



LIFE AND ACCIDENT AND HEALTH COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2003
OF THE CONDITION AND AFFAIRS OF THE

AMERICAN ENTERPRISE LIFE INSURANCE COMPANY

NAIC Group Code 0004 (Current Period) 0004 (Prior Period) NAIC Company Code 94234 Employer's ID Number 94-2786905
Organized under the Laws of Indiana, State of Domicile or Port of Entry Indiana
Country of Domicile United States of America
Incorporated 11/18/1981 Commenced Business 11/18/1981
Statutory Home Office 1000 Capital Center S., 201 N. Illinois, Indianapolis, IN 46204
Main Administrative Office 829 AXP Financial Center, Minneapolis, MN 55474
Mail Address 227 AXP Financial Center, Minneapolis, MN 55474
Primary Location of Books and Records 227 AXP Financial Center, Minneapolis, MN 55474
Internet Website Address
Statutory Statement Contact Jill L. Rickheim, 612-671-3969
Policyowner Relations Contact 227 AXP Financial Center, Minneapolis, MN 55474, 800-333-3437

OFFICERS

President Carol Ann Holton Secretary Eric Lund Marhoun #
Treasurer Walter Stanley Berman # Actuary John Michael Weum

VICE PRESIDENTS

Gumer Cruz Alvero Walter Stanley Berman # Lorraine Rose Hart
Michelle Marie Keeley # Eric Lund Marhoun Jeryl Ann Millner #
Mary Ellyn Minenko

DIRECTORS OR TRUSTEES

Gumer Cruz Alvero Douglas Kelly Dunning Carol Ann Holton
Paul Steven Mannweiler Teresa Joy Rasmussen

State of Minnesota } ss
County of Hennepin }

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.

Carol Ann Holton
President

Eric Lund Marhoun
Secretary

Jeryl Ann Millner
Treasurer
(Vice President and Controller)

Subscribed and sworn to before me this
12th day of February, 2004

- 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

Renee A. Bobick
Notary Public-Minnesota
01/31/2005

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE American Enterprise Life Insurance Company

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	6,417,425,663		6,417,425,663	4,970,931,120
2. Stocks (Schedule D):				
2.1 Preferred stocks	49,790,422		49,790,422	0
2.2 Common stocks	6,355		6,355	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	541,173,764		541,173,764	593,616,765
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	0
4.3 Properties held for sale (less \$ encumbrances)	0		0	0
5. Cash (\$(12,953,475) , Schedule E, Part 1), cash equivalents (\$0 , Schedule E, Part 2) and short -term investments (\$5,999,848 , Schedule DA).....	(6,953,627)		(6,953,627)	1,126,497,482
6. Contract loans, (including \$premium notes)	0		0	0
7. Other invested assets (Schedule BA)	7,604,178	0	7,604,178	57,351,352
8. Receivable for securities	187,286		187,286	2,823,334
9. Aggregate write-ins for invested assets	6,071,800	0	6,071,800	15,852,450
10. Subtotals, cash and invested assets (Lines 1 to 9)	7,015,305,841	0	7,015,305,841	6,767,072,503
11. Investment income due and accrued	68,943,278		68,943,278	50,983,842
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection	217,933	0	217,933	0
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premium).....	0		0	0
12.3 Accrued retrospective premium.....			0	0
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers	0		0	0
13.2 Funds held by or deposited with reinsured companies			0	0
13.3 Other amounts receivable under reinsurance contracts	0		0	0
14. Amounts receivable relating to uninsured plans			0	0
15.1 Current federal and foreign income tax recoverable and interest thereon	0		0	0
15.2 Net deferred tax asset.....	88,871,574	73,662,653	15,208,921	14,405,233
16. Guaranty funds receivable or on deposit	41,415		41,415	35,938
17. Electronic data processing equipment and software.....			0	0
18. Furniture and equipment, including health care delivery assets (\$)	0	0	0	0
19. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
20. Receivables from parent, subsidiaries and affiliates	1,700,495		1,700,495	1,804,206
21. Health care (\$) and other amounts receivable.....			0	0
22. Other assets nonadmitted	457,188	457,188	0	0
23. Aggregate write-ins for other than invested assets	408,118	408,118	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	7,175,945,842	74,527,959	7,101,417,883	6,834,301,722
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	1,191,982,339		1,191,982,339	789,755,663
26. Total (Lines 24 and 25)	8,367,928,181	74,527,959	8,293,400,222	7,624,057,385
DETAILS OF WRITE-INS				
0901. Interest rate caps and floors (Sch DB, Part A, Sec. 1).....	6,071,800		6,071,800	15,852,450
0902.	0		0	
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	6,071,800	0	6,071,800	15,852,450
2301. Admin Fee Reimbursement Receivable also not admit.....	408,118	408,118	0	0
2302.			0	0
2303.	0		0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	408,118	408,118	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$6,461,047,992 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$0 Modco Reserve)	6,461,047,992	5,269,367,591
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1)(including \$ Modco Reserve) .....	.0	.0
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) .....	.0	.0
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11) .....	.0	.0
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10) .....		.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
6.2 Dividends not yet apportioned (including \$ Modco) .....		.0
6.3 Coupons and similar benefits (including \$ Modco) .....		.0
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....		.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
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
9.4 Interest maintenance reserve (IMR Line 6)	19,778,106	.0
10. Commissions to agents due or accrued-life contracts and annuity contracts \$0 accident and health \$0 and deposit-type contract funds \$ .....	.0	579,077
11. Commissions and expense allowances payable on reinsurance assumed .....		.0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 5)	7,719,660	6,279,063
13. Transfers to Separate Accounts due or accrued (net) (Including \$(39,905,321) accrued for expense allowances recognized in reserves, net of reinsured allowances)	(39,905,321)	(37,320,574)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	265,613	702,705
15.1 Current federal and foreign income taxes including \$1,072,894 on realized capital gains (losses)	2,364,250	1,506,242
15.2 Net deferred tax liability .....		.0
16. Unearned investment income .....	.0	.0
17. Amounts withheld or retained by company as agent or trustee	122,029	102,901
18. Amounts held for agents' account, including \$0 agents' credit balances .....	.0	.0
19. Remittances and items not allocated	3,316,305	8,844,891
20. Net adjustment in assets and liabilities due to foreign exchange rates .....		.0
21. Liability for benefits for employees and agents if not included above .....		.0
22. Borrowed money \$ and interest thereon \$ .....		.0
23. Dividends to stockholders declared and unpaid .....		.0
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (Page 35, Line 16, Col. 7)	47,586,896	29,868,532
24.2 Reinsurance in unauthorized companies .....		.0
24.3 Funds held under reinsurance treaties with unauthorized reinsurers .....		.0
24.4 Payable to parent, subsidiaries and affiliates	1,456	161
24.5 Drafts outstanding .....	.0	20,381,849
24.6 Liability for amounts held under uninsured accident and health plans .....		.0
24.7 Funds held under coinsurance .....		.0
24.8 Payable for securities	75,069,500	979,942,112
24.9 Capital notes \$ and interest thereon \$ .....		.0
25. Aggregate write-ins for liabilities	42,705,608	72,511,500
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	6,620,072,094	6,352,766,050
27. From Separate Accounts Statement	1,177,511,937	777,952,255
28. Total Liabilities (Lines 26 and 27)	7,797,584,031	7,130,718,305
29. Common capital stock	3,000,000	3,000,000
30. Preferred capital stock .....		.0
31. Aggregate write-ins for other than special surplus funds .....	.0	.0
32. Surplus notes .....		.0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	591,871,780	591,871,780
34. Aggregate write-ins for special surplus funds .....	.0	.0
35. Unassigned funds (surplus)	(99,055,590)	(101,532,699)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$ ..... ) .....		.0
36.2 shares preferred (value included in Line 30 \$ ..... ) .....		.0
37. Surplus (total Lines 31+32+33+34+35-36) (Including \$14,470,402 in Separate Accounts Statement)	492,816,190	490,339,081
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	495,816,190	493,339,081
39. Totals of Lines 28 and 38 (Page 2, Line 26, Col. 3)	8,293,400,221	7,624,057,386
DETAILS OF WRITE-INS		
2501. Interest Rate Swaps (Sch DB, Part C, Sec 1)	42,678,900	72,511,500
2502. Miscellaneous	26,708	.0
2503. ....		.0
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)	42,705,608	72,511,500
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. ....	.0	.0
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)	1,924,275,839	2,159,025,281
2. Considerations for supplementary contracts with life contingencies	0	0
3. Net investment income (Exhibit of Net Investment Income, Line 17)	356,347,072	231,957,577
4. Amortization of interest maintenance reserve (IMR) (Line 5)	(1,495,227)	(3,200,609)
5. Separate Accounts net gain from operations excluding unrealized gains or losses	2,646,772	2,495,394
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	15,295,099	13,295,734
8.2 Charges and fees for deposit-type contracts	0	0
8.3 Aggregate write-ins for miscellaneous income	0	0
9. Total (Lines 1 to 8.3)	2,297,069,555	2,403,573,377
10. Death benefits	0	0
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	158,665,204	137,956,425
13. Disability benefits and benefits under accident and health contracts	0	0
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0
15. Surrender benefits and withdrawals for life contracts	557,858,805	527,494,786
16. Group conversions	0	0
17. Interest and adjustments on contracts or deposit-type contract funds	0	0
18. Payments on supplementary contracts with life contingencies	0	0
19. Increase in aggregate reserves for life and accident and health contracts	1,191,680,401	1,598,051,573
20. Totals (Lines 10 to 19)	1,908,204,410	2,263,502,784
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	93,603,072	98,765,702
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)	57,172,096	43,128,923
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	2,871,003	2,067,133
25. Increase in loading on deferred and uncollected premiums	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance	226,878,241	81,621,133
27. Aggregate write-ins for deductions	1,372,593	1,112,628
28. Totals (Lines 20 to 27)	2,290,101,415	2,490,198,303
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	6,968,140	(86,624,926)
30. Dividends to policyholders	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	6,968,140	(86,624,926)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	5,208,750	(10,731,042)
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)	1,759,390	(75,893,884)
34. Net realized capital gains or (losses) less capital gains tax of \$ (1,838,163) (excluding taxes of \$ 11,821,128 transferred to the IMR)	4,723,159	(9,219,575)
35. Net income (Line 33 plus Line 34)	6,482,549	(85,113,459)
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	493,339,080	303,500,767
37. Net income (Line 35)	6,482,549	(85,113,459)
38. Change in net unrealized capital gains (losses)	9,528,708	7,182,448
39. Change in net unrealized foreign exchange capital gain (loss)	0	0
40. Change in net deferred income tax	(9,744,020)	16,950,740
41. Change in nonadmitted assets and related items (Exhibit 9, Line 6, Col. 3)	13,928,238	(3,223,864)
42. Change in liability for reinsurance in unauthorized companies	0	0
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 35, Lines 2 + 3 + 4 + 5 - 6 + 7 + 11 + 14 + 15, Column 7)	(17,718,365)	4,042,448
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	(20,222)	0
47. Other changes in surplus in Separate Accounts Statement	0	8,000,000
48. Change in surplus notes	0	0
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	250,000,000
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	0	0
53. Aggregate write-ins for gains and losses in surplus	20,222	(8,000,000)
54. Net change in capital and surplus for the year (Lines 37 through 53)	2,477,110	189,838,313
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	495,816,190	493,339,080
DETAILS OF WRITE-INS		
08.301.	0	0
08.302.	0	0
08.303.	0	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. Purchase Payment Credits	93,200	1,112,628
2702. Miscellaneous Fees	1,279,393	0
2703.	0	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)	1,372,593	1,112,628
5301. Contribution to separate accounts	20,222	(8,000,000)
5302.	0	0
5303.	0	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)	20,222	(8,000,000)

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	1,924,275,839	2,159,025,281
2. Net investment income.....	388,147,945	265,689,348
3. Miscellaneous income.....	17,962,093	13,295,734
4. Total (Lines 1 to 3).....	2,330,385,877	2,438,010,363
5. Benefits and loss related payments.....	716,524,009	665,451,211
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	232,109,760	73,148,617
7. Commissions, expenses paid and aggregate write-ins for deductions.....	154,475,879	142,713,476
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) \$ net tax on capital gains (losses)	4,350,742	12,316,652
10. Total (Lines 5 through 9).....	1,107,460,390	893,629,956
11. Net cash from operations (Line 4 minus Line 10).....	1,222,925,487	1,544,380,407
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	4,260,053,008	1,584,128,594
12.2 Stocks.....	5,117	559,642
12.3 Mortgage loans.....	77,076,542	64,987,855
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	146,871
12.6 Net gains or (losses) on cash and short-term investments.....	2,070,740	11,753
12.7 Miscellaneous proceeds.....	1,838,163	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	4,341,043,570	1,649,834,715
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	5,696,246,065	3,385,420,100
13.2 Stocks.....	54,449,280	0
13.3 Mortgage loans.....	491,205	4,390,762
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	1,203,669
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	5,751,186,550	3,391,014,530
14. Net increase (or decrease) in policy loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(1,410,142,980)	(1,741,179,816)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	250,000,000
16.3 Borrowed funds received.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	(946,233,616)	800,006,959
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6).....	(946,233,616)	1,050,006,959
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17).....	(1,133,451,109)	853,207,550
19. Cash and short-term investments:		
19.1 Beginning of year.....	1,126,497,483	273,289,933
19.2 End of period (Line 18 plus Line 19.1).....	(6,953,626)	1,126,497,483

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE American Enterprise Life Insurance Company

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

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	1,924,275,839	.0	422,775	1,923,032,474		.0	.0	820,590	.0	.0	.0	
2. Considerations for supplementary contracts with life contingencies	.0											
3. Net investment income	356,347,072		657	351,022,138				5,324,277				
4. Amortization of Interest Maintenance Reserve (IMR)	(1,495,227)		(3)	(1,472,883)				(22,341)				
5. Separate Accounts net gain from operations excluding unrealized gains or losses	2,646,772		2	2,646,770				.0				
6. Commissions and expense allowances on reinsurance ceded	.0	.0	.0	.0		.0	.0	.0	.0	.0	.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	15,295,099		123,060	15,172,039								
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)	2,297,069,555	0	546,491	2,290,400,538	0	0	0	6,122,526	0	0	0	0
10. Death benefits	.0											
11. Matured endowments (excluding guaranteed annual pure endowments)	.0	.0	.0				.0					
12. Annuity benefits	158,665,204			153,122,095				5,543,109				
13. Disability benefits and benefits under accident and health contracts	.0								.0	.0	.0	
14. Coupons, guaranteed annual pure endowments and similar benefits	.0											
15. Surrender benefits and withdrawals for life contracts	557,858,805		48,190	548,708,197				9,102,418				
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	1,191,680,401		10,649	1,201,700,753				(10,031,001)				
20. Totals (Lines 10 to 19)	1,908,204,410	.0	58,839	1,903,531,045	.0	.0	.0	4,614,526	.0	.0	.0	.0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	93,603,072	.0	51,105	93,513,724		.0	.0	38,243	.0	.0	.0	.0
22. Commissions and expense allowances on reinsurance assumed	.0	.0	.0	.0		.0	.0	.0	.0	.0	.0	.0
23. General insurance expenses	57,172,096		554,293	56,617,803					.0	.0	.0	.0
24. Insurance taxes, licenses and fees, excluding federal income taxes (FIT)	2,871,003		27,835	2,843,168					.0	.0	.0	.0
25. Increase in loading on deferred and uncollected premiums	.0											
26. Net transfers to or (from) Separate Accounts net of reinsurance	226,878,241		356,437	226,521,804								
27. Aggregate write-ins for deductions	1,372,593	0	0	1,372,593	0	0	0	0	0	0	0	0
28. Totals (Lines 20 to 27)	2,290,101,415	0	1,048,509	2,284,400,137	0	0	0	4,652,769	0	0	0	0
29. Net gain from operations before dividends to policyholders and FIT (Line 9 - Line 28)	6,968,140	.0	(502,018)	6,000,401	.0	.0	.0	1,469,757	.0	.0	.0	.0
30. Dividends to policyholders	.0								.0	.0	.0	
31. Net gain from operations after dividends to policyholders and before FIT (Line 29 - Line 30)	6,968,140	.0	(502,018)	6,000,401	.0	.0	.0	1,469,757	.0	.0	.0	.0
32. Federal income taxes incurred (excluding tax on capital gains)	5,208,750		(375,263)	4,485,356				1,098,657				
33. Net gain from operations after dividends to policyholders and FIT and before realized capital gains or (losses) (Line 31 - Line 32)	1,759,390	0	(126,755)	1,515,045	0	0	0	371,100	0	0	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. Purchase Payment Credits	1,279,393			1,279,393								
2702. Miscellaneous Fees	93,200			93,200								
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)	1,372,593	0	0	1,372,593	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 2003 OF THE American Enterprise Life Insurance 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	5,269,367,591	0	16,280	5,167,793,942	0	0	0	101,557,369
2. Tabular net premiums or considerations	1,847,369,755		470,814	1,846,111,175				787,766
3. Present value of disability claims incurred	0				XXX			
4. Tabular interest	299,821,561		1,070	294,404,903				5,415,588
5. Tabular less actual reserve released	(4,195,032)			(2,606,203)				(1,588,829)
6. Increase in reserve on account of change in valuation basis	0							
7. Other increases (net)	0							
8. Totals (Lines 1 to 7)	7,412,363,875	0	488,164	7,305,703,817	0	0	0	106,171,894
9. Tabular cost	11,362		11,362		XXX			
10. Reserves released by death	0			XXX	XXX			XXX
11. Reserves released by other terminations (net)	559,231,397		48,190	550,080,789				9,102,418
12. Annuity, supplementary contract and disability payments involving life contingencies	165,194,884			159,651,775				5,543,109
13. Net transfers to or (from) Separate Accounts	226,878,241		401,683	226,476,558				
14. Total Deductions (Lines 9 to 13)	951,315,884	0	461,235	936,209,122	0	0	0	14,645,527
15. Reserve December 31, current year	6,461,047,991	0	26,929	6,369,494,695	0	0	0	91,526,367

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EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) (429,800)	834,568
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 301,512,163	319,685,734
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 1,884,204	1,884,204
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c) 45,953,636	45,632,225
4. Real estate	(d)	
5. Contract loans		
6. Cash/short-term investments	(e) 2,046,283	2,046,283
7. Derivative instruments	(f) (8,068,529)	(11,900,474)
8. Other invested assets		
9. Aggregate write-ins for investment income	1,103,288	1,103,288
10. Total gross investment income	344,001,245	359,285,829
11. Investment expenses		(g) 2,889,036
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 49,721
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)		2,938,757
17. Net Investment Income - (Line 10 minus Line 16)		356,347,072
DETAILS OF WRITE-INS		
0901. Commitment Fees	1,248,786	1,248,786
0902. Interest Returned to Broker	(377,548)	(377,548)
0903. Miscellaneous Income	51	51
0998. Summary of remaining write-ins for Line 9 from overflow page	231,999	231,999
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	1,103,288	1,103,288
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 \$ 5,571,148 accrual of discount less \$ 28,339,862 amortization of premium and less \$ 28,397,610 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 \$ 2,046,283 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					0
1.1 Bonds exempt from U.S. tax					0
1.2 Other bonds (unaffiliated)	29,855,461	(598,921)	3,813,660		33,070,200
1.3 Bonds of affiliates					0
2.1 Preferred stocks (unaffiliated)		(3,665,427)	(984,945)		(4,650,372)
2.11 Preferred stocks of affiliates					0
2.2 Common stocks (unaffiliated)	(3,368)		6,355		2,987
2.21 Common stocks of affiliates					0
3. Mortgage loans		(641,256)			(641,256)
4. Real estate					0
5. Contract loans					0
6. Cash/Short-term investments	24,457				24,457
7. Derivative instruments			6,795,479		6,795,479
8. Other invested assets			(101,842)		(101,842)
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	29,876,550	(4,905,604)	9,528,708	0	34,499,654
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 2003 OF THE American Enterprise Life Insurance 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	1,853,645,239		92,162	1,853,219,433			333,644															
6.2 Reinsurance assumed	.0																					
6.3 Reinsurance ceded	.0																					
6.4 Net	1,853,645,239	.0	92,162	1,853,219,433	.0	.0	333,644	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Line 5 + Line 6.4	1,853,645,239	.0	92,162	1,853,219,433	.0	.0	333,644	.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	1,853,645,239	.0	92,162	1,853,219,433	.0	.0	333,644	.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)	1,853,645,239	.0	92,162	1,853,219,433	.0	.0	333,644	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
SINGLE																						
10. Single premiums and considerations:																						
10.1 Direct	32,053			22,053			10,000															
10.2 Reinsurance assumed	.0																					
10.3 Reinsurance ceded	.0																					
10.4 Net	32,053	.0	.0	22,053	.0	.0	10,000	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.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	70,600,056		332,122	69,790,988			476,946															
16.2 Reinsurance assumed	.0																					
16.3 Reinsurance ceded	1,509		1,509																			
16.4 Net	70,598,547	.0	330,613	69,790,988	.0	.0	476,946	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
17. Line 15 + Line 16.4	70,598,547	.0	330,613	69,790,988	.0	.0	476,946	.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	70,600,056	.0	332,122	69,790,988	.0	.0	476,946	.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	1,509	.0	1,509	.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)	70,598,547	.0	330,613	69,790,988	.0	.0	476,946	.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	1,924,277,348	.0	424,284	1,923,032,474	.0	.0	820,590	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.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	1,509	.0	1,509	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
20.4 Net (Line 9.4 + 10.4 + 19.4)	1,924,275,839	.0	422,775	1,923,032,474	.0	.0	820,590	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0

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ANNUAL STATEMENT FOR THE YEAR 2003 OF THE American Enterprise Life Insurance 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	0										
24.2 Reinsurance assumed	0										
24.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
25. Renewal:											
25.1 Reinsurance ceded	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)	0	0	0	0	0	0	0	0	0	0	0
26.2 Reinsurance assumed (Page 6, Line 22)	0	0	0	0	0	0	0	0	0	0	0
26.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	88,105,634		4,381	88,085,395			15,858				
28. Single	1,139,961			1,139,742			219				
29. Renewal	4,357,477		46,724	4,288,587			22,166				
30. Deposit-type contract funds	0										
31. Totals (to agree with Page 6, Line 21)	93,603,072	0	51,105	93,513,724	0	0	38,243	0	0	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	3,592,867			126,448	3,719,315
2. Salaries and wages	28,898,883			1,799,264	30,698,147
3.11 Contributions for benefit plans for employees	1,922,917			79,555	2,002,472
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	1,019,061			20,655	1,039,716
3.32 Other agent welfare					0
4.1 Legal fees and expenses	451,824			(866)	450,958
4.2 Medical examination fees	1,773				1,773
4.3 Inspection report fees	4,254				4,254
4.4 Fees of public accountants and consulting actuaries	741,850				741,850
4.5 Expense of investigation and settlement of policy claims					0
5.1 Traveling expenses	2,255,580			59,717	2,315,297
5.2 Advertising	2,362,664			163	2,362,827
5.3 Postage, express, telegraph and telephone	2,311,082			28,277	2,339,359
5.4 Printing and stationery	5,716,264			11,603	5,727,867
5.5 Cost or depreciation of furniture and equipment	1,855,082			68,083	1,923,165
5.6 Rental of equipment	633,095			20,968	654,063
5.7 Cost or depreciation of EDP equipment and software					0
6.1 Books and periodicals	36,130			2,081	38,211
6.2 Bureau and association fees	275,820			3,016	278,836
6.3 Insurance, except on real estate	147,269			852	148,121
6.4 Miscellaneous losses	(253,954)				(253,954)
6.5 Collection and bank service charges	416			27,477	27,893
6.6 Sundry general expenses	4,955,686			176,646	5,132,332
6.7 Group service and administration fees					0
6.8 Reimbursements by uninsured accident and health plans					0
7.1 Agency expense allowance				74	74
7.2 Agents' balances charged off (less \$ recovered)					0
7.3 Agency conferences other than local meetings	10,333			235	10,568
9.1 Real estate expenses	1,290			418	1,708
9.2 Investment expenses not included elsewhere	231,910			464,369	696,279
9.3 Aggregate write-ins for expenses	0	0	0	0	0
10. General expenses incurred	57,172,096	0	0	2,889,035 (a)	60,061,131
11. General expenses unpaid December 31, prior year	5,807,642	0	0	471,421	6,279,063
12. General expenses unpaid December 31, current year	7,348,332	0	0	371,328	7,719,660
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)	55,631,406	0	0	2,989,128	58,620,534
DETAILS OF WRITE-INS					
09.301.					
09.302.					
09.303.					
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	0	0	0	0	0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	0	0	0	0	0

(a) Includes management fees of \$ 3,967,863 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	4				4
2. State insurance department licenses and fees	782,734			507	783,241
3. State taxes on premiums	509,176				509,176
4. Other state taxes, incl. \$ for employee benefits	528,425				528,425
5. U.S. Social Security taxes	1,089,871			49,214	1,139,085
6. All other taxes	(39,207)				(39,207)
7. Taxes, licenses and fees incurred	2,871,003	0	0	49,721	2,920,724
8. Taxes, licenses and fees unpaid December 31, prior year	674,349	0	0	28,356	702,705
9. Taxes, licenses and fees unpaid December 31, current year	261,092	0	0	4,522	265,614
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	3,284,260	0	0	73,555	3,357,815

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 2003 OF THE American Enterprise Life Insurance 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
.....
- 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
.....
- 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? Yes [X] No []
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the Instructions.
- 4. Has the reporting entity any assessment or stipulated premium contracts in force? 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.
.....
- 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)			

Exhibit 6 - Agg. Res. for A&H Contracts

NONE

Exhibit 7 - Deposit Type Contracts

NONE

Exhibit 8 - Part 1

NONE

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE American Enterprise Life Insurance 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	158,665,204			153,122,095				5,543,109			
1.2 Reinsurance assumed	0										
1.3 Reinsurance ceded	0										
1.4 Net	(d) 158,665,204	0	0	153,122,095	0	0	0	5,543,109	0	0	0
2. Liability December 31, current year from Part 1:											
2.1 Direct	0	0	0	0	0	0	0	0	0	0	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0
2.4 Net	0	0	0	0	0	0	0	0	0	0	0
3. Amounts recoverable from reinsurers December 31, current year	0										
4. Liability December 31, prior year:											
4.1 Direct	0	0	0	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0	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	158,665,204	0	0	153,122,095	0	0	0	5,543,109	0	0	0
6.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0
6.4 Net	158,665,204	0	0	153,122,095	0	0	0	5,543,109	0	0	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 through 20, Column 2.....	73,662,653	84,210,361	10,547,708
2. Other Nonadmitted Assets:			
2.1 Bills receivable	457,188	116,847	(340,341)
2.2 Leasehold improvements.....		.0	.0
2.3 Cash advanced to or in the hands of officers or agents.....		.0	.0
2.4 Loans on personal security, endorsed or not.....		.0	.0
2.5 Commuted commissions .....		.0	.0
2.6 Supplies, stationery, printed matter .....		.0	.0
3. Total (Lines 2.1 thru 2.6)	457,188	116,847	(340,341)
4. Disallowed interest maintenance reserve		3,803,071	3,803,071
5. Aggregate write-ins for other than invested assets	408,118	325,918	(82,200)
6. Total (Line 1 plus Lines 3 to 5)	74,527,959	88,456,197	13,928,238
DETAILS OF WRITE-INS			
0501. Admin fee reimbursement Receivable.....	408,118	325,918	(82,200)
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)	408,118	325,918	(82,200)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

- A. The accompanying financial statements of American Enterprise Life Insurance Company (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the State of Indiana Department of Insurance. The State of Indiana has adopted the National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual as its prescribed basis of Statutory Accounting Principles (SAP).
- B. The preparation of financial statements in conformity with SAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes, exhibits and schedules. Actual results may differ from these estimates.
- C. Significant Accounting Policies:

Premium revenue

Universal life-type insurance premiums and annuity considerations are recognized as revenue when received.

Liabilities for future policy benefits

Liabilities for deferred annuities are based on the Commissioners Annuity Reserve Valuation Method at interest rates ranging from 4.75 percent to 7 percent. Liabilities for fixed annuities in a benefit status are based on the established industry mortality tables with various interest rates ranging from 6.00 percent to 8.75 percent, depending on year of issue.

Liabilities for variable universal life insurance have been computed by the Commissioners Reserve Valuation Method, based on 1980 CSO Mortality Tables and with 4% interest.

Separate account business

The separate account assets and liabilities represent funds held for the exclusive benefit of the variable annuity contract owners. The Company receives mortality and expense risk fees from the variable annuity separate accounts.

The Company makes contractual mortality assurances to the variable annuity contract owners that the net assets of the separate accounts will not be affected by future variations in the actual life expectancy experience of the annuitants and the beneficiaries from the mortality assumptions implicit in the annuity contracts. The Company makes periodic fund transfers to, or withdrawals from, the separate accounts for such actuarial adjustments for variable annuities that are in the benefit payment period. The Company also guarantees that the rates at which administrative fees are deducted from the contract funds will not exceed contractual maximums.

Reinsurance

The maximum amount of life insurance risk retained by the Company is \$750,000 on any life insurance policy. Risk not retained is reinsured with other life insurance companies on a yearly renewable term basis. The Company retains all accidental death benefit and waiver of premium risk.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost. Short-term investments are accounted for in the same manner as similar long-term investments except that any premium or discount is amortized on a straight-line basis to maturity.
- (2) Bonds not backed by other loans are carried at amortized cost with premium or discount amortized using the scientific amortization method. Bonds and structured securities purchased at par are carried at cost. Bonds with an NAIC designation of 6 are reported at the lower of amortized cost or fair value.
- (3) Common stocks, if owned, are carried at market with subsequent fluctuations in market value recorded as unrealized gains or losses.
- (4) Preferred stocks, if any, are carried at cost.
- (5) Mortgage loans on real estate are stated at the unpaid principal balance less any write-downs for other than temporary impairments, if applicable.
- (6) Loan-backed securities and structured securities are stated at amortized cost using the scientific amortization method and include anticipated prepayments. Changes in estimated cash flow and in coupon interest cash flows from original purchase assumptions are accounted for using the prospective method. The retrospective method is used for all other pass-through, loan-backed and structured securities.
- (7) The Company carries its non-insurance subsidiary at its GAAP equity.
- (8) The Company has an ownership interest in a limited liability company (AEL REO I, LLC) which it carries based on the underlying audited GAAP equity of the LLC. The Company has a minor ownership in an LLC (West Hampton) which it carries at amortized cost plus accrued interest receivable.
- (9) The Company's derivative instruments, which may include interest rate caps, floors and swaps, are carried at fair value with changes in the fair value being recognized currently in earnings.
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation.
- (11) The Company has no accident and health business in-force.

2. Accounting Changes and Corrections of Errors

NONE

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

Not applicable

5. Investments

A. Mortgage Loans

- (1) The maximum and minimum lending rates for mortgage loans during 2003 were: 8.120% and 4.500%.
 - (2) During 2003, the Company reduced interest rates on outstanding mortgage loans as follows:
reduced rate by 0.600% on 1 mortgage loan with a principle balance of 1,678,952
reduced rate by 2.150% on 1 mortgage loan with a principle balance of 225,593
 - (3) The maximum percentage of any one loan to the value of security at the time of loan, exclusive of insured or guaranteed or purchase money mortgage was: 80%.
 - (4) At year-end, the Company held no mortgages with interest more than 180 days past due.
 - (5) There were no taxes, assessments and any amounts advanced and not included in the mortgage loan total.
- | | <u>2003</u> | <u>2002</u> |
|---|-------------|--------------|
| (6) Impaired loans with related allowance for credit losses. | \$2,745,736 | \$11,487,195 |
| a. Related allowance for credit losses | \$1,000,000 | 4,730,097 |
| (7) Impaired Mortgage loans without an allowance for credit losses | 0 | 0 |
| (8) Average recorded investment in impaired loans | 1,372,868 | 2,871,799 |
| (9) Interest income recognized during the period the loans were impaired. | 180,497 | 349,247 |
- (10) No amount of interest income was recognized using a cash-basis method during the period the loans were impaired.

NOTES TO FINANCIAL STATEMENTS

(11) Previous Year End Allowance for Credit Losses	(4,730,097)
Annual additions Charged to Operations	(641,256)
Annual write downs	0.00
Annual recoveries	4,371,353
Current Year End Allowance for Credit Losses	(1,000,000)

(12) Interest accrual is stopped when a mortgage is 90 days delinquent. Income received during the 90+ delinquent period is collected on a cash basis until the loan is brought current and then returned to a normal accrual status.

- B. Debt Restructuring
The Company had no debt restructuring.
- C. Reverse Mortgages
The Company had no reverse mortgages.
- D. Loan-Backed Securities
Prepayment assumptions for pass-through, loan-backed bonds and structured securities are based on financial information provided by a licensed data provider. These assumptions are consistent with the current interest rate and economic environment. The retrospective method is used to value all types of these securities except for when rate changes result in recalculation of the effective yield. The recalculated yield is used to amortize the investment as of the rate change date.
- E. Repurchase Agreements
Reverse repurchase agreements are financing transactions that are accounted for as collateralized borrowings. The underlying securities continue to be accounted for as an investment by the Company and the cash proceeds received in the transaction are recorded as a liability. Interest expense is accrued over the term of the agreement. The Company receives cash collateral of at least 95% of the fair value of the securities transferred.
- F. Real Estate
The Company has no investments in real estate.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company held no investments in joint ventures, partnerships or limited liability companies that exceed 10% of the admitted assets.
- B. NONE

7. Investment Income

- A. The Company excludes due and accrued interest from investment income on bonds in default.
- B. There was no due and accrued interest excluded from investment income in 2003, as there were no bonds in default.

8. Derivative Instruments

- A. Interest rate caps and swaps protect the Company in the event of rising interest rates, while floors protect against the risk of decreasing interest rates. These instruments are used to protect the margin between the interest rate earned on investments and the interest rate credited to policyholders.

Under interest rate caps, the Company pays an initial cost to enter into agreements with other parties with the intent of protecting against rising interest rates. This cost is dependent upon specific terms identified in the agreement. On agreed upon determination dates, during the term, the Company will be compensated by the seller if the identified variable index rate exceeds the agreed upon fixed strike rate. Under interest rate swap agreements, the Company contracts with other parties to pay fixed rate interest amounts and receive variable rate interest amounts as calculated on an agreed upon notional amount at specified determination dates. The interest rate floors limit the risk that the variable rate interest received under the swap agreements will fall too low. For an initial cost, the Company will be compensated by the seller, on agreed upon determination dates during the term, if the identified variable index rate falls below the agreed upon fixed strike rate. Settlement amounts, if any, for the above instruments are calculated at the beginning of the interest period and paid, or received, on the following determination date.

The Company is exposed to credit risk in the event of non-performance by counterparties; however, no failure of obligations is expected given their high credit ratings. The Company monitors credit exposure through established approval procedures. All counterparties are rated A or better by Moody's and S & P. Credit risk exposure is represented by a positive fair value (market value) of contracts at the reporting date. See schedule DB.

- B. The Company may enter into derivative financial instruments to manage exposure to interest rate risk and equity market risk. To manage these exposures, and any related mismatches between assets and liabilities, the Company may invest in interest rate caps, swaps, floors, index options and financial futures contracts. The Company holds no derivative instruments for trading purposes.
- C. Interest rate caps, floors and swaps are reported at fair value with changes to fair value flowing through current earnings. Interest that is earned or interest that is paid also flow through current earnings.
- D. The Company does not hold any derivatives that are being monitored for hedge effectiveness.
- E. Not applicable
- F. Not applicable

9. Income Taxes

- A. The components of the net deferred tax asset/liability at December 31, 2003 and December 31, 2002 are as follows:

	<u>2003</u>	<u>2002</u>
(1) Total of all deferred tax assets (DTAs) (admitted and nonadmitted)	\$88,871,574	\$98,615,594
(2) Total of all deferred tax liabilities (DTLs)	0	0
(3) Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	73,662,653	84,210,361
(4) Total of all DTAs admitted	\$15,208,921	\$14,405,233
(5) Increase (decrease) in deferred tax assets nonadmitted	\$(10,547,708)	\$22,429,733

- B. All deferred tax liabilities are recognized.

NOTES TO FINANCIAL STATEMENTS

C. Current income taxes incurred consist of the following:

	2003	2002
Current year expense	\$2,550,110	\$(4,847,295)
Tax credits	0	0
Current year equity tax	0	0
Prior year overaccrual of tax reserves	2,658,640	(5,883,747)
Tax Contingency Reserve	0	
Capital Loss Carry-back Refund	(1,838,163)	(4,364,943)
Current income taxes incurred	<u>\$3,370,587</u>	<u>\$(15,095,985)</u>

The main components of the December 31, 2003 deferred tax amounts are as follows:

DTA'S	Statutory Basis	Tax Basis	Difference	Tax Effect (35%)
Reserves	\$(7,596,070,854)	\$(7,532,336,910)	\$63,733,944	\$22,306,880
Proxy DACs	0	78,015,414	78,015,414	27,305,395
Bonds	6,466,657,665	6,499,239,317	32,581,652	11,403,578
Capital Loss Carryback/Carryforward	0	42,361,097	42,361,097	14,826,384
Various Other	XXXXX	XXXXX	XXXXX	(10,076,462)
Totals	<u>XXXXX</u>	<u>XXXXX</u>	<u>XXXXX</u>	<u>\$88,871,574</u>

DTLs: NONE

DTAs resulting from book/tax timing differences in:

	December 31, 2003	December 31, 2002	Change
Reserves	\$22,306,880	\$21,877,627	\$429,253
Proxy DACs	27,305,395	21,410,293	5,895,102
Bonds	11,403,578	10,997,751	405,827
Capital Loss Carryback/Carryforward	14,826,384	21,224,124	(6,397,740)
Various Other	13,029,337	23,105,799	(10,076,462)
Totals	<u>\$88,871,574</u>	<u>\$98,615,594</u>	<u>\$(9,744,020)</u>

DTLS: NONE

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

	Amount	Tax Effect at 35%	Eff. Tax Rate
Income before taxes	\$6,968,140	\$2,438,849	35.00%
Book over tax reserves	1,200,000	420,000	6.03%
Net DAC adjustments	16,300,000	5,705,000	81.87%
Accrued market discount	(5,140,488)	(1,799,171)	-25.82%
Dividends received deduction	(1,367,600)	(478,660)	-6.87%
Mortgage Prepayment Penalty	(2,752,625)	(963,419)	-13.83%
Hampton CDO Adj.	3,800,740	1,330,259	19.09%
IMR Amortization	960,348	336,122	4.82%
Derivative Investments	(13,156,470)	(4,604,765)	-66.08%
Various Other	473,984	165,894	2.38%
Taxable income	<u>\$7,286,029</u>	<u>\$2,550,110</u>	<u>36.60%</u>

E. (1) At December 31, 2003, the Company had no operating loss carryforwards. The Company has net capital loss carryforwards which expire as follows:

	Capital Loss Carryforward	Tax Effect (35%)
2006	<u>\$42,361,097</u>	<u>\$14,826,384</u>

(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:

2003:	\$5,208,750
2002:	None
2001:	\$11,803,555

F. (1) The Company's federal income tax return is consolidated with the following entities: IDS Life Insurance Company, IDS Life Insurance Company of New York, American Partners Life Insurance Company, American Centurion Life Assurance Company, American Express Financial Corporation and American Express Company and its other subsidiary companies.

(2) The method of allocation among the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Inter-company tax balances are settled quarterly in accordance with the terms of the written agreement.

10 Information Concerning Parent, Subsidiaries and Affiliates

A. At December 31, 2003, all shares of the Company were owned by IDS Life Insurance Company, a Minnesota corporation, which is a wholly owned subsidiary of American Express Financial Corporation, a Delaware Corporation, which is a wholly owned subsidiary of American Express Company, a New York Corporation.

B. None

NOTES TO FINANCIAL STATEMENTS

- C. The Company is the counterparty to interest rate swap and interest rate floor transactions entered into with its parent, IDS Life Insurance Company. There is one interest rate swap agreement. In this agreement, the Company is contracted to receive a variable interest rate amount and to pay a fixed interest rate amount as calculated on an agreed upon notional amount at specified quarterly dates. There is one interest rate floor agreement. In this agreement, the Company paid an initial payment and is then contracted to receive a payment from IDS Life Insurance Company if the identified index falls below the agreed upon strike rate. The interest rate swap and interest rate floor are included in Schedule DB. The Company holds no additional assets of its Parent and Affiliates which are not included in Schedule D or Schedule BA.
- D. Included on the balance sheet at December 31, 2003 and 2002 respectively are \$1,700,495 and \$1,804,206 receivable from parent, subsidiaries and affiliates and \$6,856 and \$5,323 payable to parent, subsidiaries and affiliates. These balances will be settled in the normal course of business.
- E. The Company has not made any guarantees or undertakings for the benefit of any of its affiliates.
- F. (1) "Custodial Agreement" between AEL and American Express Trust Company pursuant to which American Express Trust Company provides the safekeeping and other usual custodial services pertaining to AEL's invested assets.
- (2) "Marketing Agreement" between American Express Financial Advisors Inc. and American Enterprise Life Insurance Company (AEL) under which American Express Financial Advisors Inc. is authorized and appointed to represent AEL in the sale of certain insurance and annuity products.
- (3) "Service and Cost Allocation Agreement" between American Enterprise Life Insurance Company (AEL) and IDS Life whereby IDS Life provides administrative and technical support services and supplies pursuant to the request of AEL. AEL agrees to pay IDS Life the reasonable cost of such services and supplies incurred on its behalf.
- (4) "Service Agreement" between American Centurion Life Assurance Company (ACL) and AEL, whereby AEL agrees to provide and is compensated for providing certain advisory, printing, policy administration and other services pursuant to the request of ACL.
- (5) "Illinois State Income Tax Allocation Agreement", effective for tax years beginning with 1992, between IDS Life Insurance Company (IDS Life) and American Enterprise Life Insurance Company (AEL). This agreement was filed with Indiana on June 24, 1994. IDSL and AEL comprise part of a unitary business group as defined under the Illinois Income Tax Regulations and will file unitary business group returns for tax years starting with 1992 and forward. This agreement covers AEL's portion of the unitary business group's Illinois state income tax charge or refund for the applicable tax year.
- (6) "Service Agreement", effective March 1, 2003, between American Express Travel Related Services Company, Inc. (TRS) and American Enterprise Life Insurance Company (AEL) whereby TRS performs certain activities relative to financial reporting and analysis services for AEL.
- (7) "Travel Related Services Agreement", effective March 1, 2003, between American Express Travel Related Services Company, Inc. (TRS) and American Enterprise Life Insurance Company (AEL) whereby TRS performs certain activities relative to travel services for AEL.
- (8) "Supplementary Agreement", effective February 18, 2002, between American Enterprise Life Insurance Company (AEL) and American Express (India) Private Limited (AEIPL) under which AEIPL will provide and be compensated for certain financial data processing activities for AEL. AEIPL is a wholly owned subsidiary of American Express International Inc. (AEII). This is a supplementary agreement to an existing umbrella agreement between AEII and AEIPL ("export agreement") under which similar kinds of activities are performed for American Express offices throughout the world. Supplementary agreement amended effective July 26, 2002.
- (9) "Gross Administrative Charge Agreement", effective November 1, 2003, between American Express Financial Corporation (AEFC) and American Enterprise Life Insurance Company (AEL) whereby AEL performs all management services, other than investment management services, required in connection with the management of the Funds, as defined in the agreement.
- G. Refer to Schedule Y – Part I Organizational Chart
- H. Not applicable.
- I. The Company has no investments in affiliated entities that exceed 10% of admitted assets.
- J. Not applicable.

11. Debt

- A. Capital Notes
None
- B. Other Debt
None

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

Not applicable

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

- (1) The Company has 100,000 shares of common stock authorized, 100,000 shares issued and 20,000 shares outstanding. All shares are common shares with a \$150 par value.
- (2) Not applicable
- (3) Capital and surplus available for distribution as dividends to IDS Life Insurance Company is limited by Indiana statute to the greater of ten percent of prior year policyholders surplus or net gain from operations. Dividends are paid as determined by the Board of Directors, after consideration of capital and surplus limitations, including Indiana statutes.
- (4) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- (5) - (8) Not applicable
- (9) The portion of unassigned funds (surplus) represented or reduced by each of the following items:
- | | |
|--|-----------------|
| a. Unrealized gains and losses | \$ (15,245,933) |
| b. Nonadmitted asset values | \$ 74,527,959 |
| c. Separate account business | \$ 54,375,723 |
| d. Asset valuation reserves | \$ 47,586,896 |
| e. Reinsurance in unauthorized companies | None |
- (10) Not applicable
- (11) Not applicable
- (12) Not applicable

NOTES TO FINANCIAL STATEMENTS

14. Contingencies

- A. The Company had no contingent liabilities at December 31, 2003 or December 31, 2002.
- B. The Company has committed \$300,000 to cover future probable guaranty fund assessment liabilities.
- C. The Company has no gain contingencies.
- D. The Company is a party to litigation and arbitration proceedings in the ordinary course of its business, none of which is expected to have a material adverse affect on the Company.

In recent years, life insurance companies have been named defendants in lawsuits, including class action lawsuits, alleging improper life insurance sales practices, alleged agent misconduct, failure to properly supervise agents and other matters relating to life insurance policies and annuity contracts. The Company's parent, IDS Life, was named a defendant in three purported class-action lawsuits. A fourth lawsuit alleging the same allegation was also filed in federal court. The Company is a named defendant in one of the state filed lawsuits and the federal lawsuit. These class action lawsuits included allegations of improper insurance and annuity sales practices including improper replacement of existing annuity contracts and insurance policies, improper use of annuities to fund tax deferred contributory retirement plans, alleged agent misconduct, failure to properly supervise agents and other matters relating to life insurance policies and annuity contracts. In January 2000, AEFC reached an agreement in principle to settle the three class action lawsuits, including the one described above. It is expected the settlement will provide \$215 million of benefits to more than two million participants in exchange for a release by class members of all insurance and annuity market conduct claims dating back to 1985. Administration of the settlement and its attendant relief has concluded. Numerous individuals opted out of the settlement described above and therefore did not release their claims against AEFC and its subsidiaries. Some of these class members who opted out were represented by counsel and presented separate claims to AEFC and the Company. Most of their claims have been settled.

The outcome of any litigation or threatened litigation cannot be predicted with any certainty. However, in the aggregate, the Company does not consider any lawsuits in which it is named as a defendant to have a material impact on the Company's financial position or operating results.

15. Leases

Not applicable

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

(1) The table below summarizes the notional amounts of the Company's financial instruments with off-balance sheet risk.

	ASSETS		LIABILITIES	
	2003	2002	2003	2002
a. Swaps	\$1,000,000,000	\$2,000,000,000		
b. Futures				
c. Options				
d. Total	\$1,000,000,000	\$2,000,000,000		

See Schedule DB of the Company's annual statement for additional detail.

- (2) The Company uses interest rate swaps to reduce market risks from changes in interest rates and to alter interest rate exposures arising from mismatches between assets and liabilities. Under interest rate swaps, the Company agrees with other parties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed notional principal amounts. No cash is exchanged at the beginning of the contract and there are no principal payments made by either party. These transactions are entered into pursuant to master agreements that provide for a single net payment to be made by one counterparty at each due date.
- (3) The Company is exposed to credit-related losses in the event of non-performance by counterparties; however, no failure of obligations is expected given their high credit ratings. The Company monitors credit exposure through established approval procedures. All counterparties are rated A or better by Moody's and S & P. Credit risk exposure is represented by a positive fair value of contracts at the reporting date.
- (4) The current credit exposure of the Company's derivative contracts is limited to the fair value at the reporting date. Credit risk is managed by entering into transactions with creditworthy counterparties and by obtaining collateral where appropriate and customary. The Company also attempts to minimize its exposure to credit risk through the use of various credit monitoring techniques; 100% of the net credit exposure for the Company from derivative contracts is with investment-grade counterparties.

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

Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not applicable

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

Not applicable

20. September 11 Events

None

21. Other Items

- A. Not applicable
- B. Not applicable
- C. Assets in the amount of \$3,527,680 and \$3,418,269 at December 31, 2003 and 2002, respectively were on deposit with government authorities as required by law.
- D. Not applicable
- E. Not applicable
- F. Not applicable
- G. Not applicable
- H. Not applicable

22. Events Subsequent

None

23. Reinsurance

NOTES TO FINANCIAL STATEMENTS

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)
2. Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?
Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

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

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 that were in force or which had existing reserves established by the Company as of the effective date of the agreement?
Yes () No (X)

B. The Company has no uncollectible reinsurance.

C. The Company has no commuted reinsurance.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable

25. Change in Incurred Losses and Loss Adjustment Expenses

Not applicable

26. Intercompany Pooling Arrangements

Not applicable

27. Structured Settlements

Not applicable

28. Health Care Receivables

Not applicable

29. Participating Policies

Not applicable

30. Premium Deficiency Reserves

Not applicable

31. Reserves for Life and Deposit-Type Contracts

- (1) The Company waives the deduction of deferred fractional premiums upon the death of the insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
- (2) Additional premiums are charged for policies issued on substandard lives according to underwriting classification. The corresponding reserves held on such policies are calculated using the standard reserves plus unearned gross extra premium for policies with a flat extra premium and standard reserve, plus an additional approximate reserve based on multiple table reserves for policies issued with multiple table ratings.
- (3) There is no insurance for which the gross premiums are less than the net premiums.
- (4) Tabular Interest, Tabular Less Actual Reserve Released and Tabular Cost have all been determined by formula.
- (5) Actual interest is credited on accounts.
- (6) There are no other increases reported on line 7 of the Analysis of Increase in Reserves (page 7).

32. Analysis of Actuarial Reserves and Deposit Liabilities by Withdrawal characteristics

A. Subject to discretionary withdrawal:	<u>Amount</u>	<u>% of Total</u>
(1) With Market Value Adjustment	\$75,808,610	1.0%
(2) At book value less current surrender charge of 5% or more	\$3,533,717,999	46.9%
(3) At fair value	\$1,058,692,047	14.0%
(4) Total with adjustment or at market value	\$4,668,218,656	61.9%
(5) At book value without adjustment **	\$2,833,046,408	37.6%
B. Not subject to discretionary withdrawal	\$39,448,521	0.5%
C. Total (gross)	\$7,540,713,585	100.0%

NOTES TO FINANCIAL STATEMENTS

D. Reinsurance ceded	\$0
E. Total (net)	\$7,540,713,585

** Approximately \$883.7 million of these reserves are subject to withdrawal with a surrender charge that is contingent or less than 5% (but greater than 0%)

F. Life & Accident & Health Annual Statement:	
1. Exhibit 5, Annuities Section, Total (net)	\$6,405,943,741
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	\$0
3. Exhibit of Deposit-Type Contracts, Line 14, Column 1	\$0
4. Subtotal	\$6,405,943,741
Separate Accounts Annual Statement:	
5. Exhibit 3, Line 0299999, Column 2	\$1,134,769,844
6. Exhibit 3, Line 0399999, Column 2	\$0
7. Page 3, Line 2, Column 3	\$0
8. Page 3, Line 3.1, Column 3	\$0
9. Page 3, Line 3.2, Column 3	\$0
10. Page 3, Line 3.3, Column 3	\$0
11. Subtotal	\$1,134,769,844
12. Combined Total	\$7,540,713,585

33. Premium and Annuity Considerations Deferred and Uncollected

Not applicable

34. Separate Accounts

A. General Nature and Characteristics of Separate Accounts Business:

Most separate and variable accounts held by the company relate to variable annuities of a nonguaranteed return nature. A small amount relates to variable universal life. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. The assets and liabilities of these accounts are carried at market.

The Company primarily sells its business through banks and broker-dealers, and the nature of this distribution channel requires that many different types of products and features be made available. An overview of different product features follows.

Most of the variable annuities offer a modified guaranteed annuity fixed investment bucket. A policyholder picks a rate guarantee duration and is then credited a rate for that duration. If the policyholder surrenders the policy before then, a market value adjustment is applied. These guaranteed benefits reserves are held in Exhibit 3 of the Separate Account Annual Statement.

This business has been included in Columns 2 and 3 of the table below.

All of the annuity contracts provide an incidental death benefit of the maximum of account value or premium paid.

Most of the products add an additional death benefit to this, with the cost either priced into the product or added for a separate fee via a rider. These deaths benefits are:

- Maximum anniversary account value,
- 5% annual rising floor,
- Maximum of (maximum anniversary account value, 5% annual rising floor)
- A 5 year reset ratchet.

All of the death benefits listed are adjusted for partial withdrawals.

The Company also sells products with Guaranteed Living Benefits. These include Guaranteed Minimum Income Benefit (GMIB) and Performance Credit (PC), which are described in the General Interrogatories.

One product has a loyalty bonus that pays a 0.50% bonus at year 8, adjusted for partial withdrawals.

Variable life insurance products are Variable Universal Life. Variable life insurance guaranteed benefits are limited to Minimum Guaranteed Death Benefits. The guarantee is limited to 5 years and is subject to minimum premium payments.

These guaranteed benefits reserves are held in Exhibit 5, Miscellaneous Reserves.

All non-modified guaranteed annuity business has been included in Column 4 of the table below.

Information regarding the separate accounts of the Company is as follows:

	(1)	(2)	(3)	(4)	(5)
	<u>Indexed</u>	<u>Nonindexed Guarantee Less than/Equal to 4%</u>	<u>Nonindexed Guarantee More than 4%</u>	<u>Nonguarantee d Separate Accounts *</u>	<u>TOTAL</u>
(1) Premiums, considerations or deposits for year ended 12/31/2003	\$0	\$0	\$0	\$0	\$0
Reserves at 12/31/2003					
(2) For accounts with assets at:					
a. Market Value	\$0	\$5,208,637	\$70,599,972	\$1,059,909,312	\$1,135,717,922
b. Amortized Cost	\$0	\$0	\$0	\$0	\$0
c. Total Reserves	\$0	\$5,208,637	\$70,599,972	\$1,059,909,312	\$1,135,717,922

NOTES TO FINANCIAL STATEMENTS

(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal	\$0	\$0	\$0	\$0	\$0
b. With MV adjustment	\$0	\$5,208,637	\$70,599,972		\$75,808,610
c. At book value without MV adjustment and with current surrender charge of 5% or more	\$0	\$0	\$0	\$0	\$0
d. At market value	\$0	\$0	\$0	\$1,059,640,125	\$1,059,640,125
e. At book value without MV adjustment and with current surrender charge less than 5%	\$0	\$0	\$0	\$0	\$0
f. Subtotal	\$0	\$5,208,637	\$70,599,972	\$1,059,640,125	\$1,135,448,735
g. Not subject to discretionary withdrawal	\$0	\$0	\$0	\$269,187	\$269,187
h. Total (gross)	\$0	\$5,208,637	\$70,599,972	\$1,059,909,312	\$1,135,717,922

(4) Reserves for Asset Default Risk in Lieu of AVR

(5) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:

	(1)	(2)	(3)	(4)	(5)
		Nonindexed Guarantee Less than/Equal to 4%	Nonindexed Guarantee More than 4%	Nonguaranteed Separate Accounts	TOTAL
	Indexed				
a. Transfers to Separate Accounts	0	0	0	1,390,601	\$1,390,601
b. Transfers from Separate Accounts	0	0	0	412,872,272	\$412,872,272
c. Net transfers to or (from) Separate Accounts	\$0	\$0	\$0	(\$411,481,671)	(\$411,481,671)

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

1. Transfers as reported in the Summary of Operations of the Separate Accounts Statements:	
a. Transfers to Separate Accounts (Page 4 line 1.4)	\$201,529,379
b. Transfers From Separate Accounts (Page 4 line 10)	<u>(25,857,925)</u>
c. Net Transfers to or (from) Separate accounts (a) – (b)	227,387,304
2. Reconciling Adjustments	
a. Transfers due to purchase payment credits	(1,390,601)
b. Contract and insurance charge	881,538
c. Other	-
3. Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (1c) + (2) = Page 4, Line 26)	<u>\$226,878,241</u>

35. Loss/Loss Adjustment Expenses

Not applicable

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	3,655,852	0.052	3,655,852	0.052
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies		0.000		0.000
1.22 Issued by U.S. government sponsored agencies	82,188,817	1.172	82,188,817	1.172
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	3,004,935	0.043	3,004,935	0.043
1.43 Revenue and assessment obligations	27,232,927	0.388	27,232,927	0.388
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	158,268	0.002	158,268	0.002
1.512 Issued by FNMA and FHLMC	1,265,687,406	18.042	1,265,687,406	18.042
1.513 Privately issued		0.000		0.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC	1,410,571,585	20.107	1,410,571,585	20.107
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	366,468,490	5.224	366,468,490	5.224
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	2,689,602,874	38.339	2,689,602,874	38.339
2.2 Unaffiliated foreign securities	568,854,508	8.109	568,854,508	8.109
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	49,790,422	0.710	49,790,422	0.710
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated		0.000		0.000
3.32 Unaffiliated	6,355	0.000	6,355	0.000
3.4 Other equity securities:				
3.41 Affiliated	0	0.000	0	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	541,173,764	7.714	541,173,764	7.714
4.6 Mezzanine real estate 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 \$0 of property acquired in satisfaction of debt)		0.000	0	0.000
5.3 Property held for sale (\$0 including property acquired in satisfaction of debt)		0.000	0	0.000
6. Policy loans		0.000	0	0.000
7. Receivables for securities	187,286	0.003	187,286	0.003
8. Cash and short-term investments	(6,953,627)	(0.099)	(6,953,627)	(0.099)
9. Other invested assets	13,675,978	0.195	13,675,978	0.195
10. Total invested assets	7,015,305,840	100.000	7,015,305,840	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? Indiana.....
- 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).11/01/2000
- 3.4 By what department or departments? Indiana 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)

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
- 8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
IDS Life Insurance Company.....	Minneapolis, Minnesota.....					SEC.....
Securities America Inc.....	Omaha, Nebraska.....					SEC.....
American Express Financial Advisors.....	Minneapolis, Minnesota.....					SEC.....
American Enterprise Inv Services.....	Minneapolis, Minnesota.....					SEC.....
Centurion Bank.....	Midvale, Utah.....				FDIC.....	
Personal Trust Services.....	Minneapolis, Minnesota.....				FDIC.....	

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP 1400 Pillsbury Center, Minneapolis, MN 55403
10. 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?
John M. Weum, 227 AXP Financial Center, Minneapolis, MN 55474; Officer
11. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 11.1 What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?
- 11.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 11.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 11.4 If answer to (11.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []

BOARD OF DIRECTORS

12. 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 []
13. 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 []
14. 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

- 15.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 15.11 To directors or other officers .. \$.....
 - 15.12 To stockholders not officers ... \$.....
 - 15.13 Trustees, supreme or grand (Fraternal only) \$.....
- 15.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 15.21 To directors or other officers ... \$.....
 - 15.22 To stockholders not officers \$.....
 - 15.23 Trustees, supreme or grand (Fraternal only) \$.....
- 16.1 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]
- 16.2 If yes, state the amount thereof at December 31 of the current year:
- 16.21 Rented from others \$.....
 - 16.22 Borrowed from others \$.....
 - 16.23 Leased from others \$.....
 - 16.24 Other \$.....
- Disclose in Notes to Financial the nature of each obligation.
- 17.1 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]
- 17.2 If answer is yes,
- 17.21 Amount paid as losses or risk adjustment \$.....
 - 17.22 Amount paid as expenses \$.....
 - 17.23 Other amounts paid \$.....

GENERAL INTERROGATORIES

(continued)
INVESTMENT

18. 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					[]	[]	[]	[]
Common	100,000	20,000	150.000	XXX	XXX	XXX	XXX	XXX

19.1. 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 3 - Special Deposits? Yes [X] No []

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

20.1 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 3 - 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 16.1) Yes [X] No []

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

20.21	Loaned to others	\$
20.22	Subject to repurchase agreements	\$
20.23	Subject to reverse repurchase agreements	\$71,796,492
20.24	Subject to dollar repurchase agreements	\$
20.25	Subject to reverse dollar repurchase agreements	\$
20.26	Pledged as collateral	\$
20.27	Placed under option agreements	\$
20.28	Letter stock or other securities restricted as to sale ...	\$
20.29	Other	\$

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

20.31 FNMA - CUSIP #31371LDU0; Delivered 12/23/2003; Maturity date: 09/01/2023; Bond market value: \$37,900,033; Current bond face: \$38,670,741; Borrowed money: \$36,000,000 CASH; Collateral held by Salomon Smith Barney, 388 Greenwich Street, New York, NY 10013..... 20.35

20.32 FNMA - CUSIP #31385XAJ6; Delivered 12/30/2003; Maturity date: 04/01/2033; Bond market value: \$33,573,610; Current bond face: \$33,125,751; Borrowed money: \$31,500,000 CASH; Collateral held by Salomon Smith Barney, 388 Greenwich Street, New York, NY 10013..... 20.36

20.33 20.37

20.34 20.38

20.39

For categories (20.21) and (20.23) above, and for any securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

20.4 For category (20.28) provide the following:

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

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

21.2 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.

22.1 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]

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

GENERAL INTERROGATORIES

(continued)

INVESTMENT

23. 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 [] No []

23.01 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
American Express Trust Company.....	50900 AXP Financial Center, Minneapolis, MN 55474....

23.02 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)	2 Complete Explanation(s)

23.03 Have there been any changes, including name changes, in the custodian(s) identified in 23.01 during the current year?

Yes [] No []

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

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

23.05 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	2 Address
	American Express Financial Corporation.	220 AXP Financial Center, Minneapolis, MN 55474.....

24.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?.....

Yes [] No []

24.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
9999999. TOTAL		0

24.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding Of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

GENERAL INTERROGATORIES

(continued)

OTHER

25.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?.....\$158,557

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

1 Name	2 Amount Paid
American Council of Life Insurance.....	116,564

26.1 Amount of payments for legal expenses, if any?.....\$128,681

26.2 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
Halleland Lewis Nila.....	42,008
Bowen Riley Warnock.....	33,197

27.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$116,564

27.2 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
American Council of Life Insurance.....	116,564

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. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$0	\$	.....0
2.2	Premium Denominator	\$1,924,275,839	\$	.....2,159,025,281
2.3	Premium Ratio (2.1/2.2)	.....0.000		.....0.000
2.4	Reserve Numerator	\$0	\$	.....0
2.5	Reserve Denominator	\$6,405,970,669	\$	.....5,269,367,591
2.6	Reserve Ratio (2.4/2.5)	.....0.000		.....0.000

- 3.1 Does this reporting entity have Separate Accounts? Yes [X] No []
- 3.2 If yes, has a Separate Accounts Statement been filed with this Department? Yes [X] No [] NA []
- 3.3 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? \$54,375,723
- 3.4 State the authority under which Separate Accounts are maintained:
- Indiana Statutes
- 3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [X] No []
- 3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [] No [X]
- 3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)?..... \$0
- 4.1 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 []
- 4.2 Net reimbursement of such expenses between reporting entities:
- 4.21 Paid: \$56,327,162
- 4.22 Received: \$74,546
- 5.1 Does the reporting entity write any guaranteed interest contracts? Yes [] No [X]
- 5.2 If yes, what amount pertaining to these items is included in:
- 5.21 Page 3, Line 3 \$
- 5.22 Page 4, Line 1 \$
6. For stock reporting entities only:
- 6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$591,871,780
7. Total dividends paid stockholders since organization of the reporting entity:
- 7.11 Cash: \$
- 7.12 Stock: \$

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

8.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes No
 8.11 Name of real estate holding company American Enterprise REO, LLC.....
 8.12 Number of parcels involved
 8.13 Total book/adjusted carrying value \$7,604,178

8.2 If yes, provide explanation:
 Limited Liability Company - Refer to Schedule Y

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

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

9.3 If 9.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1. Reinsurance Assumed	2. Reinsurance Ceded	3. Net Retained
9.31 Earned premium.....			
9.32 Paid claims.....			
9.33 Claim liability and reserve (beginning of year).....			
9.34 Claim liability and reserve (end of year).....			
9.35 Incurred Claims.....			

9.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 9.31 and 9.34 for Column 1 are:

	Attachment Point	1. Earned Premium	2. Claim Liability And Reserve
9.41	<\$25,000		
9.42	\$25,000 – 99,999		
9.43	\$100,000 – 249,999		
9.44	\$250,000 – 999,999		
9.45	\$1,000,000 or more		

9.5 What portion of earned premium reported in 9.31, Column 1 was assumed from pools? \$.....

10.1 Does the company have variable annuities with guaranteed benefits? Yes No

10.2 If 10.1 is yes, complete the following table for each type of guaranteed benefit.:

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

1	Type	3	4	5	6	7	8	9
Guaranteed Death Benefits	Guaranteed Living Benefits	Waiting Period Remaining	Account Value Related to Col.3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserved Credit
contract value as of the most recent 5th contract anniversary	None	N/A	N/A	50,639,033	76,421	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments	None	N/A	N/A	1,147,290,214	4,006,585	Exhibit 5	N/A	
greater of maximum anniversary value, purchase payments, or variable account 5% rising floor	None	N/A	N/A	81,385,806	794,025	Exhibit 5	N/A	
greater of purchase payments, or variable account 5% rising floor	None	N/A	N/A	6,775,685	422,166	Exhibit 5	N/A	
purchase payments	None	N/A	N/A	1,048,471,351	1,495,522	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments plus 40% of contract earnings if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings	None	N/A	N/A	32,470,657	172,953	Exhibit 5	N/A	
purchase payments plus 40% of contract earnings if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings	None	N/A	N/A	4,260,731	10,528	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments	GMIB - return of premium or 6% rising floor, 7 yr waiting period	3, 4, 5, 6	17,466,742, 5,576,407, 4,204,328, 113,785,482	141,032,959	983,495	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments	GMIB - return of premium or MAV, 7 yr waiting period	3, 4, 5, 6	4,024,652, 32,907,723, 43,011,261, 17,806,246	97,749,882	326,045	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments	GMIB - return of premium, MAV or 5% rising floor, 10 yr waiting period	9	125,681	125,681	0	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments	Performance Credit - 8% target value accumulation rate, 3% credit year 7 if less than target value, 5% credit year 10, calculation restarts every 10 years	3, 4, 5	9,353,821, 984,674, 225,685	10,564,180	776,412	Exhibit 5	N/A	

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

1	2	3	4	5	6	7	8	9
Type								
Guaranteed Death Benefits	Guaranteed Living Benefits	Waiting Period Remaining	Account Value Related to Col.3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserved Credit
greater of maximum anniversary value or purchase payments	Performance Credit - 7.2% target value accumulation rate, 5% credit year 10 if less than target value, additional 5% if annuitize	6, 7, 8, 9	824,803, 3,107,006, 6,428,965, 2,311,056	12,671,831	23,625	Exhibit 5	N/A	
greater of maximum anniversary value, purchase payments, or variable account 5% floor	GMIB - return of premium or 6% rising floor, 7 yr waiting period	6	28,390,455	28,390,455	2,158	Exhibit 5	N/A	
greater of maximum anniversary value, purchase payments, or variable account 5% floor	GMIB - return of premium or MAV, 7 yr waiting period	5, 6	208,217, 1,444,409	1,652,626	850	Exhibit 5	N/A	
greater of maximum anniversary value, purchase payments, or variable account 5% floor	GMIB - return of premium, MAV or 5% rising floor, 10 yr waiting period	6, 7, 8, 9	7,385,878, 18,307,329, 16,369,638, 20,385,348	62,448,192	607,899	Exhibit 5	N/A	
greater of maximum anniversary value, purchase payments, or variable account 5% floor	Performance Credit - 7.2% target value accumulation rate, 5% credit year 10 if less than target value, additional 5% if annuitize	9	138,676	138,676	0	Exhibit 5	N/A	
greater of purchase payments, or variable account 5% floor	GMIB - return of premium or 6% rising floor, 7 yr waiting period	3, 4, 5, 6	3,895,466, 389,885, 1,946,997, 216,726	6,449,073	810,200	Exhibit 5	N/A	
greater of purchase payments, or variable account 5% floor	Performance Credit - 8% target value accumulation rate, 3% credit year 7 if less than target value, 5% credit year 10, calculation restarts every 10 years	3, 4	2,053,180, 886,114	2,939,294	388,326	Exhibit 5	N/A	
purchase payments	Performance Credit - 8% target value accumulation rate, 3% credit year 7 if less than target value, 5% credit year 10, calculation restarts every 10 years	3, 4, 5	2,129,602, 151,821, 102,748	2,384,172	166,349	Exhibit 5	N/A	
purchase payments	Performance Credit - 7.2% target value accumulation rate, 5% credit year 10 if less than target value, additional 5% if annuitize	6, 7, 8, 9	27,373, 819,392, 1,535,874, 1,689,553	4,072,192	6,710	Exhibit 5	N/A	

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

1	2	3	4	5	6	7	8	9
Type	Type	Type	Type	Type	Type	Type	Type	Type
Guaranteed Death Benefits	Guaranteed Living Benefits	Waiting Period Remaining	Account Value Related to Col.3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserved Credit
greater of maximum anniversary value or purchase payments plus 40% of contract earnings if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings	GMIB - return of premium or 6% rising floor, 7 yr waiting period	6	2,684,844	2,684,844	43,803	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments plus 40% of contract earnings if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings	GMIB - return of premium or MAV, 7 yr waiting period	4, 5, 6	1,852,516, 3,721,042, 1,963,416	7,536,973	28,956	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments plus 40% of contract earnings if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings	Performance Credit - 7.2% target value accumulation rate, 5% credit year 10 if less than target value, additional 5% if annuitize	7	110,872	110,872	325	Exhibit 5	N/A	
greater of purchase payments, or variable account 5% floor plus 40% of contract earnings if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings	GMIB - return of premium or 6% rising floor, 7 yr waiting period	5	86,912	86,912	95	Exhibit 5	N/A	
purchase payments plus 40% of contract earnings if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings	Performance Credit - 7.2% target value accumulation rate, 5% credit year 10 if less than target value, additional 5% if annuitize	9, 8	208,443, 48,306	256,749	69	Exhibit 5	N/A	

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

1	2	3	4	5	6	7	8	9
Type								
Guaranteed Death Benefits	Guaranteed Living Benefits	Waiting Period Remaining	Account Value Related to Col.3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserved Credit
greater of maximum anniversary value or purchase payments plus 40% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 10% in contract years 3 and 4, and 20% thereafter if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 3.75% in contract years 3 and 4, and 7.5% thereafter	none	2, 3, 4	5,067,740, 9,289,072, 3,292,353	17,649,165	125,638	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments plus 40% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 10% in contract years 3 and 4, and 20% thereafter if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 3.75% in contract years 3 and 4, and 7.5% thereafter	GMIB - return of premium or 6% rising floor, 7 yr waiting period	3 DB - 5 LB, 4 DB - 6 LB	93,821, 3,901,998	3,995,819	23,894	Exhibit 5	N/A	
greater of maximum anniversary value or purchase payments plus 40% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 10% in contract years 3 and 4, and 20% thereafter if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 3.75% in contract years 3 and 4, and 7.5% thereafter	GMIB - return of premium or MAV, 7 yr waiting period	2 DB - 4 LB, 3 DB - 5 LB, 4DB - 6 LB	611,921, 2,391,758, 514,727	3,518,405	37,184	Exhibit 5	N/A	

GENERAL INTERROGATORIES

(continued)

PART 2 - LIFE INTERROGATORIES

1	Type	3	4	5	6	7	8	9
Guaranteed Death Benefits	Guaranteed Living Benefits	Waiting Period Remaining	Account Value Related to Col.3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserved Credit
greater of maximum anniversary value or purchase payments plus 40% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 10% in contract years 3 and 4, and 20% thereafter if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 3.75% in contract years 3 and 4, and 7.5% thereafter	Performance Credit - 7.2% target value accumulation rate, 5% credit year 10 if less than target value, additional 5% if annuitize	3 DB -8 LB	155,545	155,545	223	Exhibit 5	N/A	
purchase payments plus 40% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 10% in contract years 3 and 4, and 20% thereafter if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 3.75% in contract years 3 and 4, and 7.5% thereafter	none	3,4	1,773,560, 2,448,366	4,312,260	9,982	Exhibit 5	N/A	
purchase payments plus 40% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 10% in contract years 3 and 4, and 20% thereafter if owner and annuitant younger than 70 at rider effective date, otherwise 15% of contract earnings and 0% of exchanged amount in contract years 1 and 2, 3.75% in contract years 3 and 4, and 7.5% thereafter	Performance Credit - 7.2% target value accumulation rate, 5% credit year 10 if less than target value, additional 5% if annuitize	3 DB - 8 LB, 4 DB - 9 LB	116,884, 53,389	170,273	192	Exhibit 5	N/A	

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE American Enterprise Life Insurance Company

FIVE-YEAR HISTORICAL DATA

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

	1 2003	2 2002	3 2001	4 2000	5 1999
Life Insurance in Force					
(Exhibit of Life Insurance)					
1. Ordinary - whole Life and endowment (Line 34, Col. 4)	56,843	55,943	36,850	1,725	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)	0	0	0	0	0
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)	56,843	55,943	36,850	1,725	0
New Business Issued					
(Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2)	950	19,183	36,302	1,725	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)	0	0	0	0	0
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)	950	19,183	36,302	1,725	0
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)	422,775	470,814	271,021	12,807	0
15.2 Ordinary-Individual Annuities (Exhibit 1-Part 1, Line 20.4, Col. 4)	1,923,032,474	2,142,038,000	904,143,941	391,918,494	290,395,949
16. Credit life (group and individual) (Exhibit 1-Part 1, Line 20.4, Col. 5)	0	0	0	0	0
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)	820,590	16,516,467	15,099,485	2,848,320	4,872,051
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)	0	0	0	0	0
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	XXX	322,074,108	44,905,697
21. Total	1,924,275,839	2,159,025,281	919,514,447	716,853,729	340,173,697
Balance Sheet Items (Pages 2 & 3)					
22. Total admitted assets excluding Separate Accounts business (Page 2, Line 24, Col. 3)	7,101,417,883	6,834,301,722	4,270,924,089	3,919,001,610	4,289,086,127
23. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	6,620,072,094	6,352,766,050	3,968,731,335	3,604,015,687	3,945,991,669
24. Aggregate life reserves (Page 3, Line 1)	6,461,047,992	5,269,367,591	3,671,316,018	3,503,654,826	3,824,014,804
25. Aggregate A & H reserves (Page 3, Line 2)	0	0	0	0	0
26. Deposit-type contract funds (Page 3, Line 3)	0	0	0	XXX	XXX
27. Asset valuation reserve (Page 3, Line 24.1)	47,586,896	29,868,532	33,910,980	62,915,795	61,269,241
28. Capital (Page 3, Lines 29 and 30)	3,000,000	3,000,000	3,000,000	3,000,000	2,000,000
29. Surplus (Page 3, Line 37)	492,816,190	490,339,081	300,500,767	312,930,274	341,094,458
Risk-Based Capital Analysis					
30. Total adjusted capital	543,403,086	523,207,613	337,411,747	378,846,069	404,363,699
31. Authorized control level risk - based capital	92,090,553	80,048,040	57,152,912	61,967,552	67,572,821
Percentage Distribution of Assets					
(Page 2, Col. 3) (Line No. / Page 2, Line 10, Col. 3) x 100.0					
32. Bonds (Line 1)	91.5	73.5	75.2	79.3	80.8
33. Stocks (Lines 2.1 and 2.2)	0.7	0.0	0.0	0.0	0.0
34. Mortgage loans on real estate (Lines 3.1 and 3.2)	7.7	8.8	15.7	18.8	18.7
35. Real estate (Lines 4.1, 4.2 and 4.3)	0.0	0.0	0.0	0.0	0.0
36. Cash and short - term investments (Line 5)	(0.1)	16.6	6.5	1.6	0.2
37. Premium notes	XXX	0.0	0.0	0.0	0.0
38. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
39. Other invested assets (Line 7)	0.1	0.8	1.5	0.0	0.0
40. Receivable for securities (Line 8)	0.0	0.0	1.0	0.0	0.0
41. Aggregate write-ins for invested assets (Line 9)	0.1	0.2	0.2	0.2	0.3
42. Cash and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2003	2 2002	3 2001	4 2000	5 1999
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	7,604,178	15,852,450	0	0	0
49. Total of above Lines 43 to 48	7,604,178	15,852,450	0	0	0
Total Non-admitted and Admitted Assets					
50. Total non admitted assets (Page 2, Line 26, Col. 2)	74,527,959	84,653,126	85,232,332	16,688,359	2,968,144
51. Total admitted assets (Page 2, Line 26, Col. 3)	8,293,400,222	7,624,057,385	5,048,419,514	4,544,492,744	4,510,080,375
Investment Data					
52. Net investment income (Exhibit of Net Investment Income)	356,347,072	231,957,578	260,189,388	295,602,407	320,148,790
53. Realized capital gains (Losses)	24,970,946	2,844,405	(96,925,950)	3,723,289	5,914,390
54. Unrealized capital gains (Losses)	9,528,708	7,182,448	30,134,710	(13,547,882)	(2,954,764)
55. Total of above Lines 52, 53 & 54	390,846,726	241,984,431	193,398,148	285,777,814	323,108,416
Benefits and Reserve Increases (Page 6)					
56. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15, Col.1 minus Lines 10, 11, 12, 13, 14, and 15, Cols. 9, 10 & 11)	716,524,009	665,451,211	642,377,581	824,948,174	725,511,347
57. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	0	0	0	0	0
58. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	10,649	12,813	(6,946)	10,412	0
59. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	0	0	0	0	0
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	7.8	6.6	9.0	22.0	20.5
62. Lapse percent (ordinary only) (Exhibit of Life Insurance, Col. 4, Lines 14 & 15) x 100.0 / 1/2 (Lines 1 & 21)	2.9	0.5	6.1	0.0	0.0
63. A & H loss percent (Schedule H, Part 1, Lines 3 and 4, Col. 2)	0.0	0.0	0.0	0.0	0.0
64. A & H expense percent (Schedule H, Pt. 1, Line 8, Col. 2)	0.0	0.0	0.0	0.0	0.0
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)	0	0	0	0	0
68. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)	0	0	0	0	0
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)	(126,755)	(663,955)	(2,297,887)	(93,240)	0
71. Ordinary - individual annuities (Col. 4)	1,515,045	(89,654,034)	(17,084,026)	(15,843,124)	6,551,593
72. Ordinary-supplementary contracts (Col. 5)	0	0	0	0	0
73. Credit life (Col. 6)	0	0	0	0	0
74. Group life (Col. 7)	0	0	0	0	0
75. Group annuities (Col. 8)	371,100	14,424,105	2,010,630	3,610,662	8,481,605
76. A & H-group (Col. 9)	0	0	0	0	0
77. A & H-credit (Col. 10)	0	0	0	0	0
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)	1,759,390	(75,893,884)	(17,371,283)	(12,325,702)	15,033,198

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE American Enterprise Life Insurance 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	269	55,943	0	0	0	0	0	55,943
2. Issued during year		0	6	950		0			0	950
3. Reinsurance assumed										0
4. Revived during year										0
5. Increased during year (net)										0
6. Subtotals, Lines 2 to 5	0	0	6	950	0	0	0	0	0	950
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		0
8. Aggregate write-ins for increases	0	0	11	1,570	0	0	0	0	0	1,570
9. Totals (Lines 1 and 6 to 8)	0	0	286	58,463	0	0	0	0	0	58,463
Deductions during year:										
10. Death							XXX			0
11. Maturity							XXX			0
12. Disability							XXX			0
13. Expiry										0
14. Surrender			10	1,620						1,620
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	10	1,620	0	0	0	0	0	1,620
21. In force end of year, (Line 9 minus Line 20)	0	0	276	56,843	0	0	0	0	0	56,843
22. Reinsurance ceded end of year	XXX		XXX	1,259	XXX		XXX	XXX		1,259
23. Line 21 minus Line 22	XXX	0	XXX	55,584	XXX	^(b) 0	XXX	XXX	0	55,584
DETAILS OF WRITE-INS										
0801.			11	1,570						1,570
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	11	1,570	0	0	0	0	0	1,570
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 \$

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends			XXX	
25. Other paid-up insurance				
26. Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Page 31, Line 2)		In Force End of Year (Included in Page 31, Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing				
28. Term policies - other				
29. Other term insurance - decreasing	XXX		XXX	
30. Other term insurance	XXX		XXX	
31. Totals, Line 27 to 30	0	0	0	0
Reconciliation to Page 31, Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. Totals, extended term insurance	XXX	XXX		
34. Totals, whole life and endowment	6	950	276	56,843
35. Total (Lines 31 to 34)	6	950	276	56,843

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Page 31, Line 2)		In Force End of Year (Included in Page 31, Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial				
37. Ordinary	950		56,843	
38. Credit Life (Group and Individual)				
39. Group				
40. Totals (Lines 36 to 39)	950	0	56,843	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 31, Line 2 ceded to other companies	XXX		XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		XXX		XXX
43. Federal Employees' Group Life Insurance included in Page 31, Line 21				
44. Servicemen's Group Life Insurance included in Page 31, Line 21				
45. Group Permanent Insurance included in Page 31, Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	
---	--

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance covering Family Income Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc. policies and riders included above:	
47.1	
47.2	

POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium								
49. Disability Income								
50. Extended Benefits			XXX	XXX				
51. Other								
52. Total	(b)		(b)		(b)		(b)	

(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
1. In force end of prior year	1,414	136,428	3	2,814
2. Issued during year	174	34,866		1
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	1,588	171,294	3	2,815
Deductions during year:				
6. Decreased (net)	161	14,307		273
7. Reinsurance				
8. Totals (Lines 6 and 7)	161	14,307	0	273
9. In force end of year	1,427	156,987	3	2,542
Income now payable:				
10. Amount of income payable	(a) 6,693,720	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a) 1,027,395,736	XXX	(a) 88,764,659
Deferred not fully paid:				
12. Account balance	XXX	(a) 6,567,299,142	XXX	(a) 2,725,525

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
NONE						
1. In force end of prior year						
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Total (Lines 1 to 4)		XXX		XXX		XXX
Deductions during year:						
6. Conversions	XXX	XXX		XXX	XXX	XXX
7. Decreased (net)		XXX		XXX		XXX
8. Reinsurance		XXX		XXX		XXX
9. Total (Lines 6 thru 8)		XXX		XXX		XXX
10. In force end of year		(a)		(a)		(a)

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.

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 159,446,518 2. Canada 0 3. Other Countries 0 4. Totals 159,446,518	159,446,518 0 0 159,446,518	159,841,274 0 0 159,841,274	154,087,022 0 0 154,087,022
States, Territories and Possessions (Direct and guaranteed)	5. United States 0 6. Canada 0 7. Other Countries 0 8. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States 3,004,935 10. Canada 0 11. Other Countries 0 12. Totals 3,004,935	3,004,935 0 0 3,004,935	3,005,160 0 0 3,005,160	3,000,000 0 0 3,000,000
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States 2,630,048,336 14. Canada 0 15. Other Countries 0 16. Totals 2,630,048,336	2,629,163,536 0 0 2,629,163,536	2,631,912,410 0 0 2,631,912,410	2,588,358,387 0 0 2,588,358,387
Public Utilities (unaffiliated)	17. United States 233,975,508 18. Canada 0 19. Other Countries 3,960,583 20. Totals 237,936,091	233,159,483 0 4,202,055 237,361,538	234,946,304 0 3,978,927 238,925,231	225,340,593 0 3,954,875 229,295,468
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States 2,822,095,858 22. Canada 162,410,677 23. Other Countries 402,483,248 24. Totals 3,386,989,783	2,864,316,776 166,376,251 407,211,553 3,437,904,580	2,829,132,432 162,356,958 403,858,180 3,395,347,570	2,733,711,211 157,827,000 389,982,672 3,281,520,883
Parent, Subsidiaries and Affiliates	25. Totals 0 26. Total Bonds 6,417,425,663	0 6,466,881,107	0 6,429,031,645	0 6,256,261,760
PREFERRED STOCKS				
Public Utilities (unaffiliated)	27. United States 0 28. Canada 0 29. Other Countries 0 30. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Banks, Trust and Insurance Companies (unaffiliated)	31. United States 0 32. Canada 0 33. Other Countries 0 34. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Industrial and Miscellaneous (unaffiliated)	35. United States 49,790,422 36. Canada 0 37. Other Countries 0 38. Totals 49,790,422	47,158,898 0 0 47,158,898	51,180,380 0 0 51,180,380	0 0 0 0
Parent, Subsidiaries and Affiliates	39. Totals 0 40. Total Preferred Stocks 49,790,422	0 47,158,898	0 51,180,380	0 0
COMMON STOCKS				
Public Utilities (unaffiliated)	41. United States 0 42. Canada 0 43. Other Countries 0 44. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Banks, Trust and Insurance Companies (unaffiliated)	45. United States 0 46. Canada 0 47. Other Countries 0 48. Totals 0	0 0 0 0	0 0 0 0	0 0 0 0
Industrial and Miscellaneous (unaffiliated)	49. United States 6,355 50. Canada 0 51. Other Countries 0 52. Totals 6,355	6,355 0 0 6,355	0 0 0 0	0 0 0 0
Parent, Subsidiaries and Affiliates	53. Totals 0 54. Total Common Stocks 6,355	0 6,355	0 0	0 0
	55. Total Stocks 49,796,776	47,165,253	51,180,380	
	56. Total Bonds and Stocks 6,467,222,439	6,514,046,360	6,480,212,025	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$ 4,527,993,349 .

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year 4,970,931,116	6. Foreign Exchange Adjustment:
2. Cost of bonds and stocks acquired, Column 6, Part 3 5,750,695,345	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 (10,311,590)	6.3 Column 11, Part 2, Sec. 2 0
3.2 Column 12, Part 2, Sec. 1 (4,650,372)	6.4 Column 11, Part 4 0
3.3 Column 10, Part 2, Sec. 2 6,355	
3.4 Column 10, Part 4 (14,300,962) (29,256,569)	7. Book/adjusted carrying value at end of current period 6,467,222,439
4. Total gain (loss), Col. 14, Part 4 34,910,672	8. Total valuation allowance 0
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4 4,260,058,125	9. Subtotal (Lines 7 plus 8) 6,467,222,439
	10. Total nonadmitted amounts 0
	11. Statement value of bonds and stocks, current period 6,467,222,439

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE American Enterprise Life Insurance 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	Yes	0	3,638,545	0	0
2. Alaska	AK	Yes	0	0	0	0
3. Arizona	AZ	Yes	1,430	9,490,764	0	0
4. Arkansas	AR	Yes	0	2,529,933	0	0
5. California	CA	Yes	1,774	99,584,952	0	0
6. Colorado	CO	Yes	273,887	14,080,405	0	0
7. Connecticut	CT	Yes	0	128,544,954	0	0
8. Delaware	DE	Yes	0	11,946,727	0	0
9. District of Columbia	DC	Yes	0	12,253,029	0	0
10. Florida	FL	Yes	1,404	350,329,851	0	0
11. Georgia	GA	Yes	0	85,511,721	0	0
12. Hawaii	HI	Yes	0	8,246,237	0	0
13. Idaho	ID	Yes	0	5,444,950	0	0
14. Illinois	IL	Yes	3,250	33,378,049	0	0
15. Indiana	IN	Yes	0	4,329,931	0	0
16. Iowa	IA	Yes	6,242	4,433,416	0	0
17. Kansas	KS	Yes	0	360,891	0	0
18. Kentucky	KY	Yes	0	43,417	0	0
19. Louisiana	LA	Yes	0	2,480,294	0	0
20. Maine	ME	Yes	0	13,669,816	0	0
21. Maryland	MD	Yes	0	40,786,337	0	0
22. Massachusetts	MA	Yes	0	120,298,150	0	0
23. Michigan	MI	Yes	540	87,231,527	0	0
24. Minnesota	MN	Yes	0	24,744,345	0	0
25. Mississippi	MS	Yes	0	13,088,835	0	0
26. Missouri	MO	Yes	0	2,831,298	0	0
27. Montana	MT	Yes	0	3,878,418	0	0
28. Nebraska	NE	Yes	0	5,058,531	0	0
29. Nevada	NV	Yes	96,699	6,674,269	0	0
30. New Hampshire	NH	No	0	127,993	0	0
31. New Jersey	NJ	Yes	0	227,566,043	0	0
32. New Mexico	NM	Yes	1,000	5,069,328	0	0
33. New York	NY	No	0	1,094,468	0	0
34. North Carolina	NC	Yes	0	79,499,273	0	0
35. North Dakota	ND	Yes	0	2,434,274	0	0
36. Ohio	OH	Yes	0	16,046,122	0	0
37. Oklahoma	OK	Yes	0	28,148	0	0
38. Oregon	OR	Yes	9,000	626,917	0	0
39. Pennsylvania	PA	Yes	753	198,292,593	0	0
40. Rhode Island	RI	Yes	0	13,302,613	0	0
41. South Carolina	SC	Yes	0	33,616,954	0	0
42. South Dakota	SD	Yes	3,650	2,446,727	0	0
43. Tennessee	TN	Yes	10,615	65,201,187	0	0
44. Texas	TX	Yes	6,810	43,174,731	0	0
45. Utah	UT	Yes	100	4,090,726	0	0
46. Vermont	VT	Yes	0	2,500	0	0
47. Virginia	VA	Yes	45,588	101,937,473	0	0
48. Washington	WA	Yes	14,194	1,634,505	0	0
49. West Virginia	WV	Yes	0	412,724	0	0
50. Wisconsin	WI	Yes	33,398	19,843,722	0	0
51. Wyoming	WY	Yes	0	639,309	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	(86,048)	11,875,143	0	0
58. Subtotal	(a)	49	424,284	1,923,853,064	0	0
59. 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		424,284	1,923,853,064	0	0
96. Plus Reinsurance Assumed	XXX					
97. Totals (All Business)	XXX		424,284	1,923,853,064	0	0
98. Less Reinsurance Ceded	XXX		1,509			
99. Totals (All Business) less Reinsurance Ceded	XXX		422,775	1,923,853,064	(b)	0
DETAILS OF WRITE-INS						
5701. Alien (01)	XXX		(86,048)	11,875,143	0	0
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		(86,048)	11,875,143	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

(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:

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

PART 1 - ORGANIZATIONAL CHART

