



ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2002
OF THE CONDITION AND AFFAIRS OF THE
WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

NAIC Group Code 0836 0836 NAIC Company Code 70483 Employer's ID Number 31-0487145
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated February 23, 1888 Commenced Business April 30, 1888

Statutory Home Office 400 Broadway, Cincinnati, Ohio 45202
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 400 Broadway, Cincinnati, Ohio 45202 513-629-1800
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 400 Broadway, Cincinnati, Ohio 45202
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 400 Broadway, Cincinnati, Ohio 45202
(Street and Number, City or Town, State and Zip Code)
513-629-1800
(Area Code) (Telephone Number)

Internet Website Address www.WesternSouthernLife.com

Statement Contact Bradley J. Hunkler 513-629-2980
(Name) (Area Code) (Telephone Number) (Extension)
Bradley.Hunkler@WesternSouthernLife.com 513-629-1871
(E-Mail Address) (Fax Number)

Policyowner Relations Contact 400 Broadway, Cincinnati, Ohio 45202 1-800-926-1993
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

Chairman of Board, President & CEO	John Finn Barrett	Sr VP	Herbert Reed Brown
Secretary	James Norman Clark	Sr VP & Chf Mkt Off	Bryan Chalmer Dunn
Sr VP & Chf Inf Off	Clint David Gibler	Sr VP	Noreen Joyce Hayes
Sr VP	Edward Scott Heenan	VP & Comptroller	Bradley Joseph Hunkler
Sr VP	Carroll Ray Hutchinson	VP & Auditor	Phillip Earl King
Sr VP & Chf Inv Off	William Francis Ledwin	Sr VP	Jill Tripp McGruder
Sr VP	Jimmy Joe Miller	Sr VP & Chf Actuary	Nora Eyre Moushey
Sr VP	James McKinley Teeters	VP & Treasurer	James Joseph Vance
Sr VP & Chf Fin Off	Robert Lewis Walker	Sr VP & Gen Counsel	Donald Joseph Wuebbeling

VICE PRESIDENTS

Edward Joseph Babbitt Robert John Dalsanto Thomas Dale Holdridge James Russell Korcykoski Constance Marie Maccarone Thomas Martin Stapleton David Eugene Theurich	Keith Terrill Clark David Todd Henderson Robert Scott Kahn Harold Victor Lyons Mario Joseph San Marco Richard Kelley Taulbee Daniel Lee Thomas
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DIRECTORS OR TRUSTEES

John Finn Barrett
 Donald Allen Bliss
 James Norman Clark
 Jo Ann Davidson
 Eugene Peter Ruehlmann
 George Herbert Walker, III
 Thomas Luke Williams
 William Joseph Williams

State of Ohio }
 County of Hamilton } SS

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

 John Finn Barrett
 Chairman of Board, President & CEO

 James Norman Clark
 Secretary

 Bradley Joseph Hunkler
 VP & Comptroller

Subscribed and sworn to before me this
 24th day of February, 2003

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Columns 1 minus 2)	4 Net Admitted Assets
1. Bonds	2,629,590,059		2,629,590,059	2,711,103,803
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1)	55,579,525		55,579,525	184,928,029
2.2 Common stocks (Schedule D, Part 2, Section 2)	3,037,175,766		3,037,175,766	3,511,011,890
3. Mortgage loans on real estate (Schedule B, Part 1):				
3.1 First liens	122,216,713		122,216,713	120,929,372
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)	32,975,712		32,975,712	33,425,993
4.2 Properties held for the production of income (less \$ 47,636,182 encumbrances)	90,682,921		90,682,921	113,904,170
4.3 Properties held for sale (less \$ encumbrances)				
5. Policy loans	159,615,432		159,615,432	161,807,400
6. Premium notes, including \$ for first year premiums				
7. Cash (\$ 282,056,831 , Schedule E, Part 1) and short term investments (\$ 126,532,004 , Schedule DA, Part 2)	408,588,835		408,588,835	85,662,655
8. Other invested assets (Schedule BA, Part 1)	228,314,326		228,314,326	250,891,263
9. Receivable for securities	4,061,783		4,061,783	22,363,176
10. Aggregate write-ins for invested assets				
11. Subtotals, cash and invested assets (Line 1 to Line 10)	6,768,801,072		6,768,801,072	7,196,027,751
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers (Schedule S, Part 2)	505,057		505,057	163,248
12.2 Commissions and expense allowances due				
12.3 Experience rating and other refunds due				(468,932)
12.4 Other amounts receivable under reinsurance contracts				
13. Electronic data processing equipment and software	12,816,680	7,584,832	5,231,848	3,346,649
14. Federal and foreign income tax recoverable and interest thereon (including \$ net deferred tax asset)	8,893,718		8,893,718	2,787,318
15. Guaranty funds receivable or on deposit	150,051		150,051	230,083
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$ 29,812,377 loading)	57,567,779		57,567,779	92,448,544
17. Accident and health premiums due and unpaid	492,193		492,193	452,898
18. Investment income due and accrued	57,717,057	958,527	56,758,530	60,213,534
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates	68,282,144		68,282,144	36,549,418
21. Amounts receivable relating to uninsured accident and health plans				
22. Amounts due from agents				
23. Other assets nonadmitted (Exhibit 9)	8,322	8,322		
24. Aggregate write-ins for other than invested assets	493,274,264	493,274,264		
25. Total assets excluding Separate Accounts business (Line 11 to Line 24)	7,468,508,337	501,825,945	6,966,682,392	7,391,750,511
26. From Separate Accounts Statement	725,911,179		725,911,179	811,690,759
27. Total (Line 25 and Line 26)	8,194,419,516	501,825,945	7,692,593,571	8,203,441,270
DETAILS OF WRITE-INS				
1001.				
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page				
1099. Totals (Line 1001 through Line 1003 plus Line 1098) (Line 10 above)				
2401. Miscellaneous	1,434,475	1,434,475		
2402. Pension Asset	491,839,789	491,839,789		
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)	493,274,264	493,274,264		

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 2,436,719,395 (Exhibit 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	2,436,719,395	2,497,322,879
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Column 1) (including \$ Modco Reserve)	214,064,848	202,208,549
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Column 1) (including \$ Modco Reserve)	460,396,884	457,873,971
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Column 1 less sum of Columns 9, 10 and 11)	22,012,317	40,331,157
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10 and 11)	4,449,640	3,198,863
5. Policyholders' dividends \$ 467,997 and coupons \$ due and unpaid (Exhibit 4, Line 10)	467,997	485,129
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment to (including \$ Modco)	48,364,522	47,403,404
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ 112,307 accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Line 4 and Line 14)	7,570,823	7,958,598
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on cancelled contracts	96,409	8,880,841
9.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds		
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ ceded		(9,586,636)
9.4 Interest Maintenance Reserve (Page 33, Line 6)	57,165,806	36,526,670
10. Commissions to agents due or accrued-life and annuity contracts \$ 909,406, accident and health \$ 173,125 and deposit-type contract funds \$	1,082,530	1,045,264
11. Commissions and expense allowances payable on reinsurance assumed	112,270	10,540,475
12. General expenses due or accrued (Exhibit 2, Line 12, Column 5)	173,699,283	160,996,953
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Column 5)	3,921,365	4,351,409
15. Federal and foreign income taxes, including \$ 41,355,896 on realized capital gains (losses) (including \$ 319,537,734 net deferred tax liability)	352,976,307	532,175,504
16. Unearned investment income	4,646,453	4,830,970
17. Amounts withheld or retained by company as agent or trustee	49,483,140	41,393,057
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated	31,374,288	52,188,643
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above	52,545,220	62,012,377
22. Borrowed money \$ 55,890,276 and interest thereon \$	55,890,276	47,708,749
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (Page 34, Line 16, Column 7)	399,527,734	519,159,345
24.2 Reinsurance in unauthorized companies		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates		
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured accident and health plans		
24.7 Funds held under coinsurance		
24.8 Payable for securities	135,404	14,607,571
24.9 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	3,028,378	4,505,349
26. Total liabilities excluding Separate Accounts business (Line 1 to Line 25)	4,379,731,289	4,748,119,091
27. From Separate Accounts statement	725,911,179	811,690,759
28. Total liabilities (Line 26 and Line 27)	5,105,642,468	5,559,809,850
29. Common capital stock	5,000,000	5,000,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1)	1,000,000	1,000,000
34. Aggregate write-ins for special surplus funds	2,580,951,103	2,637,631,421
35. Unassigned funds (surplus)		
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ in Separate Accounts Statement)	2,581,951,103	2,638,631,421
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	2,586,951,103	2,643,631,421
39. Totals of Lines 28 and 38 (Page 2, Line 27, Column 3)	7,692,593,571	8,203,441,271
DETAILS OF WRITE-INS		
2501. Interest on policy and contract funds	193,192	116,488
2502. Uncashed drafts and checks pending escheatment to a state	1,785,186	1,494,269
2503. Mortgage loan and real estate reserve	1,050,000	1,050,000
2598. Summary of remaining write-ins for Line 25 from overflow page		1,844,592
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	3,028,378	4,505,349
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Line 3101 through Line 3103 plus Line 3198) (Line 31 above)		
3401. Reserve for mortality fluctuation and all other contingencies	2,426,976,253	2,478,367,575
3402. Reserve for asset depreciation	153,474,850	158,763,846
3403. Permanent surplus and guaranty fund	500,000	500,000
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)	2,580,951,103	2,637,631,421

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Column 1, less Column 11)	402,887,759	397,471,825
2. Considerations for supplementary contracts with life contingencies	32,103	197,153
3. Net investment income (Exhibit of Net Investment Income, Line 17)	373,925,682	360,635,326
4. Amortization of Interest Maintenance Reserve (IMR) (Page 33, Line 5)	7,190,021	6,245,581
5. Separate Accounts net gain from operations excluding unrealized gains or losses	1,074,508	585,729
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Column 1)		
7. Reserve adjustments on reinsurance ceded		
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	1,430,131,321	41,676,726
9. Totals (Line 1 to Line 8.3)	2,215,241,394	806,812,340
10. Death benefits	187,083,585	184,253,255
11. Matured endowments (excluding guaranteed annual pure endowments)	1,811,482	2,977,669
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Columns 4 plus 8)	33,869,175	33,189,812
13. Disability benefits and benefits under accident and health contracts	74,031,447	62,648,728
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts	79,756,748	86,325,022
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds	18,298,430	21,910,312
18. Payments on supplementary contracts with life contingencies	113,221	71,293
19. Increase in aggregate reserves for life and accident and health contracts	37,100,193	41,738,099
20. Totals (Line 10 to Line 19)	432,064,281	433,114,190
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	45,387,459	47,700,904
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2 Column 1)	69,716,900	42,147,683
23. General insurance expenses (Exhibit 2, Line 10, Columns 1 plus 2 plus 3)	108,083,947	117,603,941
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 plus 2 plus 3)	14,050,939	15,130,433
25. Increase in loading on deferred and uncollected premiums	4,583,373	(2,715,753)
26. Net transfers to or (from) Separate Accounts	(33,614,060)	(32,141,983)
27. Aggregate write-ins for deductions	1,324,897,639	(71,644,907)
28. Totals (Line 20 to Line 27)	1,965,170,478	549,194,508
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	250,070,916	257,617,832
30. Dividends to policyholders	70,644,612	70,819,309
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	179,426,304	186,798,523
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(21,695,277)	(2,093,513)
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)	201,121,581	188,892,036
34. Net realized capital gains or (losses) less capital gains tax of \$ 13,526,739 (excluding taxes of \$ 27,829,157 transferred to the IMR)	18,730,255	118,206,450
35. Net Income (Line 33 plus Line 34)	219,851,836	307,098,486
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	2,643,631,429	2,503,790,444
37. Net income (Line 35)	219,851,836	307,098,486
38. Change in net unrealized capital gains (losses)	(631,066,172)	(368,981,397)
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	195,352,261	63,045,257
41. Change in nonadmitted assets and related items (Exhibit 9, Line 6, Column 3)	(48,368,828)	(40,995,850)
42. Change in liability for reinsurance in unauthorized companies		
43. Change in reserve on account of change in valuation bases, (increase) or decrease (Exhibit 5A, Line 9999999, Column 4)	85,847,378	
44. Change in asset valuation reserve (Page 34, Line 2 through Line 5 minus Line 6 plus Line 7 plus Line 11 plus Line 14 plus Line 15, Column 7)	119,631,611	162,289,092
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts statement		
48. Change in surplus notes		
49. Cumulative effects of changes in accounting principles		17,385,397
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		1,000,000
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		(1,000,000)
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus	2,071,596	
54. Net change in capital and surplus for the year (Line 37 through Line 53)	(56,680,318)	139,840,985
55. Capital and surplus, December 31, current year (Line 36 plus Line 54) (Page 3, Line 38)	2,586,951,111	2,643,631,429
DETAILS OF WRITE-INS		
08.301. Contributions to employee benefit and welfare plans	44,581,017	36,496,147
08.302. Voluntary Employee Beneficiary Association Trust	1,000,000	355,000
08.303. Initial premium on modco reinsurance	1,384,550,304	
08.398. Summary of remaining write-ins for Line 8.3 from overflow page		4,825,579
08.399. Totals (Line 08.301 through Line 08.303 plus Line 08.398) (Line 8.3 above)	1,430,131,321	41,676,726
2701. Reserve adjustments on reinsurance assumed	(28,799,616)	(38,470,573)
2702. Benefits for employees and agents not included elsewhere	(32,924,645)	(26,294,555)
2703. Reserve adjustment on reinsurance assumed - Integrity	1,384,550,304	
2798. Summary of remaining write-ins for Line 27 from overflow page	2,071,596	(6,879,779)
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)	1,324,897,639	(71,644,907)
5301. Amortization of RGA ET Coinsurance	2,071,596	
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. Totals (Line 5301 through Line 5303 plus Line 5398) (Line 53 above)	2,071,596	

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums and annuity considerations for life and accident and health contracts	435,439,566	398,725,341
2. Charges and fees for deposit-type contracts		
3. Considerations for supplementary contracts with life contingencies	32,103	197,153
4. Net investment income	377,527,313	323,370,564
5. Commissions and expense allowances on reinsurance ceded	1,074,508	175,745
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts		
7. Aggregate write-ins for miscellaneous income	53,654,608	40,961,563
8. Total (Line 1 to Line 7)	867,728,098	763,430,366
9. Death benefits	187,918,825	186,934,997
10. Matured endowments	2,453,601	3,106,309
11. Annuity benefits	33,882,646	32,927,873
12. Disability benefits and benefits under accident and health contracts	66,394,662	55,684,264
13. Coupons, guaranteed annual pure endowments and similar benefits		
14. Surrender benefits and withdrawals for life contracts	80,098,557	84,598,222
15. Group conversions		
16. Interest and adjustments on contract or deposit-type contract funds	2,047,578	980,225
17. Payments on supplementary contracts with life contingencies	113,221	71,293
18. Totals (Line 9 to Line 17)	372,909,090	364,303,183
19. Commissions on premiums, annuity considerations and deposit-type contract funds	45,350,193	47,511,347
20. Commissions and expense allowances on reinsurance assumed	80,145,105	41,806,307
21. General insurance expenses	99,782,293	107,384,726
22. Insurance taxes, licenses and fees, excluding federal income taxes	14,443,449	15,563,849
23. Net transfers to or (from) Separate Accounts	(33,631,877)	(32,141,983)
24. Aggregate write-ins for deductions	(27,039,055)	(47,323,727)
25. Total (Line 18 to Line 24)	551,959,198	497,103,702
26. Dividends paid to policyholders	70,644,612	70,318,468
27. Federal income taxes (excluding tax on capital gains)	(31,840,573)	6,518,933
28. Total (Line 25 to Line 27)	590,763,237	573,941,103
29. Net cash from operations (Line 8 minus Line 28)	276,964,861	189,489,263
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds	1,952,874,833	1,150,972,980
30.2 Stocks	333,472,319	509,189,302
30.3 Mortgage loans	10,312,801	28,492,944
30.4 Real estate	97,888,000	15,955,598
30.5 Other invested assets	64,222,662	33,182,049
30.6 Net gains (losses) on cash and short-term investments	44,374	5,276,123
30.7 Miscellaneous proceeds	18,301,393	1,986,899
30.8 Total investment proceeds (Line 30.1 to Line 30.7)	2,477,116,382	1,745,055,895
31. Net tax on capital gains (losses)	27,829,157	46,723,499
32. Total (Line 30.8 minus Line 31)	2,449,287,225	1,698,332,396
33. Cost of investments acquired (long-term only):		
33.1 Bonds	1,912,525,050	1,555,300,902
33.2 Stocks	432,271,817	261,629,176
33.3 Mortgage loans	11,600,000	113,333
33.4 Real estate	7,330,464	13,925,071
33.5 Other invested assets	39,791,207	54,983,187
33.6 Miscellaneous applications	14,472,167	
33.7 Total investments acquired (Line 33.1 to Line 33.6)	2,417,990,705	1,885,951,669
34. Net increase (or decrease) in policy loans and premium notes	(2,191,968)	(1,684,356)
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34)	33,488,488	(185,934,917)
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in		1,000,000
36.2 Borrowed money \$ less amounts repaid \$	8,181,527	
36.3 Capital notes \$ less amounts repaid \$		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies	16,997,341	14,716,644
36.5 Other cash provided	23,670,841	24,209,098
36.6 Total (Line 36.1 to Line 36.5)	48,849,709	39,925,742
37. Cash applied:		
37.1 Dividends to stockholders paid		1,000,000
37.2 Interest on indebtedness		
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies	32,085,717	39,921,473
37.4 Other applications (net)	4,291,161	198,989
37.5 Total (Line 37.1 to Line 37.4)	36,376,878	41,120,462
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5)	12,472,831	(1,194,720)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29 plus Line 35 plus Line 38)	322,926,180	2,359,626
40. Cash and short-term investments:		
40.1 Beginning of year	85,662,655	83,303,029
40.2 End of year (Line 39 plus Line 40.1)	408,588,835	85,662,655
DETAILS OF WRITE-INS		
0701. Contributions to employee benefit and welfare plans	44,581,017	36,496,147
0702. Change in amounts withheld or retained by company as agent or trustee	8,090,083	4,522,806
0703. Increase in premium and other deposits	(307,409)	(159,323)
0798. Summary of remaining write-ins for Line 7 from overflow page	1,290,917	101,933
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above)	53,654,608	40,961,563
2401. Reserve adjustment on reinsurance assumed	(38,386,253)	(36,127,851)
2402. Payments to employees and agents not included elsewhere	(9,467,157)	2,835,410
2403. Change in remittances and items not allocated	20,814,355	(14,040,091)
2498. Summary of remaining write-ins for Line 24 from overflow page		8,805
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)	(27,039,055)	(47,323,727)

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

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

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	402,887,759	18,970,783	344,303,985	500,409			4,872,216		1,647,140		32,593,226	
2. Considerations for supplementary contracts with life contingencies	32,103											
3. Net investment income	373,925,682	37,992,121	155,421,565	14,959,815	432,023		7,050,388	34,645			13,737,042	144,298,083
4. Amortization of Interest Maintenance Reserve (IMR)	7,190,021	672,845	2,867,380	287,654	8,307		135,568	666			264,142	2,953,459
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	1,074,508										1,074,508	
7. Reserve adjustments on reinsurance ceded												
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts												
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	1,430,131,321	104,300	709,700	1,366,218,824	1,800		10,466,611	4,847,213	45,319,893		124,100	2,338,880
9. Totals (Line 1 to Line 8.3)	2,215,241,394	57,740,049	503,302,630	1,381,966,702	474,233		22,524,783	4,882,524	46,967,033		47,793,018	149,590,422
10. Death benefits	187,083,585	22,389,457	161,820,679				2,873,449					
11. Matured endowments (excluding guaranteed annual pure endowments)	1,811,482	210,407	1,601,075									
12. Annuity benefits	33,869,175			1,128,862				32,740,313				
13. Disability benefits and benefits under accident and health contracts	74,031,447	5,954	5,482,175				897,879		44,007,726		23,637,713	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	79,756,748	7,019,881	71,801,158	935,709								
16. Group conversions												
17. Interest and adjustments on contract or deposit-type contract funds	18,298,430	115,339	13,819,012	3,992,072	364,171						7,836	
18. Payments on supplementary contracts with life contingencies	113,221				113,221							
19. Increase in aggregate reserves for life and accident and health contracts	37,100,193	(6,676,183)	27,614,912	(351,298)	(149,682)		4,705,274	100,871			11,856,299	
20. Totals (Line 10 to Line 19)	432,064,281	23,064,855	282,139,011	5,705,345	327,710		8,476,602	32,841,184	44,007,726		35,501,848	3,990,908
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	45,387,460	41,614	34,113,679	4,258							7,237,001	
22. Commissions and expense allowances on reinsurance assumed	69,716,901		41,464,791	27,573,062			499,528	179,520				
23. General insurance expenses	108,083,947	13,777,228	73,708,427	323,439	140,081		45,071	407,016	2,868,345		12,693,297	4,121,043
24. Insurance taxes, licenses and fees, excluding federal income taxes	14,050,939	438,431	11,320,496	23,319	6,507		15,815	2,723	90,962		1,928,230	224,456
25. Increase in loading on deferred and uncollected premiums	4,583,373		4,583,760	(387)								
26. Net transfers to or (from) Separate Accounts	(33,614,060)							(33,614,060)				
27. Aggregate write-ins for deductions	1,324,897,640	(3,434,040)	(50,094,641)	1,366,100,088	(59,264)		13,487,767	4,847,213			(4,085,948)	(1,863,535)
28. Totals (Line 20 to Line 27)	1,965,170,481	33,888,088	397,235,523	1,399,729,124	415,034		22,524,783	4,663,596	46,967,033		53,274,428	6,472,872
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	250,070,913	23,851,961	106,067,107	(17,762,422)	59,199			218,928			(5,481,410)	143,117,550
30. Dividends to policyholders	70,644,612	19,724,157	50,880,659	26,048	13,748							
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	179,426,301	4,127,804	55,186,448	(17,788,470)	45,451			218,928			(5,481,410)	143,117,550
32. Federal income taxes incurred (excluding tax on capital gains)	(21,695,278)	346,128	10,484,946	(5,366,481)	(1,762)			218,928			(2,706,012)	(24,671,025)
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)	201,121,579	3,781,676	44,701,502	(12,421,989)	47,213						(2,775,398)	167,788,575
DETAILS OF WRITE-INS												
08.301. Contributions to employee benefit and welfare plans	44,581,017						(3,021,156)		45,319,893			2,282,280
08.302. Voluntary Employee Beneficiary Association Trust	1,000,000	104,300	709,700	3,500	1,800						124,100	56,600
08.303. Initial premium on modco reinsurance	1,384,550,304			1,366,215,324			13,487,767	4,847,213				
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	1,430,131,321	104,300	709,700	1,366,218,824	1,800		10,466,611	4,847,213	45,319,893		124,100	2,338,880
2701. Reserve adjustments on reinsurance assumed	(28,799,616)		(28,799,616)								(4,085,948)	(1,863,535)
2702. Benefits for employees and agents not included elsewhere	(32,924,644)	(3,434,040)	(23,366,621)	(115,236)	(59,264)							
2703. Reserve adjustment on reinsurance assumed - Integrity	1,384,550,304			1,366,215,324			13,487,767	4,847,213				
2798. Summary of remaining write-ins for Line 27 from overflow page	2,071,596		2,071,596									
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	1,324,897,640	(3,434,040)	(50,094,641)	1,366,100,088	(59,264)		13,487,767	4,847,213			(4,085,948)	(1,863,535)

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

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	2,497,322,880	483,998,188	1,874,700,366	19,992,411	2,561,767		115,587,574	482,574
2. Tabular net premiums or considerations	191,340,332	18,647,475	166,984,128	820,080			4,888,649	
3. Present value of disability claims incurred	1,666,924		1,112,253		X X X		554,671	
4. Tabular interest	101,236,041	13,194,080	81,763,642	1,131,637	167,789		4,878,022	100,871
5. Tabular less actual reserve released	539,808		449,770		(47,709)		137,747	
6. Increase in reserve on account of change in valuation basis	(85,847,378)		(66,930,605)				(18,916,773)	
7. Other increases (net)	(10,152,533)		(9,927,559)	(224,974)				
8. Totals (Line 1 to Line 7)	2,696,106,074	515,839,743	2,048,151,995	21,719,154	2,681,847		107,129,890	583,445
9. Tabular cost	147,231,173	9,574,868	135,074,440		X X X		2,581,865	
10. Reserves released by death	59,577,648	20,003,967	37,228,158	X X X	X X X		2,345,523	X X X
11. Reserves released by other terminations (net)	45,950,105	8,938,903	37,011,202					
12. Annuity, supplementary contract, and disability payments involving life contingencies	40,259,630		3,453,523	2,078,041	269,762		826,427	33,631,877
13. Net transfers to or (from) Separate Accounts	(33,631,877)							(33,631,877)
14. Total deductions (Line 9 to Line 13)	259,386,679	38,517,738	212,767,323	2,078,041	269,762		5,753,815	
15. Reserve December 31, current year	2,436,719,395	477,322,005	1,835,384,672	19,641,113	2,412,085		101,376,075	583,445

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U. S. Government bonds	(a) 13,557,812	13,297,836
1.1 Bonds exempt from U. S. tax	(a) 82,767	82,534
1.2 Other bonds (unaffiliated)	(a) 181,251,918	180,146,728
1.3 Bonds of affiliates	(a) 488,615	336,896
2.1 Preferred stocks (unaffiliated)	(b) 8,681,733	7,839,449
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	6,811,049	15,769,459
2.21 Common stocks of affiliates	77,041,845	77,041,845
3. Mortgage loans	(c) 9,133,925	9,256,678
4. Real estate	(d) 48,607,501	48,607,501
5. Contract loans	9,651,132	9,742,027
6. Cash/short-term investments	(e) 4,978,161	5,245,194
7. Derivative instruments	(f)	(118,700)
8. Other invested assets	22,322,248	21,740,227
9. Aggregate write-ins for investment income	37,243,083	37,243,083
10. Total gross investment income	419,851,789	426,230,757
11. Investment expenses		(g) 29,512,660
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 4,161,600
13. Interest expense		(h) 10,729,682
14. Depreciation on real estate and other invested assets		(i) 6,382,498
15. Aggregate write-ins for deductions from investment income		1,518,635
16. Totals deductions (Line 11 through Line 15)		52,305,075
17. Net investment income (Line 10 minus Line 16)		373,925,682
DETAILS OF WRITE-INS		
0901. Miscellaneous	2,756,566	2,756,566
0902. Subsidiary Investment Income prior to Dissolutionment	34,486,517	34,486,517
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903 plus Line 0998) (Line 9 above)	37,243,083	37,243,083
1501. Subsidiary Investment Expense prior to Dissolutionment		1,518,635
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503 plus Line 1598) (Line 15 above)		1,518,635

(a) Includes \$ 4,797,002 accrual of discount less \$ 4,357,413 amortization of premium and less \$ 17,686,607 paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
 (c) Includes \$ 142 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
 (d) Includes \$ 9,587,951 for company's occupancy of its own buildings; and excludes \$ 3,515,650 interest on encumbrances.
 (e) Includes \$ 1,338 accrual of discount less \$ 20,388 amortization of premium and less \$ 135,987 paid for accrued interest on purchases.

(f) Includes \$ accrual of discount less \$ amortization of premium.
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
 (i) Includes \$ 6,382,498 depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	Total
1. U. S. Government bonds					
1.1 Bonds exempt from U. S. tax					
1.2 Other bonds (unaffiliated)	39,994,613	(51,370,529)	17,627,369		6,251,453
1.3 Bonds of affiliates			(840,000)		(840,000)
2.1 Preferred stocks (unaffiliated)	2,313,507	(21,001,638)			(18,688,131)
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	20,221,021		1,306,062,404		1,326,283,425
2.21 Common stocks of affiliates	38,397,059		(1,934,451,299)		(1,896,054,240)
3. Mortgage loans					
4. Real estate	73,268,496				73,268,496
5. Contract loans	(14,091)				(14,091)
6. Cash/short-term investments	44,374				44,374
7. Derivative instruments					
8. Other invested assets	754,373	(14,686,880)	(20,071,406)		(34,003,913)
9. Aggregate write-ins for capital gains (losses)	(4,997)		606,760		601,763
10. Total capital gains (losses)	174,974,355	(87,059,047)	(631,066,172)		(543,150,864)
DETAILS OF WRITE-INS					
0901. Miscellaneous	(4,997)				(4,997)
0902. Options			606,760		606,760
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903 plus Line 0998) (Line 9 above)	(4,997)		606,760		601,763

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
FIRST YEAR (other than single)											
1. Uncollected	457,563		457,563								
2. Deferred and accrued	9,484,741		9,484,741								
3. Deferred, accrued and uncollected:											
3.1 Direct	9,945,343		9,945,343								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	3,039		3,039								
3.4 Net (Line 1 plus Line 2)	9,942,304		9,942,304								
4. Advance	380,552		380,552								
5. Line 3.4 minus Line 4	9,561,752		9,561,752								
6. Collected during year:											
6.1 Direct	18,039,338		18,039,338								
6.2 Reinsurance assumed	9,538,282		9,538,282								
6.3 Reinsurance ceded	8,335		8,335								
6.4 Net	27,569,285		27,569,285								
7. Line 5 plus Line 6.4	37,131,037		37,131,037								
8. Prior year (uncollected plus deferred and accrued minus advance)	10,581,362		10,581,362								
9. First year premiums and considerations:											
9.1 Direct	19,507,769		19,507,769								
9.2 Reinsurance assumed	7,052,014		7,052,014								
9.3 Reinsurance ceded	10,108		10,108								
9.4 Net (Line 7 minus Line 8)	26,549,675		26,549,675								
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	48,671,893	18,647,475	30,007,179	17,239							
10.2 Reinsurance assumed	63,979		63,979								
10.3 Reinsurance ceded											
10.4 Net	48,735,872	18,647,475	30,071,158	17,239							
RENEWAL											
11. Uncollected	3,570,479		3,078,286							492,193	
12. Deferred and accrued	71,269,129		71,269,129								
13. Deferred, accrued and uncollected:											
13.1 Direct	75,304,955		74,756,160							548,795	
13.2 Reinsurance assumed											
13.3 Reinsurance ceded	465,347		408,745							56,602	
13.4 Net (Line 11 plus Line 12)	74,839,608		74,347,415							492,193	
14. Advance	7,190,271		7,077,964							112,307	
15. Line 13.4 minus Line 14	67,649,337		67,269,451							379,886	
16. Collected during year:											
16.1 Direct	224,963,939	323,308	184,437,790	484,638		4,872,216		1,629,650		33,216,337	
16.2 Reinsurance assumed	140,237,998		140,237,998								
16.3 Reinsurance ceded	6,067,528		4,782,397							1,285,131	
16.4 Net	359,134,409	323,308	319,893,391	484,638		4,872,216		1,629,650		31,931,206	
17. Line 15 plus Line 16.4	426,783,746	323,308	387,162,842	484,638		4,872,216		1,629,650		32,311,092	
18. Prior year (uncollected plus deferred and accrued minus advance)	99,181,534		99,479,690	1,468				(17,490)		(282,134)	
19. Renewal premiums and considerations:											
19.1 Direct	224,019,352	323,308	182,760,054	483,170		4,872,216		1,647,140		33,933,464	
19.2 Reinsurance assumed	109,268,774		109,268,774								
19.3 Reinsurance ceded	5,685,914		4,345,676							1,340,238	
19.4 Net (Line 17 minus Line 18)	327,602,212	323,308	287,683,152	483,170		4,872,216		1,647,140		32,593,226	
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	292,199,014	18,970,783	232,275,002	500,409		4,872,216		1,647,140		33,933,464	
20.2 Reinsurance assumed	116,384,767		116,384,767								
20.3 Reinsurance ceded	5,696,022		4,355,784							1,340,238	
20.4 Net (Lines 9.4 plus 10.4 plus 19.4)	402,887,759	18,970,783	344,303,985	500,409		4,872,216		1,647,140		32,593,226	

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums (Exhibit 4, Line 1)	2,338,513		2,338,513								
22. All other (Exhibit 4, Line 2, Line 3, and Line 4)	46,488,119	18,647,840	27,823,040	17,239							
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded											
23.2 Reinsurance assumed	6,032,508		6,032,508								
23.3 Net ceded less assumed	(6,032,508)		(6,032,508)								
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed	30,254		30,254								
24.3 Net ceded less assumed	(30,254)		(30,254)								
25. Renewal:											
25.1 Reinsurance ceded											
25.2 Reinsurance assumed	63,654,139		35,402,029	27,573,062	499,528	179,520				1,074,508	
25.3 Net ceded less assumed	(62,579,631)		(35,402,029)	(27,573,062)	(499,528)	(179,520)				1,074,508	
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	1,074,508									1,074,508	
26.2 Reinsurance assumed (Page 6, Line 22)	69,716,901		41,464,791	27,573,062	499,528	179,520					
26.3 Net ceded less assumed	(68,642,393)		(41,464,791)	(27,573,062)	(499,528)	(179,520)				1,074,508	
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)											
28. Single	23,615,204		21,506,583								2,108,621
29. Renewal											
30. Deposit-type contract funds	21,772,256	41,614	12,607,096	4,258						7,237,001	1,882,287
31. Totals (to agree with Page 6, Line 21)											
	45,387,460	41,614	34,113,679	4,258						7,237,001	3,990,908

EXHIBIT 2 - GENERAL EXPENSES

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Rent	8,676,871	1,397,741	85,774	476,376	10,636,762
2. Salaries and wages	24,459,353	4,540,485	2,072,223	3,771,671	34,843,732
3.11 Contributions for benefit plans for employees	11,615,462	816,814	123,921	973,224	13,529,421
3.12 Contributions for benefit plans for agents	13,734,675	1,836,875		241,343	15,812,893
3.21 Payments to employees under non-funded benefit plans					
3.22 Payments to agents under non-funded benefit plans					
3.31 Other employee welfare	2,106,415	384,890	71,726	390,659	2,953,690
3.32 Other agent welfare	325,488	53,854		9,262	388,604
4.1 Legal fees and expenses	221,939	26,660	22,924	93,880	365,403
4.2 Medical examination fees	1,455,417	25,030	13		1,480,460
4.3 Inspection report fees	423,844	26,703	162	3,858	454,567
4.4 Fees of public accountants and consulting actuaries	197,263	23,640	35,015	18,858	274,776
4.5 Expense of investigation and settlement of policy claims	710,541	1,384,001	1,145		2,095,687
5.1 Traveling expenses	1,807,522	327,252	274,686	86,221	2,495,681
5.2 Advertising	1,706,936	349,877	21,531	11,426	2,089,770
5.3 Postage, express, telegraph and telephone	2,709,244	688,945	29,618	176,620	3,604,427
5.4 Printing and stationery	1,870,926	265,657	17,679	27,653	2,181,915
5.5 Cost or depreciation of furniture and equipment	1,081,535	158,586	903		1,241,024
5.6 Rental of equipment	3,108,714	520,674	78,390	349,538	4,057,316
5.7 Cost or depreciation of EDP equipment and software	3,200,783	502,285	88,434	595,536	4,387,038
6.1 Books and periodicals	114,699	26,521	10,317	23,814	175,351
6.2 Bureau and association fees	130,854	31,988	309,291	9,421	481,554
6.3 Insurance, except on real estate	419,677	100,736	10,476	16,792	547,681
6.4 Miscellaneous losses	1,108,881	125,132	20,178	803	1,254,994
6.5 Collection and bank service charges	291,188	36,643	1,268	153,160	482,259
6.6 Sundry general expenses	1,030,918	941,412	662,779		2,635,109
6.7 Group service and administration fees	160,344	8,686	564	2,039	171,633
6.8 Reimbursements by uninsured accident and health plans					
7.1 Agency expense allowance					
7.2 Agents' balances charged off (less \$ recovered)					
7.3 Agency conferences other than local meetings	2,311,870	392,161	3,949	64,773	2,772,753
9.1 Real estate expenses				20,540,309	20,540,309
9.2 Investment expenses not included elsewhere	6,871	21,726	95,446	132,291	256,334
9.3 Aggregate write-ins for expenses	3,413,030	546,670	82,632	1,343,133	5,385,465
10. General expenses incurred	88,401,260	15,561,644	4,121,044	29,512,660	(a) 137,596,608
11. General expenses unpaid December 31, prior year	104,737,239	15,781,929	7,631,907	32,845,878	160,996,953
12. General expenses unpaid December 31, current year	111,477,824	19,772,430	5,202,476	37,246,553	173,699,283
13. Amounts receivable relating to uninsured accident and health plans, prior year					
14. Amounts receivable relating to uninsured accident and health plans, current year					
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)	81,660,675	11,571,143	6,550,475	25,111,985	124,894,278
DETAILS OF WRITE-INS					
09.301. Weekly expense allowances to field representatives	66,750	10,942		1,854	79,546
09.302. Meals for employees	442,696	87,650	12,663	15,137	558,146
09.303. Repair and service of office machines and furniture	2,728,150	418,697	68,990	432,349	3,648,186
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	175,434	1,344,932	29,381	893,793	1,099,587
09.399. Totals (Lines 09.301 through 09.303 plus 09.398) (Line 9.3 above)	3,413,030	546,670	82,632	1,343,133	5,385,465

(a) Includes management fees of \$ 4,811,459 to affiliates and \$ 385,512 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				3,868,433	3,868,433
2. State insurance department licenses and fees	265,021				265,021
3. State taxes on premiums	2,521,314	324,646			2,845,960
4. Other state taxes, including \$ 226,332 for employee benefits	1,825,756	295,581	6,101	7,096	2,134,534
5. U. S. Social Security taxes	6,882,849	1,344,932	218,355	286,071	8,732,207
6. All other taxes	312,349	54,033			366,382
7. Taxes, licenses and fees incurred	11,807,289	2,019,192	224,456	4,161,600	18,212,537
8. Taxes, licenses and fees unpaid December 31, prior year	2,064,104	159,974	439	2,126,892	4,351,409
9. Taxes, licenses and fees unpaid December 31, current year	1,589,696	233,586	8,723	2,089,360	3,921,365
10. Taxes, licenses and fees paid during year (Line 7 plus Line 8 minus Line 9)	12,281,697	1,945,580	216,172	4,199,132	18,642,581

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums	2,338,513	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	46,470,880	
4. Applied to provide paid-up annuities	17,239	
5. Total Line 1 through Line 4	48,826,632	
6. Paid-in cash	7,967,554	
7. Left on deposit	12,906,440	
8. Aggregate write-ins for dividend or refund options		
9. Total Line 5 through Line 8	69,700,626	
10. Amount due and unpaid	467,997	
11. Provision for dividends or refunds payable in the following calendar year	44,363,522	
12. Terminal dividends	4,001,000	
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend policies not included in Line 13		
15. Total Line 10 through Line 14	48,832,519	
16. Total from prior year	47,888,533	
17. Total dividends or refunds (Line 9 plus Line 15 minus Line 16)	70,644,612	
DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 through 0803 plus 0898) (Line 8 above)		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
(Gross) - Life Insurance					
1. AE 3.5% NLP, 01-64	16,328,889	5,882,045	10,446,844		
2. AE 3.5% ILL, 06-59	1,143,878		1,143,878		
3. AE 3% NLP, 41-66	7,619,014		7,619,014		
4. 200% AM (5) 3.5% NLP, 46	87,990		87,990		
5. AM (5) 3.5% NLP, 01-62	47,471,501		47,471,501		
6. AM (5) 3.25% NLP, 40-42	12,827		12,827		
7. AE/AM (5) 3.5% NLP, 22-35	28,553		28,553		
8. STD IND 3.5% NLP, 07-67	12,198,301	12,198,301			
9. 41 CSO 3.5% NLP, 32-67	336,279,361		336,279,361		
10. 41 CSO 3.5% CRVM, 48-66	4,781,186		4,781,186		
11. 41 CSO 3% NLP, 47-67	1,568,988		1,568,988		
12. 41 CSO 3% CRVM, 48-67	731,016		731,016		
13. 41 CSO 2.5% NLP, 43-66	31,388,256		31,388,256		
14. 41 CSO 2.5% CRVM, 48-65	19,013,134		19,013,134		
15. 41 STD IND 3.5% NLP, 56-71	1,021,486	1,021,486			
16. 41 STD IND 3% NLP, 46-88	85,237,456	85,237,456			
17. 41 STD IND 2.5% NLP, 48-67	347,133,675	347,133,675			
18. 58 CET 6.75% NLP, 83-84	349,878		349,878		
19. 58 CET 6.5% NLP, 80-85	349,878		349,878		
20. 58 CET 6% NLP, 83-85	349,878		349,878		
21. 58 CET 5.75% NLP, 80-85	349,878		349,878		
22. 58 CET 5.5% NLP, 80-85	349,878		349,878		
23. 58 CET 5.25% NLP, 80-85	349,878		349,878		
24. 58 CET 5% NLP, 80-85	349,878		349,878		
25. 58 CET 4.75% NLP, 80-85	349,878		349,878		
26. 58 CSO 6% NLP, 83-86	328,138,666		328,138,666		
27. 58 CSO 5% NLP, 87-92	84,981,596		84,981,596		
28. 58 CSO 5% NLP, 93-94	2,002		2,002		
29. 58 CSO/CET 4.5% NLP, 79-88, 95-02 (N.B.)	124,456,439		124,456,439		
30. 58 CSO 4.5% NLP (MOD.), 80-88	40,563,376		40,563,376		
31. 58 CET 4.25% NLP, 74-81	2,163,690		2,163,690		
32. 58 CSO/CET 4% NLP, 75-88	80,465,315		80,465,315		
33. 58 CSO 4% CRVM, 79-88	6,043,558		6,043,558		
34. 58 CSO/CET 3.5% NLP, 61-88	385,795,030		385,795,030		
35. 58 CSO 3.5% NLP (MOD.), 74-88	292,710		292,710		
36. 58 CET 3.5%/20/2.5% NLP, 77-84	3,241,151		3,241,151		
37. 58 CSO 3.5%/20/2.5% CRVM, 77-84	11,375,205		11,375,205		
38. 58 CSO/CET 3% NLP, 65-84	380,227		380,227		
39. 58 CSO 3% CRVM, 65-77	1,821,896		1,821,896		
40. 58 CSO/CET 2.5% NLP, 62-88	78,422,028		78,422,028		
41. 58 CSO 2.5% NLP (MOD.), 65-84	38,266,309		38,266,309		
42. 60 CSG 3% NLP, 55-60	6,816,663		305,117		6,511,546
43. 60 CSG 3.5% NLP, 61-74	553,432				553,432
44. 60 CSG 4% NLP, 75-79	1,646,939				1,646,939
45. 60 CSG 4.5% NLP, 80-82, 92-02 (N.B.)	21,903,346				21,903,346
46. 60 CSG 5% NLP, 93-94	4,401,955				4,401,955
47. 60 CSG 5.5% NLP, 87-92	26,348,479				26,348,479
48. 60 CSG 6% NLP, 83-85, 86	7,481,764				7,481,764
49. 61 CSI/CIET 2.5% NLP, 67-82	23,419,053	23,419,053			
50. 80 CSO 6% CRVM, 83-86	23,704		23,704		
51. 80 CSO/CET 6.75% NLP, 83-86	610,620		610,620		
52. 80 CET 6.5% NLP, 83-87	610,620		610,620		
53. 80 CET 6.25% NLP, 83-87	610,620		610,620		
54. 80 CSO/CET 6% NLP, 83-91	21,328,751		21,328,751		
55. 80 CET 5.75% NLP, 86-92	314,519		314,519		
56. 80 CSO/CET 5.5% NLP, 86-92	44,781,085		44,781,085		
57. 80 CSO 5.5% CRVM, 86-02 (N.B.)	283,885,305		283,885,305		
58. 80 CSO/CET 5% NLP, 88-89, 93-95	11,024,811		11,024,811		
59. 80 CSO 5% CRVM, 88-89, 93-94	80,588,167		80,588,167		
60. 80 CSO/CET 4.5% NLP, 76-89	14,370,870		14,370,870		
61. 80 CSO 4.5% CRVM, 80-89, 95-02 (N.B.)	265,019,754		265,019,754		
62. 80 CSO/CET 4% NLP, 72-00	6,539,110		6,539,110		
63. 80 CSO 4% CRVM, 57-79	15,398		15,398		
64. 80 CSO 3.5% NLP, 57-75	3,484		3,484		
65. 80 CSO 3.5% CRVM, 57-75	23,231		23,231		
66. UNEARNED PREMIUM	812		812		
0199997 - TOTALS (Gross) - Life Insurance	2,923,576,225	474,892,016	2,379,836,748		68,847,461
0199998 - Reinsurance ceded - Life Insurance	584,361,434		584,361,434		
0199999 - TOTALS (Net) - Life Insurance	2,339,214,791	474,892,016	1,795,475,314		68,847,461
(Gross) - Annuities (excluding supplementary contracts with life contingencies)					
1. a-1949 2.5%, PROJ. 30 YEARS IMMEDIATE	488		488		
2. 55 AA 4% IMMEDIATE	14,975		14,975		
3. 71 IAM 7%, PROJ. SCALE B IMMEDIATE	580,759		580,759		
4. 71 IAM 6%, PROJ. SCALE B IMMEDIATE	17,528		17,528		
5. 71 IAM 5.75%, PROJ. SCALE B IMMEDIATE	3,821		3,821		
6. 71 IAM 7.5% IMMEDIATE	392,451		392,451		
7. 71 IAM 6% IMMEDIATE	5,165		5,165		
8. 83a 8.25%, PROJ. SCALE G IMMEDIATE	951,871		951,871		
9. 83a 7.75%, PROJ. SCALE G IMMEDIATE	395,895		395,895		
10. 83a 7.4%, PROJ. SCALE G IMMEDIATE	30,612		30,612		
11. 83a 7.25%, PROJ. SCALE G IMMEDIATE	864,419		864,419		
12. 83a 6.75%, PROJ. SCALE G IMMEDIATE	1,357,356		1,357,356		
13. 83a 6.7%, PROJ. SCALE G IMMEDIATE	265,589		265,589		
14. 83a 6.2%, PROJ. SCALE G IMMEDIATE	434,470		434,470		
15. 83a 7.5% IMMEDIATE	44,598		44,598		
16. 83a 7%, NO PROJ. IMMEDIATE	73,718		73,718		
17. ANNUITY 2000 IAM 6.25%, PROJ. SCALE G	622,824		622,824		
18. ANNUITY 2000 IAM 6%, PROJ. SCALE G	84,905		84,905		
19. ANNUITY 2000 IAM 5.75%, PROJ. SCALE G	442,315		442,315		
20. ANNUITY 2000 IAM 5.5%, PROJ. SCALE G	551,564		551,564		
21. ANNUITY 2000 IAM 5.4%, PROJ. SCALE G	19,760		19,760		
22. ANNUITY 2000 IAM 4.9%, PROJ. SCALE G (N.B.)	269,204		269,204		
23. ANNUITY 2000 IAM 4.25%, PROJ. SCALE G (N.B.)	41,438		41,438		
24. ANNUITY PURCHASE FUNDS DEFERRED	9,572,274		9,572,274		
25. DEPOSIT ADMINISTRATION FUNDS AT VARIOUS INTEREST RATES IMMEDIATE	583,445				583,445
26. ACCUM. FOR DEF. AT 5%: ULT. BASIS a-1949 2.5%, PROJ. 30 YRS.	553,225		553,225		
27. ACCUM. FOR DEF. AT 3.5%: ULT. BASIS a-1949 2.5%, PROJ. 30 YRS.	914,485		914,485		
28. ACCUM. FOR DEF. AT 3.5%: ULT. BASIS 71 IAM 3%	65,985		65,985		
29. ACCUM. FOR DEF. AT 3%: ULT. BASIS a-1949 2.5%, PROJ. 30 YRS.	11,266		11,266		
30. ACCUM. FOR DEF. AT 2.5%: ULT. BASIS a-1949 2.5%, PROJ. 30 YRS.	428,172		428,172		
31. DEFERRED 6% CARVM: 83a 3%	226,971		226,971		
32. DEFERRED 5.75% CARVM: 83a 3%	71,765		71,765		
33. DEFERRED 5.5% CARVM: 83a 3%	240,183		240,183		
34. DEFERRED 5.25% CARVM: 83a 3% (N.B.)	352,425		352,425		
35. DEFERRED 4% CARVM: 83a 3%	195,826		195,826		
36. 3.5% DEFERRED	3,842		3,842		
37. 3.5% DEFERRED FLEXIBLE	559,060		559,060		
38. 2.5% DEFERRED	128,840		128,840		
39. 6%/5/4% DEFERRED FLEXIBLE	180,509,636		180,509,636		
40. 5.5%/2/5%/3/4% DEFERRED FLEXIBLE	397,709		397,709		
41. 4%/10/3.5% DEFERRED FLEXIBLE	10,776,372		10,776,372		
42. 51 GAM 2.5% IMMEDIATE	135,491				135,491
43. 71 GAM 6% IMMEDIATE	823,865				823,865

(continues)

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
(Gross) - Annuities (excluding supplementary contracts with life contingencies) (continued)					
44. 83 GAM 6% IMMEDIATE	7,612,784				7,612,784
0299997 - TOTALS (Gross) - Annuities (excluding supplementary contracts with life contingencies)	221,629,346		212,473,761		9,155,585
0299998 - Reinsurance ceded - Annuities (excluding supplementary contracts with life contingencies)	201,404,788		192,832,648		8,572,140
0299999 - TOTALS (Net) - Annuities (excluding supplementary contracts with life contingencies)	20,224,558		19,641,113		583,445
(Gross) - Supplementary Contracts with Life Contingencies					
1. 37 SA 2.5%, 2ND MOD	12,769		12,769		
2. a-1949 2.5%, PROJ. 30 YEARS	128,299		128,299		
3. 55 AA 4%	150,748		150,748		
4. 71 IAM 7.5%	1,071,494		1,071,494		
5. 71 IAM 7%, PROJ. SCALE B	163,271		163,271		
6. 71 IAM 6%, PROJ. SCALE B	16,559		16,559		
7. 71 IAM 6%	537,505		537,505		
8. 71 IAM 5.75%, PROJ. SCALE B	12,932		12,932		
9. 83a 7.5%	254,397		254,397		
10. 83a 8.25%, PROJ. SCALE G	437,915		437,915		
11. 83a 7.75%, PROJ. SCALE G	170,494		170,494		
12. 83a 7.4%, PROJ. SCALE G	59,882		59,882		
13. 83a 7.25%, PROJ. SCALE G	333,674		333,674		
14. 83a 6.75%, PROJ. SCALE G	207,310		207,310		
15. 83a 6.7%, PROJ. SCALE G	210,090		210,090		
16. 83a 6.2%, PROJ. SCALE G	190,301		190,301		
17. 83a 7%, NO PROJ.	36,408		36,408		
18. ANNUITY 2000 IAM 6.25%, PROJ. SCALE G	210,721		210,721		
19. ANNUITY 2000 IAM 6%, PROJ. SCALE G	49,401		49,401		
20. ANNUITY 2000 IAM 5.75%, PROJ. SCALE G	40,709		40,709		
21. ANNUITY 2000 IAM 5.5%, PROJ. SCALE G (N.B.)	125,905		125,905		
22. ANNUITY 2000 IAM 4.9%, PROJ. SCALE G (N.B.)	5,445		5,445		
0399997 - TOTALS (Gross) - Supplementary Contracts with Life Contingencies	4,426,229		4,426,229		
0399998 - Reinsurance ceded - Supplementary Contracts with Life Contingencies	2,014,144		2,014,144		
0399999 - TOTALS (Net) - Supplementary Contracts with Life Contingencies	2,412,085		2,412,085		
(Gross) - Accidental Death Benefits					
1. INTERCO DI AND 41 CSO 2.5%	386,529		386,529		
2. INTERCO DI AND 41 STD IND 2.5%	436,368	436,368			
3. 59 ADB AND 58 CSO 3%	134,453		134,453		
4. 59 ADB AND 58 CSO 2.5%	2,709,831		2,709,831		
5. 59 ADB AND 61 CSI 2.5%	738,094	738,094			
6. 59 ADB AND 80 CSO 4.5%	1,475		1,475		
7. 59 ADB AND 80 CSO 2.5% (N.B.)	664,405		664,405		
0499997 - TOTALS (Gross) - Accidental Death Benefits	5,071,155	1,174,462	3,896,693		
0499998 - Reinsurance ceded - Accidental Death Benefits	155,630		155,630		
0499999 - TOTALS (Net) - Accidental Death Benefits	4,915,525	1,174,462	3,741,063		
(Gross) - Disability - Active Lives					
1. 75% 30-31 MET. AND 41 STD IND 2.5%	854,531	852,705	1,826		
2. 75% 30-31 MET. AND 58 CSO 2.5%	4,756,879		4,756,879		
3. 75% 30-31 MET. AND 80 CSO 2.5% (N.B.)	263,954		263,954		
4. 75% 30-31 MET. AND 61 CSI 2.5%	402,822	402,822			
5. 52 INTERCO DISA AND 41 CSO 2.5%	21,349		21,349		
6. 52 INTERCO DISA AND 58 CSO 3%	973,751		973,751		
7. 52 INTERCO DISA AND 80 CSO 4.5%	700		700		
8. 52 INTERCO DISA AND 80 CSO 4%	77,348		77,348		
9. 52 INTERCO DISA 3.5% MOD	30,931,833				30,931,833
10. 52 BEN. 5, PERIOD 2 AND 41 CSO 2.5%	117,870		117,870		
11. 52 BEN. 5, PERIOD 2 AND 58 CSO 2.5%	3,180,740		3,180,740		
12. 52 BEN. 5, PERIOD 2 AND 80 CSO 2.5% (N.B.)	2,435,295		2,435,295		
13. SPECIAL-RELATED TO PREM. OR FACE AMOUNT	79,980		79,980		
0599997 - TOTALS (Gross) - Disability - Active Lives	44,097,052	1,255,527	11,909,692		30,931,833
0599998 - Reinsurance ceded - Disability - Active Lives	1,115,703		1,115,703		
0599999 - TOTALS (Net) - Disability - Active Lives	42,981,349	1,255,527	10,793,989		30,931,833
(Gross) - Disability - Disabled Lives					
1. 26 CLASS (3) 2.5%	257,187		257,187		
2. 52 INTERCO DISA 3.5%	5,792,478		5,792,478		
3. 52 INTERCO DISA 2.5%	26,117,119		25,117,119		1,596,781
0699997 - TOTALS (Gross) - Disability - Disabled Lives	32,763,565		31,166,784		1,596,781
0699998 - Reinsurance ceded - Disability - Disabled Lives	5,792,478		5,792,478		
0699999 - TOTALS (Net) - Disability - Disabled Lives	26,971,087		25,374,306		1,596,781
9999999 - TOTALS (Net) - Page 3, Line 1	2,436,719,395	477,322,005	1,857,437,870		101,959,520

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?
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions. Yes (X) No ()
- 4. Has the reporting entity any assessment or stipulated premium contracts in force?
If so, state: Yes (X) No ()
- 4.1 Amount of insurance? \$ 568,566
- 4.2 Amount of reserve? \$ 467,044
- 4.3 Basis of reserve:
.....
- 4.4 Basis of regular assessments:
.....
- 4.5 Basis of special assessments:
.....
- 4.6 Assessments collected during the year: \$
- 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.
.....
- 6. Does the reporting entity hold reserves for any annuity contracts which are less than the reserves that would be held on a standard basis? Yes () No (X)
- 6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$
- 6.2 Which would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6. 1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: \$
Attach statement of methods employed in their valuation.
- 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? Yes () No (X)
- 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements? \$
- 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount.
.....
- 7.3 State the amount of reserves established for this business: \$
- 7.4 Identify where the reserves are reported in the blank
.....

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

1 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
Life Contracts (Including supplementary contracts set upon a basis other than that used to determine benefits) (Exhibit 5) (Page 7, Line 6)	1,779,194,517	1,693,347,139	(85,847,378)
0199999 - Life Contracts (Including supplementary contracts set upon a basis other than that used to determine benefits) (Exhibit 5) (Page 7, Line 6)			(85,847,378)
9999999 - TOTAL (Column 4 only)			(85,847,378)

EXHIBIT 6 - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancellable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves	3,042,159				111,298	2,928,429		359	2,073
2. Additional contract reserves (a)	161,931,918				8,988,517	152,819,873		5,302	118,226
3. Additional actuarial reserves - Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	164,974,077				9,099,815	155,748,302		5,661	120,299
8. Reinsurance ceded	4,426,603				4,351,238	75,365			
9. Totals (Net)	160,547,474				4,748,577	155,672,937		5,661	120,299
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	58,753,416				4,938,692	53,705,762		36,390	72,572
11. Additional actuarial reserves - Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves									
14. Totals (Gross)	58,753,416				4,938,692	53,705,762		36,390	72,572
15. Reinsurance ceded	5,236,042				4,913,265	322,777			
16. Totals (Net)	53,517,374				25,427	53,382,985		36,390	72,572
17. TOTAL (Net)	214,064,848				4,774,004	209,055,922		42,051	192,871
18. TABULAR FUND INTEREST	8,137,755				123,418	8,007,818		1,101	5,418
DETAILS OF WRITE-INS									
0601									
0602									
0603									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)									
1301									
1302									
1303									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)									

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

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Supplemental Contracts and Annuities Certain	Dividend Accumulations or Refunds	Premium and Other Deposit Funds	Other
1. Balance at the beginning of the year before reinsurance	495,484,467		6,821,352	272,529,607	5,733,050	210,400,458
2. Deposits received during the year	16,997,341		1,467,440	14,298,783	1,231,118	
3. Investment earnings credited to the account	17,933,428		269,598	13,421,059	261,884	3,980,887
4. Other net change in reserves						
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	32,085,717		2,031,667	24,144,299	1,796,749	4,113,002
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1 plus 2 plus 3 plus 4 minus 5 minus 6 minus 7 minus 8)	498,329,519		6,526,723	276,105,150	5,429,303	210,268,343
10. Reinsurance balance at the beginning of the year	(37,610,495)		(2,457,326)	(34,580,363)	(572,806)	
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded	322,140		114,402	204,077	3,661	
13. Reinsurance balance at the end of the year (Line 10 plus Line 11 minus Line 12)	(37,932,635)		(2,571,728)	(34,784,440)	(576,467)	
14. Net balance at the end of current year after reinsurance (Line 9 plus Line 13)	460,396,884		3,954,995	241,320,710	4,852,836	210,268,343

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and Unpaid:											
1.1 Direct	3,505,363	3,369,179	125,909				10,275				
1.2 Reinsurance assumed	207,919		207,919								
1.3 Reinsurance ceded											
1.4 Net	3,713,282	3,369,179	333,828				10,275				
2. In course of settlement:											
2.1 Resisted											
2.11 Direct	507,619		445,000				62,619				
2.12 Reinsurance assumed	75,000		75,000								
2.13 Reinsurance ceded											
2.14 Net	582,619		(b) 520,000	(b)		(b)	(b) 62,619				
2.2 Other											
2.21 Direct	8,714,871	728,464	6,401,098				398,670				1,186,639
2.22 Reinsurance assumed	6,142,362		6,142,362								
2.23 Reinsurance ceded	413,613		413,613								
2.24 Net	14,443,620	728,464	(b) 12,129,847	(b)		(b)	(b) 398,670		(b)	(b)	(b) 1,186,639
3. Incurred but unreported:											
3.1 Direct	6,518,715	306,443	2,949,271								3,263,001
3.2 Reinsurance assumed	1,391,607		1,391,607								
3.3 Reinsurance ceded	187,886		187,886								
3.4 Net	7,722,436	306,443	(b) 4,152,992	(b)		(b)	(b)		(b)	(b)	(b) 3,263,001
4. TOTALS											
4.1 Direct	19,246,568	4,404,086	9,921,278				471,564		(b)	(b)	4,449,640
4.2 Reinsurance assumed	7,816,888		7,816,888								
4.3 Reinsurance ceded	601,499		601,499								
4.4 Net	26,461,957	(a) 4,404,086	(a) 17,136,667				(a) 471,564				4,449,640

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ 3,369,179 in Column 2, \$ 125,909 in Column 3 and \$ in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for

Ordinary Life Insurance \$ 2,998,929, Individual Annuities \$, Credit Life (Group and Individual) \$, and Group Life \$

are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$, Credit (Group and Individual) Accident and Health \$ and Other Accident and

Health \$ are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve)

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

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct	231,373,174	23,208,441	103,576,223	1,142,333	113,221		4,038,626	32,740,313	44,007,726		22,546,291
1.2 Reinsurance assumed	86,765,385		86,765,385								
1.3 Reinsurance ceded	4,167,163		4,007,808								159,355
1.4 Net (d)	313,971,396	23,208,441	186,333,800	1,142,333	113,221		4,038,626	32,740,313	44,007,726		22,386,936
2. Liability December 31, current year from Part 1:											
2.1 Direct	19,246,568	4,404,086	9,921,278				471,564				4,449,640
2.2 Reinsurance assumed	7,816,888		7,816,888								
2.3 Reinsurance ceded	601,499		601,499								
2.4 Net	26,461,957	4,404,086	17,136,667				471,564				4,449,640
3. Amounts recoverable from reinsurers December 31, current year	505,057		505,057								
4. Liability December 31, prior year:											
4.1 Direct	17,875,247	5,006,709	9,316,012	13,471			340,192				3,198,863
4.2 Reinsurance assumed	26,111,050		26,111,050								
4.3 Reinsurance ceded	456,277		456,277								
4.4 Net	43,530,020	5,006,709	34,970,785	13,471			340,192				3,198,863
5. Amounts recoverable from reinsurers December 31, prior year	163,247		163,247								
6. Incurred Benefits:											
6.1 Direct	232,744,495	22,605,818	104,181,489	1,128,862	113,221		4,169,998	32,740,313	44,007,726		23,797,068
6.2 Reinsurance assumed	68,471,223		68,471,223								
6.3 Reinsurance ceded	4,654,195		4,494,840								159,355
6.4 Net	296,561,523	22,605,818	168,157,872	1,128,862	113,221		4,169,998	32,740,313	44,007,726		23,637,713

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ 682,590 in Line 1.1, \$ 682,590 in Line 1.4.
\$ 210,408 in Line 6.1 and \$ 210,409 in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ 1,368,466 in Line 1.1, \$ 1,771,011 in Line 1.4.
\$ 1,263,525 in Line 6.1 and \$ 1,601,075 in Line 6.4.

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

(d) Includes \$ 6,552,903 premiums waived under total and permanent disability benefits.

EXHIBIT 9 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1	2	3
	End of Current Year	End of Prior Year	Changes for Year (Increase) or Decrease
1. Summary of Items Page 2, Line 12 to Line 17 and Line 19 to Line 22, Column 2	7,584,832	4,695,255	(2,889,577)
2. Other Nonadmitted Assets:			
2.1 Bills receivable	(1,528)	11,859	13,387
2.2 Furniture and equipment			
2.3 Leasehold improvements			
2.4 Cash advanced to or in the hands of officers or agents	9,850	9,850	
2.5 Loans on personal security, endorsed or not			
2.6 Supplies, stationery, printed matter			
2.7 Commuted commissions			
3. Total (Lines 2.1 to Line 2.7)	8,322	21,709	13,387
4. Disallowed interest maintenance reserve			
5. Aggregate write-ins for other than invested assets	494,232,791	448,740,152	(45,492,639)
6. Total (Line 1 plus Lines 3 to Line 5)	501,825,945	453,457,116	(48,368,829)
DETAILS OF WRITE-INS			
0501. Miscellaneous	1,434,475	1,433,552	(923)
0502. Pension Asset	491,839,789	447,306,600	(44,533,189)
0503. Non-admitted Net Investment Income Accrual	958,527		(958,527)
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	494,232,791	448,740,152	(45,492,639)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department.

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

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

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

C. Accounting Policy

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method or the lower of amortized cost or fair market value.
- (3) Unaffiliated common stocks are stated at market value.
- (4) Preferred stocks are stated at cost or the lower of cost or fair market value.
- (5) Mortgage loans not in default are carried at outstanding indebtedness less unamortized premium or discount.
- (6) Loan-backed securities are stated at either amortized cost or the lower or amortized cost or fair market value. The retrospective adjustment method is used to value all securities.
- (7) The Company carries its life insurance subsidiaries and non-life insurance subsidiaries at Statutory equity.
- (8) Real estate joint ventures and partnerships are accounted for under the equity method. The equity in earnings for real estate joint ventures and general partnerships are recorded through net investment income. The equity in earnings for limited partnership interests is recorded to surplus.
- (9) All derivatives are stated at fair value.
- (10) Anticipated investment income is not a factor in calculating deficiency reserves.
- (11) Loss liabilities for accident and health contracts are based on industry standard tables for long term disability coverages and historical company experience for other accident and health.

2. Accounting Changes and Corrections of Errors

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

3. Business Combinations and Goodwill. None

4. Discontinued Operations. None

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

- (1) The minimum and maximum lending rates for mortgage loans during 2002 were:
Farm loans NONE, City loans 6.74% and 7.00%, Purchase money mortgages NONE.
- (2) During 2002, the Company reduced interest rates of outstanding mortgage loans as follows: NONE
- (3) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was: 80%:

	<u>Current Year</u>	<u>Prior Year</u>
(4) As of year end, the Company held mortgages with interest more than 180 days past due with a recorded investment, excluding accrued interest	\$0	\$0
a. Total interest due on mortgages with interest more than 180 days past due	\$0	\$0
(5) Taxes, assessments and any amounts advanced and not included in the mortgage loan total	\$0	\$0
(6) Current year impaired loans with a related allowance for credit losses	\$0	\$0

NOTES TO FINANCIAL STATEMENTS

a.	Related allowance for credit losses	\$0	\$0
(7)	Impaired Mortgage loans without an allowance for credit losses	\$0	\$0
(8)	Average recorded investment in impaired loans	\$0	\$0
(9)	Interest income recognized during the period the loans were impaired	\$0	\$0
(10)	Amount of interest income recognized on a cash basis during the period the loans were impaired	\$0	\$0
(11)	The Company recognizes interest income on its impaired loans upon receipt.		

B. Debt Restructuring. None

C. Reverse Mortgages. None

D. Loan-Backed Securities

- (1) The retrospective adjustment method is used to value these securities.
- (2) Prepayment assumptions were obtained from Bloomberg, brokers or internal estimates.
- (3) The market value sources of these securities are from the HUB Data Pricing service where available. If not available, fair values were provided by either the broker, internal estimates or spread pricing.
- (4) There have been no changes to the adjustment methodology due to negative yields.

E. Repurchase Agreements. None

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B. The Company does not have any impaired investments in Joint Ventures, Partnerships or Limited Liability Companies.

7. Investment Income

A. Due and accrued income was excluded from surplus on the following bases:
All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans and bonds in default.

B. The total amount excluded was \$958,527.

8. Derivative Instruments

The Company uses interest rate swaps to reduce market risks from changes in interest rates to alter interest rate exposures arising from mismatches between assets and liabilities. Under interest rate swaps, the Company agrees with other parties to exchange, at specified intervals the difference between fixed-rate and floating-rate amounts calculated by reference to an agreed notional principal amount. Generally, no cash is exchanged at the outset of the contract and no principal payments are made by either party. A single net payment is usually made by one counterparty at each due date. See schedule DB.

The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure of interest rate swaps is represented by the fair value (market value) of contracts with a positive fair value (market value) at the reporting date.

9. Income Taxes

A. The Components of the net deferred tax asset/(liability) at December 31 are as follows:

	<u>Current year</u>	<u>Prior year</u>
Total of all deferred tax assets (admitted and nonadmitted)	286,735,155	175,062,097
Total of all deferred tax liabilities	606,272,890	689,952,094
Total deferred tax assets nonadmitted in accordance with SSAP No. 10,		
Income Taxes	-	-
Total of all deferred tax assets	-	-
Increase (decrease) in deferred tax assets nonadmitted	-	-

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

None

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

	<u>Current year</u>	<u>Prior year</u>
Current year expense	45,146,487	86,055,127
Tax credits	(1,183,670)	(4,414,705)
Current year equity tax	-	-
Refund of Prior Year Tax	(8,195,072)	-
Prior year overaccrual	(16,107,127)	(7,601,961)
Current income taxes incurred	<u>19,660,618</u>	<u>74,038,461</u>

The main components of the 2001 deferred tax amounts are as follows:

<u>DTAs</u>	<u>Statutory</u>	<u>Tax</u>	<u>Differences</u>	<u>Tax effect</u>
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NOTES TO FINANCIAL STATEMENTS

Reserves	3,128,439,827	2,891,911,225	236,528,602	82,785,011
DAC	-	135,276,261	135,276,261	47,346,691
Stocks/Bonds	356,595,667	530,338,365	173,742,698	60,809,944
Benefit for Employees and Agents	52,545,220	-	52,545,220	18,390,827
Post Retirement Benefits	173,699,283	9,707,842	163,991,441	57,397,004
Real Estate Joint Ventures	-	34,758,286	34,758,286	12,165,400
Other	<u>251,107,194</u>	<u>273,507,988</u>	<u>22,400,794</u>	<u>7,840,278</u>
Total DTAs	<u>3,962,387,191</u>	<u>3,875,499,967</u>	<u>819,243,302</u>	<u>286,735,156</u>
DTAs nonadmitted				-

DTLs	Statutory	Tax	Differences	Tax effect
Stocks/Bonds	5,450,054,642	3,889,341,891	1,560,712,751	546,249,463
Real Estate Joint Ventures	228,314,327	131,209,790	97,104,537	33,986,588
Other	-	74,390,968	74,390,968	26,036,839
Total DTLs	<u>5,678,368,969</u>	<u>4,094,942,649</u>	<u>1,732,208,256</u>	<u>606,272,890</u>

Changes in the main components of DTAs and DTLs are as follows:

DTAs resulting from book/tax differences in:	Current year	Prior year	Change
Reserves	82,785,011	104,071,279	(21,286,268)
DAC	47,346,691	38,306,752	9,039,939
Real Estate Joint Ventures	12,165,400	6,796,772	5,368,628
Benefit for Employees and Agents	75,787,831	19,604,332	56,183,499
Stocks/Bonds	60,809,944	-	60,809,944
Other	<u>7,840,278</u>	<u>6,282,962</u>	<u>1,557,316</u>
Total DTAs	<u>286,735,155</u>	<u>175,062,097</u>	<u>111,673,058</u>
DTAs nonadmitted			-

DTLs resulting from book/tax differences in:	Current year	Prior year	Change
Stocks/Bonds	546,249,463	689,952,094	(143,702,631)
Real Estate Joint Ventures	33,986,588	-	33,986,588
Other	<u>26,036,839</u>	<u>-</u>	<u>26,036,839</u>
Total DTLs	<u>606,272,890</u>	<u>689,952,094</u>	<u>(83,679,204)</u>

D. Among the more significant book to tax adjustments were the following:	Amount	Tax effect
Income before taxes	267,341,611	93,569,564
Book vs. Tax Capital Gains/Losses	43,120,240	15,092,084
Book over tax reserves	(6,354,529)	(2,224,085)
Net DAC adjustment	561,080	196,378
Depreciation	(2,782,765)	(973,968)
Accrued market discount	(6,048,413)	(2,116,945)
Tax exempt interest	(774,592)	(271,107)
Dividend received deduction	(71,872,178)	(25,155,262)
Accrued dividends	(8,116,129)	(2,840,645)
Reserve Strengthening	(6,034,239)	(2,111,984)
Non qualified pension	(5,235,464)	(1,932,412)
Other	<u>(74,814,660)</u>	<u>(26,185,131)</u>
Taxable income	<u>128,989,962</u>	<u>45,146,487</u>

E. At December 31, 2002, the Company had \$0 of operating loss carry forwards.

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	\$ 45,146,487
2001	\$ 28,059,817
2000	\$ 49,816,880

F. The Company federal income Tax return is consolidated with the following entities:

Western-Southern Life Assurance Company and Subsidiaries
Columbus Life Insurance Company and Subsidiaries
Western-Southern Agency, Inc.
Western-Southern Agency Services, Inc.
AM Concepts, Inc.
WASLIC II, Inc.
WestAd, Inc.
WestTax, Inc.
Fort Washington Investment Advisors, Inc. and Subsidiary

The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany Tax balances are reimbursed quarterly.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A.,B. The Company received two dividends from its subsidiary, Columbus Life Insurance Company. Both dividends were paid in the form of common stock
- & C of various unaffiliated companies. On April 26, 2002, the Company received common stock valued at \$29,854,963 and on December 26, 2002, the Company received common stock valued at \$34,994,331.

NOTES TO FINANCIAL STATEMENTS

On November 26, 2002, the Company dissolved its non-life subsidiary, Waslic Company II. All assets and liabilities, including bonds, common and preferred stocks and limited partnerships, were transferred from the subsidiary to the parent at a value of \$545,167,792.

On December 26, 2002, the Company received from its non-life subsidiary, Fort Washington Investment Advisors, a dividend in the amount of \$12,192,551 and a return of capital of \$16,099,822. The total of the two were paid in the form of \$8,000,000 cash and two promissory notes. One note was from the Company's subsidiary, Touchstone Advisors in the amount of \$10,378,592 and the other note was from the Company's subsidiary, IFS Financial Services in the amount of \$9,913,781.

On June 28, 2002, the Company capitalized its subsidiary, Western-Southern Life Assurance Company with bonds valued at 30,000,000. On December 26, 2002, the Company again capitalized the subsidiary. The capitalization was paid in the form of various unaffiliated perpetual preferred stocks valued at \$49,627,132 (including interest) and unaffiliated common stocks valued at \$34,994,331.

On December 26, 2002, the Company capitalized its subsidiary, Integrity Life Insurance Company. The capitalization was paid in the form of common stock of various unaffiliated companies valued at \$145,000,422.

On December 31, 2002, the Company entered into a reinsurance agreement with its subsidiary, Integrity Life Insurance Company. The ceding commission paid to Integrity was paid in the form of cash for \$802,896 and an unaffiliated perpetual preferred stock valued at \$32,197,104 (including accrued interest).

- D. None
- E. The Company had no guarantees or undertakings for the benefit of an affiliate that resulted in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.
- F. There are no management contracts, service contracts, or cost sharing agreements, other than allocation arrangements based on generally accepted accounting principles, involving the Company and its affiliated insurers. See Schedule Y, Part 2.
- G. Not applicable.
- H. Not applicable.
- I. Not applicable.
- J. The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.

11. Debt. None

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-Retirement Benefit Plans.

A. Defined Benefit Plan

The Company maintains a defined benefit pension plan covering substantially all employees and agents. Benefits are based on years of service and the highest consecutive five years of earnings in the ten years preceeding retirement. The Company's funding and accounting practices are to contribute annually the maximum amount that can be deducted for federal income tax purposes and to charge such contribution to expense in the year they are deductible for income tax purposes. No pension plan contribution was made in the current or prior year because the plan was subject to the full funding limitation under the Internal Revenue Code.

A summary of assets, obligations and assumptions of the Pension and Other Post-retirement Benefits Plans are as follows at December 31, 2002 and 2001:

	Pension Benefits		Other Benefits	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
(1) Change in benefit obligation				
a. Benefit obligation at beginning of year	\$ 455,458,733	435,781,355	\$191,388,699	\$ 176,297,858
b. Service cost	8,858,573	8,649,786	10,112,418	7,730,424
c. Interest cost	33,502,258	32,474,618	12,532,708	13,814,937
d. Contribution by plan participants				
e. actuarial gain (loss)	59,197,257	10,697,870	200,917	1,004,416
f. Foreign currency exchange rate changes				
g. Benefits paid	(33,631,878)	(32,143,896)		
h. Plan amendments	340,119			
i. Business combinations, divestitures, curtailments, settlements and special termination benefits				
j. Benefit obligation at end of year	\$ 523,725,062	\$ 455,458,733	\$209,742,455	\$191,388,699
(2) Change in plan assets				
a. Fair value of plan assets at beginning of year	\$ 812,173,333	\$ 841,598,155		
b. Actual return on plan assets	(52,046,831)	2,719,074		
c. Foreign currency exchange rate changes				
d. Employer contribution				
e. Plan participant's contributions				
f. Benefits paid	(33,631,878)	(32,143,896)		
g. Business combinations, divestitures and settlements				
h. Fair value of plan assets at end of year	\$ 726,494,624	\$ 812,173,333		
(3) Funded status				
a. Unamortized prior service cost			\$ 14,114,825	\$ 4,462,561
b. Unrecognized net gain or (loss)			(59,440,949)	(37,410,324)
c. Remaining net obligation or net asset at initial date of application			\$209,742,445	\$176,297,858
d. Prepaid assets or accrued liabilities	\$ 491,839,789	\$ 447,307,068	\$164,416,321	\$143,350,095
e. Intangible asset				
(4) Benefit obligation for non vested employees	\$ 5,771,719	\$ 4,309,376		
(5) Components of net periodic benefit cost				
a. Service cost	\$ 8,858,573	\$ 8,648,786	\$ 10,112,418	\$ 6,956,547
b. Interest cost	33,502,258	32,474,618	12,532,708	13,139,032
c. Expected return on plan assets	(86,924,532)	(82,613,672)		
d. Amortization of unrecognized transition obligation or transition asset				
e. Amount of recognized gains and losses			(959,584)	1,164,391
f. Amount of prior service cost recognized	30,920		1,160,501	(278,911)
g. Amount of gain or loss recognized due to a settlement or curtailment				
h. Total net periodic benefit cost	\$ (44,532,781)	\$ (41,490,268)	\$ 22,846,043	\$ 20,981,059

NOTES TO FINANCIAL STATEMENTS

(6) Not Applicable

(7) Weighted-average assumptions as of Dec. 31

a. Discount rate	6.5%	7.5%	6.5%	7.5%
b. Rate of compensation increase	4.6%	5.5%	4.6%	5.5%
c. Expected long-term rate of return on plan assets	8.5%	10.0%		

(8) For measurement purposes, a 9.0 percent annual rate of increase in the per capita cost of covered health care benefits was assumed for 2002. The rate was assumed to decrease gradually to 4.75 percent for 2009 and remain at that level thereafter.

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

	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	\$3,070,063	\$(2,588,860)
b. Effect on post-retirement benefit obligation	\$25,649,824	\$(21,937,204)

B. Defined Contribution Plan

The Company maintains a deferred compensation plan for Directors, selected consultants and for Highly Compensated Employees (as defined in IRC 414(q) working in the Home Office. Eligible participants may elect to have all or any portion of their salary or fees credited to a defined Investment account.

The Company also maintains a contributory Employee Retirement Savings Plan qualified under the provisions of IRC 401(k). Employees may contribute up to \$11,000 of earnings, or if 50 years of age or older, may contribute an additional \$1,000. Participants may direct invested funds into the mutual funds offered by the plan. Total expenses of \$1,168,041 were recognized by the Company in 2002 associated with the employer match.

C. Multi-employer Plans. None

D. Consolidated/Holding Company Plans. None

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

(1) The Company has 1,000 shares authorized, 1,000 shares issued and 1,000 shares outstanding. All shares are Class A shares.

(2) The Company has no preferred stock outstanding.

(3) There are no restrictions on the payment of dividends to stockholders. Greater than 100% of the profits and up to 5% of surplus of the Company may be paid to stockholder. Dividends are noncumulative.

(4) Within the limitations of (3) above, there are no restrictions placed on the portion of company profits that may be paid as ordinary dividends to stockholders.

(5) There were no restrictions placed on the Company's surplus.

(6) There are no advances of surplus.

(7) The amounts of stock held by the Company, including stock of affiliated companies, for special purposes is: None

(8) The Company does not hold any special surplus funds.

(9) The portion of unassigned funds (surplus) represented or reduced by each of the following items:

a. unrealized gains and losses:	1,633,918,356
b. nonadmitted asset values:	(501,825,945)
c. separate account business:	
d. asset valuation reserves:	(399,527,734)
e. reinsurance in unauthorized companies:	

(10) The Company held no surplus debenture or similar obligation.

(11) Not applicable

(12) Not applicable

Contingencies

A. Contingent Commitments

A guarantee agreement, dated December 1, 1992, in the original amount of \$6,480,000 and with a current balance of \$4,553,686, guarantees the payment of principal and interest by the Company to US Bank, N.A., Trustee, on Industrial Revenue Bonds financing an office building owned by Lookout Corporate Center, a Kentucky joint venture, in which the Company has an equity interest.

B. Assessments. The Company is not aware of any material assessments.

C. Gain Contingencies. The Company is not aware of any gain contingencies.

D. All Other Contingencies

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

15. Leases

(A) The Company did not have any material lease obligation at December 31, 2002.

(B) The Company is not involved in any material lessor leasing arrangements.

NOTES TO FINANCIAL STATEMENTS

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

The Company uses interest rate swaps to reduce market risks from changes in interest rates to alter interest rate exposures arising from mismatches between assets and liabilities. Under interest rate swaps, the Company agrees with other parties to exchange, at specified intervals the difference between fixed-rate and floating-rate amounts calculated by reference to an agreed notional principal amount. Generally, no cash is exchanged at the outset of the contract and no principal payments are made by either party. A single net payment is usually made by one counterparty at each due date. See schedule DB. The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure of interest rate swaps is represented by the fair value (market value) of contracts with a positive fair value (market value) at the reporting date.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities. None
18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans. None
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators. None
20. Other Items.

- A. None
- B. None
- C. None
- D. None
- E. None
- F. None
- G. Mezzanine Real Estate Loans
- 1) The maximum and minimum lending rates for mortgage loans during 2002 were 7.75% and 7.75%.
 - 2) None
 - 3) The maximum percentage of any one loan to the value of security at the time of the loan was 45%.
 - 4) None
 - 5) None
 - 6) None
 - 7) None
 - 8) None
 - 9) None
 - 10) None
- H. None
- I. None
- J. None
- K. Participating Accident and Health Policies

For reporting year ended 2002, premiums under individual and group accident and health participating policies were 81% of total individual and group accident and health premiums earned. The Company accounts for its policyholder dividends based upon an apportioned basis. The Company paid dividends in the amount of \$0 to policyholders and did not allocate any additional incomes to such policyholders.

- L. Premium Deficiency Reserves

As of 12/31/2002, the Company had liabilities of \$0 related to premium deficiency reserves for all accident and health contracts.

- M. Loss/Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of 1/1/2002 and 12/31/2002 was \$0 and \$0, respectively.

The Company incurred \$569,000 and paid \$569,000 of claim adjustment expenses in the current year, of which \$455,000 of the paid amount was attributable to insured or covered events of prior years. The Company did not increase or decrease the provision for insured events of prior years.

The Company took into account estimated anticipated salvage and subrogation in its determination of the liability for unpaid claims/losses and reduced such liability by \$0.

- N. None
- O. None

21. Events Subsequent. The Company is not aware of any events occurring subsequent to the close.

22. Reinsurance

- A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, office, trustee, or director of the company?

Yes () No (X)

If yes, give full details

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2. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details

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Section 2 – Ceded Reinsurance Report – Part A

NOTES TO FINANCIAL STATEMENTS

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. \$ _
 - b. 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? \$ _
2. Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that , in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
 Yes () No (X)
 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 other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current of anticipated experience of the business reinsured in making this estimate. \$(108,191,428)
2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?
 Yes () No (X)
 If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$

- B. The Company had no uncollectible reinsurance balances written off during the year.
- C. The Company had no commutation of reinsurance reflected in income or expenses this year.

23. Retrospectively Rated Contracts & Contracts Subject to Redetermination. NONE

24. Change in Incurred Losses and Loss Adjustment Expenses. NONE

25. Intercompany Pooling Arrangements. NONE

26. Reserves for Life Contracts and Deposit-Type Contracts

- (1) The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
- (2) Policies issued to substandard lives are charged an extra premium plus the regular gross premium for the true age. Mean reserves are based on appropriate multiples of standard rates of mortality.
- (3) As of December 31, 2002, the Company had \$3,002,456,272 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of Ohio. Reserves to cover the above insurance totaled \$77,703,915 at year-end and are reported in Exhibit 5, Life Insurance and Annuities sections.
- (4) The tabular interest, the tabular less actual reserve released, and the tabular cost have been determined by formula as described in the instructions.
- (5) The determination of tabular interest on funds not involving life have been determined by formula as described in the instructions.
- (6) The details for other changes: None.

27. Variable Annuities with Guaranteed Living Benefits None

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

	Amount	% of Total
A. Subject To Discretionary Withdrawal:		
(1) With market value adjustment	\$ 0	0.0%
(2) At book value less surrender charge of 5% or more	0	0.0%
(3) At fair value	0	0.0%
(4) Total with adjustment or at market value (Total of 1 through 3)	0	0.0%
(5) At book value without adjustment (minimal or no charge or adjustment)	702,301,433	48.5%
B. Not subject to discretionary withdrawal	746,562,394	51.5%
C. Total (gross)	1,448,863,827	100.0%
D. Reinsurance Ceded	241,351,567	
E. Total (net) * (C) - (D)	1,207,512,260	

*Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

- F. Life & Accident & Health Annual Statement:
1. Exhibit 5, B Annuities Section, Total (net) \$ 20,224,558
 2. Exhibit 5, C SCILC Section, Total (net) 2,412,085

NOTES TO FINANCIAL STATEMENTS

3.	Exhibit 7, Exhibit of Deposit-Type Contracts, Line 14, Column 1	460,396,884
4.	Subtotal	\$ 483,033,527
Separate Accounts Annual Statement		
5.	Exhibit 3, Line 0299999, Column 2	\$ 0
6.	Exhibit 3, Line 0399999, Column 2	0
7.	Policyholder dividend and coupon accumulations	0
8.	Policyholder premiums	724,478,733
9.	Guaranteed interest contracts	0
10.	Other contract deposit funds	0
11.	Subtotal	\$724,478,733
12.	Combined Total	\$1,207,512,260

29. Premium and Annuity Considerations Deferred and Uncollected

	(1)	(2)
<u>Type</u>	<u>Gross</u>	<u>Net of Loading</u>
(1) Industrial	\$ 0	\$ 0
(2) Ordinary new business	9,942,304	1,477,386
(3) Ordinary renewal*	74,347,415	52,999,956
(4) Credit Life	0	0
(5) Group Life	0	0
(6) Group Annuity	0	0
(7) Totals	\$84,289,719	\$54,477,342

30. Separate Accounts

A. General Nature and Characteristics of Separate Account Business:

The Company maintains a separate account which holds all of the Company's pension plan assets. The Plan is a non-contributory defined benefit plan that covers substantially all employees. The assets consist primarily of marketable securities which are carried at market value.

B. Reconciliation of Net Transfers To or (From) Separate Accounts

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:		
a. Transfers to Separate Accounts (Page 4, Line 1.4)		\$ 0
b. Transfers from Separate Accounts (Page 4, Line 10)		33,631,877
c. Net transfers to (from) Separate Accounts (a)-(b)		(33,631,877)
(2) Reconciling Adjustments:		
a._		-
b._		-
c._		-
(3) Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (1c)+(2)=(Page 4, Line 26)		(33,631,877)

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	74,805,312	1.518	74,805,312	1.105
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	1,860,616	0.038	1,860,616	0.027
1.22 Issued by U.S. government sponsored agencies	5,289,070	0.107	5,289,070	0.078
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	47,744,158	0.969	47,744,158	0.705
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations	8,523,618	0.173	8,523,618	0.126
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA	106,705,999	2.165	106,705,999	1.576
1.512 Issued by FNMA and FHLMC	52,749,638	1.070	52,749,638	0.779
1.513 Privately issued				
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC	13,147,831	0.267	13,147,831	0.194
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC	129,005,076	2.617	129,005,076	1.906
1.523 All other privately issued	13,148,091	0.267	13,148,091	0.194
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	1,730,923,205	35.119	1,730,234,433	25.562
2.2 Unaffiliated foreign securities	426,257,660	8.648	426,083,844	6.295
2.3 Affiliated securities	20,292,373	0.412	20,292,373	0.300
3. Equity interests:				
3.1 Investments in mutual funds	109,023,240	2.212	91,958,811	1.359
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated	56,419,525	1.145	55,579,525	0.821
3.3 Publically traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated	581,675,939	11.802	2,205,854,679	32.589
3.4 Other equity securities:				
3.41 Affiliated	715,047,530	14.508	887,208,277	13.107
3.42 Unaffiliated	11,907,935	0.242	11,769,436	0.174
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties	294,370	0.006	294,370	0.004
4.4 Multifamily residential properties	29,422,542	0.597	29,422,542	0.435
4.5 Commercial loans	92,499,801	1.877	92,499,801	1.367
5. Real estate investments:				
5.1 Property occupied by company	32,975,707	0.669	32,975,707	0.487
5.2 Property held for production of income (includes \$ _____ of property acquired in satisfaction of debt)	90,682,913	1.840	90,682,921	1.340
5.3 Property held for sale (\$ _____ including property acquired in satisfaction of debt)				
6. Policy loans				
7. Receivables for securities	4,061,783	0.082	4,061,783	0.060
8. Cash and short-term investments	408,588,835	8.290	408,588,835	6.036
9. Other invested assets	165,678,372	3.361	228,314,326	3.373
10. Total invested assets	4,928,731,139	100.000	6,768,801,072	100.000

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes (X) No ()
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes (X) No () 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 (X)
- 2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made: 12/31/1997
- 3.2 State the as of date of the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1997
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/19/1999
- 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 common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes () No (X)
 4.12 renewals? Yes () No (X)
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes () No (X)
 4.22 renewals? Yes () No (X)
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes () No (X)
- 5.2 If yes, provide name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any reporting entity that has ceased to exist as a result of the merger or consolidation.

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

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

1 Nationality	2 Type of Entity
.....
.....
.....

GENERAL INTERROGATORIES (continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young
1300 Chiquita Center, 250 E Fifth St, Cincinnati, OH 45202

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?
Nora Moushey, 400 Broadway, Cincinnati, OH 45202
Officer of the reporting entity

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

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

10.2 Does this statement contain all business transacted for the reporting entity through its United States branch, on risks wherever located? Yes () No ()

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

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

BOARD OF DIRECTORS

11. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes (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 \$
14.12 To stockholders not officers \$
14.13 Trustees, supreme or grand (Fraternal only) \$

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

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

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

Disclose in Notes to Financial Statements the nature of each obligation.

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

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

GENERAL INTERROGATORIES (Continued)

INVESTMENT

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

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price if Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
Preferred					Yes () No (X)	Yes () No (X)
Common	1,000,000	1,000,000	0.01	XXX	XXX (X) XXX	XXX (X) XXX

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

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

.....

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

19.2 If yes, state the amount thereof at December 31 of the current year:	19.21 Loaned to others	\$	1,371,600
	19.22 Subject to repurchase agreements	\$	
	19.23 Subject to reverse repurchase agreements	\$	
	19.24 Subject to dollar repurchase agreements	\$	
	19.25 Subject to reverse dollar repurchase agreements	\$	54,278,237
	19.26 Pledged as collateral	\$	
	19.27 Placed under option agreements	\$	
	19.28 Letter stock or securities restricted as to sale	\$	
	19.29 Other	\$	

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

- 19.31 Morgan Stanley
- 19.32
- 19.33
- 19.34
- 19.35 Bank of America and Credit Suisse First Boston
- 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 (X) No ()

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York	One Wall Street, New York, NY 10286
.....
.....

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
107126	Ft. Washington Investment	420 East Fourth Street
.....	Advisors	Cincinnati, OH 45202
.....

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ 650,889

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	\$ 304,781
.....	\$
.....	\$
.....	\$

24.1 Amount of payments for legal expenses, if any? \$ 584,160

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
FROST BROWN TODD, LLC	\$ 205,265
.....	\$
.....	\$
.....	\$

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 81,188

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

1 Name	2 Amount Paid
ASSOC OF OHIO LIFE INSURANCE COMPANIES	\$ 53,798
AMERICAN COUNCIL OF LIFE INSURANCE	\$ 27,390
.....	\$
.....	\$

GENERAL INTERROGATORIES (continued)

PART 2 - LIFE INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes () No (X)
- 1.2 If yes, indicate premium earned on U.S. business only. \$
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
- 1.31 Reason for excluding:

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$
- 1.62 Total incurred claims \$
- 1.63 Number of covered lives
- All years prior to most current three years:
- 1.64 Total premium earned \$
- 1.65 Total incurred claims \$
- 1.66 Number of covered lives
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$
- 1.72 Total incurred claims \$
- 1.73 Number of covered lives
- All years prior to most current three years:
- 1.74 Total premium earned \$
- 1.75 Total incurred claims \$
- 1.76 Number of covered lives
- 2.1 Does this reporting entity have Separate Accounts? Yes (X) No ()
- 2.2 If yes, has a Separate Accounts statement been filed with this Department? Yes (X) No () N/A ()
- 2.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? \$
- 2.4 State the authority under which Separate Accounts are maintained:
 Section 3905.15 Ohio Revised Code

- 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 \$
- 3.22 Received \$ 48,782,103
- 4.1 Does the reporting entity write any guaranteed interest contracts? Yes () No (X)
- 4.2 If yes, what amount pertaining to these items is included in:
- 4.21 Page 3, Line 3 \$
- 4.22 Page 4, Line 1 \$
5. For stock reporting entities only:
- 5.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$
6. Total dividends paid stockholders since organization of the reporting entity:
- 6.11 Cash \$
- 6.12 Stock \$
- 7.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes (X) No ()
- 7.11 Name of real estate holding company
 Various
- 7.12 Number of parcels involved
- 7.13 Total book/adjusted carrying value \$
- 7.2 If yes, provide explanation:
 The Company holds ownership interests in various real estate subsidiaries, joint ventures, limited liability companies and limited partnerships.

FIVE-YEAR HISTORICAL DATA

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

	1 2002	2 2001	3 2000	4 1999	5 1998
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary-whole life and endowment (Line 34, Column 4)	29,009,555	29,417,150	29,670,117	30,088,615	30,212,063
2. Ordinary-term (Line 21, Column 4, less Line 34, Column 4)	7,044,610	7,839,641	8,613,930	13,806,045	13,666,328
3. Credit life (Line 21, Column 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Line 43 and Line 44, Column 4)	571,355	553,502	532,735	480,935	465,272
5. Industrial (Line 21, Column 2)	631,527	645,092	660,563	680,467	700,884
6. FEGLI/SGLI (Line 43 and Line 44, Column 4)					
7. Total (Line 21, Column 10)	37,257,047	38,455,385	39,477,345	45,056,062	45,044,547
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Column 2)	984,291	877,880	1,049,762	945,392	892,552
9. Ordinary-term (Line 2, Column 4, less Line 34, Column 2)	212,619	184,620	542,708	1,576,256	1,501,544
10. Credit life (Line 2, Column 6)					
11. Group (Line 2, Column 9)					50
12. Industrial (Line 2, Column 2)					
13. Total (Line 2, Column 10)	1,196,910	1,062,500	1,592,470	2,521,648	2,394,146
Premium Income-Lines of Business					
14. Industrial life (Exhibit 1-Part 1, Line 20.4, Column 2)	18,970,783	18,850,533	19,176,420	19,489,827	19,633,890
15.1 Ordinary life insurance (Exhibit 1-Part 1, Line 20.4, Column 3)	344,303,985	345,718,362	344,564,954	361,972,909	362,628,568
15.2 Ordinary individual annuities (Exhibit 1-Part 1, Line 20.4, Column 4)	500,409	28,341	(58,595)	(46,178)	147,940
16. Credit life, (Group and Individual) (Exhibit 1-Part 1, Line 20.4, Column 5)					
17.1 Group life insurance (Exhibit 1-Part 1, Line 20.4, Column 6)	4,872,216	4,147,554	6,079,379	440,900	168,660
17.2 Group annuities (Exhibit 1-Part 1, Line 20.4, Column 7)					
18.1 A & H-group (Exhibit 1-Part 1, Line 20.4, Column 8)	1,647,140	1,100,468	896,658	774,575	788,101
18.2 A & H-credit (group and individual) (Exhibit 1-Part 1, Line 20.4, Column 9)					
18.3 A & H-other (Exhibit 1-Part 1, Line 20.4, Column 10)	32,593,226	27,626,564	24,933,544	24,937,362	24,571,935
19. Aggregate of all other lines of business (Exhibit 1-Part 1, Line 20.4, Column 11)					
20. Deposit-type funds	X X X	X X X	60,000,000		200,000,000
21. Total	402,887,759	397,471,822	455,592,360	407,569,395	607,939,094
Balance Sheet Items (Pages 2 and 3)					
22. Total admitted assets excluding Separate Accounts business (Page 2, Line 25, Column 3)	6,966,682,392	7,391,750,511	6,820,773,292	6,675,481,954	6,485,856,313
23. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	4,400,085,191	4,748,119,091	4,316,982,851	4,373,837,030	4,353,760,374
24. Aggregate life reserves (Page 3, Line 1)	2,436,719,395	2,497,322,879	2,449,837,842	2,424,837,423	2,397,161,770
25. Aggregate A & H reserves (Page 3, Line 2)	214,064,848	202,208,549	188,118,655	174,407,776	112,518,751
26. Deposit-type contract funds (Page 3, Line 3)	460,396,884	457,873,971	X X X	X X X	X X X
27. Asset valuation reserve (Page 3, Line 24.1)	399,527,734	519,159,345	674,166,890	687,257,415	618,310,008
28. Capital (Page 3, Line 29 and Line 30)	5,000,000	5,000,000	5,000,000		
29. Surplus (Page 3, Line 37)	2,581,951,103	2,638,631,421	2,498,790,441	2,301,644,924	2,132,095,939
Risk-Based Capital Analysis					
30. Total adjusted capital	3,093,353,051	3,269,772,022	3,310,199,496	3,146,921,537	2,882,743,144
31. Authorized control level risk-based capital	472,014,049	483,515,898	627,217,156	614,078,919	572,630,429
Percentage Distribution of Assets (Page 2, Column 3) (Line No. /Page 2, Line 11, Column 3) x 100.0					
32. Bonds (Line 1)	38.4	37.7	34.4	35.1	35.8
33. Stocks (Line 2.1 and Line 2.2)	46.4	51.4	54.6	53.7	51.7
34. Mortgage loans on real estate (Line 3.1 and Line 3.2)	1.8	1.7	2.3	2.4	2.9
35. Real estate (Line 4.1, Line 4.2 and Line 4.3)	1.8	2.0	2.3	2.2	2.1
36. Policy loans (Line 5)	2.3	2.2	2.5	2.6	2.7
37. Premium notes (Line 6)					
38. Cash and short-term investments (Line 7)	6.0	1.3	1.3	1.5	2.6
39. Other invested assets (Line 8)	3.3	3.5	2.8	2.5	2.0
40. Receivable for securities (Line 9)	0.1	0.3			0.1
41. Aggregate write-ins for invested assets (Line 10)					
42. Cash and invested assets (Line 11)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
<u>Investments in Parent, Subsidiaries and Affiliates</u>					
43. Affiliated bonds (Schedule D Summary, Line 25, Column 1)	20,292,373	4,837,209	56,897,005	56,897,005	14,527,832
44. Affiliated preferred stocks (Schedule D Summary, Line 39, Column 1)	887,208,277	808,825,729	2,673,550,934	2,207,212,108	2,094,006,666
45. Affiliated common stocks (Schedule D Summary, Line 53, Column 2)					100,000,000
46. Affiliated short-term investments (subtotal included in Schedule DA, Part 2, Column 5, Line 11)					
47. Affiliated mortgage loans on real estate					
48. All other affiliated					
49. Total of above Line 43 to Line 48	907,500,650	813,662,938	2,730,447,939	2,264,109,113	2,208,534,498
<u>Total Nonadmitted and Admitted Assets</u>					
50. Total nonadmitted assets (Page 2, Line 27, Column 2)	501,825,945	470,515,605	22,960,519	20,688,903	73,185,498
51. Total admitted assets (Page 2, Line 27, Column 3)	7,692,593,571	8,203,441,270	7,661,680,558	7,481,714,790	7,274,143,884
<u>Investment Data</u>					
52. Net investment income (Exhibit of Net Investment Income)	373,925,682	360,635,326	399,378,545	337,754,746	349,525,286
53. Realized capital gains (losses)	87,915,308	130,694,482	68,234,448	92,713,998	57,294,732
54. Unrealized capital gains (losses)	(631,066,172)	(368,981,397)	(25,385,928)	47,624,099	415,061,452
55. Total of above Lines 52, Line 53 and Line 54	(169,225,182)	122,348,411	442,227,065	478,092,843	821,881,470
<u>Benefits and Reserve Increase (Page 6)</u>					
56. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and Line 15, Column 1 less Lines 10, 11, 12, 13, 14 and Line 15, Columns 9, 10 and 11)	308,906,998	313,476,973	524,511,527	492,866,945	331,411,445
57. Total contract benefits - A and H (Line 13 and Line 14, Columns 9, 10 and 11)	67,645,439	55,924,507	49,836,775	45,523,262	42,471,377
58. Increase in life reserves - other than group and annuities (Line 19, Columns 2 and 3)	20,938,729	24,495,480	18,629,442	26,717,026	27,582,918
59. Increase in A and H Reserves (Line 19, Columns 9, 10 and 11)	11,856,299	14,089,893	13,710,879	10,678,110	7,678,832
60. Dividends to policyholders (Line 30, Column 1)	70,644,612	70,819,310	70,546,870	68,351,443	67,436,460
<u>Operating Percentages</u>					
61. Insurance expense percent (Page 6, Column 1, Line 21, Line 22 and Line 23 less Line 6) / (Page 6, Column 1, Line 1 plus group annuity contribution funds) x 100.00	55.4	52.0	50.7	47.3	46.0
62. Lapse percent (ordinary only) (Exhibit of Life Insurance, Column 4, Line 14 and Line 15) x 100.00 / 1/2 (Line 1 and Line 21)	6.2	1.8	6.8	6.0	6.0
63. A and H loss percent (Schedule H, Part 1, Line 3 and Line 4, Column 2)	97.3	108.3	107.7	192.2	104.7
64. A and H expense percent (Schedule H, Part 1, Line 8, Column 2)	31.0	34.6	32.5	33.1	28.8
<u>A and H Claim Reserve Adequacy</u>					
65. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2)	6,433,687	7,035,935	5,267,486	4,197,563	3,457,297
66. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2)					
67. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Column 2)	54,334,776	47,542,890	44,874,188	40,783,545	34,486,525
68. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Column 2)	50,716,337	45,049,303	42,018,632	36,772,753	32,726,126
<u>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</u>					
69. Industrial life (Column 2)	3,781,676	5,034,543	1,233,421	7,908,222	9,774,921
70. Ordinary-life (Column 3)	44,701,502	93,097,798	40,331,332	36,995,910	24,776,325
71. Ordinary-individual annuities (Column 4)	(12,421,989)	6,481,443	1,635,144	1,141,188	8,123,100
72. Ordinary-supplementary contracts (Column 5)	47,213	113,386	254,357	142,473	(5,924)
73. Credit life (Column 6)					
74. Group life (Column 7)					
75. Group annuities (Column 8)					
76. A and H-group (Column 9)					
77. A and H-credit (Column 10)					
78. A and H-other (Column 11)	(2,775,398)	(7,916,616)	(6,959,980)	(7,296,130)	(4,165,787)
79. Aggregate of all other lines of business (Column 12)	167,788,575	48,000,623	115,190,165	61,713,671	80,115,241
80. Total (Column 1)	201,121,579	144,811,177	151,684,439	100,605,334	118,617,876

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance (a)	Number of		9 Amount of Insurance (a)	
							7 Policies	8 Certificates		
1. In force end of prior year	701,158	645,092	2,135,957	37,256,791			1	7,529	553,502	38,455,385
2. Issued during year			54,957	1,196,910						1,196,910
3. Reinsurance assumed			12,058	682,320			20	263	12,705	695,025
4. Revived during year	123	89	2,302	96,555						96,644
5. Increased during year (net)									8,390	8,390
6. Subtotals, Line 2 to Line 5	123	89	69,317	1,975,785			20	263	21,095	1,996,969
7. Additions by dividends during year	XXX	22,863	XXX	61,823	XXX		XXX	XXX		84,686
8. Aggregate write-ins for increases										
9. Totals (Line 1 and Line 6 to Line 8)	701,281	668,044	2,205,274	39,294,399			21	7,792	574,597	40,537,040
Deductions during year:										
10. Death	17,468	22,560	27,772	165,311			XXX	135	3,242	191,113
11. Maturity	6,247	1,872	1,105	2,664			XXX			4,536
12. Disability							XXX			
13. Expiry	3,805	2,863	15,002	183,834						186,697
14. Surrender	7,477	9,159	26,656	503,788						512,947
15. Lapse			42,169	1,774,628						1,774,628
16. Conversion			1,937	113,814			XXX	XXX	XXX	113,814
17. Decreased (net)		63	50,605	85,585				10		85,648
18. Reinsurance			25,956	410,610						410,610
19. Aggregate write-ins for decreases										
20. Totals (Line 10 to Line 19)	34,997	36,517	191,202	3,240,234				145	3,242	3,279,993
21. In force end of year (Line 9 minus Line 20)	666,284	631,527	2,014,072	36,054,165			21	7,647	571,355	37,257,047
22. Reinsurance ceded end of year	XXX		XXX	4,121,188	XXX		XXX	XXX		4,121,188
23. Line 21 minus Line 22	XXX	631,527	XXX	31,932,977	XXX	(b)	XXX	XXX	571,355	33,135,859
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page										
0899. Totals (Line 0801 through Line 0803 plus Line 0898) (Line 8 above)										
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page										
1999. Totals (Line 1901 through Line 1903 plus Line 1998) (Line 19 above)										

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

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	XXX	333,925	XXX	690,175
25. Other paid-up insurance	666,237	297,571	847,083	1,485,877
26. Debit ordinary insurance	XXX	XXX	114,615	756,522

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (included in Page 30, Line 2)		In Force End of Year (included in Page 30, Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
Term Insurance Excluding Extended Term Insurance				
27. Term policies-decreasing			3,343	128,450
28. Term policies-other	2,037	20,605	68,196	3,444,842
29. Other term insurance-decreasing	XXX		XXX	72,962
30. Other term insurance	XXX	192,014	XXX	2,464,829
31. Totals (Line 27 to Line 30)	2,037	212,619	71,539	6,111,083
Reconciliation to Page 30, Line 2 and Line 21:				
32. Term additions	XXX		XXX	7,385
33. Totals, extended term insurance	XXX	XXX	529,593	926,142
34. Totals, whole life and endowment	52,920	984,291	1,412,940	29,009,555
35. Totals (Line 31 to Line 34)	54,957	1,196,910	2,014,072	36,054,165

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		1,196,910	19,295,755	16,758,410
38. Credit Life (Group and Individual)				
39. Group			12,705	558,650
40. Totals (Line 36 to Line 39)		1,196,910	19,308,460	17,948,587

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	7,647	XXX
43. Federal Employees' Group Life Insurance included in Page 30, Line 21				
44. Servicemen's Group Life Insurance included in Page 30, Line 21				
45. Group Permanent Insurance included in Page 30, Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	3,079,562
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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)
(47.2)

POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium			430,625	16,404,866			4	27
49. Disability Income							4,415	396,725
50. Extended Benefits			XXX	XXX				
51. Other	218,088	137,667	62,082	608,171				
52. Total	218,088	(b) 137,667	492,707	(b) 17,013,037		(b)	4,419	(b) 396,752

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

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

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

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	230	729		
2. Issued during year		41		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Line 1 to Line 4)	230	770		
Deductions during year:				
6. Decreased (net)	9	123		
7. Reinsurance				
8. Totals (Line 6 and Line 7)	9	123		
9. In force end of year	221	647		
10. Amount on deposit	(a) 221	(a) 2,330,263		(a)
11. Income now payable	221	173		
12. Amount of income payable	(a) 264,263	(a) 397,618	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	675	1,465	1	9,993
2. Issued during year				
3. Reinsurance assumed	2,212	37,982	4	310
4. Increased during year (net)				134
5. Totals (Line 1 to Line 4)	2,887	39,447	5	10,437
Deductions during year:				
6. Decreased (net)	7	89		
7. Reinsurance				
8. Totals (Line 6 and Line 7)	7	89		
9. In force end of year	2,880	39,358	5	10,437
Income now payable:				
10. Amount of income payable	(a) 39,607,368	X X X	X X X	(a) 31,625,998
Deferred fully paid:				
11. Account balance	X X X	(a) 219,166,145	X X X	(a) 41,257,784
Deferred not fully paid:				
12. Account balance	X X X	(a) 390,662,691	X X X	(a) 251,687,496

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	134,223	30,358,442	1	29,493,289		
2. Issued during year	22,962	5,324,797				
3. Reinsurance assumed						
4. Increased during year (net)		X X X		X X X		X X X
5. Totals (Line 1 to Line 4)	157,185	X X X	1	X X X		X X X
Deductions during year:						
6. Conversions	X X X	X X X		X X X	X X X	X X X
7. Decreased (net)	24,929	X X X		X X X		X X X
8. Reinsurance		X X X		X X X		X X X
9. Totals (Line 6 to Line 8)	24,929	X X X		X X X		X X X
10. In force end of year	132,256	(a) 32,149,089	1	(a) 32,995,019		(a)

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds	Dividend Accumulations
	Contracts	Contracts
1. In force end of prior year	97,963	326,200
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Totals (Line 1 to Line 4)	97,963	326,200
Deductions during year:		
6. Decreased (net)	2,067	23,047
7. Reinsurance		
8. Totals (Line 6 and Line 7)	2,067	23,047
9. In force end of year	95,896	303,153
10. Amount of account balance	(a) 5,553,160	(a) 241,320,710

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

SCHEDULE D - SUMMARY BY COUNTRY

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

Description		1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	188,660,996	197,894,441	189,735,439	198,814,580
	2. Canada				
	3. Other Countries				
	4. Totals	188,660,996	197,894,441	189,735,439	198,814,580
States, Territories and Possessions (Direct and guaranteed)	5. United States	1,721,995	1,721,995	1,731,760	1,670,000
	6. Canada	46,022,163	55,982,100	44,069,120	48,000,000
	7. Other Countries				
	8. Totals	47,744,158	57,704,095	45,800,880	49,670,000
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada				
	11. Other Countries				
	12. Totals				
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	79,458,606	79,458,606	79,512,265	79,037,573
	14. Canada				
	15. Other Countries				
	16. Totals	79,458,606	79,458,606	79,512,265	79,037,573
Public Utilities (unaffiliated)	17. United States	466,972,069	465,146,571	466,574,312	503,301,213
	18. Canada	8,304,415	10,152,800	8,422,400	8,000,000
	19. Other Countries	67,025,907	63,513,762	66,960,248	68,227,600
	20. Totals	542,302,391	538,813,133	541,956,960	579,528,813
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	1,399,453,012	1,455,592,766	1,397,386,849	1,415,752,573
	22. Canada	23,900,335	27,002,090	23,848,210	24,000,000
	23. Other Countries	327,778,187	360,875,671	329,276,994	334,094,900
	24. Totals	1,751,131,534	1,843,470,527	1,750,512,053	1,773,847,473
Parent, Subsidiaries and Affiliates	25. Totals	20,292,373	20,292,373	20,292,373	20,292,373
	26. Total Bonds	2,629,590,058	2,737,633,175	2,627,809,970	2,701,190,812
PREFERRED STOCKS					
Public Utilities (unaffiliated)	27. United States	16,749,175	16,846,361	17,589,175	
	28. Canada				
	29. Other Countries				
	30. Totals	16,749,175	16,846,361	17,589,175	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries	18,491,150	19,879,770	18,491,150	
	34. Totals	18,491,150	19,879,770	18,491,150	
Industrial and Miscellaneous (unaffiliated)	35. United States	9,725,000	9,529,688	9,725,000	
	36. Canada				
	37. Other Countries	10,614,200	10,699,000	10,614,200	
	38. Totals	20,339,200	20,228,688	20,339,200	
Parent, Subsidiaries and Affiliates	39. Totals				
	40. Total Preferred Stocks	55,579,525	56,954,819	56,419,525	
COMMON STOCKS					
Public Utilities (unaffiliated)	41. United States	48,049,173	48,049,173	49,384,588	
	42. Canada				
	43. Other Countries				
	44. Totals	48,049,173	48,049,173	49,384,588	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	1,643,028,451	1,643,028,451	202,939,536	
	46. Canada				
	47. Other Countries				
	48. Totals	1,643,028,451	1,643,028,451	202,939,536	
Industrial and Miscellaneous (unaffiliated)	49. United States	442,873,930	442,873,930	430,296,428	
	50. Canada	7,734,078	7,734,078	8,184,677	
	51. Other Countries	8,281,858	8,281,858	11,801,885	
	52. Totals	458,889,866	458,889,866	450,282,990	
Parent, Subsidiaries and Affiliates	53. Totals	887,208,277	887,208,277	715,047,531	
	54. Total Common Stocks	3,037,175,767	3,037,175,767	1,417,654,645	
	55. Total Stocks	3,092,755,292	3,094,130,586	1,474,074,170	
	56. Total Bonds and Stocks	5,722,345,350	5,831,763,761	4,101,884,140	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$ 621,324,873 .

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	5,925,941,789	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	4,394,927,554	6.1 Column 17, Part 1	
3. Increase (decreased) by adjustment:		6.2 Column 13, Part 2, Section 1	
3.1 Column 16, Part 1	(35,468,825)	6.3 Column 11, Part 2, Section 2	
3.2 Column 12, Part 2, Section 1	157,500	6.4 Column 11, Part 4	
3.3 Column 10, Part 2, Section 2	(137,862,101)	7. Book/adjusted carrying value at end of current period	5,722,345,350
3.4 Column 10, Part 4	(1,827,732,490)	8. Total valuation allowance	
4. Total gain (loss), Column 14, Part 4	12,400,373	9. Subtotal (Line 7 plus Line 8)	5,722,345,350
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	2,610,018,450	10. Total nonadmitted amounts	
		11. Statement value of bonds and stocks, current period	5,722,345,350

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Direct Business Only					
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations	
		2 Life Insurance Premiums	3 Annuity Considerations				
1. Alabama	AL	Yes	212,877			31,733	
2. Alaska	AK	No	20,357			420	
3. Arizona	AZ	Yes	1,339,761	2,010		69,010	
4. Arkansas	AR	Yes	141,835			19,710	
5. California	CA	Yes	6,425,209	100		128,792	
6. Colorado	CO	Yes	139,444			11,699	
7. Connecticut	CT	No	37,608			4,504	
8. Delaware	DE	Yes	57,509			2,679	
9. District of Columbia	DC	Yes	268,586			14,964	
10. Florida	FL	Yes	9,879,862	97,447		2,268,128	
11. Georgia	GA	Yes	889,810			117,057	
12. Hawaii	HI	Yes	29,872			2,074	
13. Idaho	ID	Yes	18,773			740	
14. Illinois	IL	Yes	20,094,048	7,972		1,399,155	
15. Indiana	IN	Yes	18,515,804	4,355		3,955,827	
16. Iowa	IA	Yes	233,337			11,504	
17. Kansas	KS	Yes	1,068,462	300		210,132	
18. Kentucky	KY	Yes	6,448,926	3,159		1,952,381	
19. Louisiana	LA	Yes	6,403,205	9,615		445,055	
20. Maine	ME	No	14,816			1,079	
21. Maryland	MD	Yes	2,398,119			53,535	
22. Massachusetts	MA	No	38,539			2,430	
23. Michigan	MI	Yes	9,003,104	26,284		1,361,778	
24. Minnesota	MN	Yes	80,021			5,117	
25. Mississippi	MS	Yes	118,131			15,158	
26. Missouri	MO	Yes	6,607,052	2,390		1,017,684	
27. Montana	MT	Yes	12,043			490	
28. Nebraska	NE	Yes	36,945			2,711	
29. Nevada	NV	Yes	184,373			12,601	
30. New Hampshire	NH	No	17,602			813	
31. New Jersey	NJ	Yes	125,930			7,966	
32. New Mexico	NM	Yes	57,603			4,993	
33. New York	NY	No	177,509			9,782	
34. North Carolina	NC	Yes	18,850,737	217,635		7,115,369	
35. North Dakota	ND	Yes	6,262			198	
36. Ohio	OH	Yes	61,653,027	83,121		9,227,892	
37. Oklahoma	OK	Yes	145,111			14,318	
38. Oregon	OR	Yes	44,711			4,202	
39. Pennsylvania	PA	Yes	12,205,309	24,773		735,001	
40. Rhode Island	RI	Yes	15,609			1,020	
41. South Carolina	SC	Yes	779,576			161,153	
42. South Dakota	SD	Yes	8,371			1,296	
43. Tennessee	TN	Yes	1,721,409			1,039,202	
44. Texas	TX	Yes	5,999,918	2,585		534,144	
45. Utah	UT	Yes	16,760			1,271	
46. Vermont	VT	No	4,666			823	
47. Virginia	VA	Yes	716,453	393		129,598	
48. Washington	WA	Yes	93,428			8,865	
49. West Virginia	WV	Yes	4,977,232	2,500		1,469,344	
50. Wisconsin	WI	Yes	1,572,342			77,627	
51. Wyoming	WY	Yes	19,188			1,125	
52. American Samoa	AS	No					
53. Guam	GU	No	1,249				
54. Puerto Rico	PR	No	19,119			640	
55. U.S. Virgin Islands	VI	No	1,510				
56. Canada	CN	No	1,902			41	
57. Aggregate Other Alien	OT	X X X	120,648			2,894	
58. Subtotal	(a)	44	200,071,609	484,639		33,667,724	
90. Reporting entity contributions for employee benefit plans		X X X	4,872,216			1,175,250	
91. Dividends or refunds applied to purchase paid-up additions and annuities		X X X	47,926,687	17,239			
92. Dividends of refunds applied to shorten endowment or premium paying period		X X X					
93. Premium or annuity considerations waived under disability or other contract provisions		X X X	3,454,115			3,013	
94. Aggregate other amounts not allocable by State		X X X	2,677				
95. Totals (Direct Business)		X X X	256,327,304	501,878		34,845,987	
96. Plus Reinsurance Assumed		X X X	149,840,259				
97. Totals (All Business)		X X X	406,167,563	501,878		34,845,987	
98. Less Reinsurance Ceded		X X X	4,790,732			1,285,131	
99. Totals (All Business) less Reinsurance Ceded		X X X	401,376,831	501,878	(b)	33,560,856	
DETAILS OF WRITE-INS							
5701. Mexico		X X X	47,087			130	
5702. Phillipines		X X X	600				
5703. Other Foreign		X X X	72,961			2,764	
5798. Summary of remaining write-ins for Line 57 from overflow page		X X X					
5799. Total (Lines 5701 through 5703 plus 5798) (Line 57 above)		X X X	120,648			2,894	
9401. Industrial Exchanges and Conversions to Ordinary Previously Taxed		X X X	2,677				
9402.		X X X					
9403.		X X X					
9498. Summary of remaining write-ins for Line 94 from overflow page		X X X					
9499. Total (Lines 9401 through 9403 plus 9498) (Line 94 above)		X X X	2,677				

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

By state of residence

.....

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

(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10, or with Schedule H, Part 1, Column 1, Line 1; indicate which; #N/A

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

		<u>NAIC#</u>	<u>TIN#</u>
PARENT	- WESTERN-SOUTHERN MUTUAL HOLDING COMPANY, OH (NON-INSURER)		31-1732405
SUBSIDIARY	- WESTERN & SOUTHERN FINANCIAL GROUP, INC., OH (NON-INSURER)		31-1732404
SUBSIDIARY	- THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY, OH (INSURER)	70483	31-0487145
SUBSIDIARY	- WESTERN-SOUTHERN LIFE ASSURANCE COMPANY, OH (INSURER)	92622	31-1000236
SUBSIDIARY	- COLUMBUS LIFE INSURANCE COMPANY, OH (INSURER)	99937	31-1191427
SUBSIDIARY	- INTEGRITY LIFE INSURANCE COMPANY, OH (INSURER)	74780	86-0214103
SUBSIDIARY	- NATIONAL INTEGRITY LIFE INSURANCE COMPANY, NY (INSURER)	75264	16-0958252
