



LIFE ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF MARCH 31, 2004

OF THE CONDITION AND AFFAIRS OF THE

PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

NAIC Group Code 0565 0565 NAIC Company Code 68195 Employer's ID Number 62-0331200

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

Country of Domicile United States of America

Incorporated 05/24/1887 Commenced Business 05/24/1887

Statutory Home Office 1 FOUNTAIN SQUARE CHATTANOOGA, TN 37402-1330

Main Administrative Office 1 FOUNTAIN SQUARE CHATTANOOGA, TN 37402-1330

Mail Address 1 FOUNTAIN SQUARE CHATTANOOGA, TN 37402-1330

Primary Location of Books and Records 1 FOUNTAIN SQUARE CHATTANOOGA, TN 37402-1330

Internet Website Address www.unumprovident.com

Statutory Statement Contact VICKI WRIGHT CORBETT 423-294-1373

Policyowner Relations Contact 1 FOUNTAIN SQUARE CHATTANOOGA, TN 37402-1330

OFFICERS

President THOMAS ROS WATJEN Treasurer JOHN JOSEPH IWANICKI
Secretary SUSAN NANCE ROTH Actuary ROGER LUC MARTIN

VICE PRESIDENTS

ROBERT O'HARA BEST FLOYD DEAN COPELAND VICKI WRIGHT CORBETT
JOSEPH RICHARD FOLEY ROBERT CARL GREVING PETER CARL MADEJA
KEVIN PAUL MCCARTHY RALPH WILSON MOHNEY JR. GEORGE ARTHUR SHELL JR.

DIRECTORS OR TRUSTEES

WILLIAM LESTER ARMSTRONG FLOYD DEAN COPELAND THOMAS ROS WATJEN

State of Tennessee }
County of Hamilton } SS

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

THOMAS ROS WATJEN
President
(President and Chief Executive Officer)

SUSAN NANCE ROTH
Secretary
(Vice President, Corporate Secretary and Assistant General Counsel)

JOHN JOSEPH IWANICKI
Treasurer
(Vice President and Treasurer)

Subscribed and sworn to before me this 7TH day of May, 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 .....

Joan Porterfield

My commission expires March 28, 2005

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	8,352,623,914		8,352,623,914	8,318,417,291
2. Stocks:				
2.1 Preferred stocks .....	134,412,121		134,412,121	136,820,333
2.2 Common stocks .....	8,816,956		8,816,956	7,720,643
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ .....0 encumbrances) .....	48,071,957		48,071,957	48,586,720
4.2 Properties held for the production of income (less \$ .....0 encumbrances) .....	8,644,462		8,644,462	8,648,882
4.3 Properties held for sale (less \$ .....0 encumbrances) .....	6,528,294		6,528,294	6,528,294
5. Cash (\$ .....(10,950,421) ), cash equivalents (\$ .....31,153,335 ) and short-term investments (\$ .....0 ) .....	20,202,914		20,202,914	16,366,907
6. Contract loans, (including \$ .....0 premium notes) .....	67,838,634		67,838,634	67,737,148
7. Other invested assets .....	13,880,824		13,880,824	13,880,824
8. Receivable for securities .....	18,212,797		18,212,797	4,085,877
9. Aggregate write-ins for invested assets .....				
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	8,679,232,873		8,679,232,873	8,628,792,920
11. Investment income due and accrued .....	142,685,750		142,685,750	133,850,036
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection .....	42,882,956	3,530,671	39,352,285	44,806,736
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....0 earned but unbilled premiums) .....	35,703,189		35,703,189	22,071,626
12.3 Accrued retrospective premiums .....	130,641	91,189	39,452	89,989
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers .....	10,627,336		10,627,336	15,698,888
13.2 Funds held by or deposited with reinsured companies .....				
13.3 Other amounts receivable under reinsurance contracts .....	9,317,883		9,317,883	6,568,882
14. Amounts receivable relating to uninsured plans .....	2,670,654		2,670,654	3,698,469
15.1 Current federal and foreign income tax recoverable and interest thereon .....	23,240,377		23,240,377	12,648,545
15.2 Net deferred tax asset .....	345,581,294	276,860,422	68,720,872	76,635,014
16. Guaranty funds receivable or on deposit .....	4,590,649		4,590,649	4,548,508
17. Electronic data processing equipment and software .....	404,473	34,001	370,472	443,109
18. Furniture and equipment, including health care delivery assets (\$ .....0 ) .....	14,203,608	14,203,608	0	
19. Net adjustment in assets and liabilities due to foreign exchange rates .....				
20. Receivables from parent, subsidiaries and affiliates .....				
21. Health care (\$ .....0 ) and other amounts receivable .....	21,302,775	21,302,775		
22. Other assets nonadmitted .....	3,382,921	3,382,921		
23. Aggregate write-ins for other than invested assets .....	132,476,583	5,492,267	126,984,316	125,815,580
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	9,468,433,960	324,897,854	9,143,536,106	9,075,668,304
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26. Total (Lines 24 and 25) .....	9,468,433,960	324,897,854	9,143,536,106	9,075,668,304
<b>DETAILS OF WRITE-INS</b>				
0901. ....				
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....				
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above) .....				
2301. Corporate owned life insurance .....	124,705,263		124,705,263	123,369,941
2302. Other miscellaneous assets .....	2,279,053		2,279,053	2,445,639
2303. Prepaid expenses .....	3,280,156	3,280,156		
2398. Summary of remaining write-ins for Line 23 from overflow page .....	2,212,111	2,212,111		
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) .....	132,476,583	5,492,267	126,984,316	125,815,580

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ .....1,734,516,987 less \$ .....0 included in Line 6.3 (including \$ .....0 Modco Reserve)	1,734,516,987	1,721,148,806
2. Aggregate reserve for accident and health contracts (including \$ .....0 Modco Reserve)	5,620,914,849	5,577,134,084
3. Liability for deposit-type contracts (including \$ .....0 Modco Reserve)	71,915,821	76,635,546
4. Contract claims:		
4.1 Life	49,419,626	51,922,423
4.2 Accident and health	160,635,990	159,296,683
5. Policyholders' dividends \$ ..... and coupons \$ ..... due and unpaid		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment to ..... (including \$ ..... Modco)		
6.2 Dividends not yet apportioned (including \$ .....0 Modco)	32,843	41,634
6.3 Coupons and similar benefits (including \$ ..... Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ .....0 discount; including \$ .....17,819,113 accident and health premiums	18,532,409	17,936,660
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including \$ .....22,151,844 accident and health experience rating refunds	60,931,989	62,048,931
9.3 Other amounts payable on reinsurance, including \$ .....2,121,819 assumed and \$ .....4,127,929 ceded	6,249,748	8,438,013
9.4 Interest Maintenance Reserve	82,017,751	83,085,184
10. Commissions to agents due or accrued-life and annuity contracts \$ .....8,085,439 , accident and health \$ .....9,067,124 and deposit-type contract funds \$ .....0	17,152,563	17,096,050
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued	2,728,121	3,123,693
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	11,504,000	15,471,302
15.1 Current federal and foreign income taxes, including \$ ..... on realized capital gains (losses)		
15.2 Net deferred tax liability		
16. Unearned investment income	1,251	1,715
17. Amounts withheld or retained by company as agent or trustee	627,718	949,034
18. Amounts held for agents' account, including \$ .....621,981 agents' credit balances	621,981	698,415
19. Remittances and items not allocated	9,812,339	6,168,375
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above	77,007	1,478,867
22. Borrowed money \$ ..... and interest thereon \$ .....		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve	41,163,092	28,515,893
24.2 Reinsurance in unauthorized companies	1,611,983	1,611,983
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates	24,886,180	21,731,571
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured accident and health plans	431,777	431,777
24.7 Funds held under coinsurance		
24.8 Payable for securities	4,000,000	305,099
24.9 Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities	55,449,315	59,092,002
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	7,975,235,340	7,914,363,739
27. From Separate Accounts Statement		
28. Total liabilities (Lines 26 and 27)	7,975,235,340	7,914,363,739
29. Common capital stock	43,501,205	43,501,205
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds	296,702,626	304,584,536
32. Surplus notes	150,000,000	150,000,000
33. Gross paid in and contributed surplus	548,208,526	548,208,526
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	129,888,409	115,010,298
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... )		
36.2 ..... shares preferred (value included in Line 30 \$ ..... )		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ ..... in Separate Accounts Statement)	1,124,799,562	1,117,803,359
38. Totals of Lines 29, 30 and 37	1,168,300,767	1,161,304,564
39. Totals of Lines 28 and 38	9,143,536,106	9,075,668,304
<b>DETAILS OF WRITE-INS</b>		
2501. Pensioner life reserve	34,937,420	35,514,400
2502. Group survivor income benefit reserve	9,354,479	9,492,673
2503. Missing claimants liability	7,638,358	8,503,023
2598. Summary of remaining write-ins for Line 25 from overflow page	3,519,058	5,581,906
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	55,449,315	59,092,002
3101. Deferred gains on reinsurance of inforce blocks of business	296,702,626	304,584,536
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	296,702,626	304,584,536
3401. ....		
3402. ....		
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		

## STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SUMMARY OF OPERATIONS**

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	368,591,164	344,447,755	1,351,700,770
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	165,336,297	164,475,944	682,912,248
4. Amortization of Interest Maintenance Reserve (IMR)	2,209,862	2,144,576	8,881,320
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	11,833,773	15,364,242	59,609,940
7. Reserve adjustments on reinsurance ceded	12,032	14,084	11,796
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income	5,638,637	4,906,095	20,161,857
9. Totals (Lines 1 to 8.3)	553,621,764	531,352,694	2,123,277,931
10. Death benefits	47,708,451	46,423,498	171,708,281
11. Matured endowments (excluding guaranteed annual pure endowments)			1,618
12. Annuity benefits	22,840,376	23,071,111	91,921,366
13. Disability benefits and benefits under accident and health contracts	212,589,065	213,343,866	858,539,903
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts	9,384,891	8,920,885	33,369,062
16. Group conversions	306,115	307,647	993,255
17. Interest and adjustments on contract or deposit-type contract funds	767,516	1,065,178	3,528,247
18. Payments on supplementary contracts with life contingencies	44,420	55,647	224,291
19. Increase in aggregate reserves for life and accident and health and contracts	68,605,710	94,509,447	297,117,206
20. Totals (Lines 10 to 19)	362,246,542	387,697,278	1,457,403,230
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	60,422,815	57,521,685	236,763,534
22. Commissions and expense allowances on reinsurance assumed	189,003	198,926	729,333
23. General insurance expenses	70,587,899	68,236,496	272,950,315
24. Insurance taxes, licenses and fees, excluding federal income taxes	12,041,037	9,114,731	35,988,582
25. Increase in loading on deferred and uncollected premiums	7,845,113	11,629,912	6,179,407
26. Net transfers to or (from) Separate Accounts net of reinsurance			
27. Aggregate write-ins for deductions	(691,132)	(672,015)	(3,064,660)
28. Totals (Lines 20 to 27)	512,641,278	533,727,012	2,006,949,742
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	40,980,486	(2,374,318)	116,328,190
30. Dividends to policyholders	(1,245)	6,622	30,703
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	40,981,731	(2,380,940)	116,297,487
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	5,706,743	(2,277,211)	42,378,021
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)	35,274,988	(103,729)	73,919,466
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (691,318) (excluding taxes of \$ (8,740) transferred to the IMR)	(10,604,952)	(26,048,285)	(56,887,509)
35. Net income (Line 33 plus Line 34)	24,670,036	(26,152,013)	17,031,957
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year	1,161,304,564	927,276,256	927,276,255
37. Net income (Line 35)	24,670,036	(26,152,013)	17,031,957
38. Change in net unrealized capital gains (losses)	8,332,572	14,962,345	32,076,735
39. Change in net unrealized foreign exchange capital gain (loss)	(16,822)	7,984,522	23,287,329
40. Change in net deferred income tax	(10,272,543)	(2,463,433)	18,439,514
41. Change in non-admitted assets and related items	4,812,069	(20,131,329)	(18,245,634)
42. Change in liability for reinsurance in unauthorized companies			(165,496)
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	(12,647,199)	1,816,035	(20,165,964)
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in	0	0	231,120,790
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance	(7,881,909)	(8,265,629)	(29,613,473)
52. Dividends to stockholders	0	(10,000,000)	(10,000,000)
53. Aggregate write-ins for gains and losses in surplus	0	(1,625,000)	(9,737,450)
54. Net change in capital and surplus for the year (Lines 37 through 53)	6,996,204	(43,874,503)	234,028,310
55. Capital and surplus, as of statement date (Lines 36 + 54)	1,168,300,768	883,401,753	1,161,304,564
<b>DETAILS OF WRITE-INS</b>			
08.301. Surrender charges	3,849,023	2,905,367	12,432,474
08.302. Corporate owned life insurance	1,335,322	0	3,317,207
08.303. Other income	346,426	1,439,735	3,674,159
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	107,865	560,993	738,017
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	5,638,637	4,906,095	20,161,857
2701. Fines and penalties paid to regulatory authorities	24,000	256,465	166,850
2702. Change in group life survivor income benefit reserve	(138,151)	(280,533)	(769,801)
2703. Change in pensioner life reserve	(576,981)	(647,947)	(2,461,709)
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	(691,132)	(672,015)	(3,064,660)
5301. Interest on surplus notes	0	0	(8,112,450)
5302. Prior year adjustment for other than temporary bond impairment	0	(1,625,000)	(1,625,000)
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	0	(1,625,000)	(9,737,450)

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**CASH FLOW**

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	352,887,630	1,339,933,439
2. Net investment income .....	136,295,374	591,936,163
3. Miscellaneous income .....	5,474,457	49,181,328
4. Total (Lines 1 to 3) .....	494,657,461	1,981,050,930
5. Benefit and loss related payments .....	290,348,675	1,199,339,804
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	144,906,422	549,862,548
8. Dividends paid to policyholders .....	7,038	30,703
9. Federal and foreign income taxes paid (recovered) \$ ..... 0 net of tax on capital gains (losses) .....	15,944,436	1,163,539
10. Total (Lines 5 through 9) .....	451,206,572	1,750,396,593
11. Net cash from operations (Line 4 minus Line 10) .....	43,450,889	230,654,337
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	171,169,480	1,595,306,288
12.2 Stocks .....	1,156,283	144,316,228
12.3 Mortgage loans .....		
12.4 Real estate .....	0	7,085,985
12.5 Other invested assets .....	0	3,377,779
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	(45,736)	102,439
12.7 Miscellaneous proceeds .....	0	6,171,461
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	172,280,027	1,756,360,181
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	198,657,265	1,879,601,450
13.2 Stocks .....	819,882	143,605,834
13.3 Mortgage loans .....		
13.4 Real estate .....	228,580	8,871,682
13.5 Other invested assets .....	0	1,436,793
13.6 Miscellaneous applications .....	12,145,217	3,328,832
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	211,850,944	2,036,844,591
14. Net increase (or decrease) in policy loans and premium notes .....	101,807	1,209,166
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(39,672,724)	(281,693,577)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....		
16.2 Capital and paid in surplus, less treasury stock .....	0	111,910,049
16.3 Borrowed funds .....	0	(235,000,000)
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	(5,219,497)	(11,388,351)
16.5 Dividends to stockholders .....	0	10,000,000
16.6 Other cash provided (applied) .....	5,277,338	213,039,338
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	57,841	68,561,037
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash and short-term investments (Line 11, plus Lines 15 and 17) .....	3,836,007	17,521,796
19. Cash and short-term investments:		
19.1 Beginning of year .....	16,366,907	(1,154,890)
19.2 End of period (Line 18 plus Line 19.1) .....	20,202,914	16,366,907

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

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.....		
.....		
.....		

## EXHIBIT 1

### DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life .....			
2. Ordinary life insurance .....	92,745,664	81,600,311	295,904,341
3. Ordinary individual annuities .....			
4. Credit life (group and individual) .....	0	0	1,469
5. Group life insurance .....	31,754,048	39,891,407	157,418,833
6. Group annuities .....			
7. A & H - group .....	71,975,763	82,170,608	327,792,432
8. A & H - credit (group and individual) .....			
9. A & H - other .....	219,931,379	199,895,731	824,172,932
10. Aggregate of all other lines of business .....			
11. Subtotal .....	416,406,854	403,558,056	1,605,290,007
12. Deposit-type contracts .....	127,326	141,182	177,953
13. Total	416,534,180	403,699,238	1,605,467,960
DETAILS OF WRITE-INS			
1001. ....			
1002. ....			
1003. ....			
1098. Summary of remaining write-ins for Line 10 from overflow page .....			
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)			

## NOTES TO FINANCIAL STATEMENTS

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### 1. Contingencies

In 1997 two alleged class action lawsuits were filed in Superior Court in Worcester, Massachusetts (Superior Court) against UnumProvident Corporation (UnumProvident) and several of its subsidiaries, including Provident Life and Accident Insurance Company (the Company) and The Paul Revere Corporation (Paul Revere). One purported to represent independent brokers who sold certain individual disability income policies with benefit riders that were issued by subsidiaries of Paul Revere and who claimed that their compensation had been reduced in breach of their broker contract and in violation of the Massachusetts Consumer Protection Act (the Massachusetts Act). A class was certified in February 2000. In April 2001, the jury returned a complete defense verdict on the breach of contract claim. Notwithstanding the jury verdict, the judge was obligated to rule separately on the claim that UnumProvident and its affiliates violated the Act. In September 2002, the judge ruled that Paul Revere violated the Massachusetts Act and awarded double damages plus attorneys' fees. Most of the issues concerning how to calculate the damages have been determined but several remain outstanding before an appeal can be perfected. Complicating the matter was the unexpected death of the trial judge. In March 2003, a new judge was assigned to the case so the parties can proceed to conclude matters before the trial court. The Company feels strongly that the judge's ruling that the Massachusetts Act was violated is contrary to both the law and the facts of the case and plans to appeal after the judgment is made final.

The career agent class action purports to represent all career agents of subsidiaries of Paul Revere whose employment relationships ended on June 30, 1997 and who were offered contracts to sell insurance policies as independent producers. The career agents claimed that the termination of their employment relationship was contrary, inter alia, to promises of lifetime employment. Class certification was denied for the career agents. The career agent plaintiffs have since re-filed their complaint seeking class action status by limiting the issues to compensation matters similar to those in the certified broker class action. A motion for certification of a class with respect to this narrower claim was filed, but has not been acted upon.

In addition, the same plaintiffs' attorney who had initially filed the class action lawsuits filed approximately 50 (including the two individual career agents who brought the class action referenced above) individual lawsuits on behalf of current and former Paul Revere sales managers alleging various breach of contract claims. Of the 48 general manager cases, one was arbitrated and all the others have been settled. UnumProvident and its affiliates believe that they have strong defenses for the two individual career agent cases and plan to vigorously defend their position. Management does not currently expect these suits to materially affect the financial position or results of operations of the Company.

UnumProvident and its insurance company subsidiaries, including the Company, as part of their normal operations in managing disability claims are engaged in claim litigation where disputes arise as a result of a denial or termination of benefits. Most typically those lawsuits are filed on behalf of a single claimant or policyholder, and in some of these individual actions punitive damages are sought, such as claims alleging bad faith in the handling of insurance claims. For claim litigation, UnumProvident and its insurance company subsidiaries, including the Company, maintain reserves based on experience to satisfy judgments and settlements in the normal course. Management expects that the ultimate liability, if any, with respect to claim litigation, after consideration of the reserves maintained, will not be material to the financial condition of the Company. Nevertheless, given the inherent unpredictability of litigation, it is possible that an adverse outcome in certain claim litigation involving punitive damages could, from time to time, have a material adverse effect on the Company's results of operations in a period.

Additionally, from time to time class action allegations are pursued where the claimant or policyholder purports to represent a larger number of individuals who are similarly situated. Since each insurance claim is evaluated based on its own merits, there is rarely a single act or series of actions, which can properly be addressed by a class action. Nevertheless, the Company monitors these cases closely and defends itself appropriately where these allegations are made. Eight such purported class actions are described below.

#### The Multidistrict Litigation

On May 22, 2003, UnumProvident, several of its subsidiaries, including the Company, and some of their officers and directors filed a motion with the Judicial Panel on Multidistrict litigation seeking to transfer a number of class actions suits, now pending against them in various federal district courts to a single district for coordinated or consolidated pretrial proceedings. Oral arguments on the transfer motion for the first six matters listed below were held on July 24, 2003. On September 2, 2003, the Judicial Panel on Multidistrict Litigation entered an order transferring these cases, including each of the cases described below, to the U.S. District Court for Eastern District of Tennessee for coordinated or consolidated pretrial proceedings.

On November 4, 2002 the case of Keir, et al. v. UnumProvident Corporation, et al., was filed in the United States District Court for the Southern District of New York. This case purports to be a class action on behalf of a putative class of group long-term disability participants insured under ERISA plans whose claims were denied or terminated on or after June 30, 1999. The amended complaint alleges that these claimants had their claims improperly challenged and allege that UnumProvident and its insurance subsidiaries, including the Company, breached certain fiduciary duties owed to these participants in ERISA plans in which the Company is the claims adjudicator. The Company maintains that the allegations are false and that the claims, as framed, are not permissible under ERISA's carefully structured avenues of relief. On April 29, 2003, the court denied the defendants' motion to dismiss the complaint. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation transfer order.

On February 11, 2003, the case of Harris, et al. v. UnumProvident Corporation, et al., was filed in the Circuit Court of St. Clair County, Illinois. This case purports to be a class action. The complaint alleges that individuals were wrongfully denied benefits and alleges causes of action under breach of contract, breach of the covenant of good faith and fair dealing, violation of the Illinois Consumer Fraud Act, common law fraud, intentional misrepresentation, and breach of fiduciary duty. Alternatively, the complaint alleges violations of ERISA. The complaint seeks injunctive and declaratory relief as well as restitution and punitive damages. On April 4, 2003 the case was removed to the United States District Court for the Southern District of Illinois. The Company strongly denies the allegations in the complaint and will vigorously defend the litigation. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation transfer order.

**NOTES TO FINANCIAL STATEMENTS**

On February 25, 2003, the case of Davis, et al. v. UnumProvident Corporation, et al., was filed in the United States District Court for the Eastern District of Pennsylvania. The plaintiffs are seeking representative status as a class of disability participants insured under ERISA plans. The complaint alleges that these claimants had their claims improperly denied or terminated and that the Company breached certain fiduciary duties owed to these participants in ERISA plans. The complaint also alleges violations of the federal Racketeer Influenced and Corrupt Organizations Act (RICO). The complaint seeks reversal of claim denials or contract rescissions and re-determination by an independent person of claims of the named plaintiffs and others similarly situated, appointment of a master to oversee certain claim handling matters, and treble damages under RICO. The defendants have not yet answered or otherwise responded to these complaints. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation transfer order.

On April 30, 2003, the case of Taylor v. UnumProvident Corporation, et al., was filed in the Circuit Court for Shelby County, Tennessee in the Thirteenth Judicial District at Memphis. The plaintiff seeks to represent all individuals who were insured by long-term disability policies issued by subsidiaries of UnumProvident, including the Company, and who did not obtain their coverage through employer sponsored plans and who had a claim denied, terminated, or suspended by a UnumProvident subsidiary after January 1, 1995. Plaintiff alleges that UnumProvident and its subsidiaries, including the Company, employed various unfair claim practices in assessing entitlement to benefits by class members during this period and as a result wrongfully denied legitimate claims. The plaintiff and the class seek contractual, equitable and injunctive relief. On June 9, 2003, the defendants removed this action to the United States District Court for the Western District of Tennessee. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation order.

On July 15, 2002, the case of Rombeiro v. Unum Life Insurance Company of America, et al., was filed in the Superior Court of Sonoma County, California. It was subsequently removed to the United States District Court for the Northern District of California. On January 21, 2003, a First Amended Complaint was filed, purporting to be a class action. This complaint alleges that plaintiff individually was wrongfully denied disability benefits under a group long-term disability plan and alleges breach of state law fiduciary duties on behalf of himself and others covered by similar plans whose disability benefits have been denied or terminated after a claim was made. The complaint seeks, among other things, injunctive and declaratory relief and payment of benefits. On April 30, 2003, the court granted in part and denied in part the defendants' motion to dismiss the complaint. On May 14, 2003, the plaintiff filed a Second Amended Complaint seeking injunctive relief on behalf of a putative nationwide class of long-term disability insurance policyholders. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation order.

On July 18, 2003, Contreras v. UnumProvident Corporation, et al., was filed in the Southern District of New York. Plaintiffs allege claims on behalf of a putative class of ERISA plan participants, beneficiaries, third-party beneficiaries or assignees of group long-term disability insurance issued by the insuring subsidiaries of UnumProvident, including the Company, who have had a disability claim denied, terminated or suspended by UnumProvident on or after June 30, 1999. Plaintiffs assert bad faith claims practices by UnumProvident in violation of ERISA. Plaintiffs seek equitable and injunctive relief to require, among other things, that UnumProvident re-evaluate all previously denied, terminated or suspended claims. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation transfer order.

On September 17, 2003, the case of Rudrud, et al. v. UnumProvident Corporation, et al., was filed in the United States District Court for the District of Massachusetts. The plaintiffs assert claims on behalf of a putative class of disability participants insured under ERISA plans. The complaint alleges that these claimants had their claims improperly denied or terminated and that the Company breached certain fiduciary duties owed to these participants in ERISA plans. The complaint also alleges violations under the federal Racketeer Influenced and Corrupt Organizations Act (RICO) and Massachusetts state law. The complaint seeks payment of benefits, reversal of claim denials or contract rescissions and re-determination by an independent person of claims of the named plaintiffs and others similarly situated, appointment of a master to oversee certain claim handling matters, restitution and damages, and treble damages under RICO. The defendants have not yet answered or otherwise responded to this complaint. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation transfer order.

On November 13, 2003, the case of Dauphinee, et al. v. UnumProvident, et al., was filed in the United States District Court for the Eastern District of Tennessee. This action is brought as a putative class action lawsuit on behalf of representative plaintiffs and all disabled individuals insured under a UnumProvident long-term disability plan. The complaint alleges that UnumProvident and its subsidiaries fraudulently and otherwise unlawfully denied and terminated long-term disability insurance benefits. Additionally, the complaint alleges misuse of authority as an ERISA claims fiduciary. The complaint seeks injunctive and declaratory relief to require, among other things, that UnumProvident re-evaluate all previously denied, terminated and suspended claims. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class.

On December 22, 2003, the Tennessee Federal District Court entered an order consolidating the above action, along with other actions involving other subsidiaries, for all pretrial purposes under the caption In re UnumProvident Corp. ERISA Benefit Denial Actions. Among other things, the Court in that order appointed a lead counsel in the actions and directed lead counsel to file a consolidated amended complaint in the ERISA Benefit Denial Actions, which was filed on February 20, 2004. On March 26, 2004, the defendants answered the complaints in these actions, and simultaneously filed a motion for judgment on the pleadings in the ERISA Benefit Denial Actions. The parties have engaged in certain limited discovery in connection with a court-ordered mediation to take place later this year.

On April 9, 2004, the plaintiffs in each of these two actions filed motions seeking certification of a plaintiff class. The defendants have not yet responded to that motion.

The Court entered a schedule providing for the completion of all pretrial proceedings in these actions by December 2005. The Company denies the allegations in the complaints and will vigorously defend the litigation and any attempt to certify the putative class.

## NOTES TO FINANCIAL STATEMENTS

### Claim Litigation

On January 23, 2003 a jury in California State Court in Marin County, in the case of Chapman v. UnumProvident, et al., returned a verdict of \$31.6 million against the Company, UnumProvident, and one of its subsidiaries, The Paul Revere Life Insurance Company. The largest portion of the verdict was \$30 million in punitive damages. The Company strongly disagrees with the verdict because it believes the evidence in the case does not support the verdict. The Company filed post-trial motions which challenged, among other things, the excessiveness of the punitive damage award. On March 25, 2003, the Court entered an order reducing the punitive damage award to \$5.0 million, thereby reducing the total award to \$6.1 million. On April 8, 2003, the plaintiff in the Chapman case accepted the reduced award. The Company has now appealed the final verdict to the California Court of Appeals.

On April 2, 2003 a jury in Phoenix, Arizona Federal Court in the case of Ciemo v. General American Life Insurance Company, Provident Life and Accident Insurance Company and The Paul Revere Life Insurance Company returned a verdict of \$85.6 million against General American Life Insurance Company and two subsidiaries of UnumProvident; the Company and The Paul Revere Life Insurance Company. This verdict included an award of \$79.0 million in punitive damages. The Company filed all of the required post trial motions. On September 17, 2003, the trial court ordered a reduction of the punitive damage verdict from \$79.0 million to \$7.0 million in punitive damages. The court's ruling as to the reduction in punitive damages was based on the United States Supreme Court's decision in State Farm Mutual Automobile Insurance Company vs. Campbell. The remainder of the verdict was upheld and the court awarded the plaintiff \$0.6 million in attorneys' fees. The Company has appealed the case to the Ninth Circuit Court of Appeals. The Company has filed its opening brief and is awaiting a response.

On December 11, 2003, the case of Jewel, et al. v. UnumProvident, et al., was filed in the Worcester County Superior Court, Commonwealth of Massachusetts. The Company received service of this matter on March 8, 2004. Plaintiffs seek to represent all individual long-term disability policyholders and all participants in group long-term disability plans which are not covered by the ERISA who (a) had coverage issued by an insuring subsidiary and (b) whose claims for long-term disability benefits were denied, or whose payments of long-term disability benefits were terminated or suspended, on or after July 1, 1999. Plaintiffs allege that the defendants employed various unfair claim practices and seek declaratory, contractual, and injunctive relief. On April 20, 2004, the defendants answered the complaint by denying generally the allegations and asserting various defenses. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class.

On July 17, 2003, a qui tam action, The State of California ex rel. Linda Nee and John Metz v. UnumProvident Corporation, et al., was filed under seal in the Superior Court of the State of California, County of Los Angeles. On April 16, 2004, UnumProvident was notified that the Insurance Commissioner decided not to bring an action which permitted the case to go forward with private plaintiffs. To date, the Company has not been served. The complaint alleges unlawful sales, marketing and claims handling practices, including delaying or limiting payment for, denying or terminating claims by California claimants and/or claims that are handled by UnumProvident's Glendale or other claims centers. The complaint seeks civil penalties and assessments, attorneys fees and cost, interest and such other relief as the Court deems proper for violation of California Insurance Code § 1871.7(b). In addition, the complaint seeks injunctive relief. The Company denies the allegations in the complaint and will vigorously defend the litigation.

### Other Claim Related Examinations and Investigations

Some of UnumProvident's insurance subsidiaries have experienced increased market conduct examinations by state insurance departments focused specifically on its disability claims handling policies and practices. On March 19, 2003, four UnumProvident insurance subsidiaries consented to the entry of an order by the Georgia Insurance Commissioner that, among other things, ordered them to each pay a monetary penalty of \$250,000 and to adhere to certain claims handling practices. The order also placed these four companies on regulatory probation for two years, during which period certain Georgia claims and complaints will be reviewed on a quarterly basis by representatives of the Georgia Department of Insurance. The Georgia order did not cite any violations of Georgia law or regulations.

Because of the number of market conduct examinations initiated during 2002 and 2003, a coordinated market conduct examination of UnumProvident's disability claims handling policies and practices was organized during 2003 by Massachusetts, Maine, and Tennessee, the states of domicile for several UnumProvident insurance subsidiaries. Currently 44 states and the District of Columbia are participating in this coordinated examination in which the domiciliary states are attempting to address common state concerns and also eliminate or reduce the number of duplicative individual examinations by multiple states. California, Arizona, Minnesota, and New Mexico have chosen to continue pursuing their own examinations and investigations, although California and Minnesota have elected to participate in the multi-state examination as well. Additional state market conduct examinations may be commenced.

In addition, UnumProvident received a letter in September 2003 from the office of the New York State Attorney General indicating that it is reviewing the disability claims-handling procedures of UnumProvident and its insurance subsidiaries. UnumProvident is cooperating and is in the process of gathering and providing information in response.

In a letter dated March 25, 2004, the U.S. Department of Labor informed UnumProvident that it was conducting an examination pursuant to the Employee Retirement Income Security Act of 1974 (ERISA) of the benefit plans UnumProvident provides to its employees and the products and services provided to third party plans. UnumProvident is cooperating and is in the process of gathering and providing information in response.

These regulatory examinations and investigations could result in, among other things, changes in the claims handling and other business practices, increases in policy liabilities, reopening certain closed or denied claims, injury to the Company's reputation, negative publicity, and harm to the Company's ability to sell or retain insurance policies, thereby adversely affecting the Company's business, and potentially materially affecting the consolidated results of operations in a period. Determination by regulatory authorities that UnumProvident or its insurance subsidiaries have engaged in improper conduct could also adversely affect UnumProvident's defense of various lawsuits described herein.

# GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

## PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? ..... Yes [ ] No [ X ]
- 1.2 If yes, explain:
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [ X ]
- 2.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 3.2 If yes, date of change: .....  
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [ X ]  
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]
- 5.2 If yes, provide 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. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ X ] N/A [ ]  
If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2000
- 7.2 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. .... 12/31/2000
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 08/06/2003
- 7.4 By what department or departments? Delaware, Nevada and Tennessee
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) ..... Yes [ ] No [ X ]
- 8.2 If yes, give full information:
- 9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [ X ]
- 9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....

# GENERAL INTERROGATORIES

## INVESTMENT

10.1 Has there been any change in the reporting entity's own preferred or common stock? ..... Yes [ ] No [ X ]

10.2 If yes, explain:

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes [ X ] No [ ]

11.2 If yes, give full and complete information relating thereto: The Company has \$238,640,000 par value in bonds that are held as collateral for reverse repurchase agreements and \$238,640,000 par value in bonds held as collateral for repurchase agreements with Salomon Smith Barney. In addition, the Company has \$2,090,000 par value in bonds held as collateral for open derivative contracts with Merrill Lynch and \$5,500,000 par value in bonds held as collateral for open derivative contracts with Lehman Brothers.

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ 795,296

13. Amount of real estate and mortgages held in short-term investments: ..... \$ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [ ] No [ X ]

14.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....	\$ .....
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgages, Loans or Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	\$ .....	\$ .....
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes [ X ] No [ ]

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

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

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

1 Name of Custodian(s)	2 Custodian Address
JP Morgan Chase .....	New York, NY .....
Royal Trust Corporation of Canada .....	Toronto, Ontario, Canada .....

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? ..... Yes [ ] No [ X ]

16.4 If yes, give full information relating thereto:

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

16.5 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	2 Name(s)	3 Address
30172 .....	Metropolitan West Securities, LLC .....	Los Angeles, CA .....
.....	JP Morgan Fleming Asset Management .....	New York, NY .....
.....	Provident Investment Management, LLC .....	Chattanooga, TN .....

**GENERAL INTERROGATORIES**

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

**PART 2 - LIFE & HEALTH**

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:	1 Amount
1.1 Long-Term Mortgages In Good Standing	
1.11 Farm Mortgages .....	\$ ..... 0
1.12 Residential Mortgages .....	\$ ..... 0
1.13 Commercial Mortgages .....	\$ ..... 0
1.14 Total Mortgages in Good Standing .....	\$ ..... 0
1.2 Long-Term Mortgages In Good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing with Restructured Terms .....	\$ ..... 0
1.3 Long-Term Mortgage Loans Upon which Interest is Overdue more than Three Months	
1.31 Farm Mortgages .....	\$ ..... 0
1.32 Residential Mortgages .....	\$ ..... 0
1.33 Commercial Mortgages .....	\$ ..... 0
1.34 Total Mortgages with Interest Overdue more than Three Months .....	\$ ..... 0
1.4 Long-Term Mortgage Loans in Process of Foreclosure	
1.41 Farm Mortgages .....	\$ ..... 0
1.42 Residential Mortgages .....	\$ ..... 0
1.43 Commercial Mortgages .....	\$ ..... 0
1.44 Total Mortgages in Process of Foreclosure .....	\$ ..... 0
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2) .....	\$ ..... 0
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages .....	\$ ..... 0
1.62 Residential Mortgages .....	\$ ..... 0
1.63 Commercial Mortgages .....	\$ ..... 0
1.64 Total Mortgages Foreclosed and Transferred to Real Estate .....	\$ ..... 0

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE A - VERIFICATION**

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	63,763,897	66,957,953
2. Increase (decrease) by adjustment .....	(747,764)	3,602,999
3. Cost of acquired .....		4,072,359
4. Cost of additions to and permanent improvements .....	228,580	4,799,323
5. Total profit (loss) on sales .....		(8,582,752)
6. Increase (decrease) by foreign exchange adjustment .....		
7. Amount received on sales .....		7,085,985
8. Book/adjusted carrying value at end of current period .....	63,244,713	63,763,897
9. Total valuation allowance .....		
10. Subtotal (Lines 8 plus 9) .....	63,244,713	63,763,897
11. Total nonadmitted amounts .....		
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	63,244,713	63,763,897

**SCHEDULE B - VERIFICATION**

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year .....		
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions .....		
2.2. Additional investment made after acquisitions .....		
3. Accrual of discount and mortgage interest points and commitment fees .....		
4. Increase (decrease) by adjustment .....		
5. Total profit (loss) on sale .....		
6. Amounts paid on account or in full during the period .....		
7. Amortization of premium .....		
8. Increase (decrease) by foreign exchange adjustment .....		
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....		
10. Total valuation allowance .....		
11. Subtotal (Lines 9 plus 10) .....		
12. Total nonadmitted amounts .....		
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)		

NONE

**SCHEDULE BA - VERIFICATION**

Other Invested Assets Included in Schedule BA

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year .....	13,880,824	15,277,649
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions .....		
2.2. Additional investment made after acquisitions .....		1,436,793
3. Accrual of discount .....		
4. Increase (decrease) by adjustment .....		(15,214)
5. Total profit (loss) on sale .....		559,375
6. Amounts paid on account or in full during the period .....		3,377,779
7. Amortization of premium .....		
8. Increase (decrease) by foreign exchange adjustment .....		
9. Book/adjusted carrying value of long-term invested assets at end of current period .....	13,880,824	13,880,824
10. Total valuation allowance .....		
11. Subtotal (Lines 9 plus 10) .....	13,880,824	13,880,824
12. Total nonadmitted amounts .....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	13,880,824	13,880,824

**SCHEDULE D - VERIFICATION**

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	8,462,958,268	7,834,279,299
2. Cost of bonds and stocks acquired .....	199,477,147	2,023,207,284
3. Accrual of discount .....	22,981,611	111,887,501
4. Increase (decrease) by adjustment .....	4,719,633	(36,753,100)
5. Increase (decrease) by foreign exchange adjustment .....	(14,406,514)	258,639,022
6. Total profit (loss) on disposal .....	(5,671,141)	20,416,014
7. Consideration for bonds and stocks disposed of .....	172,325,763	1,739,622,516
8. Amortization of premium .....	1,880,249	9,095,236
9. Book value/adjusted carrying value, current period .....	8,495,852,992	8,462,958,268
10. Total valuation allowance .....		
11. Subtotal (Lines 9 plus 10) .....	8,495,852,992	8,462,958,268
12. Total nonadmitted amounts .....		
13. Statement value	8,495,852,992	8,462,958,268

**STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY**

**SCHEDULE D - PART 1B**

**Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class**

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 .....	4,108,239,009	130,528,855	46,148,579	(42,002,284)	4,150,617,001			4,108,239,009
2. Class 2 .....	3,124,844,623	41,625,085	27,095,669	99,469,172	3,238,843,211			3,124,844,623
3. Class 3 .....	425,282,963	4,000,000	16,739,019	(47,563,963)	364,979,981			425,282,963
4. Class 4 .....	443,314,741	17,000,000	43,345,040	18,834,440	435,804,141			443,314,741
5. Class 5 .....	152,645,582	5,503,325	22,550,213	(20,887,484)	114,711,210			152,645,582
6. Class 6 .....	64,090,373		21,344,394	4,922,391	47,668,370			64,090,373
7. Total Bonds	8,318,417,291	198,657,265	177,222,914	12,772,272	8,352,623,914			8,318,417,291
<b>PREFERRED STOCK</b>								
8. Class 1 .....	109,154,081	45,893		(185,395)	109,014,579			109,154,081
9. Class 2 .....	24,908,574			(2,271,211)	22,637,363			24,908,574
10. Class 3 .....	188,600				188,600			188,600
11. Class 4 .....	2,568,750			2,500	2,571,250			2,568,750
12. Class 5 .....	329	329			329			329
13. Class 6 .....								
14. Total Preferred Stock	136,820,334	46,222	329	(2,454,106)	134,412,121			136,820,334
15. Total Bonds and Preferred Stock	8,455,237,625	198,703,487	177,223,243	10,318,166	8,487,036,035			8,455,237,625

**SCHEDULE DA - PART 1**

**Short-Term Investments Owned End of Current Quarter**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
8299999 Totals		XXX			

**NONE**

**SCHEDULE DA - PART 2 - Verification**

**Short-Term Investments Owned**

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		26,154,666
2. Cost of short-term investments acquired .....		4,633,937,574
3. Increase (decrease) by adjustment .....		
4. Increase (decrease) by foreign exchange adjustment .....		559,460
5. Total profit (loss) on disposal of short-term investments .....		
6. Consideration received on disposal of short-term investments .....		4,660,651,700
7. Book/adjusted carrying value, current period .....		
8. Total valuation allowance .....		
9. Subtotal (Lines 7 plus 8) .....		
10. Total nonadmitted amounts .....		
11. Statement value (Lines 9 minus 10) .....		
12. Income collected during period .....		2,103,702
13. Income earned during period .....		2,085,087

Schedule DB - Part F - Section 1

**N O N E**

Schedule DB - Part F - Section 2

**N O N E**



STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY  
**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

Current Year To Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Life Contracts		Direct Business Only		
		2 Life Insurance Premiums	3 Annuity Considerations	4 Accident and Health Insurance Premiums, Including Policy Membership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations
1. Alabama	AL	Yes	3,031,616		6,226,245	
2. Alaska	AK	Yes	894,606		231,935	
3. Arizona	AZ	Yes	729,299		3,216,198	
4. Arkansas	AR	Yes	977,118		1,375,960	100
5. California	CA	Yes	5,867,680		28,432,994	
6. Colorado	CO	Yes	763,199		3,076,555	
7. Connecticut	CT	Yes	591,246		3,370,715	
8. Delaware	DE	Yes	105,513		972,408	
9. District of Columbia	DC	Yes	183,022		1,003,016	
10. Florida	FL	Yes	7,847,791		14,234,143	
11. Georgia	GA	Yes	5,063,059		8,034,254	451
12. Hawaii	HI	Yes	152,914		420,914	
13. Idaho	ID	Yes	106,619		319,638	
14. Illinois	IL	Yes	2,448,177		7,905,252	301
15. Indiana	IN	Yes	1,513,094		2,471,169	165
16. Iowa	IA	Yes	577,588		727,212	
17. Kansas	KS	Yes	484,150		1,320,526	
18. Kentucky	KY	Yes	1,843,677		3,089,265	150
19. Louisiana	LA	Yes	1,969,798		3,231,864	
20. Maine	ME	Yes	187,469		661,819	
21. Maryland	MD	Yes	2,361,612		5,653,429	825
22. Massachusetts	MA	Yes	888,419		5,465,536	
23. Michigan	MI	Yes	3,966,861		11,762,885	6,017
24. Minnesota	MN	Yes	522,689		2,761,301	150
25. Mississippi	MS	Yes	1,054,096		1,808,868	
26. Missouri	MO	Yes	3,367,650		2,557,795	
27. Montana	MT	Yes	89,713		245,314	
28. Nebraska	NE	Yes	570,061		1,075,810	
29. Nevada	NV	Yes	551,326		626,146	
30. New Hampshire	NH	Yes	119,092		767,479	
31. New Jersey	NJ	Yes	2,059,188		8,002,294	
32. New Mexico	NM	Yes	720,270		396,183	
33. New York	NY	No	601,761		1,246,884	
34. North Carolina	NC	Yes	11,167,970		7,203,581	150
35. North Dakota	ND	Yes	31,708		262,061	
36. Ohio	OH	Yes	3,467,631		6,646,028	
37. Oklahoma	OK	Yes	434,206		1,117,674	
38. Oregon	OR	Yes	254,675		1,488,987	
39. Pennsylvania	PA	Yes	2,656,546		11,709,748	150
40. Rhode Island	RI	Yes	136,501		563,968	
41. South Carolina	SC	Yes	3,265,968		4,119,329	301
42. South Dakota	SD	Yes	57,658		283,097	
43. Tennessee	TN	Yes	11,657,332		8,460,469	15,995
44. Texas	TX	Yes	3,857,285		11,023,170	
45. Utah	UT	Yes	278,290		552,574	
46. Vermont	VT	Yes	282,673		370,817	
47. Virginia	VA	Yes	3,060,696		4,929,384	
48. Washington	WA	Yes	576,135		3,282,319	
49. West Virginia	WV	Yes	8,528,306		1,040,187	
50. Wisconsin	WI	Yes	1,058,063		2,155,880	
51. Wyoming	WY	Yes	64,344		111,443	
52. American Samoa	AS	No				
53. Guam	GU	No	27,298		15,253	
54. Puerto Rico	PR	Yes	5,766		6,045	
55. U.S. Virgin Islands	VI	No	171		3,648	
56. Canada	CN	Yes	2,815,767		91,538,453	102,569
57. Aggregate Other Aliens	OT	XXX	19,803		790	
58. Subtotal	(a) 51		105,915,165		289,576,911	127,324
90. Reporting entity contributions for employee benefits 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		565,634		7,159,224	
94. Aggregate or other amounts not allocable by State	XXX		(620,976)		(725,498)	
95. Totals (Direct Business)	XXX		105,859,823		296,010,637	127,324
96. Plus Reinsurance Assumed	XXX		171,838		4,948,035	
97. Totals (All Business)	XXX		106,031,661		300,958,672	127,324
98. Less Reinsurance Ceded	XXX		28,924,077		25,178,626	127,324
99. Totals (All Business) less Reinsurance Ceded	XXX		77,107,584		275,780,046	
DETAILS OF WRITE-INS						
5701. Other Alien	XXX		19,803		790	
5702.	XXX					
5703.	XXX					
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX					
5799. Totals (Lines 5701 thru 5703 plus 5798)(Line 57 above)	XXX		19,803		790	
9401. Aggregate of other amounts not allocable by state	XXX		(620,976)		(725,498)	
9402.	XXX					
9403.	XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX					
9499. Totals (Lines 9401 thru 9403 plus 9498)(Line 94 above)	XXX		(620,976)		(725,498)	

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

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

**NONE**

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY  
**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the SVO Compliance Certification be filed with this statement? .....	Yes
2. Will the Trusteed Surplus Statement be filed with the State of Domicile and the NAIC with this statement? .....	No

Explanations:

Bar Codes:



Trusteed Surplus Statement [Document Identifier 490]

**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Assets Line 23

2304. Receivables for securities .....	2,212,111	2,212,111	
2397. Summary of remaining write-ins for Line 23 from overflow page	2,212,111	2,212,111	

Additional Write-ins for Liabilities Line 25

2504. Schedule DB Liability .....		3,483,830	5,313,783
2505. Miscellaneous amounts payable .....		35,229	268,123
2597. Summary of remaining write-ins for Line 25 from overflow page		3,519,058	5,581,906

Additional Write-ins for Summary of Operations Line 8.3

08.304. Transfers on account of group package policies .....	105,415	7,766	53,382
08.305. Interest on federal income tax refund .....	2,451	553,227	684,635
08.397. Summary of remaining write-ins for Line 5 from overflow page	107,865	560,993	738,017

Schedule A - Part 2

**N O N E**

Schedule A - Part 3

**N O N E**

Schedule B - Part 1

**N O N E**

Schedule B - Part 2

**N O N E**

Schedule BA - Part 1

**N O N E**

Schedule BA - Part 2

**N O N E**

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Desig- nation or Market Indicator (a)
76116F-AG-2	BONDS US Governments United States RFCO 0.000% 01/15/21		01/28/2004	UBS WARBURG		79,680,000	200,000,000		1FE
<b>Total United States</b>						79,680,000	200,000,000		XXX
<b>0399999. Bonds - U.S. Governments</b>						79,680,000	200,000,000		XXX
State, Territories and Possessions									
Canada									
110709-EJ-7	BRITISH COLUMBIA PROVINCE DEBS 6.150% 11/19/27	C	03/22/2004	RBC-DOMINION SEC		4,242,176	3,765,000	80,566	1FE
110709-FJ-6	BRITISH COLUMBIA PROVINCE DEBENTURES 5.400% 06/18/35	C	03/12/2004	RBC-DOMINION SEC		4,580,213	4,518,000	12,700	1FE
56344Z-BB-4	MANITOBA (PROVINCE OF) NOTES 5.500% 11/15/18	C	03/23/2004	RBC-DOMINION SEC		12,072,774	11,295,000	231,470	1FE
642866-FR-3	NEW BRUNSWICK PROVINCE DEBS 5.500% 01/27/34	C	03/18/2004	Various		14,384,333	14,307,000	59,456	1FE
803854-GY-8	SASKATCHEWAN PROVINCE DEBS 5.750% 03/05/29	C	03/22/2004	CIBC		1,999,723	1,882,500	5,931	1FE
<b>Total Canada</b>						37,279,219	35,767,500	390,123	XXX
<b>1799999. Bonds - States, Territories and Possessions</b>						37,279,219	35,767,500	390,123	XXX
Special Revenue & Assessment									
United States									
313399-LK-1	FHLMC 2343 MZ 6.500% 08/15/31		03/01/2004	Interest Capitalization		412,592	412,592		1FE
313399-Y4-2	FHLMC 2439 KZ 6.500% 04/15/32		03/01/2004	Interest Capitalization		244,256	244,256		1
3133TN-AF-1	FHLMC 2212 Z 7.000% 01/15/30		03/01/2004	Interest Capitalization		271,966	271,966		1FE
3133TV-UR-5	FHLMC 2434 Z 6.500% 04/15/32		03/01/2004	Interest Capitalization		327,641	327,641		1FE
31359G-KC-9	FNMA 1994-10 KZ 6.500% 01/25/24		03/01/2004	Interest Capitalization		375,346	375,346		1FE
31359L-2M-6	FNMA 1996-7 Z 6.500% 04/25/26		03/01/2004	Interest Capitalization		348,752	348,752		1FE
31359X-C9-8	FNMA 2000-7 MZ 7.000% 02/17/40		03/01/2004	Interest Capitalization		388,122	388,122		1FE
31359X-RK-7	FNMA 2000-1 Z 7.000% 02/01/30		03/01/2004	Interest Capitalization		268,820	268,820		1FE
313921-AG-3	FNMA 2001-49 Z 6.500% 09/25/31		03/01/2004	Interest Capitalization		342,111	342,111		1FE
31392B-J5-6	FNMA 2002-9 ZA 6.500% 03/25/32		03/01/2004	Interest Capitalization		551,999	551,999		1FE
31392C-F6-6	FNMA 2002-29 Z 6.500% 05/25/32		03/01/2004	Interest Capitalization		273,034	273,034		1FE
31392C-VK-7	FNMA 2002-16 ZD 6.500% 04/25/32		03/01/2004	Interest Capitalization		559,753	559,753		1Z
31392D-LF-7	FNMA 2002-36 ZG 6.500% 06/25/32		03/01/2004	Interest Capitalization		452,605	452,605		1FE
31392K-HU-3	FHLMC 2445 Z 6.500% 05/15/32		03/01/2004	Interest Capitalization		282,878	282,878		1FE
31392M-AD-4	FHLMC 2448 Z 6.500% 05/15/32		03/01/2004	Interest Capitalization		271,563	271,563		1FE
31392R-MA-6	FHLMC 2470 CLASS Z 6.000% 07/15/32		03/01/2004	Interest Capitalization		278,244	278,244		1FE
31393G-V3-5	FHLMC 2533 Z 5.500% 12/15/32		03/01/2004	Interest Capitalization		255,365	255,365		1FE
38373W-C6-3	GNMA 2002-29 Z 6.500% 05/16/32		03/01/2004	Interest Capitalization		814,689	814,689		1
3837HO-UA-9	GNMA 96-17 Z CMO 7.000% 08/16/26		03/01/2004	Interest Capitalization		369,981	369,981		1
92260M-AH-6	VA VENDEE 1996-1 Z 6.750% 02/15/26		03/01/2004	Interest Capitalization		405,437	405,437		1FE
<b>Total United States</b>						7,495,154	7,495,154		XXX
<b>3199999. Bonds - Special Revenues</b>						7,495,154	7,495,154		XXX
Public Utilities (unaffiliated)									
United States									
010392-EK-0	ALABAMA POWER CO BONDS 5.125% 02/15/19		02/10/2004	BARCLAYS		4,976,750	5,000,000		1FE
694308-GE-1	PACIFIC GAS AND ELEC 1ST MORT 6.050% 03/01/34		03/18/2004	Various		24,878,000	25,000,000		2FE
842400-ES-8	SO CALIF EDISON 1ST MORT 6.000% 01/15/34		01/08/2004	UBS WARBURG		9,955,850	10,000,000		2FE
<b>Total United States</b>						39,810,600	40,000,000		XXX
<b>3899999. Bonds - Public Utilities</b>						39,810,600	40,000,000		XXX
Industrial & Miscellaneous									
United States									
01958X-BE-6	ALLIED WASTE NORTH AMER 144A 6.125% 02/15/14		01/21/2004	Various		4,000,000	4,000,000		3Z
126304-AQ-7	CSC HOLDINGS INC 144A SNR NTS 6.750% 04/15/12		03/30/2004	SALOMON SMITH BARNEY		1,000,000	1,000,000		4Z
12686C-AV-1	CABLEVISION SYSTEMS CORP 144A SNR NTS 8.000% 04/15/12		03/30/2004	Various		3,000,000	3,000,000		4Z
131347-AF-3	CALPINE NTS 8.750% 07/15/07		01/13/2004	MERRILL LYNCH		1,720,000	2,000,000	486	5Z
15131G-ME-1	CENDANT CORPORATION 2002-1 1A-3 6.250% 03/25/32		03/01/2004	Interest Capitalization		277,660	277,660		1FE
162456-AL-1	CHATTEM INC. 144A SR SUB NTS 7.000% 03/01/14		02/19/2004	Various		3,000,000	3,000,000		4Z

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Desig- nation or Market Indicator (a)
269279-AA-3	EXCO RESOURCES INC 144A SR NTS 7.250% 01/15/11		01/14/2004	CREDIT SUISSE/FIRST BOSTON		1,000,000	1,000,000		4
60755#-AC-1	MODERN CONTINENTAL CONST SR SEC NT 8.750% 12/31/06		02/12/2004	Exchange		3,783,325	3,895,002		5Z
761042-CF-5	RMT 2000-A A4 Z 6.500% 04/19/29		03/01/2004	Interest Capitalization		340,720	340,720		1FE
76110G-WA-5	RESIDENTIAL ACCREDIT LOANS INC 2002-QS2 A3 6.750% 02/25/32		03/01/2004	Interest Capitalization		479,352	479,352		1FE
911365-AM-6	UNITED RENTALS INC SR NTS 6.500% 02/15/12		01/23/2004	CREDIT SUISSE/FIRST BOSTON		3,000,000	3,000,000		4
911365-AP-9	UNITED RENTALS INC SR SUB 7.000% 02/15/14		01/23/2004	CREDIT SUISSE/FIRST BOSTON		6,000,000	6,000,000		4
<b>Total United States</b>						<b>27,601,057</b>	<b>27,992,734</b>	<b>486</b>	<b>XXX</b>
<b>Canada</b>									
13668Z-AD-0	CANADIAN TIRE CORP LTD NOTES 6.250% 04/13/28	C	02/19/2004	BK OF MONTREAL		2,995,294	3,010,800	69,084	2FE
13668Z-AL-2	CANADIAN TIRE CORP LTD NOTES 6.320% 02/24/34	C	03/10/2004	Various		3,795,941	3,765,000	7,823	2FE
<b>Total Canada</b>						<b>6,791,235</b>	<b>6,775,800</b>	<b>76,907</b>	<b>XXX</b>
<b>4599999. Bonds - Industrial and Miscellaneous</b>						<b>34,392,292</b>	<b>34,768,534</b>	<b>77,393</b>	<b>XXX</b>
<b>6099997. Total - Bonds - Part 3</b>						<b>198,657,265</b>	<b>318,031,188</b>	<b>467,516</b>	<b>XXX</b>
<b>6099998. Total - Bonds - Part 5</b>									<b>XXX</b>
<b>6099999. Total - Bonds</b>						<b>198,657,265</b>	<b>318,031,188</b>	<b>467,516</b>	<b>XXX</b>
<b>Industrial &amp; Miscellaneous United States</b>									
69367F-30-6	PVT INC PRFD		02/03/2004	Exchange	94,000	329			P5UZ
74383#-AB-4	PROVIDENT ASSET TRUST- I		03/19/2004	DIRECT	45,893,000	45,893			RP1L
<b>Total United States</b>						<b>46,222</b>	<b>XXX</b>		<b>XXX</b>
<b>6399999. Preferred Stocks - Industrial and Miscellaneous</b>						<b>46,222</b>	<b>XXX</b>		<b>XXX</b>
<b>6599997. Total - Preferred Stocks - Part 3</b>						<b>46,222</b>	<b>XXX</b>		<b>XXX</b>
<b>6599998. Total - Preferred Stocks - Part 5</b>							<b>XXX</b>		<b>XXX</b>
<b>6599999. Total - Preferred Stocks</b>						<b>46,222</b>	<b>XXX</b>		<b>XXX</b>
<b>Banks, Trust &amp; Insurance Companies United States</b>									
29530P-10-2	ERIE INDEMNITY COMPANY-CL A		01/20/2004	DIRECT	3,510,000	149,175			L
404132-10-2	HCC INSURANCE HOLDINGS INC		01/20/2004	DIRECT	6,480,000	202,630			L
589400-10-0	MERCURY GENERAL CORP		01/20/2004	DIRECT	2,241,000	105,529			L
74267C-10-6	PROASSURANCE CORP		01/20/2004	DIRECT	2,406,000	78,170			L
743315-10-3	PROGRESSIVE CORP		01/20/2004	DIRECT	2,160,000	183,902			L
989390-10-9	ZENITH NATIONAL INSURANCE CP		01/20/2004	DIRECT	1,620,000	54,254			L
<b>Total United States</b>						<b>773,660</b>	<b>XXX</b>		<b>XXX</b>
<b>6799999. Common Stocks - Banks, Trust and Insurance Companies</b>						<b>773,660</b>	<b>XXX</b>		<b>XXX</b>
<b>7299997. Total - Common Stocks - Part 3</b>						<b>773,660</b>	<b>XXX</b>		<b>XXX</b>
<b>7299998. Total - Common Stocks - Part 5</b>							<b>XXX</b>		<b>XXX</b>
<b>7299999. Total - Common Stocks</b>						<b>773,660</b>	<b>XXX</b>		<b>XXX</b>
<b>7399999. Total - Preferred and Common Stocks</b>						<b>819,882</b>	<b>XXX</b>		<b>XXX</b>
<b>7499999 - Totals</b>						<b>199,477,147</b>	<b>XXX</b>	<b>467,516</b>	<b>XXX</b>

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
	BONDS US Governments United States																				
362157-W6-2	GNMA #156469 9.500% 11/15/16		03/01/2004	Paydown		6,315	6,315	6,256	6,263		52		52		6,315				151	11/15/2016	1FE
362198-FR-9	GNMA #270276 9.500% 06/15/19		03/01/2004	Paydown		175	175	173	173		2		2		175				4	06/15/2019	1FE
362207-DH-2	GNMA #299004 9.500% 01/15/21		01/01/2004	Paydown		36,213	36,213	35,855	35,859		354		354		36,213				641	01/15/2021	1
64908P-AA-1	NEW VALLEY GENERATION 3 (TVA) DEBS 5.131% 01/15/21		01/15/2004	Redemption 100.0000		116,149	116,149	116,149	116,149						116,149				2,980	01/15/2021	1FE
Total United States						158,852	158,852	158,433	158,444		408		408		158,852				3,776	XXX	XXX
0399999. Bonds - U.S. Governments						158,852	158,852	158,433	158,444		408		408		158,852				3,776	XXX	XXX
	All other Governments																				
135087-KN-3	Canada CANADA, GOV'T OF BDS 10.250% 02/01/04	C	02/01/2004	Maturity		150,540	150,450	149,787	150,533		7		7		150,540				7,722	02/01/2004	1
Total Canada						150,540	150,450	149,787	150,533		7		7		150,540				7,722	XXX	XXX
1099999. Bonds - All Other Governments						150,540	150,450	149,787	150,533		7		7		150,540				7,722	XXX	XXX
	Special Revenue & Assessment  United States																				
31283J-BA-8	FHLMC GOLD PC #G10033 9.000% 12/01/06		03/01/2004	Paydown		51,699	51,699	54,068	52,554		(855)		(855)		51,699				(293)	12/01/2006	1FE
31283J-BB-6	FHLMC GOLD PC #G10034 9.000% 07/01/06		03/01/2004	Paydown		20,120	20,120	21,058	20,503		(383)		(383)		20,120				(76)	07/01/2006	1FE
312908-P3-4	FHLMC 1224 H PAC 8.000% 03/15/07		03/01/2004	Paydown		326,904	326,904	319,294	324,786		2,118		2,118		326,904				6,368	03/15/2007	1FE
312908-UT-1	FHLMC 1213 N 7.000% 02/15/22		03/01/2004	Paydown		935,858	935,858	812,241	890,757		45,101		45,101		935,858				56,487	02/15/2022	1
3133T4-NZ-5	FHLMC 1994 1694 Z 6.500% 03/15/24		03/01/2004	Paydown		3,867,705	3,867,705	3,502,468	3,528,976		338,729		338,729		3,867,705				377,343	03/15/2024	1FE
3133T5-B8-5	FHLMC 1746 Z 7.000% 05/15/24		03/01/2004	Paydown		2,636,016	2,636,016	2,404,131	2,491,757		144,259		144,259		2,636,016				172,615	05/15/2024	1FE
3133T8-HZ-3	FHLMC 1909 Z CMO 7.000% 11/15/26		03/01/2004	Paydown		1,709,198	1,709,198	1,536,483	1,594,591		114,607		114,607		1,709,198				133,574	11/15/2026	1FE
313401-2Y-6	FHLMC PC #380092 10.000% 06/01/05		03/01/2004	Paydown		2,576	2,576	2,576	2,576						2,576				45	06/01/2005	1FE
313401-M4-0	FHLMC PC #380038 9.500% 02/01/04		01/01/2004	Paydown		2,199	2,199	2,122	2,168		31		31		2,199				49	02/01/2004	1
31340Y-D3-0	FHLMC 71 F PAC 9.300% 12/15/20		03/15/2004	Paydown		158,773	158,773	158,103	157,744		1,029		1,029		158,773				3,110	12/15/2020	1

E05

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1 CUSIP Ident- ification	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change In Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Desig- nation or Market In- dicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amor- tization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	15 Total Foreign Exchange Change in Book /Adjusted Carrying Value							
31341A-5B-2	FHLMC PC #250842 9.000% 02/01/10		03/01/2004	Paydown		35,992	35,992	34,291	34,581		1,411		1,411		35,992			1,904	02/01/2010	1FE	
31341G-08-3	FHLMC PC #255879 9.250% 01/01/10		03/01/2004	Paydown		6,184	6,184	6,145	6,138		46		46		6,184			142	01/01/2010	1FE	
31342M-C9-2	FHLMC PC #730096 10.000% 07/01/05		03/01/2004	Paydown		4,139	4,139	4,133	4,105		34		34		4,139			101	07/01/2005	1FE	
31342M-FL-2	FHLMC PC #730171 9.500% 10/01/05		03/01/2004	Paydown		10,452	10,452	10,401	10,351		101		101		10,452			262	10/01/2005	1FE	
31342M-G3-1	FHLMC PC #730218 9.500% 12/01/05		03/01/2004	Paydown		12,821	12,821	12,705	12,688		133		133		12,821			289	12/01/2005	1FE	
31343C-2X-1	FHLMC PC #272590 8.500% 10/01/08		03/01/2004	Paydown		54,315	54,315	50,176	51,704		2,611		2,611		54,315			3,366	10/01/2008	1FE	
31344N-S7-5	FHLMC PC #284142 9.000% 11/01/16		03/01/2004	Paydown		51,245	51,245	49,972	50,013		1,232		1,232		51,245			1,998	11/01/2016	1FE	
31345E-VF-2	FHLMC PC #303314 9.500% 08/01/09		03/01/2004	Paydown		23,664	23,664	23,292	23,327		337		337		23,664			707	08/01/2009	1FE	
31345F-YM-1	FHLMC PC #304316 9.000% 10/01/18		03/01/2004	Paydown		89,986	89,986	87,802	87,831		2,155		2,155		89,986			3,978	10/01/2018	1FE	
31345M-BW-9	FHLMC PC #309053 9.000% 10/01/18		03/01/2004	Paydown		89,950	89,950	87,721	87,836		2,114		2,114		89,950			2,936	10/01/2018	1FE	
31345R-PZ-6	FHLMC PC #502240 9.500% 11/01/04		03/01/2004	Paydown		206	206	205	204		2		2		206			5	11/01/2004	1FE	
31347N-DN-3	FHLMC PC #531009 9.500% 06/01/17		03/01/2004	Paydown		25,079	25,079	24,805	24,803		276		276		25,079			609	06/01/2017	1FE	
31350Q-R5-4	FHLMC PC #735008 9.500% 02/01/05		03/01/2004	Paydown		16,818	16,818	16,603	16,617		201		201		16,818			462	02/01/2005	1FE	
31359D-3U-5	FNMA 1993-163 ZA 7.000% 09/25/23		03/01/2004	Paydown		936,175	936,175	878,189	903,098		33,077		33,077		936,175			43,761	09/25/2023	1FE	
31359H-WD-2	FNMA 94-79-D 7.000% 04/25/24		03/01/2004	Paydown		415,734	415,734	370,912	397,630		18,104		18,104		415,734			22,823	04/25/2024	1FE	
31359H-WH-3	FNMA 1994-79 Z 7.000% 04/25/24		03/01/2004	Paydown		987,580	987,580	902,466	944,323		43,257		43,257		987,580			54,469	04/25/2024	1FE	
31359K-TE-7	FNMA 96-37 Z 7.000% 08/25/26		03/01/2004	Paydown		2,402,388	2,402,388	2,119,534	2,230,251		172,137		172,137		2,402,388			200,530	08/25/2026	1FE	
31359L-2X-2	FNMA 1996 9-Z 6.500% 04/25/26		03/01/2004	Paydown		931,809	931,809	811,820	830,496		101,313		101,313		931,809			108,836	04/25/2026	1Z	
31359Q-DE-1	FNMA 1997-54 Z 6.500% 08/01/27		03/01/2004	Paydown		1,262,804	1,262,804	1,086,983	1,123,207		139,597		139,597		1,262,804			152,811	08/01/2027	1FE	
31359Q-UN-2	FNMA 97-56 Z 7.000% 09/18/27		03/01/2004	Paydown		2,325,617	2,325,617	2,167,887	2,215,276		110,341		110,341		2,325,617			137,121	09/18/2027	1FE	
31360F-AU-9	FNMA #04519 9.250% 01/01/14		03/01/2004	Paydown		65,716	65,716	65,340	65,333		383		383		65,716			1,393	01/01/2014	1FE	
31362A-F6-6	FNMA #55089 8.500% 10/01/17		03/01/2004	Paydown		23,081	23,081	22,540	22,580		501		501		23,081			675	10/01/2017	1FE	
31362E-K9-6	FNMA #58820 9.500% 04/01/14		03/01/2004	Paydown		14,475	14,475	14,448	14,437		38		38		14,475			284	04/01/2014	1FE	
31362P-AP-6	FNMA #66614 9.000% 05/01/10		03/01/2004	Paydown		8,666	8,666	8,420	8,478		188		188		8,666			366	05/01/2010	1FE	
31362P-AS-0	FNMA #66617 9.500% 11/01/09		03/01/2004	Paydown		1,261	1,261	1,248	1,251		10		10		1,261			30	11/01/2009	1FE	

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31362T-JN-4	FNMA #70469 9.000% 01/01/05		03/01/2004	Paydown		26,851	26,851	26,607	26,667				184		26,851				559	01/01/2005	1FE
31362T-PJ-6	FNMA #70625 9.000% 09/01/05		03/01/2004	Paydown		3,258	3,258	3,218	3,232				26		3,258				70	09/01/2005	1FE
31362T-SK-0	FNMA #70722 9.000% 01/01/06		03/01/2004	Paydown		42,785	42,785	42,113	42,357				428		42,785				1,068	01/01/2006	1FE
31363H-4S-4	FNMA #89933 9.000% 01/01/20		03/01/2004	Paydown		79,092	79,092	78,993	78,963				129		79,092				1,664	01/01/2020	1FE
31401K-PL-3	FNMA POOL 710627 5.500% 05/01/33		03/01/2004	Paydown		356,996	356,996	361,229	361,217				(4,221)		356,996				(549)	05/01/2033	1FE
31403R-KQ-0	FNMA POOL 755503 5.500% 11/01/33		03/01/2004	Paydown		84,561	84,561	85,564	85,561				(1,000)		84,561				11	11/01/2033	1FE
3837HO-AF-0	GNMA 1994-1 PG(30yr GNMA 8%) 7.500% 04/16/23		03/01/2004	Paydown		741,603	741,603	757,472	745,642				(4,039)		741,603				4,883	04/16/2023	1
3837HO-KU-6	GNMA 1995-8 Z 7.000% 10/20/25		03/01/2004	Paydown		2,256,565	2,256,565	2,115,757	2,171,252				85,313		2,256,565				110,588	10/20/2025	1FE
3837HO-L6-8	GNMA 97-6 Z-A 7.000% 04/20/27		03/01/2004	Paydown		1,866,674	1,866,674	1,640,034	1,714,439				152,235		1,866,674				174,321	04/20/2027	1
3837HO-LD-3	GNMA 1995-9 Z 7.000% 11/20/25		03/01/2004	Paydown		1,339,349	1,339,349	1,292,270	1,308,040				31,309		1,339,349				45,674	11/20/2025	1
3837H1-HF-1	GNMA 98-11 Z 6.500% 01/20/28		03/01/2004	Paydown		3,589,468	3,589,468	3,426,885	3,457,497				131,971		3,589,468				169,337	01/20/2028	1
<b>Total United States</b>						29,894,407	29,894,407	27,500,724	28,227,837				1,666,570		29,894,407				1,996,706	XXX	XXX
<b>3199999. Bonds - Special Revenues</b>						29,894,407	29,894,407	27,500,724	28,227,837				1,666,570		29,894,407				1,996,706	XXX	XXX
	Public Utilities (unaffiliated)																				
	United States																				
17185#-AA-5	CINCAP IV, LLC SENIOR NOTES 7.810% 07/06/09		03/06/2004	Redemption 100.0000		267,773	267,773	267,773	267,773						267,773				2,331	07/06/2009	2
684181-AA-8	ORANGE COGEN FNDG SR SEC NT-144A 8.175% 03/15/22		03/15/2004	Redemption 100.0000		31,250	31,250	31,250	31,250						31,250				639	03/15/2022	2FE
918005-AT-6	UTILICORP UTD SEN NTS 8.270% 11/15/21		02/18/2004	MERRILL LYNCH		4,550,000	5,000,000	4,956,160	4,959,328				148		4,959,476		(409,476)	(409,476)	112,711	11/15/2021	4
<b>Total United States</b>						4,849,023	5,299,023	5,255,183	5,258,351				148		5,258,499		(409,476)	(409,476)	115,681	XXX	XXX
	Canada																				
21053Z-AT-1	CONSUMERS GAS CO LTD MTN 7.200% 02/23/04	C	02/23/2004	Maturity		2,295,735	2,295,735	2,141,921	2,292,495				3,240		2,295,735				86,500	02/23/2004	1
<b>Total Canada</b>						2,295,735	2,295,735	2,141,921	2,292,495				3,240		2,295,735				86,500	XXX	XXX
	Other Country																				
29244T-AA-9	EMPRESA NACIONAL ELECTRIC SR NTS 7.875% 02/01/27	F	03/29/2004	UBS WARBURG		5,362,428	5,356,000	5,275,660	5,276,223				768		5,276,991		85,437	85,437	281,958	02/01/2027	2FE
<b>Total Other Country</b>						5,362,428	5,356,000	5,275,660	5,276,223				768		5,276,991		85,437	85,437	281,958	XXX	XXX

E05.2

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
3899999	Bonds - Public Utilities					12,507,186	12,950,758	12,672,764	12,827,069		4,156		4,156		12,831,225		(324,039)	(324,039)	484,139	XXX	XXX
	Industrial & Miscellaneous																				
	United States																				
026711-CQ-2	AMERICAN HOUSING TRUST 10-G 8.600%		08/25/21	Paydown		1,194,173	1,194,173	1,129,613	1,165,386		28,787		28,787		1,194,173				45,709	08/25/2021	1FE
131347-AF-3	CALPINE NTS 8.750%		07/15/07	MERRILL LYNCH		1,720,000	2,000,000	1,720,000	1,720,000						1,720,000				486	07/15/2007	5Z
131347-AW-6	CALPINE SR NTS 8.500%		02/15/11	JP MORGAN CHASE		1,735,000	2,000,000	1,992,814	1,994,503		39		39		1,994,542		(259,542)	(259,542)	76,539	02/15/2011	5
16117P-AF-7	CHARTER COMM HLDS LLC SR NTS 0.000%		04/01/11	MORGAN STANLEY		1,760,000	2,000,000	1,227,880	1,953,001		17,043		17,043		1,970,044		(210,044)	(210,044)	17,043	04/01/2011	6
16162T-U9-5	CHASE 2002-S6 1A2 6.500% 05/25/32		03/01/2004	Paydown		5,464,736	5,464,736	4,860,331	4,886,485		578,251		578,251		5,464,736				642,764	05/25/2032	1FE
18551*-AA-3	CLECO EVANGELINE LLC SR SEC BOND 8.820%		09/01/19	Redemption 100.0000		168,733	168,733	162,496	163,321		5,412		5,412		168,733				12,853	09/01/2019	4
199333-AC-9	COLUMBUS MCKINNON SR SUB NOTES 8.500%		04/01/08	LEHMAN BROTHERS		481,250	500,000	488,650	491,318		152		152		491,470		(10,220)	(10,220)	14,555	04/01/2008	5
210805-BV-8	CONTINENTAL AIR PASS THRU CERTS SER 974B 6.900% 01/02/17		01/02/2004	Redemption 100.0000		10,626	10,626	4,782	5,146		5,480		5,480		10,626				5,846	01/02/2017	3
23281P-AD-8	CYPRUS MINERALS NOTES 6.625% 10/15/05		03/08/2004	SALOMON SMITH BARNEY		6,170,259	5,728,000	5,238,943	5,569,394		15,838		15,838		5,585,232		585,027	585,027	169,738	10/15/2005	2FE
246626-AE-5	DELCO REMY INTERNATIONAL SR SUB NOTES 10.625% 08/01/06		02/12/2004	CIBC		2,017,500	2,000,000	2,005,000	2,000,517		(113)		(113)		2,000,404		17,096	17,096	115,877	08/01/2006	5
26229*-AD-2	DRUMMOND COMPANY, INC SR NTS 9.510%		03/27/07	Redemption 100.0000		1,000,000	1,000,000	1,000,000	1,000,000						1,000,000				47,550	03/27/2007	2
269279-AA-3	EXCO RESOURCES INC 144A SR NTS 7.250%		01/15/11	KBC Finl Products		1,032,500	1,000,000	1,000,000	1,000,000						1,000,000		32,500	32,500	201	01/15/2011	4
29331@-AA-5	ENHANCED COLO ISSUER LLC SER 2002A CAPCO NTS 9.142% 03/01/13		03/01/2004	Redemption 100.0000		16,474	16,474	16,474	16,474						16,474				1,423	03/01/2013	1FE
31331F-AN-1	FEDERAL EXPRESS Pass Thru Certs 7.110%		01/02/14	Redemption 100.0000		26,282	26,282	26,093	26,119		163		163		26,282				1,097	01/02/2014	2FE
33632*-UJ-4	FSB (CONOCOPHILLIPS) LEASING CERTIFICATES 7.950% 12/10/20		03/10/2004	Redemption 100.0000		28,456	28,456	28,456	28,456						28,456				378	12/10/2020	1

E05.3

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
36232*-AB-0	GTE CORP SERIES-B ESOP NOTE 9.730%		01/02/2004	Redemption	100.0000	2,436,554	2,436,554	2,442,798	2,437,021		(467)		(467)		2,436,554				236,610	01/02/2005	1FE
373298-BF-4	GEORGIA PACIFIC NOTES 9.625% 03/15/22		03/31/2004	Call 103.4780		4,139,120	4,000,000	3,962,800	3,967,841		171,279		171,279		4,139,120				380,890	03/15/2022	3
60755#-AB-3	MODERN CONTINENTAL CONST SR NOTE 8.750% 09/30/04		02/12/2004	Various		3,749,334	3,749,334	3,749,334	3,749,334						3,749,334				39,719	09/30/2004	5Z
60755#-AC-1	MODERN CONTINENTAL CONST SR SEC NT 8.750% 12/31/06		03/03/2004	Redemption	100.0000	32,070	32,070	31,151	31,150		920		920		32,070				978	12/31/2006	5Z
68210*-AA-1	OMEGA LEASING PLC SR SEC NTS 8.800% 05/12/10		03/12/2004	Redemption	100.0000	61,461	61,461	61,461	61,461						61,461				904	05/12/2010	2
70556J-AC-3	PEGASUS AVIATION 1999-1A B1 SUB 144A EQUIP LEAS 6.300% 02/25/10		03/18/2004	Various		2,272,500	7,500,000	2,775,000	2,625,000	150,000			150,000		2,775,000		(502,500)	(502,500)	95,288	02/25/2010	4
74040#-AA-3	PREFCO VII (US WEST) SECURED NT 9.625% 12/01/05		03/01/2004	Redemption	100.0000	211,249	211,249	219,223	212,415		(1,166)		(1,166)		211,249				2,214	12/01/2005	4
741929-AF-0	PRIMUS TELECOM SR NT 11.250% 01/15/09		02/14/2004	Call 105.6250		2,640,625	2,500,000	2,500,000	2,500,000		140,625		140,625		2,640,625				303,906	01/15/2009	5
74965#-AE-6	RLC INDUSTRIES CO. SER E SR NT 7.830% 03/15/17		02/24/2004	Call 118.2756		8,870,671	7,500,000	7,500,000	7,500,000		1,370,671		1,370,671		8,870,671				1,630,040	03/15/2017	3
761042-CG-3	RMT 2000-A A5 CMO 6.500% 04/19/29		03/01/2004	Paydown		135,619	135,619	118,900	122,930		12,689		12,689		135,619				14,163	04/19/2029	1FE
76110Y-GX-4	RFMSI 1999-S12 A4 6.500% 05/25/29		01/01/2004	Paydown		285,046	285,046	252,824	258,316		26,730		26,730		285,046				28,267	05/25/2029	1FE
781740-AG-0	RURAL HOUSING TRUST 87-1 2-C 6.830% 04/01/26		03/01/2004	Paydown		49,049	49,049	38,699	46,594		2,455		2,455		49,049				3,031	04/01/2026	1FE
781740-AL-9	RURAL HOUSING TRUST 87-1 4-B 8.330% 04/01/26		03/01/2004	Paydown		32,313	32,313	29,825	31,252		1,061		1,061		32,313				1,527	04/01/2026	1FE
80311*-AA-4	SARA LEE CORP GTD ESOP NOTES 8.176% 06/15/04		01/01/2004	Redemption	100.0000	100,637	100,637	100,637	100,637						100,637					06/15/2004	1FE
863573-GL-9	SMART 92-4A-AA SPA 8.250% 05/25/08		03/01/2004	Paydown		63,646	63,646	66,560	63,876		(230)		(230)		63,646				336	05/25/2008	1FE
871928-AU-1	APACHE (TIERS) COLLATERAL TRUST SER 97-8 7.220% 08/15/17		02/15/2004	Redemption	100.0000	132,329	132,329	127,335	128,069		4,260		4,260		132,329				9,037	08/15/2017	2FE
911365-AM-6	UNITED RENTALS INC SR NTS 6.500% 02/15/12		01/23/2004	SPEAR, LEEDS & KELLOG		1,000,000	1,000,000	1,000,000	1,000,000						1,000,000					02/15/2012	4
911365-AP-9	UNITED RENTALS INC SR SUB 7.000% 02/15/14		01/23/2004	Various		3,000,000	3,000,000	3,000,000	3,000,000						3,000,000					02/15/2014	4

E05.4

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
911674-AF-6	US CAN CO SR NTS 12.375% 10/01/10		02/12/2004	The Bank of New York		2,278,125	2,500,000	2,510,000	2,507,907		(100)		(100)		2,507,807		(229,682)	(229,682)	117,634	10/01/2010	5
97180*-MN-5	WILM (AMER AIR) SER A SEC NT #P1 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
97180*-MP-0	WILM (AMER AIR) SER A SEC NT #P2 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
97180*-MQ-8	WILM (AMER AIR) SER A SEC NT #P3 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
97180*-MR-6	WILM (AMER AIR) SER A SEC NT #P4 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
97180*-MS-4	WILM (AMER AIR) SER A SEC NT #P5 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
97180*-MT-2	WILM (AMER AIR) SER A SEC NT #P6 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
97180*-MU-9	WILM (AMER AIR) SER A SEC NT #P7 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
97180*-MV-7	WILM (AMER AIR) SER A SEC NT #P8 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
97180*-MW-5	WILM (AMER AIR) SER A SEC NT #P9 3.061%		09/28/08	Redemption	100.0000	24,558	24,558	23,822	23,824		734		734		24,558				1,110	09/28/2008	3
97180*-MX-3	WILM (AMER AIR) SER A SEC NT#P10 3.062%		09/28/08	Redemption	100.0000	24,565	24,565	23,828	23,831		734		734		24,565				1,110	09/28/2008	3
U61688-AN-4	J P MORGAN & CO SUB NTS DEP 6.875%	C	03/17/04	Maturity		4,518,000	4,518,000	3,672,908	4,491,580		26,420		26,420		4,518,000				337,032	03/17/2004	1
000000-00-0	DERIVATIVE ACTIVITY ON HEDGED BONDS		03/31/2004	Various		(3,863,572)								(3,863,572)						05/01/2026	1
<b>Total United States</b>						<b>55,216,408</b>	<b>63,190,430</b>	<b>55,299,261</b>	<b>57,093,806</b>	<b>150,000</b>	<b>2,413,539</b>		<b>2,563,539</b>		<b>55,793,773</b>		<b>(577,365)</b>	<b>(577,365)</b>	<b>4,364,735</b>	<b>XXX</b>	<b>XXX</b>
01854#-BF-7	Canada BOMBARDIER SEC NT 8.160% 01/02/23	C	01/02/2004	Redemption	100.0000	168,523	168,523	168,523	168,523						168,523				6,876	01/02/2023	2
097751-AE-1	BOMBARDIER INC DEB 7.350% 12/22/26	C	03/18/2004	RBC-DOMINION SEC		3,012,000	3,012,000	3,052,029	3,050,522		(151)		(151)		3,050,371	(5,346)	(33,025)	(38,371)	55,347	12/22/2026	2FE
13134V-AB-9	CALPINE CANADA SR NOTES 8.750% 10/15/07	C	03/08/2004	Various		5,850,928	7,527,750	7,466,022	7,485,031		1,430		1,430		7,486,461	(252,206)	(1,383,327)	(1,635,533)	240,992	10/15/2007	5
50730K-AH-0	LAIDLAW INC DEBS 8.750% 04/15/25	C	02/19/2004	CLASS ACTION SETTLEMNT		17,908											17,908		17,908	04/15/2025	6

E05.5

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
535908-AA-5	LINDSEY MORDEN SER B DEBS 7.000% 06/16/08	C	02/10/2004	Various		7,572,162	11,290,500	11,223,322	11,254,803		779		779		11,255,582	(343,042)	(3,340,378)	(3,683,420)	124,490	06/16/2008	4
694940-AC-1	PACIFICA PAPERS SR NOTES 10.000% 03/15/09	C	03/23/2004	Call 105.3750		605,906	575,000	557,031	562,674		43,232		43,232		605,906				73,260	03/15/2009	3
768904-E*-1	RIVERSIDE FOREST SER D 8.800% 07/17/07	C	03/31/2004	Various		3,187,914	2,888,890	2,888,890	2,888,890		299,024		299,024		3,187,914				471,860	07/17/2007	1
775100-AC-4	ROGERS CABLESYSTEMS DEBS 9.650% 01/15/14	C	02/23/2004	Call 104.8250		2,367,053	2,258,100	2,320,198	2,302,640		64,413		64,413		2,367,053				193,367	01/15/2014	3
C7196#-AH-5	PARMALAT DAIRY & BAKERY CLASS C-2 SR NTS 8.000% 10/31/15	C	02/04/2004	DIRECT		7,801,736	11,290,500	11,290,500	2,145,195	9,145,305			9,145,305		11,290,500	(366,628)	(3,122,136)	(3,488,764)	270,972	10/31/2015	6
<b>Total Canada</b>						30,584,130	39,011,263	38,966,515	29,858,278	9,145,305	408,727		9,554,032		39,412,310	(967,222)	(7,860,958)	(8,828,180)	1,437,164	XXX	XXX
<b>Other Country</b>																					
12639T-AA-8	CST EXP MASTER TRST SER 97-1 CERT 8.220% 03/01/04	F	03/01/2004	Redemption 100.0000		437,500	437,500	437,500	437,500						437,500				5,994	03/01/2004	2FE
126624-AC-9	CVRD FINANCE LTD SER 3-A SEC NTS 8.926% 10/15/10	F	01/15/2004	Redemption 100.0000		469,722	469,722	470,528	470,235		(513)		(513)		469,722				9,969	10/15/2010	2FE
204452-AG-1	COMPANIA MEGA S.A. SER G SEC NT 10.770% 06/15/14	F	01/15/2004	DIRECT		19,012,000	16,975,000	16,975,000	16,975,000						16,975,000		2,037,000	2,037,000	233,604	06/15/2014	4
46289#-AC-5	IRON ORE EXPORT MASTER TRUST (SAMARCO) SR SEC EXP NTS 10.043% 05/31/05	F	02/29/2004	Redemption 100.0000		588,235	588,235	588,235	588,235						588,235				14,769	05/31/2005	2
78633#-AA-5	SADIA IFC TRUST CERTIFICATES 8.520% 11/02/08	F	03/02/2004	Redemption 100.0000		500,000	500,000	500,000	500,000						500,000				10,650	11/02/2008	3
87242R-AA-3	TGN CRIBs FINANCIAL TRUST I CONV RISK INSUR BDS 10.875% 07/25/12	F	03/24/2004	DEUTSCHE BANK		8,207,500	11,000,000	8,250,000	6,983,850	1,100,000			1,100,000		8,083,850		123,650	123,650	98,389	07/25/2012	6
886527-AA-8	AES IHB CAYMAN LTD CERT 11.500% 04/15/16	F	01/01/2004	Prior Year Adjustment		(72,500)	(72,500)	(54,375)	(72,500)						(72,500)					04/15/2016	5
901145-AF-9	TV AZTECA SA DE CV SR NOTES REG S GTD 10.500% 02/15/07	F	03/02/2004	BANK OF AMERICA		2,052,500	2,000,000	2,000,000	2,000,000						2,000,000		52,500	52,500	116,375	02/15/2007	4
G3782#-AN-7	GLENORE FINANCE (BERMUDA) LTD SER M SR NT 9.070% 08/31/19	F	03/31/2004	LEHMAN BROTHERS		11,463,000	10,000,000	10,000,000	10,000,000						10,000,000		1,463,000	1,463,000	546,719	08/31/2019	2FE
<b>Total Other Country</b>						42,657,957	41,897,957	39,166,888	37,882,320	1,100,000	(513)		1,099,487		38,981,807		3,676,150	3,676,150	1,036,469	XXX	XXX
<b>4599999. Bonds - Industrial and Miscellaneous</b>						128,458,495	144,099,650	133,432,664	124,834,404	10,395,305	2,821,753		13,217,058		134,187,890	(967,222)	(4,762,173)	(5,729,395)	6,838,368	XXX	XXX
<b>6099997. Total - Bonds - Part 4</b>						171,169,480	187,254,117	173,914,372	166,198,287	10,395,305	4,492,894		14,888,199		177,222,914	(967,222)	(5,086,212)	(6,053,434)	9,330,711	XXX	XXX

E05.6

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22							
										11	12	13	14	15														
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)							
6099998. Total - Bonds - Part 5																								XXX	XXX			
6099999. Total - Bonds										171,169,480	187,254,117	173,914,372	166,198,287	10,395,305	4,492,894		14,888,199		177,222,914	(967,222)	(5,086,212)	(6,053,434)	9,330,711		XXX	XXX		
	Industrial & Miscellaneous																											
	United States																											
62940R-20-2	NTL PFDS		02/03/2004	Exchange	94.000	329		329	329						329							P5UZ						
Total United States										329	XXX	329	329				329						XXX	XXX				
6399999. Preferred Stocks - Industrial and Miscellaneous										329	XXX	329	329				329								XXX	XXX		
6599997. Total - Preferred Stocks - Part 4										329	XXX	329	329				329									XXX	XXX	
6599998. Total - Preferred Stocks - Part 5											XXX																XXX	XXX
6599999. Total - Preferred Stocks										329	XXX	329	329					329									XXX	XXX
	Banks, Trust & Insurance Companies																											
	United States																											
29530P-10-2	ERIE INDEMNITY COMPANY-CL A		01/22/2004	MERRILL LYNCH	3,510.000	150,146		149,175	149,176						149,176		970	970				L						
404132-10-2	HCC INSURANCE HOLDINGS INC		01/22/2004	MERRILL LYNCH	6,480.000	205,348		202,630	202,630						202,630		2,718	2,718				L						
589400-10-0	MERCURY GENERAL CORP		01/22/2004	MERRILL LYNCH	2,241.000	106,011		105,529	105,529						105,529		482	482				L						
74267C-10-6	PROASSURANCE CORP		01/22/2004	MERRILL LYNCH	2,406.000	79,088		78,170	78,170						78,170		918	918				L						
743315-10-3	PROGRESSIVE CORP		01/22/2004	MERRILL LYNCH	2,160.000	180,991		183,902	183,902						183,902		(2,911)	(2,911)				L						
989390-10-9	ZENITH NATIONAL INSURANCE CP		01/22/2004	MERRILL LYNCH	1,620.000	56,774		54,254	54,254						54,254		2,520	2,520				L						
Total United States										778,358	XXX	773,660	773,661				773,661		4,697	4,697				XXX	XXX			
6799999. Common Stocks - Banks, Trust and Insurance Companies										778,358	XXX	773,660	773,661				773,661		4,697	4,697					XXX	XXX		
	Industrial & Miscellaneous																											
	Other Country																											
477998-99-1	JOHN LAING PLC JOHN LAING PLC WARRANTS	F	01/29/2004	PERSHING & CO	266,561.000	377,596											377,596	377,596				U						
Total Other Country										377,596	XXX							377,596	377,596					XXX	XXX			
6899999. Common Stocks - Industrial and Miscellaneous										377,596	XXX							377,596	377,596						XXX	XXX		
7299997. Total - Common Stocks - Part 4										1,155,954	XXX	773,660	773,661				773,661		382,293	382,293					XXX	XXX		
7299998. Total - Common Stocks - Part 5											XXX																XXX	XXX
7299999. Total - Common Stocks										1,155,954	XXX	773,660	773,661				773,661		382,293	382,293							XXX	XXX
7399999. Total - Preferred and Common Stocks										1,156,283	XXX	773,989	773,990				773,990		382,293	382,293							XXX	XXX
7499999 - Totals										172,325,763	XXX	174,688,361	166,972,277	10,395,305	4,492,894		14,888,199		177,996,904	(967,222)	(4,703,919)	(5,671,141)	9,330,711		XXX	XXX		

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues.....1

E05.7

Schedule DB - Part A - Section 1

**N O N E**

Schedule DB - Part B - Section 1

**N O N E**

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE DB - PART C - SECTION 1**

Showing all Collar, Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Description	Notional Amount	Date of Maturity, Expiry or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure	
0499999. Subtotal - Collars								XXX							
<b>Swaps - Hedging Transactions</b>															
Currency Swap - Receive US\$ Pay Euros	5,943,600	03/01/2008	12.895% (10.75%)	02/01/2000	Morgan Stanley				(1,558,800)	(1,346,273)			(15,138)	59,436	
Currency Swap - Receive US\$ Pay CANS	6,908,463	12/01/2023	1.4475 CANS/US\$	03/25/2004	Merrill Lynch				(124,000)	(19,965)				153,509	
Currency Swap - Receive US\$ Pay CANS	3,448,276	06/01/2024	1.4500 CANS/US\$	03/25/2004	Merrill Lynch				(62,000)	(8,852)				77,586	
Currency Swap - Receive US\$ Pay CANS	7,018,529	03/15/2017	1.4247 CANS/US\$	03/25/2004	Merrill Lynch				(124,000)	(63,269)				126,528	
Currency Swap - Receive US\$ Pay CANS	9,674,760	12/01/2018	1.4251 CANS/US\$	03/25/2004	Merrill Lynch				(170,965)	(52,978)				185,783	
Currency Swap - Receive US\$ Pay CANS	7,077,954	06/01/2019	1.4252 CANS/US\$	03/25/2004	Merrill Lynch				(125,085)	(32,817)				138,201	
Currency Swap - Receive US\$ Pay CANS	3,562,675	12/01/2019	1.4280 CANS/US\$	03/25/2004	Merrill Lynch				(63,085)	(15,884)				70,695	
Currency Swap - Receive US\$ Pay CANS	3,434,066	12/01/2024	1.4560 CANS/US\$	03/25/2004	CIBC				(62,000)	(8,946)				78,215	
Currency Swap - Receive US\$ Pay CANS	3,637,686	09/15/2009	1.3745 CANS/US\$	03/25/2004	CIBC				(62,000)	(44,992)				42,656	
Currency Swap - Receive US\$ Pay CANS	3,554,418	09/15/2013	1.4067 CANS/US\$	03/25/2004	CIBC				(62,000)	(40,087)				54,777	
Currency Swap - Receive US\$ Pay CANS	4,108,028	03/15/2014	1.4110 CANS/US\$	03/25/2004	CIBC				(71,876)	(48,880)				64,954	
Currency Swap - Receive US\$ Pay CANS	5,201,496	03/15/2015	1.4169 CANS/US\$	03/25/2004	CIBC				(91,388)	(82,332)				86,257	
Currency Swap - Receive US\$ Pay CANS	3,771,312	06/01/2006	1.3490 CANS/US\$	03/25/2004	CIBC				(63,085)	(49,203)				28,285	
Currency Swap - Receive US\$ Pay CANS	16,751,187	06/01/2011	1.3902 CANS/US\$	03/25/2004	CIBC				(288,765)	(197,281)				225,520	
Currency Swap - Receive US\$ Pay CANS	15,159,957	12/01/2011	1.3910 CANS/US\$	03/25/2004	CIBC				(261,485)	(144,221)				211,018	
Currency Swap - Receive US\$ Pay CANS	10,682,239	06/01/2013	1.4042 CANS/US\$	03/25/2004	CIBC				(186,000)	(117,015)				162,444	
Currency Swap - Receive US\$ Pay CANS	7,458,410	12/01/2006	1.3525 CANS/US\$	03/25/2004	Lehman				(125,085)	(124,181)				61,842	
Currency Swap - Receive US\$ Pay CANS	4,796,490	06/01/2009	1.3734 CANS/US\$	03/25/2004	Lehman				(81,685)	(79,527)				54,951	
Currency Swap - Receive US\$ Pay CANS	3,692,481	12/01/2009	1.3778 CANS/US\$	03/25/2004	Lehman				(63,085)	(60,885)				44,271	
Currency Swap - Receive US\$ Pay CANS	10,639,807	06/01/2014	1.4098 CANS/US\$	03/25/2004	Lehman				(186,000)	(173,342)				170,320	
Currency Swap - Receive US\$ Pay CANS	10,683,685	12/01/2014	1.4122 CANS/US\$	03/25/2004	Lehman				(187,085)	(174,928)				175,144	
Currency Swap - Receive US\$ Pay CANS	7,103,873	12/01/2016	1.4200 CANS/US\$	03/25/2004	Lehman				(125,085)	(117,216)				126,830	
Currency Swap - Receive US\$ Pay CANS	3,570,175	12/01/2017	1.4250 CANS/US\$	03/25/2004	Lehman				(63,085)	(59,475)				66,193	
Currency Swap - Receive US\$ Pay CANS	6,060,606	06/01/2010	8.787% (9.5%)	03/26/2004	CIBC				(44,000)	(60,730)				75,758	
Currency Swap - Receive US\$ Pay CANS	9,280,303	06/01/2023	7.435% (8.0%)	03/26/2004	CIBC				(67,375)	(59,463)				203,586	
Currency Swap - Receive US\$ Pay CANS	2,840,909	06/01/2025	8.388% (9.0%)	03/26/2004	CIBC				(20,625)	6,579				65,480	
Currency Swap - Receive US\$ Pay CANS	1,354,545	06/01/2009	4.86% (5.5%)	03/26/2004	Deutsche Bank				(9,834)	(11,135)				15,518	
Currency Swap - Receive US\$ Pay CANS	6,287,879	12/01/2006	6.35% (7.0%)	03/26/2004	Lehman				(45,650)	(85,997)				52,136	
Currency Swap - Receive US\$ Pay CANS	7,633,588	08/15/2007	8.283% (9.0%)	03/29/2004	CIBC					5,190				70,550	
Currency Swap - Receive US\$ Pay CANS	10,091,603	03/20/2031	6.61% (7.15%)	03/29/2004	CIBC					58,910				262,188	
Currency Swap - Receive US\$ Pay CANS	3,053,435	04/18/2006	7.407% (8.2%)	03/29/2004	CIBC					1,495				22,036	
Currency Swap - Receive US\$ Pay CANS	4,961,832	04/23/2007	6.45% (7.163%)	03/29/2004	CIBC					3,093				43,563	
Currency Swap - Receive US\$ Pay CANS	3,816,794	11/19/2007	6.193% (6.8%)	03/29/2004	CIBC					7,982				36,543	
Currency Swap - Receive US\$ Pay CANS	2,824,427	12/07/2018	7.785% (8.4%)	03/29/2004	Deutsche Bank					16,716				54,237	
Currency Swap - Receive US\$ Pay CANS	9,773,282	06/02/2028	6.185% (6.7%)	03/29/2004	Deutsche Bank					(69,014)				240,639	
Currency Swap - Receive US\$ Pay CANS	11,450,382	12/15/2027	6.23% (6.75%)	03/29/2004	Deutsche Bank					(79,799)				279,011	
Currency Swap - Receive US\$ Pay CANS	3,816,794	03/11/2013	8.425% (9.1%)	03/29/2004	Lehman					(25,945)				57,252	
Currency Swap - Receive US\$ Pay CANS	3,824,092	12/17/2009	6.515% (7.15%)	03/30/2004	CIBC				10,000	10,218				45,849	
Currency Swap - Receive US\$ Pay CANS	5,353,728	06/02/2008	5.579% (6.2%)	03/30/2004	CIBC				14,000	14,154				55,185	
Currency Swap - Receive US\$ Pay CANS	1,912,046	06/01/2011	6.208% (6.85%)	03/30/2004	CIBC				5,000	4,246				25,742	
Currency Swap - Receive US\$ Pay CANS	4,588,910	07/09/2007	5.855% (6.5%)	03/30/2004	CIBC				12,000	12,085				41,891	
Currency Swap - Receive US\$ Pay CANS	9,697,951	06/30/2015	6.615% (7.23%)	03/30/2004	Deutsche Bank				25,360	55,011				162,640	
Currency Swap - Receive US\$ Pay CANS	18,283,748	09/02/2014	6.6625% (7.3%)	03/30/2004	Lehman				47,812	(114,293)				296,231	
Currency Swap - Receive US\$ Pay CANS	16,061,185	07/24/2012	5.6425% (6.25%)	03/30/2004	Lehman				42,000	(69,168)				231,823	
Currency Swap - Receive US\$ Pay CANS	6,883,365	08/01/2017	6.6125% (7.269%)	03/30/2004	Lehman				18,000	(42,348)				126,065	
Currency Swap - Receive US\$ Pay CANS	8,030,593	06/04/2007	6.100% (6.750%)	03/30/2004	Lehman				21,000	(29,400)				72,387	
Currency Swap - Receive US\$ Pay CANS	4,588,910	04/22/2008	4.925% (5.600%)	03/30/2004	Lehman				12,000	(14,131)				46,365	
Currency Swap - Receive US\$ Pay CANS	3,125,000	09/22/2025	8.202% (8.80%)	12/09/2003	Deutsche Bank				8,200	(13,788)				72,450	
Currency Swap - Receive US\$ Pay CANS	5,259,146	08/24/2004	7.354% (9.50%)	12/09/2003	Deutsche Bank				13,800	(25,253)				16,974	
Currency Swap - Receive US\$ Pay CANS	952,599	05/31/2010	11.00% (12.00%)	12/09/2003	Deutsche Bank				2,500	(14,912)				11,828	
Currency Swap - Receive US\$ Pay CANS	762,195	11/22/2015	11.06% (11.9%)	12/09/2003	Deutsche Bank				2,000	(8,302)				13,017	
Currency Swap - Receive US\$ Pay CANS	7,621,951	09/17/2017	6.308% (6.91%)	12/09/2003	Deutsche Bank				20,000	(35,564)				140,024	
Currency Swap - Receive US\$ Pay CANS	16,668,702	09/21/2029	6.46% (6.95%)	12/09/2003	Goldman Sachs				43,672	(31,297)				420,864	
Currency Swap - Receive US\$ Pay CANS	2,101,483	06/30/2010	6.455% (7.288%)	12/09/2003	Lehman				5,500	(34,524)				26,269	

E07

STATEMENT AS OF MARCH 31, 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

**SCHEDULE DB - PART C - SECTION 1**

Showing all Collar, Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
Currency Swap - Receive US\$ Pay CANS	5,731,316	06/01/2011	6.075% (6.85%)	12/09/2003	Lehman				15,000	(88,686)				77,160
Currency Swap - Receive US\$ Pay CANS	9,916,095	02/09/2017	7.2275% (8.01%)	12/09/2003	Merrill Lynch				26,000	(104,440)				178,191
Receive Fixed, Pay LIBOR	25,000,000	11/01/2008	7.060% (LIBOR)	08/01/2003	Deutsche Bank					2,432,370				270,031
Receive Fixed, Pay LIBOR	10,000,000	02/01/2007	6.760% (LIBOR)	08/01/2003	Deutsche Bank					1,056,312				85,391
Receive Fixed, Pay LIBOR	15,000,000	11/01/2007	6.850% (LIBOR)	08/01/2003	Deutsche Bank					1,450,534				143,614
Receive Fixed, Pay LIBOR	30,000,000	05/01/2005	6.500% (LIBOR)	08/01/2003	Deutsche Bank					4,338,007				162,019
Receive Fixed, Pay LIBOR	10,000,000	02/01/2009	7.050% (LIBOR)	08/01/2003	Swiss Re					1,020,121				110,868
Receive Fixed, Pay LIBOR	20,000,000	08/01/2009	7.070% (LIBOR)	08/01/2003	Swiss Re					1,937,600				232,737
Receive Fixed, Pay LIBOR	30,000,000	02/01/2006	6.610% (LIBOR)	08/01/2003	Swiss Re					4,261,967				207,666
Receive Fixed, Pay LIBOR	35,000,000	05/01/2006	6.660% (LIBOR)	08/01/2003	Swiss Re					4,901,745				257,593
Receive Fixed, Pay LIBOR	10,000,000	08/01/2006	6.700% (LIBOR)	08/01/2003	Swiss Re					1,373,111				77,728
Receive Fixed, Pay LIBOR	30,000,000	11/01/2006	6.730% (LIBOR)	08/01/2003	Swiss Re					4,018,520				244,949
Receive Fixed, Pay LIBOR	35,000,000	08/01/2005	6.500% (LIBOR)	08/01/2003	UBS					4,772,082				208,292
Receive Fixed, Pay LIBOR	25,000,000	11/01/2005	6.550% (LIBOR)	08/01/2003	UBS					3,329,425				161,374
0599999. Subtotal - Swaps - Hedging								XXX	(4,051,284)	31,006,755			(15,138)	8,167,129
0899999. Subtotal - Swaps								XXX	(4,051,284)	31,006,755			(15,138)	8,167,129
Forwards - Hedging Transactions														
Currency Forward - Receive US\$ Pay CANS	216,817,209	05/28/2004	1.3086 CANS/US\$	03/30/2004	Goldman Sachs				567,454	770,516				442,576
0999999. Subtotal - Forwards - Hedging								XXX	567,454	770,516				442,576
1299999. Subtotal - Forwards								XXX	567,454	770,516				442,576
2599999. Subtotal - Hedging								XXX	(3,483,830)	31,777,271			(15,138)	8,609,705
2799999. Subtotal - Other								XXX						
9999999 - Totals								XXX	(3,483,830)	31,777,271			(15,138)	8,609,705

**SCHEDULE DB - PART D - SECTION 1**

Showing all Futures Contracts and Insurance Futures Open at Current Statement Date

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
									10	11	12	
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	Recognized	Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure
<b>NONE</b>												
9999999 - Totals									XXX	XXX		

E07.1



**Footnotes:**

(A) No rates were entered in column 3 since the rate of interest varies.

(B) Reported per NAIC website instruction "Guidance for Reporting Cash Equivalents in the 2004 Quarterly Statements."