

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	590,742,594		590,742,594	566,109,611
2. Stocks (Schedule D):				
2.1 Preferred stocks	22,151,575		22,151,575	28,797,606
2.2 Common stocks	26,272,730	15,251	26,257,479	27,211,310
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	3,671,075		3,671,075	4,191,220
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	9,369,468		9,369,468	9,748,310
4.2 Properties held for the production of income (less \$ 0 encumbrances)			0	0
4.3 Properties held for sale (less \$ 0 encumbrances)			0	0
5. Cash (\$308,503 , Schedule E - Part 1), cash equivalents (\$494,190 , Schedule E - Part 2) and short-term investments (\$ 0 , Schedule DA)	802,692		802,692	3,220,583
6. Contract loans (including \$ premium notes)	4,809,595		4,809,595	4,803,767
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)	31,638,491	0	31,638,491	25,460,793
9. Receivables for securities	517,697		517,697	610
10. Securities lending reinvested collateral assets (Schedule DL)			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	689,975,919	15,251	689,960,668	669,543,810
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	7,302,018		7,302,018	7,092,905
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	883,305	470,264	413,041	263,177
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	732,752		732,752	467,205
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	815,652		815,652	785,955
18.2 Net deferred tax asset	4,400,626		4,400,626	3,584,448
19. Guaranty funds receivable or on deposit	32,243		32,243	49,345
20. Electronic data processing equipment and software	33,650		33,650	49,214
21. Furniture and equipment, including health care delivery assets (\$)	307,038		307,038	265,612
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	99,274		99,274	74,209
24. Health care (\$) and other amounts receivable	74,554	74,554	0	0
25. Aggregate write-ins for other than invested assets	86,151	86,151	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	704,743,182	646,219	704,096,963	682,175,880
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	704,743,182	646,219	704,096,963	682,175,880
DETAILS OF WRITE-INS				
1101.			0	0
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaid Misc Expense	2,000	2,000	0	0
2502. Misc Items in Process	65,401	65,401	0	0
2503. Prepaid Reinsurance	18,750	18,750	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	86,151	86,151	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$562,330,411 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	562,330,411	540,111,529
2. Aggregate reserve for accident and health contracts (including \$ 0 Modco Reserve)	2,232,701	2,153,906
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ Modco Reserve)	9,859,317	11,000,088
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	2,542,577	2,968,483
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	287,919	268,704
5. Policyholders' dividends/refunds to members \$ 20,673 and coupons \$ due and unpaid (Exhibit 4, Line 10)	20,673	23,578
6. Provision for policyholders' dividends, refunds to members and coupons payable in following calendar year - estimated amounts:		
6.1 Policyholders' dividends and refunds to members apportioned for payment (including \$ Modco)	170,824	176,504
6.2 Policyholders' dividends and refunds to members 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 \$ 29,712 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	112,992	102,965
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts	0	0
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ 0 is for medical loss ratio rebate per the Public Health Service Act	0	0
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ 1,106,175 ceded	1,106,175	1,006,049
9.4 Interest maintenance reserve (IMR, Line 6)	29,763,936	29,812,356
10. Commissions to agents due or accrued-life and annuity contracts \$806,477 accident and health \$ 250,518 and deposit-type contract funds \$	1,056,996	967,183
11. Commissions and expense allowances payable on reinsurance assumed	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 7)	1,691,248	1,228,231
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 6)	293,624	597,679
15.1 Current federal and foreign income taxes, including \$ on realized capital gains (losses)	0	0
15.2 Net deferred tax liability	0	0
16. Unearned investment income	74,959	78,586
17. Amounts withheld or retained by reporting entity as agent or trustee	537,207	43,873
18. Amounts held for agents' account, including \$ 679,448 agents' credit balances	1,047,897	960,960
19. Remittances and items not allocated	1,565,895	1,008,259
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 \$ 10,821	10,821	6,356
23. Dividends to stockholders declared and unpaid	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	10,728,404	12,964,357
24.02 Reinsurance in unauthorized and certified (\$ 0) companies	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$) reinsurers	0	0
24.04 Payable to parent, subsidiaries and affiliates	569,875	545,573
24.05 Drafts outstanding	0	0
24.06 Liability for amounts held under uninsured plans	0	0
24.07 Funds held under coinsurance	0	0
24.08 Derivatives	0	0
24.09 Payable for securities	0	0
24.10 Payable for securities lending	0	0
24.11 Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	2,998	3,190
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	626,007,447	606,028,411
27. From Separate Accounts Statement	0	0
28. Total liabilities (Lines 26 and 27)	626,007,447	606,028,411
29. Common capital stock	5,000,000	5,000,000
30. Preferred capital stock	0	0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes	4,000,000	4,600,000
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	4,000,000	4,000,000
34. Aggregate write-ins for special surplus funds	0	0
35. Unassigned funds (surplus)	65,089,515	62,547,471
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 \$ in Separate Accounts Statement)	73,089,515	71,147,471
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	78,089,515	76,147,471
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	704,096,963	682,175,882
DETAILS OF WRITE-INS		
2501. FASB 106 post retirement liability	2,998	3,190
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)	2,998	3,190
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

	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)	93,403,867	100,087,896
2. Considerations for supplementary contracts with life contingencies	0	100,151
3. Net investment income (Exhibit of Net Investment Income, Line 17)	33,091,987	34,169,621
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)	2,477,952	2,399,839
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)	0	0
7. Reserve adjustments on reinsurance ceded	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	0	0
8.2 Charges and fees for deposit-type contracts	0	0
8.3 Aggregate write-ins for miscellaneous income	460,678	798,858
9. Total (Lines 1 to 8.3)	129,434,484	137,556,366
10. Death benefits	45,004,441	45,844,524
11. Matured endowments (excluding guaranteed annual pure endowments)	78,795	114,379
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	10,213,996	9,209,562
13. Disability benefits and benefits under accident and health contracts	1,802,075	1,536,918
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0
15. Surrender benefits and withdrawals for life contracts	20,950,242	15,671,316
16. Group conversions	0	0
17. Interest and adjustments on contract or deposit-type contract funds	442,077	466,721
18. Payments on supplementary contracts with life contingencies	76,917	78,307
19. Increase in aggregate reserves for life and accident and health contracts	22,297,677	34,371,456
20. Totals (Lines 10 to 19)	100,866,220	107,293,183
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	9,842,634	10,228,706
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	0	0
23. General insurance expenses and fraternal expenses (Exhibit 2, Line 10, Cols. 1, 2, 3, 4 and 6)	14,456,098	13,481,756
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3 + 5)	1,927,848	1,811,790
25. Increase in loading on deferred and uncollected premiums	19,519	(15,420)
26. Net transfers to or (from) Separate Accounts net of reinsurance	0	0
27. Aggregate write-ins for deductions	(192)	(8,082)
28. Totals (Lines 20 to 27)	127,112,126	132,791,933
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28)	2,322,358	4,764,433
30. Dividends to policyholders and refunds to members	164,855	163,687
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30)	2,157,503	4,600,746
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	721,323	1,182,182
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	1,436,180	3,418,564
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$	723,038	1,781,024
\$ 192,200 (excluding taxes of \$ 645,825 transferred to the IMR)		
35. Net income (Line 33 plus Line 34)	2,159,219	5,199,588
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	76,147,469	72,544,112
37. Net income (Line 35)	2,159,219	5,199,588
38. Change in net unrealized capital gains (losses) less capital gains tax of \$	(904,679)	3,510,424
39. Change in net unrealized foreign exchange capital gain (loss)	0	0
40. Change in net deferred income tax	816,178	287,348
41. Change in nonadmitted assets	235,376	133,584
42. Change in liability for reinsurance in unauthorized and certified companies	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease	0	0
44. Change in asset valuation reserve	2,235,953	(2,927,587)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period	0	0
47. Other changes in surplus in Separate Accounts Statement	0	0
48. Change in surplus notes	(600,000)	(600,000)
49. Cumulative effect of changes in accounting principles	0	0
50. Capital changes:		
50.1 Paid in	0	0
50.2 Transferred from surplus (Stock Dividend)	0	0
50.3 Transferred to surplus	0	0
51. Surplus adjustment:		
51.1 Paid in	0	0
51.2 Transferred to capital (Stock Dividend)	0	0
51.3 Transferred from capital	0	0
51.4 Change in surplus as a result of reinsurance	0	0
52. Dividends to stockholders	(2,000,000)	(2,000,000)
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)	1,942,047	3,603,357
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	78,089,515	76,147,469
DETAILS OF WRITE-INS		
08.301. Miscellaneous Income	460,678	798,858
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	460,678	798,858
2701. Inc(dec) in liability for post retirement benefits	(192)	(8,082)
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	(192)	(8,082)
5301.		
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	0	0

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	93,431,140	100,547,322
2. Net investment income	33,685,291	35,501,304
3. Miscellaneous income	460,678	798,858
4. Total (Lines 1 through 3)	127,577,109	136,847,484
5. Benefit and loss related payments	79,140,656	72,686,112
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	25,930,306	25,416,912
8. Dividends paid to policyholders	173,440	172,533
9. Federal and foreign income taxes paid (recovered) net of \$ 838,025 tax on capital gains (losses)	1,589,045	4,275,345
10. Total (Lines 5 through 9)	106,833,447	102,550,902
11. Net cash from operations (Line 4 minus Line 10)	20,743,662	34,296,582
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	78,074,316	150,355,653
12.2 Stocks	19,874,231	15,147,748
12.3 Mortgage loans	518,048	380,427
12.4 Real estate	489,856	0
12.5 Other invested assets	1,365,398	6,174,846
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(2,050)	0
12.7 Miscellaneous proceeds	0	3,128
12.8 Total investment proceeds (Lines 12.1 to 12.7)	100,319,798	172,061,802
13. Cost of investments acquired (long-term only):		
13.1 Bonds	100,817,353	179,435,543
13.2 Stocks	11,327,530	18,881,012
13.3 Mortgage loans	0	0
13.4 Real estate	214,205	2,606
13.5 Other invested assets	7,955,723	4,204,361
13.6 Miscellaneous applications	517,087	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	120,831,898	202,523,522
14. Net increase (decrease) in contract loans and premium notes	5,827	(159,721)
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(20,517,928)	(30,301,999)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	(600,000)	(600,000)
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	4,465	422
16.4 Net deposits on deposit-type contracts and other insurance liabilities	(1,140,772)	219,535
16.5 Dividends to stockholders	2,000,000	2,000,000
16.6 Other cash provided (applied)	1,092,682	119,864
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(2,643,625)	(2,260,179)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(2,417,890)	1,734,404
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	3,220,583	1,486,180
19.2 End of year (Line 18 plus Line 19.1)	802,692	3,220,583

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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