



LIFE AND ACCIDENT AND HEALTH COMPANIES—ASSOCIATION EDITION

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

CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

NAIC Group Code 0759 (Current Period) 0759 (Prior Period) NAIC Company Code 63541 Employer's ID Number 35-0982487

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

Country of Domicile United States of America

Incorporated 05/14/1956 Commenced Business 11/16/1956

Statutory Home Office 716 Mt. Airyshire Blvd., Columbus, OH 43235

Main Administrative Office 716 Mt. Airyshire Blvd., Columbus, OH 43235 614-797-5200

Mail Address P.O. Box 16526, Columbus, OH 43215

Primary Location of Books and Records 716 Mt. Airyshire Blvd., Columbus, OH 43235 614-797-5139

Internet Website Address www.centralbenefits.com

Statement Contact David Paul Tague, dtague@cenben.com, 614-797-5139

Policyowner Relations Contact 4079 Executive Parkway, Westerville, OH 43081 800-228-7677

OFFICERS

President John Bertram Reinhardt Jr. Secretary William Charles Mechling
Treasurer Joseph Henry Hoffman Actuary Gregory D. Jacobs FSA,MAAA

VICE PRESIDENTS

Ted Michael Georges, Scott Matthew Vandergriff, Joseph Henry Hoffman, William Charles Mechling

DIRECTORS OR TRUSTEES

John Bertram Reinhardt Jr., William Charles Mechling, Ted Michael Georges, Scott Matthew Vandergriff, Joseph Henry Hoffman

State of Ohio ss
County of Franklin

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.

John Bertram Reinhardt, Jr.
President

William Charles Mechling
Secretary

Joseph Henry Hoffman
Treasurer

Subscribed and sworn to before me this
day of February, 2003

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds	9,529,851		9,529,851	10,431,599
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1).....	0		0	0
2.2 Common stocks (Schedule D, Part 2, Section 2).....	49,515		49,515	45,855
3. Mortgage loans on real estate: (Schedule B, Part 1)				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Policy loans			0	0
6. Premium notes, including \$ for first year premiums			0	0
7. Cash (\$1,462,448 , Schedule E, Part 1) and short -term investments (\$981,460 , Schedule DA, Part 2)	2,443,908		2,443,908	5,163,212
8. Other invested assets (Schedule BA, Part 1)	0		0	0
9. Receivable for securities			0	0
10. Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	12,023,274	0	12,023,274	15,640,666
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers (Schedule S, Part 2)	16,549		16,549	388
12.2 Commissions and expense allowances due			0	0
12.3 Experience rating and other refunds due			0	0
12.4 Other amounts receivable under reinsurance contracts			0	0
13. Electronic data processing equipment and software.....			0	0
14. Federal and foreign income tax recoverable and interest thereon (including \$ net deferred tax asset)			0	0
15. Guaranty funds receivable or on deposit	303,798		303,798	211,911
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$ loading)	9,744		9,744	14,228
17. Accident and health premiums due and unpaid	37,609		37,609	12,506
18. Investment income due and accrued	135,631		135,631	143,753
19. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
20. Receivable from parent, subsidiaries and affiliates	544,227		544,227	0
21. Amounts receivable relating to uninsured accident and health plans	538,190		538,190	405,229
22. Amounts due from agents			0	0
23. Other assets nonadmitted (Exhibit 9)			0	0
24. Aggregate write-ins for other than invested assets	84,385	40,859	43,526	0
25. Total assets excluding Separate Accounts business (Lines 11 to 24)	13,693,407	40,859	13,652,548	16,428,681
26. From Separate Accounts Statement			0	0
27. Total (Lines 25 and 26)	13,693,407	40,859	13,652,548	16,428,681
DETAILS OF WRITE-INS				
1001.			0	0
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)	0	0	0	0
2401. Amounts receivable - other.....	43,526		43,526	0
2402. Disallowed Interest Maintenance Reserve.....	40,859	40,859	0	0
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	84,385	40,859	43,526	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$225,000 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	225,000	290,000
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1)(including \$ Modco Reserve)	430,209	2,500
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ Modco Reserve)	0	0
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	92,000	180,000
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	1,770,743	1,863,075
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment to (including \$ Modco)	0	0
6.2 Dividends not yet apportioned (including \$ Modco)	0	0
6.3 Coupons and similar benefits (including \$ Modco)	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$364,157 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)	380,091	213,501
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts	0	0
9.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds	0	0
9.3 Other amounts payable on reinsurance including \$ assumed and \$ ceded	0	0
9.4 Interest maintenance reserve (Page 33, Line 6)	30,325	30,325
10. Commissions to agents due or accrued-life contracts and annuity contracts \$ accident and health \$ and deposit-type contract funds \$	74,814	372,787
11. Commissions and expense allowances payable on reinsurance assumed	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 5)	295,445	317,756
13. Transfers to Separate Accounts due or accrued (net) (Including \$0 accrued for expense allowances recognized in reserves)	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	103,578	(55,826)
15. Federal and foreign income taxes including \$ on realized capital gains (losses) (including \$ net deferred tax liability)	0	0
16. Unearned investment income	0	0
17. Amounts withheld or retained by company as agent or trustee	253,554	270,210
18. Amounts held for agents' account, including \$ agents' credit balances	0	0
19. Remittances and items not allocated	0	45,735
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0
21. Liability for benefits for employees and agents if not included above	0	0
22. Borrowed money \$ and interest thereon \$	0	0
23. Dividends to stockholders declared and unpaid	0	0
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (Page 34, Line 16, Col. 7)	33,910	108,074
24.2 Reinsurance in unauthorized companies	0	0
24.3 Funds held under reinsurance treaties with unauthorized reinsurers	0	0
24.4 Payable to parent, subsidiaries and affiliates	12,000	2,074,700
24.5 Drafts outstanding	0	0
24.6 Liability for amounts held under uninsured accident and health plans	0	0
24.7 Funds held under coinsurance	0	0
24.8 Payable for securities	0	0
24.9 Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	0	0
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	3,671,345	5,712,838
27. From Separate Accounts Statement	0	0
28. Total Liabilities (Lines 26 and 27)	3,671,345	5,712,838
29. Common capital stock	3,000,000	3,000,000
30. Preferred capital stock	0	0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes	0	0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	24,757,745	24,757,745
34. Aggregate write-ins for special surplus funds	0	0
35. Unassigned funds (surplus)	(17,776,544)	(17,041,902)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)	0	0
36.2 shares preferred (value included in Line 30 \$)	0	0
37. Surplus (total Lines 31+32+33+34+35-36) (Including \$0 in Separate Accounts Statement)	6,981,201	7,715,843
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	9,981,201	10,715,843
39. Totals of Lines 28 and 38 (Page 2, Line 27, Col. 3)	13,652,546	16,428,681
DETAILS OF WRITE-INS		
2501.		0
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year	2 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)	7,004,347	4,846,877
2. Considerations for supplementary contracts with life contingencies	0	0
3. Net investment income (Exhibit of Net Investment Income, Line 17)	531,790	557,877
4. Amortization of interest maintenance reserve (IMR) (Page 33, Line 5)	23,091	37,313
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	1,735,355	4,556,547
7. Reserve adjustments on reinsurance ceded	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	0	0
8.2 Charges and fees for deposit-type contracts	0	0
8.3 Aggregate write-ins for miscellaneous income	300,483	4,375,309
9. Total (Lines 1 to 8.3)	9,595,067	14,373,923
10. Death benefits	580,500	820,214
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	0	0
13. Disability benefits and benefits under accident and health contracts	5,071,771	4,430,081
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0
15. Surrender benefits and withdrawals for life contracts	0	0
16. Group conversions	0	0
17. Interest and adjustments on contracts or deposit-type contract funds	0	0
18. Payments on supplementary contracts with life contingencies	0	0
19. Increase in aggregate reserves for life and accident and health contracts	362,709	(65,000)
20. Totals (Lines 10 to 19)	6,014,980	5,185,295
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)	1,257,877	1,452,532
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	139,655	0
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1 + 2 + 3)	1,730,923	5,804,774
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	267,063	522,455
25. Increase in loading on deferred and uncollected premiums	0	0
26. Net transfers to or (from) Separate Accounts	0	0
27. Aggregate write-ins for deductions	126,172	0
28. Totals (Lines 20 to 27)	9,536,670	12,965,056
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	58,397	1,408,867
30. Dividends to policyholders	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	58,397	1,408,867
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	0	0
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)	58,397	1,408,867
34. Net realized capital gains or (losses) less capital gains tax of \$ (excluding taxes of \$ transferred to the IMR)	0	0
35. Net income (Line 33 plus Line 34)	58,397	1,408,867
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, previous year (Page 3, Line 38, Col. 2)	10,715,843	9,520,076
37. Net income (Line 35)	58,397	1,408,867
38. Change in net unrealized capital gains (losses)	3,660	13,936
39. Change in net unrealized foreign exchange capital gain (loss)	0	0
40. Change in net deferred income tax	0	0
41. Change in nonadmitted assets and related items (Exhibit 9, Line 6, Col. 3)	(40,859)	45,917
42. Change in liability for reinsurance in unauthorized companies	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4)	0	0
44. Change in asset valuation reserve (Page 34, Lines 2 through 5 minus Line 6 plus Line 7 plus Line 11 plus Lines 14 through 15, Col. 7)	74,164	14,103
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period	0	0
47. Other changes in surplus in Separate Accounts Statement	0	0
48. Change in surplus notes	0	0
49. Cumulative effect of changes in accounting principles	0	0
50. Capital changes:		
50.1 Paid in	0	0
50.2 Transferred from surplus (Stock Dividend)	0	0
50.3 Transferred to surplus	0	0
51. Surplus adjustment:		
51.1 Paid in	0	0
51.2 Transferred to capital (Stock Dividend)	0	0
51.3 Transferred from capital	0	0
51.4 Change in surplus as a result of reinsurance	0	(547,855)
52. Dividends to stockholders	0	0
53. Aggregate write-ins for gains and losses in surplus	(830,000)	260,800
54. Net change in capital and surplus for the year (Lines 37 through 53)	(734,638)	1,195,767
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	9,981,205	10,715,844
DETAILS OF WRITE-INS		
08.301. Management fee income	300,000	0
08.302. Service fees on Administration Services Only (ASO) business	0	254,987
08.303. Gain on sale of building	0	3,725,312
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	483	395,011
08.399. TOTALS (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	300,483	4,375,309
2701. Amount due under reinsurance assumption agreement	126,172	0
2702.	0	0
2703.	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. TOTALS (Lines 2701 thru 2703 plus 2798) (Line 27 above)	126,172	0
5301. Reserve adjustment	(830,000)	260,800
5302.	0	0
5303.	0	0
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. TOTALS (Lines 5301 thru 5303 plus 5398) (Line 53 above)	(830,000)	260,800

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums and annuity considerations for life and accident and health contracts	7,128,851	4,843,393
2. Charges and fees for deposit-type contracts	0	0
3. Considerations for supplementary contracts with life contingencies	0	0
4. Net investment income	605,054	631,717
5. Commissions and expense allowances on reinsurance ceded	1,735,355	4,556,547
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts	0	0
7. Aggregate write-ins for miscellaneous income	300,483	314,998
8. Total (Lines 1 to 7)	9,769,743	10,346,655
9. Death benefits	668,500	880,214
10. Matured endowments	0	0
11. Annuity benefits	0	0
12. Disability benefits and benefits under accident and health contracts	5,180,265	4,538,661
13. Coupons, guaranteed annual pure endowments and similar benefits	0	0
14. Surrender benefits and withdrawals for life contracts	0	0
15. Group conversions	0	0
16. Interest and adjustments on contracts or deposit-type contract funds	0	0
17. Payments on supplementary contracts with life contingencies	0	0
18. Total (Lines 9 to 17)	5,848,765	5,418,875
19. Commissions on premiums, annuity considerations and deposit-type contract funds	1,555,850	1,186,899
20. Commissions and expense allowances on reinsurance assumed	139,655	0
21. General insurance expenses	1,753,234	5,981,202
22. Insurance taxes, licenses and fees, excluding federal income taxes	107,659	339,021
23. Net transfers to or (from) Separate Accounts	0	0
24. Aggregate write-ins for deductions	126,172	0
25. Total (Lines 18 to 24)	9,531,335	12,925,998
26. Dividends paid to policyholders	0	0
27. Federal income taxes (excluding tax on capital gains)	0	0
28. Total (Lines 25 to 27)	9,531,335	12,925,998
29. Net cash from operations (Line 8 minus Line 28)	238,408	(2,579,342)
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds	788,512	7,642,770
30.2 Stocks	0	371,452
30.3 Mortgage loans	0	0
30.4 Real estate	0	7,799,435
30.5 Other invested assets	0	8,350,000
30.6 Net gains (losses) on cash and short-term investments	0	0
30.7 Miscellaneous proceeds	0	0
30.8 Total investment proceeds (Lines 30.1 to 30.7)	788,512	24,163,657
31. Net tax on capital gains (losses)	0	0
32. Total (Line 30.8 minus Line 31)	788,512	24,163,657
33. Cost of investments acquired (long-term only):		
33.1 Bonds	0	5,656,800
33.2 Stocks	0	0
33.3 Mortgage loans	0	0
33.4 Real estate	0	9,607
33.5 Other invested assets	0	8,350,000
33.6 Miscellaneous applications	0	0
33.7 Total investments acquired (Lines 33.1 to 33.6)	0	14,016,407
34. Net increase (or decrease) in policy loans and premium notes	0	0
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34)	788,512	10,147,250
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in	0	0
36.2 Borrowed money \$less amounts repaid \$	0	0
36.3 Capital notes \$less amounts repaid \$	0	0
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies	0	0
36.5 Other cash provided	0	317,724
36.6 Total (Lines 36.1 to 36.5)	0	317,724
37. Cash applied:		
37.1 Dividends to stockholders paid	0	0
37.2 Interest on indebtedness	0	0
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies	0	0
37.4 Other applications (net)	3,746,225	8,172,858
37.5 Total (Lines 37.1 to 37.4)	3,746,225	8,172,858
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5)	(3,746,225)	(7,855,134)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38)	(2,719,304)	(287,226)
40. Cash and short-term investments:		
40.1 Beginning of year	5,163,212	5,450,439
40.2 End of year (Line 39 plus Line 40.1)	2,443,908	5,163,212
DETAILS OF WRITE-INS		
0701. Management fee income	300,000	0
0702. Service fees on Administration Services Only (ASO) business	0	254,987
0703. Miscellaneous income	483	60,011
0798. Summary of remaining write-ins for Line 7 from overflow page	0	0
0799. TOTALS (Lines 0701 thru 0703 plus 0798) (Line 7 above)	300,483	314,998
2401. Amount due under reinsurance assumption agreement	126,172	0
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0
2499. TOTALS (Lines 2401 thru 2403 plus 2498) (Line 24 above)	126,172	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

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	7,004,347	.0	4,538	.0	.0	.0	855,285	.0	4,321,884	.0	1,822,640	
2. Considerations for supplementary contracts with life contingencies	.0											
3. Net investment income	531,790						64,935		328,130		138,725	
4. Amortization of Interest Maintenance Reserve (IMR)	23,090								16,240		6,850	
5. Separate Accounts net gain from operations excluding unrealized gains or losses	.0											
6. Commissions and expense allowances on reinsurance ceded	1,735,355	.0	.0	.0	.0	.0	.0	.0	1,483,545	.0	251,810	.0
7. Reserve adjustments on reinsurance ceded	.0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	.0											
8.2 Charges and fees for deposit-type contracts	.0											
8.3 Aggregate write-ins for miscellaneous income	300,483								300,483			
9. Totals (Lines 1 to 8.3)	9,595,066	.0	4,538	.0	.0	.0	920,220	.0	6,450,283	.0	2,220,025	.0
10. Death benefits	580,500		40,000				540,500					
11. Matured endowments (excluding guaranteed annual pure endowments)	.0	.0	.0				.0					
12. Annuity benefits	.0			.0				.0				
13. Disability benefits and benefits under accident and health contracts	5,071,771								3,629,381	.0	1,442,390	
14. Coupons, guaranteed annual pure endowments and similar benefits	.0											
15. Surrender benefits and withdrawals for life contracts	.0											
16. Group conversions	.0											
17. Interest and adjustments on contract or deposit-type contract funds	.0											
18. Payments on supplementary contracts with life contingencies	.0											
19. Increase in aggregate reserves for life and accident and health contracts	362,709						(65,000)		(2,000)		429,709	
20. Totals (Lines 10 to 19)	6,014,980	.0	40,000	.0	.0	.0	475,500	.0	3,627,381	.0	1,872,099	.0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	1,257,877	.0	.0	.0	.0	.0	44,038	.0	1,213,839	.0	.0	.0
22. Commissions and expense allowances on reinsurance assumed	139,655	.0	.0	.0	.0	.0	.0	.0	.0	.0	139,655	.0
23. General insurance expenses	1,730,922						316,867		1,309,401	.0	104,654	.0
24. Insurance taxes, licenses and fees, excluding federal income taxes (FIT)	267,063						23,267		221,830	.0	21,966	.0
25. Increase in loading on deferred and uncollected premiums	.0											
26. Net transfers to or (from) Separate Accounts	.0											
27. Aggregate write-ins for deductions	126,172	.0	.0	.0	.0	.0	.0	.0	.0	.0	126,172	.0
28. Totals (Lines 20 to 27)	9,536,669	.0	40,000	.0	.0	.0	859,672	.0	6,372,451	.0	2,264,546	.0
29. Net gain from operations before dividends to policyholders and FIT (Line 9 - Line 28)	58,397	.0	(35,462)	.0	.0	.0	60,548	.0	77,832	.0	(44,520)	.0
30. Dividends to policyholders	.0											
31. Net gain from operations after dividends to policyholders and before FIT (Line 29 - Line 30)	58,397	.0	(35,462)	.0	.0	.0	60,548	.0	77,832	.0	(44,520)	.0
32. Federal income taxes incurred (excluding tax on capital gains)	.0											
33. Net gain from operations after dividends to policyholders and FIT and before realized capital gains or (losses) (Line 31 - Line 32)	58,397	.0	(35,462)	.0	.0	.0	60,548	.0	77,832	.0	(44,520)	.0
DETAILS OF WRITE-INS												
08.301. Management fee income	300,000								300,000			
08.302. Miscellaneous income	483								483			
08.303. Summary of remaining write-ins for Line 8.3 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
08.398. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	300,483	.0	.0	.0	.0	.0	.0	.0	300,483	.0	.0	.0
2701. Amount due under reinsurance assumption agreement	126,172										126,172	
2702. Summary of remaining write-ins for Line 27 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2703. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	126,172	.0	.0	.0	.0	.0	.0	.0	.0	.0	126,172	.0

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	290,000	0	10,000	0	0	0	280,000	0
2. Tabular net premiums or considerations	0							
3. Present value of disability claims incurred	0				.XXX			
4. Tabular interest	0							
5. Tabular less actual reserve released	0							
6. Increase in reserve on account of change in valuation basis	0							
7. Other increases (net)	15,000		2,000				13,000	
8. Totals (Lines 1 to 7)	305,000	0	12,000	0	0	0	293,000	0
9. Tabular cost	0				.XXX			
10. Reserves released by death	80,000		2,000	.XXX	.XXX		78,000	.XXX
11. Reserves released by other terminations (net)	0							
12. Annuity, supplementary contract and disability payments involving life contingencies	0							
13. Net transfers to or (from) Separate Accounts	0							
14. Total Deductions (Lines 9 to 13)	80,000	0	2,000	0	0	0	78,000	0
15. Reserve December 31, current year	225,000	0	10,000	0	0	0	215,000	0

7

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 191,069	179,482
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 420,037	362,991
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) 32,160	27,529
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	643,266	570,002
11. Investment expenses		(g) 38,212
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		0
16. Total (Lines 11 through 15)		38,212
17. Net Investment Income - (Line 10 minus Line 16)		531,790
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 3,177 accrual of discount less \$ 68,318 amortization of premium and less \$ paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Net Gain (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
1. U.S. Government bonds					0
1.1 Bonds exempt from U.S. tax					0
1.2 Other bonds (unaffiliated)	(48,094)				(48,094)
1.3 Bonds of affiliates					0
2.1 Preferred stocks (unaffiliated)					0
2.11 Preferred stocks of affiliates					0
2.2 Common stocks (unaffiliated)					0
2.21 Common stocks of affiliates					0
3. Mortgage loans					0
4. Real estate					0
5. Contract loans					0
6. Cash/Short-term investments					0
7. Derivative instruments					0
8. Other invested assets					0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	(48,094)	0	0	0	(48,094)
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH POLICIES AND CONTRACTS

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
FIRST YEAR (other than single)											
1. Uncollected	21,901		175			1,559		14,696		5,471	
2. Deferred and accrued	0										
3. Deferred, accrued and uncollected:											
3.1 Direct	18,436		175			3,565		14,696		5,471	
3.2 Reinsurance assumed	5,471										
3.3 Reinsurance ceded	2,006					2,006					
3.4 Net (Line 1 + Line 2)	21,901	0	175	0	0	1,559	0	14,696	0	5,471	0
4. Advance	69,078	0	471	0	0	83	0	29,744	0	38,781	0
5. Line 3.4 - Line 4	(47,177)	0	(296)	0	0	1,476	0	(15,047)	0	(33,310)	0
6. Collected during year:											
6.1 Direct	2,878,289		957			116,762		2,760,570		1,043,110	
6.2 Reinsurance assumed	1,043,110										
6.3 Reinsurance ceded	1,338,293					11,368		1,326,925			
6.4 Net	2,583,105	0	957	0	0	105,394	0	1,433,645	0	1,043,110	0
7. Line 5 + Line 6.4	2,535,928	0	660	0	0	106,870	0	1,418,598	0	1,009,800	0
8. Prior year (uncollected + deferred and accrued - advance)	(49,117)	0	0	0	0	2,024	0	(20,741)	0	(30,400)	0
9. First year premiums and considerations:											
9.1 Direct	2,884,342	0	660	0	0	114,177	0	2,760,574	0	8,931	0
9.2 Reinsurance assumed	1,031,269	0	0	0	0	0	0	0	0	1,031,269	0
9.3 Reinsurance ceded	1,330,566	0	0	0	0	9,331	0	1,321,235	0	0	0
9.4 Net (Line 7 - Line 8)	2,585,045	0	660	0	0	104,846	0	1,439,339	0	1,040,200	0
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	0										
10.2 Reinsurance assumed	0										
10.3 Reinsurance ceded	0										
10.4 Net	0	0	0	0	0	0	0	0	0	0	0
RENEWAL											
11. Uncollected	25,452					8,010		8,524		8,918	
12. Deferred and accrued	0										
13. Deferred, accrued and uncollected:											
13.1 Direct	52,566					29,533		14,115		8,918	
13.2 Reinsurance assumed	0										
13.3 Reinsurance ceded	27,114					21,523		5,591			
13.4 Net (Line 11 + Line 12)	25,452	0	0	0	0	8,010	0	8,524	0	8,918	0
14. Advance	311,013	0	91	0	0	15,289	0	229,339	0	66,293	0
15. Line 13.4 - Line 14	(285,561)	0	(91)	0	0	(7,279)	0	(220,815)	0	(57,376)	0
16. Collected during year:											
16.1 Direct	7,888,301		3,969			839,492		5,524,785		1,520,054	
16.2 Reinsurance assumed	0										
16.3 Reinsurance ceded	3,342,555					69,570		2,490,545		782,441	
16.4 Net	4,545,746	0	3,969	0	0	769,922	0	3,034,241	0	737,614	0
17. Line 15 + Line 16.4	4,260,184	0	3,877	0	0	762,643	0	2,813,425	0	680,238	0
18. Prior year (uncollected + deferred and accrued - advance)	(159,118)	0	0	0	0	12,204	0	(69,120)	0	(102,202)	0
19. Renewal premiums and considerations:											
19.1 Direct	7,724,655	0	3,877	0	0	817,150	0	5,338,747	0	1,564,881	0
19.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
19.3 Reinsurance ceded	3,305,353	0	0	0	0	66,711	0	2,456,201	0	782,441	0
19.4 Net (Line 17 - Line 18)	4,419,302	0	3,877	0	0	750,439	0	2,882,545	0	782,441	0
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	10,608,998	0	4,538	0	0	931,327	0	8,099,321	0	1,573,812	0
20.2 Reinsurance assumed	1,031,269	0	0	0	0	0	0	0	0	1,031,269	0
20.3 Reinsurance ceded	4,635,919	0	0	0	0	76,042	0	3,777,436	0	782,441	0
20.4 Net (Line 9.4 + 10.4 + 19.4)	7,004,347	0	4,538	0	0	855,285	0	4,321,884	0	1,822,640	0

6

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

EXHIBIT 1 - PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (direct business only)

	1 Total	2 Industrial Life	3 Ordinary		5 Credit Life (Group and Individual)	6 Group		8 Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums (Exhibit 4, Line 1) .....	.0										
22. All other (Exhibit 4, Lines 2, 3 & 4) .....	.0										
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded	468,546							468,546		.0	
23.2 Reinsurance assumed	139,655									139,655	
23.3 Net ceded less assumed	328,891	.0	.0	.0	.0	.0	.0	468,546	.0	(139,655)	.0
24. Single:											
24.1 Reinsurance ceded .....	.0										
24.2 Reinsurance assumed .....	.0										
24.3 Net ceded less assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25. Renewal:											
25.1 Reinsurance ceded	1,266,809							1,014,999		251,810	
25.2 Reinsurance assumed .....	.0										
25.3 Net ceded less assumed	1,266,809	.0	.0	.0	.0	.0	.0	1,014,999	.0	251,810	.0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	1,735,355	.0	.0	.0	.0	.0	.0	1,483,545	.0	251,810	.0
26.2 Reinsurance assumed (Page 6, Line 23)	139,655	.0	.0	.0	.0	.0	.0	.0	.0	139,655	.0
26.3 Net ceded less assumed	1,595,700	.0	.0	.0	.0	.0	.0	1,483,545	.0	112,155	.0
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	419,124						5,399	413,725			
28. Single .....	.0										
29. Renewal	838,753						38,639	800,114			
30. Deposit-type contract funds .....	.0										
31. Totals (to agree with Page 6, Line 21)	1,257,877	.0	.0	.0	.0	.0	44,038	1,213,839	.0	.0	.0

10

EXHIBIT 2 - GENERAL EXPENSES

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Rent	3,956	41,152			45,108
2. Salaries and wages	30,243	588,941			619,184
3.11 Contributions for benefit plans for employees	9,219	38,044			47,263
3.12 Contributions for benefit plans for agents					0
3.21 Payments to employees under non-funded benefit plans					0
3.22 Payments to agents under non-funded benefit plans					0
3.31 Other employee welfare	174	1,812			1,986
3.32 Other agent welfare					0
4.1 Legal fees and expenses	8,636	89,835			98,471
4.2 Medical examination fees					0
4.3 Inspection report fees					0
4.4 Fees of public accountants and consulting actuaries	9,651	100,390			110,041
4.5 Expense of investigation and settlement of policy claims					0
5.1 Traveling expenses	4,968	51,672			56,640
5.2 Advertising	7,150	74,372			81,522
5.3 Postage, express, telegraph and telephone	458	4,770			5,228
5.4 Printing and stationery	308	3,204			3,512
5.5 Cost or depreciation of furniture and equipment					0
5.6 Rental of equipment	1,251	13,015			14,266
5.7 Cost or depreciation of EDP equipment and software					0
6.1 Books and periodicals	528	5,488			6,016
6.2 Bureau and association fees	1,812	18,844			20,656
6.3 Insurance, except on real estate	4,961	51,608			56,569
6.4 Miscellaneous losses	1,817	18,896			20,713
6.5 Collection and bank service charges					0
6.6 Sundry general expenses					0
6.7 Group service and administration fees	227,801	218,929			446,730
6.8 Reimbursements by uninsured accident and health plans					0
7.1 Agency expense allowance					0
7.2 Agents' balances charged off (less \$ recovered)					0
7.3 Agency conferences other than local meetings					0
9.1 Real estate expenses	9,279	68,809			78,088
9.2 Investment expenses not included elsewhere				38,212	38,212
9.3 Aggregate write-ins for expenses	(5,345)	24,275	0	0	18,930
10. General expenses incurred	316,867	1,414,056	0	38,212 (a)	1,769,135
11. General expenses unpaid December 31, prior year	17,477	300,280	0	0	317,756
12. General expenses unpaid December 31, current year	19,560	275,885	0	0	295,445
13. Amounts receivable relating to uninsured accident and health plans, prior year	0	0	0	0	0
14. Amounts receivable relating to uninsured accident and health plans, current year	0	0	0	0	0
15. General expenses paid during year (Lines 10+11-12-13+14)	314,784	1,438,450	0	38,212	1,791,446
DETAILS OF WRITE-INS					
09.301. Contract labor	55	575			630
09.302. Unpaid claims processing	(5,400)	23,700			18,300
09.303.					0
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	0	0	0	0	0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	(5,345)	24,275	0	0	18,930

(a) Includes management fees of \$ to affiliates and \$ 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	2,431	25,283			27,714
2. State insurance department licenses and fees	4,525	47,068			51,593
3. State taxes on premiums	13,000	137,000			150,000
4. Other state taxes, incl. \$ for employee benefits					0
5. U.S. Social Security taxes	3,311	34,445			37,756
6. All other taxes					0
7. Taxes, licenses and fees incurred	23,267	243,796	0	0	267,063
8. Taxes, licenses and fees unpaid December 31, prior year	(2,172)	(53,654)	0	0	(55,826)
9. Taxes, licenses and fees unpaid December 31, current year	10,358	93,220	0	0	103,578
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	10,737	96,922	0	0	107,659

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 thru 4		
6. Paid in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 thru 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 thru 14		
16. Total from prior year		
17. Total Dividends 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 thru 0803 plus 0898) (Line 8 above)		

NONE



EXHIBIT 5 - INTERROGATORIES

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts? Yes [] No [X]
- 1.2 If not, state which kind is issued
 Non-participating
- 2.1 Does the reporting entity at present issue both participating and non-participating contracts? Yes [] No [X]
- 2.2 If not, state which kind is issued
 Non-participating
- 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? Yes [] No [X]
 If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the Instructions.
- 4. Has the reporting entity any assessment or stipulated premium contracts in force? Yes [] No [X]
 - 4.1 Amount of insurance? \$
 - 4.2 Amount of reserve? \$
 - 4.3 Basis of reserve:

 - 4.4 Basis of regular assessments:

 - 4.5 Basis of special assessments:

 - 4.6 Assessments collected during the year \$
- 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.

- 6. Does the reporting entity hold reserves for any annuity contracts which are less than the reserves that would be held on a standard basis? Yes [] No [X]
 - 6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$
 - 6.2 which would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: \$
 - Attach statement of methods employed in their valuation.
- 7. Does the reporting entity have any Synthetic GIC contracts, or agreements in effect as of December 31 of the current year? Yes [] No [X]
 - 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements? \$
 - 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount:

 - 7.3 State the amount of reserves established for this business: \$
 - 7.4 Identify where the reserves are reported in the blank:

EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

1 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
LIFE CONTRACTS (Including supplementary contracts set upon a basis other than that used to determine benefits) (Exhibit 5)			
0199999 - Subtotal (Page 7, Line 6)	XXX	XXX	
ACCIDENT AND HEALTH CONTRACTS (Exhibit 6)			
0299999 - Subtotal	XXX	XXX	
DEPOSIT-TYPE CONTRACTS (Exhibit 7)			
NONE			
0399999 - Subtotal	XXX	XXX	
9999999 - Total (Column 4, only)			

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

EXHIBIT 6 - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserve	130,931					130,931			
2. Additional contract reserves (a)	298,778					298,778			
3. Additional actuarial reserves-Asset/Liability analysis	0								
4. Reserve for future contingent benefits	0								
5. Reserve for rate credits	0								
6. Aggregate write-ins for reserves	0	0	0	0	0	0	0	0	0
7. Totals (Gross)	429,709	0	0	0	0	429,709	0	0	0
8. Reinsurance ceded	0								
9. Totals (Net)	429,709	0	0	0	0	429,709	0	0	0
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	500	500							
11. Additional actuarial reserves-Asset/Liability analysis	0								
12. Reserve for future contingent benefits	0								
13. Aggregate write-ins for reserves	0	0	0	0	0	0	0	0	0
14. Totals (Gross)	500	500	0	0	0	0	0	0	0
15. Reinsurance ceded	0								
16. Totals (Net)	500	500	0	0	0	0	0	0	0
17. TOTAL (Net)	430,209	500	0	0	0	429,709	0	0	0
18. TABULAR FUND INTEREST	0								
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0	0	0	0
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0	0	0	0
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0

(a) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods.

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Supplemental Contracts and Annuities Certain	4 Dividend Accumulations or Refunds	5 Premium and Other Deposit Funds	6 Other
1. Balance at the beginning of the year before reinsurance						
2. Deposits received during the year						
3. Investment earnings credited to the account						
4. Other net change in reserves						
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments						
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8)						
10. Reinsurance balance at the beginning of the year						
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded						
13. Reinsurance balance at the end of the year (Lines 10+11-12)						
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)						

NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and Unpaid:											
1.1 Direct	0										
1.2 Reinsurance assumed	0										
1.3 Reinsurance ceded	0										
1.4 Net	0	0	0	0	0	0	0	0	0	0	0
2. In course of settlement:											
2.1 Resisted											
2.11 Direct	0										
2.12 Reinsurance assumed	0										
2.13 Reinsurance ceded	0										
2.14 Net	0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0	0	0	0
2.2 Other											
2.21 Direct	0										
2.22 Reinsurance assumed	0										
2.23 Reinsurance ceded	0										
2.24 Net	0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0
3. Incurred but unreported:											
3.1 Direct	3,281,301						92,000		2,829,301		360,000
3.2 Reinsurance assumed	176,197										176,197
3.3 Reinsurance ceded	1,594,755								1,414,755		180,000
3.4 Net	1,862,743	0	(b) 0	(b) 0	0	(b) 0	(b) 92,000	0	(b) 1,414,546	(b) 0	(b) 356,197
4. TOTALS											
4.1 Direct	3,281,301	0	0	0	0	0	92,000	0	2,829,301	0	360,000
4.2 Reinsurance assumed	176,197	0	0	0	0	0	0	0	0	0	176,197
4.3 Reinsurance ceded	1,594,755	0	0	0	0	0	0	0	1,414,755	0	180,000
4.4 Net	1,862,743	0 ^(a)	0 ^(a)	0	0	0	92,000 ^(a)	0	1,414,546	0	356,197

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$in Column 2, \$in Column 3 and \$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 \$, Individual Annuities \$, Credit Life (Group and Individual) \$, and Group Life \$, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$, Credit (Group and Individual) Accident and Health \$, and Other Accident and Health \$ are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH 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	9,387,155		40,000				628,500		6,997,415		1,721,240
1.2 Reinsurance assumed	1,010,928										1,010,928
1.3 Reinsurance ceded	4,549,318								3,688,698		860,620
1.4 Net	5,848,765	0	40,000	0	0	0	628,500	0	3,308,717	0	1,871,548
2. Liability December 31, current year from Part 1:											
2.1 Direct	3,281,301	0	0	0	0	0	92,000	0	2,829,301	0	360,000
2.2 Reinsurance assumed	176,197	0	0	0	0	0	0	0	0	0	176,197
2.3 Reinsurance ceded	1,594,755	0	0	0	0	0	0	0	1,414,755	0	180,000
2.4 Net	1,862,743	0	0	0	0	0	92,000	0	1,414,546	0	356,197
3. Amounts recoverable from reinsurers December 31, current year	16,549								16,549		
4. Liability December 31, prior year:											
4.1 Direct	2,814,975	0	0	0	0	0	180,000	0	2,159,975	0	475,000
4.2 Reinsurance assumed	547,855	0	0	0	0	0	0	0	0	0	547,855
4.3 Reinsurance ceded	1,319,755	0	0	0	0	0	0	0	1,082,255	0	237,500
4.4 Net	2,043,075	0	0	0	0	0	180,000	0	1,077,720	0	785,355
5. Amounts recoverable from reinsurers December 31, prior year	388	0	0	0	0	0	0	0	388	0	0
6. Incurred Benefits:											
6.1 Direct	9,853,481	0	40,000	0	0	0	540,500	0	7,666,741	0	1,606,240
6.2 Reinsurance assumed	639,270	0	0	0	0	0	0	0	0	0	639,270
6.3 Reinsurance ceded	4,840,480	0	0	0	0	0	0	0	4,037,360	0	803,120
6.4 Net	5,652,271	0	40,000	0	0	0	540,500	0	3,629,381	0	1,442,390

- (a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.
 \$ in Line 6.1 and \$ in Line 6.4.
- (b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.
 \$ 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.
 \$ in Line 6.1 and \$ in Line 6.4.
- (d) Includes \$ premiums waived under total and permanent disability benefits.

EXHIBIT 9 ANALYSIS OF NON-ADMITTED ASSETS AND RELATED ITEMS

	1	2	3
	End of Current Year	End of Prior Year	Changes for Year (Increase) or Decrease
1. Summary of Items Page 2, Lines 12 to 17 and 19 to 22, Column 2.....	0	0	0
2. Other Nonadmitted Assets:			
2.1 Bills receivable		0	0
2.2 Furniture and equipment		0	0
2.3 Leasehold improvements		0	0
2.4 Cash advanced to or in the hands of officers or agents		0	0
2.5 Loans on personal security, endorsed or not		0	0
2.6 Supplies, stationery, printed matter		0	0
2.7 Commuted commissions		0	0
3. Total (Lines 2.1 thru 2.7)	0	0	0
4. Disallowed interest maintenance reserve	40,859	0	(40,859)
5. Aggregate write-ins for other assets	0	0	0
6. Total (Line 1 plus Lines 3 to 5)	40,859	0	(40,859)
DETAILS OF WRITE-INS			
0501.		0	0
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Central Benefits National Life Insurance Company (the Company) are presented on the basis of accounting practices prescribed or permitted by the Insurance Department of Ohio.

The Insurance Department of Ohio recognizes only statutory accounting practices prescribed or permitted by Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Ohio Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by Ohio.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Life premiums are recognized as income over the premium paying period of the related policies. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at cost, which approximates market value.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common stocks are at market, except that investments in stocks of unconsolidated subsidiaries in which the Company has an interest of 20% or more are carried on the equity basis.
- (4) The Company has no preferred stocks.
- (5) The Company has no mortgage loans.
- (6) Loan-backed bonds and structured securities are stated at amortized cost using the interest method including anticipated prepayments at the date of purchase. Anticipated prepayments are considered using the retrospective method when determining the amortization of discount or premium.
- (7) The Company carries Central Benefits Managed Care Corporation, a non-insurance subsidiary, at GAAP equity.
- (8) Not applicable.
- (9) The Company has no investments in derivatives.
- (10) Not applicable.
- (11) Losses and loss adjustment expense reserves represent the estimated net cost of all unpaid reported and unreported claims at the end of the year. The Company does not discount losses and loss adjustment expense reserves. The reserves for unpaid claims and claim adjustment expenses are estimated using valuations and statistical frequency. Although considerable variability is inherent in such estimates, management believes that the reserves for losses and loss adjustment expenses are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops and new information becomes known; such adjustments are included in current operations.

2. Accounting Changes and Corrections of Errors

Not applicable.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

A. Mortgage Loans

Not applicable.

B. Debt Restructuring

Not applicable.

C. Reverse Mortgages

NOTES TO FINANCIAL STATEMENTS

Not applicable.

D. Loan-Backed Securities

- (1) The Company has elected to use the book value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date.
- (2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from broker dealer survey values or internal estimates.
- (3) The Company uses Conning Asset Management as its investment manager. Conning uses the NAIC Securities Valuation Office (SVO) pricing service in determining the market value of the Company's loan-backed securities. In the event that no SVO value exists for a security, Conning records the book value as the market value.
- (4) Not applicable.

E. Repurchase Agreements

Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in joint ventures, partnerships or limited liability companies.

7. Investment Income

- A. Due and accrued income is excluded from investment income on bonds where collection of interest is uncertain.
- B. No such income was excluded from investment income in 2002.

8. Derivative Instruments

The Company has no assets invested in derivative instruments.

9. Income Taxes

- A. The Company has significant operating loss carry forwards, and due to the unlikely recovery of these carry forwards in the near future, does not record a deferred tax asset on its balance sheet. The following presentation of deferred tax assets and liabilities is for disclosure purposes only.

The components of the net deferred tax asset/(liability) at December 31 would be as follows:

	<u>2002</u>	<u>2001</u>
(1) Total of all deferred tax assets (admitted and nonadmitted)	\$ 63,586	\$106,773
(2) Total of all deferred tax liabilities	\$131,162	\$ 98,835
(3) Total DTAs nonadmitted in accordance with SSAP No. 10, Income Taxes	\$ 11,300	\$ -0-
(4) Total of all deferred tax assets	\$ 74,886	\$106,773
(5) Increase (decrease) in deferred tax assets nonadmitted	\$ 11,300	\$ -0-

B. (1) and (2)

	12/31/02	Percentage that will be reversed within 1 year	Amount that will be reversed within 1 year
Accrued Discount on Bonds	\$ (78,779)	100%	\$ (78,779)
DAC	\$ (3,193)	100%	\$ (3,193)
Guaranty Funds Receivable	\$ (303,798)	100%	\$ (303,798)
	\$ (385,770)		\$ (385,770)

(3) Not applicable.

(4) Not applicable.

- C. No income tax was incurred for any of the periods presented.

DTA'S	Statutory	Tax	Difference	Tax Effect
Unpaid Losses	\$ 2,517,952	\$ 2,453,845	\$ 64,107	\$ 21,796
Other	\$ 28,870	\$ (4,365)	\$ 33,235	\$ 11,300
Unearned Premiums	\$ 380,091	\$ 257,180	\$ 122,911	\$ 41,790
0299.Gross DTA's				\$ 74,886
0399.Non-Admitted DTA's				\$ (11,300)
Admitted DTA's				\$ 63,586

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

DTL'S

DAC	\$ -	\$ (3,193)	\$ (3,193)	\$ (1,086)
Bonds	\$ 9,529,851	\$ 9,451,072	\$ (78,779)	\$ (26,785)
Guaranty Funds	\$ 303,798	\$ -	\$ (303,798)	\$ (103,291)

0499.Gross DTL's \$ (131,162)

DTA'S	2002	2001	Difference
Unpaid Losses	\$ 21,796	\$ 18,475	\$ 3,321
Other	\$ 11,300	\$ 57,836	\$ (46,536)
Unearned Premiums	\$ 41,790	\$ 30,462	\$ 11,328
0599.Gross DTA's	\$ 74,886	\$ 106,773	\$ (31,887)
0699.Non-Admitted DTA's	\$ (11,300)	\$ -	\$ (11,300)
Admitted DTA's	\$ 63,586	\$ 106,773	\$ (43,187)

DTL'S

DAC	\$ (1,086)	\$ -	\$ (1,086)
Bonds	\$ (26,785)	\$ (26,785)	\$ -
Guaranty Funds	\$ (103,291)	\$ (72,050)	\$ (31,242)
0799.Gross DTL's	\$ (131,162)	\$ (98,835)	\$ (32,327)

D. Among the more significant book to tax adjustments would be the following:

	Amount	Tax Effect
01. Statutory Income before Taxes	\$ 58,397	\$ 19,855
02. Book over tax		
50% Travel and entertainment	\$ 9,835	\$ 3,344
Charitable contributions (not allowed due to taxable loss)	\$ 16,500	\$ 5,610
Capital Gains	\$ 10,993	\$ 3,738
Depreciation	\$ 31,089	\$ 10,570
Club dues	\$ 17,029	\$ 5,790
Capitalized DAC	\$ 17,740	\$ 6,032
Unearned premium reserve adjustment	\$ 33,318	\$ 11,328
Federal Income Tax	\$ -	\$ -
Reserve discounting	\$ (13,257)	\$ (4,507)
Bond discount accretion	\$ (39,817)	\$ (13,538)
Amortization of DAC	\$ (82,965)	\$ (28,208)
Amortization of IMR	\$ (23,092)	\$ (7,851)
03. Total Adjustments	\$ (22,627)	\$ (7,693)
04. Taxable income before Credits	\$ 35,770	\$ 12,162

E. At December 31, 2002, the Company had \$11,239,071 of operating loss carry forwards originating in 1996 through 2000 which expire, if unused, in years 2004 through 2008.

F. The Company will file a consolidated federal income tax return with the following entities: Central Benefits Mutual Insurance Company (parent), Central Benefits Holding Company, Central Benefits Assurance Company, Central Benefits Plan, Inc., Central Benefits Administrators, Inc. and Central Benefits Managed Care Corporation.

The parent intends to use a method of allocation based upon separate calculations as though each subsidiary filed a separate return, including credits for net losses. The method of allocation between companies is subject to written agreement.

10. Information Concerning Parent, Subsidiaries and Affiliates

A.-C. On February 23, 2001 the Company sold the real estate located at 255 East Main Street to The Tortoise and the Harer, LLC (Buyer) for the price of \$8,400,000. The Company originally purchased the real estate from the parent in February 1997. At that time, the Company recorded a 20-year payable to the parent in the amount of \$4.08 million, at a fixed annual rate of 7.75%. The parent recorded a mortgage loan receivable in the same amount. When the real estate was sold to the Buyer this year, the outstanding balance of the mortgage was settled between the companies. The unamortized balance of the loan, which was \$3,689,123, was paid by the Company to the parent. In addition, the unamortized deferred gain balance of \$2,704,106, which was recorded at the time of the sale of the real estate to the Company, was immediately recognized in its entirety as a gain by the parent.

On January 31, 2002 the Company sold 100% of its investment in Central Benefits Administrators, Inc. to Central Benefits Holding Company, which is a 100% owned non-insurance subsidiary of the parent. The sale price of \$371,452 was determined by the GAAP equity at the time of the sale.

NOTES TO FINANCIAL STATEMENTS

- D. At December 31, 2002, the Company reported \$329,631 as amounts due from the parent. The terms of the settlement require that these amounts be settled on a quarterly basis.
- E. The parent filed a guaranty document with the Ohio Department of Insurance on March 24, 2000, which provided assurances to Ohio regulators that the parent will guarantee additional contributions to the Company, to maintain capital and surplus at a satisfactory level.
- F. The parent allocates administrative costs in accordance with generally accepted accounting principals based on claims, contracts, productive hours and other relevant statistical data to the Company.
- G. All outstanding shares of the Company are owned by the parent, Central Benefits Mutual Insurance Company, a mutual life insurance company domiciled in the District of Columbia.
- H. Not applicable.
- I. Not applicable.
- J. Not applicable.

11. Debt

The Company has an irrevocable standby letter of credit issued by The Huntington National Bank to benefit The Order of United Commercial Travelers of America (UCT). The letter of credit is in the amount of \$547,855 and expires December 31, 2003. The letter of credit will be drawn upon by UCT only in the event of a material breach of the reinsurance agreement between the Company and UCT.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan

The parent provides certain health care benefits ("postretirement") for retired employees. Substantially all employees may become eligible for these benefits if they reach retirement age while working for the parent. The parent formally adopted FAS 106 as of December 31, 1994. The Company participates in the parent's postretirement benefit plan through a cost allocation system similar to the administrative expense allocation noted above.

A summary of assets, obligations and assumptions of the Postretirement Benefit Plan is as follows at December 31, 2002 and 2001:

(1) Change in benefit obligation

a) Benefit obligation at beginning of year	\$2,734,000	\$2,884,000
b) Eligibility cost	23,000	84,000
c) Interest cost	191,000	207,000
d) Contribution by plan participants	0	0
e) Actuarial (gain) loss	2,611,000	(180,000)
f) Foreign currency exchange rate changes	0	0
g) Benefits paid	(197,000)	(151,000)
h) Plan amendments	(411,000)	(110,000)
i) Curtailments	(80,000)	0
j) Benefit obligation at end of year	\$4,871,000	\$2,734,000

(2) Change in plan assets

a) Fair value of plan assets at beginning of year	\$ 0	\$ 0
b) Actual return on plan assets	0	0
c) Foreign currency exchange rate changes	0	0
d) Employer contributions	197,000	151,000
e) Plan participants' contributions	0	0
f) Benefits paid	(197,000)	(151,000)
g) Business combinations, divestitures & settlements	0	0
h) Fair value of plan assets at end of year	\$ 0	\$ 0

(3) Funded status

a) Unamortized prior service cost	\$ (444,000)	\$ (68,000)
b) Unrecognized net (gain) or loss	1,469,000	(1,545,000)
c) Remaining net obligation at initial date of application	(5,418,000)	(3,009,000)
d) Prepaid assets or accrued liabilities	0	0
e) Intangible asset	0	0

(4) Benefit obligation for non-vested employees	\$ 547,000	\$ 275,000
---	------------	------------

(5) Components of net periodic benefit cost

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE
COMPANY**

NOTES TO FINANCIAL STATEMENTS

a) Eligibility cost	\$ 100,000	\$ 84,000
b) Interest cost	318,000	207,000
c) Expected return on plan assets	0	0
d) Amortization of transition obligation	0	0
e) Amount of unrecognized losses/(gains)	95,000	(74,000)
f) Amount of prior service cost recognized	(29,000)	12,000
g) Gain recognized due to curtailment	0	0
h) Total net periodic benefit cost	\$ 484,000	\$ 229,000

(6) Not applicable

(7) Not applicable

(8) The parent's postretirement benefit plan is a noncontributory plan, and covers health care benefits only. Assumptions are made regarding the health care cost trend rates and the discount rates.

(9) Assumed health care cost trend rates have a significant effect on the amounts reported. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1% Point Increase	1% Point Decrease
a) Effect on total of service & interest cost components	\$ 24,000	\$ (20,000)
b) Effect on postretirement benefit obligation	\$ 503,000	\$ (432,000)

B. Defined Contribution Plans

On July 1, 1990 the parent began a defined contribution plan for employees who met certain requirements as to age and length of service. The plan calls for benefits to be paid to eligible employees at retirement based primarily upon contributions made to the plan by the employee and, if any, special contributions made by the parent. The plan covers all employees who have completed one year of service and attained age 20. "Basic Contributions" are amounts contributed by employees from 1% to 15% of their salaries or wages. No employer contributions are made if basic contributions are less than 1% of the employee's salaries or wages. Earnings on the plan are allocated to individual participants' accounts based on the ratio of the participant's account balance in the appropriate fund as of the date to the total fund balance as of the preceding valuation date. A participant's vested interest in the portion of their account attributable to matching contributions is based on plan service years. Under the plan as designed, a participant's account is not subject to federal income tax until such account is withdrawn pursuant to section 401(k) of the Internal Revenue Code.

C. Multiemployer Plan

Not applicable.

D. Consolidated/Holding Company Plans

The Company participates in the parent's postretirement benefit plan through a cost allocation system similar to the administrative expense allocation noted above.

13. Capital and Surplus

(1) The Company has 1,000 shares authorized, and 100 shares issued and outstanding of common stock. The par value of the stock is \$30,000 per share.

(2) The Company has no preferred stock authorized or outstanding.

(3) The payment of dividends is subject to Section 3901.34 of the Ohio Insurance Code in that any dividend to shareholders cannot reduce surplus to an amount less than 50% of the capital stock of the Company. Management has no present plans to recommend to the Board of Directors the declaration of a cash dividend to its shareholder.

(4) The Company did not pay policyholder dividends during 2002.

(5) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

(6) There were no advances made on the Company's surplus during 2002.

(7) The Company holds none of its subsidiary's common stock for special purposes.

(8) The Company has no special surplus funds.

(9) The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

a) Unrealized gains and losses:	\$ 3,660
b) Nonadmitted asset values:	\$ (40,859)
c) Separate account business:	\$ 0

NOTES TO FINANCIAL STATEMENTS

- d) Asset valuation reserves: \$ (33,910)
- e) Reinsurance in unauthorized companies: \$ 0

(10) The Company had no surplus debentures outstanding during the year.

(11) Not applicable.

(12) Not applicable.

14. Contingencies

A. Contingent Commitments

The Company has no contingent liabilities as of December 31, 2002.

B. Assessments

Periodically, the Company is assessed by various guaranty funds to cover certain losses to policyholders that resulted from the insolvency or rehabilitation of other insurance companies. At December 31, 2002 the Company is not able to reasonably estimate the potential amounts of any future assessments and, accordingly, there is not provision made for such future assessments.

C. Gain Contingencies

The Company did not recognize any gain contingencies subsequent to the balance sheet date and prior to the issuance of financial statements.

D. All Other Contingencies

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities arising from litigation and other matters are not considered material in relation to the financial position of the Company.

15. Leases

- A. The parent leases computer equipment and office space under various noncancelable operating lease agreements. The Company shares in the cost of the leases through a cost allocation system similar to the administrative expense allocation noted in Note 10 above. Rental expense for 2002 and 2001 was approximately \$50,909 and \$1,450,222, respectively.

At January 1, 2003, the minimum aggregate rental commitments are as follows:

Year ending December 31

2003	\$302,722
2004	\$202,632
2005	\$ -0-
2006	\$ -0-
2007	\$ -0-

- B. Not applicable.

16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

The Company does not have any financial instruments with off-balance sheet risk, or with concentrations of credit risk.

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

The Company does not have any wash sales.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The Company has no gain from operations from Administrative Services Only (ASO) uninsured plans nor the uninsured portion of partially insured plans in 2002.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

The Company has no direct premium written through managing general agents or third party administrators.

20. Other Items

M. Loss/Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of December 31, 2002 and December 31, 2001 was \$77,433 and \$68,283, respectively.

The Company incurred \$18,300 and paid \$9,150 of claim adjustment expenses in the current year, of which none of the paid amount was attributable to insured or covered events of prior years. The Company did not increase or decrease the provision for insured events of prior years.

NOTES TO FINANCIAL STATEMENTS

21. Events Subsequent

The Company has no events subsequent to the date of the balance sheet.

22. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1. No
2. No

Section 2 – Ceded Reinsurance Report – Part A

1. No
2. No

Section 3 – Ceded Reinsurance Report – Part B

1. Not applicable
2. No

B. Uncollectible Reinsurance

The Company has not written off any uncollectible reinsurance during 2002.

C. Commutation of Ceded Reinsurance

The Company did not commute any ceded reinsurance during 2002.

23. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company does not have any accrued retrospective premium adjustments.

24. Change in Incurred Losses and Loss Adjustment Expenses

The Company did not have any changes in the provision for incurred losses and loss adjustment expenses attributable to insured events of prior years.

25. Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangements.

26. Reserves for Life Contracts and Deposit-Type Contracts

- (1) The Company does not return any portion of the final premium beyond the month of death.
- (2) The Company does not charge extra premiums for policies issued on substandard lives.
- (3) As of December 31, 2002 the Company did not have any insurance in force for which the gross premiums were less than the net premiums according to the standard valuation set by Ohio.
- (4) Not applicable.
- (5) Not applicable.
- (6) Not applicable.

27. Variable Annuities with Guaranteed Living Benefits

The Company has no Variable Annuities with Guaranteed Benefits.

28. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

The Company does not have any annuity actuarial reserves or deposit liabilities in force at December 31, 2002.

29. Premium and Annuity Considerations Deferred and Uncollected

Deferred and uncollected life insurance premiums and annuity considerations as of the December 31, 2002 were as follows:

Type	Gross	Net of Loading
(5) Group Life	\$ 9,744	\$ 8,769
Total	\$ 9,744	\$ 8,769

NOTES TO FINANCIAL STATEMENTS

30. Separate Accounts

The Company has no separate accounts.

SUMMARY INVESTMENT SCHEDULE

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	647,596	5.386	647,596	5.386
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies .....		.000		.000
1.22 Issued by U.S. government sponsored agencies	2,686,477	22.344	2,686,477	22.344
1.3 Foreign government (including Canada, excluding mortgaged-backed securities) .....		.000		.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations .....		.000		.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....		.000		.000
1.43 Revenue and assessment obligations .....		.000		.000
1.44 Industrial development and similar obligations .....		.000		.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA .....		.000		.000
1.512 Issued by FNMA and FHLMC	170,523	1.418	170,523	1.418
1.513 Privately issued .....		.000		.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC .....		.000		.000
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC .....		.000		.000
1.523 All other privately issued .....		.000		.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	5,807,018	48.298	5,807,018	48.298
2.2 Unaffiliated foreign securities	218,239	1.815	218,239	1.815
2.3 Affiliated securities .....		.000		.000
3. Equity interests:				
3.1 Investments in mutual funds .....		.000		.000
3.2 Preferred stocks:				
3.21 Affiliated .....		.000		.000
3.22 Unaffiliated .....		.000		.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated .....		.000		.000
3.32 Unaffiliated .....		.000		.000
3.4 Other equity securities:				
3.41 Affiliated	49,515	.412	49,515	.412
3.42 Unaffiliated .....		.000		.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated .....		.000		.000
3.52 Unaffiliated .....		.000		.000
4. Mortgage loans:				
4.1 Construction and land development .....		.000		.000
4.2 Agricultural .....		.000		.000
4.3 Single family residential properties .....		.000		.000
4.4 Multifamily residential properties .....		.000		.000
4.5 Commercial loans .....		.000		.000
5. Real estate investments:				
5.1 Property occupied by the company .....		.000	0	.000
5.2 Property held for the production of income (includes \$ of property acquired in satisfaction of debt) .....		.000	0	.000
5.3 Property held for sale (\$ including property acquired in satisfaction of debt) .....		.000	0	.000
6. Policy loans .....		.000	0	.000
7. Receivables for securities .....		.000	0	.000
8. Cash and short-term investments	2,443,908	20.326	2,443,908	20.326
9. Other invested assets .....		.000		.000
10. Total invested assets	12,023,274	100.000	12,023,274	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 [X] No []
- 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 [X] No [] NA []
- 1.3 State Regulating? Ohio.....
- 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.12/31/1997
- 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.12/31/1997
- 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).07/07/1998
- 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
.....
.....

- 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;
- 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 or 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, One Columbus, 10 West Broad Street, Columbus, OH 43215.....
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?
Gregory D. Jacobs FSA, MAAA - Milliman USA.....
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 [] NA []

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 [X] No []
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 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 end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.21 To directors or other officers ... \$.....
- 14.22 To stockholders not officers \$.....
- 14.23 Trustees, supreme or grand (Fraternal only) \$.....
- 15.1 Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this 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 Statements the nature of each of these obligations.
- 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	2	3	4	5		6	
	Number of Shares Authorized	Number of Shares Outstanding	Par Value Per Share	Redemption Price if Callable	Is Dividend Rate Limited?		Are Dividends Cumulative?	
					Yes	No	Yes	No
					[]	[X]	[]	[X]
Preferred					XXX	XXX	XXX	XXX
Common	1,000	100	30,000.000	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 [] No [X]

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

Physical possession of investments is held by Bank One, Columbus, under a custodial agreement with the reporting entity.

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 the 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 other securities restricted as to sale ...	\$
19.29	Other	\$

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

19.31	19.35
19.32	19.36
19.33	19.37
19.34	19.38
	19.39

For categories (19.21) and (19.23) above, and for any other 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	2	3
Nature of Restriction	Description	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 [] NA [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 []

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 [X] No []

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

1	2
Name of Custodian(s)	Custodian's Address
Bank One, Columbus.....	1111 Polaris Parkway, Suite 2N Columbus, Ohio 43240.....

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 []

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 broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

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

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?..... \$.....2,399

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
Milliman USA.....	\$.....2,399
	\$.....
	\$.....

24.1 Amount of payments for legal expenses, if any?..... \$.....98,471

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
Baker & Hostetler.....	\$.....73,711
	\$.....

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$500

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 departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Government Solutions Group.....	\$.....500

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes No

1.2 If yes, indicate premium earned on U. S. business only \$1,573,812

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. \$1,606,240

1.6 Individual policies:

Most current three years:

 1.61 Total premium earned \$744,859

 1.62 Total incurred claims \$801,180

 1.63 Number of covered lives \$635

All years prior to most current three years:

 1.64 Total premium earned \$828,953

 1.65 Total incurred claims \$805,061

 1.66 Number of covered lives \$652

1.7 Group policies:

Most current three years:

 1.71 Total premium earned \$0

 1.72 Total incurred claims \$0

 1.73 Number of covered lives \$0

All years prior to most current three years:

 1.74 Total premium earned \$0

 1.75 Total incurred claims \$0

 1.76 Number of covered lives \$0

2.1 Does this reporting entity have Separate Accounts? Yes No

2.2 If yes, has a Separate Accounts Statement been filed with this Department? Yes No NA

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

2.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes No

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

3.2 Net reimbursement of such expenses between reporting entities:

3.21 Paid: \$1,382,956

3.22 Received: \$

4.1 Does the reporting entity write any guaranteed interest contracts? Yes No

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: \$24,757,745

6. Total dividends paid stockholders since organization of the reporting entity:

6.11 Cash: \$407,000

6.12 Stock: \$303,427

7.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes No

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 exposurers, 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 []

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

	1. Reinsurance Assumed	2. Reinsurance Ceded	3. 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	1. Earned Premium	2. 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
Life Insurance in Force					
(Exhibit of Life Insurance)					
1. Ordinary - Whole Life and Endowment (Line 34, Col. 4)	178	150	110	154	141
2. Ordinary - Term (Line 21, Col. 4, less Line 34, Col. 4)	0	0	0	0	0
3. Credit Life (Line 21, Col. 6)	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	225,403	269,830	381,878	678,437	677,499
5. Industrial (Line 21, Col. 2)	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)	0	0	0	0	0
7. Total (Line 21, Col. 10)	225,581	269,980	381,988	678,591	677,640
New Business Issued					
(Exhibit of Life Insurance)					
8. Ordinary - Whole Life and Endowment (Line 34, Col. 2)	83	40	15	85	30
9. Ordinary - Term (Line 2, Col. 4, less Line 34, Col. 2)	0	0	0	0	0
10. Credit Life (Line 2, Col. 6)	0	0	0	0	0
11. Group (Line 2, Col. 9)	19,910	35,448	71,156	126,257	74,799
12. Industrial (Line 2, Col. 2)	0	0	0	0	0
13. Total (Line 2, Col. 10)	19,993	35,488	71,171	126,342	74,829
Premium Income - Lines of Business					
14. Industrial Life (Exhibit 1-Part 1, Line 20.4, Col. 2)	0	0	0	0	0
15.1 Ordinary-Life Insurance (Exhibit 1-Part 1, Line 20.4, Col. 3)	4,538	5,132	3,694	5,344	7,933
15.2 Ordinary-Individual Annuities (Exhibit 1-Part 1, Line 20.4, Col. 4)	0	0	0	0	0
16. Credit Life (Group and Individual) (Exhibit 1-Part 1, Line 20.4, Col. 5)	0	0	0	0	0
17.1 Group Life Insurance (Exhibit 1-Part 1, Line 20.4, Col. 6)	855,285	1,109,901	1,978,032	3,086,163	3,105,938
17.2 Group Annuities (Exhibit 1-Part 1, Line 20.4, Col. 7)	0	0	0	0	0
18.1 A & H-Group (Exhibit 1-Part 1, Line 20.4, Col. 8)	4,321,884	3,007,745	22,938,953	53,687,957	51,700,070
18.2 A & H-Credit (Group and Individual) (Exhibit 1-Part 1, Line 20.4, Col. 9)	0	0	0	0	0
18.3 A & H-Other (Exhibit 1-Part 1, Line 20.4, Col. 10)	1,822,640	724,099	643,888	335,470	322,874
19. Aggregate of All Other Lines of Business (Exhibit 1-Part 1, Line 20.4, Col. 11)	0	0	0	0	0
20. Deposit-type funds	XXX	XXX	0	0	0
21. Total	7,004,347	4,846,877	25,564,567	57,114,934	55,136,815
Balance Sheet Items (Pages 2 & 3)					
22. Total Admitted Assets Excluding Separate Accounts Business (Page 2, Line 25, Col. 3)	13,652,548	16,428,681	20,163,462	421,850	29,162,406
23. Total Liabilities Excluding Separate Accounts Business (Page 3, Line 26)	3,671,345	5,712,838	10,643,387	12,500	13,071,515
24. Aggregate Life Reserves (Page 3, Line 1)	225,000	290,000	350,000	106,112	472,256
25. Aggregate A & H Reserves (Page 3, Line 2)	430,209	2,500	7,500	3,000,000	20,000
26. Deposit-type contract funds (Page 3, Line 3)	0	0	XXX	XXX	XXX
27. Asset Valuation Reserve (Page 3, Line 24.1)	33,910	108,074	122,177	106,112	141,820
28. Capital (Page 3, Lines 29 and 30)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
29. Surplus (Page 3, Line 37)	6,981,201	7,715,843	6,520,075	123,020	13,090,891
Risk-Based Capital Analysis					
30. Total Adjusted Capital	10,015,111	10,823,917	9,642,252	3,229,132	16,232,711
31. Authorized Control Level Risk - Based Capital	1,523,010	1,373,198	2,126,794	3,017,270	3,465,525
Percentage Distribution of Assets					
(Page 2, Col. 3) (Line No. / Page 2, Line 11, Col. 3) x 100.0					
32. Bonds (Line 1)	79.3	66.7	65.8	87.2	88.3
33. Stocks (Lines 2.1 and 2.2)	0.4	0.3	2.1	1.0	0.2
34. Mortgage Loans on Real Estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
35. Real Estate (Lines 4.1, 4.2 and 4.3)	0.0	0.0	3.2	3.0	3.0
36. Policy Loans (Line 5)	0.0	0.0	0.0	0.0	0.0
37. Premium Notes (Line 6)	0.0	0.0	0.0	0.0	0.0
38. Cash and Short - Term Investments (Line 7)	20.3	33.0	28.9	8.8	8.5
39. Other Invested Assets (Line 8)	0.0	0.0	0.0	0.0	0.0
40. Receivable for Securities (Line 9)	0.0	0.0	0.0	0.0	0.0
41. Aggregate Write-ins for Invested Assets (Line 10)	0.0	0.0	0.0	0.0	0.0
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
Investments in Parent, Subsidiaries and Affiliates					
43. Affiliated Bonds (Schedule D Summary, Line 25, Col. 1)	0	0	0	0	0
44. Affiliated Preferred Stocks (Schedule D Summary, Line 39, Col. 1)	0	0	0	0	0
45. Affiliated Common Stocks (Schedule D Summary, Line 53, Col. 2)	49,515	45,855	403,371	230,389	64,825
46. Affiliated Short-Term Investments (Subtotals included in Schedule DA Part 2 Col. 5, Line 11)	0	0	0	0	0
47. Affiliated Mortgage Loans on Real Estate	0	0	0	0	0
48. All Other Affiliated	0	0	0	0	0
49. Total of above Lines 43 to 48	49,515	45,855	403,371	230,389	64,825
Total Non-admitted and Admitted Assets					
50. Total Non admitted Assets (Page 2, Line 27, Col. 2)	40,859	0	45,917	2,917	2,917
51. Total Admitted Assets (Page 2, Line 27, Col. 3)	13,652,548	16,428,681	20,163,462	29,054,382	29,162,406
Investment Data					
52. Net Investment Income (Exhibit of Net Investment Income)	531,790	557,877	1,264,932	1,413,169	1,836,074
53. Realized Capital Gains (Losses)	0	9,183	(203,232)	(32,645)	90,776
54. Unrealized Capital Gains (Losses)	0	13,936	172,982	165,564	(456,644)
55. Total of above Lines 52, 53 & 54	531,790	580,995	1,234,682	1,546,088	1,470,206
Benefits and Reserve Increases (Page 6)					
56. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15, Col.1 less Lines 10, 11, 12, 13, 14, and 15, Cols. 9, 10 & 11)	580,500	820,214	1,241,847	1,529,078	1,628,135
57. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	5,071,771	4,430,082	26,402,731	50,323,571	45,983,464
58. Increase in Life Reserves - Other than Group and Annuities (Line 19, Cols. 2 and 3)	0	0	0	0	(940)
59. Increase in A & H Reserves (Line 19, Cols. 9, 10 & 11)	427,709	(5,000)	(5,000)	(7,500)	6,327
60. Dividends to Policyholders (Line 30, Col. 1)	0	0	0	0	0
Operating Percentages					
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 100.0	19.9	55.7	18.4	17.3	18.5
62. Lapse Percent (Ordinary Only) (Exhibit of Life Insurance, Col. 4, Lines 14 & 15) x 100.0 / 1/2 (Lines 1 & 21)	9.1	0.0	0.0	0.0	0.0
63. A & H Loss Percent (Schedule H, Part 1, Lines 3 and 4, Col. 2)	89.5	118.6	111.9	93.1	88.4
64. A & H Expense Percent (Schedule H, Pt. 1, Line 8, Col. 2)	20.8	75.1	23.7	20.3	22.5
A & H Claim Reserve Adequacy					
65. Incurred Losses on Prior Years' Claims - Group Health (Schedule H, Part 3, Line 3.1 Col. 2)	990,003	1,041,545	9,366,530	8,721,305	10,853,869
66. Prior Years' Claim Liability and Reserve - Group Health (Schedule H, Part 3, Line 3.2 Col. 2)	1,080,221	2,075,300	9,169,397	6,615,073	9,571,893
67. Incurred Losses on Prior Years' Claims-Health other than Group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)	777,804	209,488	97,992	64,166	60,800
68. Prior Years' Claim Liability and Reserve-Health other than Group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)	785,355	245,430	87,685	48,578	54,332
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
69. Industrial Life (Col. 2)	0	0	0	0	0
70. Ordinary - Life (Col. 3)	(35,462)	5,132	3,694	(2,156)	(20,233)
71. Ordinary - Individual Annuities (Col. 4)	0	0	0	0	0
72. Ordinary-Supp. Contracts (Col. 5)	0	0	0	0	0
73. Credit Life (Col. 6)	0	0	0	0	0
74. Group Life (Col. 7)	60,548	250,879	293,860	606,127	301,797
75. Group Annuities (Col. 8)	0	0	0	0	0
76. A & H-Group (Col. 9)	77,832	1,341,148	(109,781)	(12,240,787)	(2,875,469)
77. A & H-Credit (Col. 10)	0	0	0	0	0
78. A & H-Other (Col. 11)	(44,520)	(188,292)	(84,163)	(151,748)	(43,994)
79. Aggregate of All Other Lines of Business (Col. 12)	0	0	0	0	0
80. Total (Col. 1)	58,397	1,408,867	103,610	(11,788,564)	(2,637,899)

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year	0	0	7	150	0	0	124	12,521	269,830	269,980
2. Issued during year		0	2	83		0	10	898	19,910	19,993
3. Reinsurance assumed										0
4. Revived during year										0
5. Increased during year (net)										0
6. Subtotals, Lines 2 to 5	0	0	2	83	0	0	10	898	19,910	19,993
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		0
8. Aggregate write-ins for increases	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8)	0	0	9	233	0	0	134	13,419	289,739	289,972
Deductions during year:										
10. Death			1	40			XXX	23	521	561
11. Maturity							XXX			0
12. Disability							XXX			0
13. Expiry										0
14. Surrender										0
15. Lapse			1	15						15
16. Conversion							XXX	XXX	XXX	0
17. Decreased (net)							41	4,009	63,815	63,815
18. Reinsurance										0
19. Aggregate write-ins for decreases	0	0	0	0	0	0	0	0	0	0
20. Totals, (Lines 10 to 19)	0	0	2	55	0	0	41	4,032	64,336	64,391
21. In force end of year, (Line 9 minus Line 20)	0	0	7	178	0	0	93	9,387	225,403	225,581
22. Reinsurance ceded end of year	XXX		XXX		XXX		XXX	XXX	12,495	12,495
23. Line 21 minus Line 22	XXX	0	XXX	178	XXX	(b)	XXX	XXX	212,908	213,086
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0	0	0	0	0	0	0
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0	0	0	0	0	0	0
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page	0	0	0	0	0	0	0	0	0	0
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)	0	0	0	0	0	0	0	0	0	0

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group \$; Individual \$

30

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends .....	.XXX		.XXX	
25. Other paid-up insurance				
26. Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Page 30, Line 2)		In Force End of Year (Included in Page 30, Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing				
28. Term policies - other				
29. Other term insurance - decreasing .....	.XXX		.XXX	
30. Other term insurance .....	.XXX		.XXX	
31. Totals, Line 27 to 30 .....	.0	.0	.0	.0
Reconciliation to Page 30, Lines 2 and 21:				
32. Term additions .....	.XXX		.XXX	
33. Totals, extended term insurance .....	.XXX	.XXX		
34. Totals, whole life and endowment	2	83	7	178
35. Total (Lines 31 to 34)	2	83	7	178

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Page 30, Line 2)		In Force End of Year (Included in Page 30, Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial				
37. Ordinary .....	.83		.178	
38. Credit Life (Group and Individual)				
39. Group	19,910		225,403	
40. Totals (Lines 36 to 39)	19,993	0	225,581	0

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Page 30, Line 2 ceded to other companies .....	.XXX		.XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis .....		.XXX		.XXX
43. Federal Employees' Group Life Insurance included in Page 30, Line 21				
44. Servicemen's Group Life Insurance included in Page 30, Line 21				
45. Group Permanent Insurance included in Page 30, Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	
---	--

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.	
47.1	
47.2	

POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium							18	378
49. Disability Income								
50. Extended Benefits .....			.XXX	.XXX				
51. Other								
52. Total	0 ^(b)	0	0 ^(b)	0	0 ^(b)	0	18 ^(b)	378

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) See paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

**EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES,
INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR
SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH
AND OTHER POLICIES**

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	0	0	0	0
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	0	0	0	0
Deductions during year:				
6. Decreased (net)				
7. Reinsurance				
8. Totals (Lines 6 and 7)	0	0	0	0
9. In force end of year	0	0	0	0
10. Amount on deposit		(a)		(a)
11. Income now payable				
12. Amount of income payable	(a)	(a)	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	0	0	0	0
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	0	0	0	0
Deductions during year:				
6. Decreased (net)				
7. Reinsurance				
8. Totals (Lines 6 and 7)	0	0	0	0
9. In force end of year	0	0	0	0
Income now payable:				
10. Amount of income payable	(a)	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a)	XXX	(a)
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Ordinary		Group		Credit	
	1 Policies	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	1,260	1,595,552	110	8,176,428	0	0
2. Issued during year	15	16,219	20	2,312,249		
3. Reinsurance assumed	623	1,000,140				
4. Increased during year (net)		XXX		XXX		XXX
5. Total (Lines 1 to 4)	1,898	XXX	130	XXX	0	XXX
Deductions during year:						
6. Conversions	XXX	XXX		XXX	XXX	XXX
7. Decreased (net)	131	XXX	40	XXX		XXX
8. Reinsurance		XXX		XXX		XXX
9. Total (Lines 6 thru 8)	131	XXX	40	XXX	0	XXX
10. In force end of year	1,767 (a)	2,712,597	90 (a)	11,033,431	0 (a)	

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year	0	0
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Total (Lines 1 to 4)	0	0
Deductions During Year:		
6. Decreased (net)		
7. Reinsurance		
8. Totals (Lines 6 and 7)	0	0
9. In force end of year	0	0
10. Amount of account balance	(a)	(a)

(a) See paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description	1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
BONDS				
Governments (Including all obligations guaranteed by governments)	1. United States 3,334,073 2. Canada 0 3. Other Countries 0 4. Totals 3,334,073	3,506,307 0 0 3,506,307	3,381,343 0 0 3,381,343	3,275,000 0 0 3,275,000
States, Territories and Possessions (Direct and guaranteed)	5. United States 0 6. Canada 0 7. Other Countries 0 8. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States 0 10. Canada 0 11. Other Countries 0 12. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States 170,523 14. Canada 0 15. Other Countries 0 16. Totals 170,523	170,523 0 0 170,523	170,753 0 0 170,753	169,772 0 0 169,772
Public Utilities (unaffiliated)	17. United States 527,355 18. Canada 0 19. Other Countries 0 20. Totals 527,355	557,530 0 0 557,530	536,695 0 0 536,695	500,000 0 0 500,000
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States 5,279,662 22. Canada 0 23. Other Countries 218,239 24. Totals 5,497,901	5,531,044 0 244,101 5,775,145	5,332,934 0 218,523 5,551,458	5,153,291 0 218,000 5,371,291
Parent, Subsidiaries and Affiliates	25. Totals 0 26. Total Bonds 9,529,851	0 10,009,504	0 9,640,249	0 9,316,062
PREFERRED STOCKS				
Public Utilities (unaffiliated)	27. United States 0 28. Canada 0 29. Other Countries 0 30. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Banks, Trust and Insurance Companies (unaffiliated)	31. United States 0 32. Canada 0 33. Other Countries 0 34. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Industrial and Miscellaneous (unaffiliated)	35. United States 0 36. Canada 0 37. Other Countries 0 38. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Parent, Subsidiaries and Affiliates	39. Totals 0 40. Total Preferred Stocks 0	0 0	0 0	0 0
COMMON STOCKS				
Public Utilities (unaffiliated)	41. United States 0 42. Canada 0 43. Other Countries 0 44. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Banks, Trust and Insurance Companies (unaffiliated)	45. United States 0 46. Canada 0 47. Other Countries 0 48. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Industrial and Miscellaneous (unaffiliated)	49. United States 0 50. Canada 0 51. Other Countries 0 52. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Parent, Subsidiaries and Affiliates	53. Totals 49,515 54. Total Common Stocks 49,515	49,515 49,515	25,000 25,000	25,000 25,000
	55. Total Stocks 49,515 56. Total Bonds and Stocks 9,579,366	49,515 10,059,019	25,000 9,665,249	25,000 9,665,249

(a) The aggregate value of bonds which are valued at other than actual fair value is \$2,617,993 .

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year 10,477,454	6. Foreign Exchange Adjustment:
2. Cost of bonds and stocks acquired, Column 6, Part 3 0	6.1 Column 17, Part 1 0
3. Increase (decrease) by adjustment:	6.2 Column 13, Part 2, Sec. 1 0
3.1 Column 16, Part 1 (64,694)	6.3 Column 11, Part 2, Sec. 2 0
3.2 Column 12, Part 2, Sec. 1 0	6.4 Column 11, Part 4 0
3.3 Column 10, Part 2, Sec. 2 3,660	7. Book/adjusted carrying value at end of current period 9,579,367
3.4 Column 10, Part 4 (447) (61,481)	8. Total valuation allowance 0
4. Total gain (loss), Col. 14, Part 4 (48,094)	9. Subtotal (Lines 7 plus 8) 9,579,367
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4 788,512	10. Total nonadmitted amounts 0
	11. Statement value of bonds and stocks, current period 9,579,367

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE CENTRAL BENEFITS NATIONAL LIFE INSURANCE COMPANY

SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Direct Business Only					
		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.	.0	.0	.0	.0	.0
2. Alaska	AK	No.	.0	.0	.0	.0	.0
3. Arizona	AZ	Yes.	42,821	.0	659,619	.0	.0
4. Arkansas	AR	Yes.	63,791	.0	1,026,517	.0	.0
5. California	CA	Yes.	.0	.0	.0	.0	.0
6. Colorado	CO	Yes.	.0	.0	11,884	.0	.0
7. Connecticut	CT	No.	.0	.0	.0	.0	.0
8. Delaware	DE	No.	.0	.0	.0	.0	.0
9. District of Columbia	DC	No.	.0	.0	.0	.0	.0
10. Florida	FL	Yes.	464	.0	.0	.0	.0
11. Georgia	GA	No.	.0	.0	.0	.0	.0
12. Hawaii	HI	No.	.0	.0	.0	.0	.0
13. Idaho	ID	Yes.	.0	.0	.0	.0	.0
14. Illinois	IL	Yes.	11,805	.0	289,693	.0	.0
15. Indiana	IN	Yes.	98,244	.0	1,071,383	.0	.0
16. Iowa	IA	Yes.	.0	.0	.0	.0	.0
17. Kansas	KS	Yes.	8,276	.0	182,097	.0	.0
18. Kentucky	KY	Yes.	7,302	.0	106,772	.0	.0
19. Louisiana	LA	No.	.0	.0	.0	.0	.0
20. Maine	ME	No.	.0	.0	.0	.0	.0
21. Maryland	MD	Yes.	.0	.0	.0	.0	.0
22. Massachusetts	MA	No.	.0	.0	.0	.0	.0
23. Michigan	MI	Yes.	92,703	.0	921,135	.0	.0
24. Minnesota	MN	No.	.0	.0	.0	.0	.0
25. Mississippi	MS	Yes.	.0	.0	25,039	.0	.0
26. Missouri	MO	Yes.	.0	.0	1,050	.0	.0
27. Montana	MT	No.	.0	.0	.0	.0	.0
28. Nebraska	NE	Yes.	424	.0	18,095	.0	.0
29. Nevada	NV	Yes.	.0	.0	16,650	.0	.0
30. New Hampshire	NH	No.	.0	.0	.0	.0	.0
31. New Jersey	NJ	No.	.0	.0	.0	.0	.0
32. New Mexico	NM	No.	.0	.0	.0	.0	.0
33. New York	NY	No.	.0	.0	.0	.0	.0
34. North Carolina	NC	No.	.0	.0	.0	.0	.0
35. North Dakota	ND	Yes.	.0	.0	.0	.0	.0
36. Ohio	OH	Yes.	580,372	.0	2,951,508	.0	.0
37. Oklahoma	OK	Yes.	2,835	.0	152,574	.0	.0
38. Oregon	OR	No.	.0	.0	.0	.0	.0
39. Pennsylvania	PA	No.	.0	.0	.0	.0	.0
40. Rhode Island	RI	No.	.0	.0	.0	.0	.0
41. South Carolina	SC	No.	.0	.0	.0	.0	.0
42. South Dakota	SD	Yes.	.0	.0	.0	.0	.0
43. Tennessee	TN	Yes.	2,993	.0	217,056	.0	.0
44. Texas	TX	No.	.0	.0	.0	.0	.0
45. Utah	UT	No.	.0	.0	.0	.0	.0
46. Vermont	VT	No.	.0	.0	.0	.0	.0
47. Virginia	VA	Yes.	4,183	.0	215,094	.0	.0
48. Washington	WA	No.	.0	.0	.0	.0	.0
49. West Virginia	WV	Yes.	20,480	.0	177,246	.0	.0
50. Wisconsin	WI	Yes.	24,487	.0	1,761,997	.0	.0
51. Wyoming	WY	No.	.0	.0	.0	.0	.0
52. American Samoa	AS	No.	.0	.0	.0	.0	.0
53. Guam	GU	No.	.0	.0	.0	.0	.0
54. Puerto Rico	PR	No.	.0	.0	.0	.0	.0
55. US Virgin Islands	VI	No.	.0	.0	.0	.0	.0
56. Canada	CN	No.	.0	.0	.0	.0	.0
57. Aggregate Other Alien	OT	XXX	.0	.0	.0	.0	.0
58. Subtotal	(a)	25	961,180	.0	9,805,409	.0	.0
90. Reporting entity contributions for employee benefit plans	XXX						
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX						
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX						
93. Premium or annuity considerations waived under disability or other contract provisions	XXX						
94. Aggregate of other amounts not allocable by State	XXX		.0	.0	.0	.0	.0
95. Totals (Direct Business)	XXX		961,180	.0	9,805,409	.0	.0
96. Plus Reinsurance Assumed	XXX				1,043,110		
97. Totals (All Business)	XXX		961,180	.0	10,848,519	.0	.0
98. Less Reinsurance Ceded	XXX		80,938	.0	4,599,910		
99. Totals (All Business) less Reinsurance Ceded	XXX		880,242	0	6,248,609	0	0
DETAILS OF WRITE-INS							
5701.	XXX						
5702.	XXX						
5703.	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX		.0	.0	.0	.0	.0
5799. Totals (Lines 5701 thru 5703 plus 5798)(Line 57 above)	XXX		0	0	0	0	0
9401.	XXX						
9402.	XXX						
9403.	XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX		.0	.0	.0	.0	.0
9499. Totals (Lines 9401 thru 9403 plus 9498)(Line 94 above)	XXX		0	0	0	0	0

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

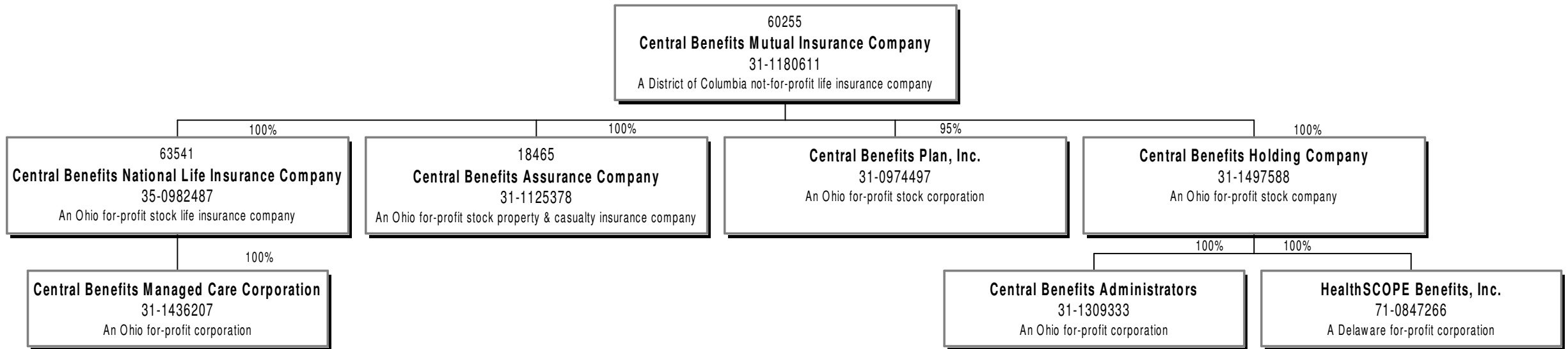
(a) Insert the number of yes responses except for Canada and Other Alien.

(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, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

CENTRAL BENEFITS CORPORATE STRUCTURE



69