



ANNUAL STATEMENT

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

MOTORISTS LIFE INSURANCE COMPANY

NAIC Group Code..... 291,	291	NAIC Company Code..... 66311	Employer's ID Number..... 31-0717055
	(Current Period) (Prior Period)		
Organized under the Laws of	Ohio	State of Domicile or Port of Entry	Ohio
Country of Domicile	US		
Incorporated.....	October 27, 1965	Commenced Business.....	January 24, 1967
Statutory Home Office	471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i>		
Main Administrative Office	471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i>	614-225-8211	<i>(Area Code) (Telephone Number)</i>
Mail Address	471 East Broad Street Columbus OH 43215 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>		
Primary Location of Books and Records	471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i>	614-225-8211	<i>(Area Code) (Telephone Number)</i>
Internet Website Address	www.motoristsgroup.com		
Statement Contact	Peter A. Hitchcock <i>(Name)</i> pete.hitchcock@motoristsgroup.com <i>(E-Mail Address)</i>	614-225-1477	<i>(Area Code) (Telephone Number) (Extension)</i>
Policyowner Relations Contact	471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i>	614-225-8365	<i>(Area Code) (Telephone Number) (Extension)</i>
		888-876-6542	<i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

President John Jacob Bishop	Treasurer Michael Lee Wiseman
Secretary Thomas Charles Ogg	Actuary Peter Alan Hitchcock

VICE PRESIDENTS

Orville Richard Lyons II	Charles Arthur Wickert
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DIRECTORS OR TRUSTEES

John Jacob Bishop	Thomas Charles Ogg	Michael Lee Wiseman
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State of..... Ohio
County of..... Franklin

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

John J. Bishop President	Thomas C. Ogg Secretary	Michael L. Wiseman Treasurer
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Subscribed and sworn to before me this

....14th.....day ofFebruary....., 2003

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

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds.....	212,035,878		212,035,878	187,576,470
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1).....	2,025,040		2,025,040	2,025,040
2.2 Common stocks (Schedule D, Part 2, Section 2).....	11,517,213		11,517,213	14,585,845
3. Mortgage loans on real estate (Schedule B, Part 1):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Policy loans.....	3,548,147	10,032	3,538,114	3,281,629
6. Premium notes, including \$.....0 for first year premiums.....			0	
7. Cash (\$.....8,739,784, Schedule E, Part 1) and short-term investments (\$.....0, Schedule DA, Part 2).....	8,739,784		8,739,784	5,239,490
8. Other invested assets (Schedule BA, Part 1).....	130,559		130,559	148,499
9. Receivable for securities.....			0	
10. Aggregate write-ins for invested assets.....	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10).....	237,996,621	10,032	237,986,588	212,856,973
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers (Schedule S, Part 2).....	223,779		223,779	26,000
12.2 Commissions and expense allowances due.....	211,315		211,315	156,095
12.3 Experience rating and other refunds due.....	82,633		82,633	43,311
12.4 Other amounts receivable under reinsurance contracts.....			0	
13. Electronic data processing equipment and software.....			0	
14. Federal and foreign income tax recoverable and interest thereon (including \$.....1,156,838 net deferred tax asset).....	7,123,828	5,440,752	1,683,076	1,510,246
15. Guaranty funds receivable or on deposit.....			0	
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$.....778,832 loading).....	6,357,832		6,357,832	5,054,278
17. Accident and health premiums due and unpaid.....			0	
18. Investment income due and accrued.....	2,619,217		2,619,217	2,778,797
19. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
20. Receivable from parent, subsidiaries and affiliates.....	133,395		133,395	235,705
21. Amounts receivable relating to uninsured accident and health plans.....			0	
22. Amounts due from agents.....	2,198,167	2,198,167	0	
23. Other assets nonadmitted (Exhibit 9).....	48,739	48,739	0	
24. Aggregate write-ins for other than invested assets.....	217,322	204,667	12,655	96,370
25. Total assets excluding Separate Accounts business (Lines 11 to 24).....	257,212,846	7,902,357	249,310,490	222,757,776
26. From Separate Accounts Statement.....			0	
27. Total (Lines 25 and 26).....	257,212,846	7,902,357	249,310,490	222,757,776

DETAILS OF WRITE-INS

1001.			0	
1002.			0	
1003.			0	
1098. Summary of remaining write-ins for Line 10 from overflow page.....	0	0	0	0
1099. Totals (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	0	0	0	0
2401. Miscellaneous Receivable.....	12,655		12,655	104,344
2402. Prepaid Pension Asset.....	102,146	102,146	0	
2403. Policy Liens.....	102,521	102,521	0	(7,974)
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	217,322	204,667	12,655	96,370

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$.....190,912,598 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	190,912,598	162,892,642
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1) (including \$.....0 Modco Reserve).....		
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....	914,039	641,238
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11).....	1,343,042	1,357,664
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....		
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10).....		
6. Provision for policyholders' dividends and coupons payable in following calendar year--estimated amounts:		
6.1 Dividends apportioned for payment to December 31, 2003 (including \$.....0 Modco Reserve).....	343,980	348,864
6.2 Dividends not yet apportioned (including \$.....0 Modco Reserve).....		
6.3 Coupons and similar benefits (including \$.....0 Modco Reserve).....		
7. Amount provisionally held for deferred dividend policies not included in Line 6.....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14).....	88,531	52,842
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including \$.....0 accident and health experience rating refunds.....		
9.3 Other amounts payable on reinsurance including \$.....0 assumed and \$.....0 ceded.....		
9.4 Interest Maintenance Reserve (Page 33, Line 6).....	2,263,758	619,981
10. Commissions to agents due or accrued-life and annuity contracts \$....393,926, accident and health \$.....0 and deposit-type contract funds \$.....0.....	393,926	527,841
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 5).....	286,816	308,068
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5).....	512,150	471,301
15. Federal and foreign income taxes, including \$.....0 on realized capital gains (losses) (including \$.....0 net deferred tax liability).....		
16. Unearned investment income.....	117,834	112,089
17. Amounts withheld or retained by company as agent or trustee.....	96,015	124,596
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....		
19. Remittances and items not allocated.....	886,260	310,965
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....	54,818	39,100
22. Borrowed money \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (Page 34, Line 16, Col. 7).....		2,033,199
24.2 Reinsurance in unauthorized companies.....		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers.....		
24.4 Payable to parent, subsidiaries and affiliates.....	312,055	226,525
24.5 Drafts outstanding.....		
24.6 Liability for amounts held under uninsured accident and health plans.....		
24.7 Funds held under coinsurance.....		
24.8 Payable for securities.....		
24.9 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	669,545	12,767
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	199,195,366	170,079,681
27. From Separate Accounts Statement.....		
28. Total liabilities (Lines 26 and 27).....	199,195,366	170,079,681
29. Common capital stock.....	1,100,204	1,100,204
30. Preferred capital stock.....		
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1).....	20,768,060	20,768,060
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	28,246,860	30,809,831
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 29 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	49,014,920	51,577,891
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....	50,115,124	52,678,095
39. Totals of Lines 28 and 38 (Page 2, Line 27, Col. 3).....	249,310,490	222,757,776

DETAILS OF WRITE-INS

2501. Pension Plan Obligation.....	642,879	
2502. Interest Due On Death Claims.....	26,666	12,767
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	669,545	12,767
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
SUMMARY OF OPERATIONS
(Excluding Unrealized Capital Gains and Losses)

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11).....	40,985,377	38,705,240
2. Considerations for supplementary contracts with life contingencies.....	151,337	1,233,448
3. Net investment income (Exhibit of Net Investment Income, Line 17).....	14,191,987	13,564,418
4. Amortization of Interest Maintenance Reserve (IMR) (Page 33, Line 5).....	171,288	128,561
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1).....	2,431,346	1,690,934
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.....	40,515	1,234
9. Totals (Lines 1 to 8.3).....	57,971,850	55,323,834
10. Death benefits.....	5,508,670	4,312,765
11. Matured endowments (excluding guaranteed annual pure endowments).....	14,000	37,695
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8).....	2,161,972	1,839,376
13. Disability benefits and benefits under accident and health contracts.....	172,492	109,463
14. Coupons, guaranteed annual pure endowments and similar benefits.....		
15. Surrender benefits and withdrawals for life contracts.....	4,832,712	7,872,948
16. Group conversions.....		
17. Interest and adjustments on contract or deposit-type contract funds.....	111,729	86,998
18. Payments on supplementary contracts with life contingencies.....	1,006,992	902,288
19. Increase in aggregate reserves for life and accident and health contracts.....	28,019,956	26,018,126
20. Totals (Lines 10 to 19).....	41,828,522	41,179,657
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1).....	8,789,425	6,504,084
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1).....		
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1 + 2 + 3).....	5,304,372	4,741,701
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3).....	774,025	689,410
25. Increase in loading on deferred and uncollected premiums.....	291,868	444,031
26. Net transfers to or (from) Separate Accounts.....		
27. Aggregate write-ins for deductions.....	424,300	18,393
28. Totals (Lines 20 to 27).....	57,412,511	53,577,277
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	559,339	1,746,557
30. Dividends to policyholders.....	251,238	325,388
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	308,101	1,421,169
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	449,043	640,259
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).....	(140,942)	780,910
34. Net realized capital gains or (losses) less capital gains tax of \$.....(76,463) (excluding taxes of \$.....1,815,065 transferred to the IMR).....	(2,027,312)	519,788
35. Net income (Line 33 plus Line 34).....	(2,168,254)	1,300,699
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2).....	52,678,095	51,338,088
37. Net income (Line 35).....	(2,168,254)	1,300,699
38. Change in net unrealized capital gains or (losses).....	(1,020,965)	(3,812,080)
39. Change in net unrealized foreign exchange capital gain (loss).....		
40. Change in net deferred income tax.....	617,367	564,879
41. Change in nonadmitted assets and related items (Exhibit 9, Line 6, Col.3).....	(5,870,845)	(857,239)
42. Change in liability for reinsurance in unauthorized companies.....		
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4).....		
44. Change in asset valuation reserve (Page 34, Lines 2 through 5 minus Line 6 plus Lin 11 plus Line 11 plus Line 14 plus Line 15, Column 7).....	2,033,199	2,311,332
45. Change in treasury stock, (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1).....		
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....		
47. Other changes in surplus in Separate Accounts Statement.....		
48. Change in surplus notes.....		
49. Cumulative effect of changes in accounting principles.....	3,846,527	1,832,417
50. Capital changes:		
50.1 Paid in.....		
50.2 Transferred from surplus (Stock Dividend).....		
50.3 Transferred to surplus.....		
51. Surplus adjustment:		
51.1 Paid in.....		
51.2 Transferred to capital (Stock Dividend).....		
51.3 Transferred from capital.....		
51.4 Change in surplus as a result of reinsurance.....		
52. Dividends to stockholders.....		
53. Aggregate write-ins for gains and losses in surplus.....	0	0
54. Net change in capital and surplus for the year (Lines 37 through 53).....	(2,562,971)	1,340,007
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38).....	50,115,124	52,678,095
DETAILS OF WRITE-INS		
08.301. Miscellaneous Income.....	1,194	1,234
08.302. Change in Experience Rating Refund.....	39,322	
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	40,515	1,234
2701. Change in Pension Plan Obligations (Net of Tax).....	424,300	
2702. Change in Experience Rating Refund.....		18,393
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	424,300	18,393
5301.		
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page.....	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....	0	0

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums and annuity considerations for life and accident and health contracts.....	39,425,645	37,029,245
2. Charges and fees for deposit-type contracts.....		
3. Considerations for supplementary contracts with life contingencies.....	151,337	1,233,448
4. Net investment income.....	14,949,952	13,612,763
5. Commissions and expense allowances on reinsurance ceded.....	2,376,126	1,615,761
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts.....		
7. Aggregate write-ins for miscellaneous income.....	1,194	1,234
8. Total (Lines 1 to 7).....	56,904,254	53,492,451
9. Death benefits.....	5,721,071	3,372,505
10. Matured endowments.....	14,000	37,695
11. Annuity benefits.....	2,161,972	1,839,376
12. Disability benefits and benefits under accident and health contracts.....	172,492	109,463
13. Coupons, guaranteed annual pure endowments and similar benefits.....		
14. Surrender benefits and withdrawals for life contracts.....	4,832,712	7,872,948
15. Group conversions.....		
16. Interest and adjustments on contract or deposit-type contract funds.....	101,754	43,709
17. Payments on supplementary contracts with life contingencies.....	1,006,992	902,288
18. Total (Lines 9 to 17).....	14,010,992	14,177,983
19. Commissions on premiums, annuity considerations and deposit-type contract funds.....	8,923,340	6,397,350
20. Commissions and expense allowances on reinsurance assumed.....		
21. General insurance expenses.....	5,319,745	4,749,329
22. Insurance taxes, licenses and fees, excluding federal income taxes.....	733,212	596,183
23. Net transfers to or (from) Separate Accounts.....		
24. Aggregate write-ins for deductions.....	0	0
25. Total (Lines 18 to 24).....	28,987,289	25,920,846
26. Dividends paid to policyholders.....	256,122	210,920
27. Federal income taxes (excluding tax on capital gains).....	10,000	1,236,424
28. Total (Lines 25 to 27).....	29,253,411	27,368,190
29. Net cash from operations (Line 8 minus Line 28).....	27,650,843	26,124,261
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds.....	69,037,050	34,976,910
30.2 Stocks.....	6,651,834	14,629,608
30.3 Mortgage loans.....		
30.4 Real estate.....		
30.5 Other invested assets.....		
30.6 Net gains (losses) on cash and short-term investments.....		
30.7 Miscellaneous proceeds.....		
30.8 Total investment proceeds (Lines 30.1 to 30.7).....	75,688,884	49,606,518
31. Net tax on capital gains (losses).....		273,576
32. Total (Line 30.8 minus Line 31).....	75,688,884	49,332,942
33. Cost of investments acquired (long-term only):		
33.1 Bonds.....	93,258,658	59,454,873
33.2 Stocks.....	6,904,357	14,655,953
33.3 Mortgage loans.....		
33.4 Real estate.....		
33.5 Other invested assets.....	100,000	175,000
33.6 Miscellaneous applications.....		
33.7 Total investments acquired (lines 33.1 to 33.6).....	100,263,015	74,285,826
34. Net increase (or decrease) in policy loans and premium notes.....	257,038	181,998
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34).....	(24,831,169)	(25,134,883)
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in.....		
36.2 Borrowed money \$.....0 less amounts repaid \$.....0.....		
36.3 Capital notes \$.....0 less amounts repaid \$.....0.....		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies.....	423,951	106,377
36.5 Other cash provided.....	1,092,720	181,591
36.6 Total (Lines 36.1 to 36.5).....	1,516,671	287,967
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.....	191,458	132,963
37.4 Other applications (net).....	644,594	1,520,787
37.5 Total (Lines 37.1 to 37.4).....	836,052	1,653,750
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5).....	680,619	(1,365,783)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38).....	3,500,292	(376,404)
40. Cash and short-term investments:		
40.1 Beginning of year.....	5,239,490	5,615,894
40.2 End of year (Line 39 plus Line 40.1).....	8,739,782	5,239,490
DETAILS OF WRITE-INS		
0701. Miscellaneous Income.....	1,194	1,234
0702.		
0703.		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	0	0
0799. Total (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	1,194	1,234
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0
2499. Total (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	0	0

ANALYSIS OF OPERATION 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.....	40,985,377		21,942,207	18,981,285			61,884					
2. Considerations for supplementary contracts with life contingencies.....	151,337				151,337							
3. Net investment income.....	14,191,987		5,666,659	7,794,346	721,887		9,096					
4. Amortization of Interest Maintenance Reserve (IMR).....	171,288		20,598	144,770	5,863		57					
5. Separate Accounts net gains from operations excluding unrealized gains or losses.....	0											
6. Commissions and expense allowances on reinsurance ceded.....	2,431,346		2,431,346									
7. Reserve adjustments on reinsurance ceded.....	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from S/A.....	0											
8.2 Charges and fees for deposit-type contracts.....	0											
8.3 Aggregate write-ins for miscellaneous income.....	40,515	0	1,194	0	0	0	39,322	0	0	0	0	0
9. Totals (Lines 1 to 8.3).....	57,971,850	0	30,062,004	26,920,401	879,087	0	110,359	0	0	0	0	0
10. Death benefits.....	5,508,670		5,472,460				36,209					
11. Matured endowments (excluding guaranteed annual pure endowments).....	14,000		14,000									
12. Annuity benefits.....	2,161,972			2,161,972								
13. Disability benefits and benefits under accident and health contracts.....	172,492		169,197				3,295					
14. Coupons, guaranteed annual pure endowments and similar benefits.....	0											
15. Surrender benefits and withdrawals for life contracts.....	4,832,712		1,197,234	3,635,478								
16. Group conversions.....	0		(2,032)				2,032					
17. Interest and adjustments on contract or deposit-type contract funds.....	111,729		83,787	8,008	19,895		39					
18. Payments on supplementary contracts with life contingencies.....	1,006,992				1,006,992							
19. Increase in aggregate reserves for life and accident and health contracts.....	28,019,956		10,340,099	18,160,394	(505,390)		24,853					
20. Totals (Lines 10 to 19).....	41,828,522	0	17,274,746	23,965,851	521,497	0	66,429	0	0	0	0	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	8,789,425		7,733,484	1,048,399	6,687		855					
22. Commissions and expense allowances on reinsurance assumed.....	0											
23. General insurance expenses.....	5,304,372		5,045,008	247,931	10,633		799					
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	774,025		736,811	33,411	463		3,339					
25. Increase in loading on deferred and uncollected premiums.....	291,868		291,844				24					
26. Net transfers to or (from) Separate Accounts.....	0											
27. Aggregate write-ins for deductions.....	424,300	0	403,553	19,832	851	0	64	0	0	0	0	0
28. Totals (Lines 20 to 27).....	57,412,511	0	31,485,446	25,315,424	540,131	0	71,510	0	0	0	0	0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	559,339	0	(1,423,442)	1,604,976	338,956	0	38,848	0	0	0	0	0
30. Dividends to policyholders.....	251,238		251,238									
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	308,101	0	(1,674,680)	1,604,976	338,956	0	38,848	0	0	0	0	0
32. Federal income taxes incurred (excluding tax on capital gains).....	449,043		(663,449)	907,568	179,701		25,223					
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).....	(140,942)	0	(1,011,230)	697,408	159,255	0	13,625	0	0	0	0	0

DETAILS OF WRITE-INS

08.301. Miscellaneous Income.....	1,194		1,194									
08.302. Change in Experience Rating Refund.....	39,322						39,322					
08.303.	0											
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Total (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	40,515	0	1,194	0	0	0	39,322	0	0	0	0	0
2701. Change in Pension Plan Obligations (Net of Tax).....	424,300		403,553	19,832	851		64					
2702.	0											
2703.	0											
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0
2799. Total (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	424,300	0	403,553	19,832	851	0	64	0	0	0	0	0

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

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.....	162,892,643		64,010,959	90,320,500	8,439,305		121,879	
2. Tabular net premiums or considerations.....	36,218,928		17,049,176	18,981,285	151,337		37,130	
3. Present value of disability claims incurred.....	215,886		182,246		XXX		33,640	
4. Tabular interest.....	9,519,645		3,418,061	5,578,663	518,237		4,684	
5. Tabular less actual reserve released.....	(886,596)		(103,576)	(602,105)	(167,972)		(12,943)	
6. Increase in reserve on account of change in valuation basis.....	.0							
7. Other increases (net).....	.0							
8. Totals (Lines 1 to 7).....	207,960,506	.0	84,556,866	114,278,343	8,940,907	.0	184,390	.0
9. Tabular cost.....	7,792,093		7,757,730		XXX		34,363	
10. Reserves released by death.....	182,114		182,114	XXX	XXX			XXX
11. Reserves released by other terminations (net).....	2,096,768		2,096,768					
12. Annuity, supplementary contract, and disability payments involving life contingencies.....	6,976,933		169,197	5,797,449	1,006,992		3,295	
13. Net transfers to or (from) Separate Accounts.....	.0							
14. Total deductions (Lines 9 to 13).....	17,047,908	.0	10,205,809	5,797,449	1,006,992	.0	37,658	.0
15. Reserve December 31, current year.....	190,912,598	.0	74,351,057	108,480,894	7,933,915	.0	146,732	.0

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....2,716,663	.....3,522,459
1.1 Bonds exempt from U.S. tax.....	(a).....11,137,012	.....10,159,795
1.2 Other bonds (unaffiliated).....	(a).....	.....
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....159,437	.....159,437
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....223,598	.....233,432
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....260,221	.....248,732
6. Cash/short-term investments.....	(e).....80,049	.....80,049
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....20,517	.....22,525
10. Total gross investment income.....	.....14,597,497	.....14,426,429
11. Investment expenses.....		(g).....228,863
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....5,579
13. Interest expense.....		(h).....
14. Depreciation on real estate and other invested assets.....		(i).....0
15. Aggregate write-ins for deductions from investment income.....		.....0
16. Total deductions (Lines 11 through 15).....		.....234,442
17. Net investment income (Line 10 minus Line 16).....		.....14,191,988

DETAILS OF WRITE-INS

0901. Securities Lending.....	.....20,517	.....22,525
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....20,517	.....22,525
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....160,540 accrual of discount less \$.....759,023 amortization of premium and less \$.....812,600 paid for accrued interest on purchases.
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Net Gain or (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
1. U.S. government bonds.....	.....	.....	.....	.....	.....0
1.1 Bonds exempt from U.S. tax.....	.....2,505,458	.....(1,669,175)	.....	.....	.....836,283
1.2 Other bonds (unaffiliated).....	.....	.....	.....	.....	.....0
1.3 Bonds of affiliates.....	.....	.....	.....	.....	.....0
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....	.....	.....0
2.11 Preferred stocks of affiliates.....	.....	.....	.....	.....	.....0
2.2 Common stocks (unaffiliated).....	.....(1,128,826)	.....	.....(2,196,162)	.....	.....(3,324,988)
2.21 Common stocks of affiliates.....	.....	.....	.....	.....	.....0
3. Mortgage loans.....	.....	.....	.....	.....	.....0
4. Real estate.....	.....	.....	.....	.....	.....0
5. Contract loans.....	.....	.....	.....	.....(553)	.....(553)
6. Cash/short-term investments.....	.....	.....	.....	.....	.....0
7. Derivative instruments.....	.....	.....	.....	.....	.....0
8. Other invested assets.....	.....	.....	.....(117,940)	.....	.....(117,940)
9. Aggregate write-ins for capital gains (losses).....	.....3,833	.....0	.....0	.....0	.....3,833
10. Total capital gains (losses).....	.....1,380,465	.....(1,669,175)	.....(2,314,102)	.....(553)	.....(2,603,365)

DETAILS OF WRITE-INS

0901. Class Action Settlement on Stocks.....	.....3,833	.....	.....	.....	.....3,833
0902. ....	.....	.....	.....	.....	.....0
0903. ....	.....	.....	.....	.....	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page..	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....3,833	.....0	.....0	.....0	.....3,833

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

	1		2		3 Ordinary		4	5	6 Group		7 Accident and Health		8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance			Annuities	Group	Credit (Group & Individual)	Other					Aggregate of All Other Lines of Business
FIRST YEAR (other than single)																
1. Uncollected.....	(91,251)		(91,251)													
2. Deferred and accrued.....	2,485,928		2,485,928													
3. Deferred, accrued and uncollected:																
3.1 Direct.....	2,545,575		2,545,575													
3.2 Reinsurance assumed.....	0		0													
3.3 Reinsurance ceded.....	150,898		150,898													
3.4 Net (Line 1 + Line 2).....	2,394,677	0	2,394,677	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Advance.....	27,533		27,533													
5. Line 3.4 - Line 4.....	2,367,144	0	2,367,144	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Collected during year:																
6.1 Direct.....	8,940,418		7,357,645	1,582,774												
6.2 Reinsurance assumed.....	0		0													
6.3 Reinsurance ceded.....	2,077,286		2,077,286													
6.4 Net.....	6,863,133	0	5,280,359	1,582,774	0	0	0	0	0	0	0	0	0	0	0	0
7. Line 5 + Line 6.4.....	9,230,277	0	7,647,503	1,582,774	0	0	0	0	0	0	0	0	0	0	0	0
8. Prior year (uncollected + deferred and accrued - advance).....	2,045,861		2,045,861													
9. First year premiums and considerations:																
9.1 Direct.....	9,278,887		7,696,113	1,582,774												
9.2 Reinsurance assumed.....	0		0													
9.3 Reinsurance ceded.....	2,094,472		2,094,472													
9.4 Net (Line 7 - Line 8).....	7,184,415	0	5,601,641	1,582,774	0	0	0	0	0	0	0	0	0	0	0	0
SINGLE																
10. Single premiums and considerations:																
10.1 Direct.....	17,579,655		1,184,177	16,395,477												
10.2 Reinsurance assumed.....	0		0													
10.3 Reinsurance ceded.....	0		0													
10.4 Net.....	17,579,655	0	1,184,177	16,395,477	0	0	0	0	0	0	0	0	0	0	0	0
RENEWAL																
11. Uncollected.....	(128,196)		(106,084)						(22,112)							
12. Deferred and accrued.....	4,870,182		4,870,182													
13. Deferred, accrued and uncollected:																
13.1 Direct.....	5,062,853		5,061,980						873							
13.2 Reinsurance assumed.....	0		0													
13.3 Reinsurance ceded.....	320,867		297,883						22,984							
13.4 Net (Line 11 + Line 12).....	4,741,986	0	4,764,098	0	0	0	0	0	(22,112)	0	0	0	0	0	0	0
14. Advance.....	60,998		60,998													
15. Line 13.4 - Line 14.....	4,680,989	0	4,703,100	0	0	0	0	0	(22,112)	0	0	0	0	0	0	0
16. Collected during year:																
16.1 Direct.....	17,529,227		16,240,247	1,003,034					285,947							
16.2 Reinsurance assumed.....	147		147													
16.3 Reinsurance ceded.....	2,546,517		2,324,181						222,336							
16.4 Net.....	14,982,857	0	13,916,213	1,003,034	0	0	0	0	63,610	0	0	0	0	0	0	0
17. Line 15 + Line 16.4.....	19,663,846	0	18,619,313	1,003,034	0	0	0	0	41,499	0	0	0	0	0	0	0
18. Prior year (uncollected + deferred and accrued - advance).....	3,442,539		3,462,925						(20,386)							
19. Renewal premiums and considerations:																
19.1 Direct.....	18,890,286		17,600,733	1,003,034					286,519							
19.2 Reinsurance assumed.....	147		147													
19.3 Reinsurance ceded.....	2,669,127		2,444,492						224,635							
19.4 Net (Line 17 - Line 18).....	16,221,307	0	15,156,389	1,003,034	0	0	0	0	61,884	0	0	0	0	0	0	0
TOTAL																
20. Total premiums and annuity considerations:																
20.1 Direct.....	45,748,828	0	26,481,024	18,981,285	0	0	0	0	286,519	0	0	0	0	0	0	0
20.2 Reinsurance assumed.....	147	0	147	0	0	0	0	0	0	0	0	0	0	0	0	0
20.3 Reinsurance ceded.....	4,763,599	0	4,538,964	0	0	0	0	0	224,635	0	0	0	0	0	0	0
20.4 Net (Lines 9.4 + 10.4 + 19.4).....	40,985,377	0	21,942,207	18,981,285	0	0	0	0	61,884	0	0	0	0	0	0	0

**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 & Individual)	10 Other	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums (Exhibit 4, Line 1).....	1,418		1,418								
22. All other (Exhibit 4, Lines 2, 3 & 4).....	247,310		247,310								
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded.....	2,075,467		2,075,467								
23.2 Reinsurance assumed.....	0										
23.3 Net ceded less assumed.....	2,075,467	0	2,075,467	0	0	0	0	0	0	0	0
24. Single:											
24.1 Reinsurance ceded.....	0										
24.2 Reinsurance assumed.....	0										
24.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0	0
25. Renewal:											
25.1 Reinsurance ceded.....	355,879		355,879								
25.2 Reinsurance assumed.....	0										
25.3 Net ceded less assumed.....	355,879	0	355,879	0	0	0	0	0	0	0	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6).....	2,431,346	0	2,431,346	0	0	0	0	0	0	0	0
26.2 Reinsurance assumed (Page 6, Line 22).....	0	0	0	0	0	0	0	0	0	0	0
26.3 Net ceded less assumed.....	2,431,346	0	2,431,346	0	0	0	0	0	0	0	0
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single).....	6,903,179		6,851,003	52,176							
28. Single.....	1,030,822		50,423	980,399							
29. Renewal.....	851,297		832,058	18,383		855					
30. Deposit-type contract funds.....	4,127			4,127							
31. Totals (to agree with Page 6, Line 21).....	8,789,425	0	7,733,484	1,055,086	0	855	0	0	0	0	0

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
EXHIBIT 2 - GENERAL EXPENSES

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Rent.....	213,091			9,567	222,658
2. Salaries and wages.....	2,679,262			79,870	2,759,132
3.11 Contributions for benefit plans for employees.....	374,987			14,275	389,263
3.12 Contributions for benefit plans for agents.....					0
3.21 Payments to employees under non-funded benefit plans.....					0
3.22 Payments to agents under non-funded benefit plans.....					0
3.31 Other employee welfare.....	86,160			989	87,149
3.32 Other agent welfare.....					0
4.1 Legal fees and expenses.....	3,694				3,694
4.2 Medical examination fees.....	415,003				415,003
4.3 Inspection report fees.....	99,849				99,849
4.4 Fees of public accountants and consulting actuaries.....	135,458				135,458
4.5 Expense of investigation and settlement of policy claims.....	24,340				24,340
5.1 Traveling expenses.....	117,659			526	118,185
5.2 Advertising.....	261,163				261,163
5.3 Postage, express, telegraph and telephone.....	173,174				173,174
5.4 Printing and stationery.....	90,751				90,751
5.5 Cost or depreciation of furniture and equipment.....	399,365			20,695	420,059
5.6 Rental of equipment.....	53,419				53,419
5.7 Cost or depreciation of EDP equipment and software.....					0
6.1 Books and periodicals.....	5,407				5,407
6.2 Bureau and association fees.....	12,550				12,550
6.3 Insurance, except on real estate.....	72,327				72,327
6.4 Miscellaneous losses.....					0
6.5 Collection and bank service charges.....	8,828				8,828
6.6 Sundry general expenses.....	1,990				1,990
6.7 Group service and administration fees.....					0
6.8 Reimbursements by uninsured accident and health plans.....					0
7.1 Agency expense allowance.....	98,836				98,836
7.2 Agents' balances charged off (less \$.....0 recovered).....	(22,940)				(22,940)
7.3 Agency conferences other than local meetings.....					0
9.1 Real estate expenses.....					0
9.2 Investment expenses not included elsewhere.....				13,228	13,228
9.3 Aggregate write-ins for expenses.....	0	0	0	89,713	89,713
10. General expenses incurred.....	5,304,372	0	0	228,863	(a) 5,533,235
11. General expenses unpaid December 31, prior year.....	279,499			28,569	308,068
12. General expenses unpaid December 31, current year.....	264,125			22,691	286,816
13. Amounts receivable relating to uninsured accident and health plans, prior year.....					0
14. Amounts receivable relating to uninsured accident and health plans, current year.....					0
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14).....	5,319,745	0	0	234,742	5,554,487

DETAILS OF WRITE-INS

	1	2	3	4	5
	Life	Accident and Health	All Other Lines of Business	Investment	Total
09.301. Investment Consulting Fees.....				89,713	89,713
09.302.					0
09.303.					0
09.398. Summary of remaining write-ins for Line 9.3 from overflow page.....	0	0	0	0	0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398)(Line 9.3 above).....	0	0	0	89,713	89,713

(a) Includes management fees of \$.....1,441,065 to affiliates \$.....0 to non-affiliates.

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

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes.....					0
2. State insurance department licenses and fees.....	143,088				143,088
3. State taxes on premiums.....	420,269				420,269
4. Other state taxes, including \$.....0 for employee benefits.....	398				398
5. U.S. Social Security taxes.....	196,064			5,579	201,642
6. All other taxes.....	14,206				14,206
7. Taxes, licenses and fees incurred.....	774,025	0	0	5,579	779,603
8. Taxes, licenses and fees unpaid December 31, prior year.....	471,024			277	471,301
9. Taxes, licenses and fees unpaid December 31, current year.....	511,837			313	512,150
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9).....	733,212	0	0	5,542	738,754

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	Dividends	
	1 Life	2 Accident and Health
1. Applied to pay renewal premiums.....	1,418	
2. Applied to shorten the endowment or premium-paying period.....		
3. Applied to provide paid-up additions.....	247,310	
4. Applied to provide paid-up annuities.....		
5. Total Lines 1 through 4.....	248,728	0
6. Paid-in cash.....	3,964	
7. Left on deposit.....	2,120	
8. Aggregate write-ins for dividend or refund options.....	1,310	0
9. Total Lines 5 through 8.....	256,122	0
10. Amount due and unpaid.....		
11. Provision for dividends or refunds payable in the following calendar year.....	343,980	
12. Terminal dividends.....		
13. Provision for deferred dividend contracts.....		
14. Amount provisionally held for deferred dividend contracts not included in Line 13.....		
15. Total Lines 10 through 14.....	343,980	0
16. Total from prior year.....	348,864	
17. Total dividends or refunds (Lines 9 + 15 - 16).....	251,238	0

DETAILS OF WRITE-INS

	1	2
	Life	Accident and Health
0801. Dividends Paid to Buy One Year Term.....	1,310	
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page.....	0	0
0899. Totals (Line 0801 thru 0803 plus 0898) (Line 8 above).....	1,310	0

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1		2	3	4	5	6
Valuation Standard		Total	Industrial	Ordinary	Credit (Group and Individual)	Group
Life Insurance:						
0100001.	58 CSO 3% CRVM 67-84	8,647,775		8,647,775		
0100002.	58 CSO 3% NLP 67-84	63,105		63,105		
0100003.	58 CSO 3% GRADED 71-84	143,118		143,118		
0100004.	58 CSO 3.5% CRVM 67-84	919,293		919,293		
0100005.	58 CSO 4% CRVM 80-84	23,546		23,546		
0100006.	58 CET 3% 67-84	540,770		540,770		
0100007.	58 CET 3.5% 67-84	43,314		43,314		
0100008.	80 CSO 5% CRVM 84-NB	7,147,449		7,147,449		
0100009.	80 CSO 5% NLP 84-NB	103,385		103,385		
0100010.	80 CSO 5.5% CRVM 91-92	1,254,221		1,254,221		
0100011.	80 CSO 4% CRVM 86-91,94,96-NB	19,900,786		19,900,786		
0100012.	80 CSO 4% NLP 94-NB	1,476,712		1,476,712		
0100013.	80 CSO 4.5% CRVM 91-NB	34,035,582		34,035,582		
0100014.	80 CSO 4.5% NLP 94-NB	112,300		112,300		
0100015.	80 CET 4.5% 94-NB	21,495		21,495		
0100016.	80 CET 5% 84-NB	109,120		109,120		
0100017.	80 CET 5.5% 91-92	9,986		9,986		
0100018.	GROUP UNEARNED PREMIUM	706				706
0199997.	Totals (Gross)	74,552,662	0	74,551,956	0	706
0199998.	Reinsurance ceded	3,275,087		3,275,087		
0199999.	Totals (Net)	71,277,575	0	71,276,870	0	706
Annuities (excluding supplementary contracts with life contingencies):						
0200001.	71 IAM 6% IMMEDIATE 77-80	15,595	XXX	15,595	XXX	
0200002.	71 IAM 7.5% IMMEDIATE 84-85	45,831	XXX	45,831	XXX	
0200003.	83a 9.25% IMMEDIATE 86	95,072	XXX	95,072	XXX	
0200004.	83a 8.00% IMMEDIATE 87	137,048	XXX	137,048	XXX	
0200005.	83a 8.75% IMMEDIATE 88-89	604,676	XXX	604,676	XXX	
0200006.	83a 8.25% IMMEDIATE 90-91	957,447	XXX	957,447	XXX	
0200007.	83a 7.75% IMMEDIATE 92	607,417	XXX	607,417	XXX	
0200008.	83a 7.00% IMMEDIATE 93	240,077	XXX	240,077	XXX	
0200009.	83a 6.50% IMMEDIATE 94	436,605	XXX	436,605	XXX	
0200010.	83a 7.25% IMMEDIATE 95	167,298	XXX	167,298	XXX	
0200011.	83a 6.75% IMMEDIATE 96-97	492,451	XXX	492,451	XXX	
0200012.	83a 6.25% IMMEDIATE 98	163,193	XXX	163,193	XXX	
0200013.	a-2000 6.25% IMMEDIATE 99	519,343	XXX	519,343	XXX	
0200014.	a-2000 6.00% IMMEDIATE 00	267,995	XXX	267,995	XXX	
0200015.	a-2000 5.50% IMMEDIATE 01	386,259	XXX	386,259	XXX	
0200016.	CARVM 4.50% IMMEDIATE 98	2,988	XXX	2,988	XXX	
0200017.	CARVM 5.00% IMMEDIATE 97-99	70,488	XXX	70,488	XXX	
0200018.	CARVM 4.00% IMMEDIATE 99	32,241	XXX	32,241	XXX	
0200019.	CARVM 5.25% IMMEDIATE 00-01	16,224	XXX	16,224	XXX	
0200020.	CARVM 6.00% DEFERRED	3,242,862	XXX	3,242,862	XXX	
0200021.	CARVM 6.25% DEFERRED	8,756,285	XXX	8,756,285	XXX	
0200022.	CARVM 7.25% DEFERRED	1,399,058	XXX	1,399,058	XXX	
0200023.	CARVM 7.00% DEFERRED	41,326	XXX	41,326	XXX	
0200024.	CARVM 6.75% DEFERRED	21,598,299	XXX	21,598,299	XXX	
0200025.	CARVM 6.50% DEFERRED	1,030,325	XXX	1,030,325	XXX	
0200026.	CARVM 5.75% DEFERRED	11,656,192	XXX	11,656,192	XXX	
0200027.	CARVM 5.25% DEFERRED	32,325,283	XXX	32,325,283	XXX	
0200028.	CARVM 5.50% DEFERRED	21,740,185	XXX	21,740,185	XXX	
0200029.	CARVM 5.00% DEFERRED	1,432,828	XXX	1,432,828	XXX	
0299997.	Totals (Gross)	108,480,893	XXX	108,480,893	XXX	0
0299999.	Totals (Net)	108,480,893	XXX	108,480,893	XXX	0
Supplementary Contracts with Life Contingencies:						
0300001.	58 CSO 3%	14,811		14,811		
0300002.	80 CSO 5%	0				
0300003.	71 IAM 7.5%	14,658		14,658		
0300004.	59-61 US TABLE 56 OASDI REMAR TABLE 3%	107,252		107,252		
0300005.	69-71 US TBL + 2/3 62 OASDI REM TBL 7.5%	99,812		99,812		
0300006.	71 IAM 6% IMMEDIATE 77-80	7,702		7,702		
0300007.	83a 7.75% IMMEDIATE 92	501,477		501,477		
0300008.	83a 7.00% IMMEDIATE 93	979,428		979,428		
0300009.	83a 6.50% IMMEDIATE 94	768,990		768,990		
0300010.	83a 7.25% IMMEDIATE 95	423,382		423,382		
0300011.	83a 6.75% IMMEDIATE 96-97	1,166,586		1,166,586		
0300012.	83a 6.25% IMMEDIATE 98-99	1,747,603		1,747,603		
0300013.	83a 6.00% IMMEDIATE 00-01	1,871,294		1,871,294		
0300014.	2000 4.50% IMMEDIATE 02	230,921		230,921		
0399997.	Totals (Gross)	7,933,915	0	7,933,915	0	0
0399999.	Totals (Net)	7,933,915	0	7,933,915	0	0
Accidental Death Benefits:						
0400001.	59 ADB WITH 58 CSO 3%	20,513		20,513		
0400002.	59 ADB WITH 80 CSO 5%	9,979		9,979		
0400003.	59 ADB WITH 80 CSO 4.5%	29,594		29,594		
0499997.	Totals (Gross)	60,087	0	60,087	0	0
0499998.	Reinsurance ceded	60,087		60,087		
0499999.	Totals (Net)	0	0	0	0	0
Disability - Active Lives:						
0500001.	52 DISABILITY STUDY PERIOD 2 WITH 58 CSO 3%	27,029		27,029		
0500002.	52 DISABILITY STUDY PERIOD 2 WITH 80 CSO 5%	50,990		50,990		
0500003.	52 DISABILITY STUDY PERIOD 2 WITH 80 CSO 4.5%	308,728		308,728		
0500004.	85 CIDA WITH 80 CSO 4.5%	214,187		214,187		
0599997.	Totals (Gross)	600,934	0	600,934	0	0
0599998.	Reinsurance ceded	548		548		
0599999.	Totals (Net)	600,386	0	600,386	0	0
Disability - Disabled Lives:						
0600001.	52 DISABILITY STUDY PERIOD 2 BENEFIT 5 3%	264,968		264,968		
0600002.	70 INTERCO DISA 3%	435,285				435,285
0600003.	85 CIDA WITH 80 CSO 4.5%	209,984		209,984		
0699997.	Totals (Gross)	910,236	0	474,952	0	435,285
0699998.	Reinsurance ceded	289,259				289,259
0699999.	Totals (Net)	620,977	0	474,952	0	146,026
Miscellaneous Reserves:						
0700001.	Excess valuation net prem over corresponding gross premiums	1,962,215		1,962,215		
0700002.	Non-deduction of deferreds	238,559		238,559		
0700003.	Surrender values-excess of res	0				
0700004.	Addin actuarial res-Asset/Liab	0				

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0700005. Matured Option Reserve.....	25,634		25,634		
0700006. Group Conversion Reserve.....	45,996		45,996		
0799997. Totals (Gross).....	2,272,404	0	2,272,404	0	0
0799998. Reinsurance ceded.....	273,552		273,552		
0799999. Totals (Net).....	1,998,851	0	1,998,851	0	0
9999999. Totals (Net) - Page 3, Line 1.....	190,912,598	0	190,765,867	0	146,731

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
EXHIBIT 5 - INTERROGATORIES

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts? Yes [X] No []
 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 [X] No []
 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? Yes [X] No []
 If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

 4. Has the reporting entity any assessment or stipulated premium contracts in force? 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 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 RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non- Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves.....	0								
2. Additional contract reserves (a).....	0								
3. Additional actuarial reserves - Asset/Liability analysis.....	0								
4. Reserve for future contingent benefits.....	0								
5. Reserve for rate credits.....	0								
6. Aggregate write-ins for reserves.....	0	0	0	0	0	0	0	0	0
7. Totals (Gross).....	0	0	0	0	0	0	0	0	0
8. Reinsurance ceded.....	0								
9. Totals (Net).....	0	0	0	0	0	0	0	0	0
CLAIM RESERVE									
10. Present value of amounts not yet due on claims.....	0								
11. Additional actuarial reserves - Asset/Liability analysis.....	0								
12. Reserve for future contingent benefits.....	0								
13. Aggregate write-ins for reserves.....	0	0	0	0	0	0	0	0	0
14. Totals (Gross).....	0	0	0	0	0	0	0	0	0
15. Reinsurance ceded.....	0								
16. Totals (Net).....	0	0	0	0	0	0	0	0	0
17. TOTALS (Net).....	0	0	0	0	0	0	0	0	0
18. TABULAR FUND INTEREST.....	0								

NONE

DETAILS OF WRITE-INS

0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0	0	0	0
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page.....	0	0	0	0	0	0	0	0	0
1399. Totals (Lines 1301 thru 1303 + 1398) (Line 13 above).....	0	0	0	0	0	0	0	0	0

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

EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

	1	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.....	.641,238		384,528	6,005	250,705	
2. Deposits received during the year.....	423,948			2,170	421,778	
3. Investment earnings credited to the account.....	40,311		19,895	328	20,087	
4. Other net change in reserves.....	0					
5. Fees and other charges assessed.....	0					
6. Surrender charges.....	0					
7. Net surrender or withdrawal payments.....	191,458		105,049	.67	86,343	
8. Other net transfers to or (from) Separate Accounts.....	0					
9. Balance at the end of current year before reinsurance (Lines 1 + 2 + 3 + 4 - 5 - 6 - 7 - 8).....	914,039	0	299,375	8,436	606,228	0
10. Reinsurance balance at the beginning of the year.....	0					
11. Net change in reinsurance assumed.....	0					
12. Net change in reinsurance ceded.....	0					
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12).....	0	0	0	0	0	0
14. Balance at the end of the current year after reinsurance (Lines 9 + 13).....	914,039	0	299,375	8,436	606,228	0

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct.....	0										
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	0										
1.4 Net.....	0	0	0	0	0	0	0	0	0	0	0
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct.....	0										
2.12 Reinsurance assumed.....	0										
2.13 Reinsurance ceded.....	0										
2.14 Net.....	0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0	0	0	0
2.2 Other:											
2.21 Direct.....	1,618,242		1,613,242				5,000				
2.22 Reinsurance assumed.....	0										
2.23 Reinsurance ceded.....	320,200		320,200								
2.24 Net.....	1,298,042	0	(b) 1,293,042	(b) 0	0	(b) 0	(b) 5,000	0	(b) 0	(b) 0	(b) 0
3. Incurred but unreported:											
3.1 Direct.....	45,000		44,791				209				
3.2 Reinsurance assumed.....	0										
3.3 Reinsurance ceded.....	0										
3.4 Net.....	45,000	0	(b) 44,791	(b) 0	0	(b) 0	(b) 209	0	(b) 0	(b) 0	(b) 0
4. Totals:											
4.1 Direct.....	1,663,242	0	1,658,032	0	0	0	5,209	0	0	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	320,200	0	320,200	0	0	0	0	0	0	0	0
4.4 Net.....	1,343,042	(a) 0	(a) 1,337,832	0	0	0	(a) 5,209	0	0	0	0

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

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$.....474,952, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$.....146,026, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$.....0, Credit (Group and Individual) Accident and Health \$.....0 and Other Accident and Health \$.....0 are included in Page 3, Line 2, (See Exhibit 6, Claim Reserve).

EXHIBIT 8 - CONTRACT 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.....	9,808,086		6,604,828	2,161,972	1,006,992	34,295					
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	731,560		731,560								
1.4 Net.....(d)	9,076,527	0	5,873,268	2,161,972	1,006,992	34,295	0	0	0	0	0
2. Liability December 31, current year from Part 1:											
2.1 Direct.....	1,663,242		1,658,032			5,209					
2.2 Reinsurance assumed.....	0										
2.3 Reinsurance ceded.....	320,200		320,200								
2.4 Net.....	1,343,042	0	1,337,832	0	0	5,209	0	0	0	0	0
3. Amounts recoverable from reinsurers December 31, current year.....	223,779		223,779								
4. Liability December 31, prior year:											
4.1 Direct.....	1,474,064		1,474,064								
4.2 Reinsurance assumed.....	0										
4.3 Reinsurance ceded.....	116,400		116,400								
4.4 Net.....	1,357,664	0	1,357,664	0	0	0	0	0	0	0	0
5. Amounts recoverable from reinsurers December 31, prior year.....	26,000		26,000								
6. Incurred benefits:											
6.1 Direct.....	9,997,264	0	6,788,797	2,161,972	1,006,992	39,504	0	0	0	0	0
6.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded.....	1,133,139	0	1,133,139	0	0	0	0	0	0	0	0
6.4 Net.....	8,864,125	0	5,655,658	2,161,972	1,006,992	39,504	0	0	0	0	0

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....14,000 in Line 1.1, \$.....14,000 in Line 1.4, \$.....14,000 in Line 6.1 and \$.....14,000 in line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in line 6.4.

(d) Includes \$.....39,612 premiums waived under total and permanent disability benefits.

EXHIBIT 9 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) or Decrease
1. Summary of Items Page 2, Lines 12 to 17 and 19 to 22, Column 2.....	7,638,919	1,820,812	(5,818,107)
2. Other Nonadmitted Assets:			
2.1 Bills receivable.....	(1,814)	1,612	3,426
2.2 Furniture and equipment.....	50,553	69,697	19,144
2.3 Leasehold improvements.....			0
2.4 Cash advanced to or in the hands of officers or agents.....			0
2.5 Loans on personal security, endorsed or not.....			0
2.6 Supplies, stationery, printed matter.....			0
2.7 Commuted commissions.....			0
3. Total (Lines 2.1 to 2.7).....	48,739	71,309	22,570
4. Disallowed interest maintenance reserve.....			0
5. Aggregate write-ins for other assets.....	204,667	129,358	(75,309)
6. Total (Line 1 plus Lines 3 to 5).....	7,892,325	2,021,479	(5,870,846)

DETAILS OF WRITE-INS

0501.			
0502. Prepaid Pension Asset.....	102,146	33,934	(68,212)
0503. Policy Liens.....	102,521	95,424	(7,097)
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	204,667	129,358	(75,309)

NOTES TO FINANCIAL STATEMENTS**1. Summary of Significant Accounting Policies****A. Accounting Practices**

The accompanying financial statements have been completed in accordance with the accounting practices and procedures prescribed or permitted by the National Association of Insurance Commissioners (NAIC) 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 as described in the Annual Statement Instructions and the Accounting Practices and Procedures manual requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Life premiums are recognized as income over the premium paying period. Annuity premiums are recognized as revenue when received. Expenses incurred in connection with the acquiring of new business, including acquisition costs, 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 scientific amortization method.
- 3) Common stocks are at market.
- 4) Preferred stocks are at cost.
- 5) The Company has no mortgage loans.
- 6) Single class and multi-class mortgage backed/asset-backed securities are stated at amortized cost using the scientific method including anticipated prepayments. The retrospective adjustment method is used to value these securities.
- 7) No investments are held in subsidiaries or affiliates.
- 8) The Company reports Broad Street Brokerage LLC, a non-insurance company, at the underlying GAAP equity of the company.
- 9) The Company has no derivative instruments.
- 10) The Company does not consider investment income as a factor in the deficiency reserve calculation, in accordance with SSAP No. 54, Individual and Group Accident and Health Contracts.
- 11) The company does not have accident and health contracts.

2. Accounting Changes and Correction of Errors

A. During the current year's financial statement preparation the Company discovered no material errors.

B. 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 prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner.

The net deferred federal income tax (FIT) asset amount shown in the financial reports as of December 31, 2001 reflects only the admitted portion of the net deferred FIT asset component. The non-admitted portion is not reflected in the prior year amount shown. The company changed its method of accounting for the net deferred FIT asset effective January 1, 2002 to recognize the deferred asset component on a "gross" (admitted and non-admitted) basis. The portion of the net deferred FIT asset which is non-admitted is recognized as a non-admitted asset. This adjustment, which is reported in the 2002 financial statement as a change in accounting principle, had no impact on the change in the surplus account for the year as shown below.

Cummulative Effect of Changes in Accounting Principles	\$ 3,846,527
Change in Non-Admitted Assets	\$(3,846,527)
Net Change in Surplus	\$ -0-

3. Business Combinations and Goodwill

The Company had no business combination or goodwill transactions.

4. Discontinued Operations

The Company had no discontinued operations.

5. Investments

- A. The Company has no investment in mortgage loans.
- B. The Company was not involved in debt restructuring.
- C. The Company has no investment in reverse mortgages.
- D. Loan-Backed Securities
 - 1) The Company has not elected to use book value as of January 1, 1994 as the cost for applying the retrospective method to securities purchased prior to that date.
 - 2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from market data vendors or broker dealer values. These assumptions are consistent with the current interest rate and economic environment.
 - 3) Market Values are obtained from a pricing service, HUB Data Inc. When necessary, values are obtained from market data vendor, Bloomberg Inc., or from brokers.
 - 4) The retrospective method is used to value both single class and multi-class mortgage backed securities. The company had no negative yield situations requiring a change from the retrospective to the prospective methodology.

E. The Company has no repurchase agreements.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investment in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
 B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships or Limited Liability Companies during the statement period.

7. Investment Income

- A. Due and accrued income was excluded from surplus on the following basis:
 All investment income due and accrued on bonds in default was excluded.
 B. The total amount excluded was \$21,200.

8. Derivative Instruments

The Company holds no derivative instruments.

9. Income Taxes

	<u>2001</u>	<u>2002</u>
A. Components of net deferred tax asset/(liability) at December 31 are as follows:		
1) Total of all deferred tax assets (admitted and nonadmitted)	4,998,738	6,741,042
2) Total of all deferred tax liabilities	530,783	143,452
3) Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	3,846,527	5,440,752
4) Total of all deferred tax assets	621,428	1,156,838
5) Increase (decrease) in deferred tax assets nonadmitted		1,594,225

B. Deferred tax liabilities are not recognized for the following amounts:

- 1) As of December 31, the Company had a balance of \$1,098,023 in its Policyholder Surplus account under the provisions of the Internal Revenue Code. This amount could become taxable to the extent that future shareholder dividends are paid from this account.
 2) As of December 31, the Company had investments in certain foreign subsidiaries whose reporting basis exceeded tax basis by \$____. This amount could become taxable in the event of a sale or dissolution of one or more subsidiaries.

N/A

C. Current income taxes incurred consist of the following major components:

	<u>2001</u>	<u>2002</u>
1) Current year expense	643,454	384,795
2) Tax credits	(1,257)	(580)
3) Current year equity tax		(76,463)
4) Prior year overaccrual of tax reserves	(263,711)	64,828
5) Current year taxes incurred	378,486	372,580

The main components of the 2002 deferred tax amounts are as follows:

	<u>Statutory</u>	<u>Tax</u>	<u>Difference</u>	<u>Tax Effect</u>
DTAs				
6) Reserves	191,826,634	178,392,111	13,434,523	4,567,738
7) Proxy DAC		(3,665,668)	3,665,668	1,246,327
8) Bonds/Partnerships	(11,517,213)	(13,133,794)	1,616,581	549,638
9) Other	697,697	(158,516)	856,213	291,112
10) AMT credit		(86,227)	86,227	86,227
11) Total DTAs	181,007,118	161,347,906	19,572,985	6,741,042
12) DTAs nonadmitted		(16,002,212)	16,002,212	5,440,752
DTLs				
13) Stocks/Bonds	212,035,878	211,639,715	396,163	134,695
14) Depreciable assets			-	-
15) Other	2,632,158	2,606,404	25,754	8,756
16) Total DTLs	214,668,036	214,246,119	421,917	143,451

The changes in main components of DTAs and DTLs are as follows:

	<u>2000</u>	<u>2001</u>	<u>2002</u>
DTAs resulting from book/tax differences in			
17) Reserves	2,729,090	3,656,955	4,567,738
18) Proxy DAC	856,648	1,030,335	1,246,327
19) Bonds/Partnerships	-	211,949	549,638
20) Other	137,143	99,500	291,112
21) AMT credit	-	-	86,227
22) Total DTAs	3,722,881	4,998,739	6,741,042
23) DTAs nonadmitted	1,896,230	3,846,527	5,440,752

DTLs resulting from book/tax differences in	<u>2000</u>	<u>2001</u>	<u>2002</u>
24) Stocks/Bonds	1,237,382	525,472	134,695
25) Depreciable assets	-	-	-
26) Other	7,249	5,311	8,756
27) Total DTLs	1,244,631	530,783	143,451

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

	<u>Amount</u>	<u>Tax Effect</u>
1) Income before taxes	308,101	104,754
2) Book over tax reserves incl s&s	1,738,661	591,145
3) Net DAC adjustment	600,930	204,316
4) Small Company Deduction	(1,317,212)	(447,852)
5) Dividends received deduction	(77,236)	(26,260)
6) Other	(375,103)	(41,888)
7) Total adjustments	570,040	279,461
8) Taxable Income	878,141	384,215

E.

- 1) At December 31, 2002, the Company has \$0 of operating loss carry forwards.
- 2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

2002 (current year)	346,316
2001 (current year - 1)	643,365
2000 (current year - 2)	241,081

F. The Company's federal Income Tax return is not consolidated with any other entities.

10. Information Concerning Parent

- A. B. and C. The Company is controlled by Motorists Mutual Insurance Company, an Ohio domiciled property/casualty insurer. There were no material transactions exceeding one half of one percent of the total admitted assets of the reporting entity.
- D. At December 31, 2002 the Company reported \$312,055 as amounts due to the parent company, Motorists Mutual Insurance Company. All amounts were settled within 30 days.
- E. There were no guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party that result in a contingent related exposure for the Company or any related party's assets or liabilities.
- F. The Company has an arrangement with its parent and affiliates whereby costs for common facilities and support services are shared.
- G. The Company is controlled by Motorists Mutual Insurance Company, an Ohio domiciled property/casualty insurer, which owns 70% of the outstanding stock of the Company.
- H. No amounts were deducted from the value of the parent either directly or indirectly.
- I. There were no investments in subsidiaries that exceed 10% of admitted assets of the insurer.
- J. The Company did not recognize any impairment write-downs for its investments in subsidiary companies during the statement period.

11. Debt

- A. Capital Notes:
The Company has no capital note obligations.
- B. All Other Debt:
The Company has borrowed no money.

12. Retirement Plans, Deferred Compensation and Other Postretirement Benefit Plans

- A. The Company participates in a defined benefit pension plan sponsored by its parent, Motorists Mutual Insurance Company.
- B. The Company participates in an Incentive Savings Plan sponsored by its parent, Motorists Mutual Insurance Company. The parent contributes up to a maximum of 3% of each employee's compensation and allocates amounts to the Company based on a cost sharing arrangement. The Company's share of contributions to the plan were \$38,577 and \$35,917 for 2002 and 2001, respectively.
- C. The Company does not participate in multi-employer plans.
- D. The Company participates in a non-contributory defined benefit pension plan sponsored by its parent, Motorists Mutual Insurance Company. In addition the Company shares in certain other post-retirement benefits provided to retired employees through a plan sponsored by the parent. The Company has no legal obligation for benefits under these plans. Motorists Mutual allocates amounts to the Company based on a cost sharing arrangement using employee and salary ratios. The Company incurred no periodic pension costs in 2001 or 2002. The Company's allocated share of the change in the minimum pension liability was \$642,879 for 2002 and \$0 in 2001. The Company's share of expense for other post-employment benefits was \$57,497 and \$41,390 for 2002 and 2001, respectively.
- E. Obligations for post-employment benefits and compensated absences have been accrued.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

1. The Company has 300,000 authorized shares with 275,051 outstanding. The par value per share is \$4.00.
2. The Company does not have preferred stock issues.
3. and 4. The maximum amount of dividends which can be paid by Ohio domiciled insurance companies to shareholders without prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus. Statutory surplus at December 31, 2002, was \$50,115,124. The maximum dividend payout, which can be made in 2003 without prior approval, is \$5,011,512.
5. Unassigned Surplus held for the benefit of policyholders is \$28,246,860.
6. The Company had no advances to surplus.
7. The Company has no stock held for special purposes.
8. The Company does not have any special surplus funds.
9. The portion of unassigned surplus funds represented or (reduced) by each item below is as follows:

Unrealized Gains and Losses	(1,020,965)
Nonadmitted Asset Value	(5,870,845)
Separate Account Business	None
Asset Valuation Reserves	2,033,199
Reinsurance in Unauthorized Companies	None
10. The Company has not issued any surplus notes or debentures or similar obligations.
11. and 12. There has been no restatement of surplus due to quasi-reorganizations.

14. Contingencies

- A. Contingent Commitments
The Company has no contingent commitments.
- B. Assessments
The Company anticipates future guaranty fund assessments of \$104,618 based on NOLHGA estimates.
- C. The Company does not have any gain contingencies
- D. The Company does not have any loss contingencies.

15. Leases

- A. Lessee Leasing Arrangements
The Company has no material lease obligations.
- B. Lessor Leases
The Company does not act as a lessor in business activities or participate in leveraged leases.

16. Information About Financial Investments With Off-Balance Sheet Risk and Financial Investments With Concentrations of Credit Risk

Not Applicable

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

- A. Transfers of Receivable reported as Sales
Not Applicable
- B. Transfer and Servicing of Financial Assets
 1. The Company did not obtain any assets or incur any liabilities due to the transfer of financial assets during the period.
 2. At December 31, 2002 the Company had fixed income and equity securities with a statement value totaling \$46,739,962 on loan to various brokers. All loaned securities are collateralized, with cash or securities issued or guaranteed by the United States Government or its agencies, at 102% of market value, plus accrued interest for fixed income securities.
 3. The Company has no servicing assets or servicing liabilities.
- C. Wash Sales
Not Applicable

18. Gain or Loss to the Insurer From Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The Company has no involvement in such plans.

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

Not Applicable

20. Other Items

- A. Extra Ordinary Items – Not Applicable
- B. Troubled Debt Restructuring – Not Applicable
- C. Other Disclosures – Not Applicable
- D. The potential loss for balances that may become uncollectible is not material to the Company's financial position.
- E. Reinsurance Accounted for as a Deposit – Not Applicable
- F. Multiple Peril Crop Insurance – Not Applicable
- G. Mezzanine Real Estate Loans – Not Applicable
- H. Health Care Receivables – Not Applicable
- I. September 11 Events – Not Applicable

- J. Real Estate – Not Applicable
- K. For the reporting year ended 2002, insurance amounts under individual participating policies were 2% of the total individual insurance amounts. The Company accounts for its policyholder dividends based upon currently acceptable Actuarial Standards of Practice. The company paid dividends in the amount of \$251,238 to policyholders and did not allocate any additional income to such policyholders.
- L. As of December 31, 2002, the Company had liabilities of \$1,962,215 related to premium deficiency reserves. The Company did not consider anticipated investment income when calculating its premium deficiency reserves.
- M. Loss/Claim Adjustment Expenses – Not Applicable
- N. Structured Settlements – Not Applicable
- O. Noncash Transactions - Not Applicable

21. Events Subsequent

- Type I . Not Applicable
- Type II . Not Applicable

22. Reinsurance

A. Ceded Reinsurance

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) If yes, give full details.

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) which is owned in excess of 10% or controlled directly or indirectly by an insured, beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes() No(X) If yes, give full details.

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 for reasons other than for nonpayment of premium or other similar credits? Yes() No(X)

a) If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the Company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ N/A. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? \$ NA

ib) What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? \$ N/A

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 which, 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) If yes, give full details.

Section 3 - Ceded Reinsurance Report - Part B

1. What is the estimated amount of the aggregate reduction in surplus, for agreements not 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 which were in-force or which had existing reserves established by the company as of the effective date of the agreement? Yes() No(X) If yes, what is the amount of reinsurance credits, whether as an asset or a reduction of liability, taken for such new agreements or amendments? \$ N/A

B. Uncollected Reinsurance

No amounts were written off in 2002.

C. Commutation of Ceded Reinsurance

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

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not Applicable

24. Change in Incurred Losses and Loss Adjustment Expenses

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

25. Intercompany Pooling Arrangements.

Not Applicable

26. Reserves for Life Contracts and Deposit-Type Contracts

1. The Company waives deduction of deferred fractional premiums upon the death of the insured and returns a portion of the final premium beyond the date of death. Surrender values are not promised in excess of legally computed reserves.
2. Extra premiums are charged for substandard lives. An additional reserve equal to one-half of the extra premium charge is carried.
3. The Company has \$141,206,024 of insurance in force on which gross premiums are less than net premiums according to the standard valuation set by the State of Ohio. Reserves to cover the above insurance totaled \$1,962,215 at year-end and are reported in Exhibit 5, Section G, Line 1.
4. The Tabular Interest has been determined by formula as described in the instructions for Page 7. The Tabular Less Actual Reserve Released has been determined by formula as described in the instructions for Page 7. The Tabular Cost has been determined by formula as described in the instructions for Page 7.
5. The Tabular Interest has been determined by formula as described in the instructions for Page 7.
6. There were no material other reserve changes.

27. Guaranteed Annuities with Guaranteed Living Benefits

Not Applicable

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

Withdrawal Characteristics of Annuity Actuarial Reserves and Deposit -Type Contract Funds

A.	Subject to discretionary withdrawal:	Amount	% of Total
1.1	With market value adjustment	\$0	0.0%
1.2	At book value less current surrender charge of 5% or more	50,100,828	42.7%
1.3	At market value	0	0.0%
1.4	Total with adjustment or at market value	50,100,828	42.7%
1.5	At book value without adjustment (minimal or no charge or adjustment)	63,012,254	53.7%
B.	Not subject to discretionary withdrawal:	4,215,765	3.6%
C.	Total (gross)	117,328,847	100.0%
D.	Reinsurance ceded	0	
E.	Total (net) (C)-(D)	\$117,328,847	

*Reconciliation of total annuity actuarial reserves and deposit fund liabilities

F. Life & Accident & Health Annual Statement:

1.	Exhibit 5, Section B, Total (net)	\$108,480,893
2.	Exhibit 5, Section C, Total (net)	7,933,915
3.	Exhibit 7, Line 14, Column 1	914,039
4.	Subtotal	117,328,847

Separate Accounts Annual Statement:

5.	Exhibit 3, Line 0299999, Column 2	0
6.	Exhibit 3, Line 0399999, Column 2	0
7.	Page 3, Line 3.1 Column 3	0
8.	Page 3, Line 3.2 Column 3	0
9.	Page 3, Line 3.3 Column 3	0
10.	Other Contract Deposit Funds	0
11.	Subtotal	0
12.	Combined Total	\$117,328,847

29. Premium and Annuity Considerations Due and Uncollected

Type	Gross	Loading	Net of Loading	Reins Payable	Net of Reins and Loading
i. Industrial	0	0	0	0	0
ii. Ordinary New	2,545,575	1,487,641	1,057,933	150,898	907,036
iii. Ordinary Renewal	5,061,980	(708,871)	5,770,851	297,883	5,472,969
iv. Credit Life	0	0	0	0	0
v. Group Life	873	61	811	22,984	(22,173)
vi. Group Annuity	0	0	0	0	0
vii. Totals	7,608,428	778,832	6,829,596	471,765	6,357,832

30. Separate Accounts

Not Applicable

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
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.....	2,475,228	1.0	2,475,228	1.0
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies.....	71,737,282	29.9	71,737,282	30.1
1.22 Issued by U.S. government sponsored agencies.....		0.0		0.0
1.3 Foreign government (including Canada, excluding mortgage-backed securities).....		0.0		0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations.....	3,269,396	1.4	3,269,396	1.4
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations.....		0.0		0.0
1.43 Revenue and assessment obligations.....	3,965,388	1.7	3,965,388	1.7
1.44 Industrial development and similar obligations.....		0.0		0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA.....	29,836,354	12.5	29,836,354	12.5
1.512 Issued by FNMA and FHLMC.....		0.0		0.0
1.513 Privately issued.....		0.0		0.0
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC.....	9,242,773	3.9	9,242,773	3.9
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA or FHLMC.....	3,865,749	1.6	3,865,749	1.6
1.523 All other privately issued.....		0.0		0.0
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO).....	86,893,741	36.3	86,893,741	36.5
2.2 Unaffiliated foreign securities.....	749,966	0.3	749,966	0.3
2.3 Affiliated securities.....		0.0		0.0
3. Equity interests:				
3.1 Investments in mutual funds.....		0.0		0.0
3.2 Preferred stocks:				
3.21 Affiliated.....		0.0		0.0
3.22 Unaffiliated.....	2,025,040	0.8	2,025,040	0.9
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated.....		0.0		0.0
3.32 Unaffiliated.....		0.0		0.0
3.4 Other equity securities:				
3.41 Affiliated.....		0.0		0.0
3.42 Unaffiliated.....	11,285,868	4.7	10,173,742	4.3
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated.....		0.0		0.0
3.52 Unaffiliated.....	1,847,926	0.8	1,343,471	0.6
4. Mortgage loans:				
4.1 Construction and land development.....		0.0		0.0
4.2 Agricultural.....		0.0		0.0
4.3 Single family residential properties.....		0.0		0.0
4.4 Multifamily residential properties.....		0.0		0.0
4.5 Commercial loans.....		0.0		0.0
5. Real estate investments:				
5.1 Property occupied by company.....		0.0		0.0
5.2 Property held for production of income (includes \$.....0 of property acquired in satisfaction of debt).....		0.0		0.0
5.3 Property held for sale (\$.....0 including property acquired in satisfaction of debt).....		0.0		0.0
6. Policy loans.....	3,548,147	1.5	3,538,114	1.5
7. Receivables for securities.....		0.0		0.0
8. Cash and short-term investments.....	8,739,784	3.6	8,739,784	3.7
9. Other invested assets.....	130,559	0.1	130,559	0.1
10. Total invested assets.....	239,613,202	100.0	237,986,588	100.0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A

1.3 State regulating? Ohio

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No

2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended. _____

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1998

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1998

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/15/2000

3.4 By what department or departments? Ohio

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under a common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes No

4.12 renewals? Yes No

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes No

4.22 renewals? Yes No

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No

5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes No

6.2 If yes, give full information: _____

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes No

7.2 If yes,
7.21 State the percentage of foreign control.0.000 %

7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
GENERAL INTERROGATORIES (continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP
1100 Huntington Center 41 South High Street Columbus, OH 43215
9. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Peter A. Hitchcock
Corporate Actuary, Motorists Life Insurance Company 471 E. Broad Street Columbus, OH 43215
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?
NA
- 10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 10.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

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 [X] No []

FINANCIAL

- 14.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.11 To directors or other officers \$.....0
- 14.12 To stockholders not officers \$.....0
- 14.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 14.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.21 To directors or other officers \$.....0
- 14.22 To stockholders not officers \$.....0
- 14.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 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 \$.....0
- 15.22 Borrowed from others \$.....0
- 15.23 Leased from others \$.....0
- 15.24 Other \$.....0
- Disclose in the Notes to Financial the nature of each obligation.
- 16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 16.2 If answer is yes:
- 16.21 Amount paid as losses or risk adjustment \$.....0
- 16.22 Amount paid as expenses \$.....0
- 16.23 Other amounts paid \$.....0

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
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 [].....	Yes [].....No [].....
Common.....	.....300,000.000	.....275,051.000	.....4.00	.....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 [] No [X]

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

The Company participates in a security lending program which is administrated by its custodian, Bank One Investment Management Group.

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

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

19.21 Loaned to others	\$.....46,739,962
19.22 Subject to repurchase agreements	\$.....0
19.23 Subject to reverse repurchase agreements	\$.....0
19.24 Subject to dollar repurchase agreements	\$.....0
19.25 Subject to reverse dollar repurchase agreements	\$.....0
19.26 Pledged as collateral	\$.....0
19.27 Placed under option agreements	\$.....0
19.28 Letter stock or securities restricted as to sale	\$.....0
19.29 Other	\$.....0

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

19.31 Various Brokers, Schedule filed with Ohio.
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: \$.....0

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
Bank One Investment Management Group	1111 Polaris Parkway Building 54101-2B Columbus, OH 43240

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
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
107394	ABN AMRO Asset Management	150 E. Broad Street Ste 506 Columbus, OH 43215
104518	Deutsche Asset Management	222 S. Riverside Plaza Chicago, IL 60606
109875	Asset Allocation & Management	30 N. LaSalle St. Ste 3600 Chicago, IL 60602
105794	Meeder Asset Management Inc.	6000 Memorial Drive Dublin, OH 43017

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$.....12,550

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
American Council of Life Insurance	6,250
A.M. Best Company	6,000

24.1 Amount of payments for legal expenses, if any? \$.....3,694

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
Bricker & Eckler LLP	3,359

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....0

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

1 Name	2 Amount Paid

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	\$.....		0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$.....		0
1.31	Reason for excluding			
<hr/>				
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$.....		0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$.....		0
1.6	Individual policies:			
	Most current three years:			
1.61	Total premium earned	\$.....		0
1.62	Total incurred claims	\$.....		0
1.63	Number of covered lives	.....		0
	All years prior to most current three years:			
1.64	Total premium earned	\$.....		0
1.65	Total incurred claims	\$.....		0
1.66	Number of covered lives	.....		0
1.7	Group policies:			
	Most current three years:			
1.71	Total premium earned	\$.....		0
1.72	Total incurred claims	\$.....		0
1.73	Number of covered lives	.....		0
	All years prior to most current three years:			
1.74	Total premium earned	\$.....		0
1.75	Total incurred claims	\$.....		0
1.76	Number of covered lives	.....		0
2.1	Does this reporting entity have Separate Accounts?	Yes []	No [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?			\$.....0
2.4	State the authority under which Separate Accounts are maintained:			
<hr/>				
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	\$.....		1,441,065
3.22	Received	\$.....		0
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	\$.....		0
4.22	Page 4, Line 1	\$.....		0
5.	For stock reporting entities only:			
5.1	Total amount paid in by stockholders as surplus funds since organization of the reporting entity:	\$.....		20,768,060
6.	Total dividends paid stockholders, since organization of the reporting entity:			
6.11	Cash	\$.....		0
6.12	Stock	\$.....		0
7.1	Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?	Yes [X]	No []	
7.11	Name of real estate holding company	<u>Developers Diversified REIT MTN CUSIP 25159N-AW-5</u>		
7.12	Number of parcels involved	.....		250
7.13	Total book/adjusted carrying value	\$.....		4,900,081
7.2	If yes, provide explanation	<u>The security's attributes fit the Company's investment philosophy</u>		

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
GENERAL INTERROGATORIES (continued)

PART 2 - LIFE INTERROGATORIES (continued)

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

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

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

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium.....	\$.....0	\$.....0	\$.....0
8.32 Paid claims.....	\$.....0	\$.....0	\$.....0
8.33 Claim liability and reserve (beginning of year).....	\$.....0	\$.....0	\$.....0
8.34 Claim liability and reserve (end of year).....	\$.....0	\$.....0	\$.....0
8.35 Incurred claims.....	\$.....0	\$.....0	\$.....0

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

Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41 < \$25,000.....	\$.....0	\$.....0
8.42 \$25,000 -- 99,999.....	\$.....0	\$.....0
8.43 \$100,000 -- 249,999.....	\$.....0	\$.....0
8.44 \$250,000 -- 999,999.....	\$.....0	\$.....0
8.45 \$1,000,000 or more.....	\$.....0	\$.....0

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$.....0

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
FIVE YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

Show amounts of life insurance in this exhibit in thousands (omit \$000)

	1 2002	2 2001	3 2000	4 1999	5 1998
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4).....	935,720	830,592	740,809	700,596	663,679
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....	2,796,117	2,556,247	2,138,448	1,671,302	1,452,977
3. Credit life (Line 21, Col. 6).....					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....	101,379	94,913	93,956	92,992	95,537
5. Industrial (Line 21, Col. 2).....					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....					
7. Total (Line 21, Col. 10).....	3,833,216	3,481,751	2,973,213	2,464,890	2,212,193
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2).....	179,855	142,510	88,456	86,071	82,277
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2).....	561,070	706,286	715,709	377,165	311,617
10. Credit life (Line 2, Col. 6).....					
11. Group (Line 2, Col. 9).....					544
12. Industrial (Line 2, Col. 2).....					
13. Total (Line 2, Col. 10).....	740,924	848,796	804,165	463,236	394,438
Premium Income - Lines of Business					
14. Industrial life (Exhibit 1-Part 1, Line 20.4, Col. 2).....					
15.1 Ordinary life insurance (Exhibit 1-Part 1, Line 20.4, Col. 3).....	21,942,207	18,384,162	15,016,016	12,866,821	11,290,045
15.2 Ordinary individual annuities (Exhibit 1-Part 1, Line 20.4, Col. 4).....	18,981,285	20,208,337	9,831,848	8,333,812	4,005,779
16. Credit life (group and individual) (Exhibit 1-Part 1, Line 20.4, Col. 5).....					
17.1 Group life insurance (Exhibit 1-Part 1, Line 20.4, Col. 6).....	61,884	112,741	257,466	(8,640)	27,466
17.2 Group annuities (Exhibit 1-Part 1, Line 20.4, Col. 7).....					
18.1 A&H - group (Exhibit 1-Part 1, Line 20.4, Col. 8).....					
18.2 A&H - credit (group and individual) (Exhibit 1-Part 1, Line 20.4, Col. 9).....					
18.3 A&H - other (Exhibit 1-Part 1, Line 20.4, Col. 10).....					
19. Aggregate of all other lines of business (Exhibit 1-Part 1, Line 20.4, Col. 11).....					
20. Deposit-type funds.....	XXX	XXX			
21. Total.....	40,985,377	38,705,240	25,105,329	21,191,993	15,323,290
Balance Sheet Items (Pages 2 and 3)					
22. Total admitted assets excluding Separate Accounts business (Page 2, Line 25, Col. 3).....	249,310,490	222,757,776	198,730,518	184,261,265	168,352,597
23. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....	199,195,366	170,079,681	147,392,431	134,619,058	120,741,420
24. Aggregate life reserves (Page 3, Line 1).....	190,912,598	162,892,642	136,874,516	124,972,893	113,247,656
25. Aggregate A&H reserves (Page 3, Line 2).....					
26. Deposit-type contract funds (Page 3, Line 3).....	914,039	641,238	XXX	XXX	XXX
27. Asset valuation reserve (Page 3, Line 24.1).....		2,033,199	4,344,530	4,160,262	3,603,612
28. Capital (Page 3, Lines 29 & 30).....	1,100,204	1,100,204	1,100,204	1,100,204	1,100,204
29. Surplus (Page 3, Line 37).....	49,014,920	51,577,891	50,237,884	48,542,003	46,510,973
Risk-Based Capital Analysis					
30. Total adjusted capital.....	50,287,114	54,919,622	55,799,816	53,875,885	51,267,574
31. Authorized control level risk-based capital.....	4,125,902	3,596,235	5,111,961	4,537,183	4,407,469
Percentage Distribution of Assets (Page 2, Col. 3) (Line No. /Page 2, Line 11, Col. 3) x 100.0					
32. Bonds (Line 1).....	89.1	88.1	85.7	84.7	86.2
33. Stocks (Lines 2.1 and 2.2).....	5.7	7.8	9.7	9.5	9.3
34. Mortgage loans on real estate (Lines 3.1 and 3.2).....					
35. Real estate (Line 4.1, 4.2 and 4.3).....					
36. Policy loans (Line 5).....	1.5	1.5	1.6	1.6	1.6
37. Premium notes (Line 6).....					
38. Cash and short-term investments (Line 7).....	3.7	2.5	2.9	4.2	2.9
39. Other invested assets (Line 8).....	0.1	0.1			
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

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
FIVE YEAR HISTORICAL DATA

(continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
Investments in Parent, Subsidiaries and Affiliates					
43. Affiliated bonds (Sch. D Summary, Line 25 Col. 1).....					
44. Affiliated preferred stocks (Sch. D Summary, Line 39 Col. 1).....					
45. Affiliated common stocks (Sch. D Summary, Line 53 Col. 2).....					
46. Affiliated short-term investments (subtotal included in Schedule DA, Part 2 Col. 5, Line 11).....					
47. Affiliated mortgage loans on real estate					
48. All other affiliated.....	130,559	148,499			
49. Total of above Lines 43 to 48.....	130,559	148,499	0	0	0
Total Nonadmitted and Admitted Assets					
50. Total nonadmitted assets (Page 2, Line 27, Col. 2).....	7,902,357	2,030,959	1,170,614	979,496	816,455
51. Total admitted assets (Page 2, Line 27, Col. 3).....	249,310,490	222,757,776	198,730,518	184,261,265	168,352,597
Investment Data					
52. Net investment income (Exhibit of Net Investment Income).....	14,191,988	13,564,418	12,407,528	11,376,597	10,825,536
53. Realized capital gains (losses).....	(288,710)	337,830	378,897	1,063,541	1,237,908
54. Unrealized capital gains (losses).....	(2,314,655)	(3,286,645)	(347,605)	802,538	18,738
55. Total of above Lines 52, 53 and 54.....	11,588,623	10,615,603	12,438,820	13,242,676	12,082,182
Benefits and Reserve Increase (Page 6)					
56. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1 less Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11).....	12,689,845	14,172,246	13,520,020	11,905,069	12,475,490
57. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....					
58. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3).....	10,340,099	8,319,048	5,743,877	5,496,550	4,412,264
59. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....					
60. Dividends to policyholders (Line 30, Col 1).....	251,238	325,388	228,181	142,906	78,620
Operating Percentages					
61. Insurance expense percent (Page 6, Col. 1, Lines 21, 22, & 23 less Line 6)(Page 6 Col. 1, Line 1 plus group annuity contribution funds) x 100.00.....	28.5	24.7	31.6	31.5	38.3
62. Lapse percent (ordinary only) (Exhibit of Life Insurance, Col. 4, Lines 14 & 15) x 100.00 / 1/2 (Lines 1 & 21).....	11.7	12.2	11.8	9.8	10.4
63. A&H loss percent (Schedule H, Part 1, Lines 3 & 4, Col. 2).....					
64. A&H expense percent (Schedule H, Part 1, Line 8, Col. 2).....					
A&H Claim Reserve Adequacy					
65. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2).....					
66. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....					
67. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2).....					
68. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2).....					
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
69. Industrial life (Col. 2).....					
70. Ordinary - life (Col. 3).....	(1,011,230)	41,303	775,599	923,576	1,033,803
71. Ordinary - individual annuities (Col. 4).....	697,408	664,389	1,212,750	611,079	1,002,802
72. Ordinary - supplementary contracts (Col. 5).....	159,255	17,411	124,743	66,375	97,989
73. Credit life (Col. 6).....					
74. Group life (Col. 7).....	13,625	57,808	11,629	38,892	44,868
75. Group annuities (Col. 8).....					
76. A&H - group (Col. 9).....					
77. A&H - credit (Col. 10).....					
78. A&H - other (Col. 11).....					
79. Aggregate of all other lines of business (Col. 12).....					
80. Total (Col. 1).....	(140,942)	780,910	2,124,722	1,639,922	2,179,462

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)	7 Number of		9 Amount of Insurance (a)	
							Policies	8 Certificates		
1. In force end of prior year.....			49,759	3,386,839			8	1,998	94,913	3,481,751
2. Issued during year.....			14,780	740,924						740,924
3. Reinsurance assumed.....				42						42
4. Revived during year.....			638	59,109						59,109
5. Increased during year (net).....				3,932				52	6,502	10,434
6. Subtotals, Lines 2 to 5.....	0	0	15,418	804,007	0	0	0	52	6,502	810,509
7. Additions by dividends during year.....	XXX		XXX	669	XXX		XXX	XXX		669
8. Aggregate write-ins for increases.....	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8).....	0	0	65,177	4,191,516	0	0	8	2,050	101,415	4,292,930
Deductions during year:										
10. Death.....			373	7,010			XXX	5	36	7,046
11. Maturity.....			5	14			XXX			14
12. Disability.....							XXX			0
13. Expiry.....			222	2,877						2,877
14. Surrender.....			673	40,109						40,109
15. Lapse.....			5,216	377,258						377,258
16. Conversion.....			130	13,315			XXX	XXX	XXX	13,315
17. Decreased (net).....			(31)	19,095						19,095
18. Reinsurance.....										0
19. Aggregate write-ins for decreases.....	0	0	0	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19).....	0	0	6,588	459,678	0	0	0	5	36	459,714
21. In force end of year (Line 9 minus Line 20).....	0	0	58,589	3,731,838	0	0	8	2,045	101,379	3,833,216
22. Reinsurance ceded end of year.....	XXX		XXX	931,542	XXX		XXX	XXX	73,821	1,005,363
23. Line 21 minus Line 22.....	XXX	0	XXX	2,800,296	XXX	(b) 0	XXX	XXX	27,558	2,827,853

DETAILS OF WRITE-INS

0801.										0
0802.										0
0803.										0
0898. Summary of remaining write-ins for Line 8 from overflow page.....	0	0	0	0	0	0	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above).....	0	0	0	0	0	0	0	0	0	0
1901.										0
1902.										0
1903.										0
1998. Summary of remaining write-ins for Line 19 from overflow page.....	0	0	0	0	0	0	0	0	0	0
1999. Totals (Lines 1901 thru 1903 plus 1998) (Line 19 above).....	0	0	0	0	0	0	0	0	0	0

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

(b) Group \$.000; Individual \$.000.

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
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	669
25. Other paid-up insurance.....			2,460	14,445
26. Debit ordinary insurance.....	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Page 30, Line 2)		In Force End of Year (Included in Page 30, Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies-decreasing.....	446	46,745	4,204	297,034
28. Term policies-other.....	2,769	474,800	15,924	2,168,273
29. Other term insurance-decreasing.....	XXX	2,827	XXX	50,621
30. Other term insurance.....	XXX	36,698	XXX	270,109
31. Totals, Lines 27 to 30.....	3,215	561,070	20,128	2,786,036
Reconciliation to Page 30, Lines 2 and 21:				
32. Term additions.....	XXX		XXX	
33. Totals, extended term insurance.....	XXX	XXX	1,186	10,081
34. Totals, whole life and endowment.....	11,565	179,855	37,275	935,720
35. Totals, Lines 31 to 34.....	14,780	740,924	58,589	3,731,838

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.....	713,981	26,944	3,641,554	90,284
38. Credit Life (Group and Individual).....				
39. Group.....			101,379	
40. Totals (Lines 36 to 39).....	713,981	26,944	3,742,932	90,284

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Page 30, Line 2 ceded to other companies.....	XXX		XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis.....		XXX	2,045	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 accident death benefits in force end of year under ordinary policies (a).....	163,432
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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 Actual Current Face Amount
47.2 0

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.....			9,191	744,509			1,772	98,897
49. Disability Income.....								
50. Extended Benefits.....			XXX	XXX				
51. Other.....								
52. Total.....	0	0	9,191	744,509	0	0	1,772	98,897

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

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

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

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year.....	355	25		
2. Issued during year.....	13			
3. Reinsurance assumed.....				
4. Increased during year (net).....				
5. Total (Lines 1 to 4).....	368	25	0	0
Deductions during year:				
6. Decreased (net).....		4		
7. Reinsurance.....				
8. Totals (Lines 6 and 7).....	0	4	0	0
9. In force end of year.....	368	21	0	0
10. Amount on deposit.....	7,933,915	(a) 299,375		(a)
11. Income now payable.....	368	19		
12. Amount of income payable.....	(a) 869,660	(a) 63,060	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year.....	222	4,050		
2. Issued during year.....		687		
3. Reinsurance assumed.....				
4. Increased during year (net).....				
5. Total (Lines 1 to 4).....	222	4,737	0	0
Deductions during year:				
6. Decreased (net).....	11	195		
7. Reinsurance.....				
8. Totals (Lines 6 and 7).....	11	195	0	0
9. In force end of year.....	211	4,542	0	0
Income now payable:				
10. Amount of income payable.....	(a) 697,860	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance.....	XXX	(a) 69,774,486	XXX	(a)
Deferred not fully paid:				
12. Account balance.....	XXX	(a) 35,052,627	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Ordinary		Group		Credit	
	1 Policies	2 Premiums in force	3 Policies	4 Premiums in force	5 Policies	6 Premiums in force
1. In force end of prior year.....						
2. Issued during year.....						
3. Reinsurance assumed.....						
4. Increased during year (net).....		XXX		XXX		XXX
5. Total (Lines 1 to 4).....	0	XXX	0	XXX	0	XXX
Deductions during year:						
6. Conversions.....	XXX	XXX		XXX	XXX	XXX
7. Decreased (net).....		XXX		XXX		XXX
8. Reinsurance.....		XXX		XXX		XXX
9. Totals (Lines 6 to 8).....	0	XXX	0	XXX	0	XXX
10. In force end of year.....	0	(a)	0	(a)	0	(a)

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year.....	147	28
2. Issued during year.....	21	2
3. Reinsurance assumed.....		
4. Increased during year (net).....		
5. Total (Lines 1 to 4).....	168	30
Deductions during year:		
6. Decreased (net).....	5	3
7. Reinsurance.....		
8. Totals (Lines 6 and 7).....	5	3
9. In force end of year.....	163	27
10. Amount of account balance.....	(a) 606,228	(a) 8,436

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the Annual Statement Instructions.

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
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.....	104,048,865	105,203,136	104,217,115	102,258,926
	2. Canada.....				
	3. Other Countries.....				
	4. Totals.....	104,048,865	105,203,136	104,217,115	102,258,926
States, Territories and Possessions (Direct and guaranteed)	5. United States.....	3,269,396	3,272,852	3,269,396	3,269,396
	6. Canada.....				
	7. Other Countries.....				
	8. Totals.....	3,269,396	3,272,852	3,269,396	3,269,396
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....				
	10. Canada.....				
	11. Other Countries.....				
	12. Totals.....	0	0	0	0
Special Revenue and Special Assessment Obligations and all Non-guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	13. United States.....	13,208,162	13,300,570	13,260,112	12,906,842
	14. Canada.....				
	15. Other Countries.....				
	16. Totals.....	13,208,162	13,300,570	13,260,112	12,906,842
Public Utilities (unaffiliated)	17. United States.....	9,274,162	8,973,780	9,336,470	9,000,000
	18. Canada.....				
	19. Other Countries.....				
	20. Totals.....	9,274,162	8,973,780	9,336,470	9,000,000
Industrial and Miscellaneous and Credit Tenant Loans (Unaffiliated)	21. United States.....	81,485,328	79,086,865	81,850,208	80,495,483
	22. Canada.....				
	23. Other Countries.....	749,966	749,966	749,933	750,000
	24. Totals.....	82,235,294	79,836,831	82,600,141	81,245,483
Parent, Subsidiaries and Affiliates	25. Totals.....				
	26. Total Bonds.....	212,035,879	210,587,169	212,683,234	208,680,647
PREFERRED STOCKS					
Public Utilities (Unaffiliated)	27. United States.....				
	28. Canada.....				
	29. Other Countries.....				
	30. Totals.....	0	0	0	0
Banks, Trust and Insurance Companies (Unaffiliated)	31. United States.....				
	32. Canada.....				
	33. Other Countries.....				
	34. Totals.....	0	0	0	0
Industrial and Miscellaneous (Unaffiliated)	35. United States.....	2,025,040	2,546,500	2,025,040	
	36. Canada.....				
	37. Other Countries.....				
	38. Totals.....	2,025,040	2,546,500	2,025,040	
Parent, Subsidiaries and Affiliates	39. Totals.....				
	40. Total Preferred Stocks.....	2,025,040	2,546,500	2,025,040	
COMMON STOCKS					
Public Utilities (Unaffiliated)	41. United States.....	232,281	232,281	241,371	
	42. Canada.....				
	43. Other Countries.....				
	44. Totals.....	232,281	232,281	241,371	
Banks, Trust and Insurance Companies (Unaffiliated)	45. United States.....	1,870,055	1,870,055	2,024,385	
	46. Canada.....				
	47. Other Countries.....				
	48. Totals.....	1,870,055	1,870,055	2,024,385	
Industrial and Miscellaneous (Unaffiliated)	49. United States.....	7,937,261	7,937,261	8,858,078	
	50. Canada.....				
	51. Other Countries.....	1,477,616	1,477,616	2,009,960	
	52. Totals.....	9,414,877	9,414,877	10,868,038	
Parent, Subsidiaries and Affiliates	53. Totals.....				
	54. Total Common Stocks.....	11,517,213	11,517,213	13,133,794	
	55. Total Stocks.....	13,542,253	14,063,713	15,158,834	
	56. Total Bonds and Stocks...	225,578,132	224,650,882	227,842,068	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$....102,329,099.

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year.....	204,187,361	6. Foreign exchange adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3.....	100,163,020	6.1 Column 17, Part 1.....	
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Section 1.....	
3.1 Column 16, Part 1.....	(2,092,534)	6.3 Column 11, Part 2, Section 2.....	
3.2 Column 12, Part 2, Section 1.....		6.4 Column 11, Part 4.....	0
3.3 Column 10, Part 2, Section 2.....	(1,906,682)	7. Book/adjusted carrying value at end of current period.....	225,578,138
3.4 Column 10, Part 4.....	(464,609)	8. Total valuation allowance.....	
4. Total gain (loss), Column 14, Part 4.....	1,376,635	9. Subtotal (Lines 7 plus 8).....	225,578,138
5. Deduct consideration for bonds and stocks disposed of, Column 6, Part 4...	75,685,053	10. Total nonadmitted amounts.....	
		11. Statement value of bonds and stocks, current period.....	225,578,138

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**
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, Mem- bership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations
		2 Life Insurance Premiums	3 Annuity Considerations			
1. Alabama.....	AL	No.	8,282			
2. Alaska.....	AK	No.	1,008			
3. Arizona.....	AZ	No.	15,611			
4. Arkansas.....	AR	No.	2,866	2,015		
5. California.....	CA	No.	44,157			
6. Colorado.....	CO	No.	9,400			
7. Connecticut.....	CT	No.	13,948			
8. Delaware.....	DE	No.	866			
9. District of Columbia.....	DC	No.	1,027			
10. Florida.....	FL	No.	118,429	347,327		
11. Georgia.....	GA	No.	46,028			
12. Hawaii.....	HI	No.	1,380			
13. Idaho.....	ID	No.	1,339			
14. Illinois.....	IL	No.	41,909	600		
15. Indiana.....	IN	Yes	1,636,169	1,003,958		
16. Iowa.....	IA	No.	4,050			
17. Kansas.....	KS	No.	4,002			
18. Kentucky.....	KY	Yes	2,165,439	932,568		11,410
19. Louisiana.....	LA	No.	1,024			
20. Maine.....	ME	No.	2,324			
21. Maryland.....	MD	No.	15,831			
22. Massachusetts.....	MA	No.	9,333			
23. Michigan.....	MI	Yes	1,354,300	236,670		
24. Minnesota.....	MN	No.	20,555			
25. Mississippi.....	MS	No.	5,871			
26. Missouri.....	MO	No.	8,828			
27. Montana.....	MT	No.	3,588	750		
28. Nebraska.....	NE	No.	386			
29. Nevada.....	NV	No.	4,176	1,273		
30. New Hampshire.....	NH	No.	1,599			
31. New Jersey.....	NJ	No.	15,743			
32. New Mexico.....	NM	No.	3,470			
33. New York.....	NY	No.	19,272			
34. North Carolina.....	NC	No.	33,127	71,674		
35. North Dakota.....	ND	No.	1,676			
36. Ohio.....	OH	Yes	13,865,166	10,905,569		159,641
37. Oklahoma.....	OK	No.	2,088			
38. Oregon.....	OR	No.	4,565	5,956		
39. Pennsylvania.....	PA	Yes	3,284,083	1,307,527		250,729
40. Rhode Island.....	RI	No.	513			
41. South Carolina.....	SC	No.	21,071	16,000		
42. South Dakota.....	SD	No.	1,606			
43. Tennessee.....	TN	Yes	420,763	219,414		
44. Texas.....	TX	No.	12,156	15		
45. Utah.....	UT	No.	2,457			
46. Vermont.....	VT	No.	1,835			
47. Virginia.....	VA	No.	33,413	8,500		
48. Washington.....	WA	No.	3,361			
49. West Virginia.....	WV	Yes	1,003,544	3,901,469		
50. Wisconsin.....	WI	Yes	504,510	20,000		
51. Wyoming.....	WY	No.	250			
52. American Samoa.....	AS	No.				
53. Guam.....	GU	No.				
54. Puerto Rico.....	PR	No.				
55. US Virgin Islands.....	VI	No.				
56. Canada.....	CN	No.	1,225			
57. Aggregate Other Alien.....	OT	XXX	166	0	0	0
58. Subtotal.....	(a) 8		24,779,784	18,981,285	0	421,781
91. Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX		248,619			
92. Dividends or refunds applied to shorten endowment or premium paying period.....	XXX					
93. Premium or annuity considerations waived under disability or other contract provisions.....	XXX		39,612			
94. Aggregate other amounts not allocable by State.....	XXX		0	0	0	0
95. Totals (Direct Business).....	XXX		25,068,015	18,981,285	0	421,781
96. Plus reinsurance assumed.....	XXX		147			
97. Totals (All Business).....	XXX		25,068,163	18,981,285	0	421,781
98. Less reinsurance ceded.....	XXX		4,623,803			
99. Totals (All Business) less reinsurance ceded.....	XXX		20,444,360	18,981,285	(b) 0	421,781

DETAILS OF WRITE-INS

5701. England.....	XXX		166			
5702.	XXX					
5703.	XXX					
5798. Summary of remaining write-ins for line 57 from overflow page.....	XXX		0	0	0	0
5799. Total (Lines 5701 thru 5703 plus 5798) (Line 57 above).....	XXX		166	0	0	0
9401.	XXX					
9402.	XXX					
9403.	XXX					
9498. Summary of remaining write-ins for line 94 from overflow page.....	XXX		0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....	XXX		0	0	0	0

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

ADDRESS OF INSURED DETERMINES STATE TO WHICH PREMIUMS ARE ALLOCATED

(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, Line 1. Indicate which:

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

PART 1 – ORGANIZATIONAL CHART

**The Motorists Insurance Group
Organizational Chart**

