



ANNUAL STATEMENT

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

Family Heritage Life Insurance Company of America

NAIC Group Code..... 0000, 0000 (Current Period) (Prior Period) NAIC Company Code..... 77968 Employer's ID Number..... 34-1626521

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

Country of Domicile United States

Incorporated..... August 22, 1989 Commenced Business..... November 17, 1989

Statutory Home Office	Three Summit Park Drive, Suite 400 Cleveland Oh 44131 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	Three Summit Park Drive, Suite 400 Cleveland Oh 44131 <i>(Street and Number) (City or Town, State and Zip Code)</i>	216-520-2800 <i>(Area Code) (Telephone Number)</i>
Mail Address	PO BOX 31420 Cleveland Oh 44131-0420 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	Three Summit Park Drive, Suite 400 Cleveland Oh 44131 <i>(Street and Number) (City or Town, State and Zip Code)</i>	216-520-2800 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	FAMILYHERITAGELIFE.COM	
Statement Contact	John A. Wise <i>(Name)</i>	216-520-2800 <i>(Area Code) (Telephone Number) (Extension)</i>
	ACCTDEPT@FAMILYHERITAGELIFE.COM <i>(E-Mail Address)</i>	216-520-2801 <i>(Fax Number)</i>
Policyowner Relations Contact	Three Summit Park Drive, Suite 400 Cleveland Oh 44131 <i>(Street and Number) (City or Town, State and Zip Code)</i>	216-520-2800 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

President Howard L. Lewis Treasurer Jerome E. Grabowski
Secretary Edward J. Rocheck Actuary Jeffrey S. Morris

VICE PRESIDENTS

Edward J. Rocheck Jerome E. Grabowski Jeffrey S. Morris

DIRECTORS OR TRUSTEES

Henry E. Bedford Jerome E. Grabowski Howard L. Lewis Ralph W. Mosley
Edward J. Rocheck

State of..... Ohio
County of..... Cuyahoga

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

_____ (Signature) Howard L. Lewis _____ (Printed Name) President Chief Executive Officer	_____ (Signature) Edward J. Rocheck _____ (Printed Name) Secretary Chief Marketing Officer	_____ (Signature) Jerome E. Grabowski _____ (Printed Name) Treasurer Chief Financial Officer
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Subscribed and sworn to before me this

...30th.....day of January....., 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....

Sch. A-Pt. 1
NONE

Sch. A-Pt. 2
NONE

Sch. A-Pt. 3
NONE

Sch. B-Pt. 1
NONE

Sch. B-Pt. 2
NONE

Sch. BA-Pt. 1
NONE

Sch. BA-Pt. 2
NONE

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 Designation	Date Acquired	Effective Rate of Interest
U.S. Government - Issuer Obligations																				
912810 DQ 8	U.S. TREASURY BOND		12.000	MN	05/15/2005			540,565	500,000	123.7810	618,905	660,313	7,500	60,000	(14,916)			1	12/19/1990	8.170
912833 CY 4	U.S. TREASURY (STRIPPED)				08/15/2010			948,770	1,800,000	75.1130	1,352,034	321,014			76,454			1	02/01/1990	8.580
912833 DA 5	U.S. TREASURY (STRIPPED)				08/15/2011			1,753,288	3,600,000	70.8910	2,552,076	597,782			140,350			1	02/02/1990	8.520
912833 DC 1	U.S. TREASURY (STRIPPED)				08/15/2012			2,542,111	5,700,000	66.7830	3,806,631	861,385			204,616			1	02/02/1990	8.570
912833 JX 9	U.S. TREASURY (STRIPPED)				11/15/2011			1,146,698	2,300,000	69.9440	1,608,712	503,215			86,511			1	01/29/1992	8.000
912833 JZ 4	U.S. TREASURY (STRIPPED)				11/15/2012			276,570	600,000	65.8950	395,370	128,722			20,865			1	01/29/1992	8.000
912833 KA 7	U.S. TREASURY (STRIPPED)				05/15/2013			1,102,544	2,500,000	63.6720	1,591,800	490,179			83,670			1	09/22/1992	8.050
912833 KM 1	U.S. TREASURY (STRIPPED)				05/15/2017			874,416	2,700,000	49.1760	1,327,752	371,334			65,969			1	01/29/1992	8.000
912833 KN 6	U.S. TREASURY (STRIPPED)				11/15/2018			1,498,195	4,500,000	44.5470	2,004,615	779,040			100,513			1	07/30/1993	7.058
912833 KA 7	U.S. TREASURY (STRIPPED)				05/15/2013			1,102,544	2,500,000	63.6720	1,591,800	549,095			83,670			1	09/22/1992	8.050
912833 DG 2	U.S. TREASURY (STRIPPED)				08/15/2014			710,938	1,800,000	58.7440	1,057,392	363,729			54,413			1	07/12/1994	8.120
912833 KX 7	U.S. TREASURY (STRIPPED)				11/15/2019			1,716,750	6,500,000	41.7810	2,715,765	885,173			129,931			1	07/12/1994	8.025
912833 LA 6	U.S. TREASURY (STRIPPED)				08/15/2020			1,124,781	4,500,000	39.8480	1,793,160	600,342			84,898			1	12/30/1994	8.020
912833 LD 0	U.S. TREASURY (STRIPPED)				05/15/2021			1,840,121	7,000,000	38.0440	2,663,080	1,104,600			122,363			1	08/11/1995	7.300
912833 KD 1	U.S. TREASURY (STRIPPED)				11/15/2014			845,559	2,000,000	57.8070	1,156,140	535,100			58,932			1	09/04/1996	7.380
912833 KF 6	U.S. TREASURY (STRIPPED)				11/15/2015			1,374,656	3,500,000	54.1680	1,895,880	869,330			95,948			1	09/04/1996	7.390
912833 KK 5	U.S. TREASURY (STRIPPED)				11/15/2016			912,021	2,500,000	50.6780	1,266,950	576,375			63,746			1	09/04/1996	7.536
912833 KN 9	U.S. TREASURY (STRIPPED)				08/15/2017			709,250	2,000,000	48.2960	965,920	442,740			48,402			1	05/23/1996	7.362
912833 LG 3	U.S. TREASURY (STRIPPED)				02/15/2022			1,829,391	7,000,000	36.4370	2,550,590	1,147,090			123,701			1	05/23/1996	7.155
912810 EM 6	U.S. TREASURY BOND		7.250	FA	08/15/2022			1,050,005	1,000,000	130.1560	1,301,560	1,065,313	27,190	72,500	(2,609)			1	02/13/1997	6.712
912833 KT 6	U.S. TREASURY (STRIPPED)				11/15/2018			988,701	3,000,000	44.5470	1,336,410	658,256			66,600			1	02/27/1997	7.110
912833 LL 2	U.S. TREASURY (STRIPPED)				02/15/2023			1,938,958	8,000,000	34.4950	2,759,600	1,294,400			131,589			1	03/06/1997	7.145
912810 CC 0	U.S. TREASURY BOND		8.375	FA	08/15/2008	08/15/2003	100.000	305,824	300,000	104.2810	312,843	343,219	9,420	25,125	(8,948)			1	12/30/1998	6.350
912833 KV 1	U.S. TREASURY (STRIPPED)				05/15/2019			2,075,170	6,000,000	43.0820	2,584,920	1,672,745			129,960			1	08/06/1999	6.568
912833 LS 7	U.S. TREASURY (STRIPPED)				08/15/2024			2,151,597	8,500,000	31.6630	2,691,355	1,760,180			132,195			1	10/04/1999	6.435
912833 KY 5	U.S. TREASURY (STRIPPED)				02/15/2020			2,522,263	8,000,000	41.1070	3,288,560	2,038,532			164,021			1	10/21/1999	6.845
912833 LW 8	U.S. TREASURY (STRIPPED)				08/15/2025			2,015,577	9,000,000	29.9570	1,662,130	962,570			128,759			1	01/03/2000	6.705
0199999	U.S. Government - Issuer Obligations							35,897,263	107,300,000	XXX	49,885,950	22,281,773	44,110	157,625	2,371,603	0	0	XXX	XXX	XXX
U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities																				
3133MA R2 7	FEDERAL HOME LOAN BANK		8.125	FA	02/10/2015	02/10/2003	100.000	500,000	500,000	100.7190	503,595	500,000	15,693	40,625				1PE	01/27/2000	8.125
3133MG 7L 4	FEDERAL HOME LOAN BANK		7.000	JJ	07/25/2016	07/25/2003	100.000	500,000	500,000	102.8440	514,220	500,000	15,247	35,000				1PE	07/05/2001	7.000
3133MH LD 4	FEDERAL HOME LOAN BANK		6.353	AO	10/04/2016	10/04/2004	100.000	1,000,000	1,000,000	105.8200	1,058,200	1,000,000	15,317	63,530				1PE	09/07/2001	6.353
3133MH MX 9	FEDERAL HOME LOAN BANK		6.250	AO	10/04/2016	10/04/2004	100.000	500,000	500,000	105.4200	527,100	500,000	7,534	31,250				1PE	09/10/2001	6.250
3133MH N6 7	FEDERAL HOME LOAN BANK		6.360	AO	10/07/2016	10/05/2003	100.000	500,000	500,000	103.0940	515,470	500,000	7,580	31,800				1PE	09/10/2001	6.360
3133MJ YZ 7	FEDERAL HOME LOAN BANK		6.000	JD	12/13/2016	12/13/2003	100.000	1,000,000	1,000,000	100.7500	1,007,500	1,000,000	2,959	60,000				1PE	11/13/2001	6.000
3133ML NU 5	FEDERAL HOME LOAN BANK		6.700	FA	02/13/2017	02/13/2004	100.000	1,000,000	1,000,000	104.7810	1,047,810	1,000,000	25,148	33,500				1PE	02/01/2002	6.700
3133ML SC 0	FEDERAL HOME LOAN BANK		6.650	FA	02/27/2017	02/27/2004	100.000	2,000,000	2,000,000	104.8130	2,096,260	2,000,000	44,819	66,500				1PE	02/08/2002	6.650
3133ML TV 7	FEDERAL HOME LOAN BANK		6.600	MS	03/01/2017	03/01/2004	100.000	1,000,000	1,000,000	104.7190	1,047,190	1,000,000	21,879	33,000				1PE	02/12/2002	6.600
3133ML XM 2	FEDERAL HOME LOAN BANK		6.500	MS	03/08/2017	03/08/2004	100.000	2,000,000	2,000,000	104.5630	2,091,260	2,000,000	40,603	65,000				1PE	02/20/2002	6.500
3133MM JS 3	FEDERAL HOME LOAN BANK		6.785	AO	04/04/2017	04/04/2003	100.000	1,000,000	1,000,000	101.4000	1,014,000	1,000,000	16,172	33,925				1PE	03/08/2002	6.785
3133MN 4K 4	FEDERAL HOME LOAN BANK		7.000	AO	04/17/2017	04/17/2003	100.000	500,000	500,000	101.4380	507,190	500,000	7,096	17,000				1PE	04/03/2002	7.000
3133MN FN 6	FEDERAL HOME LOAN BANK		6.500	MN	05/17/2017	05/17/2005	100.000	500,000	500,000	107.3600	536,800	500,000	3,918	16,263				1PE	04/18/2002	6.500
3133MN N7 2	FEDERAL HOME LOAN BANK		6.700	MN	05/15/2017	05/15/2003	100.000	1,000,000	1,000,000	101.6880	1,016,880	1,000,000	8,444	33,500				1PE	05/02/2002	6.700
3133MN PG 0	FEDERAL HOME LOAN BANK		6.650	MN	05/22/2017	05/22/2003	100.000	500,000	500,000	101.7500	508,750	500,000	3,553	16,625				1PE	05/08/2002	6.650
3133MP AG 1	FEDERAL HOME LOAN BANK		6.625	JD	06/19/2017	06/19/2003	100.000	500,000	500,000	102.0630	510,315	500,000	998	16,563				1PE	06/05/2002	6.625
3133MP G8 3	FEDERAL HOME LOAN BANK		6.500	JJ	07/03/2017	07/03/2003	100.000	500,000	500,000	102.0310	510,155	500,000	16,292					1PE	06/18/2002	6.500
3133MP WS 1	FEDERAL HOME LOAN BANK		6.500	JJ	07/28/2017	01/29/2003	100.000	500,000	500,000	100.3130	501,565	500,000	13,801					1PE	07/09/2002	6.500
3133MR CD 2	FEDERAL HOME LOAN BANK		6.150	MS	09/05/2017	09/05/2003	100.000	750,000	750,000	102.4500	768,375	750,000	14,785					1PE	08/19/2002	6.150
3133MR CB 6	FEDERAL HOME LOAN BANK		6.250	MS	09/13/2017	03/13/2003	100.000	750,000	750,000	100.9400	757,050	750,000	13,998					1PE	08/19/2002	6.250
3133MR MG 4	FEDERAL HOME LOAN BANK		6.150	MS	09/20/2017	03/20/2003	100.000	500,000	500,000	100.9700	504,850	500,000	8,593					1PE	08/28/2002	6.057
3133MR MG 4	FEDERAL HOME LOAN BANK		6.150	MS	09/20/2017	03/20/2003	100.000	500,000	500,000	100.9700	504,850	500,000	8,593					1PE	08/28/2002	6.150
3133MR UR 1	FEDERAL HOME LOAN BANK		6.000	MS	09/26/2017	03/26/2003	100.000	697,674	697,674	100.4690	700,946	697,674	11,015	20,620						

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
3133MS WZ 9	FEDERAL HOME LOAN BANK		6.000	AO	10/30/2017	01/30/2003	100.000	500,000	500,000	100.0000	500,000	500,000	5,096					..1PE	10/15/2002	6.000
3133MT B9 8	FEDERAL HOME LOAN BANK		6.125	MN	11/13/2017	11/13/2003	100.000	500,000	500,000	102.8600	514,300	500,000	4,027					..1PE	10/24/2002	6.125
3133MT M6 2	FEDERAL HOME LOAN BANK		6.000	MN	11/20/2017	11/20/2003	100.000	1,000,000	1,000,000	102.5200	1,025,200	1,000,000	6,740					..1PE	11/04/2002	6.000
3133MT LX 4	FEDERAL HOME LOAN BANK		6.000	MN	11/27/2017	02/27/2003	100.000	2,000,000	2,000,000	100.6300	2,012,600	2,000,000	11,178					..1PE	11/04/2002	6.000
3133MU AF 2	FEDERAL HOME LOAN BANK		6.000	JD	12/20/2017	03/20/2003	100.000	2,000,000	2,000,000	101.7400	2,034,800	2,000,000	3,616					..1PE	11/25/2002	6.000
3133MU G3 3	FEDERAL HOME LOAN BANK		6.000	JD	12/26/2017	03/26/2003	100.000	1,000,000	1,000,000	100.9200	1,009,200	1,000,000	823					..1PE	12/03/2002	6.000
3133MU G3 3	FEDERAL HOME LOAN BANK		6.000	JD	12/26/2017	03/26/2003	100.000	1,000,000	1,000,000	100.9200	1,009,200	1,000,000	823					..1PE	12/03/2002	6.000
3133MU SE 6	FEDERAL HOME LOAN BANK		6.000	JJ	01/17/2023	07/17/2003	100.000	5,000,000	5,000,000	100.0000	5,000,000	5,000,000						..1PE	12/18/2002	6.000
3133MU SE 6	FEDERAL HOME LOAN BANK		6.000	JJ	01/17/2023	07/17/2003	100.000	1,000,000	1,000,000	100.0000	1,000,000	1,000,000						..1PE	12/20/2002	6.000
3133MR VC 3	FEDERAL HOME LOAN BANK (STRIPPED)				09/27/2022	03/27/2003	27.925	2,472,456	9,000,000	26.3200	2,368,800	2,432,349			40,107			..1PE	09/09/2002	6.650
3133MJ SW 1	FEDERAL HOME LOAN BANK (STRIPPED)				11/19/2021	05/19/2003	30.081	3,513,590	12,000,000	29.1330	3,495,960	3,467,400			46,190			..1PE	09/18/2002	6.601
3133MJ SW 1	FEDERAL HOME LOAN BANK (STRIPPED)				11/19/2021	05/19/2003	30.081	7,319,980	25,000,000	29.1330	7,283,250	7,223,750			96,230			..1PE	09/18/2002	6.601
0299999	U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities							45,503,700	78,197,674	XXX	46,003,641	45,321,173	356,340	615,201	182,527			XXX	XXX	XXX
0399999	Total - U.S. Government							81,400,963	185,497,674	XXX	95,889,591	67,602,946	400,450	772,826	2,554,130			XXX	XXX	XXX
States, Territories & Possessions (Direct and Guaranteed) - Issuer Obligations																				
Puerto Rico																				
745277 EB 5	PUERTO RICO MUNICIPAL		5.500	JJ	07/01/2003			401,090	400,000	102.1580	408,632	413,648	11,000	22,000	(2,188)			..1PE	04/15/1997	4.350
	Puerto Rico							401,090	400,000	XXX	408,632	413,648	11,000	22,000	(2,188)			XXX	XXX	XXX
	Total States and US							401,090	400,000	XXX	408,632	413,648	11,000	22,000	(2,188)			XXX	XXX	XXX
1199999	States, Territories & Possessions - Issuer Obligations							401,090	400,000	XXX	408,632	413,648	11,000	22,000	(2,188)			XXX	XXX	XXX
1799999	Total - States, Territories & Possessions (Direct and Guaranteed)							401,090	400,000	XXX	408,632	413,648	11,000	22,000	(2,188)			XXX	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																				
United States																				
88033G AF 7	TENET HEALTHCARE CORP		8.000	JJ	01/15/2005			249,338	250,000	103.0000	257,500	248,125	10,000	20,000	317			..2	03/03/1999	8.160
	United States							249,338	250,000	XXX	257,500	248,125	10,000	20,000	317			XXX	XXX	XXX
3999999	Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations							249,338	250,000	XXX	257,500	248,125	10,000	20,000	317			XXX	XXX	XXX
4599999	Total - Industrial & Miscellaneous (Unaffiliated)							249,338	250,000	XXX	257,500	248,125	10,000	20,000	317			XXX	XXX	XXX
Totals																				
5499999	Total - Issuer Obligations							36,547,691	107,950,000	XXX	50,552,082	22,943,546	65,110	199,625	2,369,732			XXX	XXX	XXX
5599999	Total - Single Class Mortgage-Backed/Asset-Backed Securities							45,503,700	78,197,674	XXX	46,003,641	45,321,173	356,340	615,201	182,527			XXX	XXX	XXX
6099999	Grand Total - Bonds							82,051,391	186,147,674	XXX	96,555,723	68,264,719	421,450	814,826	2,552,259			XXX	XXX	XXX

E08.1

Sch. D-Pt. 2-Sn. 1
NONE

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

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							
3133ML NU 5.....	FEDERAL HOME LOAN BANK.....	02/01/2002...	Suntrust.....		1,000,000	1,000,000	
3133ML SC 0.....	FEDERAL HOME LOAN BANK.....	02/08/2002...	Suntrust.....		2,000,000	2,000,000	
3133ML TV 7.....	FEDERAL HOME LOAN BANK.....	02/12/2002...	Suntrust.....		1,000,000	1,000,000	
3133ML XM 2.....	FEDERAL HOME LOAN BANK.....	02/20/2002...	Suntrust.....		2,000,000	2,000,000	
3133MM JS 3.....	FEDERAL HOME LOAN BANK.....	03/08/2002...	Suntrust.....		1,000,000	1,000,000	
3133MN 4K 4.....	FEDERAL HOME LOAN BANK.....	04/03/2002...	Suntrust.....		500,000	500,000	
3133MN FN 6.....	FEDERAL HOME LOAN BANK.....	04/18/2002...	Suntrust.....		500,000	500,000	
3133MN N7 2.....	FEDERAL HOME LOAN BANK.....	05/02/2002...	Suntrust.....		1,000,000	1,000,000	
3133MN PG 0.....	FEDERAL HOME LOAN BANK.....	05/08/2002...	First Union.....		500,000	500,000	
3133MP AG 1.....	FEDERAL HOME LOAN BANK.....	06/05/2002...	Suntrust.....		500,000	500,000	
3133MP G8 3.....	FEDERAL HOME LOAN BANK.....	06/18/2002...	Suntrust.....		500,000	500,000	
3133MP WS 1.....	FEDERAL HOME LOAN BANK.....	07/09/2002...	Wachovia.....		500,000	500,000	
3133MR CD 2.....	FEDERAL HOME LOAN BANK.....	08/19/2002...	Suntrust.....		750,000	750,000	
3133MR CB 6.....	FEDERAL HOME LOAN BANK.....	08/19/2002...	Suntrust.....		750,000	750,000	
3133MR MG 4.....	FEDERAL HOME LOAN BANK.....	08/28/2002...	Suntrust.....		500,000	500,000	
3133MR MG 4.....	FEDERAL HOME LOAN BANK.....	08/28/2002...	Wachovia.....		500,000	500,000	
3133MR UR 1.....	FEDERAL HOME LOAN BANK.....	09/09/2002...	Suntrust.....		697,674	697,674	
3133MS WZ 9.....	FEDERAL HOME LOAN BANK.....	10/15/2002...	Wachovia.....		500,000	500,000	
3133MT B9 8.....	FEDERAL HOME LOAN BANK.....	10/24/2002...	Suntrust.....		500,000	500,000	
3133MT M6 2.....	FEDERAL HOME LOAN BANK.....	11/04/2002...	Suntrust.....		1,000,000	1,000,000	
3133MT LX 4.....	FEDERAL HOME LOAN BANK.....	11/04/2002...	Suntrust.....		2,000,000	2,000,000	
3133MU AF 2.....	FEDERAL HOME LOAN BANK.....	11/25/2002...	Wachovia.....		2,000,000	2,000,000	
3133MU G3 3.....	FEDERAL HOME LOAN BANK.....	12/03/2002...	Suntrust.....		1,000,000	1,000,000	
3133MU G3 3.....	FEDERAL HOME LOAN BANK.....	12/03/2002...	Wachovia.....		1,000,000	1,000,000	
3133MU SE 6.....	FEDERAL HOME LOAN BANK.....	12/18/2002...	Suntrust.....		5,000,000	5,000,000	
3133MU SE 6.....	FEDERAL HOME LOAN BANK.....	12/20/2002...	Wachovia.....		1,000,000	1,000,000	
3133MR VC 3.....	FEDERAL HOME LOAN BANK(STRIPPED)	09/09/2002...	Suntrust.....		2,432,349	9,000,000	
3133MJ SW 1.....	FEDERAL HOME LOAN BANK(STRIPPED)	09/18/2002...	Suntrust.....		3,467,400	12,000,000	
3133MJ SW 1.....	FEDERAL HOME LOAN BANK(STRIPPED)	09/18/2002...	Suntrust.....		7,223,750	25,000,000	
0399999	Total - Bonds - U.S. Government.....				41,321,173	74,197,674	0
6099997	Total - Bonds - Part 3.....				41,321,173	74,197,674	0
6099998	Total - Bonds - Summary Item from Part 5.....				5,802,326	5,802,326	
6099999	Total - Bonds.....				47,123,499	80,000,000	0
7299999	Total - Bonds, Preferred and Common Stocks.....				47,123,499	XXX	0

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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															
912810 CX 4.....	U.S. TREASURY BOND.....	03/01/2002	U.S. Treasury @100.....		100,000	100,000	151,094	100,000					0		
3133M6 GT 9.....	FEDERAL HOME LOAN BANK.....	01/28/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0		
3133M6 ZN 1.....	FEDERAL HOME LOAN BANK.....	12/30/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	64,300	
3133M7 BP 0.....	FEDERAL HOME LOAN BANK.....	01/27/2002	Federal Home Loan Bank @100.....		500,000	500,000	500,000	500,000					0	16,575	
3133MB QE 0.....	FEDERAL HOME LOAN BANK.....	07/05/2002	Federal Home Loan Bank @100.....		500,000	500,000	500,000	500,000					0	40,851	
3133MB YC 5.....	FEDERAL HOME LOAN BANK.....	08/16/2002	Federal Home Loan Bank @100.....		250,000	250,000	250,000	250,000					0	19,700	
312923 CG 8.....	FEDERAL HOME LOAN MORTGAGE CORP.....	07/31/2002	Federal Home Loan Mortgage Corp. @.....		250,000	250,000	249,375	250,000	55				0	17,297	
3133MC XQ 3.....	FEDERAL HOME LOAN BANK.....	02/09/2002	Federal Home Loan Bank @100.....		250,000	250,000	250,000	250,000					0	8,763	
3133MD 4G 5.....	FEDERAL HOME LOAN BANK.....	03/01/2002	Federal Home Loan Bank @100.....		250,000	250,000	250,000	250,000					0	9,868	
3133MD RE 5.....	FEDERAL HOME LOAN BANK.....	09/28/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	66,450	
3133ME 4Y 4.....	FEDERAL HOME LOAN BANK.....	07/19/2002	Federal Home Loan Bank @100.....		500,000	500,000	500,000	500,000					0	25,050	
3133ME 6Z 9.....	FEDERAL HOME LOAN BANK.....	07/19/2002	Federal Home Loan Bank @100.....		250,000	250,000	250,000	250,000					0	12,656	
3133ME K2 6.....	FEDERAL HOME LOAN BANK.....	05/10/2002	Federal Home Loan Bank @100.....		250,000	250,000	250,000	250,000					0	8,750	
3133MG Y7 5.....	FEDERAL HOME LOAN BANK.....	08/27/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	67,947	
3133MH DN 1.....	FEDERAL HOME LOAN BANK.....	09/21/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	67,500	
3133MH LV 4.....	FEDERAL HOME LOAN BANK.....	06/28/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	49,125	
3133MH MR 2.....	FEDERAL HOME LOAN BANK.....	10/04/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	64,400	
3133MH SW 5.....	FEDERAL HOME LOAN BANK.....	10/17/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	64,200	
3133MJ 2T 6.....	FEDERAL HOME LOAN BANK.....	10/25/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	62,500	
3133MJ CU 2.....	FEDERAL HOME LOAN BANK.....	11/08/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	62,600	
3133MJ CU 2.....	FEDERAL HOME LOAN BANK.....	12/30/2002	Federal Home Loan Bank @100.....		2,000,000	2,000,000	2,000,000	2,000,000					0	125,200	
3133MJ E5 5.....	FEDERAL HOME LOAN BANK.....	11/01/2002	Federal Home Loan Bank @100.....		1,000,000	1,000,000	1,000,000	1,000,000					0	62,500	
3133MJ MM 9.....	FEDERAL HOME LOAN BANK.....	11/21/2002	Federal Home Loan Bank @100.....		2,000,000	2,000,000	2,000,000	2,000,000					0	123,500	
3133MJ SY 7.....	FEDERAL HOME LOAN BANK.....	11/29/2016	Federal Home Loan Bank @100.....		4,000,000	4,000,000	4,000,000	4,000,000					0	246,000	
3133MK 2Y 2.....	FEDERAL HOME LOAN BANK.....	09/06/2002	Federal Home Loan Bank @100.....		1,500,000	1,500,000	1,500,000	1,500,000					0	70,313	
3133MK 4C 8.....	FEDERAL HOME LOAN BANK.....	09/14/2002	Federal Home Loan Bank @100.....		1,500,000	1,500,000	1,500,000	1,500,000					0	73,125	
3133MK 7H 4.....	FEDERAL HOME LOAN BANK.....	12/19/2002	Federal Home Loan Bank @100.....		2,000,000	2,000,000	2,000,000	2,000,000					0	128,200	
3133MK AN 7.....	FEDERAL HOME LOAN BANK.....	09/14/2002	Federal Home Loan Bank @100.....		2,000,000	2,000,000	2,000,000	2,000,000					0	99,375	
3133MG N7 7.....	FEDERAL HOME LOAN BANK(STRIPPED).....	08/02/2002	Federal Home Loan Bank @25.373848.....		1,014,954	4,000,000	944,274	1,014,954	47,120				0		
0399999	Total - Bonds - U.S. Government.....				30,114,954	33,100,000	30,094,743	30,114,954	47,175	0	0	0	0	1,656,745	XXX
6099997	Total - Bonds - Part 4.....				30,114,954	33,100,000	30,094,743	30,114,954	47,175	0	0	0	0	1,656,745	XXX
6099998	Total - Bonds - Summary Item from Part 5.....				5,802,326	5,802,326	5,802,326	5,802,326					0	95,295	XXX
6099999	Total - Bonds.....				35,917,280	38,902,326	35,897,069	35,917,280	47,175	0	0	0	0	1,752,040	XXX
7299999	Total - Bonds, Preferred and Common Stocks.....				35,917,280	XXX	35,897,069	35,917,280	47,175	0	0	0	0	1,752,040	0

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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 Identifi- cation	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 - U.S. Government																
3133MK YG 6....	FEDERAL HOME LOAN BANK.....	01/03/2002	Suntrust.....	04/30/2002	Federal Home Loan Bank @1	1,000,000	1,000,000	1,000,000	1,000,000					.0	17,675	
3133ML CP 8....	FEDERAL HOME LOAN BANK.....	01/17/2002	Suntrust.....	05/13/2002	Federal Home Loan Bank @1	1,000,000	1,000,000	1,000,000	1,000,000					.0	17,000	
3133MQ 6U 3....	FEDERAL HOME LOAN BANK.....	07/18/2002	Wachovia.....	11/15/2002	Federal Home Loan Bank @1	500,000	500,000	500,000	500,000					.0	8,125	
3133MQ MR 2....	FEDERAL HOME LOAN BANK.....	07/30/2002	Suntrust.....	11/22/2002	Federal Home Loan Bank @1	1,000,000	1,000,000	1,000,000	1,000,000					.0	16,250	
3133MR GZ 9....	FEDERAL HOME LOAN BANK.....	08/22/2002	Suntrust.....	12/19/2002	Federal Home Loan Bank @1	1,000,000	1,000,000	1,000,000	1,000,000					.0	15,625	
3133MR UR 1....	FEDERAL HOME LOAN BANK.....	09/09/2002	Suntrust.....	12/31/2002	Federal Home Loan Bank @1	1,302,326	1,302,326	1,302,326	1,302,326					.0	20,620	
0399999.	Total - Bonds - U.S. Government.....					5,802,326	5,802,326	5,802,326	5,802,326	.0	.0	.0	.0	.0	95,295	.0
6099998.	Total - Bonds.....					5,802,326	5,802,326	5,802,326	5,802,326	.0	.0	.0	.0	.0	95,295	.0
7299999.	Total - Bonds, Preferred and Common Stocks.....					XXX	5,802,326	5,802,326	5,802,326	.0	.0	.0	.0	.0	95,295	.0

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	Stock of Such Company Owned by Insurer on Statement Date	
							8 Number of Shares	9 % of Outstanding

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.

NONE

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	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding

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			
U.S. Government Bonds - Issuer Obligations																
912795 LS 8..	United States Treasury Bills.....	12/30/2002	National City Bank.....	0.980	MAT.	01/02/2003	4,999,575			5,000,000	4,999,575				1	0.980
912795 LT 6..	United States Treasury Bills.....	12/30/2002	National City Bank.....	1.140	MAT.	01/09/2003	4,999,521			5,000,000	4,999,521				1	1.140
0199999	U.S. Government Bonds- Issuer Obligations.....						9,999,096	0	0	10,000,000	9,999,096	0	0	0	XXX	XXX
0399999	Total - U.S. Government Bonds.....						9,999,096	0	0	10,000,000	9,999,096	0	0	0	XXX	XXX
Totals																
5499999	Total Bonds - Issuer Obligations.....						9,999,096	0	0	10,000,000	9,999,096	0	0	0	XXX	XXX
6099999	Total - Bonds.....						9,999,096	0	0	10,000,000	9,999,096	0	0	0	XXX	XXX
8099999	Grand Total - Short-Term Investments.....						9,999,096	(a) 0	0	10,000,000	9,999,096	0	0	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 E - PART 1 - CASH

1 Depository	2 Rate of Interest	3 Amount of Interest Received During Year	4 Amount of Interest Accrued December 31 of Current Year	5 Balance	6 *
Open Depositories					
National City Bank Cleveland, OH.....	0.900	99,407	8,000	6,863,772	XXX
Suntrust Nashville, TN	0.813	7,700		312,108	XXX
0199998. Deposits in.....2 depositories that do not exceed allowable limits in any one depository (see Instructions) - Open Depositories.....	XXX	1,580		131,042	XXX
0199999. Total - Open Depositories.....	XXX	108,687	8,000	7,306,922	XXX
0399999. Total Cash on Deposit.....	XXX	108,687	8,000	7,306,922	XXX
0599999. Total Cash.....	XXX	108,687	8,000	7,306,922	XXX

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

1. January.....	8,102,847	4. April.....	4,451,572	7. July.....	8,407,581	10. October.....	3,800,694
2. February.....	4,867,733	5. May.....	5,543,150	8. August.....	10,721,951	11. November.....	11,875,725
3. March.....	4,107,593	6. June.....	6,819,476	9. September.....	10,337,485	12. December.....	7,306,922

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						
Arkansas						
AR00001	B	U.S. Treasury Security	Arkansas Insurance Department	500,000	263,547	375,565
AR00002		Generic Stripped Interest	Arkansas Policyholders			
AR00003		Due 8/15/2010				
AR99999	Arkansas			500,000	263,547	375,565
Indiana						
IN00001	B	U.S. Treasury Security	Indiana Department of Insurance	200,000	92,190	131,790
IN00002		Generic Stripped Interest	Indiana Policyholders			
IN00003		Due 11/15/2012				
IN99999	Indiana			200,000	92,190	131,790
Maine						
ME00001	B	U.S. Treasury Security	Maine Department of Insurance	625,000	228,005	316,738
ME00002		Generic Stripped Interest	Maine Policyholders			
ME00003		Due 11/15/2016				
ME99999	Maine			625,000	228,005	316,738
Virginia						
VA00001	B	U.S. Treasury Security	Virginia Department of Insurance	600,000	316,256	450,678
VA00002		Generic Stripped Interest	Virginia Policyholders			
VA00003		Due 8/15/2010				
VA99999	Virginia			600,000	316,256	450,678
XX99999		Total - All Special Deposits NOT Held for Benefit of all Policyholders, Claimants, & Creditors of the Company		1,925,000	899,998	1,274,771
SPECIAL DEPOSITS WHICH ARE FOR THE BENEFIT OF ALL POLICYHOLDERS						
New Mexico						
NM00001	B	U.S. Treasury Security	New Mexico Department of Insurance	700,000	233,052	311,829
NM00002		Generic Stripped Interest	All Policyholders			
NM00003		Due 11/15/2018				
NM99999	New Mexico			700,000	233,052	311,829
North Carolina						
NC00001	C	Evergreen Treasury Money Market Fund	North Carolina	100,000	100,000	100,000
NC00002		Interest 1.2%	All Policyholders			
NC99999	North Carolina			100,000	100,000	100,000
Ohio						
OH00001	B	U.S. Treasury Bonds	Ohio Department of Insurance	500,000	540,565	618,905
OH00002		Interest 12.00%	All Policyholders			
OH00003		Due 5/15/2005				
OH00004						
OH00005	B	U.S. Treasury Bonds	Ohio Department of Insurance	900,000	945,005	1,171,404
OH00006		Interest 7.25%	All Policyholders			
OH00007		Due 8/15/2022				
OH00008						
OH00009	B	Federal Home Loan Bank Mortgage	Ohio Department of Insurance	1,000,000	1,000,000	1,058,200
OH00010		Interest 6.353%	All Policyholders			
OH00011		Due 10/4/2016				
OH00012						
OH00013	B	Federal Home Loan Bank Mortgage	Ohio Department of Insurance	1,100,000	1,100,000	1,152,943
OH00014		Interest 6.65%	All Policyholders			
OH00015		Due 2/27/2017				
OH00016						
OH00017	B	Federal Home Loan Bank Mortgage	Ohio Department of Insurance	2,000,000	2,000,000	2,091,260
OH00018		Interest 6.5%	All Policyholders			
OH00019		Due 3/8/2017				
OH99999	Ohio			5,500,000	5,585,570	6,092,712

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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
Oklahoma						
OK00001	B	U.S. Treasury Security	Oklahoma Department of Insurance	300,000	305,824	312,843
OK00002		Interest 8.375%	All Policyholders			
OK00003		Due 8/15/2008				
OK99999	Oklahoma			300,000	305,824	312,843
South Carolina						
SC00001	B	U.S. Treasury Security	South Carolina Department of Insurance	400,000	184,380	263,580
SC00002		Generic Stripped Interest	All Policyholders			
SC00003		Due 11/15/2012				
SC99999	South Carolina			400,000	184,380	263,580
ZZ99999	Total - All Special Deposits Held for Benefit of all Policyholders, Claimants, & Creditors of the Company			7,000,000	6,408,826	7,080,964
9999999	Totals			8,925,000	7,308,824	8,355,735

(a) Includes \$.....0 cash and short-term investments as defined in SSAP No. 2 of the NAIC Accounting Practices and Procedures Manual.