

**ANNUAL STATEMENT**  
Including Index and Supplements

OF THE

**UNITY INSURANCE**

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of **TOLEDO**

in the state of **OHIO**

TO THE

Insurance Department

OF THE

STATE OF OHIO

FOR THE YEAR ENDED  
December 31, 2002

LIFE AND ACCIDENT AND HEALTH

2002



60220200220100100

ANNUAL STATEMENT

For the Year Ended December 31, 2002
OF THE CONDITION AND AFFAIRS OF THE

Unity Insurance

NAIC Group Code 1206 (Current Period) 1206 (Prior Period) NAIC Company Code 60220 Employer's ID Number 31-1508054

Organized under the Laws of OHIO, State of Domicile or Port of Entry OHIO

Country of Domicile

Incorporated January 21, 1997 Commenced Business May 1, 1997

Statutory Home Office 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624

Main Administrative Office 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624 419-241-6501

Mail Address 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624

Primary Location of Books and Records 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624 419-241-6501

Internet Website Address N/A

Statement Contact JEFFRIE REGO 419-251-6223

JEFFRIE\_REGO@MHSNR.ORG 419-241-5441
(E-Mail Address) (Fax Number)

Policyowner Relations Contact 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624 419-241-6501

OFFICERS

PRESIDENT & CEO THOMAS E. BEATY, JR.

Secretary

CHIEF FINANCIAL OFFICER RANDOLPH C. HOFFMAN

Actuary

Vice-Presidents

JOANNE VOLOVAR MARK LANCIANO MARK TUCKER, MD ANDREW WEINTRAUB

DIRECTORS OR TRUSTEES

RICHARD HANLEY THOMAS KELLY CHUCK GALLAGHER TED JENKINS
FATHER MICHAEL BILLIAN JEFF COPELAND TIM GLADIEUX THOMAS E. BEATY, JR.
ROOSEVELT GANT PATRICIA WISE SUSAN GILMORE

State of OHIO
County of LUCAS ss

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) (Signature) (Signature)
THOMAS E. BEATY, JR. RANDOLPH C. HOFFMAN
(Printed Name) (Printed Name)
PRESIDENT & CEO Secretary CHIEF FINANCIAL OFFICER

Subscribed and sworn to before me this
28TH 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

## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds				
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1)				
2.2 Common stocks (Schedule D, Part 2, Section 2)				
3. Mortgage loans on real estate (Schedule B, Part 1):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Policy loans				
6. Premium notes, including \$ 0 for first year premiums				
7. Cash (\$ 1,086,269, Schedule E, Part 1) and short-term investments (\$ 1,496,700, Schedule DA, Part 2)	2,582,969		2,582,969	2,757,768
8. Other invested assets (Schedule BA, Part 1)				
9. Receivable for securities				
10. Aggregate write-ins for invested assets	110,000		110,000	110,000
11. Subtotals, cash and invested assets (Lines 1 to 10)	2,692,969		2,692,969	2,867,768
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers (Schedule S, Part 2)				
12.2 Commissions and expense allowances due				
12.3 Experience rating and other refunds due				
12.4 Other amounts receivable under reinsurance contracts				
13. Electronic data processing equipment and software				
14. Federal and foreign income tax recoverable and interest thereon (including \$ 0 net deferred tax asset)				
15. Guaranty funds receivable or on deposit				
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$ 0 loading)				
17. Accident and health premiums due and unpaid				
18. Investment income due and accrued				
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates				
21. Amounts receivable relating to uninsured accident and health plans				
22. Amounts due from agents				
23. Other assets nonadmitted (Exhibit 9)				
24. Aggregate write-ins for other than invested assets				
25. Total assets excluding Separate Accounts business (Lines 11 to 24)	2,692,969		2,692,969	2,867,768
26. From Separate Accounts Statement				
27. Totals (Lines 25 and 26)	2,692,969		2,692,969	2,867,768
<b>DETAILS OF WRITE-INS</b>				
1001. Statutory Deposit	110,000		110,000	110,000
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page				
1099. Totals (Lines 1001 through 1003 + 1098) (Line 10 above)	110,000		110,000	110,000
2401.				
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 + 2498) (Line 24 above)				

<b>LIABILITIES, SURPLUS AND OTHER FUNDS</b>	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 0 (Exhibit 5, Line 9999999) less \$ 0 included in Line 6.3 (including \$ 0 Modco Reserve)		
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1)(including \$ 0 Modco Reserve)		
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1)(including \$ 0 Modco Reserve)		
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)		
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	7,500	19,774
5. Policyholders' dividends \$ 0 and coupons \$ 0 due and unpaid (Exhibit 4, Line 10)		
6. Provision for policyholders' dividends and coupons payable in following calendar year-estimated amounts:		
6.1 Dividends apportioned for payment to 2002 (including \$ 0 Modco )		
6.2 Dividends not yet apportioned (including \$ 0 Modco )		
6.3 Coupons and similar benefits (including \$ 0 Modco )		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ 0 discount; including \$ 0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including \$ 0 accident and health experience rating refunds		
9.3 Other amounts payable on reinsurance, including \$ 0 assumed and \$ 0 ceded		
9.4 Interest Maintenance Reserve (Page 33, Line 6)		
10. Commissions to agents due or accrued-life and annuity contracts \$ 0 accident and health \$ 0 and deposit-type contract funds \$ 0		
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 5)		209,094
13. Transfers to Separate Accounts due or accrued (net)(including \$ 0 accrued for expense allowances recognized in reserves)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)		
15. Federal and foreign income taxes, including \$ 0 on realized capital gains (losses) (including \$ 0 net deferred tax liability)		
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$ 0 agents' credit balances		
19. Remittances and items not allocated		
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ 0 and interest thereon \$ 0		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (Page 34, Line 16, Col. 7)		
24.2 Reinsurance in unauthorized companies		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates		
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured accident and health plans		
24.7 Funds held under coinsurance		
24.8 Payable for securities		
24.9 Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities		
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	7,500	228,868
27. From Separate Accounts statement		
28. Total Liabilities (Lines 26 and 27)	7,500	228,868
29. Common capital stock	3,228,000	3,228,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)		
34. Aggregate write-ins for special surplus funds	110,000	110,000
35. Unassigned funds (surplus)	(652,531)	(699,100)
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 29 \$ 0 )		
36.2 0 shares preferred (value included in Line 30 \$ 0 )		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36)(including \$ 0 in Separate Accounts Statement)	(542,531)	(589,100)
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	2,685,469	2,638,900
39. Totals of Lines 28 and 38 (Page 2, Line 27, Col. 3)	2,692,969	2,867,768
<b>DETAILS OF WRITE-INS</b>		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above)		
3401.	110,000	110,000
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	110,000	110,000

<b>SUMMARY OF OPERATIONS</b>		1	2
(Excluding Unrealized Capital Gains and Losses)		Current Year	Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)			40,119
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income (Exhibit of Net Investment Income, Line 17)		57,632	106,858
4. Amortization of Interest Maintenance Reserve (IMR) (Page 33, Line 5)			
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)			
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income		15,672	(68,757)
9. Totals (Lines 1 to 8.3)		73,304	78,220
10. Death benefits			
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)			
13. Disability benefits and benefits under accident and health contracts			50,994
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts			
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds			
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health contracts			
20. Totals (Lines 10 to 19)			50,994
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)(Exhibit 1, Part 2, Line 31, Col. 1, less Col. 11)			
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1, less Col. 11)			
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1 + 2 + 3)		26,734	366,903
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)			
25. Increase in loading on deferred and uncollected premiums			
26. Net transfers to or (from) Separate Accounts			
27. Aggregate write-ins for deductions			
28. Totals (Lines 20 to 27)		26,734	417,897
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)		46,570	(339,677)
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)		46,570	(339,677)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)			
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)		46,570	(339,677)
34. Net realized capital gains or (losses) less capital gains tax of \$ 0 (excluding taxes of \$ 0 transferred to the IMR)			
35. Net income (Line 33 plus Line 34)		46,570	(339,677)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)		2,638,900	2,974,357
37. Net Income (Line 35)		46,570	(339,677)
38. Change in net unrealized capital gains (losses)			
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax			
41. Change in nonadmitted assets and related items (Exhibit 9, Line 6, Col. 3)			4,220
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4)			
44. Change in asset valuation reserve (Page 34, Lines 2 thru 5 minus Line 6 plus Line 7 plus Line 11 plus Lines 13 through 15, Column 7)			
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1)			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1. Paid in			
50.2. Transferred from surplus (Stock Dividend)			
50.3. Transferred to surplus			
51. Surplus adjustment:			
51.1. Paid in			
51.2. Transferred to capital (Stock Dividend)			
51.3. Transferred from capital			
51.4. Change in surplus as a result of reinsurance			
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus for the year (Lines 37 through 53)		46,570	(335,457)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)		2,685,470	2,638,900
<b>DETAILS OF WRITE-INS</b>			
08.301. Miscellaneous Income/(Expense)		15,672	(68,757)
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)		15,672	(68,757)
2701.			
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)			
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above)			

**CASH FLOW**

<b>Cash from Operations</b>	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts		78,853
2. Charges and fees for deposit-type contracts		
3. Considerations for supplementary contracts with life contingencies		
4. Net investment income	57,632	114,140
5. Commissions and expense allowances on reinsurance ceded		
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts		
7. Aggregate write-ins for miscellaneous income	15,672	10,577
8. Total (Lines 1 to 7)	73,304	203,570
9. Death benefits		
10. Matured endowments		
11. Annuity benefits		
12. Disability benefits and benefits under accident and health contracts	12,274	76,555
13. Coupons, guaranteed annual pure endowments and similar benefits		
14. Surrender benefits and withdrawals for life contracts		
15. Group conversions		
16. Interest and adjustments on contract or deposit-type contract funds		
17. Payments on supplementary contracts with life contingencies		
18. Total (Lines 9 to 17)	12,274	76,555
19. Commissions on premiums, annuity considerations and deposit-type contract funds		
20. Commissions and expense allowances on reinsurance assumed		
21. General insurance expenses	235,829	217,575
22. Insurance taxes, licenses and fees, excluding federal income taxes		
23. Net transfers to or (from) Separate Accounts		
24. Aggregate write-ins for deductions		
25. Total (Lines 18 to 24)	248,103	294,130
26. Dividends paid to policyholders		
27. Federal income taxes (excluding tax on capital gains)		
28. Total (Lines 25 to 27)	248,103	294,130
29. Net cash from operations (Line 8 minus Line 28)	(174,799)	(90,560)
<b>Cash from Investments</b>		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds		
30.2 Stocks		
30.3 Mortgage loans		
30.4 Real estate		
30.5 Other invested assets		
30.6 Net gains (losses) on cash and short-term investments		
30.7 Miscellaneous proceeds		
30.8 Total investment proceeds (Lines 30.1 to 30.7)		
31. Net tax on capital gains (losses)		
32. Total (Line 30.8 minus Line 31)		
33. Cost of investments acquired (long-term only):		
33.1 Bonds		
33.2 Stocks		
33.3 Mortgage loans		
33.4 Real estate		
33.5 Other invested assets		
33.6 Miscellaneous applications		
33.7 Total investments acquired (Lines 33.1 to 33.6)		
34. Net increase (or decrease) in policy loans and premium notes		
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34)		
<b>Cash from Financing and Miscellaneous Sources</b>		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in		
36.2 Borrowed money \$ 0 less amounts repaid \$ 0		
36.3 Capital notes \$ 0 less amounts repaid \$ 0		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies		
36.5 Other cash provided		20,584
36.6 Total (Lines 36.1 to 36.5)		20,584
37. Cash applied:		
37.1 Dividends to stockholders paid		
37.2 Interest on indebtedness		
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies		
37.4 Other applications (net)		
37.5 Total (Lines 37.1 to 37.4)		
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5)		20,584
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38)	(174,799)	(69,976)
40. Cash and short-term investments:		
40.1 Beginning of year	2,757,768	2,827,744
40.2 End of year (Line 39 plus Line 40.1)	2,582,969	2,757,768
<b>DETAILS OF WRITE-INS</b>		
0701. Miscellaneous Income	15,672	10,577
0702.		
0703.		
0798. Summary of remaining write-ins for Line 7 from overflow page		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	15,672	10,577
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page		
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)		

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit) (Excluding Capital Gains and Losses)**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate Of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts												
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	57,632									57,632		
4. Amortization of Interest Maintenance Reserve (IMR)												
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded												
7. Reserve adjustments on reinsurance ceded												
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts												
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	15,672									15,672		
9. Totals (Lines 1 to 8.3)	73,304									73,304		
10. Death benefits												
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits												
13. Disability benefits and benefits under accident and health contracts												
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts												
16. Group conversions												
17. Interest and adjustments on contract or deposit-type contract funds												
18. Payments on supplementary contracts with life contingencies												
19. Increase in aggregate reserves for life and accident and health contracts												
20. Totals (Lines 10 to 19)												
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)												
22. Commissions and expense allowances on reinsurance assumed												
23. General insurance expenses	26,734									26,734		
24. Insurance taxes, licenses and fees, excluding federal income taxes												
25. Increase in loading on deferred and uncollected premiums												
26. Net transfers to or (from) Separate Accounts												
27. Aggregate write-ins for deductions												
28. Totals (Lines 20 to 27)	26,734									26,734		
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	46,570									46,570		
30. Dividends to policyholders												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	46,570									46,570		
32. Federal income taxes incurred (excluding tax on capital gains)												
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	46,570									46,570		
<b>DETAILS OF WRITE-INS</b>												
08.301. Miscellaneous Income	15,672									15,672		
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. Total (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	15,672									15,672		
2701.												
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. Total (Lines 2701 through 2703 plus 2798) (Line 27 above)												

(a) Includes the following amounts for FEGLI/SGLI: Line 1 0 Line 10 0 Line 16 0 Line 23 0 Line 24 0

**NONE      Analysis of Increase in Reserves**

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash/short-term investments	(e) 31,649	56,246
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	1,386	1,386
10. Total gross investment income	33,035	57,632
11. Investment expenses		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		
17. Net investment income - (Line 10 minus Line 16)		57,632
<b>DETAILS OF WRITE-INS</b>		
0901.	1,386	1,386
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	1,386	1,386
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		
(a) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.		
(c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.		
(e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.		
(g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.		
(h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.		
(i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.		

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	Total
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash/short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)					
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)					

**NONE**      **Exhibit of Premiums and Annuity Considerations**

**NONE**      **Dividends and Coupons**

**EXHIBIT 2 - GENERAL EXPENSES**

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Rent					
2. Salaries and wages					
3.11 Contributions for benefit plans for employees					
3.12 Contributions for benefit plans for agents					
3.21 Payments to employees under non-funded benefit plans					
3.22 Payments to agents under non-funded benefit plans					
3.31 Other employee welfare					
3.32 Other agent welfare					
4.1 Legal fees and expenses					
4.2 Medical examination fees					
4.3 Inspection report fees					
4.4 Fees of public accountants and consulting actuaries		13,625			13,625
4.5 Expense of investigation and settlement of policy claims					
5.1 Traveling expenses					
5.2 Advertising					
5.3 Postage, express, telegraph and telephone					
5.4 Printing and stationery					
5.5 Cost or depreciation of furniture and equipment					
5.6 Rental of equipment					
5.7 Cost or depreciation of EDP equipment and software					
6.1 Books and periodicals					
6.2 Bureau and association fees		4,277			4,277
6.3 Insurance, except on real estate		605			605
6.4 Miscellaneous losses					
6.5 Collection and bank service charges		12,605			12,605
6.6 Sundry general expenses		(4,378)			(4,378)
6.7 Group service and administration fees					
6.8 Reimbursements by uninsured accident and health plans					
7.1 Agency expense allowance					
7.2 Agents' balances charged off (less \$ 0 recovered)					
7.3 Agency conferences other than local meetings					
9.1 Real estate expenses					
9.2 Investment expenses not included elsewhere					
9.3 Aggregate write-ins for expenses					
10. General expenses incurred		26,734			(a) 26,734
11. General expenses unpaid December 31, prior year		209,094			209,094
12. General expenses unpaid December 31, current year					
13. Amounts receivable relating to uninsured accident and health plans, prior year					
14. Amounts receivable relating to uninsured accident and health plans, current year					
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)		235,828			235,828

DETAILS OF WRITE-INS					
09.301					
09.302					
09.303					
09.398 Summary of remaining write-ins for Line 9.3 from overflow page					
09.399 Totals(Lines 09.301 through 09.303 + 09.398) (Line 9.3 above)					

(a) Includes management fees of \$ 0 to affiliates and \$ 0 to non-affiliates.

**EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)**

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes					
2. State insurance department licenses and fees					
3. State taxes on premiums					
4. Other state taxes, incl. \$ 0 for employee benefits					
5. U.S. Social Security taxes					
6. All other taxes					
7. Taxes, licenses and fees incurred					
8. Taxes, licenses and fees unpaid December 31, prior year					
9. Taxes, licenses and fees unpaid December 31, current year					
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)					

**EXHIBIT 4 - DIVIDENDS OR REFUNDS**

	1 Life	2 Accident and Health
1. Applied to pay renewal premiums		
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions		
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4		
6. Paid-in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 through 8		
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year		
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in Line 13		
15. Total Lines 10 through 14		
16. Total from prior year		
17. Total dividend or refunds (Lines 9 + 15 - 16)		

DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 through 0803 + 0898) (Line 8 above)		

- NONE**      **Exhibit 5, Interrogatories and Exhibit 5A (2 pgs)**
- NONE**      **Aggregate Reserves For Accident And Health Contracts**
- NONE**      **Exhibit 7**

**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS  
PART 1 - Liability End of Current Year**

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and Unpaid:											
1.1 Direct											
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net											
2. In course of settlement:											
2.1 Resisted											
2.11 Direct											
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net			(b)	(b)		(b)	(b)				
2.2 Other											
2.21 Direct											
2.22 Reinsurance assumed											
2.23 Reinsurance ceded											
2.24 Net			(b)	(b)		(b)	(b)		(b)	(b)	(b)
3. Incurred but unreported:											
3.1 Direct	7,500								7,500		
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net	7,500		(b)	(b)		(b)	(b)		(b)	7,500	(b)
4. TOTALS											
4.1 Direct	7,500								7,500		
4.2 Reinsurance assumed											
4.3 Reinsurance ceded											
4.4 Net	7,500	(a)	(a)				(a)		7,500		

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ 0 in Column 2, \$ 0 in Column 3 and \$ 0 in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ 0 Individual Annuities \$ 0, Credit Life (Group and Individual) \$ 0, and Group Life \$ 0, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ 0, Credit (Group and Individual) Accident and Health \$ 0 and Other Accident and Health \$ 0 are included in Page 3, Line 2, (See Exhibit 6, Claim Reserve).

**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH POLICIES AND CONTRACTS**  
**PART 2 - Incurred During the Year**

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct	12,274								12,274		
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net	(d) 12,274								12,274		
2. Liability December 31, current year from Part 1:											
2.1 Direct	7,500								7,500		
2.2 Reinsurance assumed											
2.3 Reinsurance ceded											
2.4 Net	7,500								7,500		
3. Amounts recoverable from reinsurers December 31, current year											
4. Liability December 31, prior year:											
4.1 Direct	19,774								19,774		
4.2 Reinsurance assumed											
4.3 Reinsurance ceded											
4.4 Net	19,774								19,774		
5. Amounts recoverable from reinsurers December 31, prior year											
6. Incurred benefits:											
6.1 Direct											
6.2 Reinsurance assumed											
6.3 Reinsurance ceded											
6.4 Net											

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to

\$ ..... in Line 1.1, \$ ..... in Line 1.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to

\$ ..... in Line 6.1 and \$ ..... in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to

\$ ..... in Line 1.1, \$ ..... in Line 1.4.

(d) Includes \$ ..... 0 premiums waived under total and permanent disability benefits.

\$ ..... in Line 6.1 and \$ ..... in Line 6.4.

\$ ..... in Line 1.1, \$ ..... in Line 1.4.

\$ ..... in Line 6.1 and \$ ..... in Line 6.4.

**NONE**

**Exhibit 9**

## NOTES TO FINANCIAL STATEMENTS

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities				
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies				
1.22 Issued by U.S. government sponsored agencies				
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations				
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (including residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA				
1.512 Issued by FNMA and FHLMC				
1.513 Privately issued				
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC				
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC				
1.523 All other privately issued				
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)				
2.2 Unaffiliated foreign securities				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated				
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated				
3.4 Other equity securities:				
3.41 Affiliated				
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (includes \$ 0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (\$ 0 including property acquired in satisfaction of debt)				
6. Policy loans				
7. Receivables for securities				
8. Cash and short-term investments	2,582,969	95.915	2,582,969	95.915
9. Other invested assets	110,000	4.085	110,000	4.085
10. Total invested assets	2,692,969	100.000	2,692,969	100.000

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

#### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ ] No [X]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [ ] No [ ] N/A [X]
- 1.3 State Regulating? \_\_\_\_\_
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]
- 2.2 If yes, date of change:  
If not previously filed, furnish herewith a certified copy of the instrument as amended. \_\_\_\_\_
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2000
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. \_\_\_\_\_
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). \_\_\_\_\_
- 3.4 By what department or departments? Ohio Department of Insurance
- 
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [ ] No [X]
- 4.12 renewals? Yes [ ] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [ ] No [X]
- 4.22 renewals? Yes [ ] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
	00000	
	00000	
	00000	
	00000	
	00000	

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action either formal or informal, if a confidentiality clause is part of the agreement) Yes [ ] No [X]
- 6.2 If yes, give full information \_\_\_\_\_
- 
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control 0 %
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager, or attorney-in-fact)

1 Nationality	2 Type of Entity

**GENERAL INTERROGATORIES**  
(continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Ernst & Young, LLP  
1300 Chiquita Center, 250 East Fifth St. Cincinnati, OH 45203

9. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? Tim Feeser, FSA  
220 South Ninth St., Suite 1500 Minneapolis, MN 55402  
Reden & Anders, Ltd.

10. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

10.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

10.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [X]

**BOARD OF DIRECTORS**

11. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [ ] No [X]

12. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

13. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or is likely to conflict with the official duties of such person? Yes [X] No [ ]

**FINANCIAL**

14.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):  
     14.11 To directors or other officers \$ \_\_\_\_\_  
     14.12 To stockholders not officers \$ \_\_\_\_\_  
     14.13 Trustees, supreme or grand (Fraternal only) \$ \_\_\_\_\_

14.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):  
     14.21 To directors or other officers \$ \_\_\_\_\_  
     14.22 To stockholder not officers \$ \_\_\_\_\_  
     14.23 Trustees, supreme or grand (Fraternal only) \$ \_\_\_\_\_

15.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

15.2 If yes, state the amount thereof at December 31 of the current year:  
     15.21 Rented from others \$ \_\_\_\_\_  
     15.22 Borrowed from others \$ \_\_\_\_\_  
     15.23 Leased from others \$ \_\_\_\_\_  
     15.24 Other \$ \_\_\_\_\_

Disclose in Notes to Financial the nature of each obligation.

16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

16.2 If answer is yes:  
     16.21 Amount paid as losses or risk adjustment \$ \_\_\_\_\_  
     16.22 Amount paid as expenses \$ \_\_\_\_\_  
     16.23 Other amounts paid \$ \_\_\_\_\_

**GENERAL INTERROGATORIES**  
(continued)  
**INVESTMENT**

17. List the following capital stock information for the reporting entity:

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price If Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
Preferred	750	538	6,000		Yes [ ] No [X]	Yes [ ] No [X]
Common				XXX	XXX XXX	XXX XXX

18.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 2 - Special Deposits? Yes [X] No [ ]

18.2 If no, give full and complete information, relating thereto 0  
0  
0

19.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on Schedule E - Part 2 - Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 15.1). Yes [ ] No [X]

19.2 If yes, state the amount thereof at December 31 of the current year:

19.21 Loaned to others	\$ _____
19.22 Subject to repurchase agreements	\$ _____
19.23 Subject to reverse repurchase agreements	\$ _____
19.24 Subject to dollar repurchase agreements	\$ _____
19.25 Subject to reverse dollar repurchase agreements	\$ _____
19.26 Pledged as collateral	\$ _____
19.27 Placed under option agreements	\$ _____
19.28 Letter stock or securities restricted as to sale	\$ _____
19.29 Other	\$ _____

19.3 For each category above, if any of these assets are held by other, identify by whom held:

19.31 \_\_\_\_\_

19.32 \_\_\_\_\_

19.33 \_\_\_\_\_

19.34 \_\_\_\_\_

19.35 \_\_\_\_\_

19.36 \_\_\_\_\_

19.37 \_\_\_\_\_

19.38 \_\_\_\_\_

19.39 \_\_\_\_\_

For categories (19.21) and (19.23) above, and for any securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

20.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]

If no, attach a description with this statement.

21.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year. \$ \_\_\_\_\_

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

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

1 Name of Custodian(s)	2 Custodian's Address

**GENERAL INTERROGATORIES**  
(continued)  
**INVESTMENT**

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

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

22.03 Have there been any changes, including name changes, in the custodian(s) identified in 22.01 during the current year? Yes [ ] No [X]

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address

**OTHER**

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ \_\_\_\_\_

23.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$
	\$

24.1 Amount of payments for legal expenses, if any? \$ \_\_\_\_\_

24.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$
	\$

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ \_\_\_\_\_

25.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or department of government during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$
	\$

**GENERAL INTERROGATORIES  
(continued)**

**PART 2 - LIFE INTERROGATORIES**

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?	YES [ ] NO [X]
1.2 If yes, indicate premium earned on U.S. business only.	\$ _____
1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$ _____
1.31 Reason for excluding: _____	
1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$ _____
1.5 Indicate total incurred claims on all Medicare Supplement insurance.	\$ _____
1.6 Individual policies:	
Most current three years:	
1.61 Total premium earned	\$ _____
1.62 Total incurred claims	\$ _____
1.63 Number of covered lives	\$ _____
All years prior to most current three years:	
1.64 Total premium earned	\$ _____
1.65 Total incurred claims	\$ _____
1.66 Number of covered lives	\$ _____
1.7 Group policies:	
Most current three years:	
1.71 Total premium earned	\$ _____
1.72 Total incurred claims	\$ _____
1.73 Number of covered lives	\$ _____
All years prior to most current three years:	
1.74 Total premium earned	\$ _____
1.75 Total incurred claims	\$ _____
1.76 Number of covered lives	\$ _____
2.1 Does this reporting entity have Separate Accounts?	YES [ ] NO [X]
2.2 If yes, has a Separate Accounts statement been filed with this Department?	YES [ ] NO [ ] N/A [X]
2.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account?	\$ _____
2.4 State the authority under which Separate Accounts are maintained: _____	
2.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31?	YES [ ] NO [X]
2.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?	YES [ ] NO [X]
3.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)?	YES [ ] NO [X]
3.2 Net reimbursement of such expenses between reporting entities:	
3.21 Paid	\$ _____
3.22 Received	\$ _____
4.1 Does the reporting entity write any guaranteed interest contracts?	YES [ ] NO [X]
4.2 If yes, what amount pertaining to these items is included in:	
4.21 Page 3, Line 3	\$ _____
4.22 Page 4, Line 1	\$ _____
5. For stock reporting entities only:	
5.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity:	\$ _____
6. Total dividends paid stockholders, since organization of the reporting entity:	
6.11 Cash	\$ _____
6.12 Stock	\$ _____
7.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?	YES [ ] NO [X]
7.11 Name of real estate holding company	_____
7.12 Number of parcels involved	_____
7.13 Total book/adjusted carrying value	\$ _____
7.2 If yes, provide explanation: _____	
_____	
_____	

**GENERAL INTERROGATORIES  
(continued)**

**PART 2 - LIFE INTERROGATORIES**

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: YES [ ] NO [X]  
 Workers' compensation carve-out business is defined as reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? YES [ ] NO [X]

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1	2	3
	Reinsurance Assumed	Reinsurance Coded	Net Retained
8.31 Earned premium .....			
8.32 Paid claims .....			
8.33 Claim liability and reserve (beginning of year) .....			
8.34 Claim liability and reserve (end of year) .....			
8.35 Incurred claims .....			

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines, 8.31 and 8.34 for Column (1) are:

	Attachment Point	Earned Premium	Claim Liability and Reserve
8.41	<\$25,000 .....		
8.42	\$25,000-99,999 .....		
8.43	\$100,000-249,999 .....		
8.44	\$250,000-999,999 .....		
8.45	\$1,000,000 or more .....		

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$ \_\_\_\_\_

**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.  
 Show amounts of life insurance in this exhibit in thousands (omit \$000)

	1 2002	2 2001	3 2000	4 1999	5 1998
<u>Life Insurance in Force</u> (Exhibit of Life Insurance)					
1. Ordinary-whole life and endowment (Line 34, Col. 4)					
2. Ordinary-term (Line 21, Col. 4, less Line 34, Col. 4)					
3. Credit life (Line 21, Col. 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)					
5. Industrial (Line 21, Col. 2)					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)					
7. Total (Line 21, Col. 10)					
<u>New Business Issued</u> (Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Col. 2)					
9. Ordinary-term (Line 2, Col. 4, less Line 34, Col. 2)					
10. Credit life (Line 2, Col. 6)					
11. Group (Line 2, Col. 9)					
12. Industrial (Line 2, Col. 2)					
13. Total (Line 2, Col. 10)					
<u>Premium Income-Lines of Business</u>					
14. Industrial Life (Exhibit 1-Part 1, Line 20.4, Col. 2)					
15.1 Ordinary life insurance (Exhibit 1-Part 1, Line 20.4, Col. 3)					
15.2 Ordinary individual annuities (Exhibit 1-Part 1, Line 20.4, Col. 4)					
16. Credit life, (group and individual) (Exhibit 1-Part 1, Line 20.4, Col. 5)					
17.1 Group life insurance (Exhibit 1-Part 1, Line 20.4, Col. 6)					
17.2 Group annuities (Exhibit 1-Part 1, Line 20.4, Col. 7)					
18.1 A & H-group (Exhibit 1-Part 1, Line 20.4, Col. 8)		40,119	117,952	310,564	225,583
18.2 A & H-credit (group and individual) (Exhibit 1-Part 1, Line 20.4, Col. 9)					
18.3 A & H-other (Exhibit 1-Part 1, Line 20.4, Col. 10)					
19. Aggregate of all other lines of business (Exhibit 1-Part 1, Line 20.4, Col. 11)					
20. Deposit-type funds	X X X	X X X			
21. Total		40,119	117,952	310,564	225,583
<u>Balance Sheet Items (Pages 2 and 3)</u>					
22. Total admitted assets excluding Separate Accounts business (Page 2, Line 25, Col. 3)	2,692,969	2,867,768	3,079,786	3,345,779	3,339,502
23. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	7,500	228,868	105,432	225,769	77,300
24. Aggregate life reserves (Page 3, Line 1)					
25. Aggregate A & H reserves (Page 3, Line 2)					
26. Deposit-type contract funds (Page 3, Line 3)			X X X	X X X	X X X
27. Asset valuation reserve (Page 3, Line 24.1)					
28. Capital (Page 3, Lines 29 & 30)	3,228,000	3,228,000	3,228,000	3,228,000	3,228,000
29. Surplus (Page 3, Line 37)	(542,531)	(589,100)	(253,646)	(107,990)	34,202
<u>Risk-Based Capital Analysis</u>					
30. Total adjusted capital					
31. Authorized control level risk-based capital					
<u>Percentage Distribution of Assets</u> (Page 2, Col. 3)(Line No./Page 2, Line 11, Col. 3) x 100.0					
32. Bonds (Line 1)				31.0	
33. Stocks (Lines 2.1 and 2.2)					
34. Mortgage loans on real estate (Line 3.1 and 3.2)					
35. Real estate (Lines 4.1, 4.2 and 4.3)					
36. Policy loans (Line 5)					
37. Premium notes (Line 6)					
38. Cash and short-term investments (Line 7)	95.9	96.0	96.0	66.0	96.0
39. Other invested assets (Line 8)					
40. Receivable for securities (Line 9)					
41. Aggregate write-ins for invested assets (Line 10)	4.1	4.0	4.0	3.0	4.0
42. Cash and invested assets (Line 11)	100.0	100.0	100.0	100.0	100.0

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
<u>Investments in Parent, Subsidiaries and Affiliates</u>					
43. Affiliated bonds (Sch. D Summary, Line 25 Col. 1)					
44. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)					
45. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2)					
46. Affiliated short-term investments (subtotal included in Schedule DA, Part 2, Col. 5, Line 11)					
47. Affiliated mortgage loans on real estate					
48. All other affiliated					
49. Total of above Lines 43 to 48					
<u>Total Nonadmitted and Admitted Assets</u>					
50. Total Nonadmitted assets (Page 2, Line 27, Col. 2)			4,220	6,353	29,104
51. Total admitted assets (Page 2, Line 27, Col. 3)	2,692,969	2,867,768	3,079,786	3,345,779	3,339,502
<u>Investment Data</u>					
52. Net investment income (Exhibit of Net Investment Income)	57,632	106,858	103,239	143,449	136,901
53. Realized capital gains (losses)					
54. Unrealized capital gains (losses)					
55. Total of above Lines 52, 53 and 54	57,632	106,858	103,239	143,449	136,901
<u>Benefits and Reserve Increase (Page 6)</u>					
56. Total contract benefits-life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11)					
57. Total contract benefits-A & H (Lines 13 & 14, Cols. 9, 10 & 11)		50,994	288,391	453,812	275,014
58. Increase in life reserves-other than group and annuities (Line 19, Cols. 2 & 3)					
59. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)					
60. Dividends to policyholders (Line 30, Col. 1)					
<u>Operating Percentages</u>					
61. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23 less Line 6)/(Page 6, Col. 1, Line 1 plus group annuity contribution funds) x 100.00		1077.5	68.2	44.9	35.2
62. Lapse percent (ordinary only) (Exhibit of Life Insurance, Col. 4, Lines 14 & 15) x 100.00 / 1/2 (Lines 1 & 21)					
63. A & H loss percent (Schedule H, Part 1, Lines 3 & 4, Col. 2)		127.1	245.2	146.1	121.9
64. A & H expense percent (Schedule H, Part 1, Line 8, Col. 2)		1077.5	68.2	191.0	159.3
<u>A &amp; H Claim Reserve Adequacy</u>					
65. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2)	19,774				
66. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2)	19,774	45,336	110,792	69,731	16,683
67. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2)					
68. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2)					
<u>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</u>					
69. Industrial life (Col. 2)					
70. Ordinary-life (Col. 3)					
71. Ordinary-individual annuities (Col. 4)					
72. Ordinary-supplementary contracts (Col. 5)					
73. Credit life (Col. 6)					
74. Group life (Col. 7)					
75. Group annuities (Col. 8)					
76. A & H-group (Col. 9)	46,570	(260,343)	(147,789)	(139,212)	3,066
77. A & H-credit (Col. 10)					
78. A & H-other (Col. 11)					
79. Aggregate of all other lines of business (Col. 12)					
80. Total (Col. 1)	46,570	(260,343)	(147,789)	(139,212)	3,066

<b>NONE</b>	<b>Life Insurance (by State)</b>
<b>NONE</b>	<b>Exhibit of Life Insurance (2 pgs)</b>
<b>NONE</b>	<b>Exhibit of Number of Policies</b>
<b>NONE</b>	<b>Interest Maintenance Reserve</b>
<b>NONE</b>	<b>Asset Valuation Reserve (6 pgs)</b>
<b>NONE</b>	<b>Asset Valuation Reserve (continued)</b>
<b>NONE</b>	<b>Schedule A, B and BA Verification</b>
<b>NONE</b>	<b>Schedule D - Summary and Verification</b>

**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**  
Allocated by States and Territories

States, Etc.	1	Direct Business Only					
		Is Insurer Licensed? (Yes or No)	Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations
			2 Life Insurance Premiums	3 Annuity Considerations			
1. Alabama	AL	NO					
2. Alaska	AK	NO					
3. Arizona	AZ	NO					
4. Arkansas	AR	NO					
5. California	CA	NO					
6. Colorado	CO	NO					
7. Connecticut	CT	NO					
8. Delaware	DE	NO					
9. District of Columbia	DC	NO					
10. Florida	FL	NO					
11. Georgia	GA	NO					
12. Hawaii	HI	NO					
13. Idaho	ID	NO					
14. Illinois	IL	NO					
15. Indiana	IN	NO					
16. Iowa	IA	NO					
17. Kansas	KS	NO					
18. Kentucky	KY	NO					
19. Louisiana	LA	NO					
20. Maine	ME	NO					
21. Maryland	MD	NO					
22. Massachusetts	MA	NO					
23. Michigan	MI	NO					
24. Minnesota	MN	NO					
25. Mississippi	MS	NO					
26. Missouri	MO	NO					
27. Montana	MT	NO					
28. Nebraska	NE	NO					
29. Nevada	NV	NO					
30. New Hampshire	NH	NO					
31. New Jersey	NJ	NO					
32. New Mexico	NM	NO					
33. New York	NY	NO					
34. North Carolina	NC	NO					
35. North Dakota	ND	NO					
36. Ohio	OH	YES					
37. Oklahoma	OK	NO					
38. Oregon	OR	NO					
39. Pennsylvania	PA	NO					
40. Rhode Island	RI	NO					
41. South Carolina	SC	NO					
42. South Dakota	SD	NO					
43. Tennessee	TN	NO					
44. Texas	TX	NO					
45. Utah	UT	NO					
46. Vermont	VT	NO					
47. Virginia	VA	NO					
48. Washington	WA	NO					
49. West Virginia	WV	NO					
50. Wisconsin	WI	NO					
51. Wyoming	WY	NO					
52. American Samoa	AS	NO					
53. Guam	GU	NO					
54. Puerto Rico	PR	NO					
55. U.S. Virgin Islands	VI	NO					
56. Canada	CN	NO					
57. Aggregate Other Alien	OT	XXX					
58. Subtotal	(a)	1					
90. Reporting entity contributions for employee benefits plans		XXX					
91. Dividends or refunds applied to purchase paid-up additions and annuities		XXX					
92. Dividends or refunds applied to shorten endowment or premium paying period		XXX					
93. Premium or annuity considerations waived under disability or other contract provisions		XXX					
94. Aggregate other amounts not allocable by State		XXX					
95. Totals (Direct Business)		XXX					
96. Plus Reinsurance Assumed		XXX					
97. Totals (All Business)		XXX					
98. Less Reinsurance Ceded		XXX					
99. Totals (All Business) less Reinsurance Ceded		XXX		(b)			
<b>DETAILS OF WRITE-INS</b>							
5701.		XXX					
5702.		XXX					
5703.		XXX					
5798. Summary of remaining write-ins for Line 57 from overflow page		XXX					
5799. Total (Lines 5701 thru 5703 + 5798) (Line 57 above)		XXX					
9401.		XXX					
9402.		XXX					
9403.		XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX					
9499. Total (Lines 9401 thru 9403 + 9498) (Line 94 above)		XXX					

**Explanation of basis of allocation by states, etc., of premiums and annuity considerations**

(a) Insert the number of yes responses except for Canada and Other Alien.  
 (b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10, or with Schedule H, Part 1, Column 1, Line 1 indicate which;

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

	00000	Ohio		Catholic Health Partners
	00000	Ohio	34-1344482	Mercy Health Partners (Reports to Catholic Health Partners)
	00000	Ohio	34-1363204	Farley Healthcare Corporation (Reports to Mercy Health Partners)
1206	96865	Ohio	34-1486483	Family Health Plan Inc. (Reports to Farley Corp.)
1206	95429	Ohio	34-1819975	Genesis Health Plan (Reports to Farley Corp.)
1206	60220	Ohio	31-1508054	Unity Insurance Company (Reports to Farley Corp.)
	00000	Ohio	30-0066340	Family Health Plan - Workers Comp. Inc. (Reports to Farley Corp.)

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**OVERFLOW PAGE FOR WRITE-INS**

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