



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

American Modern Life Insurance Company

NAIC Group Code 0127 0127 NAIC Company Code 65811 Employer's ID Number 86-6052181
(Current Period) (Prior Period)

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

Country of Domicile _____

Incorporated December 12, 1956 Commenced Business January 3, 1957

Statutory Home Office 7000 Midland Blvd., Amelia, Ohio 45102-2607
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 7000 Midland Blvd., Amelia, Ohio 45102-2607 800-543-2644 -5289
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 5323, Cincinnati, Ohio 45201-5323
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 7000 Midland Blvd., Amelia, Ohio 45102-2607
(Street and Number, City or Town, State and Zip Code)
800-543-2644 -5289
(Area Code) (Telephone Number)

Internet Website Address www.amig.com

Statement Contact James Paul Tierney 800-543-2644 -5289
(Name) (Area Code) (Telephone Number) (Extension)
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(E-Mail Address) (Fax Number)

Policyowner Relations Contact 7000 Midland Blvd., Amelia, Ohio 45102-2607 800-543-2644 -6682
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President & CEO John Weber Hayden
Executive VP & CFO Kenneth Gerald Boberg
SVP & Treasurer James Paul Tierney
V. Pres. & Secretary Michael Lynn Flowers
Exec. V. President Robert Eugene Hilliard
Actuary William R. Horbatt

VICE PRESIDENTS

John Ignatius Von Lehman, SVP
Elisabeth Evensen Baldock, SVP
Gary Andrew Cobb, SVP
John Gilbert Campbell, SVP
Paul Frederick Gelter, SVP
David Joseph Brick, SVP
Robert William Fulcher, SVP
#William Todd Gray, SVP
#Michael Ray McMillian, SVP
Joseph George David
Frank Joseph May

DIRECTORS OR TRUSTEES

John Weber Hayden, Chairman
Joseph Page Hayden, III
John Ignatius Von Lehman
Paul Thomas Brizzolara
Kenneth Gerald Boberg

State of Ohio }
County of Clermont } SS

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

John Weber Hayden
President & CEO

Michael Lynn Flowers
V. Pres. & Secretary

James Paul Tierney
SVP & Treasurer

- 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 _____

Subscribed and sworn to before me this
14th day of February, 2003

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Columns 1 minus 2)	4 Net Admitted Assets
1. Bonds	45,843,406		45,843,406	41,597,229
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1)				
2.2 Common stocks (Schedule D, Part 2, Section 2)	1,604,232		1,604,232	1,582,308
3. Mortgage loans on real estate (Schedule B, Part 1):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Policy loans				
6. Premium notes, including \$ for first year premiums				
7. Cash (\$ 168,416 , Schedule E, Part 1) and short term investments (\$ 6,939,695 , Schedule DA, Part 2)	7,108,111		7,108,111	7,143,079
8. Other invested assets (Schedule BA, Part 1)				
9. Receivable for securities	258,125		258,125	
10. Aggregate write-ins for invested assets				
11. Subtotals, cash and invested assets (Line 1 to Line 10)	54,813,874		54,813,874	50,322,616
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers (Schedule S, Part 2)	1,154,037		1,154,037	
12.2 Commissions and expense allowances due				
12.3 Experience rating and other refunds due				
12.4 Other amounts receivable under reinsurance contracts				
13. Electronic data processing equipment and software				
14. Federal and foreign income tax recoverable and interest thereon (including \$ 306,318 net deferred tax asset)	306,318	109,350	196,968	332,811
15. Guaranty funds receivable or on deposit				
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$ loading)				
17. Accident and health premiums due and unpaid				
18. Investment income due and accrued	581,074		581,074	486,410
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates				
21. Amounts receivable relating to uninsured accident and health plans				
22. Amounts due from agents				
23. Other assets nonadmitted (Exhibit 9)				
24. Aggregate write-ins for other than invested assets	(6,859)		(6,859)	
25. Total assets excluding Separate Accounts business (Line 11 to Line 24)	56,848,444	109,350	56,739,094	51,141,837
26. From Separate Accounts Statement				
27. Total (Line 25 and Line 26)	56,848,444	109,350	56,739,094	51,141,837
DETAILS OF WRITE-INS				
1001.				
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page				
1099. Totals (Line 1001 through Line 1003 plus Line 1098) (Line 10 above)				
2401. Accounts Receivable - Miscellaneous	(6,859)		(6,859)	
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)	(6,859)		(6,859)	

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 23,601,206 (Exhibit 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	23,601,206	17,983,208
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Column 1) (including \$ Modco Reserve)	13,070,460	14,278,080
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Column 1) (including \$ Modco Reserve)		
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Column 1 less sum of Columns 9, 10 and 11)	1,288,732	729,345
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10 and 11)	447,102	392,810
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment to (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Line 4 and Line 14)		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on cancelled contracts		
9.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds		
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ ceded		
9.4 Interest Maintenance Reserve (Page 33, Line 6)	(45,537)	124,043
10. Commissions to agents due or accrued-life and annuity contracts \$ 1,225,089, accident and health \$ 399,531 and deposit-type contract funds \$	1,624,620	489,278
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Column 5)	121,999	240,906
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Column 5)	328,114	423,042
15. Federal and foreign income taxes, including \$ on realized capital gains (losses) (including \$ net deferred tax liability)	71,200	101,400
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated		
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (Page 34, Line 16, Column 7)	358,770	341,341
24.2 Reinsurance in unauthorized companies		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers	653,698	584,688
24.4 Payable to parent, subsidiaries and affiliates		
24.5 Drafts outstanding	180,053	266,311
24.6 Liability for amounts held under uninsured accident and health plans		
24.7 Funds held under coinsurance		
24.8 Payable for securities		
24.9 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	586,474	2,897,306
26. Total liabilities excluding Separate Accounts business (Line 1 to Line 25)	42,286,891	38,851,758
27. From Separate Accounts statement		
28. Total liabilities (Line 26 and Line 27)	42,286,891	38,851,758
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1)	7,000,000	5,000,000
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	4,952,203	4,790,076
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ in Separate Accounts Statement)	11,952,203	9,790,076
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	14,452,203	12,290,076
39. Totals of Lines 28 and 38 (Page 2, Line 27, Column 3)	56,739,094	51,141,834
DETAILS OF WRITE-INS		
2501. Reinsurance Balances Payable	474,806	2,797,306
2502. Stabilization Reserve	111,668	100,000
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	586,474	2,897,306
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Line 3101 through Line 3103 plus Line 3198) (Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)		

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, Column 1, less Column 11)	11,509,460	15,579,166
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	2,929,137	2,401,085
4. Amortization of Interest Maintenance Reserve (IMR) (Page 33, Line 5)	18,933	34,215
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Column 1)	15,166,898	11,993,161
7. Reserve adjustments on reinsurance ceded		
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income		
9. Totals (Line 1 to Line 8.3)	29,624,428	30,007,627
10. Death benefits	3,197,190	1,898,870
11. Matured endowments (excluding guaranteed annual pure endowments)		
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Columns 4 plus 8)		
13. Disability benefits and benefits under accident and health contracts	1,346,415	1,331,874
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts		
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds		
18. Payments on supplementary contracts with life contingencies		
19. Increase in aggregate reserves for life and accident and health contracts	4,408,743	8,229,980
20. Totals (Line 10 to Line 19)	8,952,348	11,460,724
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	16,982,807	13,860,788
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2 Column 1)	1,362,544	2,408,330
23. General insurance expenses (Exhibit 2, Line 10, Columns 1 plus 2 plus 3)	1,177,493	1,085,023
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 plus 2 plus 3)	941,661	667,068
25. Increase in loading on deferred and uncollected premiums		
26. Net transfers to or (from) Separate Accounts		
27. Aggregate write-ins for deductions		
28. Totals (Line 20 to Line 27)	29,416,853	29,481,933
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	207,575	525,694
30. Dividends to policyholders		
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	207,575	525,694
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(85,900)	337,500
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)	293,475	188,194
34. Net realized capital gains or (losses) less capital gains tax of \$ (excluding taxes of \$ transferred to the IMR)		
35. Net Income (Line 33 plus Line 34)	293,475	188,194
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	12,290,075	9,963,929
37. Net income (Line 35)	293,475	188,194
38. Change in net unrealized capital gains (losses)	14,251	(175,392)
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	(145,205)	459,196
41. Change in nonadmitted assets and related items (Exhibit 9, Line 6, Column 3)	17,035	(126,385)
42. Change in liability for reinsurance in unauthorized companies		
43. Change in reserve on account of change in valuation bases, (increase) or decrease (Exhibit 5A, Line 9999999, Column 4)		
44. Change in asset valuation reserve (Page 34, Line 2 through Line 5 minus Line 6 plus Line 7 plus Line 11 plus Line 14 plus Line 15, Column 7)	(17,429)	(19,467)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts statement		
48. Change in surplus notes		
49. Cumulative effects of changes in accounting principles		
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in	2,000,000	2,000,000
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance		
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus		
54. Net change in capital and surplus for the year (Line 37 through Line 53)	2,162,127	2,326,146
55. Capital and surplus, December 31, current year (Line 36 plus Line 54) (Page 3, Line 38)	14,452,202	12,290,075
DETAILS OF WRITE-INS		
08.301.		
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page		
08.399. Totals (Line 08.301 through Line 08.303 plus Line 08.398) (Line 8.3 above)		
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)		
5301.		
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. Totals (Line 5301 through Line 5303 plus Line 5398) (Line 53 above)		

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums and annuity considerations for life and accident and health contracts	11,509,460	15,579,166
2. Charges and fees for deposit-type contracts		
3. Considerations for supplementary contracts with life contingencies		
4. Net investment income	2,872,195	2,343,863
5. Commissions and expense allowances on reinsurance ceded	15,166,898	11,993,161
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts		
7. Aggregate write-ins for miscellaneous income		
8. Total (Line 1 to Line 7)	29,548,553	29,916,190
9. Death benefits	2,637,804	1,817,067
10. Matured endowments		
11. Annuity benefits		
12. Disability benefits and benefits under accident and health contracts	1,292,123	1,140,414
13. Coupons, guaranteed annual pure endowments and similar benefits		
14. Surrender benefits and withdrawals for life contracts		
15. Group conversions		
16. Interest and adjustments on contract or deposit-type contract funds		
17. Payments on supplementary contracts with life contingencies		
18. Totals (Line 9 to Line 17)	3,929,927	2,957,481
19. Commissions on premiums, annuity considerations and deposit-type contract funds	15,847,466	13,599,442
20. Commissions and expense allowances on reinsurance assumed	1,362,544	2,408,330
21. General insurance expenses	1,327,985	1,165,135
22. Insurance taxes, licenses and fees, excluding federal income taxes	1,036,590	798,782
23. Net transfers to or (from) Separate Accounts		
24. Aggregate write-ins for deductions		
25. Total (Line 18 to Line 24)	23,504,512	20,929,170
26. Dividends paid to policyholders		
27. Federal income taxes (excluding tax on capital gains)	(136,600)	273,400
28. Total (Line 25 to Line 27)	23,367,912	21,202,570
29. Net cash from operations (Line 8 minus Line 28)	6,180,641	8,713,620
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds	11,904,872	12,353,835
30.2 Stocks		500,000
30.3 Mortgage loans		
30.4 Real estate		
30.5 Other invested assets		
30.6 Net gains (losses) on cash and short-term investments		
30.7 Miscellaneous proceeds		
30.8 Total investment proceeds (Line 30.1 to Line 30.7)	11,904,872	12,853,835
31. Net tax on capital gains (losses)		
32. Total (Line 30.8 minus Line 31)	11,904,872	12,853,835
33. Cost of investments acquired (long-term only):		
33.1 Bonds	16,397,498	23,994,106
33.2 Stocks		
33.3 Mortgage loans		
33.4 Real estate		
33.5 Other invested assets		
33.6 Miscellaneous applications		
33.7 Total investments acquired (Line 33.1 to Line 33.6)	16,397,498	23,994,106
34. Net increase (or decrease) in policy loans and premium notes		
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34)	(4,492,626)	(11,140,271)
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in	2,000,000	2,000,000
36.2 Borrowed money \$ less amounts repaid \$		
36.3 Capital notes \$ less amounts repaid \$		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies		
36.5 Other cash provided		1,046,117
36.6 Total (Line 36.1 to Line 36.5)	2,000,000	3,046,117
37. Cash applied:		
37.1 Dividends to stockholders paid		
37.2 Interest on indebtedness		
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies		
37.4 Other applications (net)	3,722,983	14,209
37.5 Total (Line 37.1 to Line 37.4)	3,722,983	14,209
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5)	(1,722,983)	3,031,908
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29 plus Line 35 plus Line 38)	(34,968)	605,257
40. Cash and short-term investments:		
40.1 Beginning of year	7,143,079	6,537,821
40.2 End of year (Line 39 plus Line 40.1)	7,108,111	7,143,078
DETAILS OF WRITE-INS		
0701.		
0702.		
0703.		
0798. Summary of remaining write-ins for Line 7 from overflow page		
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above)		
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page		
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)		

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

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	11,509,460					9,896,181				1,613,279		
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	2,929,137					2,518,560				410,577		
4. Amortization of Interest Maintenance Reserve (IMR)	18,933					16,279				2,654		
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	15,166,898					6,814,951				8,351,947		
7. Reserve adjustments on reinsurance ceded												
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts												
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income												
9. Totals (Line 1 to Line 8.3)	29,624,428					19,245,971				10,378,457		
10. Death benefits	3,197,190					3,197,190						
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits												
13. Disability benefits and benefits under accident and health contracts	1,346,415									1,346,415		
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts												
16. Group conversions												
17. Interest and adjustments on contract or deposit-type contract funds												
18. Payments on supplementary contracts with life contingencies												
19. Increase in aggregate reserves for life and accident and health contracts	4,408,743					5,578,292				(1,169,549)		
20. Totals (Line 10 to Line 19)	8,952,348					8,775,482				176,866		
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	16,982,807					9,983,717				6,999,090		
22. Commissions and expense allowances on reinsurance assumed	1,362,544					883,922				478,622		
23. General insurance expenses	1,177,494					660,111				517,383		
24. Insurance taxes, licenses and fees, excluding federal income taxes	941,662					809,669				131,993		
25. Increase in loading on deferred and uncollected premiums												
26. Net transfers to or (from) Separate Accounts												
27. Aggregate write-ins for deductions												
28. Totals (Line 20 to Line 27)	29,416,855					21,112,901				8,303,954		
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	207,573					(1,866,930)				2,074,503		
30. Dividends to policyholders												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	207,573					(1,866,930)				2,074,503		
32. Federal income taxes incurred (excluding tax on capital gains)	(85,900)					(772,594)				686,694		
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)	293,473					(1,094,336)				1,387,809		
DETAILS OF WRITE-INS												
08.301												
08.302												
08.303												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)												
2701.												
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)												

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

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	17,983,207					17,983,207		
2. Tabular net premiums or considerations	10,650,325					10,650,325		
3. Present value of disability claims incurred					X X X			
4. Tabular interest	891,843					891,843		
5. Tabular less actual reserve released								
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)								
8. Totals (Line 1 to Line 7)	29,525,375					29,525,375		
9. Tabular cost	3,807,402				X X X	3,807,402		
10. Reserves released by death	92,176			X X X	X X X	92,176		X X X
11. Reserves released by other terminations (net)	2,024,592					2,024,592		
12. Annuity, supplementary contract, and disability payments involving life contingencies								
13. Net transfers to or (from) Separate Accounts								
14. Total deductions (Line 9 to Line 13)	5,924,170					5,924,170		
15. Reserve December 31, current year	23,601,205					23,601,205		

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U. S. Government bonds	(a) 454,536	517,207
1.1 Bonds exempt from U. S. tax	(a) 1,156,142	1,145,221
1.2 Other bonds (unaffiliated)	(a) 1,177,913	1,227,611
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		58,968
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash/short-term investments	(e) 64,487	57,130
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. Total gross investment income	2,911,479	3,006,137
11. Investment expenses		(g) 77,000
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Totals deductions (Line 11 through Line 15)		77,000
17. Net investment income (Line 10 minus Line 16)		2,929,137
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903 plus Line 0998) (Line 9 above)		
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503 plus Line 1598) (Line 15 above)		
(a) Includes \$ 94,046 accrual of discount less \$ 108,944 amortization of premium and less \$ 64,093 paid for accrued interest on purchases.	(f) Includes \$ accrual of discount less \$ amortization of premium.	
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.	(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.	
(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.	(h) Includes \$ interest on surplus notes and \$ interest on capital notes.	
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.	(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.	
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	Total
1. U. S. Government bonds					
1.1 Bonds exempt from U. S. tax					
1.2 Other bonds (unaffiliated)	(231,547)				(231,547)
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)			21,924		21,924
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash/short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	(231,547)		21,924		(209,623)
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903 plus Line 0998) (Line 9 above)					

EXHIBIT 1 - PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH 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											
2. Deferred and accrued											
3. Deferred, accrued and uncollected:											
3.1 Direct											
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net (Line 1 plus Line 2)											
4. Advance											
5. Line 3.4 minus Line 4											
6. Collected during year:											
6.1 Direct											
6.2 Reinsurance assumed											
6.3 Reinsurance ceded											
6.4 Net											
7. Line 5 plus Line 6.4											
8. Prior year (uncollected plus deferred and accrued minus advance)											
9. First year premiums and considerations:											
9.1 Direct											
9.2 Reinsurance assumed											
9.3 Reinsurance ceded											
9.4 Net (Line 7 minus Line 8)											
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	44,373,251				24,875,939				19,497,312		
10.2 Reinsurance assumed	2,404,285				1,579,869				824,416		
10.3 Reinsurance ceded	35,268,076				16,559,627				18,708,449		
10.4 Net	11,509,460				9,896,181				1,613,279		
RENEWAL											
11. Uncollected											
12. Deferred and accrued											
13. Deferred, accrued and uncollected:											
13.1 Direct											
13.2 Reinsurance assumed											
13.3 Reinsurance ceded											
13.4 Net (Line 11 plus Line 12)											
14. Advance											
15. Line 13.4 minus Line 14											
16. Collected during year:											
16.1 Direct											
16.2 Reinsurance assumed											
16.3 Reinsurance ceded											
16.4 Net											
17. Line 15 plus Line 16.4											
18. Prior year (uncollected plus deferred and accrued minus advance)											
19. Renewal premiums and considerations:											
19.1 Direct											
19.2 Reinsurance assumed											
19.3 Reinsurance ceded											
19.4 Net (Line 17 minus Line 18)											
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	44,373,251				24,875,939				19,497,312		
20.2 Reinsurance assumed	2,404,285				1,579,869				824,416		
20.3 Reinsurance ceded	35,268,076				16,559,627				18,708,449		
20.4 Net (Lines 9.4 plus 10.4 plus 19.4)	11,509,460				9,896,181				1,613,279		

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

	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	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums (Exhibit 4, Line 1)											
22. All other (Exhibit 4, Line 2, Line 3, and Line 4)											
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded											
23.2 Reinsurance assumed											
23.3 Net ceded less assumed											
24. Single:											
24.1 Reinsurance ceded	15,166,899				6,814,951				8,351,948		
24.2 Reinsurance assumed	1,362,544				883,922				478,622		
24.3 Net ceded less assumed	13,804,355				5,931,029				7,873,326		
25. Renewal:											
25.1 Reinsurance ceded											
25.2 Reinsurance assumed											
25.3 Net ceded less assumed											
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	15,166,899				6,814,951				8,351,948		
26.2 Reinsurance assumed (Page 6, Line 22)	1,362,544				883,922				478,622		
26.3 Net ceded less assumed	13,804,355				5,931,029				7,873,326		
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	16,982,807				9,983,717				6,999,090		
28. Single											
29. Renewal											
30. Deposit-type contract funds											
31. Totals (to agree with Page 6, Line 21)	16,982,807				9,983,717				6,999,090		

EXHIBIT 2 - GENERAL EXPENSES

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Rent	50,683	39,725			90,408
2. Salaries and wages	368,155	288,554			656,709
3.11 Contributions for benefit plans for employees	79,528	62,332			141,860
3.12 Contributions for benefit plans for agents					
3.21 Payments to employees under non-funded benefit plans					
3.22 Payments to agents under non-funded benefit plans					
3.31 Other employee welfare					
3.32 Other agent welfare					
4.1 Legal fees and expenses	(668)	(524)			(1,192)
4.2 Medical examination fees					
4.3 Inspection report fees					
4.4 Fees of public accountants and consulting actuaries	17,907	14,035			31,942
4.5 Expense of investigation and settlement of policy claims					
5.1 Traveling expenses	3,712	2,909			6,621
5.2 Advertising					
5.3 Postage, express, telegraph and telephone	19,964	15,648			35,612
5.4 Printing and stationery					
5.5 Cost or depreciation of furniture and equipment	69,392	54,389			123,781
5.6 Rental of equipment	11,688	9,160			20,848
5.7 Cost or depreciation of EDP equipment and software					
6.1 Books and periodicals					
6.2 Bureau and association fees	18,045	14,144			32,189
6.3 Insurance, except on real estate					
6.4 Miscellaneous losses					
6.5 Collection and bank service charges					
6.6 Sundry general expenses	21,616	16,943			38,559
6.7 Group service and administration fees					
6.8 Reimbursements by uninsured accident and health plans					
7.1 Agency expense allowance					
7.2 Agents' balances charged off (less \$ recovered)					
7.3 Agency conferences other than local meetings					
9.1 Real estate expenses				77,000	77,000
9.2 Investment expenses not included elsewhere					
9.3 Aggregate write-ins for expenses					
10. General expenses incurred	660,022	517,315		77,000	(a) 1,254,337
11. General expenses unpaid December 31, prior year	99,166	130,232		11,508	240,906
12. General expenses unpaid December 31, current year	44,235	34,671		43,093	121,999
13. Amounts receivable relating to uninsured accident and health plans, prior year					
14. Amounts receivable relating to uninsured accident and health plans, current year					
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)	714,953	612,876		45,415	1,373,244
DETAILS OF WRITE-INS					
09.301					
09.302					
09.303					
09.398. Summary of remaining write-ins for Line 9.3 from overflow page					
09.399. Totals (Lines 09.301 through 09.303 plus 09.398) (Line 9.3 above)					

(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. State insurance department licenses and fees	63,371	10,331			73,702
3. State taxes on premiums	746,298	121,662			867,960
4. Other state taxes, including \$ for employee benefits					
5. U. S. Social Security taxes					
6. All other taxes					
7. Taxes, licenses and fees incurred	809,669	131,993			941,662
8. Taxes, licenses and fees unpaid December 31, prior year	242,851	180,191			423,042
9. Taxes, licenses and fees unpaid December 31, current year	282,122	45,992			328,114
10. Taxes, licenses and fees paid during year (Line 7 plus Line 8 minus Line 9)	770,398	266,192			1,036,590

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	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 Line 1 through Line 4		
6. Paid-in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options		
9. Total Line 5 through Line 8		
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the follow		
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend policies		
15. Total Line 10 through Line 14		
16. Total from prior year		
17. Total dividends or refunds (Line 9 plus Line 15 minus Line 16)		
NONE		
DETAILS OF WRITE-INS		
0801		
0802		
0803		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 through 0803 plus 0898) (Line 8 above)		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
(Gross) - Life Insurance					
100% 1958 CET-4.5% NLP CONTINUOUS	71,000,366			71,000,366	
0199997 - TOTALS (Gross) - Life Insurance	71,000,366			71,000,366	
0199998 - Reinsurance ceded - Life Insurance	47,399,160			47,399,160	
0199999 - TOTALS (Net) - Life Insurance	23,601,206			23,601,206	
9999999 - TOTALS (Net) - Page 3, Line 1	23,601,206			23,601,206	

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.
.....
- 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.
.....
- 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions. Yes () No (X)
- 4. Has the reporting entity any assessment or stipulated premium contracts in force?
If so, state: 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	

NONE

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-Cancellable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves	28,349,025		28,349,025						
2. Additional contract reserves (a)									
3. Additional actuarial reserves - Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	28,349,025		28,349,025						
8. Reinsurance ceded	19,432,639		19,432,639						
9. Totals (Net)	8,916,386		8,916,386						
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	8,812,220		8,812,220						
11. Additional actuarial reserves - Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves									
14. Totals (Gross)	8,812,220		8,812,220						
15. Reinsurance ceded	4,658,147		4,658,147						
16. Totals (Net)	4,154,073		4,154,073						
17. TOTAL (Net)	13,070,459		13,070,459						
18. TABULAR FUND INTEREST									
DETAILS OF WRITE-INS									
0601									
0602									
0603									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)									
1301									
1302									
1303									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)									

(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	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Supplemental Contracts and Annuities Certain	Dividend Accumulations or Refunds	Premium and Other Deposit Funds	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 (Line 5 minus 6 minus 7 minus 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 (Line 10 plus Line 11 minus Line 12)						
14. Net balance at the end of current year after reinsurance (Line 9 plus Line 13)						

NONE

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and Unpaid:											
1.1 Direct											
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net											
2. In course of settlement:											
2.1 Resisted											
2.11 Direct	36,766					36,766					
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net	36,766		(b)	(b)		(b) 36,766	(b)				
2.2 Other											
2.21 Direct	1,230,856					1,230,856					
2.22 Reinsurance assumed	150,602					150,602					
2.23 Reinsurance ceded	653,237					653,237					
2.24 Net	728,221		(b)	(b)		(b) 728,221	(b)		(b)	(b)	(b)
3. Incurred but unreported:											
3.1 Direct	2,124,497					1,092,836				1,031,661	
3.2 Reinsurance assumed	163,839					64,911				98,928	
3.3 Reinsurance ceded	1,317,489					634,002				683,487	
3.4 Net	970,847		(b)	(b)		(b) 523,745	(b)		(b)	(b) 447,102	(b)
4. TOTALS											
4.1 Direct	3,392,119					2,360,458				1,031,661	
4.2 Reinsurance assumed	314,441					215,513				98,928	
4.3 Reinsurance ceded	1,970,726					1,287,239				683,487	
4.4 Net	1,735,834	(a)	(a)			1,288,732	(a)			447,102	

(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).

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	9,735,932					4,973,192				4,762,740	
1.2 Reinsurance assumed	645,595					378,401				267,194	
1.3 Reinsurance ceded	6,451,600					2,713,789				3,737,811	
1.4 Net (d)	3,929,927					2,637,804				1,292,123	
2. Liability December 31, current year from Part 1:											
2.1 Direct	3,392,119					2,360,458				1,031,661	
2.2 Reinsurance assumed	314,441					215,513				98,928	
2.3 Reinsurance ceded	1,970,726					1,287,239				683,487	
2.4 Net	1,735,834					1,288,732				447,102	
3. Amounts recoverable from reinsurers December 31, current year											
4. Liability December 31, prior year:											
4.1 Direct	2,012,115					1,316,295				695,820	
4.2 Reinsurance assumed	89,885					57,880				32,005	
4.3 Reinsurance ceded	979,843					644,829				335,014	
4.4 Net	1,122,157					729,346				392,811	
5. Amounts recoverable from reinsurers December 31, prior year											
6. Incurred Benefits:											
6.1 Direct	11,115,936					6,017,355				5,098,581	
6.2 Reinsurance assumed	870,151					536,034				334,117	
6.3 Reinsurance ceded	7,442,483					3,356,199				4,086,284	
6.4 Net	4,543,604					3,197,190				1,346,414	

(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 NONADMITTED 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, Line 12 to Line 17 and Line 19 to Line 22, Column 2	109,350	126,385	17,035
2. Other Nonadmitted Assets:			
2.1 Bills receivable			
2.2 Furniture and equipment			
2.3 Leasehold improvements			
2.4 Cash advanced to or in the hands of officers or agents			
2.5 Loans on personal security, endorsed or not			
2.6 Supplies, stationery, printed matter			
2.7 Commuted commissions			
3. Total (Lines 2.1 to Line 2.7)			
4. Disallowed interest maintenance reserve			
5. Aggregate write-ins for other than invested assets			
6. Total (Line 1 plus Lines 3 to Line 5)	109,350	126,385	17,035
DETAILS OF WRITE-INS			
0501			
0502			
0503			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)			

NOTES TO FINANCIAL STATEMENTS

1) Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statement of American Modern Life Insurance Company has been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of 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 and accident and health premiums are recognized as income over the premium paying period of the related policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common stocks are at market.
- (4) The Company currently holds no preferred stocks.
- (5) Loan backed bonds owned by the Company are stated at amortized cost. The prospective adjustment method is used to value all securities.
- (6) The company has no investments in joint ventures, partnerships, or limited liability companies.
- (7) The Company currently holds no derivative instruments.
- (8) The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, Individual and Group Accident and Health Contracts.
- (9) Liabilities for losses and loss/claim adjustment expenses for accident and health contracts are estimated by the Company's valuation actuary using statistical claim development models to develop best estimates of liabilities.

2) Accounting Changes and Corrections of Errors

A. Correction of Errors: None

B. Cumulative Effect of Changes in Accounting Principles as a result of the initial implementation of Codification January 1, 2001

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. Effective January 1, 2001, the State of Ohio required that insurance companies domiciled in the State of Ohio prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual - Version effective January 1, 2001.

Accounting changes adopted to conform to the provisions of the NAIC Accounting Practices and Procedures manual - Version effective January 1, 2001 are reported as changes in accounting principles. As a result of these changes, the Company reported an increase in unassigned funds (surplus) of \$198,732 as of January 1, 2001.

3) Business Combinations and Goodwill

The Company has no business combinations or goodwill at this time.

4) Discontinued Operations

The Company has no discontinued operations to report.

NOTES TO FINANCIAL STATEMENTS**5) Investments**

- A. Mortgage Loans - The Company has no mortgage loans.
- B. Debt Restructuring - The Company has no invested assets that are restructured debt.
- C. Reverse Mortgages - The Company has no investments in reverse mortgages.
- D. Loan-Backed Securities
1. Not applicable.
 2. The Company uses dealer-modeled prepayment assumptions for mortgage-backed securities at the date of purchase to determine effective yields. Significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.
 3. In determining the market value of its loan-backed securities, the Company obtains its pricing from Interactive Data Services, Inc. and Merrill Lynch Securities Pricing Service.
 4. Not applicable.
- E. Repurchase Agreements - The Company has no repurchase agreements.

6) Joint Ventures

The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

7) Investment Income

The Company had no non-admitted investment income.

8) Derivative Instruments

The Company holds no derivative instruments.

9) Income Taxes

The components of the net deferred tax asset/(liability) at December 31, 2002 are as follows:

A. Deferred Tax Assets (DTAs):	
Unearned A&H Premium	\$624,147
Total Gross DTAs	<u>624,147</u>
Admitted DTAs	<u>514,797</u>
Nonadmitted DTAs	<u>109,350</u>
Net Change During 2002 in Nonadmitted DTAs	<u>(17,036)</u>

Deferred Tax Liability (DTLs):	
Unrealized Capital Gains on Stock	317,829
Total DTLs	<u>317,829</u>

B. All Deferred Tax Liabilities have been recognized.

C. The components of incurred income tax expense and the change in DTAs and DTLs are as follows:

Current Paid and Payable	
Federal	\$(85,900)
State	0
Deferred Tax Change	<u>135,843</u>
Total Income Tax Current and Deferred	<u>\$ 49,943</u>

D. The Company's income tax expense and change in DTA/DTL differs from the amount obtained by applying the federal statutory rate of 35% to Net Gain From Operations After Dividends to Policyholders and before Federal Income Taxes for the following reasons:

Expected Federal Income Tax Expense	\$ 72,651
Tax Exempt Interest	(2,361)
Dividends Received Deduction	(10,985)
Decrease in A&H Unearned Premiums	<u>(145,205)</u>
Total Incurred Income Tax Expense	<u>(85,900)</u>

E. The Company does not have any operating loss or tax credit carryforwards available for tax purposes.

NOTES TO FINANCIAL STATEMENTS

- F. 1. The Company files a consolidated federal income tax return with the following affiliated companies:

American Modern Home Service Company
 American Southern Home Insurance Company
 AMH Insurance Agency of Georgia
 American Modern Insurance Group, Inc.
 Sunbelt General Agency, Inc.
 The Midland Company
 American Modern Life Insurance Company
 Mustang Mobile Homes of Alabama, Inc.
 Modern Life Insurance Company of Arizona, Inc.
 M/G Transport Services, Inc.
 Modern Services Group, Inc.
 American Western Home Insurance Company
 American Family Home Insurance Company
 American Modern Home Insurance Company
 American Modern Lloyds Insurance Company
 G.U.I.C. Insurance Company
 Manufactured Homes Acceptance Corp.
 MHAC Insurance Agency, Inc.
 Service Sentry Warranty Corporation
 North American Insurance Agency Corporation
 MGT Services, Inc.
 Midland-Guardian Company
 Midwest Enterprises
 Atlas Insurance Agency
 Lloyds Modern Corporation
 Marbury Agency, Inc.
 MG Sportswear, Inc.

2. The Company is included in the consolidated federal income tax return of The Midland Company. The consolidated tax provision or credit, calculated in accordance with generally accepted accounting principle, is allocated to the separate companies on the basis of separate return computations. If the current year results in a reported profit for the insurance company, the tax provision recorded is currently payable to the parent company. If the current year results in a reported loss for the insurance company, the tax credit recorded is currently payable from the parent company to the insurance company. Thus, in loss years, federal income taxes are recouped immediately and not carried forward.

10) Information Concerning Parent, Subsidiaries and Affiliates

- A.B.&C. The Company received \$2,000,000 of additional surplus from the parent company, American Modern Insurance Group, in January 2002.

The Company ceded \$4,006,461 of accident and health written premiums to an affiliated company, American Modern Home Insurance Company, throughout 2002.

- D. At December 31, 2002, the Company reported \$58,728 and \$6,175 payable to affiliated companies Modern Life Insurance Company of Arizona, Inc. and American Modern Home Insurance Company, respectively.

At December 31, 2002, the Company also reported \$50,241 payable to Midland-Guardian Company, the ultimate parent company.

All of the above payables were settled within 30 days of yearend.

- E. The Company has no guarantees outstanding that would result in a material contingent liability.
- F. The ultimate parent company has agreed to provide all necessary services and materials to the Company. The Company reimburses the ultimate parent company for the actual cost of providing such services and materials.
- G. All outstanding shares of common stock are owned by American Modern Insurance Group, Inc., a company domiciled in the State of Ohio.
- H. Not applicable.
- I. Not applicable.
- J. Not applicable.

11) Debt

- A. The Company has no capital notes outstanding.

NOTES TO FINANCIAL STATEMENTS

B. The Company has no debentures outstanding.

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

A. Not applicable.

B. Not applicable.

C. Not applicable.

D. All benefit plans are sponsored by the ultimate parent company, Midland-Guardian Company. The Company has no legal obligation for these plans. Midland-Guardian Company allocates the costs related to all benefit plans to the Company based on a percentage of salaries.

E. Not applicable.

13) Capital and Surplus, Shareholder Dividend Restrictions and Quasi-Reorganizations

A. The Company's capital is common stock, 1,000,000 shares authorized, 1,000,000 issued and outstanding, \$2.50 per share par value. There are no other classes of capital stock.

B. The Company has no preferred stock.

C. Dividends are restricted to the amount of earned surplus.

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

Unrealized gains and losses	\$908,082
Nonadmitted asset values	(109,350)
Separate account business	None
Asset valuation reserve	(358,770)
Reinsurance in unauthorized companies	None

14) Contingencies

Various contingent liabilities arise in the normal course of the Company's business and have been recorded. We believe that any ultimate contingent losses will not have a material adverse effect on the Company's future results or financial position.

15) Leases

The Company has no lease obligations.

16) Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

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

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

None to report.

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

Not applicable.

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

Not applicable.

20) Other Items

None to report.

21) Events Subsequent

Type I - None to report.

Type II - None to report.

NOTES TO FINANCIAL STATEMENTS**22) Reinsurance**

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the Company? Yes () No (X)
2. Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes () No (X)

Section 2 - Ceded Reinsurance Report - Part A

1. Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance other than for nonpayment of premium or other similar credits? Yes () No (X)
2. Does the Company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes () No (X)

Section 3 - Ceded Reinsurance Report - Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ None
2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement? Yes (X) No ()

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?
\$1,117,008

B. Uncollectible Reinsurance

The Company has not written off any uncollectible reinsurance during the year.

C. Commutation of Ceded Reinsurance

The Company has not commuted any ceded reinsurance during the year.

23) Retrospectively Rated Contracts

- A. The Company estimates accrued retrospective premium adjustments based on the contract terms and the related experience.
- B. The Company wrote \$5,254,062 of premiums in 2002 that were subject to retrospective premium adjustments.

24) Salvage and Subrogation

Not applicable.

25) Change in Incurred Losses and Loss Adjustment Expenses

Reserves on life and accident and health contracts for incurred losses and loss adjustment expenses attributable to insured events of prior years developed as anticipated during 2002. Original estimates are increased or decreased as additional information becomes available regarding individual claims. However, no significant trends or unanticipated events were noted in 2002.

26) Intercompany Pooling Arrangements

NOTES TO FINANCIAL STATEMENTS

Not applicable.

27) Reserves for Life Contracts and Deposit-Type Contracts

- A. The Company does not waive deductions of deferred fractional premiums upon death of insured and does not return any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
- B. The Company does not write policies on substandard lives.
- C. At December 31, 2002, the Company had no insurance in force for which gross premiums are less than net premiums according to the standard valuation set by the State of Ohio.
- D. The Tabular Interest, Tabular Less Actual Reserves Released, and Tabular Cost have been determined from the basic data for the calculation of reserves and actual reserves released, and policy reserves.
- E. The Company does not have any Tabular Interest on funds not involving life contingencies.
- F. The Company has no other reserve changes to report.

28) Variable Annuities with Guaranteed Living Benefits

Not applicable.

29) Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

Not applicable.

30) Premium and Annuity Considerations Deferred and Uncollected

Not applicable.

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	5,590,757	10.200	5,590,757	10.200
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies				
1.22 Issued by U.S. government sponsored agencies	482,467	0.880	482,467	0.880
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations				
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA	2,229,151	4.067	2,229,151	4.067
1.512 Issued by FNMA and FHLMC	15,266,991	27.852	15,266,991	27.852
1.513 Privately issued	1,779,095	3.246	1,779,095	3.246
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC	1,474,211	2.689	1,474,211	2.689
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC				
1.523 All other privately issued	1,050,139	1.916	1,050,139	1.916
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	17,970,595	32.785	17,970,595	32.785
2.2 Unaffiliated foreign securities				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated				
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated	1,604,232	2.927	1,604,232	2.927
3.4 Other equity securities:				
3.41 Affiliated				
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (includes \$ of property acquired in satisfaction of debt)				
5.3 Property held for sale (\$ including property acquired in satisfaction of debt)				
6. Policy loans				
7. Receivables for securities	258,125	0.471	258,125	0.471
8. Cash and short-term investments	7,108,111	12.968	7,108,111	12.968
9. Other invested assets				
10. Total invested assets	54,813,874	100.000	54,813,874	100.000

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?
DELOITTE & TOUCHE
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?
WILLIAM R. HORBATT, F.S.A., M.A.A.A.
40 WHITNEY ROAD, SHORT HILLS, NJ 07078
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 (X)
- 10.3 Have there been any changes made to any of the trust indentures during the year? Yes () No (X)
- 10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes () No () N/A (X)

BOARD OF DIRECTORS

11. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes (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 is likely to conflict with the official duties of such person? Yes () No (X)

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 assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes () No (X)
- 15.2 If yes, state the amount thereof at December 31 of the current year:
- | | |
|----------------------------|----------|
| 15.21 Rented from others | \$ |
| 15.22 Borrowed from others | \$ |
| 15.23 Leased from others | \$ |
| 15.24 Other | \$ |
- Disclose in Notes to Financial Statements the nature of each obligation.
- 16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes () No (X)
- 16.2 If answer is yes:
- | | |
|--|----------|
| 16.21 Amount paid as losses or risk adjustment | \$ |
| 16.22 Amount paid as expenses | \$ |
| 16.23 Other amounts paid | \$ |

GENERAL INTERROGATORIES (Continued)

INVESTMENT

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

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price if Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
Preferred					Yes () No (X)	Yes () No (X)
Common	1,000,000	1,000,000	2.50	XXX	XXX XXX	XXX XXX

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

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

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 securities restricted as to sale	\$
	19.29 Other	\$

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

- 19.31
- 19.32
- 19.33
- 19.34
- 19.35
- 19.36
- 19.37
- 19.38
- 19.39

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

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....

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

20.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes () No () N/A (X)
If no, attach a description with this statement.

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
U S BANK N A	425 WALNUT ST. CINCINNATI, OHIO 45202
NORTHERN TRUST COMPANY/GOLDMAN SACHS	50 LASALLE ST. CHICAGO, IL 60675
.....

GENERAL INTERROGATORIES (continued)

INVESTMENT

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

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

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

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

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

22.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of 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
104518	DEUTSCHE ASSET MANAGEMENT.	280 PARK AVENUE NEW YORK, NY 10154
.....
.....

OTHER

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES (continued)

PART 2 - LIFE INTERROGATORIES

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

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

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$

 1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$

1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$

1.6 Individual policies:

 Most current three years:

 1.61 Total premium earned \$

 1.62 Total incurred claims \$

 1.63 Number of covered lives

 All years prior to most current three years:

 1.64 Total premium earned \$

 1.65 Total incurred claims \$

 1.66 Number of covered lives

1.7 Group policies:

 Most current three years:

 1.71 Total premium earned \$

 1.72 Total incurred claims \$

 1.73 Number of covered lives

 All years prior to most current three years:

 1.74 Total premium earned \$

 1.75 Total incurred claims \$

 1.76 Number of covered lives

2.1 Does this reporting entity have Separate Accounts? Yes () No (X)

2.2 If yes, has a Separate Accounts statement been filed with this Department? Yes () No () N/A (X)

2.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? \$

2.4 State the authority under which Separate Accounts are maintained:

2.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes () No (X)

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

3.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes (X) No ()

3.2 Net reimbursement of such expenses between reporting entities:

 3.21 Paid \$ 1,022,296

 3.22 Received \$

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

4.2 If yes, what amount pertaining to these items is included in:

 4.21 Page 3, Line 3 \$

 4.22 Page 4, Line 1 \$

5. For stock reporting entities only:

5.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$

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

 6.11 Cash \$

 6.12 Stock \$

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

 7.11 Name of real estate holding company

 7.12 Number of parcels involved

 7.13 Total book/adjusted carrying value \$

7.2 If yes, provide explanation:

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, Column 4)					
2. Ordinary-term (Line 21, Column 4, less Line 34, Column 4)					
3. Credit life (Line 21, Column 6)	1,222,002	1,022,191	786,224	530,493	418,787
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Line 43 and Line 44, Column 4)					
5. Industrial (Line 21, Column 2)					
6. FEGLI/SGLI (Line 43 and Line 44, Column 4)					
7. Total (Line 21, Column 10)	1,222,002	1,022,191	786,224	530,493	418,787
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Column 2)					
9. Ordinary-term (Line 2, Column 4, less Line 34, Column 2)					
10. Credit life (Line 2, Column 6)	7,150,153	5,405,797	4,229,634	3,167,595	1,961,350
11. Group (Line 2, Column 9)					
12. Industrial (Line 2, Column 2)					
13. Total (Line 2, Column 10)	7,150,153	5,405,797	4,229,634	3,167,595	1,961,350
Premium Income-Lines of Business					
14. Industrial life (Exhibit 1-Part 1, Line 20.4, Column 2)					
15.1 Ordinary life insurance (Exhibit 1-Part 1, Line 20.4, Column 3)					
15.2 Ordinary individual annuities (Exhibit 1-Part 1, Line 20.4, Column 4)					
16. Credit life, (Group and Individual) (Exhibit 1-Part 1, Line 20.4, Column 5)	9,896,181	8,943,362	8,894,055	6,331,494	5,270,209
17.1 Group life insurance (Exhibit 1-Part 1, Line 20.4, Column 6)					
17.2 Group annuities (Exhibit 1-Part 1, Line 20.4, Column 7)					
18.1 A & H-group (Exhibit 1-Part 1, Line 20.4, Column 8)					
18.2 A & H-credit (group and individual) (Exhibit 1-Part 1, Line 20.4, Column 9)	1,613,279	6,635,804	7,631,696	3,632,469	2,236,570
18.3 A & H-other (Exhibit 1-Part 1, Line 20.4, Column 10)					
19. Aggregate of all other lines of business (Exhibit 1-Part 1, Line 20.4, Column 11)					
20. Deposit-type funds	X X X	X X X			
21. Total	11,509,460	15,579,166	16,525,751	9,963,963	7,506,779
Balance Sheet Items (Pages 2 and 3)					
22. Total admitted assets excluding Separate Accounts business (Page 2, Line 25, Column 3)	56,739,094	51,141,837	39,141,836	30,344,370	26,099,348
23. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	42,286,891	38,851,758	29,177,907	20,566,590	16,071,191
24. Aggregate life reserves (Page 3, Line 1)	23,601,206	17,983,208	13,848,027	10,487,349	8,500,759
25. Aggregate A & H reserves (Page 3, Line 2)	13,070,460	14,278,080	10,183,282	4,356,908	3,324,121
26. Deposit-type contract funds (Page 3, Line 3)			X X X	X X X	X X X
27. Asset valuation reserve (Page 3, Line 24.1)	358,770	341,341	321,874	297,542	277,422
28. Capital (Page 3, Line 29 and Line 30)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
29. Surplus (Page 3, Line 37)	11,952,203	9,790,076	7,463,929	7,277,780	7,582,157
Risk-Based Capital Analysis					
30. Total adjusted capital	14,810,973	12,631,417	10,285,803	10,075,322	10,359,579
31. Authorized control level risk-based capital	1,138,719	989,624	1,000,084	703,006	693,259
Percentage Distribution of Assets (Page 2, Column 3) (Line No. /Page 2, Line 11, Column 3) x 100.0					
32. Bonds (Line 1)	84.0	82.7	77.3	81.4	86.0
33. Stocks (Line 2.1 and Line 2.2)	2.9	3.1	5.8	7.0	11.0
34. Mortgage loans on real estate (Line 3.1 and Line 3.2)					
35. Real estate (Line 4.1, Line 4.2 and Line 4.3)					
36. Policy loans (Line 5)					
37. Premium notes (Line 6)					
38. Cash and short-term investments (Line 7)	13.0	14.2	16.9	11.6	3.0
39. Other invested assets (Line 8)					
40. Receivable for securities (Line 9)					
41. Aggregate write-ins for invested assets (Line 10)					
42. Cash and invested assets (Line 11)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA
(Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
<u>Investments in Parent, Subsidiaries and Affiliates</u>					
43. Affiliated bonds (Schedule D Summary, Line 25, Column 1)					
44. Affiliated preferred stocks (Schedule D Summary, Line 39, Column 1)					
45. Affiliated common stocks (Schedule D Summary, Line 53, Column 2)					
46. Affiliated short-term investments (subtotal included in Schedule DA, Part 2, Column 5, Line 11)					
47. Affiliated mortgage loans on real estate					
48. All other affiliated					
49. Total of above Line 43 to Line 48					
<u>Total Nonadmitted and Admitted Assets</u>					
50. Total nonadmitted assets (Page 2, Line 27, Column 2)	109,350	126,385		25,521	
51. Total admitted assets (Page 2, Line 27, Column 3)	56,739,094	51,141,837	39,141,836	30,344,370	26,099,348
<u>Investment Data</u>					
52. Net investment income (Exhibit of Net Investment Income)	2,929,137	2,401,085	1,877,849	1,367,654	1,271,468
53. Realized capital gains (losses)	(231,547)	26,558	(8,596)		147,213
54. Unrealized capital gains (losses)	21,924	(175,392)	160,650	(746,550)	897,750
55. Total of above Lines 52, Line 53 and Line 54	2,719,514	2,252,251	2,029,903	621,104	2,316,431
<u>Benefits and Reserve Increase (Page 6)</u>					
56. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and Line 15, Column 1 less Lines 10, 11, 12, 13, 14 and Line 15, Columns 9, 10 and 11)	3,197,190	1,898,870	2,402,642	2,425,281	1,490,695
57. Total contract benefits - A and H (Line 13 and Line 14, Columns 9, 10 and 11)	1,346,415	1,331,874	588,516	909,490	658,308
58. Increase in life reserves - other than group and annuities (Line 19, Columns 2 and 3)					
59. Increase in A and H Reserves (Line 19, Columns 9, 10 and 11)	(1,169,549)	4,101,767	5,826,374	1,032,787	686,879
60. Dividends to policyholders (Line 30, Column 1)					
<u>Operating Percentages</u>					
61. Insurance expense percent (Page 6, Column 1, Line 21, Line 22 and Line 23 less Line 6) / (Page 6, Column 1, Line 1 plus group annuity contribution funds) x 100.00					48.2
62. Lapse percent (ordinary only) (Exhibit of Life Insurance, Column 4, Line 14 and Line 15) x 100.00 / 1/2 (Line 1 and Line 21)					
63. A and H loss percent (Schedule H, Part 1, Line 3 and Line 4, Column 2)	60.0	68.1	57.6	24.2	54.6
64. A and H expense percent (Schedule H, Part 1, Line 8, Column 2)	(6.1)	54.5	86.0	75.4	64.6
<u>A and H Claim Reserve Adequacy</u>					
65. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2)					
66. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2)					
67. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Column 2)	2,952,374	2,205,603	789,226	941,340	723,307
68. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Column 2)	3,680,152	2,237,846	1,053,175	1,533,041	1,106,688
<u>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</u>					
69. Industrial life (Column 2)					
70. Ordinary-life (Column 3)					
71. Ordinary-individual annuities (Column 4)					
72. Ordinary-supplementary contracts (Column 5)					
73. Credit life (Column 6)	(1,094,336)	179,604	68,462	43,443	608,934
74. Group life (Column 7)					
75. Group annuities (Column 8)					
76. A and H-group (Column 9)					
77. A and H-credit (Column 10)	1,387,809	8,592	(44,215)	444,370	(12,215)
78. A and H-other (Column 11)					
79. Aggregate of all other lines of business (Column 12)					
80. Total (Column 1)	293,473	188,196	24,247	487,813	596,719

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance (a)	Number of		9 Amount of Insurance (a)	
							7 Policies	8 Certificates		
1. In force end of prior year					87,569	1,022,191				1,022,191
2. Issued during year					79,897	7,150,153				7,150,153
3. Reinsurance assumed					6,609	302,892				302,892
4. Revived during year										
5. Increased during year (net)										
6. Subtotals, Line 2 to Line 5					86,506	7,453,045				7,453,045
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases										
9. Totals (Line 1 and Line 6 to Line 8)					174,075	8,475,236				8,475,236
Deductions during year:										
10. Death					566	5,352	XXX			5,352
11. Maturity							XXX			
12. Disability							XXX			
13. Expiry					47,154					
14. Surrender										
15. Lapse					28,829	4,251				4,251
16. Conversion							XXX	XXX	XXX	
17. Decreased (net)						7,243,631				7,243,631
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Line 10 to Line 19)					76,549	7,253,234				7,253,234
21. In force end of year (Line 9 minus Line 20)	XXX		XXX		97,526	1,222,002	XXX	XXX		1,222,002
22. Reinsurance ceded end of year						741,828				741,828
23. Line 21 minus Line 22	XXX		XXX		XXX	(b) 480,174	XXX	XXX		480,174
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page										
0899. Totals (Line 0801 through Line 0803 plus Line 0898) (Line 8 above)										
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page										
1999. Totals (Line 1901 through Line 1903 plus Line 1998) (Line 19 above)										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000).
 (b) Group \$; Individual \$

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

	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)
Term Insurance Excluding Extended Term Insurance				
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 Line 30)				
Reconciliation to Page 30, Line 2 and Line 21:				
32. Term additions	XXX		XXX	
33. Totals, extended term insurance	XXX	XXX		
34. Totals, whole life and endowment				
35. Totals (Line 31 to Line 34)				

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				
38. Credit Life (Group and Individual)	7,150,153		1,222,002	
39. Group				
40. Totals (Line 36 to Line 39)	7,150,153		1,222,002	

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	4,759,775	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								
49. Disability Income								
50. Extended Benefits			XXX	XXX				
51. Other								
52. Total		(b)		(b)		(b)		(b)

(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 AND 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				
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Line 1 to Line 4)	NONE			
Deductions during year:				
6. Decreased (net)				
7. Reinsurance				
8. Totals (Line 6 and Line 7)				
9. In force end of year				
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				
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Line 1 to Line 4)	NONE			
Deductions during year:				
6. Decreased (net)				
7. Reinsurance				
8. Totals (Line 6 and Line 7)				
9. In force end of year				
Income now payable:				
10. Amount of income payable	(a)	X X X	X X X	(a)
Deferred fully paid:				
11. Account balance	X X X	(a)	X X X	(a)
Deferred not fully paid:				
12. Account balance	X X X	(a)	X X X	(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					58,206	32,737,142
2. Issued during year					47,760	27,181,171
3. Reinsurance assumed					2,907	1,654,432
4. Increased during year (net)		X X X		X X X		X X X
5. Totals (Line 1 to Line 4)		X X X		X X X	108,873	X X X
Deductions during year:						
6. Conversions	X X X	X X X		X X X	X X X	X X X
7. Decreased (net)		X X X		X X X	45,903	X X X
8. Reinsurance		X X X		X X X		X X X
9. Totals (Line 6 to Line 8)		X X X		X X X	45,903	X X X
10. In force end of year		(a)		(a)	62,970	(a) 35,829,930

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds	Dividend Accumulations
	Contracts	Contracts
1. In force end of prior year		
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Totals (Line 1 to Line 4)	NONE	
Deductions during year:		
6. Decreased (net)		
7. Reinsurance		
8. Totals (Line 6 and Line 7)		
9. In force end of year		
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	8,302,375	8,758,009	8,335,392	8,219,180
	2. Canada				
	3. Other Countries				
	4. Totals	8,302,375	8,758,009	8,335,392	8,219,180
States, Territories and Possessions (Direct and guaranteed)	5. United States				
	6. Canada				
	7. Other Countries				
	8. Totals				
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada				
	11. Other Countries				
	12. Totals				
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	16,741,202	16,741,202	16,741,465	16,750,547
	14. Canada				
	15. Other Countries				
	16. Totals	16,741,202	16,741,202	16,741,465	16,750,547
Public Utilities (unaffiliated)	17. United States	368,611	390,271	375,897	350,000
	18. Canada				
	19. Other Countries				
	20. Totals	368,611	390,271	375,897	350,000
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	20,431,218	21,514,724	20,620,295	20,096,878
	22. Canada				
	23. Other Countries				
	24. Totals	20,431,218	21,514,724	20,620,295	20,096,878
Parent, Subsidiaries and Affiliates	25. Totals				
	26. Total Bonds	45,843,406	47,404,206	46,073,049	45,416,605
PREFERRED STOCKS					
Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
	30. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries				
	34. Totals				
Industrial and Miscellaneous (unaffiliated)	35. United States				
	36. Canada				
	37. Other Countries				
	38. Totals				
Parent, Subsidiaries and Affiliates	39. Totals				
	40. Total Preferred Stocks				
COMMON STOCKS					
Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
	44. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	1,604,232	1,604,232	696,150	
	46. Canada				
	47. Other Countries				
	48. Totals	1,604,232	1,604,232	696,150	
Industrial and Miscellaneous (unaffiliated)	49. United States				
	50. Canada				
	51. Other Countries				
	52. Totals				
Parent, Subsidiaries and Affiliates	53. Totals				
	54. Total Common Stocks	1,604,232	1,604,232	696,150	
	55. Total Stocks	1,604,232	1,604,232	696,150	
	56. Total Bonds and Stocks	47,447,638	49,008,438	46,769,199	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	43,179,537	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	16,397,497	6.1 Column 17, Part 1	
3. Increase (decreased) by adjustment:		6.2 Column 13, Part 2, Section 1	
3.1 Column 16, Part 1	(36,233)	6.3 Column 11, Part 2, Section 2	
3.2 Column 12, Part 2, Section 1		6.4 Column 11, Part 4	
3.3 Column 10, Part 2, Section 2	21,924	7. Book/adjusted carrying value at end of current period	47,447,638
3.4 Column 10, Part 4	21,332	8. Total valuation allowance	
4. Total gain (loss), Column 14, Part 4	(231,547)	9. Subtotal (Line 7 plus Line 8)	47,447,638
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	11,904,872	10. Total nonadmitted amounts	
		11. Statement value of bonds and stocks, current period	47,447,638

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	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	Yes				
2. Alaska	AK	Yes				
3. Arizona	AZ	Yes	22,097		10,368	
4. Arkansas	AR	Yes	908,795		289,123	
5. California	CA	Yes	472,616		396,232	
6. Colorado	CO	Yes	1,280,636		747,635	
7. Connecticut	CT	Yes	18,131		24,039	
8. Delaware	DE	Yes	289			
9. District of Columbia	DC	Yes				
10. Florida	FL	Yes	(856)		(553)	
11. Georgia	GA	Yes	52,907		11,439	
12. Hawaii	HI	Yes				
13. Idaho	ID	Yes	744,789		445,838	
14. Illinois	IL	Yes	1,046,011		793,457	
15. Indiana	IN	Yes	366,679		197,919	
16. Iowa	IA	Yes	1,225,639		882,098	
17. Kansas	KS	Yes	73,937		37,738	
18. Kentucky	KY	Yes	(498)		3,499	
19. Louisiana	LA	Yes	1,714		1,894	
20. Maine	ME	Yes				
21. Maryland	MD	Yes	23,124		7,401	
22. Massachusetts	MA	Yes				
23. Michigan	MI	Yes	343,916		317,403	
24. Minnesota	MN	Yes	1,974,879		1,485,328	
25. Mississippi	MS	Yes	(281)		1,489	
26. Missouri	MO	Yes	1,799,782		1,006,880	
27. Montana	MT	Yes	460,874		277,213	
28. Nebraska	NE	Yes	1,053,016		739,843	
29. Nevada	NV	Yes	198,700		110,708	
30. New Hampshire	NH	No				
31. New Jersey	NJ	No				
32. New Mexico	NM	Yes				
33. New York	NY	Yes				
34. North Carolina	NC	Yes	(30,109)		(2,056)	
35. North Dakota	ND	Yes	163,558		112,708	
36. Ohio	OH	Yes	4,663,113		7,040,476	
37. Oklahoma	OK	Yes	6,093		(4)	
38. Oregon	OR	Yes	2,276,683		1,257,080	
39. Pennsylvania	PA	Yes	(11,289)		2,464	
40. Rhode Island	RI	Yes				
41. South Carolina	SC	Yes	(8,770)		(12)	
42. South Dakota	SD	Yes	421,074		284,714	
43. Tennessee	TN	Yes	834,026		262,784	
44. Texas	TX	Yes	(21,697)		2,728	
45. Utah	UT	Yes	162,542		117,079	
46. Vermont	VT	Yes				
47. Virginia	VA	Yes	46,114		27,189	
48. Washington	WA	Yes	1,548,540		768,587	
49. West Virginia	WV	Yes	1,102,420		594,111	
50. Wisconsin	WI	Yes	1,486,598		1,114,048	
51. Wyoming	WY	Yes	170,146		128,425	
52. American Samoa	AS	No				
53. Guam	GU	No				
54. Puerto Rico	PR	No				
55. U.S. Virgin Islands	VI	No				
56. Canada	CN	No				
57. Aggregate Other Alien	OT	XXX				
58. Subtotal	(a)	49	24,875,938		19,497,312	
90. Reporting entity contributions for employee benefit plans	XXX					
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX					
92. Dividends of refunds applied to shorten endowment or premium paying period	XXX					
93. Premium or annuity considerations waived under disability or other contract provisions	XXX					
94. Aggregate other amounts not allocable by State	XXX					
95. Totals (Direct Business)	XXX		24,875,938		19,497,312	
96. Plus Reinsurance Assumed	XXX		1,579,869		824,416	
97. Totals (All Business)	XXX		26,455,807		20,321,728	
98. Less Reinsurance Ceded	XXX		16,559,627		18,708,449	
99. Totals (All Business) less Reinsurance Ceded	XXX		9,896,180		(b) 1,613,279	
DETAILS OF WRITE-INS						
5701.	XXX					
5702.	XXX					
5703.	XXX					
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX					
5799. Total (Lines 5701 through 5703 plus 5798) (Line 57 above)	XXX					
9401.	XXX					
9402.	XXX					
9403.	XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX					
9499. Total (Lines 9401 through 9403 plus 9498) (Line 94 above)	XXX					

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

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