

**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).....	160,859,441		160,859,441	170,659,649
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	2,309,892		2,309,892	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	162,830		162,830	195,901
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....3,384,178, Schedule E-Part 1), cash equivalents (\$.....11,079,021, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	14,463,199		14,463,199	16,022,199
6. Contract loans (including \$.....0 premium notes).....	9,504,816		9,504,816	9,596,222
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....	1,000	1,000	0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	187,301,178	1,000	187,300,178	196,473,971
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	2,431,133		2,431,133	2,319,855
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	270,626		270,626	305,586
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	1,620,439		1,620,439	1,655,824
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	647,394		647,394	1,378,661
16.2 Funds held by or deposited with reinsured companies.....	3,718,517		3,718,517	4,258,793
16.3 Other amounts receivable under reinsurance contracts.....	369,036		369,036	350,658
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....	1,148,943		1,148,943	340,051
18.2 Net deferred tax asset.....	2,933,110	1,557,412	1,375,698	2,346,488
19. Guaranty funds receivable or on deposit.....	183,569		183,569	
20. Electronic data processing equipment and software.....	321,762	157,886	163,876	337,954
21. Furniture and equipment, including health care delivery assets (\$.....0).....	111,162	8,005	103,157	130,646
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....	49,613	49,613	0	
25. Aggregate write-ins for other-than-invested assets.....	13,526,152	4,848,558	8,677,594	9,134,182
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	214,632,634	6,622,474	208,010,160	219,032,669
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	214,632,634	6,622,474	208,010,160	219,032,669

**DETAILS OF WRITE-INS**

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Goodwill.....	6,011,045	3,904,138	2,106,907	2,192,114
2502. Cash accounts held by administrators.....	5,621,718		5,621,718	5,146,431
2503. Administrative fees receivable.....	118,025		118,025	686,246
2598. Summary of remaining write-ins for Line 25 from overflow page.....	1,775,364	944,420	830,944	1,109,391
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	13,526,152	4,848,558	8,677,594	9,134,182

**UNIFIED LIFE INSURANCE COMPANY**  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$.....141,757,918 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	141,757,918	141,140,684
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	16,814,618	17,944,967
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....	3,794,583	4,104,154
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11).....	2,264,887	2,166,667
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....	4,442,127	12,317,162
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10).....		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....	35,923	37,442
6.2 Dividends not yet apportioned (including \$.....0 Modco).....		
6.3 Coupons and similar benefits (including \$.....0 Modco).....		
7. Amount provisionally held for deferred dividend policies not included in Line 6.....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....208,270 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14).....	308,928	125,941
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....		
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded.....		
9.4 Interest Maintenance Reserve (IMR, Line 6).....		
10. Commissions to agents due or accrued - life and annuity contracts \$.....594, accident and health \$.....22,003 and deposit-type contract funds \$.....0.....	22,597	3,504
11. Commissions and expense allowances payable on reinsurance assumed.....	175	186
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6).....	816,598	691,424
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5).....	444,522	845,273
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....		
15.2 Net deferred tax liability.....		
16. Unearned investment income.....	333,677	305,541
17. Amounts withheld or retained by company as agent or trustee.....	6,139	10,528
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....		
19. Remittances and items not allocated.....	62,825	49,408
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....		
22. Borrowed money \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR Line 16, Col. 7).....	575,258	226,570
24.02 Reinsurance in unauthorized and certified (\$.....0) companies.....		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....	4,014,349	4,141,873
24.04 Payable to parent, subsidiaries and affiliates.....		
24.05 Drafts outstanding.....		
24.06 Liability for amounts held under uninsured plans.....		
24.07 Funds held under coinsurance.....		
24.08 Derivatives.....		
24.09 Payable for securities.....		
24.10 Payable for securities lending.....		
24.11 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	7,332,304	9,062,675
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	183,027,428	193,173,999
27. From Separate Accounts Statement.....		
28. Total liabilities (Line 26 and 27).....	183,027,428	193,173,999
29. Common capital stock.....	1,750,000	1,750,000
30. Preferred capital stock.....	750,000	750,000
31. Aggregate write-ins for other-than-special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1).....	16,298,618	16,298,618
34. Aggregate write-ins for special surplus funds.....	(2,858,048)	(3,423,299)
35. Unassigned funds (surplus).....	9,042,162	10,483,351
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 29 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	22,482,732	23,358,670
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....	24,982,732	25,858,670
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	208,010,160	219,032,669
<b>DETAILS OF WRITE-INS</b>		
2501. Reinsurance premiums payable.....	499,807	704,413
2502. Experience refunds payable.....	479,184	631,933
2503. Reinsurance claims payable.....		1,271,673
2598. Summary of remaining write-ins for Line 25 from overflow page.....	6,353,313	6,454,656
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	7,332,304	9,062,675
3101. ....		
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above).....	0	0
3401. Unamortized costs of merged companies.....	(2,858,048)	(3,423,299)
3402. ....		
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	(2,858,048)	(3,423,299)

**UNIFIED LIFE INSURANCE COMPANY**  
**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)	45,988,189	60,420,666
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	11,709,155	10,353,361
4. Amortization of Interest Maintenance Reserve (IMR) (Line 5)	75,242	15,143
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	9,208,212	16,290,197
7. Reserve adjustments on reinsurance ceded		
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	5,765,285	6,857,197
9. Totals (Lines 1 to 8.3)	72,746,083	93,936,564
10. Death benefits	10,701,803	9,030,035
11. Matured endowments (excluding guaranteed annual pure endowments)		
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	204,972	238,449
13. Disability benefits and benefits under accident and health contracts	30,743,870	36,358,627
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts	5,069,656	5,689,713
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds	141,956	147,768
18. Payments on supplementary contracts with life contingencies	4,766	15,499
19. Increase in aggregate reserves for life and accident and health contracts	(6,423,686)	(5,125,654)
20. Totals (Lines 10 to 19)	40,443,337	46,354,437
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	13,038,578	23,970,207
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	1,042,133	1,364,107
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	11,450,757	10,558,349
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	2,982,867	2,410,720
25. Increase in loading on deferred and uncollected premiums	(19,242)	82,596
26. Net transfers to or (from) Separate Accounts net of reinsurance		
27. Aggregate write-ins for deductions	3,712,122	4,720,899
28. Totals (Lines 20 to 27)	72,650,552	89,461,315
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	95,531	4,475,249
30. Dividends to policyholders	49,710	61,132
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	45,821	4,414,117
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(173,890)	2,336,335
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)	219,711	2,077,782
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$....(17,528) (excluding taxes of \$....(117,475) transferred to the IMR)	(70,114)	(855,000)
35. Net income (Line 33 plus Line 34)	149,597	1,222,782
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	25,858,670	21,751,360
37. Net income (Line 35)	149,597	1,222,782
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0		599,280
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	(1,514,793)	740,102
41. Change in nonadmitted assets	1,081,403	2,038,769
42. Change in liability for reinsurance in unauthorized and certified companies		
43. Change in reserve on account of change in valuation basis, (increase) or decrease		
44. Change in asset valuation reserve	(348,688)	(223,623)
45. Change in treasury stock, (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts Statement		
48. Change in surplus notes		
49. Cumulative effect of changes in accounting principles		
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in		
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance		
52. Dividends to stockholders	(270,000)	(270,000)
53. Aggregate write-ins for gains and losses in surplus	26,543	0
54. Net change in capital and surplus for the year (Lines 37 through 53)	(875,938)	4,107,310
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	24,982,732	25,858,670
<b>DETAILS OF WRITE-INS</b>		
08.301. Experience refunds	473,669	719,936
08.302. Adjustments on assumed modified coinsurance	2,883,350	2,375,396
08.303. Administration and marketing fees	1,973,188	1,953,601
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	435,078	1,808,264
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	5,765,285	6,857,197
2701. Amortization of goodwill	1,450,994	1,644,452
2702. Administration allowances	1,901,885	2,561,532
2703. Experience refunds	122,960	514,705
2798. Summary of remaining write-ins for Line 27 from overflow page	236,283	210
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	3,712,122	4,720,899
5301. Prior year adjustments	26,543	
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above)	26,543	0