



LIFE ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

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

OFFICERS

President THOMAS ROS WATJEN Treasurer JOHN JOSEPH IWANICKI
Secretary SUSAN NANCE ROTH Appointed Actuary ALBERT ANGELO RIGGIERI, JR

VICE PRESIDENTS

ROBERT O'HARA BEST FLOYD DEAN COPELAND VICKI WRIGHT CORBETT
ROGER CARL EDGREN # JOSEPH RICHARD FOLEY ROBERT CARL GREVING
PETER CARL MADEJA KEVIN PAUL MCCARTHY

DIRECTORS OR TRUSTEES

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
5TH day of November, 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 SEPTEMBER 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 .....	588,328,042		588,328,042	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 (\$ .....(617,343) ), cash equivalents (\$ .....2,498,868 ) and short-term investments (\$ ..... ) .....	1,881,525		1,881,525	601,609
6. Contract loans, (including \$ ..... premium notes) .....	152,334		152,334	99,847
7. Other invested assets .....				
8. Receivable for securities .....	78,315		78,315	1,600,673
9. Aggregate write-ins for invested assets .....				
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	590,440,268		590,440,268	594,900,161
11. Investment income due and accrued .....	8,434,521		8,434,521	8,542,072
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection .....	3,582,564	196,885	3,385,679	2,905,742
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	2,832		2,832	3,607
12.3 Accrued retrospective premiums .....				
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers .....	825,306	183,353	641,953	1,237,105
13.2 Funds held by or deposited with reinsured companies .....				
13.3 Other amounts receivable under reinsurance contracts .....	426,319		426,319	196,544
14. Amounts receivable relating to uninsured plans .....	14,609		14,609	82,303
15.1 Current federal and foreign income tax recoverable and interest thereon .....	3,975,654		3,975,654	
15.2 Net deferred tax asset .....	24,335,370	22,328,255	2,007,115	2,097,674
16. Guaranty funds receivable or on deposit .....	21,205		21,205	21,410
17. Electronic data processing equipment and software .....				
18. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	34,878	34,878		
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 .....	13,533	13,533		
22. Other assets nonadmitted .....	111,487	111,487		
23. Aggregate write-ins for other than invested assets .....	20,969	20,969		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	632,239,513	22,889,359	609,350,154	609,986,617
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26. Total (Lines 24 and 25)	632,239,513	22,889,359	609,350,154	609,986,617
<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. Accounts receivable for securities purchased .....	20,969	20,969		
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)	20,969	20,969		

STATEMENT AS OF SEPTEMBER 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 \$ .....11,111,877 less \$ ..... included in Line 6.3 (including \$ ..... Modco Reserve) .....	11,111,877	10,179,038
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....	486,861,069	494,296,051
3. Liability for deposit-type contracts (including \$ ..... Modco Reserve).....	2,796,612	3,312,523
4. Contract claims:		
4.1 Life .....	825,246	1,332,365
4.2 Accident and health .....	13,674,700	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 \$ .....1,098,989 accident and health premiums .....	1,099,477	1,244,133
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....		
9.2 Provision for experience rating refunds, including \$ .....4,133,404 accident and health experience rating refunds .....	4,150,028	3,677,789
9.3 Other amounts payable on reinsurance, including \$ .....17 assumed and \$ .....262,992 ceded .....	263,008	1,225,133
9.4 Interest Maintenance Reserve .....	5,964,333	5,701,641
10. Commissions to agents due or accrued-life and annuity contracts \$ .....4,130 , accident and health \$ .....590,493 and deposit-type contract funds \$ .....	594,624	374,620
11. Commissions and expense allowances payable on reinsurance assumed .....	749	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 .....	127,498	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 \$ .....33,196 agents' credit balances .....	33,196	26,880
19. Remittances and items not allocated .....	439,810	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 .....	2,374,109	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 .....		
24.9 Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....	149,854	404,834
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	530,520,032	538,566,246
27. From Separate Accounts Statement .....		
28. Total liabilities (Lines 26 and 27) .....	530,520,032	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 .....	2,596,798	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) .....	22,833,324	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) .....	77,030,122	69,620,371
38. Totals of Lines 29, 30 and 37 .....	78,830,122	71,420,371
39. Totals of Lines 28 and 38 .....	609,350,154	609,986,617
<b>DETAILS OF WRITE-INS</b>		
2501. Missing claimants liability .....	149,854	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) .....	149,854	404,834
3101. Deferred gain on reinsurance of inforce block of business .....	2,596,798	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) .....	2,596,798	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 SEPTEMBER 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	50,676,677	57,901,338	75,730,821
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	33,363,026	33,701,662	43,799,748
4. Amortization of Interest Maintenance Reserve (IMR)	220,124	132,494	214,920
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	227,170	1,339,789	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	453,143	25,636	21,764
9. Totals (Lines 1 to 8.3)	84,940,140	93,100,918	122,091,570
10. Death benefits	964,680	2,227,329	2,423,900
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits			
13. Disability benefits and benefits under accident and health contracts	51,600,687	50,839,315	66,084,487
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts	64,341	130,550	160,181
16. Group conversions	0	10,219	10,219
17. Interest and adjustments on contract or deposit-type contract funds	28,261	68,084	78,329
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health and contracts	15,070,878	4,266,425	9,537,602
20. Totals (Lines 10 to 19)	67,728,847	57,541,922	78,294,718
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	8,730,451	8,358,292	10,865,119
22. Commissions and expense allowances on reinsurance assumed	214,286	221,597	292,294
23. General insurance expenses	14,028,314	12,486,515	17,708,333
24. Insurance taxes, licenses and fees, excluding federal income taxes	1,500,831	1,842,239	2,333,164
25. Increase in loading on deferred and uncollected premiums	621	839	54
26. Net transfers to or (from) Separate Accounts net of reinsurance			
27. Aggregate write-ins for deductions	512	252,289	252,289
28. Totals (Lines 20 to 27)	92,203,861	80,703,694	109,745,970
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(7,263,721)	12,397,225	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)	(7,263,721)	12,397,225	12,345,600
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(4,468,282)	3,622,190	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)	(2,795,439)	8,775,035	8,862,245
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 0 (excluding taxes of \$ (259,978) transferred to the IMR)	(5,977,672)	(4,007,622)	(12,851,854)
35. Net income (Line 33 plus Line 34)	(8,773,111)	4,767,413	(3,989,609)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year	71,420,371	64,694,173	64,694,172
37. Net income (Line 35)	(8,773,111)	4,767,413	(3,989,609)
38. Change in net unrealized capital gains (losses)	1,477,400	1,479,999	729,999
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax	204,244	526,200	2,793,721
41. Change in non-admitted assets and related items	(265,967)	(713,641)	(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	0	(24,836)	0
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	(232,814)	(229,134)	(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)	7,409,751	15,806,001	6,726,199
55. Capital and surplus, as of statement date (Lines 36 + 54)	78,830,122	80,500,174	71,420,371
<b>DETAILS OF WRITE-INS</b>			
08.301. Other income	728,378	23,458	41,795
08.302. Transfers on account of group package policies	(275,235)	2,178	(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)	453,143	25,636	21,764
2701. Fines and penalties paid to regulatory authorities	512	252,289	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)	512	252,289	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 SEPTEMBER 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY 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 .....	50,641,520	76,081,483
2. Net investment income .....	30,718,653	41,518,816
3. Miscellaneous income .....	217,725	2,155,130
4. Total (Lines 1 to 3) .....	81,577,898	119,755,429
5. Benefit and loss related payments .....	53,476,512	71,483,523
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	45,942,133	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) .....	99,991,749	105,504,260
11. Net cash from operations (Line 4 minus Line 10) .....	(18,413,852)	14,251,169
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	40,784,771	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 .....	1,609,640	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	42,394,411	162,659,288
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	37,770,338	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 .....	0	1,598,650
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	37,770,338	180,175,107
14. Net increase (or decrease) in policy loans and premium notes .....	52,487	(36,645)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	4,571,586	(17,479,174)
<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 .....	15,000,000	10,000,000
16.3 Borrowed funds .....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	(541,855)	(798,569)
16.5 Dividends to stockholders .....		
16.6 Other cash provided (applied) .....	664,037	(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) .....	15,122,182	5,751,600
<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) .....	1,279,916	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) .....	1,881,525	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 .....	2,536,088	2,242,787	2,562,699
3. Ordinary individual annuities .....			
4. Credit life (group and individual) .....			
5. Group life insurance .....	1,526,787	2,853,265	3,685,907
6. Group annuities .....			
7. A & H - group .....	3,008,004	6,001,193	7,809,829
8. A & H - credit (group and individual) .....			
9. A & H - other .....	49,620,023	45,333,274	60,263,054
10. Aggregate of all other lines of business .....			
11. Subtotal .....	56,690,902	56,430,518	74,321,489
12. Deposit-type contracts .....			
13. Total	56,690,902	56,430,518	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.

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.

## NOTES TO FINANCIAL STATEMENTS

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.

### *Examinations and Investigations*

#### Broker Compensation, Quoting Process, and Related Matters

In June 2004, UnumProvident received a subpoena from the Office of the New York Attorney General (NYAG) requesting documents and information relating to compensation agreements between insurance brokers and UnumProvident and its subsidiaries. UnumProvident has received subpoenas for additional information, including information regarding its quoting process and the placement of reinsurance coverages. UnumProvident is reviewing its compensation policies and procedures for compliance with applicable legal requirements. As announced on October 19, 2004, UnumProvident and its subsidiaries will not enter into any new broker compensation agreements until this review is completed, and UnumProvident fully supports the complete and timely disclosure of compensation paid to the broker of a customer. UnumProvident is cooperating with the NYAG's requests and is in the process of gathering and providing information in response to these requests.

On October 26, 2004, UnumProvident received a subpoena from the Office of the Attorney General of the State of Connecticut. This subpoena also requested information regarding the quoting process and information regarding compensation agreements with brokers. UnumProvident will fully cooperate with this investigation.

On October 25, 2004, UnumProvident received a letter from the Massachusetts Division of Insurance announcing its intention to conduct a limited scope market conduct examination to determine whether the allegations raised in the NYAG's complaint against Marsh & McLennan are prevalent in the Commonwealth of Massachusetts. UnumProvident will fully cooperate with the Division's conduct of this examination.

### Claim Related

UnumProvident has experienced increased market conduct examinations by state insurance departments focused specifically on its disability claims handling policies and practices. On March 19, 2003, UnumProvident consented to the entry of an order by the Georgia Insurance Commissioner that, among other things, ordered four of UnumProvident's insurance subsidiaries 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, the insurance commissioners of Maine, Massachusetts, and Tennessee, the states of domicile of UnumProvident's principal insurance subsidiaries, initiated a multistate targeted market conduct examination in September 2003 that focused on the disability claims handling policies and practices of these subsidiaries and whether they reflected unfair claim settlement practices. These three insurance commissioners have acted as the lead state regulators

## NOTES TO FINANCIAL STATEMENTS

in conducting the exam. The insurance departments of 47 other states, the District of Columbia, and American Samoa have joined as participants in the multistate exam.

While the multistate exam was in progress, other investigations of UnumProvident's claims handling practices were proceeding. UnumProvident received a letter in September 2003 from the NYAG indicating that it was reviewing the disability claims handling practices and related issues of UnumProvident and its insurance subsidiaries. UnumProvident received several subsequent requests for additional information relating to several claims handling related issues and has been providing information in response to those requests.

In a letter dated March 25, 2004, the U.S. Department of Labor (DOL) 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 has been in the process of gathering and providing information in response to several requests.

As a result of the multistate exam and the other claim-related investigations, UnumProvident has had extensive discussions beginning with the lead state regulators that were joined later by the DOL, the NYAG, and the insurance department of the State of New York, which joined because UnumProvident has two insurance companies writing disability insurance that are domesticated in New York. Discussions also included the insurance department of California, which had an examination and investigation relating in part to claims handling practices that raised issues similar to the issues raised in the multistate exam. UnumProvident's goal has been to have these regulators and agencies join a combined resolution of the claim handling issues that addresses the needs of the various constituents that have an interest in UnumProvident and affect its business. While UnumProvident acknowledges that this objective adds complexity to the process, it believes that substantial progress has been made. The discussions are ongoing, and no assurances can be given as to their outcome or the number of parties that may join a combined resolution.

While the multistate examination has been in progress, several states have chosen to pursue their own market conduct examinations and investigations, which include claim related as well as certain other state specific issues. These include California, Arizona, Minnesota and New Mexico. Although these states are also participants in the multistate examination, it is uncertain as to whether any of these states will join in any combined resolution of the claims handling matters, pursue their own examination to conclusion, or pursue a combination of joining a multistate resolution and resolving certain state specific issues separately.

These regulatory examinations and investigations could result in, among other things, changes in business practices, including broker compensation and related disclosure practices, changes in the Company's claims handling 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, adversely affect the Company's ratings, or 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 the Company's defense of various lawsuits described herein.

### *Other Litigation*

On October 20, 2004, a purported class action complaint for violations of the Racketeer Influenced and Corrupt Organizations Act (RICO), Ronald Scott Shirley v. Universal Life Resources, et al., was filed in the United States District Court for the Southern District of California. The allegations are made against Universal Life Resources, a major broker, and several major insurers, including UnumProvident, claiming there was a conspiracy to fraudulently market, sell and administer insurance products to employee benefit plans by extracting undisclosed compensation and fees from the employers sponsoring the plans and from the participants of those plans. The Company will vigorously defend the litigation.

### *Gain Contingencies*

During the third quarter of 2004, the U.S. District Court for the Eastern District of Tennessee granted the Company's affiliate, Provident Life and Accident Insurance Company (PLA), request for a refund of the 1984 federal income tax, plus interest, from PLA's inclusion of the decrease of certain reserves in taxable income and denied a counterclaim filed by the government. The government has appealed the case to the Sixth Circuit Court of Appeals, and the outcome of the appeal remains uncertain. If PLA ultimately prevails in the litigation, the Company will be entitled to a refund of tax plus interest for all tax years subsequent to tax year 1989 in which the Internal Revenue Service (IRS) has taken an inconsistent position in a tax examination with respect to the issue involved and for which the Company has paid tax and interest based on the IRS' inconsistent position. The Company currently estimates that a favorable outcome could result in a refund of tax plus interest of approximately \$2 million for amounts paid by the Company through September 30, 2004. The actual refund, if any, may be different depending on amounts paid subsequent to September 30, 2004, but prior to the ultimate settlement.

## **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 transferred assets of approximately \$33.3 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 2004 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 [ 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 [ ] 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 Amount
1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:	
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

**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 .....	37,770,338	178,576,457
3. Accrual of discount .....	3,378,089	3,649,104
4. Increase (decrease) by adjustment .....	(5,122,750)	(1,619,851)
5. Increase (decrease) by foreign exchange adjustment .....		
6. Total profit (loss) on disposal .....	1,105,295	(8,214,645)
7. Consideration for bonds and stocks disposed of .....	40,784,771	162,659,288
8. Amortization of premium .....	616,138	1,021,334
9. Book value/adjusted carrying value, current period .....	588,328,095	592,598,032
10. Total valuation allowance .....		
11. Subtotal (Lines 9 plus 10) .....	588,328,095	592,598,032
12. Total nonadmitted amounts .....		
13. Statement value .....	588,328,095	592,598,032

STATEMENT AS OF SEPTEMBER 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 .....	300,591,010	6,377,025	4,199,500	5,524,099	304,280,686	300,591,010	308,292,634	272,973,668
2. Class 2 .....	235,654,058	8,662,590	7,201,350	(4,698,638)	225,296,087	235,654,058	232,416,660	249,268,482
3. Class 3 .....	30,966,089		5,014,455	(5,995,120)	34,986,760	30,966,089	19,956,514	41,004,335
4. Class 4 .....	18,376,075			4,977,322	18,376,194	18,376,075	23,353,397	23,186,344
5. Class 5 .....				1,016,437	4,215,000		1,016,437	4,415,150
6. Class 6 .....	4,015,000			(722,600)	1,750,000	4,015,000	3,292,400	1,750,000
7. Total Bonds	589,602,232	15,039,615	16,415,305	101,500	588,904,727	589,602,232	588,328,042	592,597,979
PREFERRED STOCK								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....	53				53	53	53	52
13. Class 6 .....								
14. Total Preferred Stock	53				53	53	53	52
15. Total Bonds and Preferred Stock	589,602,285	15,039,615	16,415,305	101,500	588,904,780	589,602,285	588,328,095	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	2
	Year to Date	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 SEPTEMBER 30, 2004 OF THE PROVIDENT LIFE AND CASUALTY INSURANCE COMPANY  
**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

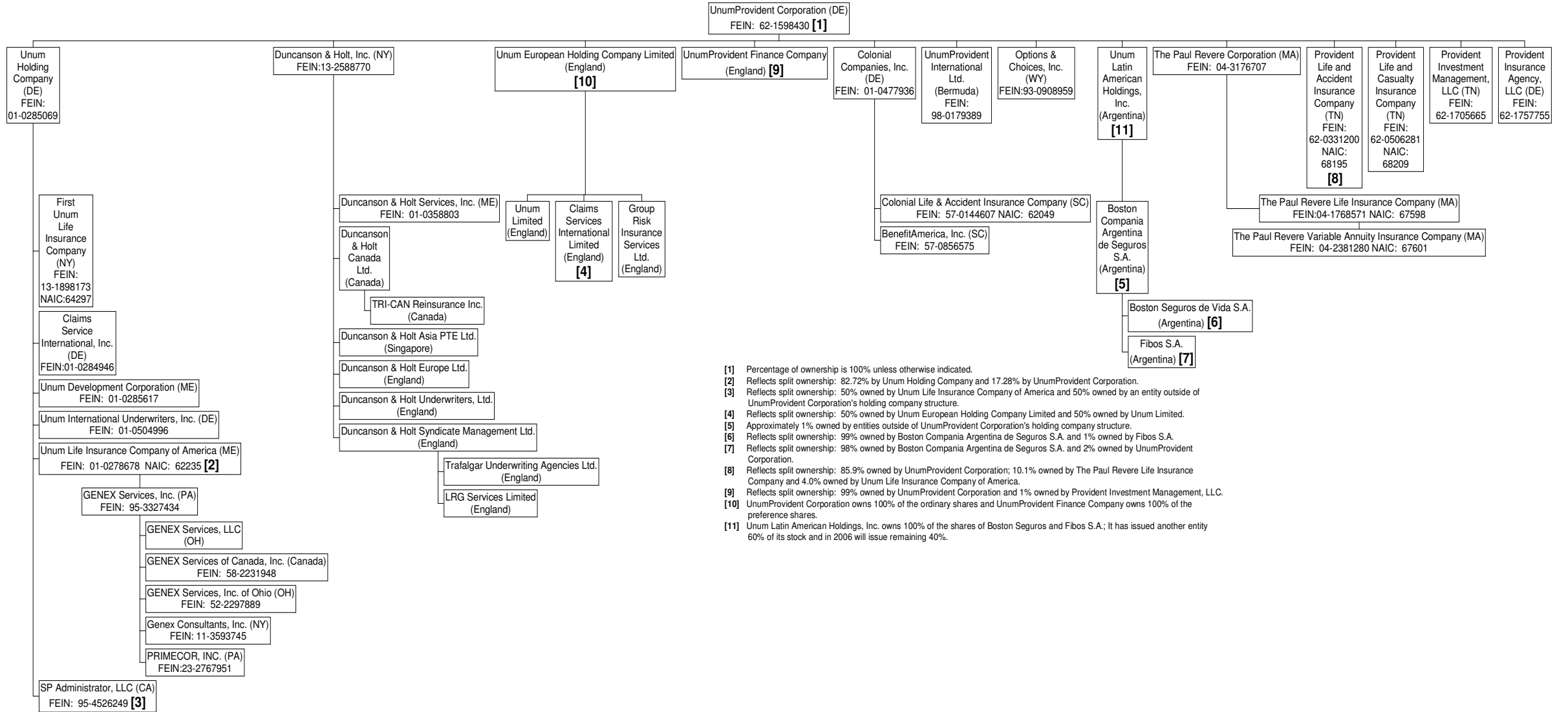
Current Year To Date - Allocated by States and Territories

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		18,000	
2. Alaska	AK	Yes	2,480		9,726	
3. Arizona	AZ	No	4,431		50,303	
4. Arkansas	AR	Yes	1,158		13,936	
5. California	CA	No	163,232		722,130	
6. Colorado	CO	Yes	46		43,505	
7. Connecticut	CT	Yes	33,332		1,679,522	
8. Delaware	DE	Yes			20,264	
9. District of Columbia	DC	Yes	2,061		52,067	
10. Florida	FL	No	63,116		489,035	
11. Georgia	GA	Yes	37,827		197,450	
12. Hawaii	HI	Yes	943		30,847	
13. Idaho	ID	Yes	695		1,682	
14. Illinois	IL	Yes	49,504		431,803	
15. Indiana	IN	No	1,053		53,572	
16. Iowa	IA	Yes	400		30,197	
17. Kansas	KS	No	9,001		26,202	
18. Kentucky	KY	Yes	3,197		26,886	
19. Louisiana	LA	Yes	8,854		40,112	
20. Maine	ME	No	635		14,116	
21. Maryland	MD	No	5,749		196,804	
22. Massachusetts	MA	Yes	70,214		325,058	
23. Michigan	MI	No	3,450		44,331	
24. Minnesota	MN	No	578		46,400	
25. Mississippi	MS	Yes	260		23,797	
26. Missouri	MO	Yes	11,580		62,662	
27. Montana	MT	No			10,363	
28. Nebraska	NE	Yes	572		35,044	
29. Nevada	NV	No	2,851		32,305	
30. New Hampshire	NH	Yes	5,847		44,508	
31. New Jersey	NJ	Yes	768,774		4,407,187	
32. New Mexico	NM	Yes	372		25,260	
33. New York	NY	Yes	2,754,172		39,891,705	
34. North Carolina	NC	Yes	7,091		76,302	
35. North Dakota	ND	Yes			5,492	
36. Ohio	OH	Yes	13,919		153,674	
37. Oklahoma	OK	Yes	1,681		23,007	
38. Oregon	OR	No	5,106		15,661	
39. Pennsylvania	PA	Yes	33,260		633,683	
40. Rhode Island	RI	Yes	3,385		26,812	
41. South Carolina	SC	Yes	3,988		23,762	
42. South Dakota	SD	Yes			2,575	
43. Tennessee	TN	Yes	80,994		38,684	
44. Texas	TX	No	66,287		314,073	
45. Utah	UT	No	308		39,929	
46. Vermont	VT	No	156		44,496	
47. Virginia	VA	Yes	19,898		131,469	
48. Washington	WA	Yes	24,629		64,732	
49. West Virginia	WV	No	293		19,160	
50. Wisconsin	WI	No	607		38,300	
51. Wyoming	WY	No			2,451	
52. American Samoa	AS	No				
53. Guam	GU	No				
54. Puerto Rico	PR	No			3,994	
55. U.S. Virgin Islands	VI	No			496	
56. Canada	CN	No			14,664	
57. Aggregate Other Aliens	OT	XXX			1,889	
58. Subtotal	(a) 32		4,292,944		50,772,086	
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		1,692		1,599,721	
94. Aggregate or other amounts not allocable by State	XXX		(12,863)		12,863	
95. Totals (Direct Business)	XXX		4,281,773		52,384,670	
96. Plus Reinsurance Assumed	XXX				5,724,406	
97. Totals (All Business)	XXX		4,281,773		58,109,075	
98. Less Reinsurance Ceded	XXX		1,338,183		10,411,146	
99. Totals (All Business) less Reinsurance Ceded	XXX		2,943,591		47,697,929	
DETAILS OF WRITE-INS						
5701. Other Alien	XXX				1,889	
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				1,889	
9401. Premiums not yet applied to policy	XXX		(12,863)		12,863	
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		(12,863)		12,863	

(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.
- [11] Unum Latin American Holdings, Inc. owns 100% of the shares of Boston Seguros and Fibos S.A.; It has issued another entity 60% of its stock and in 2006 will issue remaining 40%.

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

STATEMENT AS OF SEPTEMBER 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]

**OVERFLOW PAGE FOR WRITE-INS**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 1

**NONE**

Schedule B - Part 2

**NONE**

Schedule BA - Part 1

**NONE**

Schedule BA - Part 2

**NONE**

STATEMENT AS OF SEPTEMBER 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		.09/01/2004	Interest Capitalization		131,613	131,613		1
31392B-WS-1	FNMA 2002-4 ZA 6.500% 02/25/32		.09/01/2004	Interest Capitalization		229,309	229,309		1
31392C-JG-0	FNMA 2002-18 ZA 6.500% 04/25/32		.09/01/2004	Interest Capitalization		150,096	150,096		1
31392C-LN-2	FNMA 2002-15 ZD 6.000% 04/25/32		.09/01/2004	Interest Capitalization		172,482	172,482		1
31392P-R6-4	FHLMC SERIES 2487 Z 5.500% 07/15/32		.09/01/2004	Interest Capitalization		544,842	544,842		1
92260M-AH-6	VA VENDEE 1996-1 Z 6.750% 02/15/26		.09/01/2004	Interest Capitalization		148,683	148,683		1
Total United States						1,377,025	1,377,025		XXX
3199999. Bonds - Special Revenues						1,377,025	1,377,025		XXX
	Public Utilities (unaffiliated) United States								
001192-AD-5	AGL CAPITAL CORPORATION BND 6.000% 10/01/34		.09/22/2004	WACHOVIA		4,990,950	5,000,000		2FE
172070-CP-7	CINCINNATI GAS AND ELEC BDS 5.400% 06/15/33		.09/08/2004	UBS SECURITIES		3,671,640	4,000,000	52,800	2FE
Total United States						8,662,590	9,000,000	52,800	XXX
3899999. Bonds - Public Utilities						8,662,590	9,000,000	52,800	XXX
	Industrial & Miscellaneous Other Country								
N4345#-AD-9	IBERDROLA INTERNATIONAL B.V. SER D SR NT 5.920% 08/19/19	F	.08/19/2004	ROYAL BANK OF SCOTLAND		5,000,000	5,000,000		1Z
Total Other Country						5,000,000	5,000,000		XXX
4599999. Bonds - Industrial and Miscellaneous						5,000,000	5,000,000		XXX
6099997. Total - Bonds - Part 3						15,039,615	15,377,025	52,800	XXX
6099998. Total - Bonds - Part 5									XXX
6099999. Total - Bonds						15,039,615	15,377,025	52,800	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						15,039,615	XXX	52,800	XXX

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

STATEMENT AS OF SEPTEMBER 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		09/01/2004	Paydown		901,040	901,040	791,603	817,961		83,079		83,079		901,040				36,105	04/20/2027	1
31358H-6A-8	FNMA 91-103-K PAC 9.000% 08/25/21		09/01/2004	Paydown		201,153	201,153	194,930	198,192		2,960		2,960		201,152				11,973	08/25/2021	1
31359N-3L-3	FNMA 97-19 Z 7.000% 04/18/27		09/01/2004	Paydown		1,822,173	1,822,173	1,644,071	1,680,720		141,453		141,453		1,822,173				83,964	04/18/2027	1
31401K-PL-3	FNMA POOL 710627 5.500% 05/01/33		09/01/2004	Paydown		387,049	387,049	391,638	391,625		(4,576)		(4,576)		387,049				14,037	05/01/2033	1
Total United States						3,311,415	3,311,415	3,022,242	3,088,498		222,916		222,916		3,311,414				146,079	XXX	XXX
3199999. Bonds - Special Revenues						3,311,415	3,311,415	3,022,242	3,088,498		222,916		222,916		3,311,414				146,079	XXX	XXX
	Public Utilities (unaffiliated)  United States																				
437410-AB-9	HOMER CITY FUNDING LLC SER B SR SEC BOND 8.734% 10/01/26		09/01/2004	CREDIT SUISSE/FIRST BOSTON		5,534,454	4,997,250	4,997,250	4,997,250						4,997,250		537,205	537,205	407,363	10/01/2026	3FE
Total United States						5,534,454	4,997,250	4,997,250	4,997,250						4,997,250		537,205	537,205	407,363	XXX	XXX
3899999. Bonds - Public Utilities						5,534,454	4,997,250	4,997,250	4,997,250						4,997,250		537,205	537,205	407,363	XXX	XXX
	Industrial & Miscellaneous  United States																				
294838-AA-1	ERICSSON US HQ LESSOR TRUST SR SEC BND 8.015% 12/29/20		09/29/2004	Redemption 100.0000		17,205	17,205	17,205	17,205						17,205				920	12/29/2020	3
33632*-UJ-4	FSB (CONOCOPHILLIPS) LEASING CERTIFICATES 7.950% 12/10/20		09/10/2004	Redemption 100.0000		13,389	13,389	13,389	13,389						13,389				710	12/10/2020	1
460146-AS-2	INTERNATIONAL PAPER DEBS 8.125% 06/15/24 RMT 2000-A A4 Z		07/20/2004	Call 103.7740		5,188,700	5,000,000	4,971,100	4,974,378		214,322		214,322		5,188,700				242,622	06/15/2024	2
761042-CF-5	6.500% 04/19/29 SUN CO DEBS 9.375% 06/01/16		08/01/2004	Paydown		874,697	874,697	736,743	742,255		132,442		132,442		874,697				19,248	04/19/2029	1FE
866762-AE-7			09/28/2004	TENDER OFFER		2,218,240	2,000,000	2,066,680	2,017,691		(5,041)		(5,041)		2,012,650		205,590	205,590	154,686	06/01/2016	2FE
Total United States						8,312,231	7,905,291	7,805,117	7,764,918		341,723		341,723		8,106,641		205,590	205,590	418,186	XXX	XXX
4599999. Bonds - Industrial and Miscellaneous						8,312,231	7,905,291	7,805,117	7,764,918		341,723		341,723		8,106,641		205,590	205,590	418,186	XXX	XXX
6099997. Total - Bonds - Part 4						17,158,100	16,213,956	15,824,609	15,850,666		564,639		564,639		16,415,305		742,795	742,795	971,628	XXX	XXX
6099998. Total - Bonds - Part 5																				XXX	XXX
6099999. Total - Bonds						17,158,100	16,213,956	15,824,609	15,850,666		564,639		564,639		16,415,305		742,795	742,795	971,628	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

E05

STATEMENT AS OF SEPTEMBER 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 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								
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						17,158,100	XXX	15,824,609	15,850,666			564,639		564,639		16,415,305		742,795	742,795	971,628	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) Reported per NAIC website instruction "Guidance for Reporting Cash Equivalents in the 2004 Quarterly Statements."