



LIFE ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2004

OF THE CONDITION AND AFFAIRS OF THE

PROVIDENT LIFE AND CASUALTY INSURANCE COMPANY

NAIC Group Code 0565 0565 NAIC Company Code 68209 Employer's ID Number 62-0506281

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

Country of Domicile United States of America

Incorporated 10/17/1951 Commenced Business 01/01/1952

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

DIRECTORS OR TRUSTEES

THOMAS ROS WATJEN FLOYD DEAN COPELAND

State of Hamilton }
County of Tennessee } 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 and Chief Executive Officer
SUSAN NANCE ROTH Vice President, Corporate Secretary and Assistant General Counsel
JOHN JOSEPH IWANICKI Vice President and Treasurer

Subscribed and sworn to before me this 9th day of August, 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 JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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	589,602,232		589,602,232	592,597,979
2. Stocks:				
2.1 Preferred stocks	53		53	53
2.2 Common stocks				
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 \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$(1,551,544)), cash equivalents (\$36,111,395) and short-term investments (\$)	34,559,851		34,559,851	601,609
6. Contract loans, (including \$ premium notes)	147,675		147,675	99,847
7. Other invested assets				
8. Receivable for securities	62,871		62,871	1,600,673
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	624,372,682		624,372,682	594,900,161
11. Investment income due and accrued	8,450,179		8,450,179	8,542,072
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection	2,966,472	130,940	2,835,532	2,905,742
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	542		542	3,607
12.3 Accrued retrospective premiums				
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers	797,598	159,128	638,470	1,237,105
13.2 Funds held by or deposited with reinsured companies				
13.3 Other amounts receivable under reinsurance contracts	256,221		256,221	196,544
14. Amounts receivable relating to uninsured plans	13,580		13,580	82,303
15.1 Current federal and foreign income tax recoverable and interest thereon	6,228,699		6,228,699	
15.2 Net deferred tax asset	23,540,061	21,666,433	1,873,628	2,097,674
16. Guaranty funds receivable or on deposit	21,990		21,990	21,410
17. Electronic data processing equipment and software				
18. Furniture and equipment, including health care delivery assets (\$)	38,219	38,219		
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivables from parent, subsidiaries and affiliates				
21. Health care (\$) and other amounts receivable	535	535		
22. Other assets nonadmitted	113,291	113,291		
23. Aggregate write-ins for other than invested assets	104,313	104,313		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	666,904,383	22,212,859	644,691,524	609,986,617
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	666,904,383	22,212,859	644,691,524	609,986,617
DETAILS OF WRITE-INS				
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. Accounts receivable for securities purchased	104,313	104,313		
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	104,313	104,313		

STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$11,195,821 less \$ included in Line 6.3 (including \$ Modco Reserve)	11,195,821	10,179,038
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)	482,431,013	494,296,051
3. Liability for deposit-type contracts (including \$ Modco Reserve)	3,064,538	3,312,523
4. Contract claims:		
4.1 Life	1,047,037	1,332,365
4.2 Accident and health	12,691,622	13,461,734
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 \$ Modco)		
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 \$1,087,755 accident and health premiums	1,087,948	1,244,133
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including \$4,049,958 accident and health experience rating refunds	4,063,552	3,677,789
9.3 Other amounts payable on reinsurance, including \$413,530 assumed and \$33,747,974 ceded	34,161,504	1,225,133
9.4 Interest Maintenance Reserve	5,565,457	5,701,641
10. Commissions to agents due or accrued-life and annuity contracts \$3,888 , accident and health \$556,548 and deposit-type contract funds \$	560,435	374,620
11. Commissions and expense allowances payable on reinsurance assumed	1,683	1,025
12. General expenses due or accrued	53,840	53,840
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	132,869	309,865
15.1 Current federal and foreign income taxes, including \$ on realized capital gains (losses)	0	1,065,733
15.2 Net deferred tax liability		
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$21,122 agents' credit balances	21,122	26,880
19. Remittances and items not allocated	694,687	1,719,649
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve		
24.2 Reinsurance in unauthorized companies		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates	1,397,312	179,392
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured accident and health plans		
24.7 Funds held under coinsurance		
24.8 Payable for securities	10,610,850	
24.9 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	192,393	404,834
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	568,973,684	538,566,246
27. From Separate Accounts Statement		
28. Total liabilities (Lines 26 and 27)	568,973,684	538,566,246
29. Common capital stock	1,800,000	1,800,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds	2,672,452	2,829,612
32. Surplus notes		
33. Gross paid in and contributed surplus	51,600,000	36,600,000
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	19,645,388	30,190,759
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)	73,917,840	69,620,371
38. Totals of Lines 29, 30 and 37	75,717,840	71,420,371
39. Totals of Lines 28 and 38	644,691,524	609,986,617
DETAILS OF WRITE-INS		
2501. Missing claimants liability	192,393	404,834
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	192,393	404,834
3101. Deferred gain on reinsurance of inforce block of business	2,672,452	2,829,612
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)	2,672,452	2,829,612
3401. Group life contingency reserve		
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 JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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	29,708,439	39,112,603	75,730,821
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	21,459,620	21,518,633	43,799,748
4. Amortization of Interest Maintenance Reserve (IMR)	136,184	88,329	214,920
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	(213,566)	980,338	2,324,317
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income	(3,282,943)	(391,424)	21,764
9. Totals (Lines 1 to 8.3)	47,807,733	61,308,479	122,091,570
10. Death benefits	543,174	1,532,231	2,423,900
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits			
13. Disability benefits and benefits under accident and health contracts	33,634,216	32,126,734	66,084,487
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts	(4,601)	49,670	160,181
16. Group conversions	0	(2,305)	10,219
17. Interest and adjustments on contract or deposit-type contract funds	19,324	32,546	78,329
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health and contracts	10,724,766	5,166,828	9,537,602
20. Totals (Lines 10 to 19)	44,916,881	38,905,704	78,294,718
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	5,456,382	5,782,057	10,865,119
22. Commissions and expense allowances on reinsurance assumed	142,406	146,549	292,294
23. General insurance expenses	9,250,891	8,679,330	17,708,333
24. Insurance taxes, licenses and fees, excluding federal income taxes	1,089,491	1,180,138	2,333,164
25. Increase in loading on deferred and uncollected premiums	198	308	54
26. Net transfers to or (from) Separate Accounts net of reinsurance			
27. Aggregate write-ins for deductions	0	251,889	252,289
28. Totals (Lines 20 to 27)	60,856,247	54,945,974	109,745,970
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(13,048,514)	6,362,505	12,345,600
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(13,048,514)	6,362,505	12,345,600
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(6,721,326)	2,303,563	3,483,355
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)	(6,327,188)	4,058,942	8,862,245
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (excluding taxes of \$ transferred to the IMR)	(6,037,650)	(4,007,623)	(12,851,854)
35. Net income (Line 33 plus Line 34)	(12,364,838)	51,319	(3,989,609)
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	71,420,371	64,694,173	64,694,172
37. Net income (Line 35)	(12,364,838)	51,319	(3,989,609)
38. Change in net unrealized capital gains (losses)	2,000,000	1,479,999	729,999
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax	(591,065)	898,624	2,793,721
41. Change in non-admitted assets and related items	410,533	(1,193,366)	(2,509,279)
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve			
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	15,000,000	10,000,000	10,000,000
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance	(157,160)	(154,244)	(298,633)
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus for the year (Lines 37 through 53)	4,297,469	11,082,332	6,726,199
55. Capital and surplus, as of statement date (Lines 36 + 54)	75,717,840	75,776,505	71,420,371
DETAILS OF WRITE-INS			
08.301. Other income (loss)	690,648	17,977	41,795
08.302. Transfers on account of group package policies	(3,973,591)	(409,402)	(20,032)
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	(3,282,943)	(391,424)	21,764
2701. Fines and penalties paid to regulatory authorities	0	251,889	252,289
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	0	251,889	252,289
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)			

STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	30,194,082	76,081,483
2. Net investment income	19,620,347	41,518,816
3. Miscellaneous income	(3,713,346)	2,155,130
4. Total (Lines 1 to 3)	46,101,083	119,755,429
5. Benefit and loss related payments	23,427,185	71,483,523
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	15,861,549	31,945,737
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) \$ (126,898) net of tax on capital gains (losses)	573,104	2,075,000
10. Total (Lines 5 through 9)	39,861,838	105,504,260
11. Net cash from operations (Line 4 minus Line 10)	6,239,245	14,251,169
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	23,626,671	162,425,093
12.2 Stocks	0	234,195
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	12,152,589	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	35,779,260	162,659,288
13. Cost of investments acquired (long-term only):		
13.1 Bonds	22,730,723	178,345,165
13.2 Stocks	0	231,292
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		1,598,650
13.7 Total investments acquired (Lines 13.1 to 13.6)	22,730,723	180,175,107
14. Net increase (or decrease) in policy loans and premium notes	47,828	(36,645)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	13,000,710	(17,479,174)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	15,000,000	10,000,000
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities	(265,500)	(798,569)
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(16,213)	(3,449,831)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	14,718,287	5,751,600
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11, plus Lines 15 and 17)	33,958,242	2,523,595
19. Cash and short-term investments:		
19.1 Beginning of year	601,609	(1,921,986)
19.2 End of period (Line 18 plus Line 19.1)	34,559,851	601,609

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	1,719,453	1,503,932	2,562,699
3. Ordinary individual annuities			
4. Credit life (group and individual)			
5. Group life insurance	930,339	1,919,007	3,685,907
6. Group annuities			
7. A & H - group	1,610,139	4,243,105	7,809,829
8. A & H - credit (group and individual)			
9. A & H - other	32,264,319	30,798,204	60,263,054
10. Aggregate of all other lines of business			
11. Subtotal	36,524,250	38,464,248	74,321,489
12. Deposit-type contracts			
13. Total	36,524,250	38,464,248	74,321,489
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

1. Contingencies

The Multidistrict Litigation - Policyholder Class Actions

On May 22, 2003, UnumProvident Corporation (UnumProvident), several of its subsidiaries, including the Provident Life and Casualty Insurance Company (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 action suits now pending against them in various federal district courts to a single district for coordinated or consolidated pre-trial proceedings. The action, discussed below, contends, among other things, that the defendants engaged in improper claims handling practices in violation of the Employee Retirement Income Security Act (ERISA) or various state laws. On September 2, 2003, the Judicial Panel on the Multidistrict Litigation entered an order transferring this case, described below, and a number of other class action suits to the U.S. District Court for the Eastern District of Tennessee for coordinated or consolidated pretrial proceedings. The lawsuits are in a very preliminary stage, the outcome is uncertain, and the Company is unable to estimate a range of reasonably possible losses. Reserves have not been established for these matters. An adverse outcome in one or more of these actions could, depending on the nature, scope, and amount of the ruling, materially adversely affect the Company's results of operations in a period.

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.

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 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 case. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation transfer 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 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.

NOTES TO FINANCIAL STATEMENTS

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, 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.

On December 22, 2003, the Tennessee Federal District Court entered an order consolidating all of the above actions other than the Taylor action 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 court has not yet ruled upon that motion.

The parties have engaged in certain limited discovery in connection with a court-ordered mediation to take place later this year, as well as certain discovery on the merits of the claims asserted in the actions.

On April 9, 2004, the plaintiffs in Taylor and in the ERISA Benefit Denial Actions separately filed motions seeking certification of a plaintiff class. The defendants opposed each of those motions. The court has not yet ruled upon the motions.

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.

Claim Litigation

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. The Company is unable to estimate a range of reasonably possible punitive losses.

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 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, the defendants answered the complaint by denying generally the allegations and asserting various defenses. On July 15, 2004, plaintiffs filed a motion seeking to certify a plaintiff class. The defendants have not yet responded to that motion. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class.

Other Claim Related Examinations and Investigations

Some of UnumProvident's insuring 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 of UnumProvident's 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. In June 2004, UnumProvident received a subpoena from the office of the New York State Attorney General requesting documents and information relating to compensation and commissions paid by UnumProvident and its subsidiaries to insurance brokers. UnumProvident is cooperating and is in the process of gathering and providing information in response to both requests.

NOTES TO FINANCIAL STATEMENTS

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 Company's claims handling and other business practices, increases in policy liabilities, reopening of closed or denied claims, changes in governance and other oversight procedures, fines, and other administrative action. Such results, singly or in combination, could injure the Company's reputation, cause negative publicity, and impair the Company's ability to sell or retain insurance policies, thereby adversely affecting the Company's business, and potentially materially adversely 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.

2. Other

Effective April 1, 2004, the Company reinsured to National Indemnity Company, a subsidiary of Berkshire Hathaway, a portion of the potential future losses that occur above a specified retention limit related to a block of its individual disability income products. The Company ceded reserves of approximately \$21.6 million and premiums of approximately \$11.8 million as a result of the initial transaction. The Company's state of domicile has approved the transaction.

All other notes to the financial statements have not changed significantly since the 2003 annual statement.

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 [X] No []
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 for 12/31/2000
- 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 []
- 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 [] No [X]

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

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

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

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 [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] 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
.....
.....

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	\$
1.12	Residential Mortgages	\$
1.13	Commercial Mortgages	\$
1.14	Total Mortgages in Good Standing	\$
1.2	Long-Term Mortgages In Good Standing with Restructured Terms	
1.21	Total Mortgages in Good Standing with Restructured Terms	\$
1.3	Long-Term Mortgage Loans Upon which Interest is Overdue more than Three Months	
1.31	Farm Mortgages	\$
1.32	Residential Mortgages	\$
1.33	Commercial Mortgages	\$
1.34	Total Mortgages with Interest Overdue more than Three Months	\$
1.4	Long-Term Mortgage Loans in Process of Foreclosure	
1.41	Farm Mortgages	\$
1.42	Residential Mortgages	\$
1.43	Commercial Mortgages	\$
1.44	Total Mortgages in Process of Foreclosure	\$
1.5	Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$
1.6	Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61	Farm Mortgages	\$
1.62	Residential Mortgages	\$
1.63	Commercial Mortgages	\$
1.64	Total Mortgages Foreclosed and Transferred to Real Estate	\$

NONE

STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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		
2. Increase (decrease) by adjustment		
3. Cost of acquired		
4. Cost of additions to and permanent improvements		
5. Total profit (loss) on sales		
6. Increase (decrease) by foreign exchange adjustment		
7. Amount received on sales		
8. Book/adjusted carrying value at end of current period		
9. Total valuation allowance		
10. Subtotal (Lines 8 plus 9)		
11. Total nonadmitted amounts		
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)		

NONE

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		
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions		
2.2. Additional investment made after acquisitions		
3. Accrual of discount		
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/adjusted carrying value of long-term invested assets at end of current period		
10. Total valuation allowance		
11. Subtotal (Lines 9 plus 10)		
12. Total nonadmitted amounts		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)		

NONE

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	592,598,032	583,887,586
2. Cost of bonds and stocks acquired	22,730,723	178,576,457
3. Accrual of discount	2,352,461	3,649,104
4. Increase (decrease) by adjustment	(4,400,150)	(1,619,851)
5. Increase (decrease) by foreign exchange adjustment		
6. Total profit (loss) on disposal	362,500	(8,214,645)
7. Consideration for bonds and stocks disposed of	23,626,671	162,659,288
8. Amortization of premium	414,609	1,021,334
9. Book value/adjusted carrying value, current period	589,602,285	592,598,032
10. Total valuation allowance		
11. Subtotal (Lines 9 plus 10)	589,602,285	592,598,032
12. Total nonadmitted amounts		
13. Statement value	589,602,285	592,598,032

STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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
BONDS								
1. Class 1	304,280,686	5,827,859	10,973,314	1,455,779	304,280,686	300,591,010		272,973,668
2. Class 2	225,296,087	10,444,600	88,147	1,518	225,296,087	235,654,058		249,268,482
3. Class 3	34,986,760		4,019,615	(1,056)	34,986,760	30,966,089		41,004,335
4. Class 4	18,376,194			(119)	18,376,194	18,376,075		23,186,344
5. Class 5	4,215,000			(4,215,000)	4,215,000			4,415,150
6. Class 6	1,750,000		3,750,000	6,015,000	1,750,000	4,015,000		1,750,000
7. Total Bonds	588,904,727	16,272,459	18,831,076	3,256,122	588,904,727	589,602,232		592,597,979
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5	53				53	53		52
13. Class 6								
14. Total Preferred Stock	53				53	53		52
15. Total Bonds and Preferred Stock	588,904,780	16,272,459	18,831,076	3,256,122	588,904,780	589,602,285		592,598,031

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		
2. Cost of short-term investments acquired		1,582,037,649
3. Increase (decrease) by adjustment		
4. Increase (decrease) by foreign exchange adjustment		
5. Total profit (loss) on disposal of short-term investments		
6. Consideration received on disposal of short-term investments		1,582,037,649
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		199,579
13. Income earned during period		199,579

Schedule DB - Part F - Section 1

N O N E

Schedule DB - Part F - Section 2

N O N E

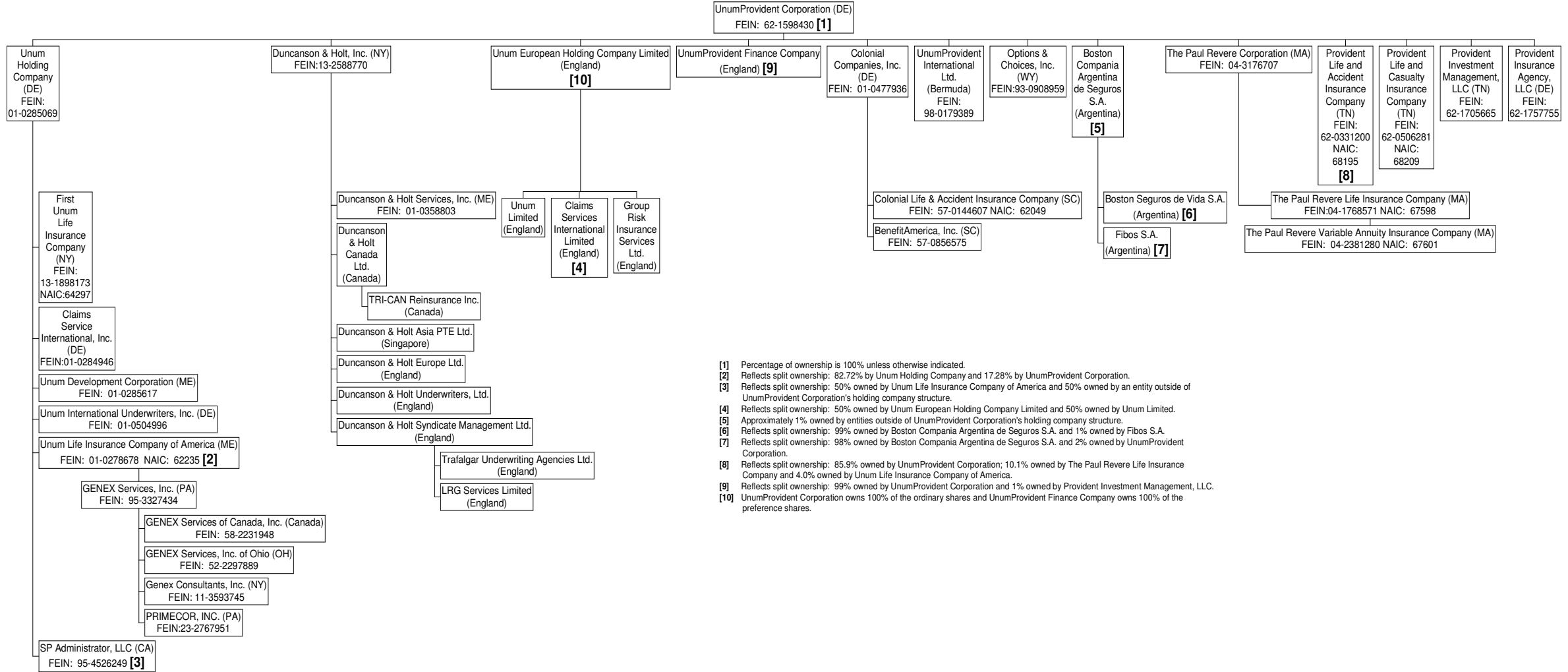
STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY INSURANCE COMPANY
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

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	No	24,958		9,388	
2. Alaska	AK	Yes	1,654		6,715	
3. Arizona	AZ	No	4,394		29,818	
4. Arkansas	AR	Yes	956		9,511	
5. California	CA	No	91,001		389,646	
6. Colorado	CO	Yes	1,500		24,882	
7. Connecticut	CT	Yes	5,350		1,079,994	
8. Delaware	DE	Yes	5,067		7,235	
9. District of Columbia	DC	Yes	1,882		34,778	
10. Florida	FL	No	34,438		288,945	
11. Georgia	GA	Yes	29,075		114,454	
12. Hawaii	HI	Yes	1,054		18,755	
13. Idaho	ID	Yes	463		1,354	
14. Illinois	IL	Yes	32,029		244,873	
15. Indiana	IN	No	939		35,700	
16. Iowa	IA	Yes	391		20,415	
17. Kansas	KS	No	7,146		16,106	
18. Kentucky	KY	Yes	1,835		16,066	
19. Louisiana	LA	Yes	2,903		25,933	
20. Maine	ME	No	626		9,283	
21. Maryland	MD	No	764		118,369	
22. Massachusetts	MA	Yes	62,428		181,888	
23. Michigan	MI	No	3,453		25,170	
24. Minnesota	MN	No	582		28,030	
25. Mississippi	MS	Yes			12,992	
26. Missouri	MO	Yes	11,065		36,908	
27. Montana	MT	No	220		7,707	
28. Nebraska	NE	Yes	372		24,956	
29. Nevada	NV	No	1,880		20,655	
30. New Hampshire	NH	Yes	715		26,434	
31. New Jersey	NJ	Yes	677,964		2,888,144	
32. New Mexico	NM	Yes	22,764		14,859	
33. New York	NY	Yes	1,035,987		26,154,446	
34. North Carolina	NC	Yes	661,523		51,317	
35. North Dakota	ND	Yes	3,198		2,593	
36. Ohio	OH	Yes	1,436		89,968	
37. Oklahoma	OK	Yes	1,102		14,375	
38. Oregon	OR	No	681		7,512	
39. Pennsylvania	PA	Yes	16,489		391,916	
40. Rhode Island	RI	Yes	8,214		17,602	
41. South Carolina	SC	Yes	3,071		24,974	
42. South Dakota	SD	Yes	93		1,727	
43. Tennessee	TN	Yes	79,887		19,217	
44. Texas	TX	No	37,291		201,224	
45. Utah	UT	No	1,205		23,381	
46. Vermont	VT	No			31,559	
47. Virginia	VA	Yes	2,738		75,610	
48. Washington	WA	Yes	17,421		37,935	
49. West Virginia	WV	No	396		13,658	
50. Wisconsin	WI	No	519		22,156	
51. Wyoming	WY	No			1,646	
52. American Samoa	AS	No				
53. Guam	GU	No				
54. Puerto Rico	PR	No			3,198	
55. U.S. Virgin Islands	VI	No			525	
56. Canada	CN	No			2,808	
57. Aggregate Other Aliens	OT	XXX			2,103	
58. Subtotal	(a) 32		2,901,118		32,961,413	
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		570		1,097,305	
94. Aggregate or other amounts not allocable by State	XXX		14,714		76,682	
95. Totals (Direct Business)	XXX		2,916,402		34,135,400	
96. Plus Reinsurance Assumed	XXX				3,802,654	
97. Totals (All Business)	XXX		2,916,402		37,938,054	
98. Less Reinsurance Ceded	XXX		906,026		9,754,348	
99. Totals (All Business) less Reinsurance Ceded	XXX		2,010,376		28,183,706	
DETAILS OF WRITE-INS						
5701.	XXX				2,103	
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				2,103	
9401. Premiums not yet applied to policy	XXX		14,714		76,682	
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		14,714		76,682	

(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**



[1] Percentage of ownership is 100% unless otherwise indicated.
 [2] Reflects split ownership: 82.72% by Unum Holding Company and 17.28% by UnumProvident Corporation.
 [3] Reflects split ownership: 50% owned by Unum Life Insurance Company of America and 50% owned by an entity outside of UnumProvident Corporation's holding company structure.
 [4] Reflects split ownership: 50% owned by Unum European Holding Company Limited and 50% owned by Unum Limited.
 [5] Approximately 1% owned by entities outside of UnumProvident Corporation's holding company structure.
 [6] Reflects split ownership: 99% owned by Boston Compania Argentina de Seguros S.A. and 1% owned by Fibos S.A.
 [7] Reflects split ownership: 98% owned by Boston Compania Argentina de Seguros S.A. and 2% owned by UnumProvident Corporation.
 [8] Reflects split ownership: 85.9% owned by UnumProvident Corporation; 10.1% owned by The Paul Revere Life Insurance Company and 4.0% owned by Unum Life Insurance Company of America.
 [9] Reflects split ownership: 99% owned by UnumProvident Corporation and 1% owned by Provident Investment Management, LLC.
 [10] UnumProvident Corporation owns 100% of the ordinary shares and UnumProvident Finance Company owns 100% of the preference shares.

STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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]

STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY INSURANCE COMPANY
OVERFLOW PAGE FOR WRITE-INS

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 JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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)
	BONDS								
	Special Revenue & Assessment United States								
3133TV-UR-5	FHLMC 2434 Z 6.500% 04/15/32		.06/01/2004	Interest Capitalization		129,497	129,497		1
31392B-WS-1	FNMA 2002-4 ZA 6.500% 02/25/32		.06/01/2004	Interest Capitalization		225,623	225,623		1
31392C-JG-0	FNMA 2002-18 ZA 6.500% 04/25/32		.06/01/2004	Interest Capitalization		147,683	147,683		1
31392C-LN-2	FNMA 2002-15 ZD 6.000% 04/25/32		.06/01/2004	Interest Capitalization		169,921	169,921		1
31392P-R6-4	FHLMC SERIES 2487 Z 5.500% 07/15/32		.06/01/2004	Interest Capitalization		537,419	537,419		1
92260M-AH-6	VA VENDEE 1996-1 Z 6.750% 02/15/26		.06/01/2004	Interest Capitalization		146,201	146,201		1
Total United States						1,356,344	1,356,344		XXX
3199999. Bonds - Special Revenues						1,356,344	1,356,344		XXX
	Industrial & Miscellaneous United States								
079860-AE-2	BELLSOUTH CORP NTS 6.550% 06/15/34		.06/22/2004	GOLDMAN SACHS		4,471,515	4,500,000		1FE
293562-AD-6	EOG RESOURCES SR NTS 6.650% 04/01/28		.06/24/2004	UBS WARBURG		10,444,600	10,000,000	166,250	2FE
Total United States						14,916,115	14,500,000	166,250	XXX
4599999. Bonds - Industrial and Miscellaneous						14,916,115	14,500,000	166,250	XXX
6099997. Total - Bonds - Part 3						16,272,459	15,856,344	166,250	XXX
6099998. Total - Bonds - Part 5									XXX
6099999. Total - Bonds						16,272,459	15,856,344	166,250	XXX
6599997. Total - Preferred Stocks - Part 3							XXX		XXX
6599998. Total - Preferred Stocks - Part 5							XXX		XXX
6599999. Total - Preferred Stocks							XXX		XXX
7299997. Total - Common Stocks - Part 3							XXX		XXX
7299998. Total - Common Stocks - Part 5							XXX		XXX
7299999. Total - Common Stocks							XXX		XXX
7399999. Total - Preferred and Common Stocks							XXX		XXX
7499999 - Totals						16,272,459	XXX	166,250	XXX

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

STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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 Special Revenue & Assessment United States																				
3133T9-UG-8	FHLMC 1956 Z CMO 7.000% 04/20/27		06/01/2004	Paydown		1,447,879	1,447,879	1,272,024	1,314,380		133,499		133,499		1,447,879				166,525	04/20/2027	1
31358H-6A-8	FNMA 91-103-K PAC 9.000% 08/25/21		06/01/2004	Paydown		270,126	270,126	261,768	266,150		3,976		3,976		270,126				13,984	08/25/2021	1
31359N-3L-3	FNMA 97-19 Z 7.000% 04/18/27		06/01/2004	Paydown		2,611,092	2,611,092	2,355,880	2,408,396		202,696		202,696		2,611,092				278,325	04/18/2027	1
31401K-PL-3	FNMA POOL 710627 5.500% 05/01/33		06/01/2004	Paydown		605,467	605,467	612,646	612,626		(7,159)		(7,159)		605,467				7,227	05/01/2033	1
Total United States						4,934,564	4,934,564	4,502,318	4,601,552		333,012		333,012		4,934,564				466,061	XXX	XXX
3199999. Bonds - Special Revenues						4,934,564	4,934,564	4,502,318	4,601,552		333,012		333,012		4,934,564				466,061	XXX	XXX
	Public Utilities (unaffiliated) United States																				
437410-AB-9	HOMER CITY FUNDING LLC SER B SR SEC BOND 8.734% 10/01/26		04/01/2004	Redemption 100.0000		2,750	2,750	2,750	2,750						2,750				120	10/01/2026	3FE
Total United States						2,750	2,750	2,750	2,750						2,750				120	XXX	XXX
3899999. Bonds - Public Utilities						2,750	2,750	2,750	2,750						2,750				120	XXX	XXX
	Industrial & Miscellaneous United States																				
161551-BW-5	CHASE FUNDING MORTGAGE LOAN 1999-4 IM1 7.733% 10/25/29		04/01/2004	Paydown		328,782	328,782	328,768	327,121		1,661		1,661		328,782				10,136	10/25/2029	1FE
161551-BX-3	CHASE FUNDING MORTGAGE LOAN 1999-4 IM2 8.276% 10/25/29		04/01/2004	Paydown		57,719	57,719	57,719	57,410		309		309		57,719				1,901	10/25/2029	1FE
161551-BY-1	CHASE FUNDING MORTGAGE LOAN 1999-4 IB 9.000% 10/25/29		04/01/2004	Paydown		99,493	99,493	98,188	98,802		691		691		99,493				3,676	10/25/2029	2FE
294830-AA-1	ERICSSON US HQ LESSOR TRUST SR SEC BNDS 8.015% 12/29/20		06/29/2004	Redemption 100.0000		16,865	16,865	16,865	16,865						16,865				564	12/29/2020	3
31331F-AE-1	FEDERAL EXPRESS PASS THROUGH ETC 7.150% 09/28/12		04/01/2004	Prior Quarter Adjustment		(73,846)	(73,846)	(75,354)	(73,846)						(73,846)				(1,320)	09/28/2012	2FE
33632*-UJ-4	FSB (CONOCOPHILLIPS) LEASING CERTIFICATES 7.950% 12/10/20		06/10/2004	Redemption 100.0000		13,127	13,127	13,127	13,127						13,127				435	12/10/2020	1

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STATEMENT AS OF JUNE 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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)	
589497-AA-4	MEREY SWEENEY, L.P. 144A SR 8.850% 12/18/19		06/18/2004	Redemption		62,500	62,500	62,500	62,500						62,500				2,766	12/18/2019	2FE	
761042-CF-5	RMT 2000-A A4 Z 6.500% 04/19/29		06/01/2004	Paydown		5,639,122	5,639,122	4,749,732	4,785,269		853,853		853,853		5,639,122				914,193	04/19/2029	1FE	
Total United States						6,143,762	6,143,762	5,251,545	5,287,248		856,514		856,514		6,143,762				932,351	XXX	XXX	
Other Country																						
458182-C@-9	TGS (Transportadora) SER B LOAN PART 10.190% 05/15/11	F	04/28/2004	DEUTSCHE BANK		4,237,500	5,000,000	3,750,000	1,750,000	2,000,000			2,000,000		3,750,000		487,500	487,500		05/15/2011	6	
65906#-AB-9	MAYFLOWER CORP SER B NTS 8.420% 12/15/10	F	04/20/2004	FIRST BOSTON		3,875,000	10,000,000	4,000,000	4,000,000						4,000,000		(125,000)	(125,000)		12/15/2010	3	
Total Other Country						8,112,500	15,000,000	7,750,000	5,750,000	2,000,000			2,000,000		7,750,000		362,500	362,500		XXX	XXX	
4599999. Bonds - Industrial and Miscellaneous						14,256,262	21,143,762	13,001,545	11,037,248	2,000,000	856,514		2,856,514		13,893,762		362,500	362,500	932,351	XXX	XXX	
6099997. Total - Bonds - Part 4						19,193,576	26,081,076	17,506,613	15,641,550	2,000,000	1,189,526		3,189,526		18,831,076		362,500	362,500	1,398,532	XXX	XXX	
6099998. Total - Bonds - Part 5																				XXX	XXX	
6099999. Total - Bonds						19,193,576	26,081,076	17,506,613	15,641,550	2,000,000	1,189,526		3,189,526		18,831,076		362,500	362,500	1,398,532	XXX	XXX	
6599997. Total - Preferred Stocks - Part 4							XXX														XXX	XXX
6599998. Total - Preferred Stocks - Part 5							XXX														XXX	XXX
6599999. Total - Preferred Stocks							XXX														XXX	XXX
7299997. Total - Common Stocks - Part 4							XXX														XXX	XXX
7299998. Total - Common Stocks - Part 5							XXX														XXX	XXX
7299999. Total - Common Stocks							XXX														XXX	XXX
7399999. Total - Preferred and Common Stocks							XXX														XXX	XXX
7499999 - Totals						19,193,576	XXX	17,506,613	15,641,550	2,000,000	1,189,526		3,189,526		18,831,076		362,500	362,500	1,398,532	XXX	XXX	

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

Schedule DB - Part A - Section 1

N O N E

Schedule DB - Part B - Section 1

N O N E

Schedule DB - Part C - Section 1

N O N E

Schedule DB - Part D - Section 1

N O N E

Footnotes:

(A) The rate of interest varies.

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