders				5,000,000	5,088,162	5,161,575
9999999 Totals				6,762,000	6,922,424	7,094,917

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

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