



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

Classic Life Assurance Company

NAIC Group Code 0017 (Current Period) 0017 (Prior Period) NAIC Company Code 74810 Employer's ID Number 31-1163010
Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio
Country of Domicile United States of America
Incorporated 01/16/1986 Commenced Business 09/01/1986
Statutory Home Office 610 Morrison Road, Gahanna, OH 43230
Main Administrative Office 100 West Bay Street, Jacksonville, FL 32202-3806
Mail Address P.O. Box 44130, Jacksonville, FL 32231-4130
Primary Location of Books and Records 100 West Bay Street, Jacksonville, FL 32202-3806
Internet Website Address www.Life-South.com
Statement Contact David Louis Hardegree, Jr., dhardegree@Life-South.com
Policyowner Relations Contact Craig Stephen Hart, Jacksonville, FL 32202-3806

OFFICERS

President Kenneth Ned Hamil Secretary David Louis Hardegree, Jr.
Treasurer David Louis Hardegree, Jr. Actuary CreditRe Corporation

VICE PRESIDENTS

Robert Hugh Hudson

DIRECTORS OR TRUSTEES

Kenneth Ned Hamil, Charles Robert McCloud, David Joseph Downey, David Louis Hardegree, Jr., Thomas Wayne Tenwalde, Robert Hugh Hudson, Charles Richard Hubbard

State of Florida } ss
County of Duval }

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.

Kenneth Ned Hamil President, David Louis Hardegree, Jr. Secretary, David Louis Hardegree, Jr. Treasurer

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

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

Sarah Elaine Austin

April 6, 2006

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds	3,956,745		3,956,745	4,388,672
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1).....	.0		.0	.0
2.2 Common stocks (Schedule D, Part 2, Section 2).....	.0		.0	.0
3. Mortgage loans on real estate: (Schedule B, Part 1)				
3.1 First liens .....			.0	.0
3.2 Other than first liens .....			.0	.0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			.0	.0
4.2 Properties held for the production of income (less \$ encumbrances) .....			.0	.0
4.3 Properties held for sale (less \$ encumbrances) .....			.0	.0
5. Policy loans .....			.0	.0
6. Premium notes, including \$ for first year premiums .....			.0	.0
7. Cash (\$988,122 , Schedule E, Part 1) and short -term investments (\$807,631 , Schedule DA, Part 2)	1,795,753		1,795,753	809,628
8. Other invested assets (Schedule BA, Part 1) .....	.0		.0	.0
9. Receivable for securities .....			.0	.0
10. Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	5,752,498	.0	5,752,498	5,198,300
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers (Schedule S, Part 2) .....			.0	.0
12.2 Commissions and expense allowances due .....			.0	.0
12.3 Experience rating and other refunds due .....			.0	.0
12.4 Other amounts receivable under reinsurance contracts	1,067,008		1,067,008	.0
13. Electronic data processing equipment and software.....			.0	.0
14. Federal and foreign income tax recoverable and interest thereon (including \$54,131 net deferred tax asset)	54,131	40,599	13,532	12,866
15. Guaranty funds receivable or on deposit .....			.0	.0
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$ loading) .....			.0	.0
17. Accident and health premiums due and unpaid .....			.0	.0
18. Investment income due and accrued	57,290		57,290	66,746
19. Net adjustment in assets and liabilities due to foreign exchange rates .....			.0	.0
20. Receivable from parent, subsidiaries and affiliates .....			.0	310,875
21. Amounts receivable relating to uninsured accident and health plans .....			.0	.0
22. Amounts due from agents .....			.0	.0
23. Other assets nonadmitted (Exhibit 9) .....			.0	.0
24. Aggregate write-ins for other than invested assets .....	.0	.0	.0	4,457
25. Total assets excluding Separate Accounts business (Lines 11 to 24)	6,930,927	40,599	6,890,328	5,593,245
26. From Separate Accounts Statement			0	0
27. Total (Lines 25 and 26)	6,930,927	40,599	6,890,328	5,593,245
DETAILS OF WRITE-INS				
1001. ....			.0	.0
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page .....	.0	.0	.0	.0
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)	0	0	0	0
2401. Guaranty Association Assessments.....			.0	4,457
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page .....	.0	.0	.0	.0
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	0	0	0	4,457

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$1,166,192 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	1,166,192	1,338,008
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1)(including \$ Modco Reserve)	670,570	785,154
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ Modco Reserve)	0	0
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	29,070	33,977
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	37,623	47,156
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment to (including \$ Modco).....	0	0
6.2 Dividends not yet apportioned (including \$ Modco)	0	0
6.3 Coupons and similar benefits (including \$ Modco)	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)	0	0
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts	0	0
9.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds	0	0
9.3 Other amounts payable on reinsurance including \$ assumed and \$ ceded	0	0
9.4 Interest maintenance reserve (Page 33, Line 6)	12,568	0
10. Commissions to agents due or accrued-life contracts and annuity contracts \$157,822 accident and health \$78,447 and deposit-type contract funds \$	236,269	175,524
11. Commissions and expense allowances payable on reinsurance assumed	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 5)	4,200	0
13. Transfers to Separate Accounts due or accrued (net) (Including \$0 accrued for expense allowances recognized in reserves)	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	0	100
15. Federal and foreign income taxes including \$ on realized capital gains (losses) (including \$ net deferred tax liability)	160,811	0
16. Unearned investment income	0	0
17. Amounts withheld or retained by company as agent or trustee	0	46,946
18. Amounts held for agents' account, including \$ agents' credit balances	0	0
19. Remittances and items not allocated	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0
21. Liability for benefits for employees and agents if not included above	0	0
22. Borrowed money \$ and interest thereon \$	0	0
23. Dividends to stockholders declared and unpaid	0	0
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (Page 34, Line 16, Col. 7)	2,493	4,541
24.2 Reinsurance in unauthorized companies	85,708	8,508
24.3 Funds held under reinsurance treaties with unauthorized reinsurers	0	0
24.4 Payable to parent, subsidiaries and affiliates	133,236	0
24.5 Drafts outstanding	0	0
24.6 Liability for amounts held under uninsured accident and health plans	0	0
24.7 Funds held under coinsurance	0	0
24.8 Payable for securities	0	0
24.9 Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	0	0
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	2,538,739	2,439,915
27. From Separate Accounts Statement	0	0
28. Total Liabilities (Lines 26 and 27)	2,538,739	2,439,915
29. Common capital stock	300	300
30. Preferred capital stock	500,000	500,000
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes	0	0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	4,440,814	4,440,814
34. Aggregate write-ins for special surplus funds	0	0
35. Unassigned funds (surplus)	(589,525)	(1,787,783)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)	0	0
36.2 shares preferred (value included in Line 30 \$)	0	0
37. Surplus (total Lines 31+32+33+34+35-36) (Including \$0 in Separate Accounts Statement)	3,851,289	2,653,031
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	4,351,589	3,153,331
39. Totals of Lines 28 and 38 (Page 2, Line 27, Col. 3)	6,890,328	5,593,245
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	2,137,507	784,101
2. Considerations for supplementary contracts with life contingencies		0
3. Net investment income (Exhibit of Net Investment Income, Line 17)	253,301	285,576
4. Amortization of interest maintenance reserve (IMR) (Page 33, Line 5)	(12,731)	(17,117)
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	4,576,062	5,484,356
7. Reserve adjustments on reinsurance ceded		0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		0
8.2 Charges and fees for deposit-type contracts		0
8.3 Aggregate write-ins for miscellaneous income	0	0
9. Total (Lines 1 to 8.3)	6,954,139	6,536,917
10. Death benefits	176,324	222,287
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	0	0
13. Disability benefits and benefits under accident and health contracts	171,083	188,461
14. Coupons, guaranteed annual pure endowments and similar benefits		0
15. Surrender benefits and withdrawals for life contracts		0
16. Group conversions		0
17. Interest and adjustments on contracts or deposit-type contract funds		0
18. Payments on supplementary contracts with life contingencies		0
19. Increase in aggregate reserves for life and accident and health contracts	(286,401)	(259,550)
20. Totals (Lines 10 to 19)	61,006	151,198
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1 less Col. 11)	4,826,110	5,654,176
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	0	0
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1 + 2 + 3)	590,470	701,205
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	127,902	18,669
25. Increase in loading on deferred and uncollected premiums		0
26. Net transfers to or (from) Separate Accounts		0
27. Aggregate write-ins for deductions	0	0
28. Totals (Lines 20 to 27)	5,605,488	6,525,248
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	1,348,650	11,668
30. Dividends to policyholders		0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	1,348,650	11,668
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	162,911	0
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	1,185,739	11,668
34. Net realized capital gains or (losses) less capital gains tax of \$ (excluding taxes of \$) transferred to the IMR	0	0
35. Net income (Line 33 plus Line 34)	1,185,739	11,668
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, previous year (Page 3, Line 38, Col. 2)	3,153,331	3,631,721
37. Net income (Line 35)	1,185,739	11,668
38. Change in net unrealized capital gains (losses)		0
39. Change in net unrealized foreign exchange capital gain (loss)		0
40. Change in net deferred income tax	11,064	5,148
41. Change in nonadmitted assets and related items (Exhibit 9, Line 6, Col. 3)	76,606	(26,960)
42. Change in liability for reinsurance in unauthorized companies	(77,200)	(8,508)
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4)	0	0
44. Change in asset valuation reserve (Page 34, Lines 2 through 5 minus Line 6 plus Line 7 plus Line 11 plus Lines 14 through 15, Col. 7)	2,048	(3,249)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period		0
47. Other changes in surplus in Separate Accounts Statement	0	0
48. Change in surplus notes	0	0
49. Cumulative effect of changes in accounting principles		37,918
50. Capital changes:		
50.1 Paid in		0
50.2 Transferred from surplus (Stock Dividend)		0
50.3 Transferred to surplus		0
51. Surplus adjustment:		
51.1 Paid in		(494,408)
51.2 Transferred to capital (Stock Dividend)		0
51.3 Transferred from capital		0
51.4 Change in surplus as a result of reinsurance		0
52. Dividends to stockholders		0
53. Aggregate write-ins for gains and losses in surplus	0	0
54. Net change in capital and surplus for the year (Lines 37 through 53)	1,198,257	(478,390)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	4,351,588	3,153,331
DETAILS OF WRITE-INS		
08.301.		0
08.302.		0
08.303.		0
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0
08.399. TOTALS (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	0	0
2701.		0
2702.		0
2703.		0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. TOTALS (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0
5301.		0
5302.		0
5303.		0
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. TOTALS (Lines 5301 thru 5303 plus 5398) (Line 53 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums and annuity considerations for life and accident and health contracts	2,137,507	784,101
2. Charges and fees for deposit-type contracts	0	0
3. Considerations for supplementary contracts with life contingencies	0	0
4. Net investment income	260,612	296,038
5. Commissions and expense allowances on reinsurance ceded	4,576,062	5,484,356
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts	0	0
7. Aggregate write-ins for miscellaneous income	0	0
8. Total (Lines 1 to 7)	6,974,181	6,564,494
9. Death benefits	181,230	227,180
10. Matured endowments	0	0
11. Annuity benefits	0	0
12. Disability benefits and benefits under accident and health contracts	180,617	180,969
13. Coupons, guaranteed annual pure endowments and similar benefits	0	0
14. Surrender benefits and withdrawals for life contracts	0	0
15. Group conversions	0	0
16. Interest and adjustments on contracts or deposit-type contract funds	0	0
17. Payments on supplementary contracts with life contingencies	0	0
18. Total (Lines 9 to 17)	361,847	408,149
19. Commissions on premiums, annuity considerations and deposit-type contract funds	4,765,366	5,652,906
20. Commissions and expense allowances on reinsurance assumed	0	0
21. General insurance expenses	586,270	701,205
22. Insurance taxes, licenses and fees, excluding federal income taxes	127,902	18,669
23. Net transfers to or (from) Separate Accounts	0	0
24. Aggregate write-ins for deductions	0	0
25. Total (Lines 18 to 24)	5,841,385	6,780,929
26. Dividends paid to policyholders	0	0
27. Federal income taxes (excluding tax on capital gains)	0	2,100
28. Total (Lines 25 to 27)	5,841,385	6,783,029
29. Net cash from operations (Line 8 minus Line 28)	1,132,796	(218,534)
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds	1,768,814	1,070,000
30.2 Stocks	0	0
30.3 Mortgage loans	0	0
30.4 Real estate	0	0
30.5 Other invested assets	0	0
30.6 Net gains (losses) on cash and short-term investments	0	0
30.7 Miscellaneous proceeds	0	0
30.8 Total investment proceeds (Lines 30.1 to 30.7)	1,768,814	1,070,000
31. Net tax on capital gains (losses)	0	0
32. Total (Line 30.8 minus Line 31)	1,768,814	1,070,000
33. Cost of investments acquired (long-term only):		
33.1 Bonds	1,250,000	1,498,464
33.2 Stocks	0	0
33.3 Mortgage loans	0	0
33.4 Real estate	0	0
33.5 Other invested assets	0	0
33.6 Miscellaneous applications	0	0
33.7 Total investments acquired (Lines 33.1 to 33.6)	1,250,000	1,498,464
34. Net increase (or decrease) in policy loans and premium notes	0	0
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34)	518,814	(428,464)
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in	0	(494,408)
36.2 Borrowed money \$ less amounts repaid \$	0	0
36.3 Capital notes \$ less amounts repaid \$	0	0
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies	0	0
36.5 Other cash provided	0	0
36.6 Total (Lines 36.1 to 36.5)	0	(494,408)
37. Cash applied:		
37.1 Dividends to stockholders paid	0	0
37.2 Interest on indebtedness	0	0
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies	0	0
37.4 Other applications (net)	665,484	284,380
37.5 Total (Lines 37.1 to 37.4)	665,484	284,380
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5)	(665,484)	(778,789)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38)	986,125	(1,425,787)
40. Cash and short-term investments:		
40.1 Beginning of year	809,628	2,235,415
40.2 End of year (Line 39 plus Line 40.1)	1,795,753	809,628
DETAILS OF WRITE-INS		
0701.		0
0702.		
0703.		
0798. Summary of remaining write-ins for Line 7 from overflow page	0	0
0799. TOTALS (Lines 0701 thru 0703 plus 0798) (Line 7 above)	0	0
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0
2499. TOTALS (Lines 2401 thru 2403 plus 2498) (Line 24 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance 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	2,137,507	.0	.0	.0	.0	1,134,026	.0	.0	.0	1,003,481	.0	
2. Considerations for supplementary contracts with life contingencies	.0											
3. Net investment income	253,301					151,960				101,341		
4. Amortization of Interest Maintenance Reserve (IMR)	(12,731)					(7,638)				(5,093)		
5. Separate Accounts net gain from operations excluding unrealized gains or losses	.0											
6. Commissions and expense allowances on reinsurance ceded	4,576,062	.0	.0	.0	.0	1,965,735	.0	.0	.0	2,610,327	.0	.0
7. Reserve adjustments on reinsurance ceded	.0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	.0											
8.2 Charges and fees for deposit-type contracts	.0											
8.3 Aggregate write-ins for miscellaneous income	.0											
9. Totals (Lines 1 to 8.3)	6,954,139	.0	.0	.0	.0	3,244,083	.0	.0	.0	3,710,056	.0	.0
10. Death benefits	176,324					176,324						
11. Matured endowments (excluding guaranteed annual pure endowments)	.0	.0	.0				.0					
12. Annuity benefits	.0			.0				.0				
13. Disability benefits and benefits under accident and health contracts	171,083								.0	171,084	.0	
14. Coupons, guaranteed annual pure endowments and similar benefits	.0											
15. Surrender benefits and withdrawals for life contracts	.0											
16. Group conversions	.0											
17. Interest and adjustments on contract or deposit-type contract funds	.0											
18. Payments on supplementary contracts with life contingencies	.0											
19. Increase in aggregate reserves for life and accident and health contracts	(286,402)					(171,817)				(114,584)		
20. Totals (Lines 10 to 19)	61,005	.0	.0	.0	.0	4,507	.0	.0	.0	56,500	.0	.0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	4,826,110	.0	.0	.0	.0	2,193,561	.0	.0	.0	2,632,549	.0	.0
22. Commissions and expense allowances on reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23. General insurance expenses	590,470					354,819				235,651		.0
24. Insurance taxes, licenses and fees, excluding federal income taxes (FIT)	127,902					55,906				71,996		.0
25. Increase in loading on deferred and uncollected premiums	.0											
26. Net transfers to or (from) Separate Accounts	.0											
27. Aggregate write-ins for deductions	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28. Totals (Lines 20 to 27)	5,605,487	.0	.0	.0	.0	2,608,793	.0	.0	.0	2,996,696	.0	.0
29. Net gain from operations before dividends to policyholders and FIT (Line 9 - Line 28)	1,348,651	.0	.0	.0	.0	635,290	.0	.0	.0	713,359	.0	.0
30. Dividends to policyholders	.0											
31. Net gain from operations after dividends to policyholders and before FIT (Line 29 - Line 30)	1,348,651	.0	.0	.0	.0	635,290	.0	.0	.0	713,359	.0	.0
32. Federal income taxes incurred (excluding tax on capital gains)	162,911					76,740				86,171		
33. Net gain from operations after dividends to policyholders and FIT and before realized capital gains or (losses) (Line 31 - Line 32)	1,185,740	.0	.0	.0	.0	558,550	.0	.0	.0	627,188	.0	.0
DETAILS OF WRITE-INS												
08.301.												
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2701.												
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	1,338,008	0	0	0	0	1,338,008	0	0
2. Tabular net premiums or considerations	708,031					708,031		
3. Present value of disability claims incurred	0				.XXX			
4. Tabular interest	72,443					72,443		
5. Tabular less actual reserve released	0							
6. Increase in reserve on account of change in valuation basis	0							
7. Other increases (net)	0							
8. Totals (Lines 1 to 7)	2,118,482	0	0	0	0	2,118,482	0	0
9. Tabular cost	783,053				.XXX	783,053		
10. Reserves released by death	4,874			.XXX	.XXX	4,874		.XXX
11. Reserves released by other terminations (net)	164,363					164,363		
12. Annuity, supplementary contract and disability payments involving life contingencies	0							
13. Net transfers to or (from) Separate Accounts	0							
14. Total Deductions (Lines 9 to 13)	952,290	0	0	0	0	952,290	0	0
15. Reserve December 31, current year	1,166,192	0	0	0	0	1,166,192	0	0

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EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 164,296	170,014
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 79,837	69,192
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash/short-term investments	(e) 25,232	20,702
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	269,365	259,909
11. Investment expenses		(g) 6,608
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total (Lines 11 through 15)		6,608
17. Net Investment Income - (Line 10 minus Line 16)		253,301
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 5,671 accrual of discount less \$ 3,525 amortization of premium and less \$ paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
 (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
 (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
 (f) Includes \$ accrual of discount less \$ amortization of premium.
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
 (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Net Gain (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
1. U.S. Government bonds	.816				.816
1.1 Bonds exempt from U.S. tax					0
1.2 Other bonds (unaffiliated)	83,926				83,926
1.3 Bonds of affiliates					0
2.1 Preferred stocks (unaffiliated)					0
2.11 Preferred stocks of affiliates					0
2.2 Common stocks (unaffiliated)					0
2.21 Common stocks of affiliates					0
3. Mortgage loans					0
4. Real estate					0
5. Contract loans					0
6. Cash/Short-term investments					0
7. Derivative instruments					0
8. Other invested assets					0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	84,742	0	0	0	84,742
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

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

	1		2		3		4		5		6		7		8		9		10		11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business											
FIRST YEAR (other than single)																						
1. Uncollected	.0																					
2. Deferred and accrued	.0																					
3. Deferred, accrued and uncollected:																						
3.1 Direct	.0																					
3.2 Reinsurance assumed	.0																					
3.3 Reinsurance ceded	.0																					
3.4 Net (Line 1 + Line 2)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. Advance	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. Line 3.4 - Line 4	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Collected during year:																						
6.1 Direct	.0																					
6.2 Reinsurance assumed	.0																					
6.3 Reinsurance ceded	.0																					
6.4 Net	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Line 5 + Line 6.4	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
8. Prior year (uncollected + deferred and accrued - advance)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9. First year premiums and considerations:																						
9.1 Direct	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.4 Net (Line 7 - Line 8)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
SINGLE																						
10. Single premiums and considerations:																						
10.1 Direct	8,799,134				3,870,679												4,928,455					
10.2 Reinsurance assumed	.0				.0				.0								.0					.0
10.3 Reinsurance ceded	6,661,627				2,736,653												3,924,974					.0
10.4 Net	2,137,507	.0	.0	.0	1,134,026	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	1,003,481	.0	.0	.0	.0	.0
RENEWAL																						
11. Uncollected	.0																					
12. Deferred and accrued	.0																					
13. Deferred, accrued and uncollected:																						
13.1 Direct	.0																					
13.2 Reinsurance assumed	.0																					
13.3 Reinsurance ceded	.0																					
13.4 Net (Line 11 + Line 12)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14. Advance	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15. Line 13.4 - Line 14	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
16. Collected during year:																						
16.1 Direct	.0																					
16.2 Reinsurance assumed	.0																					
16.3 Reinsurance ceded	.0																					
16.4 Net	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
17. Line 15 + Line 16.4	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18. Prior year (uncollected + deferred and accrued - advance)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19. Renewal premiums and considerations:																						
19.1 Direct	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19.4 Net (Line 17 - Line 18)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
TOTAL																						
20. Total premiums and annuity considerations:																						
20.1 Direct	8,799,134	.0	.0	.0	3,870,679	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	4,928,455	.0	.0	.0	.0	.0
20.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
20.3 Reinsurance ceded	6,661,627	.0	.0	.0	2,736,653	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	3,924,974	.0	.0	.0	.0	.0
20.4 Net (Line 9.4 + 10.4 + 19.4)	2,137,507	.0	.0	.0	1,134,026	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	1,003,481	.0	.0	.0	.0	.0

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

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

	1 Total	2 Industrial Life	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)	0										
22. All other (Exhibit 4, Lines 2, 3 & 4)	0										
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded	0										
23.2 Reinsurance assumed	0										
23.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
24. Single:											
24.1 Reinsurance ceded	4,576,062				1,965,735				2,610,327		
24.2 Reinsurance assumed	0										
24.3 Net ceded less assumed	4,576,062	0	0	0	1,965,735	0	0	0	2,610,327	0	0
25. Renewal:											
25.1 Reinsurance ceded	0										
25.2 Reinsurance assumed	0										
25.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	4,576,062	0	0	0	1,965,735	0	0	0	2,610,327	0	0
26.2 Reinsurance assumed (Page 6, Line 23)	0	0	0	0	0	0	0	0	0	0	0
26.3 Net ceded less assumed	4,576,062	0	0	0	1,965,735	0	0	0	2,610,327	0	0
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	0										
28. Single	4,826,110				2,193,561				2,632,549		
29. Renewal	0										
30. Deposit-type contract funds	0										
31. Totals (to agree with Page 6, Line 21)	4,826,110	0	0	0	2,193,561	0	0	0	2,632,549	0	0

EXHIBIT 2 - GENERAL EXPENSES

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Rent	12,405	7,974			20,379
2. Salaries and wages	209,148	134,439			343,587
3.11 Contributions for benefit plans for employees					0
3.12 Contributions for benefit plans for agents					0
3.21 Payments to employees under non-funded benefit plans					0
3.22 Payments to agents under non-funded benefit plans					0
3.31 Other employee welfare					0
3.32 Other agent welfare					0
4.1 Legal fees and expenses	17,065	10,969			28,034
4.2 Medical examination fees					0
4.3 Inspection report fees					0
4.4 Fees of public accountants and consulting actuaries	12,017	15,300			27,317
4.5 Expense of investigation and settlement of policy claims					0
5.1 Traveling expenses	15,723	10,106			25,829
5.2 Advertising	1,125	723			1,848
5.3 Postage, express, telegraph and telephone	12,662	8,139			20,801
5.4 Printing and stationery	22,927	14,738			37,665
5.5 Cost or depreciation of furniture and equipment	16,518	10,618			27,136
5.6 Rental of equipment	2,025	1,301			3,326
5.7 Cost or depreciation of EDP equipment and software					0
6.1 Books and periodicals	2,667	1,715			4,382
6.2 Bureau and association fees	2,131	1,369			3,500
6.3 Insurance, except on real estate	418	268			686
6.4 Miscellaneous losses					0
6.5 Collection and bank service charges	4,445	2,857		6,608	13,910
6.6 Sundry general expenses	13,862	8,909			22,771
6.7 Group service and administration fees					0
6.8 Reimbursements by uninsured accident and health plans					0
7.1 Agency expense allowance					0
7.2 Agents' balances charged off (less \$ recovered)					0
7.3 Agency conferences other than local meetings					0
9.1 Real estate expenses					0
9.2 Investment expenses not included elsewhere					0
9.3 Aggregate write-ins for expenses	9,683	6,224	0	0	15,907
10. General expenses incurred	354,821	235,649	0	6,608 (a)	597,078
11. General expenses unpaid December 31, prior year	0	0	0	0	0
12. General expenses unpaid December 31, current year	1,848	2,352	0	0	4,200
13. Amounts receivable relating to uninsured accident and health plans, prior year	0	0	0	0	0
14. Amounts receivable relating to uninsured accident and health plans, current year	0	0	0	0	0
15. General expenses paid during year (Lines 10+11-12-13+14)	352,973	233,297	0	6,608	592,878
DETAILS OF WRITE-INS					
09.301. Directors Fees	6,392	4,108			10,500
09.302. Other Consulting Fees	3,291	2,116			5,407
09.303.					0
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	0	0	0	0	0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	9,683	6,224	0	0	15,907

(a) Includes management fees of \$ 527,946 to affiliates and \$ to non-affiliates.

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

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes					0
2. State insurance department licenses and fees	12,441	15,841			28,282
3. State taxes on premiums	43,465	56,155			99,620
4. Other state taxes, incl. \$ for employee benefits					0
5. U.S. Social Security taxes					0
6. All other taxes					0
7. Taxes, licenses and fees incurred	55,906	71,996	0	0	127,902
8. Taxes, licenses and fees unpaid December 31, prior year	0	0	0	0	0
9. Taxes, licenses and fees unpaid December 31, current year					0
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	55,906	71,996	0	0	127,902

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1 Life	2 Accident and Health
	1. Applied to pay renewal premiums	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions		
4. Applied to provide paid-up annuities		
5. Total Lines 1 thru 4		
6. Paid in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 thru 8		
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year		
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in Line 13		
15. Total Lines 10 thru 14		
16. Total from prior year		
17. Total Dividends or refunds (Lines 9 + 15 - 16)		
DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)		

NONE



ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

EXHIBIT 5 - INTERROGATORIES

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

- 4.4 Basis of regular assessments:

- 4.5 Basis of special assessments:

- 4.6 Assessments collected during the year \$
5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.
 N/A
6. Does the reporting entity hold reserves for any annuity contracts which are less than the reserves that would be held on a standard basis? Yes [] No [X]
- 6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$
- 6.2 which would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: \$
- Attach statement of methods employed in their valuation.
7. Does the reporting entity have any Synthetic GIC contracts, or agreements in effect as of December 31 of the current year? Yes [] No [X]
- 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements? \$
- 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount:

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

EXHIBIT 6 - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserve	10,571,424		10,571,424						
2. Additional contract reserves (a)	0								
3. Additional actuarial reserves-Asset/Liability analysis	0								
4. Reserve for future contingent benefits	0								
5. Reserve for rate credits	0								
6. Aggregate write-ins for reserves	0	0	0	0	0	0	0	0	0
7. Totals (Gross)	10,571,424	0	10,571,424	0	0	0	0	0	0
8. Reinsurance ceded	10,016,681		10,016,681						
9. Totals (Net)	554,743	0	554,743	0	0	0	0	0	0
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	1,943,542		1,943,542						
11. Additional actuarial reserves-Asset/Liability analysis	0								
12. Reserve for future contingent benefits	0								
13. Aggregate write-ins for reserves	0	0	0	0	0	0	0	0	0
14. Totals (Gross)	1,943,542	0	1,943,542	0	0	0	0	0	0
15. Reinsurance ceded	1,827,715		1,827,715						
16. Totals (Net)	115,826	0	115,826	0	0	0	0	0	0
17. TOTAL (Net)	670,570	0	670,570	0	0	0	0	0	0
18. TABULAR FUND INTEREST	0								
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0	0	0	0
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0	0	0	0
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0

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

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

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

NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and Unpaid:											
1.1 Direct .....	.0										
1.2 Reinsurance assumed .....	.0										
1.3 Reinsurance ceded .....	.0										
1.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. In course of settlement:											
2.1 Resisted											
2.11 Direct .....	.0										
2.12 Reinsurance assumed .....	.0										
2.13 Reinsurance ceded .....	.0										
2.14 Net .....	.0	.0	(b) .0	(b) .0	.0	(b) .0	(b) .0	.0	.0	.0	.0
2.2 Other											
2.21 Direct	354,124					151,968				202,156	
2.22 Reinsurance assumed .....	.0										
2.23 Reinsurance ceded	330,404					140,241				190,163	
2.24 Net	23,720	.0	(b) .0	(b) .0	.0	(b) 11,727	(b) .0	.0	(b) .0	(b) 11,993	(b) .0
3. Incurred but unreported:											
3.1 Direct	633,454					154,058				479,396	
3.2 Reinsurance assumed .....	.0										
3.3 Reinsurance ceded	590,481					136,715				453,766	
3.4 Net	42,973	.0	(b) .0	(b) .0	.0	(b) 17,343	(b) .0	.0	(b) .0	(b) 25,630	(b) .0
4. TOTALS											
4.1 Direct	987,578	.0	.0	.0	.0	306,026	.0	.0	.0	681,552	.0
4.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3 Reinsurance ceded	920,885	.0	.0	.0	.0	276,956	.0	.0	.0	643,929	.0
4.4 Net	66,693	(a) 0	(a) 0	0	0	29,070	(a) 0	0	0	37,623	0

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ in Column 2, \$ in Column 3 and \$ in Column 7.
 (b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ Individual Annuities \$, Credit Life (Group and Individual) \$, and Group Life \$ are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ Credit (Group and Individual) Accident and Health \$, and Other Accident and Health \$ are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct	3,842,647					1,197,969				2,644,678	
1.2 Reinsurance assumed	0										
1.3 Reinsurance ceded	3,480,800					1,016,739				2,464,061	
1.4 Net	361,847	0	0	0	0	181,230	0	0	0	180,617	0
2. Liability December 31, current year from Part 1:											
2.1 Direct	987,578	0	0	0	0	306,026	0	0	0	681,552	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	920,885	0	0	0	0	276,956	0	0	0	643,929	0
2.4 Net	66,693	0	0	0	0	29,070	0	0	0	37,623	0
3. Amounts recoverable from reinsurers December 31, current year	0										
4. Liability December 31, prior year:											
4.1 Direct	1,024,676	0	0	0	0	266,014	0	0	0	758,662	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	943,543	0	0	0	0	232,037	0	0	0	711,506	0
4.4 Net	81,133	0	0	0	0	33,977	0	0	0	47,156	0
5. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0	0
6. Incurred Benefits:											
6.1 Direct	3,805,549	0	0	0	0	1,237,981	0	0	0	2,567,568	0
6.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded	3,458,142	0	0	0	0	1,061,658	0	0	0	2,396,484	0
6.4 Net	347,407	0	0	0	0	176,323	0	0	0	171,084	0

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

EXHIBIT 9
ANALYSIS OF NON-ADMITTED ASSETS AND RELATED ITEMS

	1	2	3
	End of Current Year	End of Prior Year	Changes for Year (Increase) or Decrease
1. Summary of Items Page 2, Lines 12 to 17 and 19 to 22, Column 2.....	40,599	32,302	(8,297)
2. Other Nonadmitted Assets:			
2.1 Bills receivable .....		.0	.0
2.2 Furniture and equipment .....		.0	.0
2.3 Leasehold improvements .....		.0	.0
2.4 Cash advanced to or in the hands of officers or agents .....		.0	.0
2.5 Loans on personal security, endorsed or not .....		.0	.0
2.6 Supplies, stationery, printed matter .....		.0	.0
2.7 Commuted commissions .....		.0	.0
3. Total (Lines 2.1 thru 2.7) .....	.0	.0	.0
4. Disallowed interest maintenance reserve		84,903	84,903
5. Aggregate write-ins for other assets	0	0	0
6. Total (Line 1 plus Lines 3 to 5)	40,599	117,205	76,606
DETAILS OF WRITE-INS			
0501. ....		.0	.0
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of the Company have been prepared in conformity with the NAIC *Accounting Practices and Procedures* manual as prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio.

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

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

C. Accounting Policy

Life premiums are recognized as income over the premium paying period of the related policies. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common Stocks are stated at market.
- (4) Preferred Stocks are stated at cost.
- (5) The Company has no mortgage loans.
- (6) The Company has no loan-backed securities.
- (7) The Company holds no investments in subsidiaries, controlled and affiliated companies.
- (8) The Company holds no investments in joint ventures, partnerships, and limited liability companies.
- (9) The Company does not own any derivatives.
- (10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
- (11) Policy and contract claims liabilities include amounts determined on the basis of estimates for benefits reported prior to the close of the accounting period and other estimates, including those for IBNR benefits. These liabilities are continuously reviewed and updated by management, and management believes that such liabilities are adequate to cover the estimated net cost of related benefits. When management determines that changes in estimates are required such changes are included in current earnings.

2. Accounting Changes and Corrections of Errors

A. 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.

B. Cumulative Effect of Codification

Accounting changes adopted to conform to the provisions of the *NAIC Accounting Practices and Procedures* manual are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. As a result of these changes, the Company reported a change of accounting principle, as an adjustment that increased unassigned funds, of \$ 9,480 related to net deferred tax assets as of January 1, 2001.

3. Business Combinations and Goodwill

A. The Company did not enter into any business combinations resulting in goodwill during 2002.

B. The Company did not merge with any other statutory company during 2002.

C. The Company did not enter into any assumptive reinsurance agreements during 2002.

D. The Company did not recognize any impairment loss on the transactions described above in 2002.

NOTES TO FINANCIAL STATEMENTS

4. Discontinued Operations

The Company did not have any discontinued operations in 2002.

5. Investments

A. Mortgage Loans: The Company did not have any mortgage loans in 2002.

B. Debt Restructuring : The Company did not restructure any debt during 2002.

C. Reverse Mortgages: The Company did not have any reverse mortgages in 2002.

D. Loan Backed Securities: The Company did not have any loan backed securities in 2002.

E. Repurchase Agreements: The Company did not have any Repurchase Agreements in 2002.

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in joint ventures, partnerships or limited liability companies during 2002

7. Investment Income

A. No investment income has been excluded (non-admitted) for investment income due and accrued.

B. The total amount excluded was \$-0-.

8. Derivative Instruments

The Company does not own any derivative instruments.

9. Income Taxes

A. The components of the net deferred tax asset at December 31 are as follows:

	December 31, 2002	December 31, 2001
Gross deferred tax assets	\$ 54,131	\$ 43,068
Gross deferred tax liabilities	<u>0</u>	<u>0</u>
Net deferred tax assets	\$ 54,131	\$ 43,068
Nonadmitted deferred tax assets	<u>40,599</u>	<u>32,302</u>
Admitted deferred tax assets	<u>\$ 13,532</u>	<u>\$ 10,766</u>

Increase in nonadmitted deferred tax assets \$ 8,297 \$ 15,517

B. The Company has no Deferred tax liabilities as of December 31, 2002.

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

	2002	2001
Federal income tax on operations	\$ 162,911	\$ 0
Federal income tax on net realized gains	0	0
Total current Federal income taxes incurred	\$ 162,911	\$ 0

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

	December 31, 2002	December 31, 2001	Change
Deferred tax assets			
Policy and contract claims	\$ 1,043	\$ 1,316	\$ (273)
Aggregate policy reserves	15,089	17,373	(2,284)
Proxy DAC	26,343	23,222	3,121
Other	<u>11,656</u>	<u>1,157</u>	<u>10,499</u>
Total DTA's	<u>\$ 54,131</u>	<u>\$ 43,068</u>	<u>\$ 11,063</u>
DTA's Nonadmitted	<u>\$ 40,599</u>	<u>\$ 32,302</u>	<u>\$ 8,297</u>
Admitted deferred tax assets	<u>\$ 13,532</u>	<u>\$ 10,766</u>	<u>\$ 2,766</u>

NOTES TO FINANCIAL STATEMENTS

Total DTL's \$ - 0 - \$ - 0 -

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the enacted federal income tax rate to income before taxes. The items causing these differences are as follows at December 31:

	<u>2002</u>
\$1,348,651 statutory gain @34%	\$ 458,541
Permanent differences @34%:	
NOL deduction	(245,096)
Small company deduction	(84,040)
A&H haircut	(5,711)
A&H claim reserve discount	(1,726)
IMR/realized capital gains/losses	33,140
Proxy DAC	<u>7,802</u>
Current federal income tax	\$ 162,911
Change in net deferred income tax	<u>(2,766)</u>
Total effective income tax	<u>\$ 160,145</u>

- E. (1) The Company has no loss carryforwards at December 31, 2002.
 (2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:
- | | |
|------|------------|
| 2002 | \$ 162,911 |
| 2001 | \$ - 0 - |
| 2000 | \$ - 0 - |

F. The Company's federal income tax return is not consolidated.

10. Information concerning Parent, Subsidiaries and Affiliates

- A., B., C. The company paid \$ - 0 - dividends to the Parent Company, Life of the South Corporation, a company domiciled in the state of Georgia, during the year 2002.
- D. At December 31, 2002, the Company reported \$ - 0 - as amounts due to the Parent Company, Life of the South Corporation.
- E. The Company has not made any guarantees or undertakings for the benefit of its parent which results in a material contingent exposure of the company's assets to its liabilities.
- F. Cost allocation arrangements involving the company are based upon generally accepted accounting principles. The Company entered into an administrative services agreement with an affiliate, Life of the South Service Company in 1997.
- G. 100% of the outstanding shares of the company are wholly owned by Life of the South Corporation, a company domiciled in the state of Georgia.
- H. The Company owns no shares of the parent, Life of the South Corporation.
- I. The Company owns no shares of a Non-Insurance Company.
- J. The Company has no investment in Subsidiary, Controlled or Affiliated Companies during the statement period.

11. Debt

- A. The Company does not have any Capital Note obligations as of 12/31/02.
- B. The Company does not have any outstanding liability for borrowed money as of 12/31/02. The Company does not have any reverse repurchase agreements as of 12/31/02.

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

Non Applicable.

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

1. The Company has 200 preferred stock shares authorized, 100 shares issued, and 100 shares outstanding. The Company has 300 common stock shares authorized, 300 shares issued, and 300 shares outstanding.
2. The Company has 100 shares of preferred stock outstanding (par value \$ 5,000) held by Life of the South Corporation.

NOTES TO FINANCIAL STATEMENTS

3. Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the Company's state of incorporation, Ohio, to \$ 435,159 an amount that is based on restrictions relating to statutory surplus.

4. Within the limitation of (3) above, dividend payments to the Parent are limited to the greater of 10% of statutory surplus as of the preceding yearend or the preceding year's statutory net income.

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

6. The total amount of advances to surplus not repaid is \$ - 0 -.

7. The Company holds no stock for special purposes.

8. The Company has no special surplus fund.

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

a.	unrealized gains and losses	\$ - 0 -
b.	nonadmitted asset values	\$ 40,599
c.	separate account business	\$ - 0 -
d.	asset valuation reserve	\$ 2,493
e.	reinsurance in unauthorized companies	\$ 85,706

10. The Company has no Surplus Debenture as of December 31, 2002.

11. The Company had no quasi-reorganizations restatements.

12. The Company had no quasi-reorganizations in the past 10 years.

14. Contingencies

A. At 12/31/02, the Company was not cognizant of any contingent commitments that were not included on Page 3 of the Annual Statement.

B. No assessments were committed for contingent liabilities.

C. The Company has no gain contingencies recorded in the financial statement as of December 31, 2002.

D. 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

The Company does not have any material lease obligations at this time

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

A. The Company does not have any financial instruments with off-balance sheet risk as of 12/31/02.

B. The Company does not have any financial instruments with concentrations of credit risk as of 12/31/02.

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

A. The Company did not have any transfers of receivables reported as sales in 2002.

B. The Company had no transactions during 2002 that qualify as transfers and servicing of financial assets.

C. The Company did not have any wash sales in 2002 which involved securities with an NAIC designation of 3 or below or which were unrated.

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

The Company has no uninsured A&H plans.

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

The Company had no direct premiums written in 2002 by managing agents or third-party administrators.

NOTES TO FINANCIAL STATEMENTS

20. Other items

Not Applicable.

21. Events Subsequent

There have been no subsequent events disclosed that have a material effect on the financial condition of the Company.

22. Reinsurance

A. Ceded Reinsurance Report

Section 1 -- General Interrogatories

(1.) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes () No (X) If yes, give full details.

(2.) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which is owned in excess of 10% or controlled directly or indirectly by an insured, 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.

Section 2 -- Ceded Reinsurance Report -- Part A

(1.) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes (X) No ()

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. \$ - 0 -

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? \$ 19,746,388.

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

Section 3 -- Ceded Reinsurance Report -- Part B

(1.) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ - 0 -.

(2.) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts which were in force or which had existing reserves established by the Company as of the effective date of the agreement? Yes () No (X) If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance.

C. Commutation of Ceded Reinsurance

The Company has no commutated ceded reinsurance.

23. Retrospectively Rated Contracts

A. The Company does not have any retrospectively rated premium adjustment policies.

B. The amount of net premiums written by the Company at December 31, 2002 that are subject to retrospective rating features was \$ -0- million, that represents -0- % of the total net premiums written for group health. No other net premiums written by the Company are subject to retrospective rating features.

NOTES TO FINANCIAL STATEMENTS

24 Change in Incurred Losses and Loss Adjustment Expenses

The Company has had no changes in the provision for incurred loss and loss adjustment expenses attributable to insured events of prior years.

25 Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangements

26. Reserves for Life Contracts and Deposit-Type Contracts

(1.) The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium paid beyond the date of death. Surrender values for Ordinary life insurance are not promised in excess of the legally computed reserves.

(2.) The Company has no substandard policies.

(3.) The Company has no insurance in force for which the gross premiums are less than the net premiums.

(4.) The Tabular Interest less Actual Reserves Released and Tabular Cost have been determined by formula for these lines as described in the instructions for Page 7.

(5.) The Company has no funds not involving life contingencies for life insurance.

(6.) There are no significant "Other Increases" (net) under Page 7, Part B, Line 5.

27. Variable Annuities with Guaranteed Living Benefits

The Company does not currently write Variable Annuities

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

The Company has neither Annuity Actuarial Reserves nor Deposit Liabilities.

29. Premium and Annuity Considerations Deferred and Uncollected

The Company has no deferred or uncollected premiums on policies in force at 12/31/02.

30. Separate Accounts

At 12/31/02 and for the year then ended the Company did not engage in any separate accounts business.

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 .....		.0.000		.0.000
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	3,656,751	63.568	3,656,751	63.568
1.22 Issued by U.S. government sponsored agencies .....		.0.000		.0.000
1.3 Foreign government (including Canada, excluding mortgaged-backed securities) .....		.0.000		.0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations .....		.0.000		.0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....		.0.000		.0.000
1.43 Revenue and assessment obligations .....		.0.000		.0.000
1.44 Industrial development and similar obligations .....		.0.000		.0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA .....		.0.000		.0.000
1.512 Issued by FNMA and FHLMC	299,994	5.215	299,994	5.215
1.513 Privately issued .....		.0.000		.0.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC .....		.0.000		.0.000
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC .....		.0.000		.0.000
1.523 All other privately issued .....		.0.000		.0.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO) .....		.0.000		.0.000
2.2 Unaffiliated foreign securities .....		.0.000		.0.000
2.3 Affiliated securities .....		.0.000		.0.000
3. Equity interests:				
3.1 Investments in mutual funds .....		.0.000		.0.000
3.2 Preferred stocks:				
3.21 Affiliated .....		.0.000		.0.000
3.22 Unaffiliated .....		.0.000		.0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated .....		.0.000		.0.000
3.32 Unaffiliated .....		.0.000		.0.000
3.4 Other equity securities:				
3.41 Affiliated .....		.0.000		.0.000
3.42 Unaffiliated .....		.0.000		.0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated .....		.0.000		.0.000
3.52 Unaffiliated .....		.0.000		.0.000
4. Mortgage loans:				
4.1 Construction and land development .....		.0.000		.0.000
4.2 Agricultural .....		.0.000		.0.000
4.3 Single family residential properties .....		.0.000		.0.000
4.4 Multifamily residential properties .....		.0.000		.0.000
4.5 Commercial loans .....		.0.000		.0.000
5. Real estate investments:				
5.1 Property occupied by the company .....		.0.000	0	.0.000
5.2 Property held for the production of income (includes \$ of property acquired in satisfaction of debt) .....		.0.000	0	.0.000
5.3 Property held for sale (\$ including property acquired in satisfaction of debt) .....		.0.000	0	.0.000
6. Policy loans .....		.0.000	0	.0.000
7. Receivables for securities .....		.0.000	0	.0.000
8. Cash and short-term investments	1,795,753	31.217	1,795,753	31.217
9. Other invested assets .....		.0.000		.0.000
10. Total invested assets	5,752,498	100.000	5,752,498	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] NA []
- 1.3 State Regulating? Ohio.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No []
- 2.2 If yes, date of change:
 If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/1998
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/1998
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).08/02/1999
- 3.4 By what department or departments? Ohio Department of Insurance
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No []
- 4.12 renewals? Yes [] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No []
- 4.22 renewals? Yes [] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No []
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

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

GENERAL INTERROGATORIES

(continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 Pricewaterhouse Coopers LLP, 50 North Laura Street, Suite 3000, Jacksonville, Florida 32202-3658.....
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?
 Gary Fagg, CreditRe Corporation, 330 Grapevine Highway, Hurst, Texas 76054.....
10. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 10.1 What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?
- 10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 10.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []

BOARD OF DIRECTORS

11. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No []
12. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []
13. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

- 14.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|---------|
| | 14.11 To directors or other officers .. | \$..... |
| | 14.12 To stockholders not officers ... | \$..... |
| | 14.13 Trustees, supreme or grand (Fraternal only) | \$..... |
- 14.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|---------|
| | 14.21 To directors or other officers ... | \$..... |
| | 14.22 To stockholders not officers | \$..... |
| | 14.23 Trustees, supreme or grand (Fraternal only) | \$..... |
- 15.1 Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement? Yes [] No [X]
- 15.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|--|----------------------------------|---------|
| | 15.21 Rented from others | \$..... |
| | 15.22 Borrowed from others | \$..... |
| | 15.23 Leased from others | \$..... |
| | 15.24 Other | \$..... |
- Disclose in Notes to Financial Statements the nature of each of these obligations.
- 16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 16.2 If answer is yes,
- | | | |
|--|--|---------|
| | 16.21 Amount paid as losses or risk adjustment | \$..... |
| | 16.22 Amount paid as expenses | \$..... |
| | 16.23 Other amounts paid | \$..... |

GENERAL INTERROGATORIES

(continued)
INVESTMENT

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

Class	1	2	3	4	5		6	
	Number of Shares Authorized	Number of Shares Outstanding	Par Value Per Share	Redemption Price if Callable	Is Dividend Rate Limited?		Are Dividends Cumulative?	
					Yes	No	Yes	No
Preferred	200	100	5,000.000	5,000	[X]	[]	[X]	[]
Common	300	300	1.000	XXX	XXX	XXX	XXX	XXX

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

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

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

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

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

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

19.31	19.35
19.32	19.36
19.33	19.37
19.34	19.38
	19.39

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

19.4. For category (19.28) provide the following:

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

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

20.2. If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [X]
If no, attach a description with this statement.

21.1. Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [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
Park National Bank.....	P.O. Box 3500, Newark, Ohio 43058-3500.....
.....

GENERAL INTERROGATORIES

**(continued)
INVESTMENT**

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

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

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

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

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

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

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

OTHER

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U. S. business only \$
- 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 \$0
- 1.62 Total incurred claims \$0
- 1.63 Number of covered lives \$0
- All years prior to most current three years:
- 1.64 Total premium earned \$0
- 1.65 Total incurred claims \$0
- 1.66 Number of covered lives \$0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$0
- 1.72 Total incurred claims \$0
- 1.73 Number of covered lives \$0
- All years prior to most current three years:
- 1.74 Total premium earned \$0
- 1.75 Total incurred claims \$0
- 1.76 Number of covered lives \$0
- 2.1 Does this reporting entity have Separate Accounts? Yes [] No [X]
- 2.2 If yes, has a Separate Accounts Statement been filed with this Department? Yes [] No [] NA [X]
- 2.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? \$
- 2.4 State the authority under which Separate Accounts are maintained:
- 2.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [] No []
- 2.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [] No []
- 3.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes [X] No []
- 3.2 Net reimbursement of such expenses between reporting entities:
- 3.21 Paid: \$527,946
- 3.22 Received: \$
- 4.1 Does the reporting entity write any guaranteed interest contracts? Yes [] No [X]
- 4.2 If yes, what amount pertaining to these items is included in:
- 4.21 Page 3, Line 3 \$
- 4.22 Page 4, Line 1 \$
5. For stock reporting entities only:
- 5.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$
6. Total dividends paid stockholders since organization of the reporting entity:
- 6.11 Cash: \$4,440,814
- 6.12 Stock: \$2,831,164
- 7.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 7.11 Name of real estate holding company
- 7.12 Number of parcels involved
- 7.13 Total book/adjusted carrying value \$
- 7.2 If yes, provide explanation:

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Yes [] No [X]

Workers compensation carve-out business is defined as reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability expositors, of business originally written as workers' compensation insurance.

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

FIVE-YEAR HISTORICAL DATA

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

	1 2002	2 2001	3 2000	4 1999	5 1998
Life Insurance in Force					
(Exhibit of Life Insurance)					
1. Ordinary - Whole Life and Endowment (Line 34, Col. 4)	0	0	0	0	0
2. Ordinary - Term (Line 21, Col. 4, less Line 34, Col. 4)	0	0	0	0	0
3. Credit Life (Line 21, Col. 6)	385,163	387,824	347,113	307,825	200,372
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	0	0	0	0	0
5. Industrial (Line 21, Col. 2)	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)	0	0	0	0	0
7. Total (Line 21, Col. 10)	385,163	387,824	347,113	307,825	200,372
New Business Issued					
(Exhibit of Life Insurance)					
8. Ordinary - Whole Life and Endowment (Line 34, Col. 2)	0	0	0	0	0
9. Ordinary - Term (Line 2, Col. 4, less Line 34, Col. 2)	0	0	0	0	0
10. Credit Life (Line 2, Col. 6)	214,521	222,993	187,912	214,228	200,243
11. Group (Line 2, Col. 9)	0	0	0	0	0
12. Industrial (Line 2, Col. 2)	0	0	0	0	0
13. Total (Line 2, Col. 10)	214,521	222,993	187,912	214,228	200,243
Premium Income - Lines of Business					
14. Industrial Life (Exhibit 1-Part 1, Line 20.4, Col. 2)	0	0	0	0	0
15.1 Ordinary-Life Insurance (Exhibit 1-Part 1, Line 20.4, Col. 3)	0	0	0	0	0
15.2 Ordinary-Individual Annuities (Exhibit 1-Part 1, Line 20.4, Col. 4)	0	0	0	0	0
16. Credit Life (Group and Individual) (Exhibit 1-Part 1, Line 20.4, Col. 5)	1,134,026	1,200,329	493,839	1,436,164	1,418,446
17.1 Group Life Insurance (Exhibit 1-Part 1, Line 20.4, Col. 6)	0	0	0	0	0
17.2 Group Annuities (Exhibit 1-Part 1, Line 20.4, Col. 7)	0	0	0	0	0
18.1 A & H-Group (Exhibit 1-Part 1, Line 20.4, Col. 8)	0	0	0	0	0
18.2 A & H-Credit (Group and Individual) (Exhibit 1-Part 1, Line 20.4, Col. 9)	1,003,481	(416,227)	412,408	624,984	609,831
18.3 A & H-Other (Exhibit 1-Part 1, Line 20.4, Col. 10)	0	0	0	0	0
19. Aggregate of All Other Lines of Business (Exhibit 1-Part 1, Line 20.4, Col. 11)	0	0	0	0	0
20. Deposit-type funds	XXX	XXX	0	0	0
21. Total	2,137,507	784,101	906,247	2,061,148	2,028,277
Balance Sheet Items (Pages 2 & 3)					
22. Total Admitted Assets Excluding Separate Accounts Business (Page 2, Line 25, Col. 3)	6,890,328	5,593,245	6,349,669	6,258,021	9,829,034
23. Total Liabilities Excluding Separate Accounts Business (Page 3, Line 26)	2,538,739	2,439,915	2,717,948	3,159,491	7,163,763
24. Aggregate Life Reserves (Page 3, Line 1)	1,166,192	1,338,008	1,547,370	1,957,745	1,614,086
25. Aggregate A & H Reserves (Page 3, Line 2)	670,570	785,154	835,342	859,641	655,149
26. Deposit-type contract funds (Page 3, Line 3)	0	0	XXX	XXX	XXX
27. Asset Valuation Reserve (Page 3, Line 24.1)	2,493	4,541	1,292	300	13,401
28. Capital (Page 3, Lines 29 and 30)	500,300	500,300	500,300	500,300	500,300
29. Surplus (Page 3, Line 37)	3,851,289	2,653,031	3,131,421	2,598,230	2,164,971
Risk-Based Capital Analysis					
30. Total Adjusted Capital	4,354,082	3,157,872	3,633,013	3,098,830	2,678,672
31. Authorized Control Level Risk - Based Capital	156,115	137,975	169,676	181,348	115,296
Percentage Distribution of Assets					
(Page 2, Col. 3) (Line No. / Page 2, Line 11, Col. 3) x 100.0					
32. Bonds (Line 1)	68.8	84.4	64.0	48.3	71.4
33. Stocks (Lines 2.1 and 2.2)	0.0	0.0	0.0	0.0	0.0
34. Mortgage Loans on Real Estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
35. Real Estate (Lines 4.1, 4.2 and 4.3)	0.0	0.0	0.0	0.0	0.0
36. Policy Loans (Line 5)	0.0	0.0	0.0	0.0	0.0
37. Premium Notes (Line 6)	0.0	0.0	0.0	0.0	0.0
38. Cash and Short - Term Investments (Line 7)	31.2	15.6	36.0	51.7	28.6
39. Other Invested Assets (Line 8)	0.0	0.0	0.0	0.0	0.0
40. Receivable for Securities (Line 9)	0.0	0.0	0.0	0.0	0.0
41. Aggregate Write-ins for Invested Assets (Line 10)	0.0	0.0	0.0	0.0	0.0
42. Cash and Invested Assets (Line 11)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
Investments in Parent, Subsidiaries and Affiliates					
43. Affiliated Bonds (Schedule D Summary, Line 25, Col. 1)	0	0	0	0	0
44. Affiliated Preferred Stocks (Schedule D Summary, Line 39, Col. 1)	0	0	0	0	0
45. Affiliated Common Stocks (Schedule D Summary, Line 53, Col. 2)	0	0	0	0	0
46. Affiliated Short-Term Investments (Subtotals included in Schedule DA Part 2 Col. 5, Line 11)	0	0	0	0	0
47. Affiliated Mortgage Loans on Real Estate	0	0	0	0	0
48. All Other Affiliated	0	0	0	0	0
49. Total of above Lines 43 to 48	0	0	0	0	0
Total Non-admitted and Admitted Assets					
50. Total Non admitted Assets (Page 2, Line 27, Col. 2)	40,599	117,205	90,245	104,636	0
51. Total Admitted Assets (Page 2, Line 27, Col. 3)	6,890,328	5,593,245	6,349,669	6,258,021	9,829,034
Investment Data					
52. Net Investment Income (Exhibit of Net Investment Income)	253,301	285,576	291,574	469,256	335,283
53. Realized Capital Gains (Losses)		(11,775)	(823)	(123,492)	11,267
54. Unrealized Capital Gains (Losses)		0	0	0	5,949
55. Total of above Lines 52, 53 & 54	253,301	273,801	290,751	345,764	352,499
Benefits and Reserve Increases (Page 6)					
56. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15, Col.1 less Lines 10, 11, 12, 13, 14, and 15, Cols. 9, 10 & 11)	176,323	222,287	233,468	241,604	68,544
57. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	171,084	188,461	125,169	101,367	59,720
58. Increase in Life Reserves - Other than Group and Annuities (Line 19, Cols. 2 and 3)	0	0	0	0	0
59. Increase in A & H Reserves (Line 19, Cols. 9, 10 & 11)	(114,584)	(50,188)	(24,299)	204,492	479,547
60. Dividends to Policyholders (Line 30, Col. 1)	0	0	0	0	0
Operating Percentages					
61. Insurance Expense Percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus group annuity contribution funds) x 100.0	39.3	111.1	82.5	69.7	95.6
62. Lapse Percent (Ordinary Only) (Exhibit of Life Insurance, Col. 4, Lines 14 & 15) x 100.0 / 1/2 (Lines 1 & 21)	0.0	0.0	0.0	0.0	0.0
63. A & H Loss Percent (Schedule H, Part 1, Lines 3 and 4, Col. 2)	12.9	(50.8)	35.9	32.0	59.5
64. A & H Expense Percent (Schedule H, Pt. 1, Line 8, Col. 2)	30.3	(121.9)	32.2	130.6	458.5
A & H Claim Reserve Adequacy					
65. Incurred Losses on Prior Years' Claims - Group Health (Schedule H, Part 3, Line 3.1 Col. 2)	0	0	0	0	0
66. Prior Years' Claim Liability and Reserve - Group Health (Schedule H, Part 3, Line 3.2 Col. 2)	0	0	0	0	0
67. Incurred Losses on Prior Years' Claims-Health other than Group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)	243,644	218,776	148,131	55,548	5,435
68. Prior Years' Claim Liability and Reserve-Health other than Group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)	193,580	187,743	151,325	89,188	15,639
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
69. Industrial Life (Col. 2)	0	0	0	0	0
70. Ordinary - Life (Col. 3)	0	0	0	0	0
71. Ordinary - Individual Annuities (Col. 4)	0	0	0	0	0
72. Ordinary-Supp. Contracts (Col. 5)	0	0	0	0	0
73. Credit Life (Col. 6)	558,550	962,410	323,846	295,602	(676,672)
74. Group Life (Col. 7)	0	0	0	0	0
75. Group Annuities (Col. 8)	0	0	0	0	0
76. A & H-Group (Col. 9)	0	0	0	0	0
77. A & H-Credit (Col. 10)	627,188	(950,742)	170,564	(120,241)	(610,355)
78. A & H-Other (Col. 11)	0	0	0	0	0
79. Aggregate of All Other Lines of Business (Col. 12)	0	0	0	0	0
80. Total (Col. 1)	1,185,738	11,668	494,410	175,361	(1,287,027)

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year	0	0	0	0	42,212	387,824	0	0	0	387,824
2. Issued during year	0	0	0	0	13,097	214,521	0	0	0	214,521
3. Reinsurance assumed										0
4. Revived during year										0
5. Increased during year (net)										0
6. Subtotals, Lines 2 to 5	0	0	0	0	13,097	214,521	0	0	0	214,521
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		0
8. Aggregate write-ins for increases	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8)	0	0	0	0	55,309	602,345	0	0	0	602,345
Deductions during year:										
10. Death					286	1,198	XXX			1,198
11. Maturity							XXX			0
12. Disability							XXX			0
13. Expiry					12,630	215,984				215,984
14. Surrender										0
15. Lapse										0
16. Conversion							XXX	XXX	XXX	0
17. Decreased (net)										0
18. Reinsurance										0
19. Aggregate write-ins for decreases	0	0	0	0	0	0	0	0	0	0
20. Totals, (Lines 10 to 19)	0	0	0	0	12,916	217,182	0	0	0	217,182
21. In force end of year, (Line 9 minus Line 20)	0	0	0	0	42,393	385,163	0	0	0	385,163
22. Reinsurance ceded end of year	XXX		XXX		XXX	341,802	XXX	XXX		341,802
23. Line 21 minus Line 22	XXX	0	XXX	0	XXX	(b) 43,361	XXX	XXX	0	43,361
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0	0	0	0	0	0	0
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0	0	0	0	0	0	0
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page	0	0	0	0	0	0	0	0	0	0
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)	0	0	0	0	0	0	0	0	0	0

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

(b) Group \$; Individual \$

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ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	NONE			
25. Other paid-up insurance				
26. Debit ordinary insurance				

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)
27. Term policies - decreasing	NONE			
28. Term policies - other				
29. Other term insurance - decreasing				
30. Other term insurance				
31. Totals, Line 27 to 30				
Reconciliation to Page 30, Lines 2 and 21:				
32. Term additions				
33. Totals, extended term insurance				
34. Totals, whole life and endowment				
35. Total (Lines 31 to 34)				

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Page 30, Line 2)		In Force End of Year (Included in Page 30, Line 21)	
	1	2	3	4
	Non-Participating	Participating	Non-Participating	Participating
36. Industrial				
37. Ordinary				
38. Credit Life (Group and Individual)	214,521		385,163	
39. Group				
40. Totals (Lines 36 to 39)	214,521	0	385,163	0

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Page 30, Line 2 ceded to other companies	XXX	341,802	XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		XXX		XXX
43. Federal Employees' Group Life Insurance included in Page 30, Line 21				
44. Servicemen's Group Life Insurance included in Page 30, Line 21				
45. Group Permanent Insurance included in Page 30, Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	
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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	NONE	
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	NONE							
49. Disability Income								
50. Extended Benefits								
51. Other								
52. Total								

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

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

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

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
NONE				
1. In force end of prior year				
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)				
Deductions during year:				
6. Decreased (net)				
7. Reinsurance				
8. Totals (Lines 6 and 7)				
9. In force end of year				
10. Amount on deposit		(a)		(a)
11. Income now payable				
12. Amount of income payable	(a)	(a)	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
NONE				
1. In force end of prior year				
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)				
Deductions during year:				
6. Decreased (net)				
7. Reinsurance				
8. Totals (Lines 6 and 7)				
9. In force end of year				
Income now payable:				
10. Amount of income payable	(a)	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a)	XXX	(a)
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Ordinary		Group		Credit	
	1 Policies	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	0	0	0	0	31,948	22,758,878
2. Issued during year					9,480	1,260,957
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Total (Lines 1 to 4)	0	XXX	0	XXX	41,428	XXX
Deductions during year:						
6. Conversions	XXX	XXX		XXX	XXX	XXX
7. Decreased (net)		XXX		XXX	9,259	XXX
8. Reinsurance		XXX		XXX		XXX
9. Total (Lines 6 thru 8)	0	XXX	0	XXX	9,259	XXX
10. In force end of year	0 (a)		0 (a)		32,169 (a)	24,019,835

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
NONE		
1. In force end of prior year		
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Total (Lines 1 to 4)		
Deductions During Year:		
6. Decreased (net)		
7. Reinsurance		
8. Totals (Lines 6 and 7)		
9. In force end of year		
10. Amount of account balance	(a)	(a)

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

SCHEDULE D - SUMMARY BY COUNTRY

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

Description	1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
BONDS				
Governments (Including all obligations guaranteed by governments)	1. United States 3,707,467	3,893,280	3,719,290	3,700,000
	2. Canada 0	0	0	0
	3. Other Countries 0	0	0	0
	4. Totals 3,707,467	3,893,280	3,719,290	3,700,000
States, Territories and Possessions (Direct and guaranteed)	5. United States 0	0	0	0
	6. Canada 0	0	0	0
	7. Other Countries 0	0	0	0
	8. Totals 0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States 0	0	0	0
	10. Canada 0	0	0	0
	11. Other Countries 0	0	0	0
	12. Totals 0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States 0	0	0	0
	14. Canada 0	0	0	0
	15. Other Countries 0	0	0	0
	16. Totals 0	0	0	0
Public Utilities (unaffiliated)	17. United States 0	0	0	0
	18. Canada 0	0	0	0
	19. Other Countries 0	0	0	0
	20. Totals 0	0	0	0
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States 249,278	250,135	241,590	250,000
	22. Canada 0	0	0	0
	23. Other Countries 0	0	0	0
	24. Totals 249,278	250,135	241,590	250,000
Parent, Subsidiaries and Affiliates	25. Totals 0	0	0	0
	26. Total Bonds 3,956,745	4,143,415	3,960,880	3,950,000
PREFERRED STOCKS				
Public Utilities (unaffiliated)	27. United States 0	0	0	
	28. Canada 0	0	0	
	29. Other Countries 0	0	0	
	30. Totals 0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States 0	0	0	
	32. Canada 0	0	0	
	33. Other Countries 0	0	0	
	34. Totals 0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States 0	0	0	
	36. Canada 0	0	0	
	37. Other Countries 0	0	0	
	38. Totals 0	0	0	
Parent, Subsidiaries and Affiliates	39. Totals 0	0	0	
	40. Total Preferred Stocks 0	0	0	
COMMON STOCKS				
Public Utilities (unaffiliated)	41. United States 0	0	0	
	42. Canada 0	0	0	
	43. Other Countries 0	0	0	
	44. Totals 0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States 0	0	0	
	46. Canada 0	0	0	
	47. Other Countries 0	0	0	
	48. Totals 0	0	0	
Industrial and Miscellaneous (unaffiliated)	49. United States 0	0	0	
	50. Canada 0	0	0	
	51. Other Countries 0	0	0	
	52. Totals 0	0	0	
Parent, Subsidiaries and Affiliates	53. Totals 0	0	0	
	54. Total Common Stocks 0	0	0	
	55. Total Stocks 0	0	0	
	56. Total Bonds and Stocks 3,956,745	4,143,415	3,960,880	

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

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year 4,388,672	6. Foreign Exchange Adjustment:
2. Cost of bonds and stocks acquired, Column 6, Part 3 1,250,000	6.1 Column 17, Part 1 0
3. Increase (decrease) by adjustment:	6.2 Column 13, Part 2, Sec. 1 0
3.1 Column 16, Part 1 (254)	6.3 Column 11, Part 2, Sec. 2 0
3.2 Column 12, Part 2, Sec. 1 0	6.4 Column 11, Part 4 0
3.3 Column 10, Part 2, Sec. 2 0	
3.4 Column 10, Part 4 2,399	7. Book/adjusted carrying value at end of current period 3,956,745
4. Total gain (loss), Col. 14, Part 4 84,741	8. Total valuation allowance 0
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4 1,768,814	9. Subtotal (Lines 7 plus 8) 3,956,745
	10. Total nonadmitted amounts 0
	11. Statement value of bonds and stocks, current period 3,956,745

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Classic Life Assurance Company

SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Life Contracts		Direct Business Only		
		2	3	4	5	6
	Is Insurer Licensed? (Yes or No)	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Deposit-Type Contract Funds	Other Considerations
1. Alabama	AL	No.	0	0	0	0
2. Alaska	AK	No.	0	0	0	0
3. Arizona	AZ	No.	0	0	0	0
4. Arkansas	AR	No.	0	0	0	0
5. California	CA	No.	0	0	0	0
6. Colorado	CO	No.	0	0	0	0
7. Connecticut	CT	No.	0	0	0	0
8. Delaware	DE	No.	0	0	0	0
9. District of Columbia	DC	No.	0	0	0	0
10. Florida	FL	No.	0	0	0	0
11. Georgia	GA	No.	0	0	0	0
12. Hawaii	HI	No.	0	0	0	0
13. Idaho	ID	No.	0	0	0	0
14. Illinois	IL	No.	0	0	0	0
15. Indiana	IN	No.	0	0	0	0
16. Iowa	IA	No.	0	0	0	0
17. Kansas	KS	No.	0	0	0	0
18. Kentucky	KY	No.	0	0	0	0
19. Louisiana	LA	No.	0	0	0	0
20. Maine	ME	No.	0	0	0	0
21. Maryland	MD	No.	0	0	0	0
22. Massachusetts	MA	No.	0	0	0	0
23. Michigan	MI	No.	0	0	0	0
24. Minnesota	MN	No.	0	0	0	0
25. Mississippi	MS	No.	0	0	0	0
26. Missouri	MO	No.	0	0	0	0
27. Montana	MT	No.	0	0	0	0
28. Nebraska	NE	No.	0	0	0	0
29. Nevada	NV	No.	0	0	0	0
30. New Hampshire	NH	No.	0	0	0	0
31. New Jersey	NJ	No.	0	0	0	0
32. New Mexico	NM	No.	0	0	0	0
33. New York	NY	No.	0	0	0	0
34. North Carolina	NC	No.	0	0	0	0
35. North Dakota	ND	No.	0	0	0	0
36. Ohio	OH	Yes.	3,870,679	0	4,928,455	0
37. Oklahoma	OK	No.	0	0	0	0
38. Oregon	OR	No.	0	0	0	0
39. Pennsylvania	PA	No.	0	0	0	0
40. Rhode Island	RI	No.	0	0	0	0
41. South Carolina	SC	No.	0	0	0	0
42. South Dakota	SD	No.	0	0	0	0
43. Tennessee	TN	No.	0	0	0	0
44. Texas	TX	No.	0	0	0	0
45. Utah	UT	No.	0	0	0	0
46. Vermont	VT	No.	0	0	0	0
47. Virginia	VA	No.	0	0	0	0
48. Washington	WA	No.	0	0	0	0
49. West Virginia	WV	No.	0	0	0	0
50. Wisconsin	WI	No.	0	0	0	0
51. Wyoming	WY	No.	0	0	0	0
52. American Samoa	AS	No.	0	0	0	0
53. Guam	GU	No.	0	0	0	0
54. Puerto Rico	PR	No.	0	0	0	0
55. US Virgin Islands	VI	No.	0	0	0	0
56. Canada	CN	No.	0	0	0	0
57. Aggregate Other Alien	OT	XXX	0	0	0	0
58. Subtotal	(a)	1	3,870,679	0	4,928,455	0
90. Reporting entity contributions for employee benefit plans	XXX					
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX					
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX					
93. Premium or annuity considerations waived under disability or other contract provisions	XXX					
94. Aggregate of other amounts not allocable by State	XXX		0	0	0	0
95. Totals (Direct Business)	XXX		3,870,679	0	4,928,455	0
96. Plus Reinsurance Assumed	XXX					
97. Totals (All Business)	XXX		3,870,679	0	4,928,455	0
98. Less Reinsurance Ceded	XXX		2,736,653	0	3,924,974	0
99. Totals (All Business) less Reinsurance Ceded	XXX		1,134,026	0	1,003,481	0
DETAILS OF WRITE-INS						
5701.	XXX					
5702.	XXX					
5703.	XXX					
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX		0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798)(Line 57 above)	XXX		0	0	0	0
9401.	XXX					
9402.	XXX					
9403.	XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX		0	0	0	0
9499. Totals (Lines 9401 thru 9403 plus 9498)(Line 94 above)	XXX		0	0	0	0

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

The Company is licensed in Ohio only.

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

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

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

PART 1 - ORGANIZATIONAL CHART

