



LIFE ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2004
OF THE CONDITION AND AFFAIRS OF THE

PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

NAIC Group Code	0565	0565	NAIC Company Code	68195	Employer's ID Number	62-0331200
	(Current)	(Prior)				
Organized under the Laws of	TENNESSEE			State of Domicile or Port of Entry		
Country of Domicile	United States of America			TENNESSEE		
Incorporated	05/24/1887			Commenced Business		
Statutory Home Office	1 FOUNTAIN SQUARE			CHATTANOOGA , TN 37402-1330		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	1 FOUNTAIN SQUARE					
	(Street and Number)					
	CHATTANOOGA , TN 37402-1330			423-294-1011		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Mail Address	1 FOUNTAIN SQUARE			CHATTANOOGA , TN 37402-1330		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	1 FOUNTAIN SQUARE					
	(Street and Number)					
	CHATTANOOGA , TN 37402-1330			423-294-4947		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Internet Website Address	www.unumprovident.com					
Statutory Statement Contact	JAMES PETER KALLAS			423-294-4947		
	(Name)			(Area Code) (Telephone Number)		
	JKallas@unumprovident.com			423-294-3468		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	1 FOUNTAIN SQUARE					
	(Street and Number)					
	CHATTANOOGA , TN 37402-1330			866-410-4012		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		

OFFICERS

President and Chief Executive Officer,	THOMAS ROS WATJEN	Vice President and Treasurer,	JOHN JOSEPH IWANICKI
Vice President, Corporate Secretary and Assistant General Counsel,	SUSAN NANCE ROTH	Senior Vice President and Chief Actuary,	ROGER LUC MARTIN

OTHER OFFICERS

Executive Vice President-The Client Services Center and Chief Information Officer ,	ROBERT O'HARA BEST	Senior Executive Vice President, General Counsel and Chief Administrative Officer ,	FLOYD DEAN COPELAND
Vice President and Controller ,	VICKI WRIGHT CORBETT	Executive Vice President-Field Sales ,	ROGER CARL EDGREN #
Senior Vice President-Market Development and Communications ,	JOSEPH RICHARD FOLEY	Executive Vice President and Chief Financial Officer ,	ROBERT CARL GREVING
Executive Vice President-The Benefits Center ,	PETER CARL MADEJA	Executive Vice President-Underwriting ,	KEVIN PAUL MCCARTHY
Vice President- Corporate Planning and Appointed Actuary ,	ALBERT ANGELO RIGGIERI		

DIRECTORS OR TRUSTEES

ROBERT O'HARA BEST #	FLOYD DEAN COPELAND	ROBERT CARL GREVING #
KEVIN PAUL MCCARTHY #	THOMAS ROS WATJEN	

State of Tennessee SS:
County of Hamilton

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
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Subscribed and sworn to before me this
18th day of February, 2005

- 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 January 7, 2009.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	7,119,981,986		7,119,981,986	8,318,417,291
2. Stocks (Schedule D):				
2.1 Preferred stocks	101,432,686		101,432,686	136,820,333
2.2 Common stocks	99,914		99,914	7,720,643
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	47,991,632		47,991,632	48,586,720
4.2 Properties held for the production of income (less \$ 0 encumbrances)	8,416,213		8,416,213	8,648,882
4.3 Properties held for sale (less \$ 0 encumbrances)	6,528,294		6,528,294	6,528,294
5. Cash (\$ 4,871,202 , Schedule E - Part 1), cash equivalents (\$ 60,656,803 , Schedule E - Part 2) and short-term investments (\$ 0 , Schedule DA)	65,528,005		65,528,005	16,366,907
6. Contract loans (including \$ 0 premium notes)	70,235,727		70,235,727	67,737,148
7. Other invested assets (Schedule BA)	14,244,646		14,244,646	13,880,824
8. Receivable for securities	544,593		544,593	4,085,877
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	7,435,003,695		7,435,003,695	8,628,792,920
11. Investment income due and accrued	118,146,724		118,146,724	133,850,036
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection	30,623,967	2,534,549	28,089,419	44,806,736
12.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	28,728,591		28,728,591	22,071,626
12.3 Accrued retrospective premiums	89,989	89,989	0	89,989
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers	19,880,903	1,985,162	17,895,741	15,698,888
13.2 Funds held by or deposited with reinsured companies				
13.3 Other amounts receivable under reinsurance contracts	9,101,328	455,670	8,645,659	6,568,882
14. Amounts receivable relating to uninsured plans	1,876,101		1,876,101	3,698,469
15.1 Current federal and foreign income tax recoverable and interest thereon	12,155,743		12,155,743	12,648,545
15.2 Net deferred tax asset	299,471,927	232,308,605	67,163,322	76,635,014
16. Guaranty funds receivable or on deposit	4,067,170		4,067,170	4,548,508
17. Electronic data processing equipment and software			0	443,109
18. Furniture and equipment, including health care delivery assets (\$ 0)	5,915,434	5,915,434	0	0
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivables from parent, subsidiaries and affiliates				
21. Health care (\$ 0) and other amounts receivable	22,046,707	22,046,707	0	0
22. Other assets nonadmitted	2,159,652	2,159,652		
23. Aggregate write-ins for other than invested assets	131,294,777	2,477,282	128,817,494	125,815,580
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	8,120,562,709	269,973,050	7,850,589,659	9,075,668,304
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	8,120,562,709	269,973,050	7,850,589,659	9,075,668,304
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. Corporate owned life insurance	128,647,163		128,647,163	123,369,941
2302. Other miscellaneous assets	170,332		170,332	2,445,639
2303. Prepaid expenses	2,472,595	2,472,595	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	4,688	4,688	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	131,294,777	2,477,282	128,817,494	125,815,580

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 1,739,528,120 (Exh. 5, Line 9999999) less \$ 0 included in Line 6.3 (including \$ 0 Modco Reserve)	1,739,528,120	1,721,148,806
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1) (including \$ 817,100 Modco Reserve)	4,140,203,473	5,577,134,084
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ 0 Modco Reserve)	65,531,122	76,635,546
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	34,899,081	51,922,423
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	88,589,814	159,296,683
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment to (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ 0 Modco)	0	41,634
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ 0 discount; including \$ 15,523,112 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	16,164,017	17,936,660
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including \$ 21,525,055 accident and health experience rating refunds	59,898,832	62,048,931
9.3 Other amounts payable on reinsurance including \$ 1,417,939 assumed and \$ 10,784,526 ceded	12,202,465	8,438,013
9.4 Interest maintenance reserve (IMR, Line 6)	87,904,956	83,085,184
10. Commissions to agents due or accrued-life and annuity contracts \$ 4,962,848 accident and health \$ 4,940,897 and deposit-type contract funds \$ 0	9,903,745	17,096,050
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	7,528,002	3,123,693
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	8,192,426	15,471,302
15.1 Current federal and foreign income taxes including \$ on realized capital gains (losses)		
15.2 Net deferred tax liability		
16. Unearned investment income	0	1,715
17. Amounts withheld or retained by company as agent or trustee	59,987	949,034
18. Amounts held for agents' account, including \$ 366,327 agents' credit balances	366,327	698,415
19. Remittances and items not allocated	9,027,272	6,168,375
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above	0	1,478,867
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (AVR, Line 16, Col. 7)	35,460,598	28,515,893
24.2 Reinsurance in unauthorized companies	19,902	1,611,983
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates	20,916,032	21,731,571
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured accident and health plans	431,777	431,777
24.7 Funds held under coinsurance		
24.8 Payable for securities	0	305,099
24.9 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	94,204,713	59,092,002
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	6,431,032,660	7,914,363,739
27. From Separate Accounts Statement		
28. Total Liabilities (Lines 26 and 27)	6,431,032,660	7,914,363,739
29. Common capital stock	43,501,205	43,501,205
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds	265,700,363	304,584,536
32. Surplus notes	150,000,000	150,000,000
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	548,208,526	548,208,526
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	412,146,904	115,010,298
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$		
36.2 shares preferred (value included in Line 30 \$		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ 0 in Separate Accounts Statement)	1,376,055,794	1,117,803,359
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	1,419,556,999	1,161,304,564
39. Totals of Lines 28 and 38 (Page 2, Line 26, Col. 3)	7,850,589,659	9,075,668,304
DETAILS OF WRITE-INS		
2501. Schedule DB Liability	40,332,544	5,313,783
2502. Pensioner life reserve	32,283,655	35,514,400
2503. Group survivor income benefit reserve	8,853,213	9,492,673
2598. Summary of remaining write-ins for Line 25 from overflow page	12,735,301	8,771,146
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	94,204,713	59,092,002
3101. Deferred gains on reinsurance of inforce blocks of business	265,700,363	304,584,536
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	265,700,363	304,584,536
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	1,091,931,780	1,351,700,770
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	596,405,286	682,912,248
4. Amortization of interest maintenance reserve (IMR) (Line 5)	8,212,972	8,881,320
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	45,790,867	59,609,940
7. Reserve adjustments on reinsurance ceded	832,034	11,796
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	335,825,108	20,161,857
9. Total (Lines 1 to 8.3)	2,078,998,048	2,123,277,931
10. Death benefits	147,075,089	171,708,281
11. Matured endowments (excluding guaranteed annual pure endowments)	0	1,618
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	90,653,391	91,921,366
13. Disability benefits and benefits under accident and health contracts	729,950,762	858,539,903
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts	35,915,756	33,369,062
16. Group conversions	1,532,163	993,255
17. Interest and adjustments on contract or deposit-type contract funds	2,581,254	3,528,247
18. Payments on supplementary contracts with life contingencies	160,575	224,291
19. Increase in aggregate reserves for life and accident and health contracts	204,970,528	297,117,206
20. Totals (Lines 10 to 19)	1,212,839,517	1,457,403,230
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	199,873,668	236,763,534
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	730,763	729,333
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	251,070,018	272,950,315
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	28,131,360	35,988,582
25. Increase in loading on deferred and uncollected premiums	7,189,552	6,179,407
26. Net transfers to or (from) Separate Accounts net of reinsurance		
27. Aggregate write-ins for deductions	4,567,264	(3,064,660)
28. Totals (Lines 20 to 27)	1,704,402,143	2,006,949,742
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	374,595,905	116,328,190
30. Dividends to policyholders	668	30,703
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	374,595,237	116,297,487
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	10,574,449	42,378,021
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	364,020,788	73,919,466
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 57,806,121 (excluding taxes of \$(72,879,803) transferred to the IMR)	(34,151,134)	(56,887,509)
35. Net income (Line 33 plus Line 34)	329,869,654	17,031,957
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	1,161,304,564	927,276,255
37. Net income (Line 35)	329,869,654	17,031,957
38. Change in net unrealized capital gains (losses)	7,378,688	32,076,735
39. Change in net unrealized foreign exchange capital gain (loss)	31,885,926	23,287,329
40. Change in net deferred income tax	(56,381,910)	18,439,514
41. Change in nonadmitted assets and related items	59,736,872	(18,245,634)
42. Change in liability for reinsurance in unauthorized companies	1,592,081	(165,496)
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exh. 5A, Line 9999999, Col. 4)		
44. Change in asset valuation reserve	(6,944,705)	(20,165,964)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts Statement		
48. Change in surplus notes		
49. Cumulative effect of changes in accounting principles		
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in	0	231,120,790
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance	(38,884,172)	(29,613,473)
52. Dividends to stockholders	(70,000,000)	(10,000,000)
53. Aggregate write-ins for gains and losses in surplus	0	(9,737,450)
54. Net change in capital and surplus for the year (Lines 37 through 53)	258,252,435	234,028,310
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	1,419,556,999	1,161,304,564
DETAILS OF WRITE-INS		
08.301. Other income related to sale of Canadian operation	176,400,367	0
08.302. Adjustment for liability gains and losses released from the IMR	122,210,066	0
08.303. Surrender charges	16,665,497	12,432,474
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	20,549,178	7,729,383
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	335,825,108	20,161,857
2701. Fines and penalties to regulatory authorities	5,421,467	166,850
2702. Net adjustments for modco reinsurance assumed	3,015,897	0
2703. Change in group life survivor income benefit reserve	(639,355)	(769,801)
2798. Summary of remaining write-ins for Line 27 from overflow page	(3,230,746)	(2,461,709)
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	4,567,264	(3,064,660)
5301. Interest on surplus notes	0	(8,112,450)
5302. Prior year adjustment for other than temporary bond impairment	0	(1,625,000)
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	0	(9,737,450)

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	1,086,407,869	1,339,933,439
2. Net investment income	527,075,479	591,936,163
3. Miscellaneous income	205,249,362	49,181,328
4. Total (Lines 1 through 3)	1,818,732,711	1,981,050,930
5. Benefit and loss related payments	1,021,573,932	1,199,339,804
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	792,746,788	549,862,548
8. Dividends paid to policyholders	8,951	30,703
9. Federal and foreign income taxes paid (recovered) \$ 42,629,891 net of tax on capital gains (losses)	62,049,792	1,163,539
10. Total (Lines 5 through 9)	1,876,379,463	1,750,396,593
11. Net cash from operations (Line 4 minus Line 10)	(57,646,752)	230,654,337
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	2,269,315,146	1,595,306,288
12.2 Stocks	38,936,615	144,316,228
12.3 Mortgage loans		
12.4 Real estate	561,563	7,085,985
12.5 Other invested assets	10,439,687	3,377,779
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(41,637)	102,439
12.7 Miscellaneous proceeds	5,560,364	6,171,461
12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,324,771,738	1,756,360,181
13. Cost of investments acquired (long-term only):		
13.1 Bonds	818,453,177	1,879,601,450
13.2 Stocks	2,255,810	143,605,834
13.3 Mortgage loans		
13.4 Real estate	2,407,735	8,871,682
13.5 Other invested assets	1,047,383	1,436,793
13.6 Miscellaneous applications	18,754,846	3,328,832
13.7 Total investments acquired (Lines 13.1 to 13.6)	842,918,951	2,036,844,591
14. Net increase (decrease) in policy loans and premium notes	2,498,579	1,209,166
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	1,479,354,207	(281,693,577)
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	0	111,910,049
16.3 Borrowed funds	0	(235,000,000)
16.4 Net deposits on deposit-type contracts and other insurance liabilities	(12,546,930)	(11,388,351)
16.5 Dividends to stockholders	70,000,000	10,000,000
16.6 Other cash provided (applied)	(1,289,999,426)	213,039,338
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(1,372,546,356)	68,561,037
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11, plus Lines 15 and 17)	49,161,100	17,521,796
19. Cash and short-term investments:		
19.1 Beginning of year	16,366,906	(1,154,890)
19.2 End of year (Line 18 plus Line 19.1)	65,528,005	16,366,907

Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001: Bonds and stocks sold in business disposition	934,260,691	0
20.0002: Bond Principal Accrued on Z tranche CMO securities	32,997,214	59,306,677
20.0003:		

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

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

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	1,091,931,780		187,576,432			1,411	103,323,354		116,261,894		684,768,690	
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	596,405,286		41,649,356	212,060	6,089,292		28,115,841	86,771,826	19,680,822		413,886,088	
4. Amortization of Interest Maintenance Reserve (IMR)	8,212,972		573,545	2,920	83,854		387,177	1,194,917	271,020		5,699,538	
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	45,790,867		31,639,697	72,642			3,348,764	1,257	7,396,745		3,331,762	
7. Reserve adjustments on reinsurance ceded	832,034		14,934								817,100	
8. Miscellaneous Income:												
8.1 Fees associated with income from 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	335,825,108		16,071,033	32,629	(29,904)		1,813,411	509	69,742,419		248,195,010	
9. Totals (Lines 1 to 8.3)	2,078,998,048		277,524,998	320,251	6,143,242	1,411	136,988,548	87,968,510	213,352,900		1,356,698,188	
10. Death benefits	147,075,089		45,706,983			4,133	101,363,974					
11. Matured endowments (excluding guaranteed annual pure endowments)	0		0				0					
12. Annuity benefits	90,653,391			186,570				90,466,820				
13. Disability benefits and benefits under accident and health contracts	729,950,762		1,399,019				944,084		84,903,023		642,704,637	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	35,915,756		35,655,326				260,430					
16. Group conversions	1,532,163		(32,456)				1,806,063		(241,444)			
17. Interest and adjustments on contract or deposit-type contract funds	2,581,254		326,522		651,165		50,862	1,517,195	50,725		(15,216)	
18. Payments on supplementary contracts with life contingencies					160,575							
19. Increase in aggregate reserves for life and accident and health contracts	204,970,528		54,892,111	(114,041)	(218,144)		(7,912,847)	(20,163,754)	10,797,877		167,689,327	
20. Totals (Lines 10 to 19)	1,212,839,517		137,947,504	72,529	593,597	4,133	96,512,565	71,820,261	95,510,180		810,378,748	
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	199,873,668		48,914,453	72,642			6,496,375	1,257	11,842,603		132,546,338	
22. Commissions and expense allowances on reinsurance assumed	730,763		22,475				20,616		7,821		679,852	
23. General insurance expenses	251,070,018		32,330,270	1,737	10,852		9,135,696	398,816	23,276,240		185,916,406	
24. Insurance taxes, licenses and fees, excluding federal income taxes	28,131,360		3,684,744			28	2,017,832	16,092	2,494,704		19,917,960	
25. Increase in loading on deferred and uncollected premiums	7,189,552		7,142,500				47,052					
26. Net transfers to or (from) Separate Accounts net of reinsurance												
27. Aggregate write-ins for deductions	4,567,264		24,559				(3,870,101)		6,897,396		1,515,409	
28. Totals (Lines 20 to 27)	1,704,402,143		230,066,505	146,909	604,449	4,161	110,360,036	72,236,426	140,028,945		1,150,954,714	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	374,595,905		47,458,494	173,342	5,538,793	(2,750)	26,628,512	15,732,084	73,323,955		205,743,475	
30. Dividends to policyholders	668		668									
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	374,595,237		47,457,826	173,342	5,538,793	(2,750)	26,628,512	15,732,084	73,323,955		205,743,475	
32. Federal income taxes incurred (excluding tax on capital gains)	10,574,449		17,214,677	3,587	1,682,429	(963)	11,016,130	624,364	(4,379,257)		(15,586,518)	
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)	364,020,788		30,243,149	169,755	3,856,364	(1,787)	15,612,382	15,107,720	77,703,212		221,329,993	
DETAILS OF WRITE-INS												
08.301. Other income related to sale of Canadian operations	176,400,367						1,764,004		58,212,121		116,424,242	
08.302. Adjustment for liability gains and losses released from the IMR	122,210,066						(52,745)		(2,181,357)		124,444,168	
08.303. Surrender charges	16,665,497		16,665,201				296					
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	(594,168)			32,629	(29,904)		101,857	509	13,711,655		7,326,600	
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	335,825,108		16,071,033	32,629	(29,904)		1,813,411	509	69,742,419		248,195,010	
2701. Fines and penalties to regulatory authorities	5,421,467		24,559						3,881,499		1,515,409	
2702. Net adjustments for modco reinsurance assumed	3,015,897								3,015,897			
2703. Change in group life survivor reserve							(639,355)					
2798. Summary of remaining write-ins for Line 27 from overflow page	(3,230,746)						(3,230,746)					
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	4,567,264		24,559				(3,870,101)		6,897,396		1,515,409	

(a) Includes the following amounts for FEGLI/SGLI: Line 1 0 , Line 10 0 , Line 16 0 , Line 23 0 , Line 24 0

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1	2	Ordinary			6	Group	
			3	4	5		7	8
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	1,721,148,806		523,379,240	961,839	1,049,848		211,679,037	984,078,842
2. Tabular net premiums or considerations	143,177,849		142,936,714				241,135	
3. Present value of disability claims incurred	9,138,821		999,705		XXX		8,139,116	
4. Tabular interest	104,242,935		25,293,295	31,870	29,523		9,246,368	69,641,879
5. Tabular less actual reserve released	(21,124,746)		(95,200)	40,659	(67,723)		(20,127,790)	(874,692)
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)	(6,601,241)		(694,346)		(20,908)		(5,885,987)	
8. Totals (Lines 1 to 7)	1,949,982,424		691,819,408	1,034,368	990,740		203,291,879	1,052,846,029
9. Tabular cost	69,281,453		67,046,246		XXX		2,235,207	
10. Reserves released by death	8,182,153		6,272,828	XXX	XXX		1,909,325	XXX
11. Reserves released by other terminations (net)	39,833,630		39,524,071				309,559	
12. Annuity, supplementary contract and disability payments involving life contingencies	93,157,068		1,399,019	186,570	179,775		924,884	90,466,820
13. Net transfers to or (from) Separate Accounts								
14. Total Deductions (Lines 9 to 13)	210,454,304		114,242,164	186,570	179,775		5,378,975	90,466,820
15. Reserve December 31, current year	1,739,528,120		577,577,244	847,798	810,965		197,912,904	962,379,209

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. government bonds	(a) 26,370,140	26,367,392
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 603,498,839	588,353,868
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b) 5,910,729	5,910,729
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d) 12,410,980	12,410,980
5.	Contract Loans	4,870,749	4,932,559
6.	Cash, cash equivalents and short-term investments	(e) 2,106,512	2,102,584
7.	Derivative instruments	(f)(1,308,484)	(1,308,484)
8.	Other invested assets		
9.	Aggregate write-ins for investment income	(3,750,493)	(3,712,480)
10.	Total gross investment income	650,108,974	635,057,149
11.	Investment expenses		(g) 20,789,048
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 1,643,121
13.	Interest expense		(h) 13,199,187
14.	Depreciation on real estate and other invested assets		(i) 3,020,506
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15)		38,651,862
17.	Net investment income (Line 10 minus Line 16)		596,405,286
DETAILS OF WRITE-INS			
0901.	Bond Fees	1,422,835	1,422,835
0902.	Miscellaneous	689,698	689,698
0903.	Short-Term Notes to Affiliates		38,013
0998.	Summary of remaining write-ins for Line 9 from overflow page	(5,863,027)	(5,863,027)
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	(3,750,493)	(3,712,480)
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 thru 1303 plus 1598) (Line 15, above)		

(a) Includes \$ 85,751,592 accrual of discount less \$ 1,472,952 amortization of premium and less \$ 5,710,217 paid for accrued interest on purchases.

(b) Includes \$ 0 accrual of discount less \$ 1,081 amortization of premium and less \$ 0 paid for accrued dividends on purchases.

(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.

(d) Includes \$ 2,988,494 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.

(e) Includes \$ 350 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.

(f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.

(g) Includes \$. 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes \$ 12,711,750 interest on surplus notes and \$ 0 interest on capital notes.

(i) Includes \$ 3,020,506 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Total
1.	U.S. Government bonds				
1.1	Bonds exempt from U.S. tax				
1.2	Other bonds (unaffiliated)	195,456,223	(16,348,789)	3,123,727	182,231,162
1.3	Bonds of affiliates				
2.1	Preferred stocks (unaffiliated)	2,892,425	(8,921,530)	(25,000)	(6,054,105)
2.11	Preferred stocks of affiliates				
2.2	Common stocks (unaffiliated)	2,502,336		(1,694,898)	807,437
2.21	Common stocks of affiliates				
3.	Mortgage loans				
4.	Real estate	346,575			346,575
5.	Contract Loans				
6.	Cash, cash equivalents and short-term investments	(41,287)			(41,287)
7.	Derivative instruments	(327,846)			(327,846)
8.	Other invested assets	3,781,267		5,974,859	9,756,126
9.	Aggregate write-ins for capital gains (losses)	(20,336,181)		31,885,926	11,549,745
10.	Total capital gains (losses)	184,273,511	(25,270,319)	39,264,615	198,267,807
DETAILS OF WRITE-INS					
0901.	Foreign Currency	(20,336,181)		31,885,926	11,549,745
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)	(20,336,181)		31,885,926	11,549,745

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
FIRST YEAR (other than single)											
1. Uncollected	1,867,058		1,867,058								
2. Deferred and accrued	28,042,141		28,042,141								
3. Deferred , accrued and uncollected:											
3.1 Direct	29,909,199		29,909,199								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net (Line 1 + Line 2)	29,909,199		29,909,199								
4. Advance	7,257		7,257								
5. Line 3.4 - Line 4	29,901,942		29,901,942								
6. Collected during year:											
6.1 Direct	46,892,646		46,892,646								
6.2 Reinsurance assumed	82		82								
6.3 Reinsurance ceded	3,010,467		3,010,467								
6.4 Net	43,882,261		43,882,261								
7. Line 5 + Line 6.4	73,784,203		73,784,203								
8. Prior year (uncollected + deferred and accrued - advance)	20,753,088		20,753,088								
9. First year premiums and considerations:											
9.1 Direct	56,041,500		56,041,500								
9.2 Reinsurance assumed	82		82								
9.3 Reinsurance ceded	3,010,467		3,010,467								
9.4 Net (Line 7 - Line 8)	53,031,115		53,031,115								
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	46,629		46,629								
10.2 Reinsurance assumed											
10.3 Reinsurance ceded	45,520		45,520								
10.4 Net	1,109		1,109								
RENEWAL											
11. Uncollected	31,078,328		2,193,786			8,622,649		7,319,060		12,942,834	
12. Deferred and accrued	32,411,159		29,200,333			363,489		2,847,337			
13. Deferred, accrued and uncollected:											
13.1 Direct	80,878,881		37,212,884			16,106,647		14,852,068		12,707,282	
13.2 Reinsurance assumed	235,552									235,552	
13.3 Reinsurance ceded	17,624,945		5,818,765			7,120,509		4,685,671			
13.4 Net (Line 11 + Line 12)	63,489,487		31,394,119			8,986,138		10,166,397		12,942,834	
14. Advance	16,156,760		630,250			3,398		17,213		15,505,899	
15. Line 13.4 - Line 14	47,332,728		30,763,869			8,982,740		10,149,184		(2,563,065)	
16. Collected during year:											
16.1 Direct	1,298,313,489		254,188,911		1,411	112,202,556		188,451,206		743,469,404	
16.2 Reinsurance assumed	22,144,770		526,086			194,466		3,026,701		18,397,515	
16.3 Reinsurance ceded	277,933,759		125,044,782			4,744,474		75,109,683		73,034,820	
16.4 Net	1,042,524,499		129,670,216		1,411	107,652,548		116,368,225		688,832,099	
17. Line 15 + Line 16.4	1,089,857,227		160,434,085		1,411	116,635,288		126,517,409		686,269,034	
18. Prior year (uncollected + deferred and accrued - advance)	50,957,670		25,889,877			13,311,934		10,255,515		1,500,343	
19. Renewal premiums and considerations:											
19.1 Direct	1,284,043,723		249,324,630		1,411	111,286,952		183,967,101		739,463,629	
19.2 Reinsurance assumed	22,105,980		526,086			194,466		3,026,701		18,358,726	
19.3 Reinsurance ceded	267,250,146		115,306,508			8,158,065		70,731,909		73,053,664	
19.4 Net (Line 17 - Line 18)	1,038,899,557		134,544,208		1,411	103,323,354		116,261,894		684,768,690	
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	1,340,131,851		305,412,758		1,411	111,286,952		183,967,101		739,463,629	
20.2 Reinsurance assumed	22,106,063		526,169			194,466		3,026,701		18,358,726	
20.3 Reinsurance ceded	270,306,133		118,362,495			8,158,065		70,731,909		73,053,664	
20.4 Net (Line 9.4 + 10.4 + 19.4)	1,091,931,780		187,576,432		1,411	103,323,354		116,261,894		684,768,690	

Prior year balances in lines 8 and 18 in total decreased \$6,598,684 due to assumptive reinsurance of \$6,218,208 and foreign currency translation of \$380,476.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT - 1 PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS
AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (direct business only)

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums (Exhibit 4, Line 1)	533		533								
22. All other (Exhibit 4, Lines 2, 3 & 4)	1,109		1,109								
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded	1,453,597		1,453,597								
23.2 Reinsurance assumed											
23.3 Net ceded less assumed	1,453,597		1,453,597								
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed											
24.3 Net ceded less assumed											
25. Renewal:											
25.1 Reinsurance ceded	44,337,270		30,186,100	72,642		3,348,764	1,257	7,396,745		3,331,762	
25.2 Reinsurance assumed	730,763		22,475			20,616		7,821		679,852	
25.3 Net ceded less assumed	43,606,507		30,163,625	72,642		3,328,148	1,257	7,388,924		2,651,910	
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	45,790,867		31,639,697	72,642		3,348,764	1,257	7,396,745		3,331,762	
26.2 Reinsurance assumed (Page 6, Line 22)	730,763		22,475			20,616		7,821		679,852	
26.3 Net ceded less assumed	45,060,104		31,617,222	72,642		3,328,148	1,257	7,388,924		2,651,910	
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	42,341,157		42,341,157								
28. Single											
29. Renewal	157,458,612		6,573,295			6,496,375		11,842,603		132,546,338	
30. Deposit-type contract funds	73,899			72,642			1,257				
31. Totals (to agree with Page 6, Line 21)	199,873,668		48,914,453	72,642		6,496,375	1,257	11,842,603		132,546,338	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6
	1	2		4		
		Accident and Health				
	Life	Cost Containment	3 All Other	All Other Lines of Business	Investment	Total
1. Rent	2,611,069		12,031,069		1,039,334	15,681,472
2. Salaries and wages	21,104,203	3,817,555	93,613,290		8,371,583	126,906,631
3.11 Contributions for benefit plans for employees	3,930,896		18,112,460		1,564,690	23,608,045
3.12 Contributions for benefit plans for agents						
3.21 Payments to employees under non-funded benefit plans						
3.22 Payments to agents under non-funded benefit plans						
3.31 Other employee welfare	45,493		209,620		18,109	273,222
3.32 Other agent welfare						
4.1 Legal fees and expenses	563,879	16,002	2,730,911		230,069	3,540,861
4.2 Medical examination fees	194,413		1,226,841			1,421,254
4.3 Inspection report fees	4,447		26,452			30,899
4.4 Fees of public accountants and consulting actuaries	520,505		2,600,181		155,349	3,276,035
4.5 Expense of investigation and settlement of policy claims	1,071,238	841,098	13,955,073			15,867,409
5.1 Traveling expenses	824,115	105,051	3,695,209		328,038	4,952,412
5.2 Advertising	261,656	1,415	1,072,267		92,169	1,427,507
5.3 Postage, express, telegraph and telephone	1,186,227	32,672	5,433,125		472,176	7,124,201
5.4 Printing and stationery	705,938	1,288	3,251,474		280,998	4,239,697
5.5 Cost or depreciation of furniture and equipment	450,530		2,075,913		179,333	2,705,775
5.6 Rental of equipment	114,780		528,873		45,688	689,341
5.7 Cost or depreciation of EDP equipment and software	918,571		4,232,517		365,636	5,516,725
6.1 Books and periodicals	47,160	6,320	210,980		18,772	283,232
6.2 Bureau and association fees	86,638	9,928	389,278		34,486	520,330
6.3 Insurance, except on real estate	904,103	132	4,165,720		359,877	5,429,833
6.4 Miscellaneous losses	36,478		418,043			454,522
6.5 Collection and bank service charges	304,959		1,414,225		121,389	1,840,573
6.6 Sundry general expenses	359,349	6,216	1,649,672		143,038	2,158,274
6.7 Group service and administration fees	102,528		724,012			826,539
6.8 Reimbursements by uninsured accident and health plans			(2,555,791)			(2,555,791)
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less \$						
recovered)	87,500					87,500
7.3 Agency conferences other than local meetings	356,532	9,413	1,633,384		141,917	2,141,246
9.1 Real estate expenses					5,036,712	5,036,712
9.2 Investment expenses not included elsewhere						
9.3 Aggregate write-ins for expenses	5,084,167	145,560	31,355,200		1,789,684	38,374,611
10. General expenses incurred	41,877,372	4,992,650	204,199,997		20,789,048	(a) 271,859,067
11. General expenses unpaid December 31, prior year	263,485		2,720,154		140,055	3,123,693
12. General expenses unpaid December 31, current year	730,789		6,797,213			7,528,002
13. Amounts receivable relating to uninsured accident and health plans, prior year			3,698,469			3,698,469
14. Amounts receivable relating to uninsured accident and health plans, current year			1,876,101			1,876,101
15. General expenses paid during year (Lines 10+11-12-13+14)	41,410,067	4,992,650	198,300,570		20,929,103	265,632,390
DETAILS OF WRITE-INS						
09.301. Fees for outsourcing services	3,363,308	145,560	17,785,006		1,390,599	22,684,472
09.302. Corporate developmental allowances	718,256		6,008,021			6,726,278
09.303. Repairs and service of furniture and equipment	1,002,603		4,619,712		399,085	6,021,400
09.398. Summary of remaining write-ins for Line 9.3 from overflow pag			2,942,461			2,942,461
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	5,084,167	145,560	31,355,200		1,789,684	38,374,611

(a) Includes management fees of \$ 195,119,074 to affiliates and \$ 0 to non-affiliates.

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

		Insurance			4	5
		1	2	3		
		Life	Accident and Health	All Other Lines of Business	Investment	Total
1.	Real estate taxes			1,075,006	1,075,006	
2.	State insurance department licenses and fees	473,462	2,738,559		3,212,021	
3.	State taxes on premiums	3,490,779	12,392,246		15,883,025	
4.	Other state taxes, including \$					
	for employee benefits	145,036	561,207		706,243	
5.	U.S. Social Security taxes	1,323,739	5,409,298	568,115	7,301,152	
6.	All other taxes	285,680	1,311,354		1,597,034	
7.	Taxes, licenses and fees incurred	5,718,696	22,412,664	1,643,121	29,774,481	
8.	Taxes, licenses and fees unpaid December 31, prior year	3,197,544	12,123,956	1,271,870	16,593,370	
9.	Taxes, licenses and fees unpaid December 31, current year.....	1,654,747	6,537,679		8,192,426	
10.	Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	7,261,492	27,998,942	2,914,991	38,175,425	

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums	533	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	1,109	
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4	1,642	
6. Paid in cash	1,043	
7. Left on deposit	6,266	
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 through 8	8,951	
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year		
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in Line 13		
15. Total Lines 10 through 14		
16. Total from prior year	8,283	
17. Total Dividends or refunds (Lines 9 + 15 - 16)	668	
DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)		

Prior year balance in ine 16 increased \$2,864 due to foreign currency translation and decreased \$33,351 due to sale of Canadian block to RBC

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
LIFE INSURANCE:					
AE 3% NLP (1942-1947)	771,685		771,685		
AE 3-1/2% NLP (1911-1942)	776,054		776,054		
41 CSO 2-1/2% NLP (1948-1963)	34,766				34,766
41 CSO 2-3/4% NLP (1955-1963)	145,922				145,922
41 CSO 3% CRVM (1948-1963)	963,599		963,599		
41 CSO 3% NLP (1948-1963)	25,562,666		25,242,697		319,969
58 CET 2-1/4% CRVM (1964-1979)	162,169		162,169		
58 CSO 2-1/4% CRVM (1964-1982)	11,225,231		11,225,231		
58 CSO 2-1/2% NLP (1962-1988)	90,845		90,845		
58 CSO 2-1/2% CRVM (1962-1988)	498,826		498,826		
58 CSO 2-1/2% PT (1962-1988)	241		241		
58 CSO 3% NLP (1958-1988)	44,422,835		42,916,958		1,505,877
58 CET 3% NLP (1964-1983)	1,093,831		1,093,831		
58 CSO 3% MCRVM (1964-1982)	55,149,331		55,149,331		
58 CSO 3% PT (1958-1988)	934,272		23,987		910,285
58 CSO 3-1/4% NLP (1961-1975)	1,567,434				1,567,434
58 CSO 3-1/2% NLP (1965-1988)	8,599,239		1,491,043		7,108,196
58 CSO 3-1/2% PT (1965-1988)	13,863,323		467,037		13,396,286
58 CSO 4% NLP (1977-1988)	331,009				331,009
58 CET 4% NLP (1977-1980)	23,384		23,384		
58 CSO 4% CRVM (1977-1982)	6,073,669		6,073,669		
58 CSO 4% PT (1977-1988)	15,479,424		15,479,424		
58 CSO 4-1/2% NLP (1980-1988)	316,027		316,027		
58 CET 4-1/2% NLP (1981-1987)	233,791		233,791		
58 CSO 4-1/2% PT (1980-1988)	430,340		430,340		
58 CSO 4-1/2% CRVM (1980-1988)	51,013,143		51,013,143		
58 CET 5-1/2% NLP (1983-1988)	1,100,054		1,100,054		
58 CSO 5-1/2% CRVM (1983-1989)	163,120,869		163,120,869		
80 CSO 3% CRVM NB	28,967		28,967		
80 CSO 4% PT NB	5,520,808		5,520,808		
80 CSO 4% CRVM NB	31,973,621		31,973,621		
80 CSO 4% Policy Rider Reservs	303,429		303,429		
80 CSO 4-1/2% NLP NB	1,106,655,185		1,079,939,220		26,715,965
80 CSO 4-1/2% PT NB	178,571,549		178,571,549		
80 CSO 4-1/2% CRVM NB	952,271,119		952,202,145		68,974
80 CSO 4-1/2% MCRVM NB	8,035,600		8,035,600		
80 CSO 5% NL (1993-1994)	91,597		91,597		
80 CSO 5% PT (1985-1994)	2,662,017		2,662,017		
80 CSO 5% CRVM (1985-1994)	1,554,415,187		1,554,415,187		
80 CSO 5-1/2% NLP (1984-1992)	3,165,602		3,165,602		
80 CET 5-1/2% NLP (1983-1989)	438,066		438,066		
80 CSO 5-1/2% PT (1984-1992)	10,407,958		10,407,958		
80 CSO 5-1/2% CRVM (1984-1992)	101,335,092		101,335,092		
80 CSO 5-1/2% MCRVM (1987-1992)	30,761,094		30,761,094		
80 CSO 6% PT (1983-1986)	22,336,722		22,336,722		
UNEARNED GROSS PREMIUMS - GROUP LIFE	122,260				122,260
UNEARNED GROSS SUBSTANDARD EXTRA PREMIUMS-ORDINARY	221,399		221,399		
REINSURANCE ASSUMED, VARIOUS VALUATION STANDARDS	4,647,199		4,647,199		
0199997. Totals (Gross)	4,417,948,450		4,365,721,507		52,226,943
0199998. Reinsurance ceded	3,803,573,367		3,803,573,367		
0199999. Life Insurance: Totals (Net)	614,375,083		562,148,140		52,226,943
ANNUITIES (excluding supplementary contracts with life contingencies):					
1900 PROGRESSIVE ANNUITY 4% IMM	654,634	XXX	654,634	XXX	
1971 IAM 2%-2.99% IMM & DEF	730,979	XXX		XXX	730,979
1971 IAM 5%-5.99% IMM & DEF	41,558	XXX	41,558	XXX	
1971 IAM 6%-6.99% IMM & DEF	2,310,273	XXX	151,606	XXX	2,158,667
1971 IAM 7%-7.99% IMM. & DEF	237,834	XXX		XXX	237,834
1971 IAM 11%-11.99% IMM & DEF	13,023	XXX		XXX	13,023
1971 IAM 13%-13.99% IMM & DEF	7,197	XXX		XXX	7,197
1971 GAM 7%-7.99% IMM. & DEF	15,943,478	XXX		XXX	15,943,478
1971 GAM 9%-9.99% IMM & DEF	23,944,282	XXX		XXX	23,944,282
1971 GAM 10%-10.99% IMM & DEF	8,752,444	XXX		XXX	8,752,444
1971 GAM 11%-11.99% IMM & DEF.	20,135,837	XXX		XXX	20,135,837
1983 IAM 6%-6.99% IMM	266,620	XXX	113,091	XXX	153,529
1983 IAM 7%-7.99% IMM	7,197	XXX		XXX	7,197
1983 IAM 8%-8.99% IMM	5,483	XXX		XXX	5,483
1983 GAM 3%-3.99% IMM & DEF	2,720,709	XXX		XXX	2,720,709
1983 GAM 4%-4.99% IMM & DEF	1,813,411	XXX		XXX	1,813,411
1983 GAM 5%-5.99% IMM. & DEF	22,098,014	XXX		XXX	22,098,014
1983 GAM 6%-6.99% IMM & DEF	174,328,989	XXX		XXX	174,328,989
1983 GAM 7%-7.99% IMM & DEF	210,470,035	XXX		XXX	210,470,035
1983 GAM 8%-8.99% IMM & DEF	365,020,415	XXX		XXX	365,020,415
1983 GAM 9%-9.99% IMM & DEF	75,106,756	XXX		XXX	75,106,756
1983 GAM 10%-10.99% IMM & DEF	13,255,780	XXX		XXX	13,255,780
1983 GAM 11%-11.99% IMM & DEF	22,806,014	XXX		XXX	22,806,014
1994 GAR 6%-6.99% IMM & DEF	2,325,189	XXX		XXX	2,325,189
1994 GAR 7%-7.99% IMM & DEF	95,907	XXX		XXX	95,907
0299997. Totals (Gross)	963,092,058	XXX	960,889	XXX	962,131,169
0299998. Reinsurance ceded	3,427,000	XXX	113,091	XXX	3,313,909
0299999. Annuities: Totals (Net)	959,665,058	XXX	847,798	XXX	958,817,260
SUPPLEMENTARY CONTRACTS WITH LIFE CONTINGENCIES:					
CA 3-1/2% (PRIOR TO 6/30/39)	191,310		191,310		
AMERICAN ANNUITANTS 3% (7/7/39-11/14/46)	24,865		24,865		
37 SA 2-1/2% (ADJ) (11/15/46-12/31/52)	40,637		40,637		
1900 PROGRESSIVE ANN. 2-3/4% (1/1/53-12/31/58)	85,789		85,789		
1900 PROGRESSIVE ANN. 4%	462,779		462,779		
a-1949 PROJ. 3-1/2%	5,585		5,585		
0399997. Totals (Gross)	810,965		810,965		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0399998. Reinsurance ceded					
0399999. SCWLC: Totals (Net)	810,965		810,965		
ACCIDENTAL DEATH BENEFITS:					
59 ADB 58 CSO 3%	1,818,934		1,818,907		27
0499997. Totals (Gross)	1,818,934		1,818,907		27
0499998. Reinsurance ceded	153,412		153,412		
0499999. Accidental Death Benefits: Totals (Net)	1,665,522		1,665,495		27
DISABILITY-ACTIVE LIVES:					
52 INTERCO DISA (PERIOD 2) 58 CSO 2-1/2%	971		971		
52 INTERCO DISA (PERIOD 2) 58 CSO 3%	5,734,180		5,726,771		7,409
52 INTERCO DIAS (PERIOD 2) 58 CSO 3-1/2%	247		247		
52 INTERCO DISA (PERIOD 2) 80 CSO 4-1/2%	267,800		267,746		54
52 INTERCO DISA (PERIOD 2) 80 CSO 5%	499,781		499,781		
0599997. Totals (Gross)	6,502,979		6,495,516		7,463
0599998. Reinsurance ceded	2,320,792		2,320,792		
0599999. Disability-Active Lives: Totals (Net)	4,182,187		4,174,724		7,463
DISABILITY-DISABLED LIVES:					
52 INTERCO DISA (PERIOD 2) 58 CSO 3%	8,253,294		8,112,328		140,966
52 INTERCO DISA (PERIOD 2) 58 CSO 3-1/2%	9,235,554		9,235,554		
70 INTERCO DISA 3-1/2%	137,663				137,663
70 INTERCO DISA 4-1/2% MODIFIED	145,397,611				145,397,611
0699997. Totals (Gross)	163,024,122		17,347,882		145,676,240
0699998. Reinsurance ceded	9,421,205		9,421,205		
0699999. Disability-Disabled Lives: Totals (Net)	153,602,917		7,926,677		145,676,240
MISCELLANEOUS RESERVES:					
For excess of valuation net premiums over corresponding gross premiums on respective policies computed according to the standard of valuation required	1,849,227		1,849,227		
For non-deduction of deferred fractional premiums or return of premiums at the death of the insured	7,853,693		7,851,462		2,231
For surrender values in excess of reserves otherwise required and carried in this schedule	27,787,503		27,787,503		
For interest guarantees	3,561,950				3,561,950
0799997. Totals (Gross)	41,052,373		37,488,192		3,564,181
0799998. Reinsurance ceded	35,825,984		35,825,984		
0799999. Miscellaneous Reserves: Totals (Net)	5,226,389		1,662,208		3,564,181
9999999. Totals (Net) - Page 3, Line 1	1,739,528,121		579,236,007		1,160,292,114

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT 5 - INTERROGATORIES

1.1

Has the reporting entity ever issued both participating and non-participating contracts?.....

Yes [X] No []

1.2

If not, state which kind is issued.
.....

2.1

Does the reporting entity at present issue both participating and non-participating contracts?.....

Yes [] No [X]

2.2

If not, state which kind is issued.
Non-participating

3.

Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?.....

Yes [X] No []

If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

4.

Has the reporting entity any assessment or stipulated premium contracts in force?.....

Yes [] No [X]

If so, state:

4.1

Amount of insurance?

\$

4.2

Amount of reserve?

\$

4.3

Basis of reserve:

4.4

Basis of regular assessments:

4.5

Basis of special assessments:

4.6

Assessments collected during the year

\$

5.

If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.
None

6.

Does the reporting entity hold reserves for any annuity contracts which are less than the reserves that would be held on a standard basis?

Yes [] No [X]

6.1

If so, state the amount of reserve on such contracts on the basis actually held:.....

\$

6.2

Which would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits:

\$

Attach statement of methods employed in their valuation.

7.

Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?

Yes [] No [X]

7.1

If yes, state the total dollar amount of assets covered by these contracts or agreements

\$

7.2

Specify the basis (fair value, amortized cost, etc.) for determining the amount:

7.3

State the amount of reserves established for this business:

\$

7.4

Identify where the reserves are reported in the blank:

EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

1	Valuation Basis		4
	2	3	
Description of Valuation Class	Changed From	Changed To	Increase in Actuarial Reserve Due to Change
9999999 - Total (Column 4, only)			

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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT 6 - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves	57,619,659	365,013		10,450	47,096,512	6,581,866	22,022	3,542,687	1,109
2. Additional contract reserves (a)	1,129,352,189	32,407,609			1,043,914,129	45,919,971	7,094,737	15,743	
3. Additional actuarial reserves-Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	1,186,971,848	32,772,622		10,450	1,091,010,641	52,501,837	7,116,759	3,558,430	1,109
8. Reinsurance ceded	109,127,379	229,769			106,704,906	2,192,704			
9. Totals (Net)	1,077,844,469	32,542,853		10,450	984,305,735	50,309,133	7,116,759	3,558,430	1,109
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	4,170,274,583	561,566,517		560,409	3,497,987,035	70,461,832	5,344,157	33,931,700	422,933
11. Additional actuarial reserves-Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves									
14. Totals (Gross)	4,170,274,583	561,566,517		560,409	3,497,987,035	70,461,832	5,344,157	33,931,700	422,933
15. Reinsurance ceded	1,107,915,578	545,588,695			559,395,106	2,931,777			
16. Totals (Net)	3,062,359,005	15,977,822		560,409	2,938,591,929	67,530,055	5,344,157	33,931,700	422,933
17. TOTAL (Net)	4,140,203,474	48,520,675		570,859	3,922,897,664	117,839,188	12,460,916	37,490,130	424,042
18. TABULAR FUND INTEREST	217,730,731	7,917,351		25,712	202,778,791	4,969,648	518,237	1,498,910	22,082
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above)									
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above)									

(a) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods.

EXHIBIT 6 – ATTACHMENT

(a) RESERVE BASIS, INTEREST RATES AND METHODS – EXHIBIT 6, LINE 2

(1) Long-Term Care Benefits

Method

One year preliminary term method. All additional reserves are mid-terminal.

Basis – AMA Business

Claim Cost Basis: Health Care Financing Administration(HCFA) 1987 Tables of Nursing Home Incidence and Continuance Rates

Mortality: 1980 CSO – 80% Male mix

Interest Rate: 5.00%

Basis – New Product - Individual Policies - issued after 2002.

The assumptions are based on UnumProvident experience with the exceptions of

- a) the interest rate assumption is based on the effective date of coverage and is equal to the whole life rate as specified in the Standard Valuation Law and
- b) the lapses are set equal to 80% of the pricing lapse assumption, to a maximum of 4% in policy years 1-4, and a maximum of 1.2% in policy years 5 and later.

Basis – Group Policies.

The assumptions are based on UNUM experience with the exceptions of

- c) the interest rate assumption is based on the effective date of coverage and is equal to the whole life rate as specified in the Standard Valuation Law and
- d) the lapses are set equal to 80% of the pricing lapse assumption, to a maximum of 8% in policy years 1-4, and a maximum of 4% in policy years 5 and later.

(2) Loss of Time Benefits

Non-cancelable and Guaranteed Renewable Loss of Time Policies

Method

Two year preliminary term method. All additional reserves are mid-terminal.

Basis

Reserve factors for 1991 and prior issues are based on claim costs taken from the 1964 Commissioners Disability Table (CDT) combined with the 1958 CSO Mortality Table and minimum standard valuation interest rates (ranging from 3 ½% to 6% depending on year of issue). Reserve factors for 1992 and later issues are based on claim costs taken from the 1985 Commissioners Disability Table A (CIDA) combined with the 1980 CSO Mortality Table and NAIC model Standard Valuation Law minimum standard valuation interest rates.

Cancelable Loss of Time Policies

Method

Net level premium method. Additional reserves are mid-terminal.

Basis

Morbidity is based on the 1985 CIDA table and mortality is based on 1980 CSO. Interest is at 5.50%

(3) Critical Illness Policies

Method

Two-year preliminary term. Additional reserves are mid-terminal.

Basis

Mortality, morbidity, and lapse rates based on pricing assumptions with 4.50% interest.

EXHIBIT 6 – ATTACHMENT (CONTINUED)

(b) RESERVE BASIS, INTEREST RATES AND METHODS – EXHIBIT 6, LINE 10

(1) Long-Term Care Benefits

Morbidity: Company experience related to directly issued LTC policies, supplemented by The 1985 National Nursing Home Care Survey, the 1982 Long Term Care survey, and the 1984 follow-up to the 1982 survey.

Interest Rate: 5.00% for claims incurred prior to 1995,
4.50% for claims incurred 1995 and later.

(2) Loss of Time Benefits

(i) Group Policies:

LTD reserves are calculated on a seriatim basis. For each claim the reserve is equal to the present value of the future gross monthly benefits less any current or prospective offsets from other benefits. Reserve Factors are calculated using the 1987 Commissioners Group Disability Table (1987 CGDT), modified in the first two years of disablement to reflect Provident experience. Reserves are discounted using the single premium immediate annuity discount rate less 100 basis points varying by claim incurral year.

(ii) Individual Policies:

Reserves are calculated using the 1985 CIDC (after modification during the first two claim years for company experience) combined with NAIC minimum standard valuation interest rates.

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	202,141,731	12,334,369		63,011,439	762,639	126,033,284
2. Deposits received during the year	32,607,619			32,297,941	35,558	274,120
3. Investment earnings credited to the account	6,240,721	1,517,196		647,938	131	4,075,456
4. Other net change in reserves	(7,198,360)			4,944	(716,297)	(6,487,007)
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	57,160,552	2,691,000		41,699,952	(14,275)	12,783,875
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8)	176,631,159	11,160,565		54,262,310	96,306	111,111,978
10. Reinsurance balance at the beginning of the year	(125,506,185)				(62,366)	(125,443,819)
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded	(14,406,148)				33,939	(14,440,087)
13. Reinsurance balance at the end of the year (Lines 10+11-12)	(111,100,037)				(96,305)	(111,003,732)
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	65,531,122	11,160,565		54,262,310	1	108,246

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year											
	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and unpaid:											
1.1 Direct											
1.2 Reinsurance assumed	1,982,422						13,140		23,353		1,945,929
1.3 Reinsurance ceded											
1.4 Net	1,982,422						13,140		23,353		1,945,929
2. In course of settlement:											
2.1 Resisted	672,540		3,000				669,540				
2.11 Direct											
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net	672,540		(b) 3,000	(b)		(b)	(b) 669,540				
2.2 Other											
2.21 Direct	81,350,032		13,735,789				4,847,868		10,417,285		52,349,090
2.22 Reinsurance assumed	2,066,562		65,415						15,225		1,985,922
2.23 Reinsurance ceded	21,462,446		9,443,816						8,850,582		3,168,048
2.24 Net	61,954,149		(b) 4,357,389	(b)		(b)	(b) 4,847,868		(b) 1,581,928	(b)	(b) 51,166,964
3. Incurred but unreported:											
3.1 Direct	102,447,128		13,421,219				20,110,314		63,762,795		5,152,800
3.2 Reinsurance assumed	1,703,918		9,621						1,579,400		114,897
3.3 Reinsurance ceded	45,271,262		8,533,010						36,646,697		91,555
3.4 Net	58,879,784		(b) 4,897,830	(b)		(b)	(b) 20,110,314		(b) 28,695,498	(b)	(b) 5,176,142
4. TOTALS											
4.1 Direct	184,469,700		27,160,008				25,627,722		74,180,079		57,501,890
4.2 Reinsurance assumed	5,752,902		75,036				13,140		1,617,978		4,046,748
4.3 Reinsurance ceded	66,733,707		17,976,826						45,497,279		3,259,603
4.4 Net	123,488,894	(a)	(a) 9,258,219				(a) 25,640,862		30,300,779		58,289,035

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ 0 in Column 2, \$ 0 in Column 3 and \$ 0 in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ 0

Individual Annuities \$ 0 , Credit Life (Group and Individual) \$ 0 , and Group Life \$ 0 , are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ 15,977,821

Credit (Group and Individual) Accident and Health \$ 0 , and Other Accident and Health \$ 3,046,381,183 are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements During the Year:											
1.1 Direct	1,236,216,284		153,592,471	186,570	160,575	4,133	123,956,707	90,466,820	195,958,073		671,890,935
1.2 Reinsurance assumed	27,843,541		380,523				247,081		1,016,981		26,198,955
1.3 Reinsurance ceded	276,540,382		106,042,513				9,417,565		107,380,921		53,699,383
1.4 Net (d)	987,519,442		47,930,481	186,570	160,575	4,133	114,786,223	90,466,820	89,594,133		644,390,507
2. Liability December 31, current year from Part 1:											
2.1 Direct	184,469,700		27,160,008				25,627,722		74,180,079		57,501,890
2.2 Reinsurance assumed	5,752,902		75,036				13,140		1,617,978		4,046,748
2.3 Reinsurance ceded	66,733,707		17,976,826						45,497,279		3,259,603
2.4 Net	123,488,894		9,258,219				25,640,862		30,300,779		58,289,035
3. Amounts recoverable from reinsurers December 31, current year	19,880,903		239,422						9,048,284		10,593,197
4. Liability December 31, prior year:											
4.1 Direct	219,529,567		30,723,818				40,141,980		82,853,375		65,810,394
4.2 Reinsurance assumed	3,059,695		127,060				1,470		572,111		2,359,054
4.3 Reinsurance ceded	84,113,498		20,811,389				2,024,423		57,251,586		4,026,100
4.4 Net	138,475,764		10,039,489				38,119,027		26,173,900		64,143,348
5. Amounts recoverable from reinsurers December 31, prior year	15,188,148		196,212						230,295		14,761,640
6. Incurred Benefits											
6.1 Direct	1,201,156,417		150,028,662	186,570	160,575	4,133	109,442,449	90,466,820	187,284,777		663,582,431
6.2 Reinsurance assumed	30,536,747		328,499				258,751		2,062,848		27,886,649
6.3 Reinsurance ceded	263,853,348		103,251,160				7,393,143		104,444,602		48,764,443
6.4 Net	967,839,817		47,106,002	186,570	160,575	4,133	102,308,057	90,466,820	84,903,023		642,704,637

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.
\$ in Line 6.1, and \$ in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ 248,328 in Line 1.1, \$ 0 in Line 1.4.
\$ 248,328 in Line 6.1, and \$ 0 in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ 0 in Line 1.1, \$ 0 in Line 1.4.
\$ 0 in Line 6.1, and \$ 0 in Line 6.4.

(d) Includes \$ 28,548,898 premiums waived under total and permanent disability benefits.

Prior year balances in column 1, lines 4.1, 4.2, 4.3, and 5 decreased \$68,649,031, \$799,556, \$825,609, and \$482,840 due to assumptive reinsurance.

Prior year balances in column 1, lines 4.1, 4.2, 4.3, and 5 decreased \$4,125,533, \$47,087, \$52,256, and \$27,901 due to foreign currency translation.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Other invested assets (Schedule BA)			
8. Receivable for securities			
9. Aggregate write-ins for invested assets			
10. Subtotals, cash and invested assets (Lines 1 to 9)			
11. Investment income due and accrued			
12. Premiums and considerations:			
12.1 Uncollected premiums and agents' balances in the course of collection	2,534,549	4,234,706	1,700,157
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
12.3 Accrued retrospective premiums	89,989	272,992	183,003
13. Reinsurance:			
13.1 Amounts recoverable from reinsurers	1,985,162	0	(1,985,162)
13.2 Funds held by or deposited with reinsured companies			
13.3 Other amounts receivable under reinsurance contracts	455,670	0	(455,670)
14. Amounts receivable relating to uninsured plans			
15.1 Current federal and foreign income tax recoverable and interest thereon			
15.2 Net deferred tax asset	232,308,605	279,218,823	46,910,218
16. Guaranty funds receivable or on deposit			
17. Electronic data processing equipment and software	0	28,449	28,449
18. Furniture and equipment, including health care delivery assets	5,915,434	14,653,456	8,738,022
19. Net adjustment in assets and liabilities due to foreign exchange rates			
20. Receivable from parent, subsidiaries and affiliates			
21. Health care and other amounts receivable	22,046,707	21,890,814	(155,893)
22. Other assets nonadmitted	2,159,652	3,669,963	1,510,311
23. Aggregate write-ins for other than invested assets	2,477,282	5,740,719	3,263,437
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	269,973,050	329,709,922	59,736,872
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
26. Total (Lines 24 and 25)	269,973,050	329,709,922	59,736,872
DETAILS OF WRITE-INS			
0901. Schedule DB derivatives			
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. Prepaid expenses	2,472,595	3,411,853	939,258
2302. Receivables for securities	4,688	2,328,866	2,324,179
2303.			
2398. Summary of remaining write-ins for Line 23 from overflow page			
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	2,477,282	5,740,719	3,263,437

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Provident Life and Accident Insurance Company (the Company) have been completed in accordance with Statutory Accounting Principles (SAP) prescribed in the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual. The Tennessee Department of Commerce and Insurance (the Department) has adopted no accounting practices that differ materially from SAP.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with SAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

C. Accounting Policy

Life and accident and health premiums are recognized as revenue when due from policyholders. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

Investments are stated as follows:

Issuer obligations are generally carried at amortized cost using the interest method.

Single class and multi-class mortgage-backed/asset-backed securities are stated at amortized cost using the interest method including anticipated prepayments at the date of purchase with significant changes in estimated cash flows from the original purchase assumptions accounted for using the retrospective method.

Sinking fund preferred stocks are stated at amortized cost.

Non-sinking fund preferred stocks are stated at cost.

Common stocks are stated at market.

Real estate other than foreclosed real estate is carried at cost less accumulated depreciation and less encumbrances.

Foreclosed real estate is stated at appraised value, determined at the date of foreclosure giving consideration to current occupancy rates and economic conditions, less accumulated depreciation.

Contract loans are stated at the aggregate unpaid balance.

Short-term investments and cash equivalents are carried at cost.

Other long-term invested assets are accounted for using the equity method.

Derivative instruments are valued consistently with the hedged items. Hedges of fixed income assets and/or liabilities are valued at amortized cost. Hedges of items carried at market value are valued at market value. Derivatives that cease to be effective hedges are valued at market value.

The Company considers anticipated investment income in its review of reserves for potential premium deficiencies.

Liabilities for losses and loss/claim adjustment expenses for accident and health contracts are estimated using statistical claim development models and tabular reserves employing assumptions concerning mortality, morbidity, and social security as well as discount rates specified by regulatory authorities for accident and health business.

2. Accounting Changes and Corrections of Errors

- A. During 2004, the Company reported its interest on surplus debentures as interest expense in the Exhibit of Net Investment Income and a reduction of net investment income in the Summary of Operations. In previous years this was reported in the Summary of Operations as an aggregate write-in for gains and losses in surplus (line 53). Capital and Surplus was unaffected by this change. Interest on surplus debentures before tax was \$12.7 million (\$8.3 million after tax) and \$12.5 million (\$8.1 million after tax) in 2004 and 2003, respectively.

During 2002, 2001, and 2000, the Company recorded other than temporary impairments on certain of its bonds based on values that included their quoted market prices, as well as to give effect to analysis by the Company with respect to certain issuers of bonds that perhaps was not reflected in those market prices. The Company has concluded that not relying solely on quoted market prices for its other than temporary impairment charges was an erroneous interpretation of Statements of Statutory Accounting Principles No. 26, *Bonds, excluding Loan-backed and Structured Securities* (SSAP 26). The impact to the Company's surplus was (\$1.6) million at December 31, 2002. The Company had filed its 2002 Statutory Annual Statement at the time it determined that the provisions of SSAP 26 had been inappropriately applied. As such, the correction was not included in the Company's 2002 Statutory Annual Statement, but was recorded during the first quarter of 2003 and is reported on line 53 of the Summary of Operations as an adjustment to prior year's surplus.

- B. Not applicable

NOTES TO FINANCIAL STATEMENTS

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

- (1) During the fourth quarter of 2003, the Company entered into a definitive agreement to sell its Canadian operations, which consisted primarily of group life, group accident and health, and other accident and health business.
- (2) & (3)
The transaction closed effective April 30, 2004, and the Company reported an after tax gain of \$241.1 million on the sale of the operations. Assets transferred to the buyer included bonds and preferred stocks with a book value of approximately \$934.3 million and cash of \$31.7 million. Liabilities transferred included reserves of approximately \$1,341.6 million.
- (4) The Company retained a portion of the Canadian branch fixed maturity bond portfolio according to the terms in the transaction. These bonds had an admitted asset value of approximately \$612.0 million when the transaction closed.
- (5) As of December 31, 2004, the Company had no assets or liabilities classified as discontinued operations. Below are discontinued results included in the Summary of Operations during 2004 (\$ in millions):

		Operations Excluding Gain on Sale	Gain on Sale
a.	Line 9 Total Income (Line 1 to 8.3)	\$149.6	\$297.5
b.	Line 28 Total Expenses (Line 20 to 27)	137.7	8.5
c.	Line 29 Net Gain from Operations	11.9	289.0
d.	Line 32 Federal and foreign income taxes (credit)	(4.1)	27.7
e.	Line 34 Net realized capital gains (losses)	(7.7)	(20.2)
f.	Line 35 Net Income	8.3	241.1

5. Investments

A. Not applicable

B. Not applicable

C. Not applicable

D. Loan-Backed Securities

- (1) For applying the retrospective method, the Company has elected to use the book value as of January 1, 1994 as the cost for securities purchased prior to that date.
- (2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from broker dealer survey values and internal estimates.
- (3) Not applicable

E. Repurchase Agreements

Company policies require a minimum of 102% of the fair value of securities purchased under repurchase agreements to be maintained as collateral.

The following is a description of the securities subject to reverse repurchase agreements:

Description	Interest Rate	Maturity	Book Value	Fair Value
Agreements with a legal right of offset:				
FHLMC 5.0%	2.48%	1/11/2005	\$ 47,025,000	\$ 47,025,000
FHLMC 5.0%	2.48%	1/11/2005	37,620,000	37,620,000
FNMA 6.5%	2.48%	1/11/2005	16,634,000	16,634,000
GNMA 6.5%	2.48%	1/11/2005	<u>49,662,000</u>	<u>49,662,000</u>
			<u>\$150,941,000</u>	<u>\$150,941,000</u>

NOTES TO FINANCIAL STATEMENTS

The following is a description of the securities underlying the Company’s repurchase agreements:

Description	Interest Rate	Maturity	Book Value	Fair Value
Paul Financial Whole Loan	2.63%	1/11/2005	\$ 57,578,992	\$ 57,578,992
New T/R Whole Loan	2.63%	1/11/2005	46,078,425	46,078,425
Sierra Pacific Mortgage	2.63%	1/11/2005	24,517,900	24,517,900
Belvedere Trust Whole Loan	2.63%	1/11/2005	19,722,627	19,722,627
Tammac-RSLJ Whole Loan	2.63%	1/11/2005	<u>9,018,247</u>	<u>9,018,247</u>
			<u>\$156,916,191</u>	<u>\$156,916,191</u>

There were no securities subject to dollar repurchase agreements or dollar reverse repurchase agreements are included in borrowed money, due to the right of legal offset.

F. Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

- A. The Company does not accrue investment income on bonds where collection of interest is uncertain.
- B. The total amount excluded from investment income due and accrued as of December 31, 2004 was \$14.2 million.

8. Derivatives

The Company takes positions from time to time in certain derivative financial instruments to hedge interest rate risks and to improve the matching of its assets and liabilities. Financial instruments used for such purposes include interest rate swaps, foreign currency interest rate swaps and foreign currency forward contracts. See Schedule DB.

Interest rate swaps are used to hedge interest rate risks and to improve the matching of assets and liabilities. An interest rate swap is an agreement in which the Company agrees with other parties to exchange, at specified intervals, the difference between fixed rate and variable rate interest amounts, calculated by reference to an agreed upon notional principal amount. No cash is exchanged at the outset of the contract, and no principal payments are made by either party. Thus, the book value of these interest rate swaps is zero, and they are recorded “off-balance sheet.” A single net payment is usually made by one counterparty at each due date. The Company has certain forward interest rate swap agreements where the exchange of interest payments does not begin until a specified future date. The purpose of those swaps is to hedge the anticipated purchase of long-term bonds. The Company intends to settle for cash the forward interest rate swap agreements prior to the commencement of the exchange of interest payment streams. For those swaps that qualify as effective hedges, the gain or loss upon termination of the swaps is used to adjust the basis of the purchased bonds. For those swaps that are not effective hedges, the gain or loss upon termination is reported as a capital gain or loss in the Summary of Operations.

Foreign currency interest rate swaps are used to hedge the currency risk of certain foreign currency denominated long-term bonds owned. These derivatives are identified as cash flow hedges of the forecasted functional-currency-equivalent cash flows associated with the foreign currency denominated long-term bonds. Under these currency swaps, the Company agrees to pay, at specified intervals, fixed rate foreign currency denominated interest payments to the counterparty in exchange for fixed rate U.S. dollar denominated interest payments. These interest payments are calculated by reference to agreed upon notional principal amounts. The net amount received is reported as a component of investment income. At maturity date, the Company will pay the foreign currency denominated notional amount to the counterparty in exchange for the U.S. dollar denominated notional amount. By entering into this currency swap, the Company has effectively converted a foreign currency denominated asset into a U.S. dollar denominated asset. Upon termination, gains or losses will be recognized immediately in the Summary of Operations, in a manner consistent with the hedged item.

Foreign currency forward contracts are used to minimize foreign currency risks. A foreign currency forward is a derivative without an initial investment where the Company and the counterparty agree to exchange a specific amount of currencies, at a specific exchange rate, on a specific date. In 2003, the Company initiated a foreign currency forward contract whereby the Company agreed to pay its counterparty a specific Canadian dollar denominated notional amount in exchange for a specific U.S. dollar denominated notional amount. This derivative is identified as a cash flow hedge and was used to minimize the foreign currency risk related to the proceeds from the sale of the Canadian Branch operations. In 2004, the Company terminated the currency forward, for cash, at the same time the sale of the Canadian Branch operations was finalized. Upon termination, the net gains from the foreign currency forward contracts were recognized immediately in the Summary of Operations, in a manner consistent with the hedged item.

NOTES TO FINANCIAL STATEMENTS

Shown below are the forecasted purchase dates and amounts of the investments being hedged (\$ in millions):

<u>Forecasted Purchase Date</u>	<u>Amount of Investment</u>
2005	\$ 90.0
2006	105.0
2007	25.0
2008	25.0
2009	30.0

The basic types of risks associated with derivatives are market risk (that the value of the derivative will be adversely impacted by changes in the market, primarily the change in interest rates) and credit risk (that the counterparty will not perform according to the terms of the contract). The market risk of derivatives should generally offset the market risk associated the hedged financial instrument or liability. The Company is exposed to credit-related losses in the event of non-performance by counterparties to the financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure of derivatives is limited to the value of those contracts in a net gain position. The Company mitigates credit risk by entering into master agreements with its counterparties whereby contracts in a gain position can be offset against contracts in a loss position. Additionally, the Company typically enters into bilateral, cross-collateralization agreements with its counterparties. These agreements require the counterparty in a loss position to submit acceptable collateral with the other counterparty in the event the net loss position meets or exceeds \$2.5 million. See Schedule DB Part E for detail of the Company’s counterparty exposure.

The Company did not have any ineffective hedges during the year and did not exclude any component of the derivatives’ gain or loss from the assessment of hedge effectiveness. During the current year, the Company did not discontinue any cash flow hedges as a result of the forecasted transactions no longer being probable of occurring.

9. Income Taxes

The Company files a separate tax return and is not consolidated with its affiliates.

The provision for income tax incurred consists of the following major components (\$ in millions):

	For the Year Ended December 31	
	<u>2004</u>	<u>2003</u>
From Operations before Foreign Taxes	\$ 30.2	\$ 20.1
From Capital Gains (Losses)	60.6	(6.3)
Utilization of Capital Loss Carry-forward	(2.8)	-
Foreign Taxes	68.9	47.7
Utilization of Foreign Tax Credits	(88.5)	(25.4)
Tax in Equity	-	(4.4)
Income Tax Incurred	<u>\$ 68.4</u>	<u>\$ 31.7</u>

The provision for federal income tax incurred is different from the amount obtained by applying the federal statutory rate of 35% to pretax net income as shown below (\$ in millions). Prior year amounts have been reclassified to conform to the current year presentation.

	For the Year Ended December 31			
	<u>2004</u>		<u>2003</u>	
Provision Computed at Statutory Rate				
From Operations	\$131.1		\$ 40.7	
From Capital Gains (Losses) before IMR	55.7		(17.2)	
From Equity	-		(4.4)	
Total Tax at Statutory Rate	186.8	35.0%	19.1	35.0%
Tax Exempt Income	(2.0)	(0.4)	(2.0)	(3.6)
Interest Maintenance Reserve	(45.6)	(8.5)	(3.1)	(5.7)
Prior Year Tax	(14.0)	(2.6)	(0.6)	(1.1)
Amortization of Reinsurance Gains	(13.6)	(2.5)	(10.4)	(19.1)
Change in Non-admitted Assets	7.1	1.3	10.1	18.5
Other	<u>6.1</u>	<u>1.1</u>	<u>0.1</u>	<u>0.2</u>
Total	<u>\$124.8</u>	<u>23.4%</u>	<u>\$ 13.2</u>	<u>24.2%</u>
Federal Income Tax Incurred	\$ 68.4	12.8%	\$ 31.7	58.2%
Change in Net Deferred Income Taxes	<u>56.4</u>	<u>10.6</u>	<u>(18.5)</u>	<u>(34.0)</u>
Total Statutory Income Taxes	<u>\$124.8</u>	<u>23.4%</u>	<u>\$ 13.2</u>	<u>24.2%</u>

NOTES TO FINANCIAL STATEMENTS

The components of the net deferred tax asset at December 31, 2004 and 2003 are shown below (\$ in millions).

	December 31		
	<u>2004</u>	<u>2003</u>	<u>Change</u>
<i>Deferred Tax Asset</i>			
Policy Reserve Adjustments	\$ 126.4	\$ 138.4	\$(12.0)
Deferred Policy Acquisition Costs	102.6	99.7	2.9
Foreign Tax Credit Carryforward	9.3	40.7	(31.4)
Invested Assets	42.9	59.6	(16.7)
Advances on Commissions	7.7	7.7	-
Other	<u>10.6</u>	<u>9.8</u>	<u>0.8</u>
Gross Deferred Tax Asset	299.5	355.9	(56.4)
Deferred Tax Asset Non-admitted	<u>(232.3)</u>	<u>(279.2)</u>	<u>46.9</u>
Admitted Deferred Tax Asset	67.2	76.7	(9.5)
<i>Deferred Tax Liability</i>			
	<u>-</u>	<u>-</u>	<u>-</u>
Net Admitted Deferred Tax Asset	<u>\$ 67.2</u>	<u>\$ 76.7</u>	<u>\$ (9.5)</u>

Under the Life Insurance Company Tax Act of 1959, life companies were required to maintain a policyholders’ surplus account containing the accumulated portion of current income which had not been subjected to income tax in the year earned. The Deficit Reduction Act of 1984 required that no future amounts be added after 1983 to the policyholders’ surplus account and that any future distributions from the account would become subject to federal income tax at the general corporate federal income tax rate then in effect. During 2004, the American Jobs Creation Action of 2004 (HR 4520) was enacted. HR 4520 contains a suspension of taxation on the balances distributed from the Company’s policyholders’ surplus account during 2005 and 2006.

The amount of the Company’s policyholders’ surplus account at December 31, 2004, was approximately \$120.5 million. Under HR 4520, distributions made by the Company, including dividend distributions, are deemed to occur first from the policyholders’ surplus account. The Company expects to distribute the entire balance of the policyholders’ surplus account during the prescribed tax suspension period. This will result in the elimination of a future potential tax of approximately \$42.2 million. No current or deferred federal income taxes have presently been provided on these amounts because management considers the conditions under which such taxes would be paid to be remote. Therefore, HR 4520 does not affect the financial position or results of operations of the Company.

During 2004, the Company recognized tax benefits as the result of settlements with and refunds anticipated from the Internal Revenue Service (IRS) pertaining to certain tax issues affecting the Company’s federal income tax liability related to the 1996 through 1998 tax years. Also during 2004, the Company obtained a judgment in refund litigation for federal income tax paid for tax year 1984, plus interest, and as a result will be entitled to a refund of tax plus interest for all tax years subsequent to tax year 1984 in which the IRS had taken inconsistent positions on the deductibility of insurance tax reserves that were the subject of the litigation and for which the Company had paid tax based on the IRS’ inconsistent positions. Total settlements of prior years’ taxes resulted in net investment income of \$13.6 million and a tax benefit through operations and surplus of approximately \$9.2 million during 2004.

The amounts of federal income taxes incurred in 2004, 2003, and 2002 that are available for recoupment in the event of future net losses are \$0.0 million, \$1.4 million, and \$0.0 million, respectively.

As of December 31, 2004, the Company has approximately \$9.3 million of foreign tax credit carryover available. The foreign tax credit carryover, if unused, will expire in 2014. As of December 31, 2004, the Company has a minimum tax credit carryover of \$1.6 million.

10. Information Concerning Parent, Subsidiaries, and Affiliates

A. Nature of the Relationship: Provident Life and Accident Insurance Company, a subsidiary of UnumProvident Corporation (UnumProvident) (85.9% ownership), The Paul Revere Life Insurance Company (10.1% ownership), and Unum Life Insurance Company of America (4.0% ownership). See Schedule Y – Part 1 for complete listing of affiliates.

B. & C. On December 22, 2004, the Company paid common stock dividends of \$60.1 million to UnumProvident, \$7.1 million to The Paul Revere Life Insurance Company, and \$2.8 million to Unum Life Insurance Company of America.

On May 15, 2003, the Company received a \$229.2 million capital contribution from UnumProvident, consisting of cash of \$110.0 million and the cash surrender value of a Company-owned life insurance policy of \$119.2 million. The Company also received a capital contribution of \$1.9 million from UnumProvident on December 31, 2003.

During 2004, the Company sold \$129.7 million in book value of bonds (par value \$129.4 million) to Provident Life and Casualty Insurance Company at the market value of \$147.7 million. The Company also sold \$102.4 million in book value of bonds (par value \$117.1 million) to Unum Life Insurance Company of America at the market value of \$114.4 million. During 2004, the Company purchased \$126.6 million in book value of bonds (par value \$128.1 million) from Provident Life and Casualty Insurance Company at the market value of \$146.0 million. The bonds sold to Provident Life and Casualty Insurance Company were separate and distinct from those bonds purchased from Provident Life and Casualty Insurance Company. During 2003, the Company sold \$131.9 million in book value of bonds (par value \$145.8 million) to Unum Life Insurance Company of America at the market value of \$149.0 million.

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In December 2003, the Company sold equipment to Colonial Companies, Inc. in exchange for cash of \$5.4 million. There was no gain or loss recognized on this transaction.

The short-term, intercompany lending activities of the Company are listed below:

Borrowing Entity	Lending Entity	Date Borrowed	Amount Borrowed	Date Repaid	Interest Paid
Provident Life and Accident Insurance Company	Unum Life Insurance Company of America	07/27/04	\$ 96,850,000	07/28/04	\$ 3,659
		07/28/04	103,220,000	07/29/04	3,871
		07/29/04	105,692,349	07/30/04	3,963
		07/30/04	124,522,610	08/02/04	14,320
		08/02/04	118,000,000	08/03/04	4,556
		08/03/04	113,349,508	08/04/04	4,345
		08/04/04	96,019,504	08/05/04	3,707
		08/05/04	94,512,421	08/06/04	3,754
		08/06/04	92,548,247	08/09/04	11,260
		08/09/04	119,245,945	08/10/04	4,869
		08/10/04	118,733,800	08/11/04	5,013
		08/11/04	112,812,612	08/12/04	4,857
		08/12/04	121,997,076	08/13/04	5,253
		08/13/04	128,087,010	08/16/04	16,758
		08/16/04	111,312,853	08/17/04	4,854
		08/17/04	107,919,497	08/18/04	4,677
		08/18/04	115,003,879	08/19/04	5,015
		08/19/04	123,842,610	08/20/04	5,367
		08/20/04	118,380,717	08/23/04	15,389
		08/23/04	116,765,816	08/24/04	5,092
		08/24/04	114,759,714	08/25/04	5,037
		08/25/04	111,558,016	08/26/04	4,896
		08/26/04	134,918,684	08/27/04	5,809
		08/27/04	136,488,169	08/30/04	18,198
		08/30/04	149,550,310	08/31/04	6,522
		08/31/04	151,907,260	09/01/04	6,751
		09/01/04	141,470,541	09/02/04	4,166
		09/02/04	125,361,342	09/03/04	5,537
		09/03/04	121,545,830	09/07/04	21,338
		09/07/04	122,387,193	09/08/04	5,405
		09/08/04	121,119,661	09/09/04	5,383
		09/09/04	124,729,333	09/10/04	5,509
		09/10/04	129,466,017	09/13/04	17,046
		09/13/04	132,900,390	09/14/04	5,944
		09/14/04	130,231,787	09/15/04	5,824
		09/15/04	118,304,887	09/16/04	5,291
		09/16/04	141,818,480	09/17/04	6,421
		09/17/04	139,372,690	09/20/04	19,628
		09/20/04	145,371,882	09/21/04	6,744
		09/21/04	139,317,297	09/22/04	6,927
		09/22/04	140,643,063	09/23/04	6,993
		09/23/04	134,614,811	09/24/04	6,731
		09/24/04	130,603,581	09/27/04	19,699
		09/27/04	128,928,299	09/28/04	6,482
		09/28/04	140,361,771	09/29/04	7,096

- D. Amounts reported on pages 2 and 3 herein as receivables from or payables to parent, subsidiaries, and affiliates result from normal, ongoing business processes and are settled in full on a monthly basis.
- E. Not applicable
- F. The Company provides to and receives from its affiliates certain administrative, investment, and actuarial services, the cost of which was negotiated in an arms-length transaction.
- G. All outstanding shares of the Company are owned by The Paul Revere Life Insurance Company (10.1%), Unum Life Insurance Company of America (4.0%), and UnumProvident (85.9%), a non-insurance holding company incorporated in Delaware. Various other affiliates are under the ownership of UnumProvident, but all transactions between affiliates are arms-length in nature and do not result in the operating results or financial position of the Company being significantly different from those that would have been obtained if the enterprises were autonomous.
- H. Not applicable
- I. Not applicable
- J. Not applicable

NOTES TO FINANCIAL STATEMENTS

11. Debt

Not applicable

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

The Company purchases services from its affiliates in accordance with an intercompany cost sharing arrangement. There is no obligation on the part of the Company beyond the amounts paid as part of the cost of services purchased.

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

- (1) The Company has 55,000,000 shares authorized and 43,501,205 shares issued and outstanding. Par value is \$1.00 per share.
- (2) The Company has no preferred stock outstanding.
- (3) The maximum amount of dividends which can be paid to shareholders by Tennessee domiciled insurance companies without prior approval by the Department is subject to restrictions relating to the greater of ten percent of an insurer’s surplus as regards policyholders as of the preceding year end or the net gain from operations, excluding realized capital gains and losses, of the preceding year.
- (4) The portion of the Company’s profits that may be payable as ordinary dividends to its stockholders is a function of the dividend restriction noted previously.
- (5) Not applicable
- (6) Not applicable
- (7) Not applicable
- (8) Not applicable
- (9) Unassigned funds are represented (reduced) as follows (\$ in millions):

a. unrealized gains and losses	\$ (14.3)
b. nonadmitted asset values	\$(270.0)
c. separate account business	\$ -
d. asset valuation reserve	\$ (35.5)
e. reinsurance in unauthorized companies	\$ -

- (10)The Company holds the following surplus debenture (\$ in millions):

Date Issued	Interest Rate	Par Value (Face Amount of Note)	Carrying Value of Note	Principal And/or Interest Paid Current Year	Total Principal And/or Interest Paid	Unapproved Principal And/or Interest	Date of Maturity
12-1-96	Variable	\$150.0	\$150.0	\$12.7	\$96.6	\$-	12-1-06

The note was issued to UnumProvident in exchange for cash. Advance approval by the Department shall be required for each payment of principal and interest. Subject to this restriction, the surplus notes may be repaid, in whole at any time or in part from time to time, without premium or penalty and with interest to the date of payment only.

- (11)Not applicable
- (12)Not applicable

14. Contingencies

- A. At December 31, 2004, the Company had capital commitments of \$4.7 million for certain privately placed investments.
- B. The Company accrues in its financial statements estimates of guaranty fund assessments based on known insolvencies and historical Company state participation levels. A corresponding receivable is recorded for amounts estimated to be recoverable through future premium tax offsets. The liability and related receivable were approximately \$3.0 million and \$2.4 million, respectively, at December 31, 2004.
- C. Not applicable
- D. Paul Revere Brokers, Career Agents, and Sales Managers Actions

In 1997 two alleged class action lawsuits were filed in Superior Court in Worcester, Massachusetts (Superior Court) against UnumProvident and several of its subsidiaries, The Paul Revere Corporation (Paul Revere), The Paul Revere Life Insurance Company, The Paul Revere Variable Annuity Insurance Company, and the Company.

NOTES TO FINANCIAL STATEMENTS

One purported to represent independent brokers who sold certain individual disability income policies with benefit riders that were issued by subsidiaries of Paul Revere and who claimed that their compensation had been reduced in breach of their broker contract and in violation of the Massachusetts Consumer Protection Act (the Massachusetts Act). A class was certified in February 2000. In April 2001, the jury returned a complete defense verdict on the breach of contract claim. Notwithstanding the jury verdict, the judge was obligated to rule separately on the claim that UnumProvident and its affiliates violated the Massachusetts Act. In September 2002, the judge ruled that Paul Revere violated the Massachusetts Act and awarded double damages plus attorneys' fees. Complicating the matter was the unexpected death of the trial judge. In March 2003, a new judge was assigned to the case so the parties could proceed to conclude matters before the trial court. Subsequently, in November of 2004, the parties executed a Memorandum of Understanding agreeing in principle to settle all issues in the case. The settlement of \$4.99 million which includes all damages, fees, expenses and interest from all applicable defendants was approved by the court on January 12, 2005, after a fairness hearing on January 7, 2005. The Company's portion of the 2004 charge was immaterial.

The Multidistrict Litigation - Policyholder Class Actions

On May 22, 2003, UnumProvident, several of its subsidiaries, including the Company, and some of their officers and directors filed a motion with the Judicial Panel on Multidistrict Litigation seeking to transfer a number of class 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 February 25, 2003, the case of Davis, et al. v. UnumProvident Corporation, et al., was filed in the United States District Court for the Eastern District of Pennsylvania. The plaintiffs are seeking representative status as a class of disability participants insured under ERISA plans. The complaint alleges that these claimants had their claims improperly denied or terminated and that the Company breached certain fiduciary duties owed to these participants in ERISA plans. The complaint also alleges violations of the federal Racketeer Influenced and Corrupt Organizations Act (RICO). The complaint seeks reversal of claim denials or contract rescissions and re-determination by an independent person of claims of the named plaintiffs and others similarly situated, appointment of a master to oversee certain claim handling matters, and treble damages under RICO. The defendants have not yet answered or otherwise responded to these complaints. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation transfer order.

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

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

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insurance policyholders. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class. This action was transferred to the Eastern District of Tennessee as part of the multidistrict litigation order.

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

On September 17, 2003, the case of Rudrud, et al. v. UnumProvident Corporation, et al., was filed in the United States District Court for the District of Massachusetts. The plaintiffs assert claims on behalf of a putative class of disability participants insured under ERISA plans. The complaint alleges that these claimants had their claims improperly denied or terminated and that the Company breached certain fiduciary duties owed to these participants in ERISA plans. The complaint also alleges violations under 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 and suspended claims. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class.

On December 22, 2003, the Tennessee Federal District Court entered an order consolidating all of the above actions other than Taylor 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 January 23, 2003, a jury in California State Court in Marin County, in the case of Chapman v. UnumProvident, et al., returned a verdict of \$31.6 million against the Company, UnumProvident, and one of its subsidiaries, The Paul Revere Life Insurance Company. The largest portion of the verdict was \$30 million in punitive damages. The Company strongly disagreed with the verdict because the evidence did not support it. The Company filed post-trial motions which challenged, among other things, the excessiveness of the punitive damage award. On March 25, 2003, the court entered an order reducing the punitive damage award to \$5.0 million, thereby reducing the total award to \$6.1 million. On April 8, 2003, the plaintiff in the Chapman case accepted the reduced award. The Company has now appealed the final verdict to the California Court of Appeals.

On April 2, 2003, a jury in Phoenix, Arizona Federal Court in the case of Ceimo v. General American Life Insurance Company, Provident Life and Accident Insurance Company and The Paul Revere Life Insurance Company returned a verdict of \$85.6 million against General American Life Insurance Company and two subsidiaries of UnumProvident; the Company and The Paul Revere Life Insurance Company. This verdict included an award of \$79.0 million in punitive damages. The Company filed all of the required post trial motions. On September 17, 2003, the trial court ordered a reduction of the punitive damage verdict from \$79.0 million to

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\$7.0 million in punitive damages. The court's ruling as to the reduction in punitive damages was based on the United States Supreme Court's decision in State Farm Mutual Automobile Insurance Company vs. Campbell. The remainder of the verdict was upheld and the court awarded the plaintiff \$0.6 million in attorneys' fees. The Company has appealed the case to the Ninth Circuit Court of Appeals. The plaintiff, Joanne Ceimo, filed a notice of cross-appeal on October 7, 2003, seeking to reinstate the full amount of punitive damages awarded by the jury. The Company is awaiting notice of oral argument.

On December 11, 2003, the case of Jewel, et al. v. UnumProvident, et al., was filed in the Worcester County Superior Court, Commonwealth of Massachusetts. The Company received service of this matter on March 8, 2004. Plaintiffs seek to represent all individual long-term disability policyholders and all participants in group long-term disability plans which are not covered by the ERISA who (a) had coverage issued by an insuring subsidiary and (b) whose claims for long-term disability benefits were denied, or whose payments of long-term disability benefits were terminated or suspended, on or after July 1, 1999. Plaintiffs allege that the defendants employed various unfair claim practices and seek declaratory, contractual, and injunctive relief. On April 20, 2004, the defendants answered the complaint by denying generally the allegations and asserting various defenses. On July 15, 2004, plaintiffs filed a motion seeking to certify a plaintiff class. The defendants opposed that motion. The hearing on the motion will take place on February 10, 2005. The Company denies the allegations in the complaint and will vigorously defend the litigation and any attempt to certify the putative class.

On July 17, 2003, a Qui Tam action, The State of California ex rel. Linda Nee and John Metz v. UnumProvident Corporation, et al., was filed under seal in the Superior Court of the State of California, County of Los Angeles. On April 16, 2004, UnumProvident was notified that the Insurance Commissioner decided not to bring an action which permitted the case to go forward with private plaintiffs. The complaint alleges unlawful sales, marketing and claims handling practices, including delaying or limiting payment for, denying or terminating claims by California claimants and/or claims that are handled by UnumProvident's Glendale or other claims centers. The complaint seeks civil penalties and assessments, attorneys' fees and cost, interest and such other relief as the court deems proper for violation of California Insurance Code § 1871.7(b). In addition, the complaint seeks injunctive relief. The Company denies the allegations in the complaint and will vigorously defend the litigation. On August 5, 2004, the Company filed several motions challenging the sufficiency of the complaint. The court has postponed the hearing of the various motions on several occasions. There is currently no date set for further hearing.

On December 20, 2004, Jeffrey A. Weiller v. New York Life Insurance Company, UnumProvident Corporation, and The Paul Revere Life Insurance Company, was filed in the Supreme Court of the State of New York. This complaint is brought by the plaintiff on behalf of himself and a purported class alleging that UnumProvident schemed to improperly deny or terminate legitimate claims filed under policies issued by several non-UnumProvident insurers on behalf of whom UnumProvident administers claims. The Company denies the allegations and will vigorously defend against the allegations raised in the complaint.

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 and information requests for additional information from the NYAG and various other regulatory agencies, including information regarding its quoting process, the placement of reinsurance coverages, and arrangements between UnumProvident's indirect subsidiary, GENEX Services, Inc., and certain third party administrators and preferred provider organizations. UnumProvident is reviewing its compensation policies and procedures for compliance with applicable legal requirements. As announced on October 19, 2004, UnumProvident 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 these 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 intends to cooperate fully 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 intends to cooperate fully with the Division's conduct of this examination.

On November 3 and 4, 2004, the five principal insurance subsidiaries of UnumProvident doing business in North Carolina received Demands for Information from the North Carolina Department of Insurance. The Demands related to the issue of "bid rigging" in the state of North Carolina as it pertains to any resident of North Carolina or any business transacted in the state of North Carolina. Each of the subsidiaries responded on December 7, 2004.

On November 19, 2004, the Maine Bureau of Insurance delivered a formal Letter of Inquiry to Unum Life Insurance Company of America. The inquiry contains a series of questions related to compensation arrangements with producers and quoting practices in the market place. There is also an accompanying request for documents related to compensation arrangements. Unum Life Insurance Company of America intends to fully cooperate with the Maine Bureau on this inquiry.

On November 30, 2004, the Massachusetts Attorney General issued a Civil Investigative Demand to Unum Life Insurance Company of America relative to the sale of group life insurance to employees of the state of Massachusetts. The inquiry relates to bonus payments made to an insurance broker who was hired by the state to oversee the bidding process related to this coverage. These bonus payments were later recouped by Unum Life Insurance Company of America in cooperation with the Group Insurance Commission of Massachusetts. Unum Life Insurance Company of America intends to fully cooperate with the Attorney General's inquiry into the same matter.

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On December 8, 2004, the Massachusetts Attorney General (Insurance Division) issued a Civil Investigative Demand to UnumProvident regarding broker compensation and quoting practices in the state of Massachusetts. The Demand also makes specific inquiry into quotes provided to Universal Life Resources on risks located in Massachusetts. UnumProvident intends to fully cooperate with the Attorney General with regard to this Demand.

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. This multistate examination resulted in a report and a regulatory settlement agreement that became effective on December 21, 2004, when the required number of participating states consented to the agreement. The examination report made no findings of violations of law or regulations. The examination identified areas of concern which became the focus of certain changes and enhancements to UnumProvident's disability claims handling operations and were designed to assure that each claim decision is made in a consistently high quality manner. In addition to enhancements to UnumProvident's claim handling procedures, the primary components of the settlement agreement include a reassessment of certain previously denied or closed claims, additional corporate and board governance and payment of a fine in the amount of \$15.0 million to be allocated among the states and jurisdictions that join the agreement. Currently, 48 states and the District of Columbia have consented to the settlement agreement. In conjunction with the settlement, the Company in 2004 recorded a charge of \$9.8 million before tax, or \$9.3 million after tax for the incremental direct operating expenses, benefit costs, and fine.

In addition, the U.S. Department of Labor, which had been conducting an inquiry relating to certain ERISA plans has joined the settlement agreements. The Office of the New York Attorney General, which had engaged in its own investigation of UnumProvident's claim handling practices, has notified UnumProvident that it is in support of the settlement and is, therefore, closing its investigation on this issue.

While the multistate examination has been in progress, several states have continued their own market conduct examinations and investigations, which include claim related as well as certain other state specific issues. Although Minnesota is participating in the multistate settlement agreement, UnumProvident recently settled three prior market conduct examinations dating back to 1995 and paid a fine of \$250,000. California has declined to participate in the multistate settlement agreement and will continue to pursue their own examination which began in 2002. Arizona and New Mexico are expected to participate in the multistate settlement agreement, and they may continue to pursue their own examinations on state specific non-disability claim issues.

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 the Company 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 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 (ULR), 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. In November 2004, the plaintiff in the action indicated his intention to file an Amended Complaint in the action. On January 10, 2005, an amended complaint was filed and the amendment included the insertion of a new plaintiff, Cynthia Brandes. The case is now entitled, Cynthia Brandes individually and on behalf of all those similarly situated v. Universal Life Resources et al. The Company denies the allegations of the complaint and will vigorously defend the litigation.

On November 17, 2004, an action purporting to seek injunctive relief pursuant to the California Insurance Code, The People of the State of California by and through John Garamendi, Insurance Commissioner of the State of California v. Universal Life Resources, et al., was filed in the Superior Court of the State of California for the County of San Diego. Allegations are made against ULR, a major broker, and several major insurers, including UnumProvident, claiming that the broker was paid undisclosed or inadequately disclosed fees, commissions and other compensation as kickbacks by the insurer defendants in return for the broker steering its clients to purchase insurance policies and other services from the insurer defendants. In addition to injunctive relief, the complaint purports to seek the imposition of a trust to recover any funds acquired by any practice the Court may find to have been in violation of the Insurance Code or the regulations promulgated thereunder. The case was removed to the United States District Court for the Southern District of California on January 3, 2005. On January 24, 2005, the plaintiff filed a motion to remand the case to state court.

NOTES TO FINANCIAL STATEMENTS

On or about January 10, 2005, an amended complaint was filed in the case of United Policyholders, on behalf of the general public, v. Universal Life Resources et al., in the Superior Court of the State of California, County of San Diego. UnumProvident was named as a defendant in this amended complaint. The complaint alleges violations of California Business and Professions Code section 17200 in connection with ULR defendants’ insurance brokering services and the insurance defendants’ sale of insurance to ULR customers and their employees. The complaint seeks injunctive relief and equitable relief in the form of restitution. The Company denies the allegations in the complaint and will vigorously defend the case.

In September 2003, United States of America ex. rel. Patrick J. Loughren v. UnumProvident Corporation and GENEX Services, Inc., was filed in the United States District Court for the District of Massachusetts. This is a Qui Tam action to recover damages and civil penalties on behalf of the United States of America alleging false statements and claims were made or caused to be made by UnumProvident and GENEX to the United States of America in violation of the False Claims Act. The action was originally filed under seal to provide the government the opportunity to investigate the allegations and prosecute the action if they believed that the case had merit and warranted their attention. The government has turned down the option to prosecute the case and, as a result, the seal was lifted and the case became a matter of public record on December 23, 2004. This litigation relates to the assistance provided to UnumProvident Corporation insurance subsidiary claimants in their pursuit of, or application for, benefits from the Social Security Administration by UnumProvident and GENEX employees, agents or any employees of its subsidiary companies. The Company denies the complaint and will vigorously defend the case.

On January 14, 2005, Shell Vacations LLC on behalf of itself and all others similarly situated v. Marsh and McLennan Companies Inc. et al., was filed in the United States District Court for the Northern District of Illinois. The complaint is a putative class action and alleges violations of the Sherman Act, RICO, federal and state common law, state antitrust laws, restitution and unfair and or deceptive trade practices laws. The allegations are brought against numerous broker organizations and insurers and assert claims based on big rigging, price fixing, and undisclosed and improper compensation practices. The complaint seeks disgorgement of profits, establishment of a constructive trust, damages including punitive damages and trebling of damages and injunctive relief. The Company denies the allegations of the complaint and will vigorously defend the case.

On January 21, 2005, Redwood Oil Company on behalf of itself and all others similarly situated v. Marsh and McLennan Companies Inc. et al., was filed in the United States District Court for the Northern District of Illinois. The complaint is a putative class action and alleges violations of the Sherman Act, RICO, federal and state common law, state antitrust laws, restitution and unfair and or deceptive trade practices laws. The allegations are brought against numerous broker organizations and insurers and assert claims based on bid rigging, price fixing, and undisclosed and improper compensation practices. The complaint seeks disgorgement of profits, establishment of a constructive trust, damages as provided by federal and state antitrust laws and by RICO. The Company denies the allegations of the complaint and will vigorously defend the case.

15. Leases

A. Lessee Leasing Arrangements

- (1) The Company leases office space under various noncancelable operating leases that expire through 2012. Rental expense for 2004 and 2003 was approximately \$10.1 million and \$9.8 million, respectively.
- (2) At December 31, 2004, the minimum aggregate rental commitments are as follows:

<u>Year Ended December 31</u>	<u>Operating Leases</u> (\$ in millions)
2005	\$8.3
2006	9.3
2007	8.9
2008	7.6
2009	6.0
Thereafter	8.6

- (3) Not applicable

B. Lessor Leases

Not applicable

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

- A. The table below summarizes the notional amounts of the Company’s financial instruments with off-balance sheet risk (\$ in millions):

	<u>December 31</u>	
	<u>2004</u>	<u>2003</u>
Foreign Currency Swaps – Receive Fixed/Pay Fixed	\$619.7	\$ 58.0
Swaps – Receive Fixed/Pay Variable	275.0	275.0
Foreign Currency Forward	-	470.0
Total	<u>\$894.7</u>	<u>\$803.0</u>

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

NOTES TO FINANCIAL STATEMENTS

B. The Company uses interest rate swaps to hedge interest rate risks and to improve the matching of its assets and liabilities. An interest rate swap is an agreement in which the Company agrees with other parties to exchange, at specified intervals, the difference between fixed rate and floating rate interest amounts, calculated by reference to an agreed upon notional principal amount. No cash is exchanged at the outset of the contract, and no principal payments are made by either party. A single net payment is usually made by one counterparty at each due date. The Company has certain forward interest rate swap agreements where the exchange of interest payments does not begin until a specified future date. The Company intends to settle for cash the forward interest rate swap agreements prior to commencement of the exchange of interest payments.

The Company uses foreign currency interest rate swaps to hedge the currency risk of certain foreign currency denominated fixed income securities owned. Under these currency swaps, the Company agrees to pay, at specified intervals, fixed rate foreign currency denominated interest payments to the counterparty in exchange for fixed rate U.S. dollar denominated interest payments. These payments are calculated by reference to agreed upon notional principal amounts. At maturity date, the Company will pay the foreign currency denominated notional amount to the counterparty in exchange for the U.S. dollar denominated notional amount. By entering into this currency swap, the Company has effectively converted a foreign currency denominated asset into a U.S. dollar denominated asset.

The Company used foreign currency forward contracts to hedge the foreign currency risk associated with the sale of its Canadian Branch operations. The Company received Canadian dollars at the time the sale transaction was settled. The forward contract hedged the risk of changes in the functional-currency-equivalent cash flows attributable to changes in the Canadian foreign currency exchange rates. At termination date, the Company paid the Canadian dollar denominated notional amount to the counterparty in exchange for the U.S. dollar denominated notional amount. By entering into this forward contract, the Company effectively converted the Canadian dollar proceeds into U. S. dollars.

- C. The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure of derivatives is limited to the fair value of those contracts in a net gain position. The Company mitigates credit risk by entering into master agreements with its counterparties whereby contracts in a gain position can be offset against contracts in a loss position. See Schedule DB Part E for detail of the Company’s counterparty exposures.
- D. Credit risk is managed by only entering into transactions with investment-grade counterparties and obtaining collateral where appropriate and customary. The Company typically enters into bilateral, cross-collateralization agreements with its counterparties. These agreements require the counterparty in a loss position to submit acceptable collateral with the other counterparty in the event the net loss position meets or exceeds \$2.5 million.

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

- A. Not applicable
- B. Transfer and Servicing of Financial Assets
- (1) Not applicable
- (2) Securities are loaned to brokers during the normal course of business. For loaned securities, Company policies require a minimum of 102% of the fair value to be maintained as collateral. Generally, cash is received as collateral under these agreements. In the event that securities are received as collateral, they are restricted from general use by the Company. At December 31, 2004, the Company had \$112.7 million of bonds on loan. The Company is provided a degree of access to the assets permitting admission under SSAP No. 4. See Schedule D, Part 1, Column 3.
- (3) Not applicable
- C. Not applicable

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

- A. Not applicable
- B. The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2004 (\$ in millions):

	(1)	(2)	(3)
	ASC	Uninsured	Total
	Uninsured	Portion	ASC
	Plans	of Partially	
		Insured Plans	
a. Gross reimbursement for disability cost incurred	\$43.2	\$0.4	\$43.6
b. Gross administrative fees accrued	2.6	-	2.6
c. Other income or expenses (including interest paid to or received from plans)	-	-	-
d. Gross expenses incurred (claims and administrative)	<u>46.2</u>	<u>0.4</u>	<u>46.6</u>
e. Total net gain or loss from operations	<u>\$ (0.4)</u>	<u>\$ -</u>	<u>\$ (0.4)</u>

NOTES TO FINANCIAL STATEMENTS

C. Not applicable

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

The aggregate amount of direct premiums written through managing general agents and third party administrators for the year ending December 31, 2004 is \$5.1 million, which does not exceed five percent of surplus.

20. September 11 Events

As a result of the events of September 11, 2001, the Company recognized a 2001 before-tax charge of \$2.0 million. This charge included estimated gross ultimate losses from reported and unreported claims of \$3.8 million less an estimated \$1.8 million recoverable from the Company’s reinsurers. The charge did not include any indirect costs which the Company incurred in developing specialized procedures for filing claims resulting from the attacks and in providing additional support to impacted policyholders and group clients.

21. Other Items

A. Not applicable

B. Not applicable

C. 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 \$304.0 million and transferred assets of approximately \$370.7 million as part of the initial transaction in 2004. The Company’s state of domicile has approved the transaction.

Assets in the amount of \$281.6 million at December 31, 2004 were on deposit with government authorities, trustees, or escrow as required by law or order.

D. Not applicable

E. Not applicable

22. Events Subsequent

None

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

If yes, give full details.

2. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$_____

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? \$_____

NOTES TO FINANCIAL STATEMENTS

2. Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.

The Company sold its Canadian branch effective April 30, 2004. The related ceded reinsurance agreements were novated to the buyer and resulted in a \$26.3 million reduction in reserve credits taken.

2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes (X) No ()

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$315.8 million

B. Uncollectible Reinsurance

Not applicable

C. Commutation of Ceded Reinsurance (\$ in millions):

(1) Claims incurred	\$ (7.8)
(2) Claims adjustment expense incurred	-
(3) Premiums earned	10.9
(4) Other	<u>(1.5)</u>
(5) Total	\$ 1.6
(6) <u>Company</u>	<u>Amount</u>
General Re Life Corporation (Effective Date 7/1/1997)	\$1.6
General Re Life Corporation (Effective Date 6/1/1990)	\$ -

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premium adjustments for its group life and group health insurance business based on the financial experience of the policyholder. The experience is calculated by netting the actual claim experience, expenses, and agreed upon profit margin against the contract premium.
- B. The amount of net premiums written by the Company at December 31, 2004 that are subject to retrospective rating features was \$29.4 million, representing 29% of the total net premiums written for group life business, and \$43.7 million for group health, representing 38% of the total net premiums written for group health business. No other net premiums written by the Company are subject to retrospective rating features.

25. Change in Incurred Losses and Loss Adjustment Expenses

Not applicable

26. Intercompany Pooling Arrangements

Not applicable

27. Structured Settlements

Not applicable

28. Health Care Receivables

Not applicable

NOTES TO FINANCIAL STATEMENTS

29. Participating Policies

For the reporting year ended 2004, the amount of participating business is less than one-tenth of one percent of the total insurance in force face amount. The participating policies have the following dividend options: a) cash dividends, b) applied to reduce premium, c) applied to purchase paid-up additions, d) left to accumulate interest, and e) applied to purchase one year term insurance. The Company accounts for its policyholder dividends based upon the dividend option elected by the policyholder. The Company paid dividends in the amount of \$8,951 to policyholders and did not allocate any additional income to such policyholders.

30. Premium Deficiency Reserves

Not applicable

31. Reserves for Life Contracts and Deposit-Type Contracts

- (1) Principally, the Company waives deduction of deferred fractional premiums upon death of the insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of legally computed reserves.
- (2) The extra reserve on annual premium policies subject to an extra premium is one-half the extra annual gross premium. The extra reserve for single premium policies subject to an extra premium is one-half the extra gross single premium. The rating-up in age method and liens are not used by the Company.
- (3) As of December 31, 2004, the Company had \$44.4 million of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation required by the State of Tennessee. Reserves to cover the above insurance totaled \$48,736 at year-end and are reported in Exhibit 5, Life Insurance and Annuities sections.
- (4) The tabular interest, tabular less actual reserve released, and tabular cost have each been determined by formula as described in the instructions.
- (5) For the determination of tabular interest on supplemental contracts and dividend accumulations not involving life contingencies, the tabular interest is determined by formula 3 as described in the instructions. Tabular interest on deposit funds other than supplemental contracts and dividend accumulations is determined using actual interest credited and/or accrued to the funds.
- (6) There were no other material reserve changes.

32. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics (\$ in millions)

	(1) Amount	(2) % of Total
A. Subject to discretionary withdrawal:		
(1) With fair value adjustment	\$ -	-%
(2) At book value less current surrender charge of 5% or more	-	-
(3) At fair value	<u>0.1</u>	<u>-</u>
(4) Total with adjustment or at market value	0.1	-
(5) At book value without adjustment (minimal or no charge or adjustment)	165.4	14.5
B. Not subject to discretionary withdrawal	<u>975.0</u>	<u>85.5</u>
C. Total (gross)	1,140.5	<u>100.0%</u>
D. Reinsurance ceded	<u>114.5</u>	
E. Total (net) * (C) – (D)	<u>\$1,026.0</u>	

*Reconciliation of total annuity reserves and deposit fund liabilities

F. Life & Accident & Health Annual Statement:

1. Exhibit 5, Annuities Section, Total (net)	\$ 959.7
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	0.8
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	<u>65.5</u>
4. Subtotal	<u>1,026.0</u>

Separate Accounts Annual Statement:

5. Exhibit 3, Line 0299999, Column 2	
6. Exhibit 3, Line 0399999, Column 2	
7. Policyholder Dividend and Coupon Accumulations	
8. Policyholder Premiums	
9. Guaranteed Interest Contracts	
10. Other Contract Deposit Funds	
11. Subtotal	<u>-</u>
12. Combined Total	<u>\$1,026.0</u>

NOTES TO FINANCIAL STATEMENTS

33. Premium & Annuity Considerations Deferred and Uncollected

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2004 were as follows (\$ in millions):

Type	Gross	Net of Loading
Ordinary new business	\$29.9	\$ 5.6
Ordinary renewal	30.1	24.8
Group Life	<u>8.0</u>	<u>8.0</u>
Totals	<u>\$68.0</u>	<u>\$38.4</u>

34. Separate Accounts

Not applicable

35. Loss Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of 2004 and 2003 was \$77.9 million and \$92.1 million, respectively.

The Company incurred \$30.0 million and paid \$44.2 million of claim adjustment expenses in the current year, of which \$38.0 million of the paid amount was attributable to insured or covered events of prior years. The Company did not increase or decrease the provision for insured events of prior years.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. Treasury securities	8,831,972	0.1	8,831,972	0.1
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies				
1.22 Issued by U.S. government sponsored agencies	456,727,530	6.1	456,727,530	6.1
1.3 Foreign government (including Canada, excluding mortgaged-backed securities)	295,506,771	4.0	295,506,771	4.0
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S. :				
1.41 States, territories and possessions general obligations	8,616,447	0.1	8,616,447	0.1
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA	94,384	0.0	94,384	0.0
1.512 Issued or guaranteed by FNMA and FHLMC	19,187,094	0.3	19,187,094	0.3
1.513 All other				
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	818,573,572	11.0	818,573,572	11.0
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521				
1.523 All other	77,903,519	1.0	77,903,519	1.0
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	3,815,430,021	51.3	3,815,430,021	51.3
2.2 Unaffiliated foreign securities	1,619,110,675	21.8	1,619,110,675	21.8
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated	101,432,686	1.4	101,432,686	1.4
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated	99,914	0.0	99,914	0.0
3.4 Other equity securities:				
3.41 Affiliated				
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans				
4.6 Mezzanine real estate loans				
5. Real estate investments:				
5.1 Property occupied by the company	47,991,632	0.6	47,991,632	0.6
5.2 Property held for the production of income (includes \$ 0 of property acquired in satisfaction of debt)	8,416,213	0.1	8,416,213	0.1
5.3 Property held for sale (\$ 0 including property acquired in satisfaction of debt)	6,528,294	0.1	6,528,294	0.1
6. Policy loans	70,235,727	0.9	70,235,727	0.9
7. Receivables for securities	544,593	0.0	544,593	0.0
8. Cash, cash equivalents and short-term investments	65,528,005	0.9	65,528,005	0.9
9. Other invested assets	14,244,646	0.2	14,244,646	0.2
10. Total invested assets	7,435,003,695	100.0	7,435,003,695	100.0

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐

1.3

State Regulating?

Tennessee

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒

2.2

If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2000

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2000

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

08/06/2003

3.4

By what department or departments?

Tennessee, Delaware, and Nevada

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes ☐ No ☒

4.12 renewals?

Yes ☐ No ☒

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes ☐ No ☒

4.22 renewals?

Yes ☐ No ☒

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒

5.2

If yes, provide name of 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	2	3
Name of Entity	NAIC Company Code	State of Domicile

6.1

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 ☒

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒

7.2

If yes,

7.21 State the percentage of foreign control;

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1	2
Nationality	Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

GENERAL INTERROGATORIES

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....						
.....						
.....						

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP 633 Chestnut Street, Suite 1500 Chattanooga, TN 37450
10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Albert A. Riggieri, FSA, MAAA, Vice President and Appointed Actuary 2211 Congress Street M243 Portland, ME 04122
11. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 11.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 11.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 11.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 11.4 If answer to (11.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

BOARD OF DIRECTORS

12. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No []
13. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
14. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

- 15.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 15.11 To directors or other officers.....\$ 0

15.12 To stockholders not officers.....\$ 0

15.13 Trustees, supreme or grand
(Fraternal Only)\$ 0
- 15.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 15.21 To directors or other officers.....\$ 0

15.22 To stockholders not officers.....\$ 0

15.23 Trustees, supreme or grand
(Fraternal Only)\$ 0
- 16.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement? Yes [] No [X]
- 16.2 If yes, state the amount thereof at December 31 of the current year:
- 16.21 Rented from others.....\$

16.22 Borrowed from others.....\$

16.23 Leased from others\$

16.24 Other\$

Disclose in Notes to Financial Statements the nature of each obligation.

- 17.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No []
- 17.2 If answer is yes,
- 17.21 Amount paid as losses or risk adjustment \$ 92,986

17.22 Amount paid as expenses\$

17.23 Other amounts paid\$

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

GENERAL INTERROGATORIES

INVESTMENT

18. List the following capital stock information for the reporting entity:

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price if Callable	5 Is Dividend Rate Limited? Yes [] No [] XXX	6 Are Dividends Cumulative? Yes [] No [] XXX
Preferred						
Common	55,000,000	43,501,205	1.000	XXX		

19.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes [] No [X]

19.2 If no, give full and complete information relating thereto:
All other bonds and stocks are held in the Company's custodial accounts at JPMorgan Chase Bank, New York, NY and Royal Trust Corporation of Canada, Toronto, Ontario, Canada.

20.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 3 - Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 16.1). Yes [X] No []

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

20.21 Loaned to others \$ 112,675,565

20.22 Subject to repurchase agreements \$ 150,941,000

20.23 Subject to reverse repurchase agreements \$ 150,941,000

20.24 Subject to dollar repurchase agreements \$

20.25 Subject to reverse dollar repurchase agreements \$

20.26 Pledged as collateral \$ 54,913,762

20.27 Placed under option agreements \$

20.28 Letter stock or other securities restricted as to sale \$

20.29 Other \$

20.3 For category (20.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

22.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

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

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

GENERAL INTERROGATORIES

INVESTMENT

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

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

1 Nature of Custodian(s)	2 Custodian's Address
JPMorgan Chase Bank	New York, NY
Royal Trust Corporation of Canada	Toronto, Ontario, Canada
.....	

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

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

23.03 Has there been any changes, including name changes, in the custodian(s) identified in 23.01 during the current year? Yes [] No [X]

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

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

23.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
30172	Metropolitan West Securities, LLC	Los Angeles, CA
.....	JPMorgan Fleming Asset Management	New York, NY
.....	Provident Investment Management, LLC	Chattanooga, TN
.....		

24.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)]? Yes [] No [X]

24.2 If yes, complete the following schedule:

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

GENERAL INTERROGATORIES

INVESTMENT

25. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
25.1 Bonds	7,080,023,932	8,235,395,125	1,155,371,193
25.2 Preferred stocks	101,432,686	98,818,103	(2,614,583)
25.3 Totals	7,181,456,618	8,334,213,228	1,152,756,610

25.4 Describe the sources or methods utilized in determining the fair values:

Bonds: Lehman Pricing Service, Street Pricing Service, Royal Trust Bank, BondCalc, Hub Market Data, Various Brokers. For private placement securities, internal estimates are used based on discounting cash flows at the current market applicable to the yield, credit quality, and maturity of the bonds. Preferred Stocks: Various Brokers; internal estimates based on issuer's financial statements.

26.1 Have all the filing requirements of the Purposes and Procedures manual of the NAIC Securities Valuation Office been followed? Yes [] No [X]

26.2 If no, list exceptions:

45821@118	P6UZ*	INSURANCE HOLDINGS OF AMERICA	0	Zero book value rated P6UZ* by Company
9726242*0	6Z*	WILTON TRUST (ETOL)	0	Zero book value rated 6Z* by Company
60755#AC1	6Z	MODERN CONTINENTAL	1,777,136	Rated 6Z by company

OTHER

27.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?\$ 588,017

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

1 Name	2 Amount Paid
.....	
.....	
.....	

28.1 Amount of payments for legal expenses, if any?\$ 2,378,322

28.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Sullivan & Cromwell	1,049,722
.....	

29.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$ 11,076

29.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Life Insurance Association of Massachusetts	6,682
Association of California Life & Health Insurance Co	4,394
.....	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U.S. business only

\$

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

1.31

Reason for excluding

.....

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$

1.62

Total incurred claims

\$

1.63

Number of covered lives

.....

All years prior to most current three years

1.64

Total premium earned

\$

1.65

Total incurred claims

\$

1.66

Number of covered lives

.....

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$

1.72

Total incurred claims

\$

1.73

Number of covered lives

.....

All years prior to most current three years

1.74

Total premium earned

\$

1.75

Total incurred claims

\$

1.76

Number of covered lives

.....

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

492,374

550,445

2.2

Premium Denominator

1,091,931,780

1,351,700,770

2.3

Premium Ratio (2.1/2.2)

0.000

0.000

2.4

Reserve Numerator

146,209,473

230,390,582

2.5

Reserve Denominator

5,962,168,115

7,503,894,403

2.6

Reserve Ratio (2.4/2.5)

0.025

0.031

3.1

Does this reporting entity have Separate Accounts?

Yes [] No [X]

3.2

If yes, has a Separate Accounts Statement been filed with this Department?

Yes [] No [] N/A [X]

3.3

What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account?

\$

3.4

State the authority under which Separate Accounts are maintained:

.....

3.5

Was any of the reporting entity's Separate Accounts business reinsured as of December 31?

Yes [] No []

3.6

Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?

Yes [] No []

3.7

If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)?"

.....

4.1

Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)?

Yes [X] No []

4.2

Net reimbursement of such expenses between reporting entities:

4.21

Paid

\$ 195,119,074

4.22

Received.....

\$

5.1

Does the reporting entity write any guaranteed interest contacts?

Yes [X] No []

5.2

If yes, what amount pertaining to these lines is included in:

5.21

Page 3, Line 1

\$ 11,160,565

5.22

Page 4, Line 1

\$

6.

FOR STOCK REPORTING ENTITIES ONLY:

6.1

Total amount paid in by stockholders as surplus funds since organization of the reporting entity:

\$ 432,838,916

7.

Total dividends paid stockholders since organization of the reporting entity:

7.11

Cash

\$ 1,405,790,943

7.12

Stock

\$ 39,230,915

22

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

8.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []

8.11 Name of real estate holding company Cool Springs Real Estate Associates, L.P.

8.12 Number of parcels involved

8.13 Total book/adjusted carrying value \$ 0

8.2 If, yes provide explanation:
The Company is a general partner of Cool Springs Real Estate Associates, L.P. The purpose of this partnership is to develop real estate. The partnership sold its final parcel of land in 2004 and is in the process of final liquidation.

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

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

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

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

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

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

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

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

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

Type		3	4	5	6	7	8	9
1	2							
Guaranteed Death Benefit	Guaranteed Living Benefit	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

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

	1 2004	2 2003	3 2002	4 2001	5 2000
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4)	25,917,602	23,976,083	29,071,741	21,175,393	19,866,444
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	8,033,683	8,511,632	2,207,985	8,145,924	9,279,675
3. Credit life (Line 21, Col. 6)	182	186	200	212	231
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	31,376,764	57,116,901	68,459,006	109,914,598	126,409,883
5. Industrial (Line 21, Col. 2)					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)					
7. Total (Line 21, Col. 10)	65,328,231	89,604,802	99,738,932	139,236,127	155,556,233
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2)	4,689,780	4,541,265	3,683,958	4,279,510	2,521,928
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)	1,773,883	490,461	528,279	610,655	1,106,394
10. Credit life (Line 2, Col. 6)					
11. Group (Line 2, Col. 9)	0	451,197	730,684	3,955,704	6,897,111
12. Industrial (Line 2, Col. 2)					
13. Total (Line 2, Col. 10)	6,463,663	5,482,923	4,942,921	8,845,869	10,525,433
Premium Income - Lines of Business					
14. Industrial life (Exhibit 1-Part 1, Line 20.4, Col. 2)					
15.1 Ordinary-life insurance (Exhibit 1-Part 1, Line 20.4, Col. 3)	187,576,432	164,850,015	158,652,702	113,252,732	163,193,875
15.2 Ordinary-individual annuities (Exhibit 1-Part 1, Line 20.4, Col. 4)	0	0	0	235	1,125
16. Credit life (group and individual) (Exhibit 1-Part 1, Line 20.4, Col. 5)	1,411	1,469	1,546	1,764	1,825
17.1 Group life insurance (Exhibit 1-Part 1, Line 20.4, Col. 6)	103,323,354	144,345,970	175,647,324	236,885,349	281,906,062
17.2 Group annuities (Exhibit 1-Part 1, Line 20.4, Col. 7)	0	0	1,605	584,635	229,601
18.1 A & H-group (Exhibit 1-Part 1, Line 20.4, Col. 8)	116,261,894	225,156,444	313,912,749	355,185,684	277,606,646
18.2 A & H-credit (group and individual) (Exhibit 1-Part 1, Line 20.4, Col. 9)					
18.3 A & H-other (Exhibit 1-Part 1, Line 20.4, Col. 10)	684,768,690	817,346,872	739,231,270	697,604,440	541,456,743
19. Aggregate of all other lines of business (Exhibit 1-Part 1, Line 20.4,Col. 11)					
20. Deposit-type funds	XXX	XXX	XXX	XXX	547,269
21. Total	1,091,931,780	1,351,700,770	1,387,447,198	1,403,514,839	1,264,943,147
Balance Sheet Items (Pages 2 & 3)					
22. Total admitted assets excluding Separate Accounts business (Page 2, Line 24, Col. 3)	7,850,589,659	9,075,668,304	8,556,790,316	8,716,853,843	8,689,579,439
23. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	6,431,032,660	7,914,363,739	7,629,514,061	7,717,532,597	7,681,547,567
24. Aggregate life reserves (Page 3, Line 1)	1,739,528,120	1,721,148,806	1,672,577,827	1,633,553,394	1,619,463,270
25. Aggregate A & H reserves (Page 3, Line 2)	4,140,203,473	5,577,134,084	5,112,189,340	5,263,318,511	4,927,113,745
26. Deposit-type contract funds (Page 3, Line 3)	65,531,122	76,635,546	90,800,690	97,883,355	XXX
27. Asset valuation reserve (Page 3, Line 24.1)	35,460,598	28,515,893	8,349,929	92,643,262	124,906,399
28. Capital (Page 3, Lines 29 and 30)	43,501,205	43,501,205	43,501,205	43,501,205	43,501,205
29. Surplus (Page 3, Line 37)	1,376,055,794	1,117,803,359	883,775,050	955,820,041	964,530,667
Risk-Based Capital Analysis					
30. Total adjusted capital	1,455,017,597	1,189,841,274	935,643,361	1,091,978,944	1,132,958,283
31. Authorized control level risk - based capital	164,084,808	212,217,768	209,764,362	205,874,778	198,490,299
Percentage Distribution of Assets (Page 2, Col. 3) (Line No. /Page 2, Line 10, Col. 3) x 100.0					
32. Bonds (Line 1)	95.8	96.4	96.4	96.8	96.6
33. Stocks (Lines 2.1 and 2.2)	1.4	1.7	1.8	1.3	0.7
34. Mortgage loans on real estate(Lines 3.1 and 3.2)					
35. Real estate (Lines 4.1, 4.2 and 4.3)	0.8	0.7	0.8	0.7	0.8
36. Cash, cash equivalents and short-term investments (Line 5)	0.9	0.2	0.0	0.2	1.0
37. Premium notes	XXX	XXX			
38. Contract loans (Line 6)	0.9	0.8	0.8	0.6	0.6
39. Other invested assets (Line 7)	0.2	0.2	0.2	0.2	0.1
40. Receivable for securities (Line 8)	0.0	0.0	0.0	0.0	0.1
41. Aggregate write-ins for invested assets (Line 9)			0.0	0.1	0.1
42. Cash and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2004	2 2003	3 2002	4 2001	5 2000
Investments in Parent, Subsidiaries and Affiliates					
43. Affiliated bonds (Schedule D Summary, Line 25, Col. 1)					
44. Affiliated preferred stocks (Schedule D Summary, Line 39, Col. 1)					
45. Affiliated common stocks (Schedule D Summary Line 53, Col. 2), ...					
46. Affiliated short-term investments (Subtotals included in Schedule DA Part 2 Col. 5, Line 11) ...					
47. Affiliated mortgage loans on real estate					
48. All other affiliated					
49. Total of above Lines 43 to 48					
Total Nonadmitted and Admitted Assets					
50. Total nonadmitted assets (Page 2, Line 26, Col. 2) ..	269,973,050	329,709,923	311,464,289	340,293,237	28,378,287
51. Total admitted assets (Page 2, Line 26, Col. 3)	7,850,589,659	9,075,668,304	8,556,790,316	8,716,853,843	8,689,579,439
Investment Data					
52. Net investment income (Exhibit of Net Investment Income)	596,405,286	682,912,248	698,744,099	689,813,034	725,314,982
53. Realized capital gains (losses)	159,003,192	(49,342,393)	(118,874,001)	(41,203,378)	(49,397)
54. Unrealized capital gains (losses)	39,264,615	55,364,064	(23,275,071)	(34,886,786)	(22,527,232)
55. Total of above Lines 52, 53 & 54	794,673,093	688,933,919	556,595,027	613,722,870	702,738,353
Benefits and Reserve Increases (Page 6)					
56. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11,12, 13, 14 and 15 Cols. 9, 10 and 11)	275,987,338	298,978,480	334,117,751	389,392,540	568,562,408
57. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	727,607,659	856,561,750	829,626,929	739,637,940	658,279,611
58. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	54,892,111	49,473,554	59,165,290	28,472,893	48,447,473
59. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	178,487,204	250,003,954	379,857,860	401,850,049	286,498,296
60. Dividends to policyholders (Line 30, Col. 1)	668	30,703	39,479	21,552	61,335
Operating Percentages					
61. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0	37.2	33.4	33.9	27.8	15.6
62. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0	17.1	14.0	13.9	17.2	13.7
63. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2)	113.8	106.1	114.8	108.4	113.9
64. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2)	0.6	XXX	XXX	XXX	XXX
65. A & H expense percent excluding cost conatinment expenses (Schedule H, Pt. 1, Line 10, Col. 2)	45.2	39.6	41.3	36.3	33.1
A & H Claim Reserve Adequacy					
66. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2)	75,130,135	464,999,219	435,068,873	801,858,267	640,771,638
67. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2)	69,463,102	446,629,329	388,666,704	826,303,231	709,549,451
68. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)	3,354,990,790	4,043,245,068	3,702,917,139	3,372,777,409	3,079,737,154
69. Prior years' claim liability and reserve-health other than Group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)	2,963,560,288	3,651,181,266	3,316,758,760	3,111,865,336	3,012,618,535
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
70. Industrial life (Col. 2)					
71. Ordinary - life (Col. 3)	30,243,149	15,726,336	26,645,709	28,306,928	47,262,619
72. Ordinary - individual annuities (Col. 4)	169,755	318,355	709,545	(325,437)	2,425,527
73. Ordinary-supplementary contracts (Col. 5)	3,856,364	2,130,920	2,809,684	2,666,361	2,234,388
74. Credit life (Col. 6)	(1,787)	(5,638)	(6,474)	(727)	(5,490)
75. Group life (Col. 7)	15,612,382	5,939,193	8,816,982	(10,241,826)	15,347,886
76. Group annuities (Col. 8)	15,107,720	15,565,750	14,876,254	14,044,439	10,426,230
77. A & H-group (Col. 9)	77,703,212	7,315,784	8,228,273	(1,671,966)	(35,540,117)
78. A & H-credit (Col. 10)					
79. A & H-other (Col. 11)	221,329,993	26,928,766	(4,144,242)	35,844,584	53,414,820
80. Aggregate of all other lines of business (Col. 12)					
81. Total (Col. 1)	364,020,788	73,919,466	57,935,730	68,622,357	95,565,863

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year			896,353	32,487,715	275	186	3,806	1,474,229	57,116,901	89,604,802
2. Issued during year			247,873	6,463,663						6,463,663
3. Reinsurance assumed										
4. Revived during year			8,341	310,136				258	16,634	326,770
5. Increased during year (net)				545,187	1					545,187
6. Subtotals, Lines 2 to 5			256,214	7,318,986	1			258	16,634	7,335,620
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases										
9. Totals (Lines 1 and 6 to 8)			1,152,567	39,806,701	276	186	3,806	1,474,487	57,133,535	96,940,422
Deductions during year:										
10. Death			5,483	165,338	13	4	XXX	6,767	120,248	285,590
11. Maturity			184	776			XXX			776
12. Disability							XXX			
13. Expiry			1,071	20,879				7	230	21,109
14. Surrender			38,233	1,874,673			1	164	1,974	1,876,647
15. Lapse			108,251	3,791,271			1,423	563,042	21,548,325	25,339,596
16. Conversion			70	2,479			XXX	XXX	XXX	2,479
17. Decreased (net)			136				869	89,127	4,085,994	4,085,994
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals, (Lines 10 to 19)			153,428	5,855,416	13	4	2,293	659,107	25,756,771	31,612,191
21. In force end of year, (Line 9 minus Line 20)			999,139	33,951,285	263	182	1,513	815,380	31,376,764	65,328,231
22. Reinsurance ceded end of year	XXX		XXX	15,213,316	XXX		XXX	XXX	1,370,227	16,583,543
23. Line 21 minus Line 22	XXX		XXX	18,737,969	XXX	(b) 182	XXX	XXX	30,006,537	48,744,688
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page.										
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)										
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page.										
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group \$ 0 ; Individual \$ 0

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

		Industrial		Ordinary	
		1	2	3	4
		Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)
24.	Additions by dividends	XXX		XXX	1,688
25.	Other paid-up insurance			25,177	620,038
26.	Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

		Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
		1	2	3	4
Term Insurance Excluding Extended Term Insurance		Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)
27.	Term policies - decreasing				
28.	Term policies - other	30,240	1,571,839	56,860	6,109,057
29.	Other term insurance - decreasing	XXX		XXX	
30.	Other term insurance	XXX	202,044	XXX	1,360,753
31.	Totals, Line 27 to 30	30,240	1,773,883	56,860	7,469,810
Reconciliation to Lines 2 and 21:					
32.	Term additions	XXX		XXX	502,917
33.	Totals, extended term insurance	XXX	XXX	2,799	60,956
34.	Totals, whole life and endowment	217,633	4,689,780	939,480	25,917,602
35.	Total (Lines 31 to 34)	247,873	6,463,663	999,139	33,951,285

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

		Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
		1	2	3	4
		Non-Participating	Participating	Non-Participating	Participating
36.	Industrial				
37.	Ordinary	6,463,663		33,945,369	5,916
38.	Credit Life (Group and Individual)			182	
39.	Group			31,376,764	
40.	Totals (Line 36 to 39)	6,463,663		65,322,315	5,916

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

		Credit Life		Group	
		1	2	3	4
		Number of Individual Policies and Group Certificates	Amount of Insurance (a)	Number of Certificates	Amount of Insurance (a)
41.	Amount of insurance included in Line 2 ceded to other companies	XXX		XXX	
42.	Number in force end of year if the number under shared groups is counted on a pro-rata basis	263	XXX	815,380	XXX
43.	Federal Employees' Group Life Insurance included in Line 21				
44.	Servicemen's Group Life Insurance included in Line 21				
45.	Group Permanent Insurance included in Line 21			28,491	74,960

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46.	Amount of additional accidental death benefits in force end of year under ordinary policies (a)	5,220,763
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BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47.	State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.
47.1	Business not ceded - None; Ceded business - Commuted value of remaining installments
47.2	Business not ceded - Face amount stated in contract; Ceded business - 50% of primary face amount, Child - amounts determined from contract assuming 3 children per insured

POLICIES WITH DISABILITY PROVISIONS

		Industrial		Ordinary		Credit		Group	
		1	2	3	4	5	6	7	8
Disability Provisions		Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Certificates	Amount of Insurance (a)
48.	Waiver of Premium			161,462	5,825,530			377,781	13,897,367
49.	Disability Income			3,905	83,223			147,512	7,419,890
50.	Extended Benefits			XXX	XXX			50,297	1,295,360
51.	Other							179,699	7,449,475
52.	Total		(b)	165,367	(b) 5,908,753		(b)	755,289	(b) 30,062,092

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)
(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES

SUPPLEMENTARY CONTRACTS				
	Ordinary		Group	
	1 Individual Life Contingencies	2 Not Involving Life Contingencies	3 Individual Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	166	481		2, 128
2. Issued during year		76		529
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	166	557		2, 657
Deductions during year:				
6. Decreased (net)	29	101		917
7. Reinsurance				
8. Totals (Lines 6 and 7)	29	101		917
9. In force end of year	137	456		1, 740
10. Amount on deposit	810, 965	(a) 8, 232, 227		(a) 46, 030, 083
11. Income now payable	137	154		
12. Amount of income payable	(a) 152, 053	(a) 206, 382	(a)	(a)

ANNUITIES				
	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	112	152	266	55, 362
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	112	152	266	55, 362
Deductions during year:				
6. Decreased (net)	9	86	14	1, 831
7. Reinsurance				
8. Totals (Lines 6 and 7)	9	86	14	1, 831
9. In force end of year	103	66	252	53, 531
Income now payable:				
10. Amount of income payable	(a) 186, 570	XXX	XXX	(a) 90, 132, 743
Deferred fully paid:				
11. Account balance	XXX	(a) 276, 087	XXX	(a) 962, 131, 169
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

ACCIDENT AND HEALTH INSURANCE						
	Ordinary		Group		Credit	
	1 Policies	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	917, 256	870, 029, 210	11, 309	339, 838, 942		
2. Issued during year	138, 190	79, 407, 936	788	12, 123, 744		
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Totals (Lines 1 to 4)	1, 055, 446	XXX	12, 097	XXX		XXX
Deductions during year:						
6. Conversions	XXX	XXX		XXX	XXX	XXX
7. Decreased (net)	288, 130	XXX	9, 125	XXX		XXX
8. Reinsurance		XXX		XXX		XXX
9. Totals (Lines 6 to 8)	288, 130	XXX	9, 125	XXX		XXX
10. In force end of year	767, 316	(a) 704, 601, 122	2, 972	(a) 138, 400, 200		(a)

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS		
	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year	3, 863	347
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Totals (Lines 1 to 4)	3, 863	347
Deductions During Year:		
6. Decreased (net)	702	220
7. Reinsurance		
8. Totals (Lines 6 and 7)	702	220
9. In force end of year	3, 161	127
10. Amount of account balance	(a) 110, 991, 265	(a) 96, 305

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE

INTEREST MAINTENANCE RESERVE	
	1 Amount
1. Reserve as of December 31, Prior Year	82,979,789
2. Current Year's Realized Pre-Tax Capital Gains/(Losses) of \$ 208,228,009 transferred into the Reserve Net of Taxes of \$ 72,879,803	135,348,206
3. Adjustment for Current Year's Liability Gains/(Losses) released from the reserve	(122,210,066)
4. Balance before Reduction for Amount Transferred to Summary of Operations (Line 1 + Line 2 + Line 3)	96,117,929
5. Current Year's Amortization Released to Summary of Operations (Amortization, Line 1, Column 4)	8,212,972
6. Reserve as of December 31, Current Year (Line 4 minus Line 5)	87,904,956

AMORTIZATION

	1	2	3	4
Year of Amortization	Reserve as of December 31, Prior Year	Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	Balance Before Reduction for Current Year's Amortization (Cols. 1 + 2 + 3)
1. 2004	8,574,255	5,135,162	(5,496,445)	8,212,972
2. 2005	8,146,112	10,022,531	(10,053,298)	8,115,345
3. 2006	7,240,112	9,680,946	(9,722,125)	7,198,933
4. 2007	6,473,211	9,452,430	(9,377,956)	6,547,684
5. 2008	5,982,726	9,191,291	(9,002,587)	6,171,431
6. 2009	5,550,195	8,948,199	(8,627,272)	5,871,121
7. 2010	5,089,817	8,495,909	(8,076,740)	5,508,987
8. 2011	4,770,433	7,823,480	(7,395,435)	5,198,479
9. 2012	4,577,184	7,043,731	(6,626,065)	4,994,850
10. 2013	4,235,321	6,321,313	(5,926,936)	4,629,697
11. 2014	3,858,356	5,457,332	(5,117,393)	4,198,295
12. 2015	3,413,489	4,919,311	(4,542,287)	3,790,512
13. 2016	2,903,645	4,676,182	(4,216,061)	3,363,767
14. 2017	2,295,239	4,470,484	(3,889,883)	2,875,839
15. 2018	1,909,234	4,210,752	(3,591,962)	2,528,024
16. 2019	1,703,385	3,923,706	(3,316,813)	2,310,278
17. 2020	1,504,052	3,599,610	(3,010,216)	2,093,446
18. 2021	1,298,248	3,261,774	(2,665,949)	1,894,073
19. 2022	1,057,355	2,913,226	(2,271,484)	1,699,097
20. 2023	802,764	2,529,950	(1,846,695)	1,486,019
21. 2024	562,368	2,135,963	(1,401,852)	1,296,479
22. 2025	352,612	1,846,052	(1,087,575)	1,111,089
23. 2026	233,366	1,733,554	(976,324)	990,595
24. 2027	167,719	1,582,445	(874,804)	875,361
25. 2028	105,010	1,455,354	(783,595)	776,768
26. 2029	72,810	1,313,668	(683,067)	703,411
27. 2030	51,484	1,119,697	(569,255)	601,927
28. 2031	25,466	888,036	(451,478)	462,024
29. 2032	16,883	656,374	(333,701)	339,556
30. 2033	6,937	405,408	(206,109)	206,235
31. 2034 and Later		134,335	(68,703)	65,632
32. Total (Lines 1 to 31)	82,979,789	135,348,206	(122,210,066)	96,117,929

Interest Maintenance Reserve: Line 1 decreased \$105,395 for foreign currency translation.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

ASSET VALUATION RESERVE

	Default Component			Equity Component			7
	1	2	3	4	5	6	
	Other Than Mortgage Loans	Mortgage Loans	Total (Cols. 1 + 2)	Common Stock	Real Estate and Other Invested Assets	Total (Cols. 4 + 5)	Total Amount (Cols. 3 + 6)
1. Reserve as of December 31, Prior Year	20,648,807		20,648,807	1,538,095	6,328,991	7,867,086	28,515,893
2. Realized Capital Gains/(Losses) Net of Taxes - General Account	(22,993,339)		(22,993,339)	1,626,518	2,683,097	4,309,615	(18,683,724)
3. Realized Capital Gains/(Losses) Net of Taxes - Separate Accounts							
4. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - General Account	2,014,173		2,014,173	(1,101,684)	3,883,658	2,781,974	4,796,147
5. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - Separate Accounts							
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves							
7. Basic Contribution	19,560,889		19,560,889				19,560,889
8. Accumulated Balances (Lines 1 through 5 - 6 + 7)	19,230,530		19,230,530	2,062,929	12,895,746	14,958,675	34,189,205
9. Maximum Reserve	91,308,273		91,308,273	19,983	6,980,252	7,000,235	98,308,508
10. Reserve Objective	65,379,691		65,379,691	19,983	6,980,252	7,000,235	72,379,926
11. 20% of (Line 10 - Line 8)	9,229,832		9,229,832	(408,589)	(1,183,099)	(1,591,688)	7,638,144
12. Balance Before Transfers (Lines 8 + 11)	28,460,363		28,460,363	1,654,340	11,712,647	13,366,987	41,827,349
13. Transfers							XXX
14. Voluntary Contribution							
15. Adjustment down to Maximum/up to Zero				(1,634,357)	(4,732,395)	(6,366,752)	(6,366,752)
16. Reserve as of December 31, Current Year (Lines 12 + 13 + 14 + 15)	28,460,363		28,460,363	19,983	6,980,252	7,000,235	35,460,598

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Num- ber	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
LONG-TERM BONDS												
1.		Exempt Obligations	465,653,888	XXX	XXX	465,653,888	0.0000		0.0000		0.0000	
2.	1	Highest Quality	2,945,838,615	XXX	XXX	2,945,838,615	0.0004	1,178,335	0.0023	6,775,429	0.0030	8,837,516
3.	2	High Quality	2,894,718,794	XXX	XXX	2,894,718,794	0.0019	5,499,966	0.0058	16,789,369	0.0090	26,052,469
4.	3	Medium Quality	381,379,612	XXX	XXX	381,379,612	0.0093	3,546,830	0.0230	8,771,731	0.0340	12,966,907
5.	4	Low Quality	337,118,005	XXX	XXX	337,118,005	0.0213	7,180,614	0.0530	17,867,254	0.0750	25,283,850
6.	5	Lower Quality	47,436,684	XXX	XXX	47,436,684	0.0432	2,049,265	0.1100	5,218,035	0.1700	8,064,236
7.	6	In or Near Default	47,836,388	XXX	XXX	47,836,388	0.0000		0.2000	9,567,278	0.2000	9,567,278
8.		Total Unrated Multi-class Securities Acquired by Conversion		XXX	XXX		XXX		XXX		XXX	
9.		Total Bonds (Sum of Lines 1 through 8) (Page 2, Line 1, Net Admitted Asset)	7,119,981,986	XXX	XXX	7,119,981,986	XXX	19,455,010	XXX	64,989,096	XXX	90,772,256
PREFERRED STOCK												
10.	1	Highest Quality	90,794,142	XXX	XXX	90,794,142	0.0004	36,318	0.0023	208,827	0.0030	272,382
11.	2	High Quality	8,094,794	XXX	XXX	8,094,794	0.0019	15,380	0.0058	46,950	0.0090	72,853
12.	3	Medium Quality		XXX	XXX		0.0093		0.0230		0.0340	
13.	4	Low Quality	2,543,750	XXX	XXX	2,543,750	0.0213	54,182	0.0530	134,819	0.0750	190,781
14.	5	Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
15.	6	In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
16.		Affiliated Life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
17.		Total Preferred Stocks (Sum of Lines 10 through 16) (Page 2, Line 2.1, Net Admitted Asset)	101,432,686	XXX	XXX	101,432,686	XXX	105,880	XXX	390,595	XXX	536,017
SHORT - TERM BONDS												
18.		Exempt Obligations		XXX	XXX		0.0000		0.0000		0.0000	
19.	1	Highest Quality		XXX	XXX		0.0004		0.0023		0.0030	
20.	2	High Quality		XXX	XXX		0.0019		0.0058		0.0090	
21.	3	Medium Quality		XXX	XXX		0.0093		0.0230		0.0340	
22.	4	Low Quality		XXX	XXX		0.0213		0.0530		0.0750	
23.	5	Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
24.	6	In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
25.		Total Short - Term Bonds (Sum of lines 18 through 24)		XXX	XXX		XXX		XXX		XXX	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Num- ber	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
DERIVATIVE INSTRUMENTS												
26.	1 2 3 4 5 6	Exchange Traded		XXX	XXX		0.0004		0.0023		0.0030	
27.		Highest Quality		XXX	XXX		0.0004		0.0023		0.0030	
28.		High Quality		XXX	XXX		0.0019		0.0058		0.0090	
29.		Medium Quality		XXX	XXX		0.0093		0.0230		0.0340	
30.		Low Quality		XXX	XXX		0.0213		0.0530		0.0750	
31.		Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
32.		In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
33.		Total Derivative Instruments		XXX	XXX		XXX		XXX		XXX	
34.		TOTAL (Line 9 + 17 + 25 + 33)	7,221,414,672	XXX	XXX	7,221,414,672	XXX	19,560,889	XXX	65,379,691	XXX	91,308,273
MORTGAGE LOANS												
In Good Standing:												
35.		Farm Mortgages			XXX		0.0063 (a)		0.0120 (a)		0.0190 (a)	
36.		Residential Mortgages - Insured or Guaranteed			XXX		0.0003		0.0006		0.0010	
37.		Residential Mortgages - All Other			XXX		0.0013		0.0030		0.0040	
38.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0003		0.0006		0.0010	
39.		Commercial Mortgages - All Other			XXX		0.0063 (a)		0.0120 (a)		0.0190 (a)	
40.		In Good Standing With Restructured Terms			XXX		0.2800 (b)		0.6200 (b)		1.0000 (b)	
Overdue, Not in Process:												
41.		Farm Mortgages			XXX		0.0420		0.0760		0.1200	
42.		Residential Mortgages - Insured or Guaranteed			XXX		0.0005		0.0012		0.0020	
43.		Residential Mortgages - All Other			XXX		0.0025		0.0058		0.0090	
44.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0005		0.0012		0.0020	
45.		Commercial Mortgages - All Other			XXX		0.0420		0.0760		0.1200	
In Process of Foreclosure:												
46.		Farm Mortgages			XXX		0.0000		0.1700		0.1700	
47.		Residential Mortgages - Insured or Guaranteed			XXX		0.0000		0.0040		0.0040	
48.		Residential Mortgages - All Other			XXX		0.0000		0.0130		0.0130	
49.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0000		0.0040		0.0040	
50.		Commercial Mortgages - All Other			XXX		0.0000		0.1700		0.1700	
51.		Total Schedule B Mortgages (Sum of Lines 35 through 50) (Page 2, Line 3, Net Admitted Asset)			XXX		XXX		XXX		XXX	
52.		Schedule DA Mortgages			XXX		(c)		(c)		(c)	
53.		Total Mortgage Loans on Real Estate (Line 51 + 52)			XXX		XXX		XXX		XXX	

(a) Times the company's Experience Adjustment Factor (EAF).
(b) Column 9 is the greater of 6.4% without any EAF adjustments or a company's EAF adjusted In Good Standing (IGS) factor plus 150 basis points. Columns 5 and 7 are 28% and 62% respectively of Column 9.
(c) Determined using the same factors and breakdowns used for directly owned mortgage loans.

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Num- ber	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	5	6	7	8	9	10
							Factor	Amount (Cols.4 x 5)	Factor	Amount (Cols. 4 x 7)	Factor	Amount (Cols. 4 x 9)
COMMON STOCK												
1.		Unaffiliated - Public	99,914	XXX	XXX	99,914	0.0000		0.2000 (d)	19,983	0.2000 (d)	19,983
2.		Unaffiliated - Private		XXX	XXX		0.0000		0.1600		0.1600	
3.		Federal Home Loan Bank		XXX	XXX		0.0000		0.0050		0.0080	
4.		Affiliated - Life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
Affiliated - Investment Subsidiary:												
5.		Fixed Income - Exempt Obligations					XXX		XXX		XXX	
6.		Fixed Income - Highest Quality					XXX		XXX		XXX	
7.		Fixed Income - High Quality					XXX		XXX		XXX	
8.		Fixed Income - Medium Quality					XXX		XXX		XXX	
9.		Fixed Income - Low Quality					XXX		XXX		XXX	
10.		Fixed Income - Lower Quality					XXX		XXX		XXX	
11.		Fixed Income - In/Near Default					XXX		XXX		XXX	
12.		Unaffiliated Common Stock - Public					0.0000		0.1300 (d)		0.1300 (d)	
13.		Unaffiliated Common Stock - Private					0.0000		0.1600		0.1600	
14.		Mortgage Loans					(c)		(c)		(c)	
15.		Real Estate					(e)		(e)		(e)	
16.		Affiliated - Certain Other (See SVO Purposes and Procedures Manual)		XXX	XXX		0.0000		0.1300		0.1300	
17.		Affiliated - All Other		XXX	XXX		0.0000		0.1600		0.1600	
18.		Total Common Stock (Sum of Lines 1 through 17)(Page 2, Line 2.2, Net Admitted Asset)	99,914			99,914	XXX		XXX	19,983	XXX	19,983
REAL ESTATE												
19.		Home Office Property (General Account only)	47,991,632			47,991,632	0.0000		0.0750	3,599,372	0.0750	3,599,372
20.		Investment Properties	14,944,507			14,944,507	0.0000		0.0750	1,120,838	0.0750	1,120,838
21.		Properties Acquired in Satisfaction of Debt					0.0000		0.1100		0.1100	
22.		Total Real Estate (Sum of Lines 19 through 21)	62,936,139			62,936,139	XXX		XXX	4,720,210	XXX	4,720,210
OTHER INVESTED ASSETS												
23.		Investments with the Underlying Characteristics of Bonds Exempt Obligations		XXX	XXX		0.0000		0.0000		0.0000	
24.	1	Highest Quality		XXX	XXX		0.0004		0.0023		0.0030	
25.	2	High Quality		XXX	XXX		0.0019		0.0058		0.0090	
26.	3	Medium Quality		XXX	XXX		0.0093		0.0230		0.0340	
27.	4	Low Quality		XXX	XXX		0.0213		0.0530		0.0750	
28.	5	Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
29.	6	In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
30.		Total with Bond characteristics (Sum of Lines 23 through 29)		XXX	XXX		XXX		XXX		XXX	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Num- ber	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS										
31.	1	Highest Quality		XXX	XXX		0.0004		0.0023		0.0030	
32.	2	High Quality		XXX	XXX		0.0019		0.0058		0.0090	
33.	3	Medium Quality		XXX	XXX		0.0093		0.0230		0.0340	
34.	4	Low Quality		XXX	XXX		0.0213		0.0530		0.0750	
35.	5	Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
36.	6	In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
37.		Affiliated Life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
38.		Total with Preferred Stock characteristics(Sum of Lines 31 through 37)		XXX	XXX		XXX		XXX		XXX	
		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS										
39.		In Good Standing										
		Farm Mortgages			XXX		0.0063 (a)		0.0120 (a)		0.0190 (a)	
40.		Residential Mortgages - Insured or Guaranteed			XXX		0.0003		0.0006		0.0010	
41.		Residential Mortgages - All Other		XXX	XXX		0.0013		0.0030		0.0040	
42.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0003		0.0006		0.0010	
43.		Commercial Mortgages - All Other			XXX		0.0063 (a)		0.0120 (a)		0.0190 (a)	
44.		In Good Standing With Restructured Terms			XXX		0.2800 (b)		0.6200 (b)		1.0000 (b)	
		Overdue, Not in Process:										
45.		Farm Mortgages			XXX		0.0420		0.0760		0.1200	
46.		Residential Mortgages - Insured or Guaranteed			XXX		0.0005		0.0012		0.0020	
47.		Residential Mortgages - All Other			XXX		0.0025		0.0058		0.0090	
48.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0005		0.0012		0.0020	
49.		Commercial Mortgages - All Other			XXX		0.0420		0.0760		0.1200	
		In Process of Foreclosure:										
50.		Farm Mortgages			XXX		0.0000		0.1700		0.1700	
51.		Residential Mortgages - Insured or Guaranteed			XXX		0.0000		0.0040		0.0040	
52.		Residential Mortgages - All Other			XXX		0.0000		0.0130		0.0130	
53.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0000		0.0040		0.0040	
54.		Commercial Mortgages - All Other			XXX		0.0000		0.1700		0.1700	
55.		Total with Mortgage Loan Characteristics (Sum of Lines 39 through 54)			XXX		XXX		XXX		XXX	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Num- ber	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK										
56.		Unaffiliated Public		XXX	XXX		0.0000		0.1300 (d)		0.1300 (d)	
57.		Unaffiliated Private	13,607,918	XXX	XXX	13,607,918	0.0000		0.1600	2,177,267	0.1600	2,177,267
58.		Affiliated Life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
59.		Affiliated Certain Other (See SVO Purposes & Procedures Manual)		XXX	XXX		0.0000		0.1300		0.1300	
60.		Affiliated Other – All Other		XXX	XXX		0.0000		0.1600		0.1600	
61.		Total with Common Stock characteristics (Sum of Lines 56 through 60)	13,607,918	XXX	XXX	13,607,918	XXX		XXX	2,177,267	XXX	2,177,267
		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE										
62.		Home Office Property (General Account only)					0.0000		0.0750		0.0750	
63.		Investment Properties					0.0000		0.0750		0.0750	
64.		Properties Acquired in Satisfaction of Debt					0.0000		0.1100		0.1100	
65.		Total with Real Estate characteristics of real estate (Lines 62 through 64)					XXX		XXX		XXX	
		ALL OTHER INVESTMENTS										
66.		Other Invested Assets – Schedule BA	636,727	XXX		636,727	0.0000		0.1300	82,775	0.1300	82,775
67.		Other Short-Term Invested Assets - Schedule DA		XXX			0.0000		0.1300		0.1300	
68.		Total All Other (Sum of Lines 66 + 67)	636,727	XXX		636,727	XXX		XXX	82,775	XXX	82,775
69.		Total Other Invested Assets - Schedule BA & DA (Sum of Lines 30, 38, 55, 61, 65, and 68)	14,244,645			14,244,645	XXX		XXX	2,260,041	XXX	2,260,041

(a) Times the company's experience adjustment factor (EAF).
(b) Column 9 is the greater of 6.4% without any EAF adjustments or a company's EAF adjusted In Good Standing (IGS) factor plus 150 basis points. Columns 5 and 7 are 28% and 62% respectively of Column 9.
(c) Determined using the same factors and breakdowns used for directly owned mortgage loans.
(d) Times the company's weighted average portfolio beta (Minimum .10, Maximum .20).
(e) Determined using the same factors and breakdowns used for directly owned real estate.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

ASSET VALUATION RESERVE (Continued)

BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS REPLICATIONS (SYNTHETIC) ASSETS

1 RSAT Number	2 Type	3 CUSIP	4 Description of Asset(s)	5 NAIC Designation or Other Description of Asset	6 Value of Asset	7 AVR Basic Contribution	8 AVR Reserve Objective	9 AVR Maximum Reserve
NONE								
0599999 - Total								

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE A - VERIFICATION BETWEEN YEARS

1.	Book/adjusted carrying value, December 31, prior year (prior year statement)	63,763,897
2.	Increase (decrease) by adjustment:	
2.1	Totals, Part 1, Column 11	(3,020,506)
2.2	Totals, Part 3, Column 7	
3.	Cost of acquired (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9))	
4.	Cost of additions and permanent improvements:	
4.1	Totals, Part 1, Column 14	2,407,735
4.2	Totals, Part 3, Column 9	
5.	Total profit (loss) on sales, Part 3, Column 14	346,575
6.	Increase (decrease) by foreign exchange adjustment	
6.1	Totals, Part 1, Column 12	
6.2	Totals, Part 3, Column 8	
7.	Amounts received on sales, Part 3, Column 11 and Part 1, Column 13	561,563
8.	Book/adjusted carrying value at end of current period	62,936,138
9.	Total valuation allowance	
10.	Subtotal (Lines 8 plus 9)	62,936,138
11.	Total nonadmitted amounts	
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	62,936,138

SCHEDULE B - VERIFICATION BETWEEN YEARS

1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year	
2.	Amount loaned during year:	
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 year	
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 BETWEEN YEARS

1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year	13,880,824
2.	Cost of acquisitions during year:	
2.1	Actual cost at time of acquisitions	636,727
2.2	Additional investment made after acquisitions	410,656
		1,047,383
3.	Accrual of discount	
4.	Increase (decrease) by adjustment	5,974,859
5.	Total profit (loss) on sale	3,781,267
6.	Amounts paid on account or in full during the year	10,439,687
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	14,244,646
10.	Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	14,244,646
12.	Total nonadmitted amounts	
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	14,244,646

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	465,653,886	474,582,303	437,096,685	1,216,581,622
	2. Canada	103,941,710	144,680,700	57,664,953	198,117,027
	3. Other Countries	9,277,983	11,600,000	9,258,200	10,000,000
	4. Totals	578,873,579	630,863,003	504,019,838	1,424,698,649
States, Territories and Possessions (Direct and guaranteed)	5. United States	8,616,447	9,605,700	8,583,600	10,000,000
	6. Canada	171,295,663	233,162,858	92,478,894	324,660,631
	7. Other Countries				
	8. Totals	179,912,110	242,768,558	101,062,494	334,660,631
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada	10,484,283	13,969,475	10,425,355	10,649,600
	11. Other Countries				
	12. Totals	10,484,283	13,969,475	10,425,355	10,649,600
Special revenue and special assessment obligations and all non- guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	837,760,666	920,187,539	823,267,598	899,986,381
	14. Canada				
	15. Other Countries	507,132	550,695	515,245	500,000
	16. Totals	838,267,798	920,738,234	823,782,843	900,486,381
Public Utilities (unaffiliated)	17. United States	876,158,327	988,772,800	876,014,719	879,585,568
	18. Canada	46,419,394	58,043,455	43,189,309	56,599,840
	19. Other Countries	104,719,414	121,186,884	99,873,046	177,799,806
	20. Totals	1,027,297,135	1,168,003,139	1,019,077,074	1,113,985,214
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	3,017,175,216	3,532,163,846	3,098,262,605	3,193,986,279
	22. Canada	413,766,544	479,969,216	408,204,833	471,867,983
	23. Other Countries	1,054,205,321	1,200,693,990	1,051,587,530	1,068,098,511
	24. Totals	4,485,147,081	5,212,827,052	4,558,054,968	4,733,952,773
Parent, Subsidiaries and Affiliates	25. Totals				
	26. Total Bonds	7,119,981,986	8,189,169,461	7,016,422,571	8,518,433,248
PREFERRED STOCKS					
Public Utilities (unaffiliated)	27. United States	761,894	761,767	918,603	
	28. Canada				
	29. Other Countries				
	30. Totals	761,894	761,767	918,603	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States	25,000,000	31,120,256	25,000,000	
	32. Canada				
	33. Other Countries				
	34. Totals	25,000,000	31,120,256	25,000,000	
Industrial and Miscellaneous (unaffiliated)	35. United States	75,670,792	66,699,263	75,808,292	
	36. Canada				
	37. Other Countries				
	38. Totals	75,670,792	66,699,263	75,808,292	
Parent, Subsidiaries and Affiliates	39. Totals				
	40. Total Preferred Stocks	101,432,686	98,581,286	101,726,895	
COMMON STOCKS					
Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
	44. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	45. United States			29,413	
	46. Canada				
	47. Other Countries				
	48. Totals			29,413	
Industrial and Miscellaneous (unaffiliated)	49. United States	99,914	99,914	125,445	
	50. Canada				
	51. Other Countries				
	52. Totals	99,914	99,914	125,445	
Parent, Subsidiaries and Affiliates	53. Totals				
	54. Total Common Stocks	99,914	99,914	154,858	
	55. Total Stocks	101,532,600	98,681,200	101,881,753	
	56. Total Bonds and Stocks	7,221,514,586	8,287,850,661	7,118,304,324	

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	8,462,958,268	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Col. 7, Part 3	820,708,987	6.1 Col. 15, Part 1	25,365,285
3. Increase (decrease) by adjustment:		6.2 Col. 19, Part 2, Sec. 1	
3.1 Col. 12 + 13 - 14, Part 1	34,337,564	6.3 Col. 16, Part 2, Sec. 2	
3.2 Col. 18, Part 2, Sec. 1	(25,000)	6.4 Col. 15, Part 4	(43,474,150) (18,108,865)
3.3 Col. 15, Part 2, Sec. 2	38,609	7. Book/adjusted carrying value at end of current period	7,221,514,586
3.4 Col. 14, Part 4	29,005,799 63,356,972	8. Total valuation allowance	
4. Total gain (loss), Col. 19, Part 4	200,850,985	9. Subtotal (Lines 7 plus 8)	7,221,514,586
5. Deduct consideration for bonds and stocks disposed of Column 7, Part 4	2,308,251,760	10. Total nonadmitted amounts	
		11. Statement value of bonds and stocks, current period	7,221,514,586

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments , Schedules D & DA (Group 1)											
1.1 Class 1	16,451	194,724	26,808	365,212,272	100,203,631	465,653,886	6.5	394,314,340	4.7	465,653,886	
1.2 Class 2											
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 Totals	16,451	194,724	26,808	365,212,272	100,203,631	465,653,886	6.5	394,314,340	4.7	465,653,886	
2. All Other Governments , Schedules D & DA (Group 2)											
2.1 Class 1	275,656	20,358,432	49,932,618	30,343,342	3,031,662	103,941,710	1.5	102,729,540	1.2	103,941,710	
2.2 Class 2					9,277,983	9,277,983	0.1			9,277,983	
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 Totals	275,656	20,358,432	49,932,618	30,343,342	12,309,645	113,219,693	1.6	102,729,540	1.2	113,219,693	
3. States, Territories and Possessions etc., Guaranteed, Schedules D & DA (Group 3)											
3.1 Class 1	10,822,796	26,225,967	62,305,327	72,448,425	8,109,595	179,912,110	2.5	462,619,663	5.6	179,912,110	
3.2 Class 2								3,093,797	0.0		
3.3 Class 3											
3.4 Class 4											
3.5 Class 5											
3.6 Class 6											
3.7 Totals	10,822,796	26,225,967	62,305,327	72,448,425	8,109,595	179,912,110	2.5	465,713,460	5.6	179,912,110	
4. Political Subdivisions of States, Territories and Possessions , Guaranteed, Schedules D & DA (Group 4)											
4.1 Class 1		1,906,492			8,577,791	10,484,283	0.2	123,456,138	1.5	10,484,283	
4.2 Class 2								883,383	0.0		
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 Totals		1,906,492			8,577,791	10,484,283	0.2	124,339,521	1.5	10,484,283	
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Class 1	20,566,039	176,805,118	260,745,498	274,393,480	105,757,663	838,267,798	11.8	866,508,345	10.4	837,760,666	507,132
5.2 Class 2											
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6											
5.7 Totals	20,566,039	176,805,118	260,745,498	274,393,480	105,757,663	838,267,798	11.8	866,508,345	10.4	837,760,666	507,132

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Class 1		8,052,989	63,186,538	203,954,038	120,645,845	395,839,410	5.5	490,686,505	5.9	291,606,005	104,233,405
6.2 Class 2	7,725,507	26,504,670	49,909,562	149,937,861	229,403,813	463,481,413	6.5	475,513,518	5.7	344,361,784	119,119,629
6.3 Class 3	536,015	3,153,154	3,933,637	63,468,240	28,405,836	99,496,882	1.4	99,899,365	1.2	61,829,252	37,667,630
6.4 Class 4	2,998,977		3,331,250	45,490,931	2,746,022	54,567,180	0.8	53,677,636	0.6	39,067,179	15,500,001
6.5 Class 5								24,789,711	0.3		
6.6 Class 6				9,000,000	4,912,250	13,912,250	0.2	16,918,500	0.2		13,912,250
6.7 Totals	11,260,499	37,710,813	120,360,987	471,851,070	386,113,766	1,027,297,135	14.4	1,161,485,235	14.0	736,864,220	290,432,915
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Class 1	36,616,232	147,741,040	223,645,575	514,173,870	495,216,589	1,417,393,306	19.9	1,667,924,478	20.1	1,010,586,786	406,806,520
7.2 Class 2	17,123,489	208,098,058	476,708,786	630,121,782	1,089,907,283	2,421,959,398	34.0	2,645,353,925	31.8	1,629,635,738	792,323,660
7.3 Class 3	2,501,845	17,255,467	126,129,867	93,468,297	42,527,254	281,882,730	4.0	325,383,598	3.9	146,652,005	135,230,725
7.4 Class 4	4,285,058	38,800,912	118,610,470	69,469,721	51,384,664	282,550,825	4.0	389,637,105	4.7	173,098,471	109,452,354
7.5 Class 5	3,760,284	15,091,797	16,460,603	9,024,000	3,100,000	47,436,684	0.6	127,855,871	1.5	35,436,684	12,000,000
7.6 Class 6			14,390,978		19,533,160	33,924,138	0.5	47,171,873	0.6	17,756,022	16,168,116
7.7 Totals	64,286,908	426,987,274	975,946,279	1,316,257,670	1,701,668,950	4,485,147,081	63.0	5,203,326,850	62.6	3,013,165,706	1,471,981,375
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Class 1											
8.2 Class 2											
8.3 Class 3											
8.4 Class 4											
8.5 Class 5											
8.6 Class 6											
8.7 Totals											
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Class 1											
9.2 Class 2											
9.3 Class 3											
9.4 Class 4											
9.5 Class 5											
9.6 Class 6											
9.7 Totals											

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY
SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1	68,297,174	381,284,762	659,842,364	1,460,525,427	841,542,776	3,411,492,503	47.9	XXX	XXX	2,899,945,446	511,547,057
10.2 Class 2	24,848,996	234,602,728	526,618,348	780,059,643	1,328,589,079	2,894,718,794	40.7	XXX	XXX	1,983,275,505	911,443,289
10.3 Class 3	3,037,860	20,408,621	130,063,504	156,936,537	70,933,090	381,379,612	5.3	XXX	XXX	208,481,257	172,898,355
10.4 Class 4	7,284,035	38,800,912	121,941,720	114,960,652	54,130,686	337,118,005	4.7	XXX	XXX	212,165,650	124,952,355
10.5 Class 5	3,760,284	15,091,797	16,460,603	9,024,000	3,100,000	(c) 47,436,684	0.7	XXX	XXX	35,436,684	12,000,000
10.6 Class 6			14,390,978	9,000,000	24,445,410	(c) 47,836,388	0.7	XXX	XXX	17,756,022	30,080,366
10.7 Totals	107,228,349	690,188,820	1,469,317,517	2,530,506,259	2,322,741,041	(b) 7,119,981,986	100.0	XXX	XXX	5,357,060,564	1,762,921,422
10.8 Line 10.7 as a % of Col. 6	1.5	9.7	20.6	35.6	32.6	100.0	XXX	XXX	XXX	75.2	24.8
11. Total Bonds Prior Year											
11.1 Class 1	8,750,195	261,787,533	839,357,325	1,942,930,830	1,055,413,126	XXX	XXX	4,108,239,009	49.4	3,491,714,571	616,524,438
11.2 Class 2	25,753,256	259,753,086	518,354,477	900,433,421	1,420,550,383	XXX	XXX	3,124,844,623	37.6	1,959,649,046	1,165,195,577
11.3 Class 3	5,297,592	17,107,326	119,995,018	165,564,706	117,318,321	XXX	XXX	425,282,963	5.1	246,639,280	178,643,683
11.4 Class 4	4,803,194	77,484,054	167,541,764	102,120,417	91,365,312	XXX	XXX	443,314,741	5.3	286,508,213	156,806,528
11.5 Class 5	8,250,886	31,209,735	34,870,000	37,239,711	41,075,250	XXX	XXX	(c) 152,645,582	1.8	96,595,239	56,050,343
11.6 Class 6	149,607	2,729,200	3,720,277	3,142,118	54,349,171	XXX	XXX	(c) 64,090,373	0.8	3,102,258	60,988,115
11.7 Totals	53,004,730	650,070,934	1,683,838,861	3,151,431,203	2,780,071,563	XXX	XXX	(b) 8,318,417,291	100.0	6,084,208,607	2,234,208,684
11.8 Line 11.7 as a % of Col. 8	0.6	7.8	20.2	37.9	33.4	XXX	XXX	100.0	XXX	73.1	26.9
12. Total Publicly Traded Bonds											
12.1 Class 1	60,163,800	339,894,808	576,618,766	1,151,500,230	771,767,842	2,899,945,446	40.7	3,491,714,571	42.0	2,899,945,446	XXX
12.2 Class 2	9,296,612	92,481,255	211,528,407	413,217,989	1,256,751,242	1,983,275,505	27.9	1,959,649,046	23.6	1,983,275,505	XXX
12.3 Class 3	287,559	8,388,520	44,908,785	90,426,620	64,469,773	208,481,257	2.9	246,639,280	3.0	208,481,257	XXX
12.4 Class 4	2,998,977	31,054,658	73,255,872	54,266,935	50,589,208	212,165,650	2.9	286,508,213	3.4	212,165,650	XXX
12.5 Class 5	3,760,284	15,091,797	13,484,603		3,100,000	35,436,684	0.5	96,595,239	1.1	35,436,684	XXX
12.6 Class 6		2,105,950	12,124,234		3,525,838	17,756,022	0.3	3,102,258	0.0	17,756,022	XXX
12.7 Totals	76,507,232	489,016,988	931,920,667	1,709,411,774	2,150,203,903	5,357,060,564	75.2	6,084,208,607	73.1	5,357,060,564	XXX
12.8 Line 12.7 as a % of Col. 6	1.4	9.1	17.4	31.9	40.2	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	1.1	6.8	13.1	24.0	30.2	75.2	XXX	XXX	XXX	75.2	XXX
13. Total Privately Placed Bonds											
13.1 Class 1	8,133,374	41,389,954	83,223,598	309,025,197	69,774,934	511,547,057	7.2	616,524,438	7.4	XXX	511,547,057
13.2 Class 2	15,552,384	142,121,473	315,089,941	366,841,654	71,837,837	911,443,289	12.8	1,165,195,577	14.0	XXX	911,443,289
13.3 Class 3	2,750,301	12,020,101	85,154,719	66,509,917	6,463,317	172,898,355	2.4	178,643,683	2.1	XXX	172,898,355
13.4 Class 4	4,285,058	7,746,254	48,685,848	60,693,717	3,541,478	124,952,355	1.8	156,806,528	1.9	XXX	124,952,355
13.5 Class 5			2,976,000	9,024,000		12,000,000	0.2	56,050,343	0.7	XXX	12,000,000
13.6 Class 6		(2,105,950)	2,266,744	9,000,000	20,919,572	30,080,366	0.4	60,988,115	0.8	XXX	30,080,366
13.7 Totals	30,721,117	201,171,832	537,396,850	821,094,485	172,537,138	1,762,921,422	24.8	2,234,208,684	26.9	XXX	1,762,921,422
13.8 Line 13.7 as a % of Col. 6	1.7	11.4	30.5	46.6	9.8	100.0	XXX	XXX	XXX	XXX	100.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.4	2.9	7.5	11.6	2.4	24.8	XXX	XXX	XXX	XXX	24.8

(a) Includes \$ 520,809,222 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 61,516,034 current year, \$ 310,924,068 prior year of bonds with Z designations and \$ 0 , current year \$ 0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.

(c) Includes \$ 0 current year, \$ 0 prior year of bonds with 5* designations and \$ 0 , current year \$ 0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Issuer Obligations		149,969		365,205,902	100,203,631	465,559,502	6.5	394,147,325	4.7	465,559,502	
1.2 Single Class Mortgage-Backed /Asset Backed Securities	16,451	44,755	26,808	6,370		94,384	0.0	167,015	0.0	94,384	
1.7 Totals	16,451	194,724	26,808	365,212,272	100,203,631	465,653,886	6.5	394,314,340	4.7	465,653,886	
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Issuer Obligations	275,656	20,358,432	49,932,618	30,343,342	12,309,645	113,219,693	1.6	102,729,540	1.2	113,219,693	
2.2 Single Class Mortgage-Backed /Asset Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3 Defined											
2.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
2.5 Defined											
2.6 Other											
2.7 Totals	275,656	20,358,432	49,932,618	30,343,342	12,309,645	113,219,693	1.6	102,729,540	1.2	113,219,693	
3. States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 3)											
3.1 Issuer Obligations	10,822,796	26,225,967	62,305,327	72,448,425	8,109,595	179,912,110	2.5	465,713,460	5.6	179,912,110	
3.2 Single Class Mortgage-Backed /Asset Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3 Defined											
3.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
3.5 Defined											
3.6 Other											
3.7 Totals	10,822,796	26,225,967	62,305,327	72,448,425	8,109,595	179,912,110	2.5	465,713,460	5.6	179,912,110	
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Issuer Obligations		1,906,492			8,577,791	10,484,283	0.2	124,339,521	1.5	10,484,283	
4.2 Single Class Mortgage-Backed /Asset Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3 Defined											
4.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
4.5 Defined											
4.6 Other											
4.7 Totals		1,906,492			8,577,791	10,484,283	0.1	124,339,521	1.5	10,484,283	
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Issuer Obligations		507,132				507,132	0.0	508,951	0.0		507,132
5.2 Single Class Mortgage-Backed /Asset Backed Securities	2,967,909	7,210,878	4,447,909	3,627,288	933,110	19,187,094	0.3	26,181,566	0.3	19,187,094	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3 Defined	17,598,130	169,087,108	256,297,589	270,766,192	104,824,553	818,573,572	11.5	839,817,828	10.1	818,573,572	
5.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
5.5 Defined											
5.6 Other											
5.7 Totals	20,566,039	176,805,118	260,745,498	274,393,480	105,757,663	838,267,798	11.8	866,508,345	10.4	837,760,666	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. Public Utilities (Unaffiliated) Schedules D & DA (Group 6)											
6.1 Issuer Obligations	11,260,499	37,710,813	120,360,987	471,851,070	386,113,766	1,027,297,135	14.4	1,161,485,235	14.0	736,864,220	290,432,915
6.2 Single Class Mortgage-Backed /Asset Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined											
6.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES:											
6.5 Defined											
6.6 Other											
6.7 Totals	11,260,499	37,710,813	120,360,987	471,851,070	386,113,766	1,027,297,135	14.4	1,161,485,235	14.0	736,864,220	290,432,915
7. Industrial and Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Issuer Obligations	48,096,294	384,594,598	958,691,860	1,287,737,597	1,697,723,973	4,376,844,322	61.5	5,029,176,129	60.5	2,915,886,743	1,460,957,579
7.2 Single Class Mortgage-Backed /Asset Backed Securities	780,103	3,059,582	2,315,666	20,646,963	3,100,000	29,902,314	0.4	47,443,106	0.6	18,878,518	11,023,796
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
7.3 Defined	15,410,511	39,333,094	14,938,753	7,873,110	844,977	78,400,445	1.1	124,082,615	1.5	78,400,445	
7.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES:											
7.5 Defined											
7.6 Other								2,625,000	0.0		
7.7 Totals	64,286,908	426,987,274	975,946,279	1,316,257,670	1,701,668,950	4,485,147,081	63.0	5,203,326,850	62.6	3,013,165,706	1,471,981,375
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Issuer Obligations											
8.7 Totals											
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Issuer Obligations											
9.2 Single Class Mortgage-Backed /Asset Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined											
9.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES:											
9.5 Defined											
9.6 Other											
9.7 Totals											

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1	2	3	4	5	6	7	8	9	10	11
Distribution by Type	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	70,455,245	471,453,403	1,191,290,792	2,227,586,336	2,213,038,401	6,173,824,177	86.7	.XXX	.XXX	4,421,926,551	1,751,897,626
10.2 Single Class Mortgage-Backed /Asset Backed Securities	3,764,463	10,315,215	6,790,383	24,280,621	4,033,110	49,183,792	0.7	.XXX	.XXX	38,159,996	11,023,796
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
10.3 Defined	33,008,641	208,420,202	271,236,342	278,639,302	105,669,530	896,974,017	12.6	.XXX	.XXX	896,974,017	
10.4 Other								.XXX	.XXX		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
10.5 Defined								.XXX	.XXX		
10.6 Other								.XXX	.XXX		
10.7 Totals	107,228,349	690,188,820	1,469,317,517	2,530,506,259	2,322,741,041	7,119,981,986	100.0	.XXX	.XXX	5,357,060,564	1,762,921,422
10.8 Line 10.7 as a % of Col. 6	1.5	9.7	20.6	35.6	32.6	100.0	XXX	XXX	XXX	75.2	24.8
11. Total Bonds Prior Year											
11.1 Issuer Obligations	75,854,589	647,302,083	1,389,009,594	2,468,722,184	2,697,211,711	.XXX	.XXX	7,278,100,161	87.5	5,061,335,340	2,216,764,821
11.2 Single Class Mortgage-Backed /Asset Backed Securities	3,087,672	7,964,540	22,075,457	28,538,113	12,125,905	.XXX	.XXX	73,791,687	0.9	58,972,824	14,818,863
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
11.3 Defined	(25,937,531)	(5,779,376)	270,712,497	654,170,906	70,733,947	.XXX	.XXX	963,900,443	11.6	963,900,443	
11.4 Other						.XXX	.XXX				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
11.5 Defined						.XXX	.XXX				
11.6 Other		583,687	2,041,313			.XXX	.XXX	2,625,000	0.0		2,625,000
11.7 Totals	53,004,730	650,070,934	1,683,838,861	3,151,431,203	2,780,071,563	.XXX	.XXX	8,318,417,291	100.0	6,084,208,607	2,234,208,684
11.8 Line 11.7 as a % of Col. 8	0.6	7.8	20.2	37.9	33.4	XXX	XXX	100.0	XXX	73.1	26.9
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	40,233,695	271,997,341	653,893,942	1,415,300,310	2,040,501,263	4,421,926,551	62.1	5,061,335,340	60.8	4,421,926,551	.XXX
12.2 Single Class Mortgage-Backed /Asset Backed Securities	3,264,896	8,599,445	6,790,383	15,472,162	4,033,110	38,159,996	0.5	58,972,824	0.7	38,159,996	.XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
12.3 Defined	33,008,641	208,420,202	271,236,342	278,639,302	105,669,530	896,974,017	12.6	963,900,443	11.6	896,974,017	.XXX
12.4 Other											.XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
12.5 Defined											.XXX
12.6 Other											.XXX
12.7 Totals	76,507,232	489,016,988	931,920,667	1,709,411,774	2,150,203,903	5,357,060,564	75.2	6,084,208,607	73.1	5,357,060,564	.XXX
12.8 Line 12.7 as a % of Col. 6	1.4	9.1	17.4	31.9	40.2	100.0	.XXX	.XXX	.XXX	100.0	.XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	1.1	6.8	13.1	24.0	30.2	75.2	.XXX	.XXX	.XXX	75.2	.XXX
13. Total Privately Placed Bonds											
13.1 Issuer Obligations	30,221,550	199,456,062	537,396,850	812,286,026	172,537,138	1,751,897,626	24.6	2,216,764,821	26.7	.XXX	1,751,897,626
13.2 Single Class Mortgage-Backed /Asset Backed Securities	499,567	1,715,770		8,808,459		11,023,796	0.2	14,818,863	0.2	.XXX	11,023,796
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
13.3 Defined										.XXX	
13.4 Other										.XXX	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
13.5 Defined										.XXX	
13.6 Other								2,625,000	0.0	.XXX	
13.7 Totals	30,721,117	201,171,832	537,396,850	821,094,485	172,537,138	1,762,921,422	24.8	2,234,208,684	26.9	.XXX	1,762,921,422
13.8 Line 13.7 as a % of Col. 6	1.7	11.4	30.5	46.6	9.8	100.0	.XXX	.XXX	.XXX	.XXX	100.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.4	2.9	7.5	11.6	2.4	24.8	.XXX	.XXX	.XXX	.XXX	24.8

Schedule DA - Part 2

NONE

Schedule DB - Part A - VBY

NONE

Schedule DB - Part B - VBY

NONE

SCHEDULE DB - PART C - VERIFICATION BETWEEN YEARS

Verification Between Years of Aggregate Write-in Book Value on Swaps and Forwards

1.	Aggregate write-in book value, December 31, prior year (Line 8, prior year)	0
2.	Cost or (Consideration Received) (Section 2, Column 7)	
3.	Increase/(Decrease) by Adjustment (Section 1, Column 12) plus (Section 3, Column 13)	
4.	Gain/(Loss) on Termination:	
4.1	Recognized (Section 3, Column 14)	(22,747)
4.2	Used to Adjust Basis of Hedged Item (Section 3, Column 15)	(22,747)
5.	Consideration Received (or Paid) on Terminations (Section 3, Column 12)	(22,747)
6.	Used to Adjust Basis of Hedged Item on Open Contracts (Section 1, Column 13)	
7.	Disposition of Deferred Amount on Contracts Terminated in Prior Year:	
7.1	Recognized	
7.2	Used to Adjust Basis of Hedged Item	
8.	Aggregate write-in book value, December 31, Current Year (Lines 1+2+3+4-5-6-7)	0

SCHEDULE DB - PART D- VERIFICATION BETWEEN YEARS

Verification Between Years of Aggregate Write-in Book Value on Futures Contracts and Insurance Futures Contracts

1.	Aggregate write-in book value, December 31, prior year (Line 8, prior year)	
2.	Change in total Variation Margin on Open Contracts (Difference between years - Section 1, Column 6)	
3.1	Change in Variation Margin on Open Contracts Used to Adjust Basis of Hedged Item (Section 1, Column 11)	
3.2	Change in Variation Margin on Open Contracts Recognized (Difference between years - Section 1, Column 10)	
4.1	Variation Margin on Contracts Terminated During the Year (Section 3, Column 6)	
4.2	Less:	
4.21	Gain/(Loss) Recognized in Current Year (Section 3, Column 7)	
4.22	Gain/(Loss) Used to Adjust Basis of Hedge (Section 3, Column 12)	
4.3	Subtotal (Line 4.1 minus Line 4.2)	
5.1	Net additions to Cash Deposits (Section 2, Column 7)	
5.2	Less: Net Reductions to Cash Deposits (Section 3, Column 9)	
6.	Subtotal (Lines 1 - 2 + 3.1 + 3.2 - 4.3 + 5.2)	
7.	7. Disposition of Gain/(Loss) on Contracts Terminated in Prior Year:	
7.1	Recognized	
7.2	Used to Adjust Basis of Hedged Item	
8.	Aggregate write-in book value, December 31, Current Year (Lines 6+7.1+7.2)	

NONE

SCHEDULE DB - PART E - VERIFICATION

Verification of Statement Value and Fair Value of Open Contracts

Statement Value

1.	Part A, Section 1, Column 10	
2.	Part B, Section 1, Column 10	
3.	Part C, Section 1, Column 10	(40,332,544)
4.	Part D, Section 1, Column 9 - 12	
5.	Lines (1) - (2) + (3) + (4)	(40,332,544)
6.	Part E, Section 1, Column 4	
7.	Part E, Section 1, Column 5	(40,332,544)
8.	Lines (5) - (6) - (7)	0

Fair Value

9.	Part A, Section 1, Column 11	
10.	Part B, Section 1, Column 11	
11.	Part C, Section 1, Column 11	(26,677,343)
12.	Part D, Section 1, Column 9	
13.	Lines (9) - (10) + (11) + (12)	(26,677,343)
14.	Part E, Section 1, Column 7	40,105,271
15.	Part E, Section 1, Column 8	(66,782,614)
16.	Lines (13) - (14) - (15)	0

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE F

Showing all claims for death losses and all other contract claims resisted or compromised during the year, and all claims for death losses and all other contract claims resisted December 31 of current year.

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT

	Total		Group Accident and Health		Credit Accident and Health (Group and Individual)		Collectively Renewable		Other Individual Contracts									
									Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other	
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %
PART 1. - ANALYSIS OF UNDERWRITING OPERATIONS																		
1. Premiums written	801,725,233	XXX	114,890,880	XXX		XXX	68,780	XXX	525,232,014	XXX	138,709,723	XXX	7,077,584	XXX	15,740,651	XXX	5,599	XXX
2. Premiums earned	798,395,704	XXX	116,139,185	XXX		XXX	69,801	XXX	524,129,810	XXX	136,408,471	XXX	7,083,461	XXX	14,559,098	XXX	5,877	XXX
3. Incurred claims	883,313,765	110.6	93,644,886	80.6			146,425	209.8	723,886,748	138.1	50,257,946	36.8	3,902,036	55.1	11,532,732	79.2	(57,007)	(970.0)
4. Cost containment expenses	4,992,650	0.6	423,221	0.4					3,861,527	0.7	366,463	0.3	234,099	3.3	107,297	0.7	43	0.7
5. Incurred claims and cost containment expenses (Lines 3 and 4)	888,306,415	111.3	94,068,107	81.0			146,425	209.8	727,748,275	138.8	50,624,409	37.1	4,136,135	58.4	11,640,029	80.0	(56,964)	(969.2)
6. Increase in contract reserves	20,146,238	2.5	1,933,305	1.7					3,740,241	0.7	14,046,305	10.3	392,845	5.5	33,543	0.2		
7. Commissions (a)	134,348,107	16.8	4,453,679	3.8			3,625	5.2	82,317,266	15.7	38,140,587	28.0	2,731,923	38.6	6,700,834	46.0	194	3.3
8. Other general insurance expenses	204,199,997	25.6	22,853,019	19.7			17,095	24.5	145,310,628	27.7	31,069,312	22.8	1,865,168	26.3	3,083,529	21.2	1,245	21.2
9. Taxes, licenses and fees	22,412,664	2.8	2,494,704	2.1			1,527	2.2	15,967,151	3.0	3,395,995	2.5	175,664	2.5	377,499	2.6	125	2.1
10. Total other expenses incurred	360,960,769	45.2	29,801,402	25.7			22,247	31.9	243,595,045	46.5	72,605,893	53.2	4,772,755	67.4	10,161,863	69.8	1,564	26.6
11. Aggregate write-ins for deductions	5,098,672	0.6	6,647,360	5.7					(1,452,732)	(0.3)	(95,957)	(0.1)						
12. Gain from underwriting before dividends or refunds	(476,116,389)	(59.6)	(16,310,989)	(14.0)			(98,870)	(141.6)	(449,501,018)	(85.8)	(772,179)	(0.6)	(2,218,275)	(31.3)	(7,276,336)	(50.0)	61,277	1,042.6
13. Dividends or refunds																		
14. Gain from underwriting after dividends or refunds	(476,116,389)	(59.6)	(16,310,989)	(14.0)			(98,870)	(141.6)	(449,501,018)	(85.8)	(772,179)	(0.6)	(2,218,275)	(31.3)	(7,276,336)	(50.0)	61,277	1,042.6
DETAILS OF WRITE-INS																		
1101. Fines and penalties to regulatory authorities	5,396,908	0.7	3,881,499	3.3					1,515,409	0.3								
1102. Net adjustments for modco reinsurance assumed	3,015,897	0.4	3,015,897	2.6														
1103. Transfers on account of group package policies	(8,592)	0.0	(8,592)	0.0														
1198. Summary of remaining write-ins for Line 11 from overflow page	(3,305,542)	(0.4)	(241,444)	(0.2)					(2,968,141)	(0.6)	(95,957)	(0.1)						
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	5,098,672	0.6	6,647,360	5.7					(1,452,732)	(0.3)	(95,957)	(0.1)						

(a) Includes \$ 0 reported as "Contract, membership and other fees retained by agents."

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT (continued)

	1	2	3	4	Other Individual Contracts				
					5	6	7	8	9
	Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	Non-Cancelable	Guaranteed Renewable	Non-Renewable for Stated Reasons Only	Other Accident Only	All Other
PART 2. - RESERVES AND LIABILITIES									
A. Premium Reserves:									
1. Unearned premiums	56,214,189	160,732		10,450	46,018,445	6,458,744	22,022	3,542,687	1,109
2. Advance premiums	15,523,112	17,213		680	12,059,331	1,742,127	68,888	1,634,656	217
3. Reserve for rate credits	21,525,055	21,525,055							
4. Total premium reserves, current year	93,262,356	21,703,000		11,130	58,077,776	8,200,871	90,910	5,177,343	1,326
5. Total premium reserves, prior year	89,932,829	22,951,806		12,151	56,975,573	5,899,617	96,787	3,995,791	1,604
6. Increase in total premium reserves	3,329,527	(1,248,306)		(1,021)	1,102,203	2,301,254	(5,877)	1,181,552	(278)
B. Contract Reserves:									
1. Additional reserves	1,021,630,281	32,382,122			938,287,290	43,850,389	7,094,737	15,743	
2. Reserve for future contingent benefits									
3. Total contract reserves, current year	1,021,630,281	32,382,122			938,287,290	43,850,389	7,094,737	15,743	
4. Total contract reserves, prior year	1,001,484,043	30,448,817			934,547,049	29,804,084	6,701,892	(17,799)	
5. Increase in contract reserves	20,146,238	1,933,305			3,740,241	14,046,305	392,845	33,542	
C. Claim Reserves and Liabilities:									
1. Total current year	3,150,948,817	46,278,600		561,665	2,991,742,883	71,700,279	5,790,257	34,451,158	423,975
2. Total prior year	2,996,970,146	33,409,858		566,781	2,861,886,210	62,352,837	7,918,279	30,303,975	532,206
3. Increase	153,978,671	12,868,742		(5,116)	129,856,673	9,347,442	(2,128,022)	4,147,183	(108,231)

Part 2 Line A5 Cols. 1, 2, 5, 6, 7 and 8 decreased \$1,041,331; \$75,331; \$946,038; \$11,954; \$201; \$7,777 for foreign currency translation. Part 2 Line A5 Cols. 1, 2, 5, 6, 7 and 8 decreased \$18,422,451; \$1,444,760; \$16,627,349; \$210,950; \$3,583; \$135,809 for sale of business. Part 2 Line B4 Cols. 1, 5, 6 and 8 decreased \$14,145,340; \$13,928,292; \$209,829; \$7,219 for foreign currency translation. Part 2 Line B4 Cols. 1, 5, 6 and 8 decreased \$245,925,895; \$242,136,330; \$3,657,410; \$132,155 for sale of business. Part 2 Line C2 Cols. 1, 2, 5 and 6 decreased \$60,015,925; \$24,792,699; \$34,831,692; \$391,534 for foreign currency translation. Part 2 Line C2 Cols. 1, 2, 5 and 6 decreased \$1,044,877,667; \$429,525,102; \$608,531,374; \$6,821,191 for sale of business. Part 2 Line B4 Cols. 1 and 5 decreased \$75,001,791 for reinsurance ceded. Part 2 Line C2 Cols. 1 and 5 decreased \$229,031,113 for reinsurance ceded.

PART 3. - TEST OF PRIOR YEAR'S CLAIM RESERVES AND LIABILITIES									
1. Claims paid during the year:									
1.1 On claims incurred prior to current year	621,726,741	53,931,359		119,843	541,502,146	17,978,683	3,919,538	4,225,962	49,210
1.2 On claims incurred during current year	107,608,352	26,844,784		31,697	52,527,930	22,931,820	2,110,520	3,159,587	2,014
2. Claim reserves and liabilities, December 31, current year:									
2.1 On claims incurred prior to current year	2,808,394,184	21,198,776		476,373	2,713,030,440	48,064,796	4,339,172	20,866,759	417,868
2.2 On claims incurred during current year	342,554,633	25,079,824		85,292	278,712,443	23,635,483	1,451,085	13,584,399	6,107
3. Test:									
3.1 Line 1.1 and 2.1	3,430,120,925	75,130,135		596,216	3,254,532,586	66,043,479	8,258,710	25,092,721	467,078
3.2 Claim reserves and liabilities, December 31, prior year	3,033,023,390	69,463,102		566,781	2,861,886,210	62,352,837	7,918,279	30,303,975	532,206
3.3 Line 3.1 minus Line 3.2	397,097,535	5,667,033		29,435	392,646,376	3,690,642	340,431	(5,211,254)	(65,128)

Part 3 Line 3.2 Cols. 1, 2, 5 and 6 decreased \$60,015,925; \$24,792,699; \$34,831,692; \$391,534 for foreign currency translation. Part 3 Line 3.2 Cols. 1, 2, 5 and 6 decreased \$1,008,824,423; \$393,471,858; \$608,531,374; \$6,821,191 for sale of business. Part 3 Line 3.2 Cols. 1 and 5 decreased \$229,031,113 for reinsurance ceded

PART 4. - REINSURANCE									
A. Reinsurance Assumed:									
1. Premiums written	21,390,448	3,026,701			18,290,069	73,678			
2. Premiums earned	21,474,867	3,046,743			18,354,332	73,792			
3. Incurred claims	28,842,018	1,380,600			27,406,842	54,576			
4. Commissions	687,672	7,821			677,339	2,512			
B. Reinsurance Ceded:									
1. Premiums written	147,292,272	74,257,452			71,326,355	1,708,465			
2. Premiums earned	144,183,834	70,767,315			71,688,898	1,727,621			
3. Incurred claims	114,333,891	67,867,190			45,051,729	1,414,973			
4. Commissions	10,728,506	7,396,745			2,682,348	649,414			

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE H - PART 5 - HEALTH CLAIMS

	1 Medical	2 Dental	3 Other	4 Total
A. Direct:				
1. Incurred Claims	24,441		968,781,198	968,805,639
2. Beginning Claim Reserves and Liabilities			4,042,569,029	4,042,569,029
3. Ending Claim Reserves and Liabilities			4,143,525,661	4,143,525,661
4. Claims Paid	24,441		867,824,566	867,849,007
B. Assumed Reinsurance:				
5. Incurred Claims.....	1,785,964		27,056,055	28,842,019
6. Beginning Claim Reserves and Liabilities	539,059		161,930,476	162,469,535
7. Ending Claim Reserves and Liabilities	1,594,625		162,500,992	164,095,617
8. Claims Paid	730,398		26,485,539	27,215,937
C. Ceded Reinsurance:				
9. Incurred Claims.....			114,333,891	114,333,891
10. Beginning Claim Reserves and Liabilities			1,223,060,355	1,223,060,355
11. Ending Claim Reserves and Liabilities			1,176,313,941	1,176,313,941
12. Claims Paid			161,080,305	161,080,305
D. Net:				
13. Incurred Claims.....	1,810,405		881,503,362	883,313,767
14. Beginning Claim Reserves and Liabilities	539,059		2,981,439,150	2,981,978,209
15. Ending Claim Reserves and Liabilities	1,594,625		3,129,712,712	3,131,307,337
16. Claims Paid	754,839		733,229,800	733,984,639
E. Net Incurred Claims and Cost Containment Expenses:				
17. Incurred Claims and Cost Containment Expenses	1,810,405		886,496,011	888,306,416
18. Beginning Reserves and Liabilities	539,059		2,981,439,150	2,981,978,209
19. Ending Reserves and Liabilities	1,594,625		3,129,712,712	3,131,307,337
20. Paid Claims and Cost Containment Expenses	754,839		738,222,449	738,977,288

Lines A2 and D14 and E18 Columns 3 and 4 decreased \$1,047,726,556 for sale of Canadian branch.
Lines A2 and D14 and E18 Columns 3 and 4 decreased \$60,188,274 for foreign currency translation.
Lines B6 and D14 and E18 Columns 3 and 4 decreased \$6,918,193 for sale of Canadian branch.
Lines B6 and D14 and E18 Columns 3 and 4 decreased \$417,686 for foreign currency translation.
Lines C10 decreased and D14 and E18 Columns 3 and 4 increased \$10,249,921 for sale of Canadian branch.
Lines C10 decreased and D14 and E18 Columns 3 and 4 increased \$617,936 for foreign currency translation.
Lines C10 increased and D14 and E18 Columns 3 and 4 decreased \$229,031,113 for reinsurance ceded.

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE S - PART 1 - SECTION 1

Reinsurance Assumed Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsured	5 Location	6 Type of Reinsurance Assumed	7 Amount of Inforce at End of Year	8 Reserve	9 Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 Funds Withheld Under Coinsurance
General Account - Non-Affiliates											
60054	06-6033492	03/11/1957	Aetna Life Insurance Company	Hartford CT	OTH/G			(890,021)			
60895	35-0145825	01/01/1981	American United Life Insurance Company	Indianapolis IN	YRT/I	1,300,190	15,824	30,463	267		
68276	48-1024691	01/01/1981	Employers Reassurance Corporation	Overland Park KS	DIS/I		3,433				
68276	48-1024691	01/01/1981	Employers Reassurance Corporation	Overland Park KS	YRT/I	4,869,960	46,436	84,035			
63665	43-0285930	01/01/1984	General American Life Insurance Company	St. Louis MO	YRT/I	7,432,098		90,611	1,771		
65676	35-0472300	03/01/1977	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I	5,765,386	47,580	22,308	1,283		
00000	89-8664354	05/01/2004	RBC Life Insurance Company	Ontario Canada	MCO/G	1,503,461		986,357	13,140	312,602	
67121	95-1060502	05/01/1987	Transamerica Occidental Life Insurance Company	Cedar Rapids IA	CO/G	3,734,902	1,448,452	98,130			
62596	31-0252460	01/01/1987	Union Fidelity Life Insurance Company	Chicago IL	CO/I	30,769,897	4,540,130	298,753	65,415		
62596	31-0252460	01/01/1987	Union Fidelity Life Insurance Company	Chicago IL	DIS/I		128,450		6,300		
0299999. General Account, Non-Affiliates						55,375,894	6,230,305	720,635	88,176	312,602	
0399999. Total General Account						55,375,894	6,230,305	720,635	88,176	312,602	
0699999. Total Separate Accounts											
0799999 - Totals						55,375,894	6,230,305	720,635	88,176	312,602	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE S - Part 2

Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE S - PART 3 - SECTION 1

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	Reserve Credit Taken		10	Outstanding Surplus Relief		13	14
NAIC Company Code	Federal ID Number	Effective Date	Name of Company	Location	Type of Reinsurance Ceded	Amount in Force at End of Year	8	9	Premiums	11	12	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
General Account, Non-Affiliates							Current Year	Prior Year		Current Year	Prior Year		
70432	75-0770838	04/30/1998	AIG Annuity Insurance Company	Amarillo TX	ACO/G		5,200,967	6,000,378					
70432	75-0770838	04/30/1998	AIG Annuity Insurance Company	Amarillo TX	ACO/I		109,229,764	117,044,031					
			American Bankers Life Assurance Company of										
60275	59-0676017	05/01/1999	FL	Miami FL	CO/G	1,137,551,645			9,051,063				
60895	35-0145825	06/15/1980	American United Life Insurance Company	Indianapolis IN	CO/I	74,764	1,593	2,760	2,236				
60895	35-0145825	06/15/1980	American United Life Insurance Company	Indianapolis IN	YRT/I	1,288,334	27,451	26,021	38,531				
60895	35-0145825	07/15/1981	American United Life Insurance Company	Indianapolis IN	YRT/I	241,613	1,136	3,127	2,792				
60895	35-0145825	07/01/1983	American United Life Insurance Company	Indianapolis IN	CO/I	1,607,926	41,426	156,935	34,672				
60895	35-0145825	07/01/1983	American United Life Insurance Company	Indianapolis IN	YRT/I	6,640,506	171,081	43,920	143,192				
60895	35-0145825	08/01/1983	American United Life Insurance Company	Indianapolis IN	YRT/I	4,038,854	38,200	36,765	411,938				
00000	AA-3194126	01/01/2004	Arch Reinsurance Company Ltd.	Hamilton Bermuda	CAT/G				16,698				
00000	AA-3194126	01/01/2004	Arch Reinsurance Company Ltd.	Hamilton Bermuda	CAT/G				10,736				
00000	AA-3194139	01/01/2004	Axis Specialty Ltd.	Hamilton Bermuda	CAT/G				25,046				
00000	AA-3194139	01/01/2004	Axis Specialty Ltd.	Hamilton Bermuda	CAT/G				16,776				
00000	AA-1120242	01/01/2004	Brit Insurance Ltd	London England	CAT/G				10,436				
80659	38-0397420	07/01/1983	Canada Life Assurance Company	Lansing MI	CO/I	1,955,998	11,267	764,565	25,176				
80659	38-0397420	07/01/1983	Canada Life Assurance Company	Lansing MI	YRT/I	132,553,789	763,055	48,153	1,704,794				
80659	38-0397420	11/01/1983	Canada Life Assurance Company	Lansing MI	YRT/I	1,028,967	5,357	4,609	347				
80659	38-0397420	03/15/1987	Canada Life Assurance Company	Lansing MI	YRT/I	2,286,315	9,098	11,091	9,782				
80659	38-0397420	11/25/1996	Canada Life Assurance Company	Lansing MI	YRT/I	16,500,000	107,166	96,817	40,154				
			Connecticut General Life Insurance Company										
62308	06-0303370	07/10/1938		Bloomfield CT	CO/I	170,500	141,608		4,080				
11551	99-0360327	01/01/2004	Endurance Reinsurance Corp. of America	White Plains NY	CAT/G				16,698				
11551	99-0360327	01/01/2004	Endurance Reinsurance Corp. of America	White Plains NY	CAT/G				12,079				
26921	22-2005057	01/01/2004	Everest Reinsurance Company	Wilmington DE	CAT/G				26,841				
86258	13-2572994	11/01/1973	General Re Life Corporation	Stamford CT	CO/I	353,768	4,807	28,117	4,551				
86258	13-2572994	11/01/1973	General Re Life Corporation	Stamford CT	YRT/I	1,358,379	18,410	16,503	17,503				
86258	13-2572994	07/01/1993	General Re Life Corporation	Stamford CT	YRT/I	1,777,187	17,141	15,681	34,913				
86258	13-2572994	01/01/2000	General Re Life Corporation	Stamford CT	YRT/G	232,675,850			840,673				
00000	AA-3190060	01/01/2004	Hannover Re -Bermuda Ltd.	Hamilton Bermuda	CAT/G				14,610				
00000	AA-3190060	01/01/2004	Hannover Re -Bermuda Ltd.	Hamilton Bermuda	CAT/G				10,736				
65676	35-0472300	01/01/1955	Lincoln National Life Insurance Company	Fort Wayne IN	CO/I	1,898,080	79,040	75,284	6,432				
65676	35-0472300	01/01/1971	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I	4,985,557	57,740	63,297	106,944				
65676	35-0472300	11/01/1977	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I	631,882	4,725	4,375	5,756				
65676	35-0472300	07/01/1981	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I	197,788	877	2,073	16,131				
65676	35-0472300	10/01/1982	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I	17,034,068	156,936	178,376	412,585				
65676	35-0472300	05/01/1983	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I				451,018				
65676	35-0472300	08/01/1988	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I	271,984	1,293	4,638	16,599				
65676	35-0472300	06/25/1989	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I	17,777,173	99,696	161,952	137,913				
00000	AA-1126033	01/01/2004	Lloyd's Syndicate Number 0033	London England	CAT/G				5,218				
00000	AA-1126033	01/01/2004	Lloyd's Syndicate Number 0033	London England	CAT/G				3,355				
00000	AA-1127243	01/01/2004	Lloyd's Syndicate Number 1243	London England	CAT/G				12,523				
00000	AA-1127243	01/01/2004	Lloyd's Syndicate Number 1243	London England	CAT/G				4,026				
00000	AA-1128020	01/01/2004	Lloyd's Syndicate Number 2020	London England	CAT/G				20,872				
00000	AA-1128020	01/01/2004	Lloyd's Syndicate Number 2020	London England	CAT/G				6,710				
00000	AA-3194129	01/01/2004	Montpelier Reinsurance Ltd	Hamilton Bermuda	CAT/G				45,918				
00000	AA-3194129	01/01/2004	Montpelier Reinsurance Ltd	Hamilton Bermuda	CAT/G				30,867				
66346	58-0828824	01/01/1964	Munich American Reassurance Company	Atlanta GA	YRT/I	268,138	9,206	8,576	45,335				
66346	58-0828824	08/01/1979	Munich American Reassurance Company	Atlanta GA	CO/I	200,000	637	593	2,367				
66346	58-0828824	04/01/1985	Munich American Reassurance Company	Atlanta GA	YRT/I	375,286	7,247	8,997	15,983				
66346	58-0828824	09/01/1985	Munich American Reassurance Company	Atlanta GA	YRT/I	2,867,370	9,140	8,809	13,464				
66346	58-0828824	07/01/1993	Munich American Reassurance Company	Atlanta GA	YRT/I	2,726,019	11,680	8,978	33,177				
66346	58-0828824	02/15/1995	Munich American Reassurance Company	Atlanta GA	YRT/I	74,676,408	275,356	270,995	281,489				
66346	58-0828824	04/01/2003	Munich American Reinsurance Company	Atlanta GA	CO/I	958,995,556	914,038		1,995,571				
66346	58-0828824	04/01/2003	Munich American Reinsurance Company	Atlanta GA	CO/I	40,184,800	108,973		219,084				

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SCHEDULE S - PART 3 - SECTION 1

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Type of Reinsurance Ceded	7 Amount in Force at End of Year	Reserve Credit Taken		10 Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
							8	9		11	12		
							Current Year	Prior Year		Current Year	Prior Year		
23841	02-0172170	01/01/2004	New Hampshire Insurance Company	Harrisburg PA	CAT/G				21,916				
23680	47-0698507	01/01/2004	Odyssey America Reinsurance Corporation	Stamford CT	CAT/G				10,436				
23680	47-0698507	01/01/2004	Odyssey America Reinsurance Corporation	Stamford CT	CAT/G				6,710				
88099	75-1608507	04/01/1996	Optimum Re Insurance Company	Dallas TX	YRT/I	14,894,615	94,011	112,036	172,295				
65765	38-0779740	07/01/1997	Reassure America Life Insurance Company	Jacksonville IL	CO/I			50,342	1,877				
65765	38-0779740	07/01/2000	Reassure America Life Insurance Company	Jacksonville IL	CO/G			89,294	(2,076,597)				
65765	38-0779740	07/01/2000	Reassure America Life Insurance Company	Jacksonville IL	CO/I	11,396,291,887	3,816,882,688	3,612,682,944	96,165,077				
65765	38-0779740	07/01/2000	Reassure America Life Insurance Company	Jacksonville IL	DIS/I		9,235,554	9,911,227					
67105	41-0451140	06/01/1998	Reliastar Life Insurance Company	Minneapolis MN	CO/I	17,940,500	39,417	39,621	97,191				
87017	62-1003368	08/16/1979	Revios Reinsurance U.S. Inc.	Los Angeles CA	CO/I	76,009,902	11,330,333	11,224,147	777,689				
87017	62-1003368	08/16/1979	Revios Reinsurance U.S. Inc.	Los Angeles CA	DIS/I		121,732	144,266					
93572	43-1235868	05/15/1982	RGA Reinsurance Company	Chesterfield MO	YRT/I	245,084	7,800	7,052	14,507				
93572	43-1235868	01/01/1983	RGA Reinsurance Company	Chesterfield MO	CO/I	4,053,884	31,470	20,334	87,684				
93572	43-1235868	01/01/1983	RGA Reinsurance Company	Chesterfield MO	YRT/I	125,351,664	972,474	979,809	2,706,414				
93572	43-1235868	09/01/1985	RGA Reinsurance Company	Chesterfield MO	YRT/I	6,026,334	45,482	43,655	77,540				
93572	43-1235868	09/01/1986	RGA Reinsurance Company	Chesterfield MO	CO/I	25,377,764	235,744	339,732	275,831				
93572	43-1235868	09/01/1986	RGA Reinsurance Company	Chesterfield MO	YRT/I	84,074,504	786,177	721,173	918,458				
93572	43-1235868	09/01/1986	RGA Reinsurance Company	Chesterfield MO	YRT/I	73,628	759	763	1,305				
93572	43-1235868	03/15/1987	RGA Reinsurance Company	Chesterfield MO	YRT/I	3,425,046	16,207	18,670	18,132				
93572	43-1235868	08/01/1988	RGA Reinsurance Company	Chesterfield MO	YRT/I	263,984	1,255	1,167	4,846				
93572	43-1235868	08/01/1988	RGA Reinsurance Company	Chesterfield MO	YRT/I	263,984	1,255	1,167	3,199				
93572	43-1235868	07/01/1989	RGA Reinsurance Company	Chesterfield MO	YRT/I	15,634,511	103,593	106,342	188,726				
93572	43-1235868	07/01/1989	RGA Reinsurance Company	Chesterfield MO	YRT/I	27,446,191	178,901	215,248	356,060				
93572	43-1235868	02/15/1995	RGA Reinsurance Company	Chesterfield MO	YRT/I	560,388,991	1,703,537	1,640,116	1,591,438				
90670	43-1178580	07/01/1981	Scottish Re Life Corporation	Wilmington DE	YRT/I	197,789	877	138	5,782				
90670	43-1178580	07/01/1981	Scottish Re Life Corporation	Wilmington DE	CO/I			665					
90670	43-1178580	07/01/1981	Scottish Re Life Corporation	Wilmington DE	YRT/I	217,806	1,623	628	6,046				
90670	43-1178580	09/01/1981	Scottish Re Life Corporation	Wilmington DE	YRT/I	381,823	2,610	3,443	908				
90670	43-1178580	07/01/1983	Scottish Re Life Corporation	Wilmington DE	CO/I	31,620,997	181,278	40,473	443,562				
90670	43-1178580	07/01/1983	Scottish Re Life Corporation	Wilmington DE	YRT/I	139,967,505	800,523	458,070	1,965,414				
90670	43-1178580	11/01/1983	Scottish Re Life Corporation	Wilmington DE	YRT/I	4,149,843	38,632	37,178	97,391				
90670	43-1178580	03/15/1987	Scottish Re Life Corporation	Wilmington DE	YRT/I	2,554,011	10,111	445,114	10,891				
90670	43-1178580	07/01/1989	Scottish Re Life Corporation	Wilmington DE	YRT/I	23,048,421	252,888	257,708	429,299				
90670	43-1178580	11/15/1994	Scottish Re Life Corporation	Wilmington DE	YRT/I	56,166,621	588,341	610,628	460,422				
90670	43-1178580	02/15/1995	Scottish Re Life Corporation	Wilmington DE	YRT/I	4,681,512	20,082	22,904	65,775				
90670	43-1178580	02/01/1996	Scottish Re Life Corporation	Wilmington DE	YRT/I	604,861,811	2,030,559	1,905,060	1,833,454				
90670	43-1178580	04/01/1996	Scottish Re Life Corporation	Wilmington DE	YRT/I	5,096,808	20,155	17,456	32,954				
68713	84-0499703	09/01/1985	Security Life of Denver Insurance Company	Denver CO	YRT/I	1,808,014	9,388	9,210	13,728				
68713	84-0499703	02/01/1995	Security Life of Denver Insurance Company	Denver CO	YRT/I	1,281,514	6,275	6,801	18,413				
68713	84-0499703	02/01/1996	Security Life of Denver Insurance Company	Denver CO	YRT/I	82,063,369	290,307	294,614	194,362				
82627	06-0839705	02/20/1929	Swiss Re Life & Health America Inc.	Stamford CT	CO/I	1,000	798	1,771					
82627	06-0839705	05/28/1958	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	5,587	247		559				
82627	06-0839705	01/01/1971	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	2,706,522	22,586	21,252	52,697				
82627	06-0839705	12/01/1973	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	72,830	321	551	611				
82627	06-0839705	05/01/1977	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	2,870,464	14,562	26,684	92,372				
82627	06-0839705	07/01/1977	Swiss Re Life & Health America Inc.	Stamford CT	CO/I	99,015	377	21,154	952				
82627	06-0839705	07/01/1983	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	55,476,935	409,347	410,709	998,672				
82627	06-0839705	11/01/1983	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	154,012	1,482	749	2,554				
82627	06-0839705	09/01/1985	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I			1,452					
82627	06-0839705	07/01/1986	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	50,165	1,433	1,289	432				
82627	06-0839705	02/01/1988	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	4,209,689	17,860	16,053	42,023				
82627	06-0839705	07/01/1989	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	3,002,840	30,993	28,373	44,412				
82627	06-0839705	07/01/1993	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I			2,929	(1,626)				
82627	06-0839705	07/01/1993	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	1,008,283	3,190		10,757				
82627	06-0839705	02/15/1995	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	5,842,787	24,477	22,502	39,331				
82627	06-0839705	04/01/1996	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	7,209,588	26,228		36,511				

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE S - PART 3 - SECTION 1

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Type of Reinsurance Ceded	7 Amount in Force at End of Year	Reserve Credit Taken		10 Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
							8	9		11	12		
							Current Year	Prior Year		Current Year	Prior Year		
82627	06-0839705	04/01/1996	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I			28,958					
82627	06-0839705	04/01/1996	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	24,897,154	155,297	151,757	185,577				
00000	AA-1560016	07/01/2001	Swiss Re Life & Health Canada	Toronto Ontario Canada	ACO/I			7,466,972					
00000	AA-1560016	07/01/2001	Swiss Re Life & Health Canada	Toronto Ontario Canada	CO/I			5,207,568	26,632				
00000	AA-1580095	01/01/2004	TOA Reinsurance Company	Tokyo Japan	CAT/G				8,349				
00000	AA-1580095	01/01/2004	TOA Reinsurance Company	Tokyo Japan	CAT/G				5,368				
			Transamerica Occidental Life Insurance										
67121	95-1060502	03/01/1981	Company	Cedar Rapids IA	YRT/I	4,648,334	41,612	74,502	69,303				
			Transamerica Occidental Life Insurance										
67121	95-1060502	02/15/1995	Company	Cedar Rapids IA	YRT/I	474,848,255	1,438,918	1,394,282	1,340,176				
62596	31-0252460	01/01/1987	Union Fidelity Life Insurance Company	Chicago IL	MCO/I	15,384,949	63,919	65,206	149,376				
0299999. General Account, Non-Affiliates						16,583,543,230	3,965,821,796	3,782,500,614	126,520,560				
0399999. Total General Account						16,583,543,230	3,965,821,796	3,782,500,614	126,520,560				
0699999. Total Separate Accounts													
0799999 - Totals						16,583,543,230	3,965,821,796	3,782,500,614	126,520,560				

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SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	Outstanding Surplus Relief		12	13
NAIC Company Code	Federal ID Number	Effective Date	Name of Company	Location	Type	Premiums	Unearned Premiums (estimated)	Reserve Credit Taken Other than for Unearned Premiums	10	11	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
Affiliates												
62235	01-0278678	10/01/2002	Unum Life Insurance Company of America	Portland ME	CO/G	68,538,223	204,282	541,129,848				
0199999. Total Affiliates						68,538,223	204,282	541,129,848				
Non-Affiliates												
22667	95-2371728	01/01/2000	Ace American Insurance Co.	Philadelphia PA	OTH/G			13,292				
00000	AA-1240004	01/01/2000	Ace Insurance SA NV	Belgium	OTH/G			16,244				
60275	59-0676017	05/01/1999	American Bankers Life Assurance Company	Miami FL	CO/G	1,790,778						
			American Disability Reinsurance									
00000	AA-9995055	05/01/1987	Underwriters Syndicate	Portland ME	CO/G			134,792				
00000	AA-3194126	01/01/2004	Arch Reinsurance Company Ltd.	Hamilton Bermuda	OTH/G	7,604						
00000	AA-3194126	01/01/2004	Arch Reinsurance Company Ltd.	Hamilton Bermuda	OTH/G	5,547						
00000	AA-3194139	01/01/2004	Axis Specialty Ltd.	Hamilton Bermuda	OTH/G	11,406						
00000	AA-3194139	01/01/2004	Axis Specialty Ltd.	Hamilton Bermuda	OTH/G	8,666						
00000	AA-1120242	01/01/2004	Brit Insurance Ltd	London England	OTH/G	4,752						
			Connecticut General Life Insurance									
62308	06-0303370	05/01/1997	Company	Bloomfield CT	CO/G	9,961						
39845	48-0921045	01/01/1992	Employers Reinsurance Corporation	Jefferson City MO	CO/I			130,506,714				
11551	99-0360327	01/01/2004	Endurance Reinsurance Corp. of America	White Plains NY	OTH/G	7,604						
11551	99-0360327	01/01/2004	Endurance Reinsurance Corp. of America	White Plains NY	OTH/G	6,240						
26921	22-2005057	01/01/2004	Everest Reinsurance Company	Wilmington DE	OTH/G	13,866						
86258	13-2572994	06/01/1990	General Re Life Corporation	Stamford CT	CO/I	44,319						
86258	13-2572994	07/01/1997	General Re Life Corporation	Stamford CT	CO/I	(9,786,717)						
86258	13-2572994	01/01/2000	General Re Life Corporation	Stamford CT	OTH/G	55,470						
97071	13-3126819	01/01/2004	Generali USA Life Reassurance Company	Minneapolis MN	YRT/G	8,035						
00000	AA-3190060	01/01/2004	Hannover Re -Bermuda Ltd.	Hamilton Bermuda	OTH/G	6,653						
00000	AA-3190060	01/01/2004	Hannover Re -Bermuda Ltd.	Hamilton Bermuda	OTH/G	5,547						
42374	74-2195939	01/01/1999	Houston Casualty Company	Houston TX	YRT/G	3,107						
65676	35-0472300	01/01/1987	Lincoln National Life Insurance Company	Fort Wayne IN	YRT/I			24,243,382				
65676	35-0472300	07/01/1991	Lincoln National Life Insurance Company	Fort Wayne IN	CO/I			2,867,768				
00000	AA-1126033	01/01/2004	Lloyd's Syndicate Number 0033	London England	OTH/G	2,376						
00000	AA-1126033	01/01/2004	Lloyd's Syndicate Number 0033	London England	OTH/G	1,733						
00000	AA-1126190	01/01/1999	Lloyd's Syndicate Number 0190	London England	OTH/G	1,165						
00000	AA-1126510	01/01/1999	Lloyd's Syndicate Number 0510	London England	OTH/G	2,331						
00000	AA-1126582	01/01/2000	Lloyd's Syndicate Number 0582	London England	OTH/G	468						
00000	AA-1126780	01/01/2000	Lloyd's Syndicate Number 0780	London England	OTH/G	703						
00000	AA-1126861	01/01/2000	Lloyd's Syndicate Number 0861	London England	OTH/G	1,265						
00000	AA-1126861	01/01/2000	Lloyd's Syndicate Number 0861	London England	OTH/G			5,317				
00000	AA-1126958	01/01/1999	Lloyd's Syndicate Number 0958	London England	OTH/G	504						
00000	AA-1127173	01/01/2000	Lloyd's Syndicate Number 1173	London England	OTH/G	937						
00000	AA-1127206	01/01/1999	Lloyd's Syndicate Number 1206	London England	OTH/G	2,331						
00000	AA-1127206	01/01/2000	Lloyd's Syndicate Number 1206	London England	YRT/G	2,810						
00000	AA-1127209	01/01/2000	Lloyd's Syndicate Number 1209	London England	OTH/G	1,546						
00000	AA-1127209	01/01/2000	Lloyd's Syndicate Number 1209	London England	OTH/G			9,452				
00000	AA-1127243	01/01/2004	Lloyd's Syndicate Number 1243	London England	OTH/G	5,703						
00000	AA-1127243	01/01/2004	Lloyd's Syndicate Number 1243	London England	OTH/G	2,080						
00000	AA-1127607	01/01/2000	Lloyd's Syndicate Number 1607	London England	OTH/G	1,499						
00000	AA-1128003	01/01/1999	Lloyd's Syndicate Number 2003	London England	OTH/G	1,943						
00000	AA-1128020	01/01/2000	Lloyd's Syndicate Number 2020	London England	OTH/G	1,171						
00000	AA-1128020	01/01/2004	Lloyd's Syndicate Number 2020	London England	OTH/G	9,505						
00000	AA-1128020	01/01/2004	Lloyd's Syndicate Number 2020	London England	OTH/G	3,467						
00000	AA-1128488	01/01/2000	Lloyd's Syndicate Number 2488	London England	OTH/G	1,874						
00000	AA-1128987	01/01/1999	Lloyd's Syndicate Number 2987	London England	OTH/G	3,109						
00000	AA-1126003	01/01/1999	Lloyd's Syndicate Number 5000	London England	OTH/G	1,943						
76694	23-2044256	01/01/1998	London Life Reinsurance Company	Blue Bell PA	CO/G			535,315				
93580	84-0849721	01/01/2002	M Life Ins Co	Denver CO	MCO/I	1,325,391					817,100	
00000	AA-3194129	01/01/2004	Montpelier Reinsurance Ltd	Hamilton Bermuda	OTH/G	20,910						

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Type	7 Premiums	8 Unearned Premiums (estimated)	9 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
									10	11		
									Current Year	Prior Year		
00000	AA-3194129	01/01/2004	Montpelier Reinsurance Ltd	Hamilton Bermuda	OTH/G	15,946						
66346	58-0828824	10/01/1996	Munich American Reassurance Company	Atlanta GA	CO/I	18,618						
20087	47-0355979	04/01/2004	National Indemnity Company	Omaha NE	OTH/I	66,652,096		315,814,738				
23841	02-0172170	01/01/2004	New Hampshire Insurance Company	Harrisburg PA	OTH/G	9,980						
23680	47-0698507	01/01/2004	Odyssey America Reinsurance Corporation	Stamford CT	OTH/G	4,752						
23680	47-0698507	01/01/2004	Odyssey America Reinsurance Corporation	Stamford CT	OTH/G	3,467						
00000	AA-1120481	01/01/2000	QBE International Insurance Limited	London England	OTH/G			4,923				
65765	38-0779740	07/01/2000	Reassure America Life Insurance Company	Jacksonville IL	CO/G	60,000						
67105	41-0451140	04/01/1993	Reliastar Life Insurance Company	Minneapolis MN	YRT/G			3,229,685				
67105	41-0451140	01/01/1998	Reliastar Life Insurance Company	Minneapolis MN	CO/G			535,315				
00000	AA-1120032	01/01/2000	Reliastar Reinsurance Group -UK LTD	London England	YRT/G	937						
00000	AA-1440076	01/01/1999	Sirus Intl. Ins. Corp.	Stockholm Sweden	OTH/G	3,109						
82627	06-0839705	09/01/1969	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I			1,072,910				
82627	06-0839705	06/01/1979	Swiss Re Life & Health America Inc.	Stamford CT	YRT/I	99,205	34,293	7,180,243				
82627	06-0839705	01/01/1984	Swiss Re Life & Health America Inc.	Stamford CT	CO/I	3,609,245	244,237	139,325,185				
82627	06-0839705	07/01/1991	Swiss Re Life & Health America Inc.	Stamford CT	CO/I			345,515				
82627	06-0839705	08/01/1992	Swiss Re Life & Health America Inc.	Stamford CT	CO/I			1,474,714				
82627	06-0839705	01/01/1994	Swiss Re Life & Health America Inc.	Stamford CT	CO/I	9,368,204	904,374	46,872,278				
00000	AA-1560016	06/01/1998	Swiss Re Life & Health Canada	Toronto Ontario CAN	CO/I	144,719						
00000	AA-1560016	10/10/2000	Swiss Re Life & Health Canada	Toronto Ontario Canada	CO/I	1,290,528						
			The Mega Life and Health Insurance									
97055	59-2213662	01/01/2004	Company	Oklahoma City OK	YRT/G	72,313						
00000	AA-1580095	01/01/2004	TOA Reinsurance Company	Tokyo Japan	OTH/G	3,802						
00000	AA-1580095	01/01/2004	TOA Reinsurance Company	Tokyo Japan	OTH/G	2,773						
69663	74-1472662	01/01/1999	USAA Life Insurance Company	San Antonio TX	CO/I	288,055	18,285	319,857				
0299999. Total - Non-Affiliates						75,247,351	1,201,189	674,507,639			817,100	
0399999 - Totals						143,785,573	1,405,471	1,215,637,486			817,100	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE S - PART 4

Reinsurance Ceded to Unauthorized Companies

[illegible]

SCHEDULE S - PART 5

Five Year Exhibit of Reinsurance Ceded Business (000 omitted)

	1 2004	2 2003	3 2002	4 2001	5 2000
A. OPERATIONS ITEMS					
1. Premiums and annuity considerations for life and accident and health contracts	270,306	272,520	193,374	185,112	167,965
2. Commissions and reinsurance expense allowances	45,791	59,610	22,001	57,133	159,989
3. Contract claims	263,853	319,639	223,343	150,465	124,532
4. Surrender benefits and withdrawals for life contracts	61,929	45,778	59,291	89,085	131,809
5. Dividends to policyholders	0	74	248	164	40
6. Reserve adjustments on reinsurance ceded	832	12	(28)	(337)	(6)
7. Increase in aggregate reserve for life and accident and health contracts	165,761	224,394	176,617	176,099	102,535
B. BALANCE SHEET ITEMS					
8. Premiums and annuity considerations for life and accident and health contracts deferred and uncollected	8,779	18,241	12,382	17,866	18,260
9. Aggregate reserves for life and accident and health contracts	5,071,765	4,619,032	4,391,891	3,672,113	3,489,229
10. Liability for deposit-type contracts	111,100	125,506	131,936	159,158	209,820
11. Contract claims unpaid	66,734	84,991	86,581	30,544	33,772
12. Amounts recoverable on reinsurance	17,896	15,699	13,720	11,054	17,920
13. Experience rating refunds due or unpaid	21,858	20,646	28,520	28,172	15,133
14. Policyholders' dividends (not included in Line 10)	88	133	145	177	178
15. Commissions and reinsurance expense allowances unpaid	1,065	695	1,256	806	3,341
16. Unauthorized reinsurance offset	20	1,612	1,446	2,657	1,719
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
17. Funds deposited by and withheld from (F)					
18. Letters of credit (L)	39	12,131	14,862	8,211	0
19. Trust agreements (T)	0	9,466	0	18,487	19,235
20. Other (O)	0	4,194	0	0	0

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 10)	7,435,003,695	2,785,329,865	10,220,333,561
2. Reinsurance ceded (Line 13)	26,541,400	(25,338,022)	1,203,378
3. Premiums and considerations (Line 12)	56,818,010	12,233,436	69,051,446
4. Net credit for ceded reinsurance	XXX	2,360,610,761	2,360,610,761
5. All other admitted assets (balance)	332,226,554	142,982,255	475,208,809
6. Total assets excluding Separate Accounts (Line 24)	7,850,589,659	5,275,818,296	13,126,407,954
7. Separate Account assets (Line 25)			
8. Total assets (Line 26)	7,850,589,659	5,275,818,296	13,126,407,954
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
9. Contract reserves (Lines 1 and 2)	5,879,731,593	5,071,764,717	10,951,496,310
10. Liability for deposit-type contracts (Line 3)	65,531,122	111,100,036	176,631,158
11. Claim reserves (Line 4)	123,488,894	66,733,707	190,222,602
12. Policyholder dividends/reserves (Lines 5 through 7)	0	88,394	88,394
13. Premium & annuity considerations received in advance (Line 8)	16,164,017	267,294	16,431,311
14. Other contract liabilities (Line 9)	160,006,253	11,073,158	171,079,411
15. Reinsurance in unauthorized companies (Line 24.2)	19,902	(19,902)	
16. Funds held under reinsurance treaties with unauthorized reinsurers (Line 24.3)		XXX	
17. All other liabilities (balance)	186,090,879	14,810,891	200,901,770
18. Total liabilities excluding Separate Accounts (Line 26)	6,431,032,660	5,275,818,296	11,706,850,956
19. Separate Account liabilities (Line 27)			
20. Total liabilities (Line 28)	6,431,032,660	5,275,818,296	11,706,850,956
21. Capital & surplus (Line 38)	1,419,556,999	XXX	1,419,556,999
22. Total liabilities, capital & surplus (Line 39)	7,850,589,659	5,275,818,296	13,126,407,954
NET CREDIT FOR CEDED REINSURANCE			
23. Contract reserves	5,071,764,717		
24. Claim reserves	66,733,707		
25. Policyholder dividends/reserves	88,394		
26. Premium & annuity considerations received in advance	267,294		
27. Liability for deposit-type contracts	111,100,036		
28. Other contract liabilities	11,073,158		
29. Reinsurance ceded assets	25,338,022		
30. Other ceded reinsurance recoverables	(2,928,312,120)		
31. Total ceded reinsurance recoverables	2,358,053,209		
32. Premiums and considerations	12,233,436		
33. Reinsurance in unauthorized companies	19,902		
34. Other ceded reinsurance payables/offsets	(14,810,891)		
35. Total ceded reinsurance payable/offsets	(2,557,552)		
36. Total net credit for ceded reinsurance	2,360,610,761		

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

States, Etc.		Allocated by States and Territories					
		1	Life Contracts		Direct Business Only		
			2	3	4	5	6
		Is Insurer Licensed? (Yes or No)	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Deposit Type Contract Funds	Other Considerations
1.	Alabama	AL	YES	11,493,356	23,668,485	100	
2.	Alaska	AK	YES	3,625,677	999,876		
3.	Arizona	AZ	YES	3,537,013	13,840,534		
4.	Arkansas	AR	YES	3,295,168	5,631,240	300	
5.	California	CA	YES	23,615,175	105,780,965		
6.	Colorado	CO	YES	17,259,910	12,477,754		
7.	Connecticut	CT	YES	2,001,236	12,537,095		
8.	Delaware	DE	YES	427,742	2,534,386		
9.	District of Columbia	DC	YES	720,024	4,175,908		
10.	Florida	FL	YES	31,260,081	58,132,184		
11.	Georgia	GA	YES	27,244,608	32,548,515	2,300	
12.	Hawaii	HI	YES	641,360	999,830		
13.	Idaho	ID	YES	374,199	1,107,712		
14.	Illinois	IL	YES	8,438,664	32,884,272	1,700	
15.	Indiana	IN	YES	5,830,166	9,914,046	660	
16.	Iowa	IA	YES	2,359,684	3,148,147		
17.	Kansas	KS	YES	1,743,806	5,888,105		
18.	Kentucky	KY	YES	7,120,306	12,243,724	600	
19.	Louisiana	LA	YES	7,374,451	12,881,816		
20.	Maine	ME	YES	664,783	2,603,154		
21.	Maryland	MD	YES	8,101,746	23,392,186	2,440	
22.	Massachusetts	MA	YES	3,406,154	23,481,356		
23.	Michigan	MI	YES	11,336,706	45,898,012	7,500	
24.	Minnesota	MN	YES	2,824,229	10,634,801	600	
25.	Mississippi	MS	YES	4,272,116	7,336,825		
26.	Missouri	MO	YES	11,677,940	11,275,641	3,000	
27.	Montana	MT	YES	355,375	1,151,834		
28.	Nebraska	NE	YES	1,494,699	4,105,271		
29.	Nevada	NV	YES	2,568,321	2,714,834		
30.	New Hampshire	NH	YES	447,481	3,012,969		
31.	New Jersey	NJ	YES	8,004,607	32,449,186		
32.	New Mexico	NM	YES	2,643,576	2,005,756		
33.	New York	NY	NO	2,133,127	5,138,534		
34.	North Carolina	NC	YES	40,192,744	27,693,048	600	
35.	North Dakota	ND	YES	116,031	730,476		
36.	Ohio	OH	YES	18,235,589	26,301,105	36,865	
37.	Oklahoma	OK	YES	1,680,061	4,639,842		
38.	Oregon	OR	YES	1,072,789	6,274,302		
39.	Pennsylvania	PA	YES	8,946,228	44,492,901	585	
40.	Rhode Island	RI	YES	516,543	2,170,027		
41.	South Carolina	SC	YES	14,535,502	17,241,000	1,200	
42.	South Dakota	SD	YES	227,122	1,153,270		
43.	Tennessee	TN	YES	40,200,006	31,914,129	32,300	
44.	Texas	TX	YES	14,572,180	45,440,580		
45.	Utah	UT	YES	1,055,918	2,373,486		
46.	Vermont	VT	YES	1,079,149	1,336,685		
47.	Virginia	VA	YES	13,198,344	20,456,289	36,485	
48.	Washington	WA	YES	2,827,611	13,935,814		
49.	West Virginia	WV	YES	26,353,120	2,792,129		
50.	Wisconsin	WI	YES	3,822,023	8,731,579		
51.	Wyoming	WY	YES	228,895	501,007		
52.	American Samoa	AS	NO				
53.	Guam	GU	NO	154,452	87,266		
54.	Puerto Rico	PR	YES	5,617	27,470		
55.	U.S. Virgin Islands	VI	NO	506	18,233		
56.	Canada	CN	YES	3,745,258	120,683,488		
57.	Aggregate Other Aliens	OT	XXX	72,282	183,253		
58.	Subtotal	(a) 51	411,131,457		905,772,334	127,235	
90.	Reporting entity contributions for employee benefit plans	XXX					
91.	Dividends or refunds applied to purchase paid-up additions and annuities	XXX					
92.	Dividends or refunds applied to shorten endowment or premium paying period	XXX					
93.	Premium or annuity considerations waived under disability or other contract provisions	XXX	2,072,633		26,077,226		
94.	Aggregate of other amounts not allocable by state	XXX	128,063		71,050		
95.	Totals (Direct Business)	XXX	413,332,153		931,920,610	127,235	
96.	Plus Reinsurance Assumed	XXX	720,635		21,424,217		
97.	Totals (All Business)	XXX	414,052,789		953,344,827	127,235	
98.	Less Reinsurance Ceded	XXX	132,845,243		148,144,503	127,235	
99.	Totals (All Business) less Reinsurance Ceded	XXX	281,207,545		(b) 805,200,323		
DETAILS OF WRITE-INS							
5701.	Other Alien	XXX	72,282		183,253		
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	72,282		183,253		
9401.	Premiums not yet applied to policy	XXX	128,063		71,050		
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	128,063		71,050		

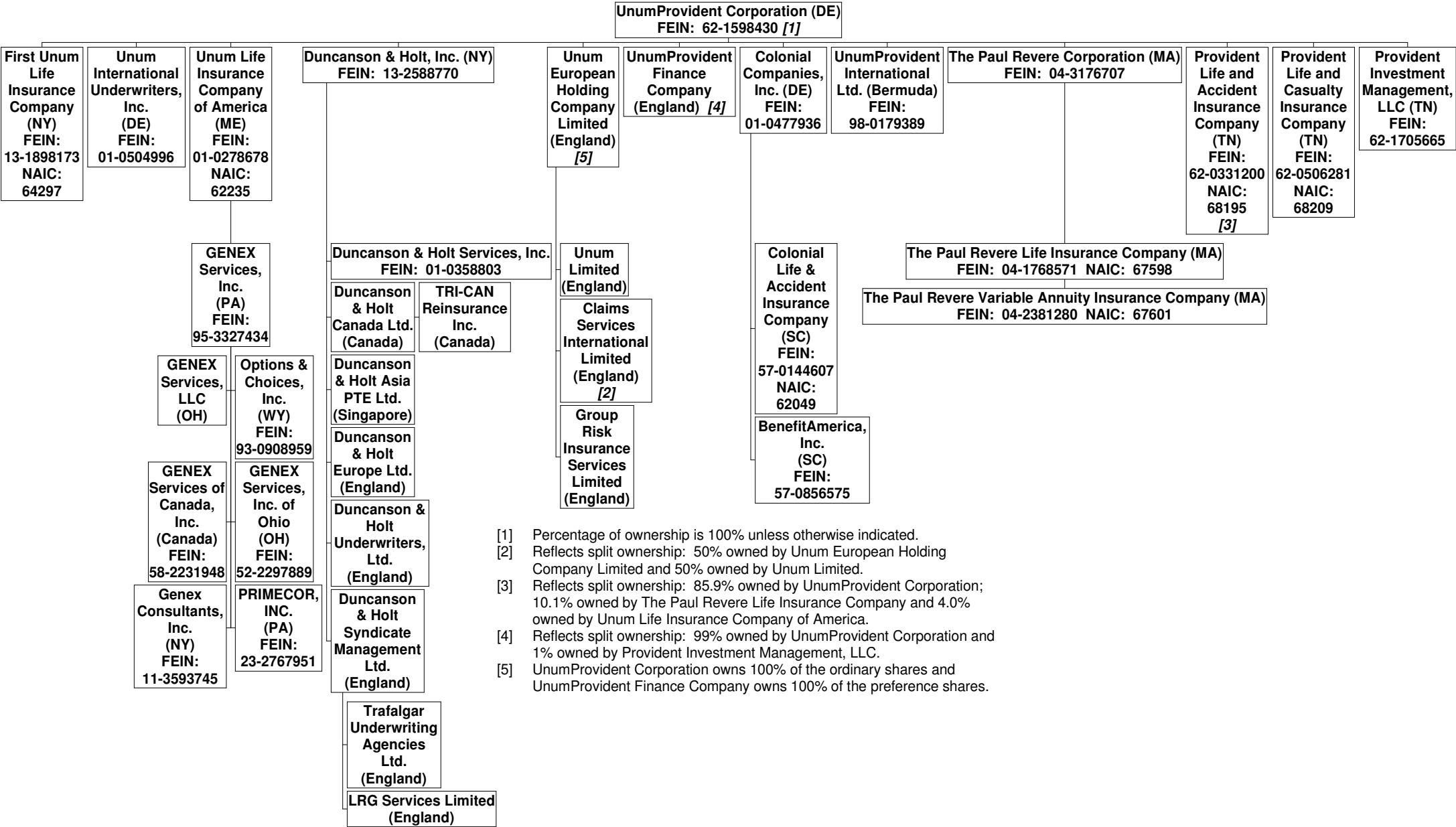
Explanation of basis of allocation of premiums by states, etc. of premiums and annuity considerations

Individual premiums are allocated according to the insured's address, if available, or to the billing address if residence is not provided. Group premiums are allocated based on state of residence, if available, or to the issue state if state of residence is not provided. Deposit-type funds are allocated based on annuitants' state of residence.

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

(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10, or with Schedule H, Part 1, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10.

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: 50% owned by Unum European Holding Company Limited and 50% owned by Unum Limited.
[3] 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.
[4] Reflects split ownership: 99% owned by UnumProvident Corporation and 1% owned by Provident Investment Management, LLC.
[5] UnumProvident Corporation owns 100% of the ordinary shares and UnumProvident Finance Company owns 100% of the preference shares.

SCHEDULE Y - (continued)

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your annual 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.

		Responses
MARCH FILING		
1.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	NO
2.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
3.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?	NO
4.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
5.	Will the Risk-based Capital Report be filed with the NAIC by March 1?	YES
6.	Will the Risk-based Capital Report be filed with the state of domicile, if required, by March 1?	YES
7.	Will the statement on non-guaranteed elements as required in interrogatory #3 to Exhibit 5 be filed by March 1?	YES
8.	Will an actuarial opinion be filed with this statement by March 1?	YES
9.	Will the Worker's Compensation Carve-Out Supplement be filed by March 1?	NO
10.	Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1?	YES
APRIL FILING		
11.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	YES
12.	Will Management's Discussion and Analysis be filed by April 1?	YES
13.	Will the Interest-Sensitive Life Insurance Products Report Forms be filed with the state of domicile and the NAIC by April 1?	YES
14.	Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?	YES
15.	Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1?	YES
16.	Will the Adjustment Form (if required) be filed with the state of domicile and the NAIC by April 1?	YES
17.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
18.	Will the Investment Risks Interrogatories be filed by April 1?	YES
JUNE		
19.	Will an audited financial report be filed by June 1?	YES

Explanations:

1.
2.
3.
9.

Bar Codes:

1.



6819520044200000000

SIS Stockholder Information Supplement [Document Identifier 420]
2.



6819520043600000000

Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]
3.



6819520044900000000

Trusteed Surplus Statement [Document Identifier 490]
9.



6819520044950000000

Workers' Compensation Carve-Out Supplement [Document Identifier 495]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 23

2304.	Receivables for securities	4,688	4,688	0	0
2397.	Summary of remaining write-ins for Line 23 from overflow page	4,688	4,688	0	0

Additional Write-ins for Liabilities Line 25

2504.	Missing claimants liability	6,722,867	8,503,023
2505.	Miscellaneous amounts payable	6,012,435	268,123
2597.	Summary of remaining write-ins for Line 25 from overflow page	12,735,301	8,771,146

Additional Write-ins for Summary of Operations Line 8.3

08.304.	Interest on federal income tax refund	13,574,426	684,635
08.305.	Corporate owned life insurance	5,277,222	3,317,207
08.306.	Other income	833,008	3,674,159
08.307.	Income from modco reinsurance ceded	647,718	0
08.308.	Transfers on account of group package policies	216,805	53,382
08.397.	Summary of remaining write-ins for Line 8.3 from overflow page	20,549,178	7,729,383

Additional Write-ins for Summary of Operations Line 27

2704.	Change in pensioner life reserve	(3,230,746)	(2,461,709)
2797.	Summary of remaining write-ins for Line 27 from overflow page	(3,230,746)	(2,461,709)

Additional Write-ins for Exhibit of Net Investment Income Line 9

0904.	Investment Income Transferred to Reinsurers	(5,863,027)	(5,863,027)
0997.	Summary of remaining write-ins for Line 9 from overflow page	(5,863,027)	(5,863,027)

Additional Write-ins for Exhibit 2 Line 9.3

09.304.	Market conduct expense accrual		2,942,461			2,942,461
09.397.	Summary of remaining write-ins for Line 9.3 from overflow page		2,942,461			2,942,461

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Analysis of Operations Line 8.3

08.304. Interest on federal income tax refund	13,574,426								13,574,426			
08.305. Corporate owned life insurance	5,277,222										5,277,222	
08.306. Other	833,008		(594,168)	32,629	(29,904)		(106,356)	509	128,637		1,401,661	
08.307. Income from modco reinsurance ceded	647,718										647,718	
08.308. Transfers on account of group package policies	216,805						208,213		8,592			
08.397. Summary of remaining write-ins for Line 8.3 from overflow page	20,549,178		(594,168)	32,629	(29,904)		101,857	509	13,711,655		7,326,600	

Additional Write-ins for Analysis of Operations Line 27

2704. Change in pensioner life reserve	(3,230,746)						(3,230,746)					
2797. Summary of remaining write-ins for Line 27 from overflow page	(3,230,746)						(3,230,746)					

Additional Write-ins for Schedule H Part 1 Line 11

1104. Group conversions	(241,444)	0.0	(241,444)	(0.2)														
1105. Income and reserve adjustments on modco reinsurance ceded	(1,464,818)	(0.2)					(1,464,818)	(0.3)										
1106. Other income	(1,599,280)	(0.2)					(1,503,323)	(0.3)	(95,957)	(0.1)								
1197. Summary of remaining write-ins for Line 11 from overflow page	(3,305,542)	(0.4)	(241,444)	(0.2)			(2,968,141)	(0.6)	(95,957)	(0.1)								

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE A - PART 1

Showing All Real Estate OWNED December 31 of Current Year

Description of Property	Code	Location		Date Acquired	Date of Last Appraisal	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Fair Value Less Encumbrances	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amounts Received During Year	Expended for Additions, Permanent Improvements and Changes in Encumbrances During Year	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs and Expenses Incurred
		City	State												
Property occupied by the reporting entity - Administrative															
Home Office Building and Additions		Chattanooga	TN	01/01/1959	12/31/2004	112,928,849		47,991,632	141,152,562	(3,002,824)			2,407,735	11,353,093	6,111,718
02999999. Property occupied by the Company - Administrative						112,928,849		47,991,632	141,152,562	(3,002,824)			2,407,735	11,353,093	6,111,718
03999999. Total Property occupied by the reporting entity						112,928,849		47,991,632	141,152,562	(3,002,824)			2,407,735	11,353,093	6,111,718
Properties held for the production of income															
Parking Lots near Home Office Building		Chattanooga	TN	06/01/1957	12/31/2004	6,634,638		6,141,715	15,913,197	(10,056)				268,400	238,110
224 Walnut Office Building		Chattanooga	TN	04/01/1980	12/31/2004	209,414		91,348	453,225	(1,279)					4,446
Huckabee Bonding		Chattanooga	TN	12/31/2003	12/31/2004	2,189,496		2,183,149	2,191,577	(6,347)					
04999999. Properties held for the production of income						9,033,548		8,416,212	18,557,999	(17,682)				268,400	242,556
Properties held for sale															
Gunbarrel Road		Chattanooga	TN	02/01/1987	12/31/2004	1,320		1,320	1,100,000					5,434	17,856
Promenade Shopping Center		Richardson	TX	09/01/1992	12/31/2004	18,948,819		14,081,527	6,525,000					502,442	2,121
Allowance for Possible Losses								(7,554,553)	(7,554,553)						
05999999. Properties held for sale						18,950,139		6,528,294	70,447					507,876	19,977
99999999 - Totals						140,912,536		62,936,138	159,781,008	(3,020,506)			2,407,735	12,129,369	6,374,251

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED During the Year

1	Location		4	5	6	7	8	9
Description of Property	2 City	3 State	Date Acquired	Name of Vendor	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Expended for Additions and Permanent Improvements
NONE								
9999999 - Totals								

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE A - PART 3

Showing All Real Estate SOLD During the Year, Including Payments During the Final Year on “Sales Under Contract”

[illegible]

Schedule B - Part 1
N O N E

Schedule B - Part 2
N O N E

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Year

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For-eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor-tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
US Governments Issuer Obligations (IO) Single Class Mortgage (SC)																					
3128X1-HB-6	FREDDIE MAC 30-NC 3			1	1	20,391,318	16.9560	19,499,400	115,000,000	22,297,697		1,249,337			0.000	5.850	MAT			05/21/2003	06/13/2033
3128X1-HD-2	FREDDIE MAC 30-NC 1	C		1	1	50,183,838	16.3050	48,915,000	300,000,000	54,949,908		3,179,484			0.000	6.050	MAT			05/21/2003	06/23/2033
3133MS-YC-8	FEDERAL HOME LOAN BANK 30-NONCALL 5	C		1	1	19,957,616	16.1900	22,666,000	140,000,000	22,956,027		1,443,270			0.000	6.600	MAT			10/15/2002	11/05/2032
31359M-EL-3	FANNIE MAE AGENCY STRIPS			1	1	93,113,500	52.8960	105,792,000	200,000,000	102,318,222					0.000	5.471	MAT			04/07/2003	06/01/2017
46513E-GV-8	AID-ISRAEL US GOVT GUARANT			1	1	100,000,000	52.8960	104,515,000	100,000,000	100,000,000					5.500	5.500	JD	412,500	5,500,000	12/02/2003	12/04/2023
64908P-AA-1	NEW VALLEY GENERATION 3 (TVA) DEBS			1	1	3,116,447	101.6040	3,166,435	3,116,447	3,116,447					5.131	5.131	JJ	73,734	159,905	12/17/2002	01/15/2021
76116F-AA-5	RFCO STRIPS			1	1	61,600,750	47.3680	71,052,000	150,000,000	67,320,667		3,549,956			0.000	4.748	MAT			12/16/2003	10/15/2019
76116F-AG-2	RFCO STRIPS			1	1	79,680,000	43.5270	87,054,000	200,000,000	83,768,562		4,088,562			0.000	5.500	MAT			01/28/2004	01/15/2021
912810-DX-3	U S TREASURY BONDS			1	1	978,594	127.7930	1,277,930	1,000,000	984,393		783			7.500	7.703	MN	9,658	75,000	03/03/1995	11/15/2016
912810-EF-1	U S TREASURY BONDS MALL			1	1	5,627,222	144.2540	7,457,932	5,170,000	5,526,610		(11,552)			8.750	7.964	MN	58,251	452,375	02/13/1991	05/15/2020
912810-EQ-9	U S TREASURY BONDS DEP			1	1	1,947,859	144.5470	2,601,846	1,800,000	1,916,548		(3,765)			8.750	8.010	FA	59,490	157,500	06/02/1993	08/15/2020
912810-EP-9	U S TREASURY BONDS DEP			1	1	255,391	127.6050	319,013	250,000	254,452		(120)			7.125	6.951	FA	6,728	17,813	03/02/1994	02/15/2023
912827-2J-0	U S TREASURY NOTES			1	1	149,883	106.4380	159,657	150,000	149,969		13			6.250	6.260	FA	3,570	9,375	02/18/1997	02/15/2007
01999999. U.S. Government - Issuer Obligations						437,002,418	XXX	474,476,213	1,216,486,447	465,559,502		18,872,327			XXX	XXX	XXX	623,931	6,371,968	XXX	XXX
362157-W6-2	GNMA #156469		2		1	70,675	111.4690	79,529	71,347	70,773		11			9.500	9.833	MON	565	6,778	12/31/1990	11/15/2016
362198-FR-9	GNMA #270276		2		1	23,592	111.4690	26,561	23,828	23,611		3			9.500	9.869	MON	189	2,264	07/01/1992	06/15/2019
02999999. U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities						94,267	XXX	106,090	95,175	94,384		14			XXX	XXX	XXX	754	9,042	XXX	XXX
03999999. Total - U.S. Government Bonds						437,096,685	XXX	474,582,303	1,216,581,622	465,653,886		18,872,341			XXX	XXX	XXX	624,685	6,381,010	XXX	XXX
All other Governments Issuer Obligations (IO)																					
135087-RS-5	CANADA, GOV'T OF DEBS	C		1FE	1	7,420,192	106.2100	8,496,800	6,656,000	7,045,978		(51,747)			9.500	8.140	JD	53,704	590,520	10/26/1995	06/01/2010
135087-UT-9	CANADA, GOV'T OF TREASURY NT			1	1	9,721,878	116.4880	14,269,780	10,192,000	9,783,174		8,175			8.000	8.430	JD	69,250	761,460	11/30/1995	06/01/2023
135087-VH-4	CANADA, GOV'T OF DEBS	C		1FE	1	3,021,720	128.5150	4,819,313	3,120,000	3,031,667		1,327			9.000	9.312	JD	23,848	262,238	10/21/1994	06/01/2025
135087-WY-6	CANADA, GOV'T OF BDS	C		1FE	1	281,186	85.0380	280,625	274,560	275,655		(1,481)			6.000	5.379	MS	5,506	15,385	06/22/2001	09/01/2005
135087-XD-1	CANADA, GOV'T OF NOTES	C		1FE	1	150,187	87.0560	152,348	145,600	147,425		(962)			5.750	4.955	MS	2,798	7,819	03/07/2002	09/01/2006
13508Z-A9-3	CANADA GENERIC STRIP DEBS	C		1FE	1	1,087,923	32.3274	3,232,736	8,320,000	1,985,387		135,255			0.000	7.720	MAT			01/17/1997	12/01/2023
13508Z-B2-7	CANADA GENERIC STRIP DEBS	C		1FE	1	523,744	31.4704	1,573,520	4,160,000	955,799		85,114			0.000	7.720	MAT			01/17/1997	06/01/2024
13508Z-B3-5	CANADA GENERIC STRIP DEBS	C		1FE	1	504,317	30.6925	1,534,624	4,160,000	920,326		62,695			0.000	7.720	MAT			01/17/1997	12/01/2024
13508Z-GZ-9	CANADA GENERIC STRIP DEBS	C		1FE	1	1,277,120	69.6451	3,482,253	4,160,000	2,797,144		211,307			0.000	8.615	MAT			09/12/1995	09/15/2009
13508Z-HH-8	CANADA GENERIC STRIP DEBS	C		1FE	1	764,691	56.6084	2,830,422	4,160,000	1,938,340		152,032			0.000	8.968	MAT			05/16/1994	09/15/2013
13508Z-HJ-4	CANADA GENERIC STRIP DEBS	C		1FE	1	820,425	55.2581	3,202,996	4,822,627	2,120,031		169,106			0.000	9.130	MAT			05/06/1994	03/15/2014
13508Z-HL-9	CANADA GENERIC STRIP DEBS	C		1FE	1	929,219	52.4717	3,867,168	6,131,840	2,405,929		196,816			0.000	9.380	MAT			08/08/1994	03/15/2015
13508Z-HO-8	CANADA GENERIC STRIP DEBS	C		1FE	1	1,379,206	47.0646	4,706,458	8,320,000	3,033,232		224,762			0.000	8.440	MAT			06/14/1995	03/15/2017
13508Z-XF-4	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	1,514,199	80.0359	4,071,826	4,232,800	3,738,844		292,828			0.000	8.954	MAT			08/29/1994	06/01/2006
13508Z-XG-2	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	3,047,304	78.5217	7,920,873	8,392,800	7,114,032		548,965			0.000	8.813	MAT			08/18/1995	12/01/2006
13508Z-XM-9	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	1,755,391	70.6351	4,653,090	5,480,800	3,822,005		279,749			0.000	8.331	MAT			06/14/1995	06/01/2009
13508Z-XN-7	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	1,098,285	68.9046	3,505,521	4,232,800	2,738,981		216,720			0.000	9.052	MAT			08/29/1994	12/01/2009
13508Z-XR-8	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	4,499,389	63.7187	14,838,497	19,375,200	10,991,775		867,918			0.000	9.032	MAT			03/10/1995	06/01/2011
13508Z-XS-6	CANADA GENERIC STRIP Zero Cpn	C		1	1	5,620,176	62.1546	13,106,843	17,544,800	10,535,485		697,065			0.000	7.490	MAT			11/20/1996	12/01/2011
13508Z-XV-9	CANADA GENERIC STRIP DEBS	C		1FE	1	2,351,856	57.4404	8,616,067	12,480,000	5,963,036		467,830			0.000	8.970	MAT			05/16/1994	06/01/2013
13508Z-XX-5	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	2,889,370	54.7173	8,207,597	12,480,000	5,917,021		421,035			0.000	8.084	MAT			12/12/1995	06/01/2014
13508Z-XY-3	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	2,373,130	53.3029	8,042,077	12,552,800	5,420,953		410,842			0.000	8.646	MAT			06/27/1995	12/01/2014
13508Z-YC-0	CANADA GENERIC STRIP Cpn	C		1FE	1	1,147,331	47.8267	4,824,518	8,392,800	2,892,682		230,966			0.000	9.140	MAT			08/29/1994	12/01/2016
13508Z-YE-6	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	548,486	45.2533	2,302,262	4,232,800	1,359,248		106,886			0.000	8.991	MAT			08/29/1994	12/01/2017
13508Z-YG-1	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	1,550,465	42.7615	5,895,738	11,471,200	3,544,552		267,753			0.000	8.615	MAT			06/14/1995	12/01/2018
13508Z-YH-9	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	923,296	41.5750	4,193,882	8,392,800	2,316,499		184,754			0.000	9.129	MAT			09/09/1994	06/01/2019
13508Z-YJ-5	CANADA GENERIC STRIP Zero Cpn	C		1FE	1	464,465	40.3512	2,052,866	4,232,800	1,146,513		89,768			0.000	8.951	MAT			08/29/1994	12/01/2019
910860-AG-3	UNITED MEXICAN STATES BND	F		2FE	1	9,258,200	116.0000	11,600,000	10,000,000	9,277,983		6,438			8.300	9.020	FA	313,556	830,000	08/06/2001	08/15/2031
04999999. All Other Government - Issuer Obligations						66,923,153	XXX	156,280,700	208,117,027	113,219,693		6,261,897			XXX	XXX	XXX	468,662	2,467,421	XXX	XXX
10999999. Total - All Other Government Bonds						66,923,153	XXX	156,280,700	208,117,027	113,219,693		6,261,897			XXX	XXX	XXX	468,662	2,467,421	XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
State, Territories and Possessions																					
Issuer Obligations (IO)																					
452151-LF-8	ILLINOIS ST GENERAL OBLIGATION				1FE	8,583,600	.96.0570	9,605,700	10,000,000	8,616,447		23,661			5.100	6.206	JD	42,500	510,000	08/01/2003	06/01/2033
563469-CN-3	MANITOBA PROVINCE NOTES		C		1	5,198,550	138.8080	6,940,400	5,000,000	5,161,648		(5,211)			8.800	8.417	JJ	202,889	440,000	08/25/1994	01/15/2020
563469-CP-8	MANITOBA PROVINCE DEBS DEP		C		1FE	10,098,782	143.7600	14,376,000	10,000,000	10,081,655		(2,404)			9.250	9.150	AO	231,250	925,000	07/01/1992	04/01/2020
669827-DM-6	NOVA SCOTIA PROVINCE DEBS		C		1FE	10,828,500	141.4580	14,145,800	10,000,000	10,685,416		(18,036)			8.750	8.010	AO	218,750	875,000	02/16/1993	04/01/2022
68323Z-FC-8	ONTARIO STRIP Zero Cpn		C		1FE	1,602,793	.82.0552	4,287,383	4,347,200	4,139,272			339,409		0.000	9.404	MAT			08/30/1994	07/13/2005
68323Z-FF-1	ONTARIO STRIP Zero Cpn		C		1FE	1,382,497	.78.1256	4,082,064	4,347,200	3,600,331			297,701		0.000	9.489	MAT			08/30/1994	01/13/2007
68323Z-FH-7	ONTARIO STRIP Zero Cpn		C		1FE	2,502,298	.74.9324	7,591,424	8,429,015	6,374,819			523,524		0.000	9.421	MAT			12/12/1995	01/13/2008
68323Z-FL-8	ONTARIO STRIP Zero Cpn		C		1FE	1,095,736	.69.8031	3,647,214	4,347,200	2,854,917			236,179		0.000	9.494	MAT			08/30/1994	07/13/2009
68323Z-FN-4	ONTARIO STRIP Zero Cpn		C		1FE	3,087,322	.66.0051	8,927,184	11,252,800	6,987,995			537,850		0.000	8.791	MAT			12/12/1995	07/13/2010
68323Z-FP-9	ONTARIO STRIP Zero Cpn		C		1FE	2,117,041	.64.3436	7,608,625	9,838,400	5,551,424			469,072		0.000	9.712	MAT			12/09/1994	01/13/2011
68323Z-FQ-7	ONTARIO STRIP Zero Cpn		C		1FE	908,723	.62.6172	3,271,746	4,347,200	2,370,025			196,260		0.000	9.504	MAT			08/30/1994	07/13/2011
68323Z-FR-5	ONTARIO STRIP Zero Cpn		C		1FE	867,484	.60.9340	3,183,803	4,347,200	2,262,493			187,357		0.000	9.504	MAT			08/30/1994	01/13/2012
68323Z-FS-3	ONTARIO STRIP Zero Cpn		C		1FE	828,158	.59.1727	3,091,772	4,347,200	2,159,885			178,857		0.000	9.504	MAT			08/30/1994	07/13/2012
68323Z-FV-6	ONTARIO STRIP Zero Cpn		C		1FE	718,778	.54.1516	2,829,419	4,347,200	1,876,988			155,627		0.000	9.517	MAT			08/30/1994	01/13/2014
68323Z-FW-4	ONTARIO STRIP Zero Cpn		C		1FE	686,123	.52.7763	2,757,559	4,347,200	1,791,722			148,558		0.000	9.517	MAT			08/30/1994	07/13/2014
68323Z-FX-2	ONTARIO STRIP Zero Cpn		C		1FE	654,965	.51.1123	2,670,615	4,347,200	1,710,347			141,809		0.000	9.517	MAT			08/30/1994	01/13/2015
68323Z-GB-9	ONTARIO STRIP Zero Cpn		C		1FE	1,127,813	.45.3332	4,453,986	8,174,400	2,737,563			222,099		0.000	9.298	MAT			10/24/1995	01/13/2017
68323Z-GC-7	ONTARIO STRIP Zero Cpn		C		1FE	2,001,843	.43.8273	8,042,303	15,267,200	4,869,614			396,129		0.000	9.325	MAT			10/24/1995	07/13/2017
68323Z-GE-3	ONTARIO STRIP Zero Cpn		C		1FE	1,038,801	.41.2181	4,791,605	9,672,000	2,726,947			227,432		0.000	9.577	MAT			09/01/1994	07/13/2018
68323Z-GF-0	ONTARIO STRIP Zero Cpn		C		1FE	1,007,227	.40.0100	4,091,027	8,507,200	2,410,232			193,330		0.000	9.186	MAT			10/30/1995	01/13/2019
68323Z-GG-8	ONTARIO STRIP Zero Cpn		C		1FE	1,332,423	.38.8319	5,950,994	12,750,400	3,341,484			274,575		0.000	9.426	MAT			10/24/1995	07/13/2019
68323Z-KD-0	ONTARIO STRIP Cpn Stp		C		1FE	.699,620	.49.1787	2,409,756	4,076,800	1,579,534			125,249		0.000	9.073	MAT			10/24/1995	09/08/2015
68323Z-KK-4	ONTARIO STRIP Cpn Stp		C		1FE	.626,424	.40.8479	2,328,329	4,742,400	1,411,754			111,710		0.000	9.052	MAT			10/24/1995	09/08/2018
68323Z-KL-2	ONTARIO STRIP Cpn Stp		C		1FE	.578,269	.39.6664	2,181,654	4,576,000	1,303,231			103,123		0.000	9.052	MAT			10/24/1995	03/08/2019
68323Z-TD-1	ONTARIO STRIP BDS		C		1FE	1,698,112	.82.3089	3,292,357	3,328,000	3,230,202			206,266		0.000	7.218	MAT			11/29/1995	06/02/2005
68323Z-TF-6	ONTARIO STRIP BDS		C		1FE	2,396,825	.79.9843	5,099,000	5,304,000	4,763,429			324,445		0.000	7.718	MAT			11/29/1995	06/02/2006
68323Z-TH-2	ONTARIO STRIP BDS		C		1FE	2,183,073	.76.9334	4,904,503	5,304,000	4,399,605			305,522		0.000	7.878	MAT			11/29/1995	06/02/2007
68323Z-TJ-8	ONTARIO STRIP BDS		C		1FE	2,100,331	.75.3293	4,802,242	5,304,000	4,232,867			293,945		0.000	7.878	MAT			11/29/1995	12/02/2007
68323Z-TP-4	ONTARIO STRIP DEBS		C		1FE	2,640,469	.66.3786	6,886,783	8,632,000	5,516,237			408,401		0.000	8.433	MAT			04/17/1996	06/02/2010
68323Z-TQ-2	ONTARIO STRIP DEBS		C		1FE	2,533,664	.64.7454	6,717,336	8,632,000	5,293,044			391,858		0.000	8.433	MAT			04/17/1996	12/02/2010
68323Z-TR-0	ONTARIO STRIP DEBS		C		1FE	2,417,241	.62.9932	6,535,546	8,632,000	5,066,792			376,722		0.000	8.471	MAT			04/17/1996	06/02/2011
68323Z-TS-8	ONTARIO STRIP DEBS		C		1FE	1,458,706	.61.3492	3,911,011	5,304,000	3,033,748			219,757		0.000	8.239	MAT			11/29/1995	12/02/2011
68323Z-TT-6	ONTARIO STRIP DEBS		C		1FE	1,400,946	.59.5388	3,795,596	5,304,000	2,913,674			211,064		0.000	8.239	MAT			11/29/1995	06/02/2012
68323Z-TU-3	ONTARIO STRIP BDS		C		1FE	1,345,519	.57.9396	3,693,652	5,304,000	2,798,395			202,712		0.000	8.239	MAT			11/29/1995	12/02/2012
68323Z-TV-1	ONTARIO STRIP DEBS		C		1FE	1,281,500	.56.1675	3,580,678	5,304,000	2,676,854			195,013		0.000	8.289	MAT			11/29/1995	06/02/2013
68323Z-TZ-2	ONTARIO STRIP BDS		C		1FE	.723,112	.49.9316	2,122,095	3,536,000	1,513,508			110,550		0.000	8.312	MAT			11/29/1995	06/02/2015
68323Z-UA-5	ONTARIO STRIP BDS		C		1FE	1,041,388	.48.5148	3,092,815	5,304,000	2,179,674			159,208		0.000	8.312	MAT			11/29/1995	12/02/2015
68323Z-UB-3	ONTARIO STRIP BDS		C		1FE	1,276,366	.47.0180	3,826,324	6,770,816	2,671,468			195,127		0.000	8.312	MAT			11/29/1995	06/02/2016
68323Z-UC-1	ONTARIO STRIP BDS		C		1FE	.959,971	.45.6951	2,913,063	5,304,000	2,009,235			146,756		0.000	8.312	MAT			11/29/1995	12/02/2016
68323Z-UD-9	ONTARIO STRIP DEBS		C		1FE	.925,442	.44.1334	2,813,507	5,304,000	1,933,626			140,917		0.000	8.292	MAT			11/29/1995	06/02/2017
68323Z-UE-7	ONTARIO STRIP DEBS		C		1FE	2,038,190	.42.8056	6,581,356	12,792,000	4,288,666			324,648		0.000	8.635	MAT			05/16/1996	12/02/2017
68323Z-UF-4	ONTARIO STRIP BDS		C		1FE	1,957,193	.41.5010	6,173,273	12,376,000	4,044,028			301,942		0.000	8.509	MAT			07/18/1996	06/02/2018
68323Z-UH-0	ONTARIO STRIP DEBS		C		1FE	2,149,246	.39.1281	7,238,704	15,392,000	4,517,448			343,615		0.000	8.679	MAT			06/21/1996	06/02/2019
68325Z-BP-1	ONTARIO STRIP BDS		C		1FE	.837,059	.58.8590	2,354,360	3,328,000	1,769,631			131,286		0.000	8.451	MAT			12/12/1995	08/18/2012
68325Z-BR-7	ONTARIO STRIP Prin Stp		C		1	4,740,320	.57.0594	14,264,848	20,800,000	10,236,418			798,110		0.000	8.911	MAT			06/21/1996	02/18/2013
68325Z-GB-7	ONTARIO STRIP Zero Cpn		C		1FE	.290,534	.43.6459	1,309,377	2,496,000	764,499					0.000	9.615	MAT			09/02/1994	08/07/2017
C69452-AS-6	ONTARIO PROVINCE NTS		C		1FE	3,093,517	.85.5660	3,593,772	3,494,400	3,453,323			48,900		7.250	8.795	SEP	66,633	236,597	07/14/1995	09/27/2005
1199999. States, Territories and Possessions - Issuer Obligations						101,062,494	XXX	242,768,558	334,660,631	179,912,110					XXX	XXX	XXX	762,022	2,986,597	XXX	XXX
1799999. Total - States, Territories and Possessions Bonds						101,062,494	XXX	242,768,558	334,660,631	179,912,110					XXX	XXX	XXX	762,022	2,986,597	XXX	XXX
Political Subdivisions of States																					
Issuer Obligations (IO)																					
683234-JE-9	ONTARIO PROVINCE		C		1FE	1,864,899	.87.2300	2,006,290	1,913,600	1,906,492			5,852		7.500	7.876	JJ	65,272	134,033	05/28/1996	01/19/2006
683234-JQ-2	ONTARIO PROVINCE DEBS		C		1FE	2,089,360	.117.7690	2,944,225	2,080,000	2,088,342			(134)		8.500	8.459	JD	14,532	165,113	11/09/1995	12/02/2025
683234-JT-6	ONTARIO PROVINCE DEBS		C		1FE	6,471,096	.112.7370	9,018,960	6,656,000	6,489,449			2,593		8.000	8.251	JD	43,766	497,280	03/04/1996	06/02/2026

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
1899999.	Political Subdivisions - Issuer Obligations					10,425,355	XXX	13,969,475	10,649,600	10,484,283		8,310			XXX	XXX	XXX	123,569	796,425	XXX	XXX
2499999.	Total - Political Subdivisions Bonds					10,425,355	XXX	13,969,475	10,649,600	10,484,283		8,310			XXX	XXX	XXX	123,569	796,425	XXX	XXX
Special Revenue & Assessment Issuer Obligations (IO)																					
745220-BL-6	PUERTO RICO CONILTH MUNICIPAL		F		1FE	515,245	110.1390	550,695	500,000	507,132		(1,819)			5.500	5.050	JJ	13,750	27,500	01/26/2000	07/01/2008
2599999.	Special Revenues - Issuer Obligations					515,245	XXX	550,695	500,000	507,132		(1,819)			XXX	XXX	XXX	13,750	27,500	XXX	XXX
Single Class Mortgage (SC)																					
31283J-BA-8	FHLMC GOLD PC #G10033			2	1	89,687	100.0000	85,757	85,757	86,695		(480)			9.000	7.500	MON	643	7,718	12/16/1991	12/01/2006
31283J-BB-6	FHLMC GOLD PC #G10034			2	1	51,227	100.0000	48,946	48,946	49,537		(341)			9.000	6.911	MON	367	4,405	12/17/1991	07/01/2006
313401-2Y-6	FHLMC PC #380092			2	1	4,446	100.0000	4,446	4,446	4,446					10.000	9.630	MON	37	445	07/01/1992	06/01/2005
31341A-SB-2	FHLMC PC #250842			2	1	228,804	108.5000	260,567	240,154	231,226		489			9.000	10.942	MON	1,801	21,614	12/28/1989	02/01/2010
31341G-QB-3	FHLMC PC #255879			2	1	44,707	108.3130	48,730	44,991	44,641		(13)			9.250	9.179	MON	347	4,162	01/09/1990	01/01/2010
31342M-C9-2	FHLMC PC #730096			2	1	6,709	100.0000	6,719	6,650	6,650		(14)			10.000	9.636	MON	56	672	07/01/1992	07/01/2005
31342M-FL-2	FHLMC PC #730171			2	1	29,637	100.0000	29,782	29,782	29,466		(27)			9.500	9.455	MON	236	2,829	07/01/1992	10/01/2005
31342M-G3-1	FHLMC PC #730218			2	1	19,102	100.0000	19,278	19,278	19,069		(9)			9.500	9.518	MON	153	1,831	07/01/1992	12/01/2005
31343C-2X-1	FHLMC PC #272590			2	1	150,885	110.2500	180,074	163,332	156,306		827			8.500	10.896	MON	1,157	13,883	06/04/1986	10/01/2008
31344N-S7-5	FHLMC PC #284142			2	1	103,153	111.4380	117,879	105,780	103,253		17			9.000	9.925	MON	793	9,520	07/01/1992	11/01/2016
31345E-VF-2	FHLMC PC #303314			2	1	253,595	109.9690	283,323	257,639	254,038		71			9.500	9.822	MON	2,040	24,476	07/01/1992	08/01/2009
31345F-YM-1	FHLMC PC #304316			2	1	848,082	111.4380	968,580	869,169	848,457		106			9.000	9.874	MON	6,519	78,225	11/30/1991	10/01/2018
31345M-BN-9	FHLMC PC #309053			2	1	132,929	112.4570	153,285	136,305	133,130		28			9.000	9.653	MON	1,022	12,268	12/31/1990	10/01/2018
31347N-DN-3	FHLMC PC #531009			2	1	219,500	100.0000	221,927	219,481	219,481		(3)			9.500	9.657	MON	1,757	21,083	07/01/1992	06/01/2017
31350Q-R5-4	FHLMC PC #735008			2	1	10,754	100.0000	10,893	10,893	10,765		2			9.500	9.723	MON	86	1,035	11/30/1991	02/01/2005
31360F-AU-9	FNMA #04519			2	1	536,747	108.3130	584,705	539,832	536,678		(11)			9.250	9.405	MON	4,161	49,934	07/01/1992	01/01/2014
31362A-F6-6	FNMA #55089			2	1	90,048	110.7500	102,120	92,208	90,234		30			8.500	9.286	MON	653	7,838	02/01/1991	10/01/2017
31362E-K9-6	FNMA #58820			2	1	137,392	110.4690	152,050	137,641	137,255		(22)			9.500	9.528	MON	1,090	13,076	07/01/1992	04/01/2014
31362P-AP-6	FNMA #66614			2	1	19,325	109.0000	21,680	19,890	19,485		27			9.000	10.012	MON	149	1,790	10/21/1988	05/01/2010
31362P-AS-0	FNMA #66617			2	1	11,577	110.4690	12,926	11,701	11,609		3			9.500	9.748	MON	93	1,112	11/14/1988	11/01/2009
31362T-JN-4	FNMA #70469			2	1	243	100.0000	245	245	245		2			9.000	9.286	MON	2	24	07/01/1992	01/01/2005
31362T-PJ-6	FNMA #70625			2	1	2,206	100.0000	2,234	2,234	2,218		2			9.000	9.412	MON	17	201	11/30/1991	09/01/2005
31362T-SK-0	FNMA #70722			2	1	47,365	100.0000	48,121	48,121	47,711		7			9.000	9.609	MON	361	4,331	11/30/1991	01/01/2006
31363H-4S-4	FNMA #89933			2	1	160,998	109.0000	175,707	161,199	160,926		(11)			9.000	8.998	MON	1,209	14,508	07/01/1992	01/01/2020
31401K-PL-3	FNMA POOL 710627			2	1	15,985,062	101.3750	16,014,981	15,797,762	15,983,573		(973)			5.500	5.281	MON	72,406	868,877	11/12/2003	05/01/2033
2699999.	Special Revenues - Single Class Mortgage-Backed/Asset-Backed Securities					19,184,180	XXX	19,554,955	19,055,951	19,187,094		(229)			XXX	XXX	XXX	97,155	1,165,855	XXX	XXX
Defined Multi-Class Residential (DR)																					
312908-P3-4	FHLMC 1224 H PAC	C		2	1	1,094,160	100.0000	1,120,240	1,120,240	1,114,156		1,175			8.000	8.389	MON	7,468	89,619	01/30/1992	03/15/2007
312908-UT-1	FHLMC 1213 N			2	1	3,799,054	101.6050	4,447,498	4,377,239	4,229,418		63,130			7.000	9.487	MON	25,534	306,407	04/04/1995	02/15/2022
312913-X5-0	FHLMC 1443 I PAC			2	1	10,297,571	103.4820	12,182,800	11,772,857	11,263,064		297,403			7.500	9.291	MON	73,580	882,964	11/30/1994	12/15/2022
313399-LK-1	FHLMC 2343 MZ			2	1	25,473,889	104.5730	28,176,562	26,944,472	25,790,233		272,636			6.500	7.448	MON	145,949	1,691,255	12/01/2004	08/15/2031
313374-NZ-5	FHLMC 1994 1694 Z			2	1	13,001,588	103.8380	14,908,485	14,357,391	13,551,392		451,406			6.500	7.894	MON	77,769	933,230	11/22/1995	03/15/2024
313375-BB-5	FHLMC 1746 Z			2	1	16,078,892	105.7460	18,642,757	17,629,752	16,870,261		205,318			7.000	8.427	MON	102,840	1,234,083	08/08/1995	05/15/2024
313378-HZ-3	FHLMC 1909 Z CMO			2	1	8,456,384	104.9570	9,873,254	9,406,961	8,928,131		151,936			7.000	8.648	MON	54,874	658,487	10/08/1996	11/15/2026
31337N-AF-1	FHLMC 2212 Z	C		2	1	10,126,961	104.7800	11,750,378	11,214,311	10,621,472		350,275			7.000	8.879	MON	65,417	782,734	03/01/2004	01/15/2030
31337V-UR-5	FHLMC 2434 Z			2	1	19,112,963	105.0970	22,487,197	21,396,713	19,290,330		162,469			6.500	7.826	MON	115,899	1,343,033	12/01/2004	04/15/2032
31340Y-D3-0	FHLMC 71 F PAC			2	1	642,044	99.7170	644,764	644,502	640,502		(82)			9.300	9.439	MON	2,665	59,963	05/15/1991	12/15/2020
31359D-3U-5	FNMA 1993-163 ZA			2	1	5,198,981	105.4830	5,846,171	5,542,266	5,377,232		30,784			7.000	8.005	MON	32,330	387,959	09/25/1995	09/25/2023
31359G-KC-9	FNMA 1994-10 KZ			2	1	21,899,950	105.9720	25,976,063	24,512,125	22,263,509		352,265			6.500	7.924	MON	132,774	1,538,581	12/01/2004	01/25/2024
31359H-ID-2	FNMA 94-79-D			2	1	2,094,163	105.8140	2,483,690	2,347,223	2,252,579		7,568			7.000	8.390	MON	13,692	164,306	04/06/1994	04/25/2024
31359H-IH-3	FNMA 1994-79 Z			2	1	5,095,302	105.7100	5,894,205	5,575,852	5,351,531		19,909			7.000	8.387	MON	32,526	390,310	07/28/1995	04/25/2024
31359K-TE-7	FNMA 96-37 Z			2	1	11,087,987	105.7030	13,284,464	12,567,691	11,857,827		190,642			7.000	8.973	MON	73,312	879,738	07/24/1996	08/25/2026
31359L-2H-6	FNMA 1996-7 Z			2	1	20,498,978	104.9430	23,901,144	22,775,423	21,455,749		708,747			6.500	8.169	MON	123,367	1,429,571	12/01/2004	04/25/2026
31359L-2X-2	FNMA 1996 9-Z			2	1	9,159,221	104.9280	11,031,004	10,512,967	9,783,995		414,075			6.500	8.562	MON	56,945	683,343	03/08/1996	04/25/2026
31359Q-DE-1	FNMA 1997-54 Z			2	1	5,688,947	105.1550	6,949,871	6,609,143	6,088,450		209,913			6.500	8.898	MON	35,800	429,594	02/01/2000	08/01/2027
31359Q-UN-2	FNMA 97-56 Z			2	1	12,021,538	105.7340	13,635,598	12,896,195	12,468,167		183,844			7.000	8.149	MON	75,228	902,734	08/08/1997	09/18/2027
31359X-C9-8	FNMA 2000-7 MZ			2	1	21,210,560	108.8160	25,727,831	23,643,491	20,852,125		(231,109)			7.000	7.749	MON	137,920	1,593,962	12/01/2004	02/17/2040

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
31359X-RK-7	FNMA 2000-1 Z			2	1	14,958,889		105.3570	16,375,862	15,515,285					7.000	8.700	MON	95,526	1,104,004	12/01/2004	02/01/2030
313921-AG-3	FNMA 2001-49 Z		C	2	1	16,926,506		104.0770	18,552,547	17,401,250					6.500	8.214	MON	100,493	1,189,141	08/01/2004	09/25/2031
31392B-J5-6	FNMA 2002-9 ZA			2	1	33,692,120		105.4160	36,048,565	33,841,329					6.500	7.265	MON	195,263	2,262,702	12/01/2004	03/25/2032
31392C-F6-6	FNMA 2002-29 Z			2	1	16,425,516		104.2860	18,594,796	17,830,594					6.500	7.633	MON	96,582	1,119,193	12/01/2004	05/25/2032
31392C-J6-0	FNMA 2002-18 ZA			2	1	9,963,925		104.0900	9,877,552	9,489,452				(2,453)	6.500	5.730	MON	51,401		12/14/2004	04/25/2032
31392C-VK-7	FNMA 2002-16 ZD		RR	2	1	33,897,733		104.0040	38,018,638	36,554,906					6.500	7.603	MON	198,006	2,294,484	12/01/2004	04/25/2032
31392D-LF-7	FNMA 2002-36 ZG		C	2	1	27,279,234		104.1280	30,777,808	29,557,554					6.500	7.648	MON	160,103	1,855,273	12/01/2004	06/25/2032
31392F-BQ-9	FNMA SERIES 200270 CLASS QG			2	1	24,212,225		102.9070	24,612,315	23,917,000				(64,026)	5.500	5.294	MON	109,620	1,315,435	12/09/2002	06/25/2031
31392K-HU-3	FHLMC 2445 Z			2	1	17,106,284		105.9580	19,574,139	18,473,471					6.500	7.531	MON	100,065	1,159,546	12/01/2004	05/15/2032
31392M-AD-4	FHLMC 2448 Z			2	1	16,485,314		103.4140	18,340,007	17,734,532					6.500	7.774	MON	96,062	1,113,164	12/01/2004	05/15/2032
31392R-MA-6	FHLMC 2470 CLASS Z			2	1	17,793,935		103.2240	20,227,254	19,595,590					6.000	7.169	MON	97,978	1,138,399	12/01/2004	07/15/2032
31393G-V3-5	FHLMC 2533 Z			2	1	16,760,034		96.5100	18,848,380	19,529,956					5.500	6.808	MON	89,512	1,042,820	12/01/2004	12/15/2032
31394H-JF-9	FHLMC SERIES 2656 CLASS BG		RR	2	1	46,617,188		98.8920	49,445,750	50,000,000					5.000	5.871	MON	208,333	2,500,000	08/14/2003	10/15/2032
31394H-PR-6	FHLMC 2663 CLASS QH		RR	2	1	37,825,000		98.5970	39,438,920	40,000,000					5.000	5.714	MON	166,667	2,000,000	08/05/2003	02/15/2032
31394L-VL-3	FHLMC SERIES 2707 CLASS Z			2	1	5,885,646		96.9180	6,138,053	6,333,250				5,373	5.000	5.746	MON	26,389	78,510	12/01/2004	10/15/2030
31394P-PA-5	FHLMC SERIES 2755 CLASS ZM			2	1	21,103,314		86.8590	22,636,738	26,061,416				(12,416)	5.000	6.113	MON	108,589	429,870	12/01/2004	02/15/2034
31394W-J2-5	FHLMC 2776 AC			2	1	27,788,338		98.2060	29,850,361	30,395,721					5.000	6.043	MON	126,649	886,542	05/06/2004	09/15/2031
31394X-QR-0	FHLMC SERIES 2780 CLASS MD			2	1	19,245,722		98.3770	20,392,718	20,729,152					5.000	5.815	MON	86,371	345,486	07/28/2004	09/15/2031
31394Y-CR-3	FHLMC SERIES 2801 CLASS CZ			2	1	9,971,751		94.6000	11,625,282	12,288,869				(8,812)	5.500	6.744	MON	56,324	387,138	12/01/2004	05/15/2034
31395E-NK-9	FHLMC SERIES 2840 CLASS BC			2	1	13,875,000		98.1370	14,720,580	15,000,000					5.000	5.846	MON	62,500	250,000	07/28/2004	04/15/2022
38373W-C6-3	GNMA 2002-29 Z		RR	2	1	49,322,347		105.8910	56,337,609	53,203,597					6.500	7.628	MON	288,186	3,339,491	12/01/2004	05/16/2032
38374G-KP-6	GNMA SERIES 2004-29 CLASS ZL			2	1	25,064,682		87.2830	27,093,031	31,040,551				(16,495)	5.000	6.128	MON	129,336	638,673	12/01/2004	04/16/2034
3837HO-KU-6	GNMA 1995-8 Z			2	1	10,840,019		104.5760	12,090,466	11,561,449					7.000	8.024	MON	67,442	809,301	09/29/1995	10/20/2025
3837HO-L6-8	GNMA 97-6 Z-A			2	1	8,062,722		104.5350	9,593,085	9,176,929					7.000	9.108	MON	53,532	642,385	04/04/1997	04/20/2027
3837HO-LD-3	GNMA 1995-9 Z			2	1	6,139,987		104.5890	6,655,702	6,363,673					7.000	7.594	MON	37,121	445,457	10/25/1995	11/20/2025
3837HO-UA-9	GNMA 96-17 Z CMO			2	1	14,835,459		105.6250	17,668,135	16,727,228					7.000	9.000	MON	97,575	1,165,280	04/01/2004	08/16/2026
3837H1-HF-1	GNMA 98-11 Z			2	1	16,217,315		103.9660	17,660,449	16,986,721					6.500	7.228	MON	92,011	1,104,137	04/09/1998	01/20/2028
92260M-AH-6	VA VENDEE 1996-1 Z			2	1	23,748,080		105.2250	26,889,878	25,554,769					6.750	7.770	MON	143,746	1,663,500	12/01/2004	02/15/2026
2799999. Special Revenues - Defined Multi-Class Residential Mortgage-Backed Securities						804,083,418	XXX	900,632,584	880,930,430	818,573,572		8,759,737			XXX	XXX	XXX	4,527,271	48,661,804	XXX	XXX
3199999. Total - Special Revenues Bonds						823,782,843	XXX	920,738,234	900,486,381	838,267,798		8,757,689			XXX	XXX	XXX	4,638,176	49,855,159	XXX	XXX
Public Utilities (unaffiliated) Issuer Obligations (IO)																					
00104B-AF-7	AES EASTERN ENERGY, L.P. SER 1999-B PTC			1	3FE	15,000,000		121.0000	18,150,000	15,000,000					9.670	9.666	JJ	721,221	1,450,500	05/11/1999	01/02/2029
001192-AC-7	AGL CAPITAL CORPORATION CO GUARNT				2FE	7,494,525		96.9710	7,272,825	7,500,000					4.450	4.460	AO	70,458	333,750	06/27/2003	04/15/2013
001192-AD-5	AGL CAPITAL CORPORATION BNDS				2FE	9,981,900		101.1010	10,110,100	10,000,000					6.000	6.013	AO	156,667		09/22/2004	10/01/2034
001814-AQ-5	ANR PIPELINE DEBS				4	13,176,674		92.5000	12,025,000	13,151,327				(3,947)	7.375	7.259	FA	362,194	958,750	01/24/1996	02/15/2024
001814-AR-3	ANR PIPELINE DEBS				4	3,097,320		105.0000	3,150,000	3,082,133				(1,975)	9.625	9.300	MM	48,125	288,750	05/13/1992	11/01/2021
010392-EC-8	ALABAMA POWER CO DEBENTURES				1FE	9,574,299		102.9260	10,138,211	9,850,000					5.700	5.900	FA	212,103	561,450	03/21/2003	02/15/2033
010392-EK-0	ALABAMA POWER CO BNDS				1FE	4,976,750		99.6760	4,983,800	5,000,000					5.125	5.170	FA	96,806	126,701	02/10/2004	02/15/2019
02360X-AJ-6	AMERENERGY GENERATING NOTES				2FE	3,985,120		124.8850	4,995,400	4,000,000				146	7.950	7.983	JD	26,500	318,000	06/03/2002	06/01/2032
040555-CF-9	ARIZ PUB SVC BDS				2FE	4,190,859		98.0620	3,971,511	4,050,000				(2,034)	5.625	5.389	MM	229,109	227,813	06/24/2003	05/15/2033
04775H-AH-0	ATLANTA GAS LIGHT MTN				1FE	19,933,700		135.0000	27,000,000	19,946,570					9.100	9.132	FA	758,333	1,820,000	07/01/1992	02/01/2021
04775H-AL-1	ATLANTA GAS LIGHT MTN				1FE	5,439,050		129.0000	6,450,000	5,000,000				(10,110)	8.550	7.756	AO	106,875	427,500	06/06/1996	04/01/2022
049560-AA-3	ATMOS ENERGY CORP DEB				2FE	4,376,120		90.0000	3,600,000	4,000,000				(599)	6.750	6.000	JJ	124,500			

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

CUSIP Identification	Description	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
		*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
195869-AD-4	COLONIAL PIPELINE SR NTS 144A				1FE	19,742,600		138.0870	20,000,000	19,752,581		2,610			8.375	8.494	MM	279,167	1,675,000	10/24/2000	11/01/2030
196522-AD-8	COLORADO INTERSTATE GAS SR DEB				4FE	2,982,761		101.0630	3,000,000	2,998,977		2,108			10.000	10.079	JD	13,333	300,000	07/01/1992	06/15/2005
197648-CB-2	COLUMBIA GAS SYS DEBS		1		2FE	1,623,594		102.9300	1,621,000	1,621,315		(326)			7.050	7.027	MM	10,476	114,281	11/28/1995	11/28/2007
197648-CC-0	COLUMBIA GAS SYS DEBS		1		2FE	1,617,985		103.2580	1,621,000	1,619,418		207			7.320	7.341	MM	10,877	118,657	11/28/1995	11/28/2010
197648-CD-8	COLUMBIA GAS SYS DEBS				2FE	1,597,706		105.1560	1,621,000	1,604,288		960			7.420	7.560	MM	11,026	120,278	11/28/1995	11/28/2015
197648-CE-6	COLUMBIA GAS SYS DEBS		1		2	1,587,364		105.7490	1,621,000	1,591,152		557			7.620	7.800	MM	11,323	123,520	11/28/1995	11/28/2025
202795-GX-2	COMMONWEALTH EDISON CO SNR NTS	LS			2FE	4,685,463		115.0850	4,906,074	4,263,000		4,674,700	(10,763)		6.950	5.904	JJ	136,617	148,139	06/03/2004	07/15/2018
207651-AC-4	CONNECTICUT NAT GAS MTN 144A				1	10,000,000		135.0000	10,000,000	10,000,000					9.100	9.098	AO	227,500	910,000	11/12/1991	11/15/2016
207651-D8-6	CONNECTICUT NAT GAS MTN 144A				1	20,000,000		135.0000	20,000,000	20,000,000					8.960	8.958	AO	448,000	1,792,000	07/01/1992	04/03/2017
209111-EB-5	CON EDISON CO N Y BNDS				1FE	4,970,800		105.1280	5,000,000	4,971,356		388			5.875	5.917	AO	73,438	293,750	04/07/2003	04/01/2033
209111-ED-1	CON EDISON CO N Y NTS				1FE	15,945,520		94.0870	15,053,920	15,946,902		782			5.100	5.122	JD	36,267	816,000	06/24/2003	06/15/2033
233331-AJ-6	DTE ENERGY CO SNR NTS				2FE	3,095,370		104.4480	3,133,440	3,094,063		(1,125)			6.375	6.140	AO	40,375	191,250	07/01/2003	04/15/2033
271790-AF-4	EAST COAST POWER, LLC SERIES B SR SEC NOTE				2FE	13,122,564		109.1280	14,732,969	13,500,631		18,194			7.536	7.927	MJSD	2,826	1,017,408	02/10/2000	06/30/2017
29455J-BA-4	EQUITABLE RESOURCES MTN				1FE	5,000,000		120.0000	6,000,000	5,000,000					8.480	8.479	FA	176,667	424,000	12/19/1991	12/27/2011
437410-AB-9	HOMER CITY FUNDING LLC SER B SR SEC BOND		1		3FE	12,985,700		116.5000	15,128,341	12,985,700					8.734	8.732	AO	283,543	1,134,171	12/06/2001	10/01/2026
442164-BL-2	HOUSTON LTG & PWR 1ST MTGE				2FE	5,612,953		135.8640	7,268,724	5,350,000		5,571,288	(6,104)		9.150	8.670	MS	144,138	489,525	01/23/1995	03/15/2021
454614-AK-4	Ind Bell Tel Co Deb DEBS				1FE	7,915,193		119.5810	8,550,020	7,150,000		7,905,081	(10,112)		7.300	6.392	FA	197,181	260,975	04/20/2004	08/15/2026
461070-AD-6	INTERSTATE P&L CO BNDS				2FE	9,965,400		108.5210	10,000,000	9,965,536		136			6.300	6.326	MM	105,000	306,250	05/03/2004	05/01/2034
482620-AW-1	KN ENERGY DEBENTURES		1		2FE	5,674,350		113.8260	5,691,300	5,673,839		(511)			7.250	6.150	MS	120,833		12/14/2004	03/01/2028
494492-AA-9	KINCAID GEN SR SEC BDS 144A				2FE	2,635,253		108.4280	2,667,129	2,644,270		2,637,055	330		7.330	7.372	JD	8,614	193,825	04/27/1998	06/15/2020
50217B-AF-6	LSP ENERGY/LSP BATESVILLE FUND SER B SR SEC BDS				4FE	12,500,000		105.4600	13,182,500	12,500,000					8.160	8.157	JJ	470,333	1,020,000	05/13/1999	07/15/2025
505588-BD-4	LACLEDE GAS 1ST MORT				1FE	4,979,250		101.8100	5,090,500	4,979,897		647			5.500	5.541	MM	45,833	139,792	04/21/2004	05/01/2019
591894-BU-3	METROPOLITAN EDISON NOTES				2FE	4,985,650		100.0130	5,000,650	5,000,000		4,987,692	1,191		4.950	4.987	MS	72,875	247,500	03/13/2003	03/15/2013
641423-AK-4	NEVADA POWER CO 1ST MTGE				3FE	9,892,400		102.7500	10,275,000	10,000,000		9,909,185	2,064		8.500	8.600	JJ	425,000	850,000	01/05/1993	01/01/2023
64408F-AC-4	NEW ENGLAND HYDRO SER C GUAR NT		1		1	11,000,000		125.0000	13,750,000	11,000,000		11,000,000			9.410	9.596	MON	40,254	1,035,100	05/03/1991	10/17/2015
649840-DM-5	NEW YORK ST ELEC & GAS BDS				2FE	17,726,250		102.2270	17,889,725	17,500,000		17,717,185	(6,642)		5.750	5.640	MM	167,708	1,006,250	07/10/2003	05/01/2023
667748-AF-4	NORTHWEST PIPELINE NOTES				3FE	11,952,000		104.5000	12,540,000	11,952,782		7,158			7.125	7.158	JD	71,250	855,000	11/30/1995	12/01/2025
684181-AA-8	ORANGE COGEN FNDG SR SEC NT-144A		1		2FE	11,812,500		118.8560	14,039,865	11,812,500		11,812,500			8.175	8.259	MJSD	42,919	965,672	03/21/1997	03/15/2022
693627-AJ-0	PSI ENERGY INC 1ST MTG				1FE	30,000,000		132.4060	39,324,582	29,700,000		29,962,682	(6,530)		8.850	8.749	JJ	1,212,008	2,628,450	04/30/1999	01/15/2022
693627-AK-7	PSI ENERGY INC 1ST MTG SER DDD				1FE	8,000,000		131.4130	10,513,040	8,000,000		8,000,000			8.310	8.310	MS	221,600	664,800	04/30/1999	09/01/2032
694308-GE-1	PACIFIC GAS AND ELEC 1ST MORT				2FE	24,878,000		103.8620	25,965,500	25,000,000		24,878,157	157		6.050	6.086	MS	504,167	663,819	03/18/2004	03/01/2034
695114-BT-4	PACIFICORP 1st MTGE				1FE	10,958,800		129.9270	12,992,700	10,000,000		12,927,715	(11,667)		7.700	6.934	MM	98,389	770,000	01/15/2002	11/15/2031
713291-AH-5	PEPCO HOLDINGS INC NTS				2FE	11,970,840		119.0650	14,287,800	12,000,000		11,970,840			7.450	7.471	FA	337,733	894,000	09/03/2002	08/15/2032
720186-D8-1	PIEDMONT NATURAL GAS SENIOR NOTES				1	35,000,000		125.0000	43,750,000	35,000,000					8.510	8.510	MJSD	8,274	3,019,868	12/31/1994	09/30/2017
73651E-AB-4	PORTLAND GENERAL ELEC 1ST MORTGAGE				2FE	9,956,700		106.2960	10,629,600	10,000,000		9,958,139	1,084		6.750	6.790	FA	281,250	669,375	07/30/2003	08/01/2023
744516-AA-3	PUB SVC OF NORTH CAROLINA DEBS				1FE	10,000,000		117.4060	11,740,600	10,000,000		10,000,000			6.990	6.990	JJ	322,317	699,000	01/10/1996	01/15/2026
74531E-AB-8	PUGET ENERGY 1ST MTGE				2FE	9,300,000		111.1450	11,114,470	10,000,000		9,379,171	26,193		6.740	7.481	MS	198,456	674,000	09/27/2001	06/15/2018
74955E-AA-7	RGS-IND AND MICH SEC LEASE OBLIG				2FE	9,944,366		130.4990	13,041,391	9,993,480		9,955,849	1,448		9.810	9.861	JD	65,357	980,360	07/01/1992	12/07/2021
74955E-AB-5	RGS-IND AND MICH SEC LEASE OBLIG				2FE	4,990,973		128.9950	6,395,781	4,958,162		4,981,594	(1,234)		9.820	9.746	JD	32,459	486,892	07/01/1992	12/07/2022
82641X-AB-6	SIERRA PACIFIC POWER MTN		1		3FE	19,970,600		103.7970	20,759,300	20,000,000		19,977,548	543		8.610	8.623	JD	143,500	1,722,000	06/24/1992	06/01/2022
82641X-AE-0	SI																				

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
93936K-BB-4	WASHINGTON NATURAL GAS SECURED MTN				2FE	9,984,900		117,3090	11,730,900	9,988,734			773		7.350	7.366	JD	32,667	735,000	09/07/1995	09/11/2015
669771-AR-8	NOVA CORP OF ALBERTA DEBS		C		1FE	16,243,348		124,4440	19,935,929	16,020,000			(11,815)		8.500	8.350	JD	60,520	1,361,700	05/25/1994	12/15/2012
66988Z-AE-9	NOVA SCOTIA POWER CORP MTN, SERIES E		C		2FE	3,302,125		84,8860	3,395,440	3,328,000			3,313		8.375	8.492	MN	34,362	260,295	05/10/1995	05/17/2005
66988Z-AT-6	NOVA SCOTIA POWER CORP SERIES MTN		C		2FE	4,154,018		97,4320	4,871,600	4,160,000			64		7.450	7.462	JJ	145,196	289,433	07/10/2001	07/14/2031
66990Z-AZ-8	NOVA SCOTIA POWER CORP CPN STRIP		C		2	564,820		33,6128	1,277,286	3,161,600			984,800		0.000	7.635	MAT			06/27/1997	07/25/2020
66990Z-BA-2	NOVA SCOTIA POWER CORP CPN STRIP		C		2	525,237		30,7008	1,166,630	3,161,600			915,141		0.000	7.625	MAT			06/27/1997	07/25/2021
66990Z-BB-0	NOVA SCOTIA POWER CORP CPN STRIP		C		2	488,562		27,9552	1,062,298	3,161,600			850,622		0.000	7.615	MAT			06/27/1997	07/25/2022
66990Z-BJ-3	NOVA SCOTIA POWER CORP CPN STRIP		C		2	291,341		16,3904	622,835	3,161,600			506,519		0.000	7.595	MAT			06/27/1997	07/25/2029
68309Z-SV-0	ONTARIO HYDRO STRIP Zero Cpn		C		1FE	1,078,917		76,2636	3,393,731	3,702,400			2,883,633		0.000	9.730	MAT			08/19/1994	08/18/2007
893526-BV-4	TRANS-CANADA PIPELINES DEP		C	1	1FE	1,590,491		106,8580	2,238,675	1,743,040			1,670,475		10.625	11.785	AO	37,040	172,956	11/05/1990	10/20/2009
893526-BY-8	TRANS-CANADA PIPELINES DEBS		C		1FE	7,990,000		142,4380	11,395,040	8,000,000			7,992,048		9.875		JJ	395,000	790,000	01/04/1991	01/01/2021
893526-CC-5	TRANS-CANADA PIPELINES DEBS		C		1FE	6,960,450		124,0570	8,683,990	7,000,000			6,977,551		8.625	8.685	MN	77,146	603,750	05/12/1992	05/15/2012
29244T-AA-9	EMPRESA NACIONAL ELECTRIC SR NTS		F		2FE	6,792,490		105,9770	8,478,160	8,000,000			6,859,491		7.875	9.420	FA	262,500	630,000	11/04/1999	02/01/2027
458182-C*-1	AGUAS ARGENTINAS S.A. (IDB) SER B SR NT PART LOAN		F	1	6	5,003,708		51,0000	3,893,751	7,634,806	(1,109,957)			10.150	16.416	MN			07/08/1999	11/15/2011	
784620-AB-5	SP POWERASSETS LTD 144A NTS		F		1FE	8,475,664		101,1810	8,630,697	8,530,000			8,480,823		5.000	5.082	AO	81,746	426,500	10/16/2003	10/22/2013
913110-AC-9	UNITED UTILITIES PLC NTS		F		2FE	40,069,669		111,7250	45,030,761	40,305,000			40,179,811		6.875	6.871	FA	1,046,810	1,694,688	12/14/2004	08/15/2028
972624-2*-0	WILTON TRUST (ETOL) SER B1 TRUST CERT		F	1	62*				450,000						9.880	0.000	FA			06/28/1999	08/12/2009
972624-A*-1	WILTON TRUST (ETOL) SER A1 TRUST CERT		F	1	6	4,365,000		7,0000	1,018,500	14,550,000			1,018,500		9.880	0.000	FA			06/28/1999	08/12/2009
N1614R-AP-6	BRITISH GAS FIN EURO		F		1FE	13,166,515		38,0650	29,055,015	76,330,000			22,287,038	1,563,129	0.000	7.409	MAT			12/01/2003	11/04/2021
Q2107F-AB-2	CONTACT ENERGY LTD SER B SR NT		F	1	2	22,000,000		114,0000	25,080,000	22,000,000					7.130	7.130	AO	392,150	1,568,600	04/01/1998	04/01/2018
32999999. Public Utilities - Issuer Obligations						1,019,077,074		XXX	1,168,003,139	1,113,985,214		1,027,297,135	(809,957)		XXX	XXX	XXX	17,756,573	68,986,796	XXX	XXX
38999999. Total - Public Utilities Bonds						1,019,077,074		XXX	1,168,003,139	1,113,985,214		1,027,297,135	(809,957)		XXX	XXX	XXX	17,756,573	68,986,796	XXX	XXX
Industrial & Miscellaneous Issuer Obligations (IO)																					
00072A-AA-8	ABC INC DEBS				1FE	5,522,536		118,4350	5,921,750	5,000,000			(53,160)		9.645	8.081	FA	182,183	482,250	04/14/1999	02/15/2009
000000-00-0	AIG MATCHED FNDG 144A ASSET ALLC NT		1		1FE	10,000,000		21,2650	8,419,366	39,592,600			10,000,000		0.000		MAT			08/23/2000	08/24/2020
001383-AF-5	AIG MATCHED FNDG 144A NT		1		1Z	10,000,000		242,2600	24,226,000	10,000,000			10,000,000		7.323	7.323	MAT	6,781,588		09/13/1995	09/28/2026
00209A-AF-3	AT & T WIRELESS BND				1FE	32,425,860		134,8310	43,145,920	32,000,000			32,414,518	(4,369)	8.750	8.624	MS	933,333	2,800,000	09/21/2001	03/01/2031
00209T-AA-3	AT&T BROADBAND CORP NTS				2FE	4,082,842		121,6250	5,508,396	4,529,000			4,141,333	29,560	8.375	9.925	MS	111,684	379,304	11/18/2002	03/15/2013
008685-AB-5	AHOLD FINANCE GTD NTS				3FE	6,989,467		97,5000	7,483,125	7,675,000			7,022,912	9,057	8.875	7.650	MN	87,943	527,656	01/10/2001	05/01/2029
00868P-AA-3	AHOLD LEASE TRUST SER 2001- A2 SR SEC NTS		1		3	9,677,100		110,0000	11,000,000	10,000,000			9,999,924	1	8.620	8.620	JJ	428,606	862,000	01/26/2001	01/02/2025
013104-AL-8	ALBERTSON'S INC NTS		LS		2FE	5,922,807		124,8820	7,118,274	5,700,000			5,915,944	(2,508)	8.000	7.663	MN	76,000	456,000	09/21/2001	05/01/2031
018788-AA-3	ALLIANCE RESOURCE SR NT		1		2	10,000,000		113,2200	11,321,990	10,000,000			10,000,000		8.310	8.310	FA	302,392	831,000	07/19/1999	08/20/2014
019223-AC-0	ALLIED HOLDINGS INC SR NTS		LS		5FE	3,830,625		80,1250	3,004,688	3,750,000			3,760,284	(12,888)	8.625	8.238	AO	80,859	323,438	05/28/1998	10/01/2007
019512-AN-2	HONEYWELL INTERNATIONAL NTS				1FE	8,310,334		101,4580	9,228,620	9,096,000			9,024,874	134,391	6.125	7.749	JJ	278,565	557,130	07/07/1998	07/01/2005
01958X-BF-3	ALLIED WASTE NORTH AMER SR NT		LS		4FE	4,000,000		94,0000	3,760,000	4,000,000			4,000,000		6.125	6.125	FA	92,556	134,750	01/21/2004	02/15/2014
020002-AP-6	ALLSTATE CORP SR NTS				1FE	13,679,203		105,4860	13,734,277	13,020,000			13,667,039	(9,175)	6.125	5.765	JD	35,443	797,475	07/17/2003	12/15/2032
020039-DC-4	ALLTEL CORPORATION BND				1FE	1,991,680		125,8320	2,516,640	2,000,000			1,991,977		7.875	7.911	JJ	78,750	157,500	06/14/2002	07/01/2032
022249-BA-3	ALUMINUM COMPANY OF AMERICA BND				1FE	10,797,300		114,3380	11,433,800	10,000,000			10,748,424	(36,221)	6.500	5.696	JD	28,889	650,000	08/06/2003	06/15/2018
02378J-AA-6	AMERICAN AIRLINES ETC				4FE	5,000,000		80,0000	4,000,000	5,000,000			5,000,000		8.390	8.391	JJ	208,585	419,500	06/09/1995	01/02/2017
02406P-AE-0	AMERICAN AXLE & MFG SNR NTS		LS		2	4,829,450		96,0120	4,800,600	5,000,000			4,835,302	5,852	5.250	5.719	FA	102,083	131,250	07/27/2004	02/11/2014
026609-AC-1	AMERICAN HOME PROD (WYETH) DEBS				1FE	2,190,140		112,7440	2,254,880	2,000,000			2,180,339	(5,153)	7.250	6.403	MS	48,333	145,000	12/20/2002	03/01/2023
02666Q-TT-0	AMERICAN HONDA FINANCE MTN FLT				1FE	5,000,000		100,2160	5,010,800	5,000,000			5,000,000		2.201	1.320	JAJO	26,598	72,344	10/01/2003	10/06/2006
030096-AF-8	AMERICAN STORES CO DEBS				2FE	5,504,840		118,2360	6,5,5												

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
079860-AK-8	BELLSOUTH CORP BNDS				1FE	4,905,250		101.3310	5,066,550	5,000,000		4,905,397		147	6.000	6.139	IN	38,333		11/09/2004	11/15/2034
080555-AE-5	BELO (A.H.) CORP SR NOTES				2FE	16,206,260		118.6250	17,793,750	15,000,000		16,190,049		(3,823)	7.750	7.025	JD	96,875	775,000	12/14/2004	06/01/2027
097023-AU-9	BOEING COMPANY BNDS		LS		1FE	9,859,300		108.5810	10,858,100	10,000,000		9,862,823		1,770	6.125	6.229	FA	231,389	612,500	02/13/2003	02/15/2033
102183-AC-4	BOWATER INC DEBS				3FE	3,884,320		111.1850	4,447,400	4,000,000		3,951,665		8,121	9.000	9.330	FA	150,000	360,000	05/02/1991	08/01/2009
105108-AC-4	BRAMBLES USA, INC. SERIES C SR NT			1	2	5,000,000		104.0000	5,200,000	5,000,000		5,000,000			5.940	5.940	FA	121,275		06/18/2004	08/04/2016
110122-AL-2	BRISTOL MYERS SQUIBB CO NTS				1FE	12,419,500		102.6930	12,836,675	12,500,000		12,428,140		6,399	5.250	5.334	FA	247,917	650,781	08/12/2003	08/15/2013
115885-AE-5	BROWNING-FERRIS INDUSTRIES INC DEBS				3FE	5,665,000		106.5000	5,857,500	5,500,000		5,653,889		(4,076)	9.250	8.921	IN	84,792	508,750	09/07/2001	05/01/2021
115885-AK-1	BROWNING-FERRIS INDUSTRIES INC Deb				3FE	9,077,500		87.5000	10,062,500	11,500,000		9,120,388		12,421	7.400	9.477	MS	250,572	851,000	11/13/2001	09/15/2035
117043-AG-4	BRUNSWICK CORP SR NTS				2FE	15,032,332		114.8930	16,085,020	14,000,000		15,036,079		(75)	7.125	6.483	FA	415,625	498,750	12/14/2004	08/01/2027
118230-AA-9	BUCKEYE PARTNERS SNR NTS				2FE	10,695,832		97.4210	10,750,407	11,035,000		10,735,009		27,566	4.625	5.020	JJ	235,337	517,457	07/24/2003	07/15/2013
118230-AC-5	BUCKEYE PARTNERS NTS				2FE	20,172,850		114.3210	22,864,260	20,000,000		20,173,502		570	6.750	6.681	FA	510,000	1,001,250	12/14/2004	08/15/2033
12058*-AJ-5	BUNGE NORTH AMERICA, INC. SER E SR NT			1	2	20,000,000		119.0000	23,800,000	20,000,000		20,000,000			7.790	7.790	JD	56,261	1,558,000	06/18/1996	06/18/2021
121897-WQ-1	BURLINGTON NORTHERN SANTA FE NOTES				2FE	14,160,930		134.2720	18,126,720	13,500,000		14,058,055		(14,384)	8.750	8.294	FA	413,438	1,181,250	12/31/1994	02/25/2022
121899-CG-1	BURLINGTON NORTHERN SANTA FE SER P				2FE	2,457,767		117.6250	4,199,213	3,570,000		2,631,048		21,849	8.150	11.964	JJ	145,478	290,955	07/08/1987	01/01/2020
12189T-AK-0	BURLINGTON NORTHERN SANTA FE DEBS				2FE	5,218,500		116.8910	5,844,550	5,000,000		5,211,199		(3,372)	7.082	6.727	IN	47,213	354,100	07/09/2002	05/13/2029
12189T-AR-5	BURLINGTON NORTHERN SANTA FE DEBS				2FE	9,925,700		128.6470	12,864,700	10,000,000		9,929,706		819	7.950	8.015	FA	300,333	795,000	08/17/2000	08/15/2030
122014-AE-3	BURLINGTON RESOURCES DEBS				2FE	4,820,689		135.6870	6,105,915	4,500,000		4,780,454		(7,460)	9.125	8.424	AO	102,656	410,625	12/31/1997	10/01/2021
122014-AH-6	BURLINGTON RESOURCES DEBS				2FE	31,135,200		128.0390	38,411,700	30,000,000		30,996,550		(20,260)	8.200	7.867	MS	724,333	2,460,000	08/22/1995	03/15/2025
12201P-AN-6	BURLINGTON RESOURCES NTS		LS		2FE	17,219,092		122.1260	21,005,672	17,200,000		17,219,092			7.400	7.389	JD	106,067	1,272,800	01/09/2002	12/01/2031
122395-AB-2	BURNS PHILP SR NT			1	2	2,000,000		109.5000	2,190,000	2,000,000		2,000,000			9.750	9.750	JJ	89,917	208,972	06/14/2002	07/15/2012
125581-AK-4	CIT GROUP INC SNR NT				1FE	9,970,400		100.1450	10,014,500	10,000,000		9,971,114		714	5.125	5.163	MS	143,785		09/13/2004	09/30/2014
12626*-AJ-4	CRH AMERICA INC SER D SR NT				2	20,000,000		119.4740	23,894,740	20,000,000		20,000,000			8.060	8.060	MS	443,300	1,612,000	08/24/1999	09/22/2014
12626*-AN-5	CRH AMERICA INC SER D SR NTS			1	2	10,000,000		124.1030	12,410,340	10,000,000		10,000,000			8.400	8.400	IN	112,000	840,000	10/23/2000	11/13/2015
12626P-AF-0	CRH AMERICA INC BNDS				2FE	20,097,400		107.9480	21,589,580	20,000,000		20,096,876		(458)	6.400	6.363	AO	270,222	1,336,889	10/03/2003	10/15/2033
126304-AQ-7	CSC HOLDINGS INC 144A SNR NTS				3FE	1,000,000		103.0000	1,030,000	1,000,000		1,000,000			6.750	6.750	AO	14,250	35,438	03/30/2004	04/15/2012
126408-AM-5	CSX CORP DEBS				2FE	3,972,500		128.4410	5,137,640	4,000,000		3,977,094		553	8.625	8.689	IN	44,083	345,000	05/15/1992	05/15/2022
126408-AQ-6	CSX CORP DEBS				2FE	5,008,000		123.8180	6,190,900	5,000,000		5,007,458		(186)	8.100	8.084	MS	119,250	405,000	04/24/1995	09/15/2022
126408-BM-4	CSX CORP EQUIP TRUST				2FE	4,974,100		126.1190	6,305,950	5,000,000		4,976,251		377	7.950	7.996	IN	66,250	397,500	05/01/1997	05/01/2027
126410-LK-3	CSX TRANSPORTATION, INC. DEB				2FE	1,218,484		139.5010	1,464,761	1,050,000		1,216,347		(2,138)	9.750	7.951	JD	4,550	30,713	08/27/2004	06/15/2020
12641L-BU-6	CSX CORP MT NTS				2FE	4,940,900		111.1980	5,559,885	5,000,000		4,943,551		912	6.800	6.897	JD	28,333	340,000	07/09/2002	12/01/2028
12670D-DD-4	CABCO TEXACO STRIPS				1FE	3,189,120		20.5980	10,875,744	52,800,000		6,631,889		486,164	0.000	7.760	MAT			05/12/1995	04/01/2032
12686C-AV-1	CABLEVISION SYSTEMS CORP 144A SNR NTS				4	3,000,000		106.7500	3,202,500	3,000,000		3,000,000			8.000	8.000	AO	50,667	126,000	03/30/2004	04/15/2012
127210-AB-8	CADBURY SCHWEPES US FIN 144A NTS				2FE	9,943,600		101.7890	10,178,900	10,000,000		9,949,246		4,518	5.125	5.198	AO	128,125	515,347	09/22/2003	10/01/2013
14018L-CE-2	CAPITAL HOLDINGS MTN Deb Ser C				1FE	2,514,125		121.8620	3,046,550	2,500,000		2,513,506		(328)	8.700	8.639	MS	64,042	217,500	12/01/2000	01/21/2022
146230-AB-3	CARTER HOLT HARVEY SR DEBENTURES				2FE	9,175,168		135.6670	11,667,362	8,600,000		9,140,798		(9,769)	9.500	8.824	JD	68,083	817,000	09/19/2000	12/01/2024
146230-AD-9	CARTER HOLT HARVEY SR DEBS				2FE	10,624,600		119.9970	11,999,700	10,000,000		10,437,481		(27,046)	8.375	7.750	AO	176,806	837,500	07/21/1995	04/15/2015
158525-AQ-8	CHAMPION INTERNATIONAL CORP DEB				2FE	14,925,450		120.0150	18,002,250	15,000,000		14,934,170		1,260	7.750	7.793	MS	387,500	1,162,500	08/29/1995	09/01/2025
16117P-AF-7	CHARTER COMM HLDS LLC SR NTS			1	5FE	3,069,700		85.2500	4,262,500	5,000,000		4,999,996		117,495	9.920	9.920	AO	124,000	248,000	03/12/1999	04/01/2011
16117P-AZ-3	CHARTER COMM HLDS LLC SR NTS				5FE	1,500,000		87.7500	1,316,250	1,500,000		1,500,000			9.625	9.625	IN	18,448	144,375	05/10/2001	11/15/2009
162456-AM-9	CHATTEM INC. SR SUB NTS			1	4	4,915,000		103.0000	5,150,000	5,000,0											

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
20763#-EU-1	CNB (GE) GTD SEC CERT R291				1	281,042	100.0000	281,042	281,042	281,042					7.900	7.897	AO	4,687	22,202	07/15/1992	04/15/2006
20763#-EY-9	CNB (GE) GTD SEC CERT R293				1	280,956	100.0000	280,956	280,956	280,956					7.900	7.897	AO	4,686	22,196	07/15/1992	04/15/2006
20763#-EW-7	CNB (GE) GTD SEC CERT R294				1	280,956	100.0000	280,956	280,956	280,956					7.900	7.897	AO	4,686	22,196	07/15/1992	04/15/2006
20763#-EX-5	CNB (GE) GTD SEC CERT R299				1	280,956	100.0000	280,956	280,956	280,956					7.900	7.897	AO	4,686	22,196	07/15/1992	04/15/2006
20763#-EY-3	CNB (GE) GTD SEC CERT R303				1	331,529	100.0000	331,529	331,529	331,529					7.900	7.897	AO	5,529	26,191	07/15/1992	04/15/2006
20825U-AC-8	CONOCO FUNDING GRNTY				1FE	6,915,580	121.9350	8,535,450	7,000,000	6,918,544		961			7.250	7.350	AO	107,139	507,500	10/03/2001	10/15/2031
210371-AF-7	CONSTELLATION ENERGY BND\$				2FE	9,976,300	120.9530	12,095,300	10,000,000	9,977,137		247			7.600	7.620	AO	190,000	760,000	03/21/2002	04/01/2032
210805-BV-8	CONTINENTAL AIR PASS THRU CERTS SER 974B				3FE	2,669,731	84.0000	4,983,498	5,932,736	3,189,846		316,467			6.900	24.842	JJ	203,542	409,359	03/26/2003	01/02/2017
211177-AM-2	CONTINENTAL CABLEVISION SR NTS				2FE	7,974,320	106.2310	8,498,480	8,000,000	7,995,101		3,252			8.300	8.348	MN	84,844	664,000	12/08/1995	05/15/2006
21864*-AA-9	CORDOVA FUNDING CORP SER A-1 SR SEC BDS	1			4	12,576,449	100.0000	12,724,948	12,724,948	12,600,817		3,219			8.640	8.789	JD	48,864	1,099,435	12/10/1999	12/15/2019
21864*-AB-7	CORDOVA FUNDING CORP SER A-2 SR SEC BDS	1			4	4,260,362	100.0000	4,260,362	4,260,362	4,260,362					8.790	8.790	JD	16,644	374,486	12/10/1999	12/15/2019
21864*-AC-5	CORDOVA FUNDING CORP SER A-3 SR SEC BDS	1			4	3,986,971	100.0000	3,986,971	3,986,971	3,986,971					9.070	9.073	JD	16,072	361,618	12/10/1999	12/15/2019
21864*-AD-3	CORDOVA FUNDING CORP SER A-4 SR SEC BDS	1			4	7,908,722	100.0000	7,908,722	7,908,722	7,908,722					8.820	8.820	JD	31,002	697,549	12/10/1999	12/15/2019
21864*-AE-1	CORDOVA FUNDING CORP SER A-5 SR SEC BDS	1			4	1,735,668	100.0000	1,735,668	1,735,668	1,735,668					8.480	8.483	JD	6,542	147,185	12/10/1999	12/15/2019
21867B-AB-2	CORE LABORATORIES, INC SER B SR NT	1			2	20,000,000	113.3250	22,665,000	20,000,000	20,000,000					8.210	8.210	JJ	725,217	1,642,000	06/28/1999	07/22/2011
21935N-AS-4	CORNING INC. MTN				3FE	1,083,100	108.0000	1,080,000	1,000,000	1,075,754		(1,998)			7.920	7.167	JD	6,600	79,200	12/01/2000	02/03/2023
224044-AG-2	COX COMMUNICATIONS DEBS				2FE	5,961,240	114.1030	6,846,180	6,000,000	5,965,754		677			7.625	7.681	JD	20,333	457,500	06/22/1995	06/15/2025
224044-AY-3	COX COMMUNICATIONS NTS				2FE	7,596,384	114.5490	8,596,902	7,505,000	7,576,615		(9,477)			7.750	7.545	MN	96,940	581,638	09/06/2002	11/01/2010
224044-BE-6	COX COMMUNICATIONS NTS				2FE	2,977,890	112.0860	3,362,580	3,000,000	2,981,740		1,709			7.125	7.229	AO	53,438	213,750	09/17/2002	10/01/2012
228255-AH-8	CROWN CORK & SEAL DEBS				4FE	14,819,850	96.0000	14,400,000	15,000,000	14,837,978		3,062			7.375	7.476	JD	49,167	1,106,250	12/12/1996	12/15/2026
23322W-AC-6	DLJ CBO, LTD. SR SEC CL B NT	1			6FE	9,708,450	64.7230	9,708,450	15,000,000	9,708,450	(1,467)	98,643	3,634,176		8.345	10.153	JAJO	215,579	3,824,828	04/08/1999	04/15/2011
23338#-AB-7	DR LEASE TRUST SER 96 P-8 (WALMART) PASS THR	1			1	14,454,000	117.8700	17,036,930	14,454,000	14,454,000					7.760	7.758	JJ	517,196	1,121,630	12/12/1996	01/15/2017
23338#-AD-3	DR LEASE TRUST SER 96 P-9 (WALMART) PASS THRU	1			1	4,684,000	117.8700	5,521,031	4,684,000	4,684,000					7.760	7.758	JJ	167,604	363,478	12/12/1996	01/15/2017
233835-AO-0	DAILMERCHYSLER CO GRNTY				2FE	26,000,500	122.7500	30,687,500	25,000,000	25,987,530		(13,313)			8.500	8.122	JJ	962,153	2,125,000	12/22/2003	01/18/2031
235811-AJ-5	DANA CORP NOTES				2FE	990,000	99.7500	997,500	1,000,000	990,181		181			7.000	7.087	MS	20,611	35,000	07/28/2004	03/15/2028
235811-AL-0	DANA CORP NTS				2FE	5,013,750	99.7500	5,486,250	5,500,000	5,033,981		5,469			7.000	7.764	MS	128,333	280,000	08/10/2004	03/01/2029
239753-BU-9	TARGET / DAYTON HUDSON CORP MTN Ser E				1FE	5,743,550	139.8340	6,991,675	5,000,000	5,665,355		(21,566)			9.350	7.849	JD	19,479	467,500	12/01/2000	06/16/2020
244199-AZ-8	DEERE & CO BDS				1FE	11,989,800	134.9790	16,197,480	12,000,000	11,991,010		106			8.100	8.107	MN	124,200	972,000	04/26/2000	05/15/2030
24618#-AA-8	DELAWARE NORTH COS SER 2000-A SR NT	1			2Z	10,000,000	118.3980	11,839,800	10,000,000	10,000,000					8.660	8.660	MJSD	2,406	866,000	04/26/2000	06/30/2010
246626-AH-8	DELCO REMY INTERNATIONAL SR NTS	1			5FE	1,973,960	106.5000	2,130,000	2,000,000	1,983,229		2,872			11.000	11.250	MN	36,667	220,000	04/20/2001	05/01/2009
25179S-AD-2	DEVON ENERGY CORP SR NTS				2FE	15,614,100	125.9080	18,886,200	15,000,000	15,597,172		(7,737)			7.875	7.521	MS	298,594	1,181,250	08/12/2002	09/30/2031
252125-AC-3	DEX MEDIA EAST LLC/FIN NT	1			4FE	1,000,000	113.8750	1,138,750	1,000,000	1,000,000					9.875	9.875	MN	12,618	98,750	10/30/2002	11/15/2009
252125-AF-6	DEX MEDIA EAST LLC/FIN SER WI	1			4FE	1,365,683	121.8750	1,625,813	1,334,000	1,359,794		(2,976)			12.125	11.658	MN	20,668	161,748	11/12/2002	11/15/2012
252126-AD-9	DEX MEDIA FINANCE/WEST SR NTS	1			4FE	1,000,000	111.2500	1,112,500	1,000,000	1,000,000					8.500	8.500	FA	32,111	81,785	08/15/2003	08/15/2010
252126-AF-4	DEX MEDIA FINANCE/WEST SR SUB NTS	1			4FE	976,000	115.2500	1,124,840	976,000	976,000					9.875	9.875	FA	36,410	92,720	08/15/2003	08/15/2013
25212E-AC-4	DEX MEDIA INC NTS	1			4FE	7,062,500	108.2500	7,577,500	7,000,000	7,061,035		(1,465)			8.000	7.833	MN	71,556	280,000	08/04/2004	11/15/2013
25275E-AP-9	ULTRAMAR DIAMOND SHAMROCK MTN				2	3,000,000	100.5200	3,015,600	3,000,000	3,000,000					7.440	7.439	JJ	102,920	223,200	02/16/1993	02/23/2005
256605-AN-6	DOLE CO GTD NTS	1			4FE	3,015,000	102.7500	3,082,500	3,000,000	3,014,437		(563)			7.250	7.122	JD	9,667	108,750	08/17/2004	06/15/2010
26229*-AD-2	DRUMMOND COMPANY, INC SR NTS	1			2	3,000,000	105.8690	3,176,064	3,000,000	3,000,000					9.510	9.510	MS	74,495	285,300	02/09/2000	03/27/2007
26439X-AC-7	DUKE ENERGY FIELD SRVCS SR NTS				2FE	6,973,467	128.3390	8,489,625	6,615,000	6,960,381		(4,268)									

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
323585-WF-2	FNB - NORTHWEST AIR (GE) SEC NT				1	8,812,678		10,538,412	8,812,678	8,812,678					9.090	9.087	JD	2,225	801,072	09/20/1991	12/31/2011
33632*-UJ-4	FSB (CONOCOPHILLIPS) LEASING CERTIFICATES			1	1	9,589,222		11,986,527	9,589,222	9,589,222					7.950	8.083	MON	44,470	762,343	12/14/2000	12/10/2020
337932-AC-1	FIRST ENERGY NTS				2	20,045,200		114,1980	22,839,600	20,045,200					7.375	7.355	MN	188,472	1,475,000	01/09/2002	11/15/2031
345272-CN-3	FORD CREDIT CANADA LIMITED MTN		C		2FE	3,328,000		87,6695	3,306,780	3,328,000					8.200	8.202	MS	80,747	255,060	04/15/1996	04/18/2006
345272-DA-0	FORD CREDIT CANADA LIMITED MTN		C		2FE	5,742,870		88,2520	5,736,380	5,408,000			(38,515)		7.163	6.218	MS	114,620	362,057	11/04/1998	04/23/2007
345370-BN-9	FORD MOTOR DEBS				2FE	9,930,200		99,5040	9,950,400	10,000,000			1,240		7.125	7.182	MN	91,042	712,500	11/09/1995	11/15/2025
345370-CA-6	FORD MOTOR GLOBAL NTS				2FE	3,761,532		100,5740	3,816,783	3,795,000			356		7.450	7.523	JJ	129,583	282,728	03/30/2001	07/16/2031
345397-SG-9	FORD MOTOR CREDIT SR NTS				2FE	5,258,820		102,2140	6,132,840	6,000,000			110,402		5.800	8.544	JJ	163,367	348,000	03/26/2003	01/12/2009
345402-WJ-6	FORD MOTOR CREDIT SR MTN				2FE	4,798,150		103,0000	5,150,000	5,000,000			8,388		7.350	7.750	MS	108,208	367,500	07/25/1995	09/15/2015
347471-AN-4	FORT JAMES CORP DEBS				3FE	10,000,000		125,7500	12,575,000	10,000,000					9.250	9.250	MN	118,194	925,000	11/08/1991	11/15/2021
350472-AA-4	FOUNDATIONA PA COAL CO NTS			1	4FE	5,530,000		106,5000	5,857,500	5,500,000			(1,183)		7.250	7.159	FA	167,253		07/27/2004	08/01/2014
35687M-AF-4	FREESCALE SEMICONDUCTOR SR NTS		LS		1	11,052,500		108,5000	11,935,000	11,000,000			(2,101)		7.125	7.045	JJ	348,333		07/27/2004	07/15/2014
36158Z-AB-2	GE CAPITAL CAN FUNDING MTN			C	1FE	17,707,335		92,3780	19,399,380	17,472,000			17,667,346		6.250	6.062	JJ	481,676	1,019,813	12/13/2002	07/24/2012
36232*-AB-0	GTE CORP SERIES-B ESOP NOTE			1	1	2,813,423		100,0320	2,807,141	2,806,232			(536)		9.730	9.454	JAN	272,288	273,046	09/24/1992	01/02/2005
369550-AM-0	GENL DYNAMICS BNDS				1FE	7,493,400		104,6250	7,846,853	7,500,000			7,493,977		5.375	5.385	FA	152,292	404,245	08/11/2003	08/15/2015
36962G-XZ-2	GENERAL ELECTRIC CAPTIAL MTN		LS		1FE	10,206,656		117,0450	11,821,545	10,100,000			(1,343)		6.750	6.667	MS	200,738	681,750	07/11/2002	03/15/2032
370425-RZ-5	GENERAL MOTORS ACCEP BNDS				2FE	17,802,360		102,7880	18,501,840	18,000,000			1,978		8.000	8.098	MN	240,000	1,440,000	10/26/2001	11/01/2031
370442-AR-6	GENERAL MOTORS CORP DEBENTURE				2FE	24,612,000		99,4630	24,865,750	25,000,000			24,644,032		7.400	7.537	MS	616,667	1,850,000	04/18/2001	09/01/2025
373298-BM-9	GEORGIA PACIFIC DEBS				3FE	4,885,250		114,2500	5,712,500	5,000,000			4,918,238		7.700	7.933	JD	17,111	385,000	04/03/1996	06/15/2015
377372-AB-3	GLAXOSMITHKLINE CAP INC NTS				1FE	9,137,100		99,3340	9,933,400	10,000,000			9,142,801		5.701	5.375	AO	113,472	282,188	07/27/2004	04/15/2034
38238Q-AG-1	B F GOODRICH MTN				2FE	19,956,800		113,7430	22,748,600	20,000,000			19,961,846		7.298	7.316	AO	308,138	1,459,600	10/17/1995	10/20/2025
38238Q-AH-9	B F GOODRICH MTN				2FE	7,189,910		113,5490	7,948,430	7,000,000			(3,439)		7.280	7.060	AO	107,582	509,600	01/25/1996	11/07/2025
38869P-AB-0	GRAPHIC PACKAGING INTL SR NTS		1		4FE	2,000,000		109,2500	2,185,000	2,000,000			2,000,000		8.500	8.500	FA	64,222	173,306	08/01/2003	08/15/2011
38869P-AD-6	GRAPHIC PACKAGING INTL SR SUB NTS				1	2,000,000		113,7500	2,275,000	2,000,000			2,000,000		9.500	9.500	FA	71,778	193,694	08/01/2003	08/15/2013
397624-AB-3	GREIF BROS CORPORATION NTS		1		4FE	1,983,720		111,2500	2,225,000	2,000,000			1,986,466	1,201	8.875	9.000	FA	73,958	177,500	07/25/2002	08/01/2012
40624@-AC-4	HALLMARK CARDS SER C SR NOTES				2	13,333,333		125,0000	16,666,667	13,333,333			13,333,333		9.160	9.160	JJ	536,030	1,221,333	07/09/1992	07/23/2022
41078T-AF-4	HANOVER EQUIPMENT TRUST SER B SEC NT		1		4FE	5,905,800		108,5000	6,510,000	6,000,000			5,926,029	7,831	8.750	9.997	MS	175,000	525,000	06/05/2002	09/01/2011
41163G-AF-8	HARCOURT GENERAL INC. DEB				1FE	4,603,200		116,9300	4,677,200	4,000,000			4,588,415	(11,959)	7.200	6.002	FA	120,000	288,000	09/18/2003	08/01/2027
413875-AE-5	HARRIS CORP DEBS				2FE	14,925,450		106,6390	15,995,850	15,000,000			14,934,681	1,328	7.000	7.040	JJ	484,167	1,050,000	01/10/1996	01/15/2026
42210*-AH-8	H E BUTT GROCERY SER E SR NT		1		1	10,000,000		118,3700	11,837,000	10,000,000			10,000,000		7.650	7.650	FA	318,750	765,000	12/14/1995	02/01/2016
42210*-BH-0	H E BUTT GROCERY SER D SR NTS				1	10,000,000		125,0000	12,500,000	10,000,000			10,000,000		8.520	8.520	FA	355,000	852,000	06/14/2000	08/01/2020
42307T-AG-3	HEINZ FINANCE SR NTS				1FE	15,946,350		116,7310	17,509,650	15,000,000			15,930,007	(12,782)	6.750	6.272	MS	298,125	1,012,500	08/18/2003	03/15/2032
438506-AS-6	HONEYWELL INC DEBS				1FE	24,038,750		115,1510	28,787,750	25,000,000			24,083,143	15,290	6.625	6.944	JD	73,611	1,656,250	01/10/2002	06/15/2028
441560-AL-3	HOUGHTON MIFFLIN COMPANY SR NTS		1		5FE	1,488,300		109,5000	1,642,500	1,500,000			1,489,766	793	9.875	10.000	FA	61,719	148,125	01/24/2003	02/01/2013
44569*-AY-7	HUNT OIL COMPANY SER D SR NTS		1		2	10,000,000		122,8440	12,284,420	10,000,000			10,000,000		8.210	8.210	JD	43,331	821,000	11/09/2000	12/12/2015
450679-AT-2	ITT INDUSTRIES DEBS				1	24,847,700		116,2600	29,065,000	25,000,000			24,865,428	2,577	7.400	7.451	MN	236,389	1,850,000	04/03/1996	11/15/2025
451713-AA-9	IKON OFFICE SOLUTIONS INC DEBS				3FE	12,749,750		86,5000	11,245,000	13,000,000			12,782,289	4,325	6.750	6.902	JD	73,125	877,500	01/26/1996	12/01/2025
466313-AB-9	JABIL CIRCUIT INC SR NTS		LS		2FE	1,996,060		105,2620	2,105,240	2,000,000			1,996,727	484	5.875	5.910	JJ	54,181	115,542	07/15/2003	07/15/2010
47580*-AJ-8	JELD-WEN, INC. Series D Senior Notes		1		2	20,000,000		118,9960	23,799,100	20,000,000			20,000,000		8.115	8.115	JJ	811,500	1,623,000	06/02/1999	07/01/2014
48003F-AB-8	JONES EDWARD D CO LP SUB CAP NTS		1		2	1,332,065		103,0830	1,373,137	1,332,065			1,332,065		7.950	7.951	AO	22,356	105,899	04/15/1994	04/15/2006
487836-AT-5	KELLOGG CO. BDS				2FE	39,604,310		125,9170													

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
58528#-CA-3	MEIJER INC SERIES B-1 SR SEC NT			1	2	4,640,556		113.8300	5,282,345	4,640,556					8.210	8.212	WN	63,498	380,990	04/29/1994	05/01/2014
58528#-CC-9	MEIJER INC SERIES B-2 SR SEC NT			1	2	5,027,269		113.8300	5,722,540	5,027,269					8.210	8.212	WN	68,790	412,739	04/29/1994	05/01/2014
58528#-CG-0	MEIJER INC SERIES D-1 SR SEC NT			1	2	3,251,000		121.8900	3,962,644	3,251,000					9.000	9.002	JD	24,383	292,590	12/02/1994	12/01/2019
58528#-CL-9	MEIJER INC SERIES D-2 SR SEC NT			1	2	3,254,000		121.8900	3,966,301	3,254,000					9.000	9.002	JD	24,405	292,860	12/02/1994	12/01/2019
58528#-CO-8	MEIJER INC SERIES D-3 SR SEC NT			1	2	3,393,000		121.8900	4,135,728	3,393,000					9.000	9.002	JD	25,448	305,370	12/02/1994	12/01/2019
589497-AA-4	MEREY SWEENEY, L.P. 144A SR			1	2FE	14,616,651		120.6600	17,636,451	14,616,651					8.850	8.850	JD	46,712	1,293,574	06/11/1999	12/18/2019
590188-CC-0	MERRILL LYNCH & CO Debs				1FE	3,392,010		122.6950	3,680,850	3,000,000			(12,803)		8.400	7.130	WN	42,000	252,000	12/01/2000	11/01/2019
590188-FX-1	MERRILL LYNCH & CO NOTES				1FE	4,981,250		105.7640	5,288,200	5,000,000			2,307		7.375	7.429	WN	47,118	368,750	05/10/1996	05/15/2006
59156R-AJ-7	METLIFE INC SNR NTS				1FE	5,098,500		106.6460	5,332,285	5,000,000			(38)		6.375	6.228	JD	14,167	170,000	07/20/2004	06/15/2034
59560#-AB-0	DAIRY FARMERS OF AMERICA CUM GUAR PFD CAP TRST I			1	2	20,235,650		100.0000	20,000,000	20,000,000			(24,175)		7.830	7.737	FIAN	147,900	1,566,000	05/18/1998	08/27/2009
607369-C*-4	MOBILE GAS CORP 1ST MTG BONDS			1	2	5,225,000		115.8090	6,051,020	5,225,000					7.480	7.480	JJ	195,415	390,830	05/21/1993	07/01/2023
60755#-AC-1	MODERN CONTINENTAL CONST SR SEC NT				6Z	1,777,136		60.0000	2,176,084	3,626,807			98	1,745,783	8.750	0.000	MON	95,433		02/12/2004	12/31/2006
61744#-AG-4	MORGAN STANLEY SER F SUB NTS			1	1	15,000,000		121.5930	18,238,995	15,000,000					7.820	7.820	JD	97,750	1,173,000	11/28/1995	06/01/2016
63536S-AA-7	NATIONAL CITY BANK BNDS				1FE	9,914,800		90.3040	9,030,410	10,000,000			4,249		4.250	4.328	JD	35,417	425,000	06/12/2003	07/01/2018
64562G-AE-8	NEW YORK LIFE INSURANCE 144A NTS				1FE	11,882,880		103.4640	12,415,680	12,000,000			1,526		5.875	5.945	WN	90,083	705,000	05/05/2003	05/15/2033
650094-BL-8	NEW YORK TELEPHONE DEBS				1FE	2,979,405		119.2800	3,876,600	3,250,000			16,394		8.625	9.560	WN	35,818	280,313	08/16/1990	11/15/2010
652478-AL-2	NEWS AMERICA HOLDINGS DEBS				2FE	3,442,048		130.0130	4,160,416	3,200,000			(5,368)		8.875	8.112	AO	51,278	284,000	09/10/2002	04/26/2023
652478-AQ-1	NEWS AMERICA HOLDINGS DEBS				2FE	4,020,960		123.9910	4,959,640	4,000,000			(631)		8.250	8.200	FA	129,250	330,000	08/11/1993	08/10/2018
652478-AV-0	NEWS AMERICA HOLDINGS DEBS				2FE	5,227,950		137.8730	7,238,333	5,250,000			317		9.500	9.540	JJ	229,979	498,750	09/22/1994	07/15/2024
65332V-BD-4	NEXTEL COMMUNICATIONS SR NTS			1	3FE	5,050,000		110.0000	5,500,000	5,000,000			(4,935)		7.375	7.204	FA	153,646	369,774	09/17/2003	08/01/2015
654894-AF-1	NOBLE AFFILIATES SR NOTES				2FE	7,419,450		122.6640	9,199,800	7,500,000			7,426,251		8.000	8.096	AO	150,000	600,000	04/02/1997	04/01/2027
655844-AQ-1	NORFOLK SOUTHERN CORP SR NTS				2FE	19,410,030		119.9670	23,681,486	19,740,000			3,315		7.250	7.385	FA	540,657	1,431,150	07/03/2002	02/15/2031
655855-FA-7	NORFOLK SOUTHERN CORP DEB				2FE	1,682,669		141.4260	2,050,677	1,450,000			(2,952)		9.750	7.951	JD	6,283	42,413	08/27/2004	06/15/2020
65590G-AA-1	NORDSTROM CREDIT, INC Nts				1FE	3,219,060		101.3440	3,040,320	3,000,000			(97,258)		6.700	3.322	JJ	100,500	201,000	03/26/2003	07/01/2005
66137#-AB-1	NO PACIFIC PAPER SER B SR NTS			1	2	7,092,450		104.3600	7,827,000	7,500,000			7,293,994		6.870	7.894	FA	188,925	515,250	12/28/2000	02/19/2010
666807-AW-2	NORTHROP-GRUMMAN BNDS				2FE	9,905,100		128.0310	12,803,100	10,000,000			9,908,294		7.750	7.833	FA	292,778	775,000	02/22/2001	02/15/2031
67461F-ED-5	OCCIDENTAL PETROLEUM MTN				2FE	16,066,550		136.2780	20,441,745	15,000,000			(22,230)		8.750	8.094	JJ	605,208	1,312,500	09/09/1996	01/15/2023
68210*-AA-1	OMEGA LEASING PLC SR SEC NTS			1	2	11,024,465		115.8380	12,770,520	11,024,465			11,024,465		8.800	8.963	MON	51,203	970,153	05/24/2000	05/12/2010
68233D-AT-4	ONCOR ELECTRIC				2FE	6,898,290		115.3670	8,075,690	7,000,000			6,901,088		7.000	7.118	WN	81,667	490,000	05/01/2002	05/01/2032
686286-AC-9	ORION POWER HOLDINGS INC SR NTS				4FE	7,115,000		127.0000	8,890,000	7,000,000			7,078,237		12.000	11.711	WN	140,000	840,000	06/14/2000	05/01/2010
69352B-AC-8	PPL MONTANA, LLC PTC NT			1	2FE	8,224,675		115.0000	9,458,376	8,224,675			8,224,675		8.903	8.904	JJ	364,087	732,243	07/13/2000	07/02/2020
69362B-AF-9	PSEG POWER NTS				2FE	10,277,400		116.6000	11,660,000	10,000,000			(24,108)		7.750	7.350	AO	163,611	775,000	05/09/2001	04/15/2011
69362B-AM-4	PSEG POWER NTS				2FE	9,991,550		112.6840	12,395,240	11,000,000			78,302		6.950	8.336	JD	63,708	764,500	08/12/2002	06/01/2012
69411#-AB-0	PACIFIC COAST PRODUCERS SER 2000-A TRANCHE 2			1	3	15,000,000		118.8000	17,820,000	15,000,000					9.030	9.032	JD	3,763	1,354,500	06/07/2000	06/30/2020
713409-AC-4	PEPSI BOTTLING GROUP INC SR NTS				1FE	8,726,880		120.5160	9,641,280	8,000,000			(12,347)		7.000	6.281	MS	186,667	560,000	07/31/2003	03/01/2029
71713U-AK-8	PHARMACIA CORP NT				1FE	7,805,420		107.5860	7,531,020	7,000,000			(133,920)		5.875	3.615	JD	34,271	411,250	03/26/2003	12/01/2008
718507-BQ-8	PHILLIPS PETROLEUM CO NOTES				1FE	6,122,990		122.0370	6,101,850	5,000,000			(9,214)		8.750	4.106	MN	43,750		12/14/2004	05/25/2010
723787-AB-3	PIONEER NATURAL RESOURCE SR GTD				2FE	9,056,100		114.5960	10,772,024	9,400,000			4,876		7.200	7.518	JJ	312,080	676,800	02/11/2003	01/15/2028
72650R-AE-2	PLAINS ALL AMER PIPELINE BNDS 144 A				2FE	6,954,150		103.2660	7,228,620	7,000,000			6,955,212		5.875	5.952	FA	158,788		08/05/2004	08/15/2016
729237-BF-3	PLUM CREEK TIMBER SERIES D SR NTS			1	2	8,600,000		114.3500	9,834,100	8,600,000			8,600,000		8.050	8.050	WN	92,307	696,146	11/13/1996	11/13/2016
74060C-AC-9	PREMIUM STANDARD FARMS SR NTS			1	4FE	6,934,915		107.0000	7,490,000	7,000,000			6,951,528		9.250	9.388	JD	28,778	647,500	04/17/2002	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22	
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity	
766879-AA-8	RINKERS MATERIALS CORPORATION 144A NTS				1FE	9,964,085		121.5970	12,159,700	10,000,000		9,964,085			7.700	7.736	JJ		342,222	770,000	04/02/2003	07/21/2025
775198-AG-5	ROGERS GROUP, INC. SR NT			1	2	5,000,000		125.0000	6,250,000	5,000,000		5,000,000			8.550	8.550	MS		125,875	427,500	08/12/1999	09/15/2024
775371-AG-2	ROHM & HAAS SF DEBS				1FE	6,252,979		131.5890	7,648,611	5,812,500		6,086,005	(11,028)		9.800	8.872	AO		120,254	569,625	12/31/1997	04/15/2020
78387G-AL-7	SBC COMMUNICATIONS NTS				1FE	9,990,600		103.3050	10,330,500	10,000,000		9,990,600			5.625	5.637	JD		25,000	182,813	08/11/2004	06/15/2016
78387G-AO-6	SBC COMMUNICATIONS NTS				1FE	3,991,120		102.9880	4,119,520	4,000,000		3,991,120			6.150	6.167	MS		39,633		10/27/2004	09/15/2034
78409#-AC-3	SDW TIMBER III, LLC (PLUMCREK) SER C SR SEC NTS				2	12,000,000		109.5300	13,143,600	12,000,000		12,000,000			7.360	7.360	FA		333,653	883,200	01/13/1999	02/15/2011
78572M-AA-3	SABMILLER PLC 144A BNDS				2	544,341		113.4330	623,882	550,000		544,431	64		6.625	6.705	FA		13,765	36,640	08/06/2003	08/15/2033
786514-AS-8	SAFEWAY INC DEBS				2FE	10,588,000		95.0000	9,500,000	10,000,000		10,565,719	(10,070)		7.450	6.951	MS		219,361	745,000	07/03/2002	09/15/2027
786514-BA-6	SAFEWAY INC DEBS				2FE	14,907,150		114.6220	17,193,300	15,000,000		14,911,403	1,117		7.250	7.301	FA		453,125	1,087,500	07/12/2001	02/01/2031
800907-AF-4	SANMINA SCI CORP SECURED			1	3FE	3,500,000		115.0000	4,025,000	3,500,000		3,500,000			10.375	10.375	JJ		167,441	363,125	12/18/2002	01/15/2010
80310#-AC-7	SAPUTO U.S., L.P. SER C SR NTS			1	1	10,000,000		123.5840	12,358,410	10,000,000		10,000,000			8.410	8.410	MN		119,142	841,000	10/12/1999	11/10/2014
803111-AM-5	SARA LEE CORP BDS				1FE	19,774,300		108.9930	21,798,600	20,000,000		19,780,615	2,893		6.125	6.208	MN		204,167	1,225,000	08/06/2003	11/01/2032
80311T-CC-4	SARA LEE CORPORATION MEDIUM TERM NOTE SERIES C				1FE	5,500,150		106.0560	5,302,800	5,000,000		5,000,000	(99,885)		6.000	3.708	MS		300,000		03/26/2003	01/15/2008
806605-AG-6	SCHERING-PLOUGH CORP BNDS				1FE	29,103,740		112.8310	31,592,596	28,000,000		29,147,623	43,715		6.750	6.430	JD		157,500	1,186,250	12/14/2004	12/01/2033
811410-AA-8	SEA-LAND (CSX) SER B NTS				2	1,783,029		109.8380	1,958,451	1,783,029		1,783,029			10.000	9.996	JD		7,925	178,303	03/17/1988	06/15/2008
817609-AB-6	SERVICEMASTER LP SR NT				2FE	20,932,800		110.2780	22,055,600	20,000,000		20,935,968	208		7.450	7.019	FA		562,889	1,117,500	12/14/2004	08/15/2027
83001P-AB-5	SIX FLAGS SRNTS	LS			5FE	1,281,250		104.0000	1,300,000	1,250,000		1,269,208	(5,200)		9.500	8.919	FA		49,479	118,750	06/25/2002	02/01/2009
83001P-AD-1	SIX FLAGS SR NTS	LS		1	5FE	1,992,880		101.2500	2,025,000	2,000,000		1,994,840	772		8.875	8.939	FA		73,958	177,500	01/31/2002	02/01/2010
832248-AM-0	SMITHFIELD FOODS INC SR NT				3FE	5,000,000		106.7500	5,337,500	5,000,000		5,000,000			7.000	7.000	FA		142,917		07/28/2004	08/01/2011
832389-AC-4	SMITHS FOOD & DRUG SENIOR NOTE				2FE	24,007,357		130.7770	29,849,850	22,825,000		23,796,380	(49,672)		9.200	8.602	JJ		1,044,117	2,099,900	01/06/2000	07/02/2018
839521-AC-5	CALPINT/SOUTH POINT ENERGY 144A SR NTS				4FE	15,000,000		85.0000	12,750,000	15,000,000		15,000,000			9.825	9.825	MN		126,906	1,473,750	10/11/2001	05/30/2019
84338#-AA-1	SO MINNESOTA BEET SUGAR CO-OP SER A NTS			1	3FE	10,000,000		111.4210	11,142,050	10,000,000		10,000,000			9.380	8.630	MN		125,067	938,000	10/05/2000	11/13/2015
843597-AG-0	SOUTHERN PACIFIC TRANS PASS THRU				1FE	4,665,614		132.8600	6,198,735	4,665,614		4,665,614			8.710	8.706	JJ		202,059	406,375	05/02/1995	07/02/2016
843598-AG-8	SOUTHERN PACIFIC TRANS ETC				1FE	9,891,163		131.2600	12,983,141	9,891,163		9,891,163			9.280	9.283	JJ		456,400	917,900	09/22/1994	01/02/2014
843830-AB-6	SOUTHERN STAR CENT CORP SEC NT			1	4FE	2,000,000		110.7500	2,215,000	2,000,000		2,000,000			8.500	8.500	FA		70,833	166,694	08/01/2003	08/01/2010
844741-AU-2	SOUTHWEST AIRLINES COMPANY ETC				1FE	7,500,000		120.8430	9,063,225	7,500,000		7,500,000			8.000	8.002	JJ		298,333	600,000	09/04/1996	01/02/2021
852060-AT-9	SPRINT CAPITAL BNDS				2FE	19,888,600		133.2310	26,646,200	20,000,000		19,891,182	956		8.750	8.803	MS		515,278	1,750,000	03/08/2002	03/15/2032
85430P-AE-5	STANFIELD CLO, LTD. CLASS C-2 FIXED RATE NOTE			1	3FE	9,000,000		117.5980	10,583,820	9,000,000		9,000,000			8.848	8.848	JAJO		168,112	796,320	06/04/1999	07/15/2014
857449-#R-3	WILM TRUST (SSB AIRBUS) SER B SEC LN CERT			1	1	938,989		125.0000	1,173,736	938,989		938,989			8.990	8.984	MS		24,856	84,415	01/30/1995	09/15/2018
857449-#T-9	WILM TRUST (SSB AIRBUS) SER B SEC LN CERT			1	1	938,435		125.0000	1,173,043	938,435		938,435			8.990	8.987	MS		24,841	84,365	01/30/1995	09/15/2018
857449-#V-4	WILM TRUST (SSB AIRBUS) SER B SEC LN CERT			1	1	934,647		125.0000	1,168,309	934,647		934,647			8.990	8.990	MS		24,741	84,025	01/30/1995	09/15/2018
857449-#X-0	WILM TRUST (SSB AIRBUS) SER B SEC LN CERT			1	1	934,092		125.0000	1,167,616	934,092		934,092			8.990	8.990	MS		24,726	83,975	01/30/1995	09/15/2018
857449-AB-8	STATE STREET BANK & TRST NTS				1FE	18,696,190		100.9760	19,185,440	19,000,000		18,705,637	8,786		5.250	5.411	AO		210,583	762,563	07/14/2004	10/15/2018
85746*-BH-2	SSB (AIRBUS) SER B LN CERT			1	1	3,114,235		117.0000	3,643,654	3,114,235		3,114,235			7.040	7.041	JJ		109,621	219,242	02/01/1996	07/01/2017
85746*-BK-5	SSB (AIRBUS) SER B LN CERT			1	1	2,936,834		117.0000	3,436,096	2,936,834		2,936,834			7.040	7.041	JJ		103,377	206,753	03/01/1996	07/01/2017
872287-AC-1	TCI COMMUNICATIONS INC SR DEBS				2FE	9,258,200		127.5460	10,841,410	8,500,000		9,125,580	(37,128)		8.750	7.720	FA		309,896	743,750	12/18/2000	08/01/2015
872287-AF-4	TCI COMMUNICATIONS INC DEBS				2FE	6,126,012		122.4670	7,372,513	6,020,000		6,120,881	(1,864)		7.875	7.713	FA		179,095	474,075	06/27/2001	02/15/2026
872384-AA-0	TEPPCO PARTNERS CO GRNITY				2FE	4,978,050		115.3920	5,769,600	5,000,000		4,982,688	1,769		7.625	7.689	FA		144,028	381,250	02/14/2002	02/15/2012
87305N-AW-8	TX PASS-THROUGH TRUSTS 2004-A SERIES 2004-A2			1	1Z	4,738,899		101.3300	4,801,926	4,738,899		4,738,899			5.503	5.504	JJ		66,644		07/08/2004	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22	
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity	
902118-BK-3	TYCO INTERNATIONAL GROUP CO GUAR				2FE	10,295,100	108.4770	10,847,670	10,000,000	10,285,802		(9,298)			6.000	5.587	MN		76,667	300,000	07/28/2004	11/15/2013
903236-AD-9	URS CORP SR NT			1	4FE	556,601	106.5000	579,360	544,000	550,185		(2,197)			12.250	11.678	MN		11,107	66,640	09/06/2001	05/01/2009
903236-AF-4	URS CORP SR NTS			1	3FE	633,684	115.0000	746,350	649,000	637,600			1,723		11.500	12.000	MS		21,976	74,635	08/15/2002	09/15/2009
90332U-AD-5	US AIRWAYS EETC SER 1998-1C			1	6FE	23,118,837	56.0000	14,230,184	25,411,043	14,230,184	(9,719,451)	171,341			6.820	7.994	JJ		726,911	1,733,033	04/07/1999	01/30/2014
90333E-AB-4	USEC INC. SR NOTES				4FE	9,952,700	100.0000	10,000,000	10,000,000	9,976,974		4,785			6.750	6.816	JJ		301,875	675,000	01/14/1999	01/20/2009
904000-AA-4	ULTRAMAR DIAMOND SHAMROCK SR NOTES				2FE	7,998,320	114.9450	9,195,600	8,000,000	7,998,701		60			7.200	7.202	AO		576,000	10/08/1997	10/15/2017	
904764-AH-0	UNILEVER CAPITAL SR NTS				1FE	25,568,000	105.7490	26,437,250	25,000,000	25,556,599		(8,824)			5.900	5.736	MN		188,472	1,475,000	09/22/2003	11/15/2032
905581-AR-5	UNION CARBIDE CORP DEBS	LS			2FE	22,234,075	102.0000	22,950,000	22,500,000	22,267,877		4,579			7.500	7.600	JD		140,625	1,687,500	11/07/1995	06/01/2025
90777H-BT-0	UNION OIL CO. OF CALIFORNIA MTN				2FE	10,000,000	121.2840	12,128,400	10,000,000	10,000,000					8.150	8.153	JJ		341,847	815,000	04/05/1995	04/15/2015
907818-CF-3	UNION PACIFIC RAILROAD DEBS				2FE	253,710	111.0810	333,243	300,000	256,205		589			6.625	8.001	FA		8,281	19,875	02/04/2000	02/01/2029
907834-AG-0	UNION PACIFIC RESOURCES GROUP DEBS				2FE	4,056,101	117.1430	4,100,005	3,500,000	4,055,569		(532)			7.150	5.890	MN		31,976		12/14/2004	05/15/2028
911365-AN-4	UNITED RENTALS INC SR NTS			1	3FE	2,960,000	97.5000	2,925,000	3,000,000	2,962,703		2,703			6.500	6.720	FA		73,667	96,417	05/04/2004	02/15/2012
911365-AQ-7	UNITED RENTALS INC SR SUB	LS		1	4FE	3,925,000	93.5000	3,740,000	4,000,000	3,927,089		2,089			7.000	7.271	FA		105,778	153,222	08/09/2004	02/15/2014
912912-AQ-5	U S WEST GTD NOTES				4FE	7,969,360	81.5000	6,520,000	8,000,000	7,972,307		461			6.875	6.905	JJ		253,611	550,000	06/24/1998	07/15/2028
912920-AB-1	US WEST COMMUNICATIONS Deb			1	3FE	4,718,350	99.5000	4,975,000	5,000,000	4,740,384		5,993			7.500	8.045	JD		16,667	375,000	12/01/2000	06/15/2023
913017-AR-0	UNITED TECHNOLOGIES NOTES				1FE	5,037,150	135.9970	6,799,850	5,000,000	5,030,770		(978)			8.875	8.800	MN		56,701	443,750	11/29/1994	11/15/2019
913017-AS-8	UNITED TECHNOLOGIES DEBS				1FE	10,294,915	135.3510	13,535,100	10,000,000	10,246,768		(7,070)			8.750	8.466	MS		291,667	875,000	12/31/1994	03/01/2021
913028-EF-9	UNITED TEL INDIANA SER W 1ST MTG				2	3,819,200	125.0000	4,774,000	3,819,200	3,819,200					8.770	8.768	FA		139,560	334,944	08/06/1992	08/01/2017
91302L-AH-0	UNITED TECHNOLOGIES MTN				1FE	10,801,930	128.0880	12,808,800	10,000,000	10,403,110		(48,693)			9.340	8.480	JD		41,511	934,000	01/29/1992	02/01/2011
91372*-AG-4	UNITED TEL TEXAS SER N 1ST MTGE R				2	4,716,000	125.0000	5,895,000	4,716,000	4,716,000					8.770	8.770	FA		172,331	413,593	08/06/1992	08/01/2017
91374*-AN-7	UNITED TEL NORTHWEST SER Q 1ST MTG				2	5,472,000	125.0000	6,840,000	5,472,000	5,472,000					8.770	8.770	FA		199,956	479,894	08/06/1992	08/01/2017
91375H-AB-0	UNITED TEL SOUTHEAST SER U 1ST MTG				2	2,496,600	125.0000	3,120,750	2,496,600	2,496,600					8.770	8.768	FA		91,230	218,952	08/06/1992	08/01/2019
918204-AR-9	V F CORP SR NTS				1FE	9,737,000	102.0660	10,206,600	10,000,000	9,740,902		3,225			6.000	6.194	AO		126,667	601,667	10/08/2003	10/15/2033
91913Y-AE-0	VALERO ENERGY BNDS				2FE	9,947,900	120.6180	12,061,800	10,000,000	9,949,383		553			7.500	7.544	AO		158,333	750,000	04/12/2002	04/15/2032
92203H-AJ-7	VANGUARD GROUP SER F SR SEC NTS			1	1	10,000,000	116.6700	11,667,000	10,000,000	10,000,000					7.520	7.520	AO		188,000	752,000	10/01/1997	10/01/2022
925524-AV-2	VIACOM INC BDS	LS			1FE	14,880,150	98.3010	14,745,150	15,000,000	14,882,868		1,674			5.500	5.555	MN		105,417	825,000	05/09/2003	05/15/2033
92976G-AA-9	WACHOVIA BANK NA SUB NTS	LS			1FE	9,933,500	99.4040	9,940,400	10,000,000	9,939,818		4,333			5.000	5.074	FA		188,889	527,778	07/22/2003	08/15/2015
94974V-AA-4	WELLS FARGO 144A BONDS			1	1FE	3,340,750	108.6630	3,803,205	3,500,000	3,349,043		2,300			8.125	8.564	JD		23,698	284,375	12/01/2000	12/01/2026
962166-AT-1	WEYERHAEUSER Deb				2FE	1,999,920	127.9360	2,558,720	2,000,000	2,000,232		(4)			8.500	8.499	JJ		78,389	170,000	12/01/2000	01/15/2025
963320-AH-9	WHIRLPOOL CORP DEB				2FE	9,938,200	119.4550	11,945,500	10,000,000	9,954,119		2,382			7.750	7.811	JJ		357,361	775,000	07/25/1996	07/15/2016
97180*-SC-3	WILM (AIRBUS INDUSTRIES) SER A NTS				1	2,042,686	120.5000	2,461,436	2,042,686	2,042,686					9.030	9.030	MN		17,421	184,455	03/19/1992	11/27/2014
97180*-SD-1	WILM (AIRBUS INDUSTRIES) SER B NTS				1	2,042,686	120.5000	2,461,436	2,042,686	2,042,686					9.030	9.030	MN		16,396	184,455	03/19/1992	11/29/2014
97180*-SE-9	WILM (AIRBUS INDUSTRIES) SER C NTS				1	2,042,686	120.5000	2,461,436	2,042,686	2,042,686					9.030	9.030	MN		16,908	184,455	03/19/1992	11/28/2014
97180*-SF-6	WILM (AIRBUS INDUSTRIES) SER D NTS				1	2,042,686	125.2000	2,557,443	2,042,686	2,042,686					9.030	9.030	MN		16,396	184,455	03/19/1992	11/29/2014
97180*-SG-4	WILM (AIRBUS INDUSTRIES) SER E NTS				1	2,042,686	120.5000	2,461,436	2,042,686	2,042,686					9.030	9.030	MN		16,396	184,455	03/19/1992	11/29/2014
97180*-SH-2	WILM (AIRBUS INDUSTRIES) SER F NTS				1	2,042,686	120.5000	2,461,436	2,042,686	2,042,686					9.030	9.030	MN		16,908	184,455	03/19/1992	11/28/2014
97181H-BW-2	WILM TRUST (CONSUMERS ENE) SER B SEC NTS			1	2FE	8,526,256	118.0050	10,061,392	8,526,256	8,526,256					7.860	7.858	JD		1,862	670,164	11/10/1995	12/30/2015
973735-AY-9	WINDSOR PETROLEUM TRANSPORT TERM SEC NTS			1	3FE	14,095,868	104.2500	16,132,688	15,475,000	14,281,549		54,295			7.840	8.900	JJ		559,438	1,213,240	03/06/2001	01/15/2021
977385-AK-9	WITCO CORP DEBS				4FE	3,203,865	91.0000	3,185,000	3,500,000	3,237,092		4,951			6.875	7.595	FA		1			

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22	
CUSIP Identification	Description	*	For-eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor-tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity	
07813Z-AL-8	BELL CANADA MTN		C		1FE	6,167,511		102,9430	6,073,600	6,164,675			(988)		7.850	7.716	AO		118,868	445,260	10/24/2001	04/02/2031
07813Z-AP-9	BELL CANADA MTN		C		1FE	2,157,186		97,1470	2,163,200	2,157,374			62		7.300	7.323	FA		56,676	147,475	02/19/2002	02/23/2032
078149-DF-5	BELL CANADA UNSEC DEBS SER EC		C		1FE	924,768		106,1930	1,061,930	877,317			(6,535)		10.350	8.964	JD		4,011	80,420	04/26/1995	12/15/2009
078149-DG-3	BELL CANADA SR SED DEP		C		1FE	1,117,875		111,4590	1,560,426	1,140,585			2,904		11.450	11.991	AO		28,501	124,553	10/09/1990	04/15/2010
110727-BG-8	BRITISH COLUMBIA TELEPHONE DEB		C		2FE	1,018,680		112,9570	1,411,963	1,028,944			1,280		12.000	12.274	MN		10,942	116,550	09/27/1990	05/31/2010
110727-BH-6	BRITISH COLUMBIA TELEPHONE DEB		C		2FE	830,752		129,2479	832,000	831,053			38		11.900	11.919	MN		10,850	92,463	11/05/1990	11/22/2015
124900-BB-9	CCL INDUSTRIES INC SER C GUAR SR NTS		C	1	2	10,000,000		111,2000	10,000,000	10,000,000					7.090	7.090	JJ		340,714	708,985	06/04/1998	07/08/2018
136375-AY-8	CANADIAN NATIONAL RAILWAY CO DEB		C		2FE	29,766,154		122,9810	36,697,530	29,840,000			885		7.625	7.644	MN		290,733	2,275,300	12/13/1995	05/15/2023
136375-BD-3	CANADIAN NATIONAL RAILWAY CO NTS		C		2FE	16,458,097		115,0970	17,837,733	15,498,000			(8,962)		6.900	6.391	JJ		493,095	610,581	05/25/2004	07/15/2028
136385-AC-5	CANADIAN NATURAL RES BNDS		C		2FE	2,983,650		118,1560	3,544,680	3,000,000			187		7.200	7.245	JJ		99,600	216,000	01/15/2002	01/15/2032
136385-AE-1	CANADIAN NATURAL RES SR NTS		C		2FE	10,586,900		108,0660	10,806,600	10,000,000			(7,513)		6.450	6.024	JD		1,792	645,000	07/25/2003	06/30/2033
13638Z-AB-1	CANADIAN NATURAL RES MTN		C		2FE	7,170,502		89,9450	7,735,270	7,155,200			(2,202)		7.400	7.359	MS		176,979	494,483	03/21/2000	03/01/2007
136420-AE-6	CANADIAN OCCIDENTAL PETROLEUM NTS		C		2FE	4,360,698		88,2010	4,674,653	4,409,600			6,567		6.850	7.041	MN		38,895	282,090	04/22/1999	11/15/2006
136440-AL-8	CANADIAN PACIFIC NTS		C		2FE	10,449,900		141,2960	14,129,600	10,000,000			(9,786)		9.450	9.000	FA		393,750	945,000	11/29/1994	08/01/2021
29251Z-AK-3	ENBRIDGE INC NOTES		C		1FE	16,053,873		95,4910	18,477,509	16,099,200			1,061		7.200	7.222	JD		44,460	1,082,630	09/28/2001	06/18/2032
46065Z-AB-3	INTERPROVINCIAL PIPE LINE INC. MTN		C	1	1FE	5,953,559		84,9680	5,947,760	5,824,000			(16,750)		8.450	8.115	MN		59,325	459,596	12/06/1995	05/18/2005
47215Q-AA-2	JEAN COUTU GROUP PJC INC 144A SR SUB NTS	LS	C	1	4FE	1,997,500		102,5000	2,000,000	1,997,522			22		8.500	8.512	FA		71,306		07/26/2004	08/01/2014
47215Q-AD-6	JEAN COUTU GROUP PJC INC 144A SNR NTS		C	1	4FE	1,500,000		105,5000	1,582,500	1,500,000					7.625	7.625	FA		47,974		07/20/2004	08/01/2012
53948Z-CO-7	LOBLAW COMPANIES LTD DEBS		C		1	686,067		28,3221	2,832,211	8,320,000			132,505		0.000	9.324	MAT				06/29/1995	11/23/2022
53948Z-FK-7	LOBLAW COMPANIES LTD Cpn Stps		C		1	563,638		40,1057	2,005,286	4,160,000			1,256,417		0.000	9.504	MAT				05/08/1996	11/23/2017
53948Z-FL-5	LOBLAW COMPANIES LTD STRIP		C		1	961,584		38,7313	2,904,845	6,240,000			1,972,440		0.000	8.786	MAT				08/20/1996	05/23/2018
53948Z-FM-3	LOBLAW COMPANIES LTD Cpn Stp		C		1	770,515		37,4342	2,807,563	6,240,000			1,717,549		0.000	9.504	MAT				05/08/1996	11/23/2018
53948Z-FN-1	LOBLAW COMPANIES LTD Cpn Stp		C		1	490,381		36,1229	1,806,147	4,160,000			1,093,099		0.000	9.504	MAT				05/08/1996	05/23/2019
599908-AE-0	MILLAR WESTERN 144A SNR NTS		C	1	4	1,500,000		107,0000	1,605,000	1,500,000			1,500,000		7.750	7.750	MN		14,854	113,021	11/20/2003	11/15/2013
60870T-AB-3	MOLSON COMPANIES LTD Unsecured Ser 2		C		2FE	4,136,162		104,8260	5,241,300	4,160,000			1,062		9.100	9.161	MS		116,161	353,535	05/01/1994	03/11/2013
60870T-AC-1	MOLSON COMPANIES LTD Ser 3 Debs		C		2FE	3,047,054		104,1520	3,853,624	3,078,400			821		8.400	8.498	JD		17,712	241,492	05/01/1994	12/07/2018
65542Z-AQ-6	NORANDA INC NTS		C		2FE	9,963,600		117,4780	10,000,000	9,974,091			3,123		8.375	8.430	FA		316,389	837,500	02/15/2001	02/15/2011
698900-AG-2	PANCANADIAN ENERGY CORP NTS		C		2FE	16,977,390		118,2420	20,101,140	17,000,000			16,977,939		7.200	7.211	MN		204,000	1,224,000	10/31/2001	11/01/2031
70632Z-AA-1	PEMBINA PIPELINE CORPORATION SR SEC NT		C	1	2FE	7,488,000		92,8346	8,355,110	7,488,000					7.269	7.374	MON		45,359	508,321	07/08/2002	08/01/2017
71644E-AB-8	PETRO CANADA DEBS		C		2FE	17,323,701		137,0190	22,539,626	16,450,000			(19,029)		9.250	8.734	AO		321,232	1,521,625	12/06/1994	10/15/2021
71644E-AE-2	PETRO CANADA DEBS		C		2FE	10,950,610		123,7920	13,617,120	11,000,000			10,955,977		7.875	7.914	JD		38,500	866,250	06/04/1996	06/15/2026
74819R-AB-2	QUEBECOR MEDIA SR NTS		C	1	4FE	10,763,150		114,2500	12,567,500	11,000,000			10,818,458		11.125	11.491	JJ		564,285	1,223,750	06/28/2001	07/15/2011
74819R-AD-6	QUEBECOR MEDIA SR DNTS		C	1	4FE	570,000		99,0000	990,000	1,000,000			867,178		0.000	12.512	JJ				07/12/2001	07/15/2011
75966Z-AE-6	RENAISSANCE ENERGY LTD MTN 144A		C		2FE	2,882,481		92,7880	3,247,580	2,995,720			2,741		6.950	7.096	JJ		94,816	189,005	11/23/1999	07/14/2009
77509N-AN-3	ROGERS CABLESYSTEMS 144A SECURED		C		3FE	1,000,000		102,2500	1,000,000	1,000,000					6.750	6.750	MS		5,813		11/19/2004	03/15/2015
780087-E6-5	ROYAL BANK OF CANADA SUBORDINATED DEBS		C	1	1FE	9,176,652		89,7490	9,423,645	8,736,000			(48,318)		6.750	2.591	JD		45,236	550,699	07/17/1998	06/04/2012
78647*-AU-9	SAFERCO PRODUCTS MTN		C		1	5,000,000		109,1180	5,455,900	5,000,000					9.750	9.748	JD		21,667	487,500	07/25/1990	05/31/2006
78647*-AV-7	SAFERCO PRODUCTS MTN		C		1Z	5,000,000		114,5700	5,728,500	5,000,000					9.750	9.748	JD		21,667	487,500	07/25/1990	05/31/2007
867229-AD-8	SUNCOR ENERGY BNDS		C		1FE	4,970,550		104,8360	5,241,800	5,000,000			344		5.950	5.992	JD		24,792	297,500	11/24/2003	12/01/2034
87941T-AC-9	TELEGLOBE-CANADA DEB		C		6	515,840		5,8250	12,896,000	515,840	372,317				8.000	0.000	AO				02/16/2000	10/23/2026
87971K-AA-5	TEMBEC INC SR NTS		C	1	3FE	2,984,250		100,5000	3,015,000	2,991,016			1,571		8.625	8.707	JD		719	258,750	03/30/1999	06/30/2009
884903-AT-2	THOMSON CORP NTS		C		1FE																	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
25156P-AC-7	DEUTSCHE TELEKOM NOTES		F		2FE	12,919,500		132.0460	12,720,000	12,914,133		(2,282)			8.750	8.106	JD	49,467	1,113,000	12/04/2001	06/15/2030
25243E-AF-0	DIAGEO CAPITAL PLC BDS		F		1FE	4,727,508		96.7870	4,766,750	4,925,000		4,737,497		9,716	4.850	5.250	MN	30,521	238,863	12/22/2003	05/15/2018
292689-AD-8	ENERGY GROUP O/S (TXU) GTD		F		6FE	3,010,000		55.0000	3,850,000	3,010,000					7.550	0.000	AO			06/17/1999	10/15/2027
29274F-AB-0	ENERSIS NOTES		F		3FE	4,523,100		100.0000	6,000,000	6,000,000		4,769,175		50,420	7.400	10.450	JD	37,000	444,000	09/30/1998	12/01/2016
315565-AA-9	FERTINITRO FINANCE SEC BDS-144A		F		5FE	12,000,000		82.9310	9,951,720	12,000,000		12,000,000			8.290	8.291	AO	248,700	994,800	04/08/1998	04/01/2020
317337-AB-9	LEGRAND S.A. SNR NTS		F	1	4FE	2,000,000		118.5000	2,370,000	2,000,000		2,000,000			10.500	10.500	FA	79,333	210,000	02/07/2003	02/15/2013
33938E-AJ-6	FLEXTRONICS INTL SR SUB NTS	LS	F	1	3	7,868,750		102.5000	8,200,000	8,000,000		7,874,844		6,094	6.500	6.745	MN	66,444	422,500	06/14/2004	05/15/2013
35177P-AL-1	FRANCE TELECOM SR NT		F		2FE	21,846,280		135.5590	22,000,000	21,849,043		1,708			9.500	9.550	MS	696,667	2,117,500	03/14/2001	03/01/2031
386088-AF-5	GRAND MET INV CORP NOTES		F		1FE	26,922,350		129.3860	32,346,500	25,000,000		26,616,787		(43,618)	8.000	7.341	MS	588,889	2,000,000	09/13/1995	09/15/2022
40049J-AT-4	GRUPO TELEVISIA SA DE CV ADR SR NTS		F		2FE	37,010,600		115.7500	42,827,500	37,000,000		37,011,930		(135)	8.500	8.497	MS	960,972	3,145,000	04/29/2002	03/11/2032
4041A2-AF-1	HBOS PLC 144A SUBORDINATED		F		1FE	14,821,050		102.9680	15,445,260	15,000,000		14,823,671		2,245	6.000	6.087	MN	150,000	902,550	10/22/2003	11/01/2033
40427L-AB-0	HSBC CAP FUNDING 144A		F		1FE	7,500,000		154.8280	11,612,100	7,500,000		7,500,000			10.176	10.176	JD	2,120	763,200	04/12/2000	06/30/2030
46128M-AB-7	INVERSIONES CMPC SA 144A NTS		F		1FE	8,562,330		97.6840	8,791,560	9,000,000		8,612,907		35,065	4.875	5.518	JD	15,844	438,750	07/16/2003	06/18/2013
46289#-AC-5	IRON ORE EXPORT MASTER TRUST(SAMARCO) SR SEC EXP		F	1	2	1,176,471		101.6400	1,195,765	1,176,471		1,176,471			10.043	10.183	FMAN	10,174	118,153	01/18/2000	05/31/2005
465077-AH-8	ISRAEL ELECTRIC CORP LTD MTN		F		2	20,000,000		124.0000	24,800,000	20,000,000		20,000,000			8.940	8.940	MS	531,433	1,788,000	12/01/1999	03/14/2030
524671-AA-2	LEGRAND S.A. NTS		F		4FE	4,210,000		117.7500	4,710,000	4,000,000		4,208,496		(1,504)	8.500	7.975	FA	128,444	170,000	07/14/2004	02/15/2025
55255#-AB-8	MOSSI & GHISOLFI SPV (US) SER B SR NT		F	1	2	14,000,000		111.2000	15,568,000	14,000,000		14,000,000			8.150	8.151	AO	237,708	1,141,000	04/26/2002	04/16/2012
61238Q-AA-6	BASELL FINANCE CO BV SR NTS 144A		F		2FE	21,179,650		92.0000	19,329,200	21,010,000		21,168,694		(2,867)	8.100	8.025	MS	501,089	1,701,810	06/28/1999	03/15/2027
656531-AD-2	NORSK HYDRO A/S DEBS		F		1FE	4,631,000		118.8680	5,943,400	5,000,000		4,671,593		6,155	7.150	7.792	MN	45,681	357,500	05/02/1996	11/15/2025
656531-AM-2	NORSK HYDRO A/S DEBS		F		1FE	4,719,250		120.4060	6,020,300	5,000,000		4,735,347		4,194	7.250	7.749	MS	98,681	362,500	12/01/2000	09/23/2027
69829V-AD-7	PANAMERICAN BEVERAGES SR NTS		F		2FE	6,067,880		111.2500	7,787,500	7,000,000		6,483,648		88,793	7.250	9.293	JJ	253,750	507,500	04/07/1999	07/01/2009
705015-AB-1	PEARSON PLC 144A SR NTS		F		2FE	24,131,212		90.7220	22,467,303	24,765,000		24,172,634		29,429	4.625	4.865	JD	50,906	1,145,381	08/11/2003	06/15/2018
706448-AH-0	PETROLEOS MEXICANOS BONDS 144A		F		2FE	17,265,600		121.2100	21,817,800	18,000,000		17,356,520		21,310	9.150	9.735	FMAN	210,450	1,647,000	11/09/1999	11/15/2018
706448-BE-6	PETROLEOS MEXICANOS SR NOTES 144A		F		1FE	11,994,120		133.2000	15,984,000	12,000,000		11,993,567		264	10.610	10.758	FMAN	162,687	1,273,200	07/20/1999	08/15/2017
71645W-AB-7	PETROBRAS INTL FINANCE CO LTD 144A SR NTS		F		2FE	14,962,350		120.0000	18,000,000	15,000,000		14,971,653		2,992	9.750	9.790	JJ	710,938	1,462,500	06/29/2001	07/06/2011
71654Q-AL-6	PETROLEOS MEXICANOS SR NTS		F		2FE	2,310,000		112.3500	2,247,000	2,000,000		2,226,237		(77,364)	8.850	4.364	MS	52,117	177,000	12/01/2003	09/15/2007
71654Q-AP-7	PETROLEOS MEXICANOS GTD MTN		F		2FE	5,800,000		124.0000	6,200,000	5,000,000		5,766,839		(32,380)	9.250	7.412	MS	116,910	462,500	12/22/2003	03/30/2018
716708-AC-6	PETRONAS 144A NOTES		F		1FE	17,805,180		122.3600	22,636,600	18,500,000		17,956,875		30,505	7.750	8.165	FA	541,639	1,433,750	04/30/1999	08/15/2015
718337-AC-2	PHILIPS ELECTRONICS NV DEBS		F		2FE	9,966,100		115.5590	11,555,900	10,000,000		9,970,517		581	7.750	7.779	MN	99,028	775,000	05/16/1995	05/15/2025
751277-AN-4	RALSTON PURINA GROUP DEBS		F		1FE	11,957,724		142.3490	17,081,880	12,000,000		11,967,068		837	9.300	9.333	MN	186,000	1,116,000	07/01/1992	05/01/2021
751277-AQ-7	RALSTON PURINA GROUP DEBS		F		1FE	6,123,720		139.4580	8,367,480	6,000,000		6,106,111		(2,704)	8.625	8.428	FA	195,500	517,500	04/07/1995	02/15/2022
758203-AA-1	REED ELSEVIER INC 144A NTS		F		1FE	8,405,724		109.1090	12,001,990	11,000,000		8,727,953		45,850	6.625	8.910	AO	153,847	728,750	12/01/1994	10/15/2023
75820Q-AC-6	REED ELSEVIER CAPITAL COM GRNT		F		1FE	12,158,140		122.5410	14,704,920	12,000,000		12,150,362		(3,117)	7.500	7.380	MN	115,000	900,000	08/09/2001	05/15/2025
780097-AH-4	ROYAL BANK OF SCOTLAND BNDS		F	1	1FE	12,051,550		120.7500	12,075,000	10,000,000		12,050,227		(1,323)	7.648	6.085	MS	193,324		12/14/2004	09/30/2031
78401S-AA-7	AB SCA FINANS 144A NTS		F		1	14,904,750		95.8100	14,371,500	15,000,000		14,914,209		6,251	4.500	4.569	JJ	311,250	697,500	06/30/2003	07/15/2015
78633#-AA-5	SADIA IFC TRUST CERTIFICATES		F	1	3FE	6,000,000		104.1500	6,249,000	6,000,000		6,000,000			8.520	8.642	JJ	83,780	511,200	12/30/1996	11/02/2008
80932R-AA-3	SCOTLAND INTL FINANCE BV 144A Sub Deb		F		1FE	2,314,980		108.9500	2,179,002	2,000,000		2,201,101		(105,074)	8.850	3.154	MN	29,500	177,000	12/01/2003	11/01/2006
832724-AB-4	SMURFIT CAPITAL GTD NOTES		F		4FE	9,953,900		99.5000	9,950,000	10,000,000		9,959,311		787	7.500	7.539	MN	85,417	750,000	11/15/1995	11/20/2025
833636-AA-1	SOC QUIMICA Y MINERA DE LOAN PARTICIPATION CERT		F		2FE	4,615,268		106.0050	5,088,240	4,800,000		4,747,381		27,739	7.700	8.406	MS	108,827	3693		

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
F4967#-AB-9	IMERYS SA SERIES B SENIOR NOTES	F	1		2	10,000,000		96.7900	10,000,000	10,000,000					5.280	5.280	FA	212,667	526,533	08/07/2003	08/06/2018
F5460#-AC-6	LOUIS DREYFUS CITRUS, S.A. SR NT	F	1		3	3,571,428		107.1500	3,571,428	3,571,428					7.710	7.710	MN	27,536	275,357	03/24/1999	05/25/2009
G2163#-AF-5	COOKSON GROUP PLC SER D SR NTS	F	1		3	13,395,072		107.2100	13,937,300	13,357,089			(35,182)		8.070	7.572	MN	171,936	1,049,100	12/01/2003	05/02/2012
G2260#-AB-6	CREST NICHOLSON SERIES B GUAR SR SEC NT	F	1		2	5,000,000		111.4830	5,574,150	5,000,000					8.130	8.130	JD	25,971	406,500	10/23/1998	12/08/2008
G2978#-AE-3	ELECTRICITY SUPPLY BOARD(ESB) SER E SR NT	F	1		1	25,000,000		105.0000	26,250,000	25,000,000					6.050	6.050	JD	67,222	1,512,500	11/20/2003	12/15/2023
G3782#-AN-7	GLENCORE FINANCE (BERMUDA) LTD SER M SR NT	F	1		2	10,000,000		115.4800	11,548,000	10,000,000					9.070	9.070	FA	304,853	907,000	07/29/1999	08/31/2019
G4551#-AD-6	HOLCIM CAPITAL CORP SER D SR NTS	F	1		2	15,000,000		119.9610	17,994,135	15,000,000					7.650	7.650	FA	392,063	1,147,500	07/26/2001	08/28/2031
G6684#-AB-5	OMV (UK) LIMITED SERIES B NOTES	F	1		2	15,000,000		95.7070	14,356,050	15,000,000					4.880	4.880	JD	8,133	732,000	06/27/2003	06/27/2015
G7214#-AD-8	PILKINGTON FINANCE LIMITED SER D SR GTD NTS	F	1		2	22,000,000		111.9400	24,626,800	22,000,000					7.250	7.250	AO	314,569	1,595,000	02/08/1999	04/20/2014
G7330#-AF-2	RMC GROUP PLC SER C SR NTS	F	1		2	15,000,000		124.0910	18,613,650	15,000,000					8.720	8.720	MN	112,633	1,308,000	10/27/2000	11/30/2020
G7997#-AA-9	SANCTUARY HSG ASSOC SEC NTS	F	1		1	20,000,000		118.0110	23,602,220	20,000,000					8.650	8.650	MN	221,056	1,730,000	09/30/1994	11/15/2011
G7997#-AB-7	SANCTUARY HSG ASSOC SR NTS	F	1		1	15,000,000		112.8110	16,921,665	15,000,000					7.150	7.150	JD	29,792	1,072,500	12/21/1995	12/21/2012
M5314#-AA-0	HURRIYET GAZATECILIK MATBAACIL SR NT	F	1		4	3,333,333		103.5680	3,452,250	3,333,333					12.000	12.000	MN	62,222	400,000	02/02/2000	05/05/2006
N2012#-AB-9	CIMPOR - CIMENTOS DE PORTUGAL SER B SEN NTS	F	1		2	5,000,000		95.7570	4,787,835	5,000,000					4.900	4.900	JD	7,486	245,000	06/27/2003	06/27/2015
N4345#-AD-9	IBERDROLA INTERNATIONAL B.V. SER D SR NT	F	1		1	5,000,000		106.0000	5,300,000	5,000,000					5.920	5.920	FA	108,533		06/23/2004	08/19/2019
N7660#-AJ-6	SHV NEDERLAND BV SERIES E SENIOR NOTE	F	1		2	5,000,000		109.4600	5,473,005	5,000,000					6.540	6.540	JD	2,725	163,500	06/04/2004	06/28/2019
P4958#-AA-5	GRUPO PETROTEMEX,S.A.de C.V. SR GTD NTS	F	1		2	10,000,000		109.9000	10,990,000	10,000,000					8.310	8.310	AO	140,808	831,000	10/01/2002	10/30/2012
Q2516#-AC-5	DEVEREAUX HLDG SER C SR NT	F	1		3	11,000,000		105.2350	11,575,850	11,000,000					7.920	7.920	MS	220,220	871,200	05/01/1997	03/31/2017
Q2759#-AE-7	CONSOLIDATED PRESS FINANCE SER E SR NTS	F	1		2	10,000,000		120.0400	12,004,000	10,000,000					8.620	8.620	MN	110,144	862,000	10/04/2000	11/15/2012
Q3261#-AD-8	DOWNER EDI LTD SER D SR NT	F	1		2Z	10,000,000		124.2400	12,424,000	10,000,000					8.840	8.840	AO	174,344	884,000	08/20/1999	10/20/2014
Q3970#-AC-2	FUTURIS CORPORATION LIMITED SER C SR NT	F	1		2	5,000,000		117.6700	5,883,500	5,000,000					8.480	8.480	MN	54,178	424,000	08/24/1999	11/15/2014
Q7397#-AE-4	PRATT FINANCE SER E SR NT	F	1		2	12,000,000		118.4000	14,208,000	12,000,000					8.120	8.120	MN	102,853	974,400	05/23/1997	05/23/2016
Q8277#-AD-3	SANTOS FINANCE LTD SER D SR NTS	F	1		2	15,000,000		123.8440	18,576,525	15,000,000					8.440	8.440	FA	471,233	1,266,000	07/10/2000	08/17/2015
Q9614#-AD-9	ILUKA RESOURCES LTD SER D SR NT	F	1		2	10,000,000		116.0140	11,601,410	10,000,000					7.630	7.630	JD	33,911	763,000	01/15/1997	12/15/2011
3999999. Industrial and Miscellaneous - Issuer Obligations						4,452,626,061	XXX	5,096,268,202	4,614,318,709	4,376,844,322	(9,348,601)	9,048,389	5,892,149	25,365,285	XXX	XXX	XXX	91,629,333	322,833,105	XXX	XXX
Single Class Mortgage (SC)																					
247367-AB-1	DELTA AIR LINES PASSTHROUGHS				5FE	3,100,000		60.0000	6,000,000	10,000,000			(34,540)	7,399,060	9.200	21.599	MS		920,000	06/07/1996	09/23/2014
31331F-AL-5	FEDERAL EXPRESS ETC A-2				2FE	10,000,000		125.9810	12,598,100	10,000,000					8.060	8.062	JJ	394,044	806,000	08/16/1995	01/05/2016
871928-AU-1	APACHE (TIERS) COLLATERAL TRUST SER 97-8				2FE	5,734,239		75.0000	4,469,353	5,959,137			11,231		7.220	7.798	FA	162,539	430,250	12/01/2000	08/15/2017
97180*-MN-5	WILM (AMER AIR) SER A SEC NT #P1	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
97180*-MP-0	WILM (AMER AIR) SER A SEC NT #P2	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
97180*-MQ-8	WILM (AMER AIR) SER A SEC NT #P3	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
97180*-MR-6	WILM (AMER AIR) SER A SEC NT #P4	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
97180*-MS-4	WILM (AMER AIR) SER A SEC NT #P5	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
97180*-MT-2	WILM (AMER AIR) SER A SEC NT #P6	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
97180*-MU-9	WILM (AMER AIR) SER A SEC NT #P7	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
97180*-MV-7	WILM (AMER AIR) SER A SEC NT #P8	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
97180*-MW-5	WILM (AMER AIR) SER A SEC NT #P9	1			4	221,336		83.0000	189,391	228,182			(3)		3.061	4.022	MS	1,804	6,985	03/27/1991	09/28/2008
97180*-MX-3	WILM (AMER AIR) SER A SEC NT#P10	1			4	221,529		83.0000	189,555	228,380			(3)		3.062	4.023	MS	1,807	6,993	03/27/1991	09/28/2008
974272-AB-2	WINN-DIXIE PTC SER 99-1 A-2	1			4FE	8,786,250		80.0000	7,200,000	9,000,000			5,227		8.181	8.570	MON	61,358	736,290	01/05/2000	09/01/2024
4099999. Industrial and Miscellaneous - Single Class Mortgage-Backed/Asset-Backed Securities						29,835,586	XXX	32,162,839	37,242,739	29,902,314		(18,112)	7,399,060		XXX	XXX	XXX	636,008	2,962,462	XXX	XXX
Defined Multi-Class Residential (DR)																					
026711-CO-2	AMERICAN HOUSING TRUST 10-G		2		1FE	10,163,811		104.9380	11,275,216	10,744,697			5,822		8.600	9.365	MON	77,004	924,044	09/05/1991	08/25/2021
15131G-ME-1	CENDANT CORPORATION 2002-1 1A-3		2		1FE	14,498,708		100.7240	16,300,496	16,183,393			1,015,798		6.250	9.596	MON	84,289	987,840	09/01/2004	03/25/2032
161505-DN-9	CCMSC 1999-2 C		2		1FE	4,175,908		113.4250	4,736,680	4,170,832			(1,151)		7.519	7.595	MON	26,166	313,997	11/17/1999	11/15/2009
161551-AW-6	CHASE FUNDING MORTGAGE LOAN 1999-2 1B		2		2FE	492,586		1													

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	For- eign	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	How Paid	Admitted Amount Due and Accrued	Gross Amount Received During Year	Acquired	Maturity
5399999. Total - Parent, Subsidiaries and Affiliates Bonds							XXX								XXX	XXX	XXX			XXX	XXX
5499999. Total - Issuer Obligations						6,087,631,799	XXX	7,152,316,982	7,498,717,628	6,173,824,177	(10,158,558)	47,231,090	5,892,149	25,365,285	XXX	XXX	XXX	111,377,841	404,469,812	XXX	XXX
5599999. Total - Single Class Mortgage-Backed/Asset-Backed Securities						49,114,033	XXX	51,823,884	56,393,865	49,183,792		(18,327)	7,399,060		XXX	XXX	XXX	733,917	4,137,359	XXX	XXX
5699999. Total - Defined Multi-Class Residential Mortgage-Backed Securities						879,676,739	XXX	985,028,595	963,321,755	896,974,017		10,574,568			XXX	XXX	XXX	5,000,568	54,241,753	XXX	XXX
5799999. Total - Other Multi-Class Residential Mortgage-Backed Securities							XXX								XXX	XXX	XXX			XXX	XXX
5899999. Total - Defined Multi-Class Commercial Mortgage-Backed Securities							XXX								XXX	XXX	XXX			XXX	XXX
5999999. Total - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities							XXX								XXX	XXX	XXX			XXX	XXX
6099999 - Totals						7,016,422,571	XXX	8,189,169,461	8,518,433,248	7,119,981,986	(10,158,558)	57,787,331	13,291,209	25,365,285	XXX	XXX	XXX	117,112,326	462,848,924	XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 1

Showing All PREFERRED STOCKS Owned December 31 of Current Year

1	2	Codes		5	6	7	8	Fair Value		11	Dividends			Change in Book/Adjusted Carrying Value					20	21
		3	4					9	10		12	13	14	15	16	17	18	19		
CUSIP Identi- fication	Description	Code	For- eign	Number of Shares	Par Value Per Share	Rate Per Share	Book/ Adjusted Carrying Value	Rate Per Share Used to Obtain Fair Value	Fair Value	Actual Cost	Declared but Unpaid	Amount Received During Year	Nonadmitted Declared But Unpaid	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tizaton) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (15 + 16 - 17)	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	NAIC Desig- nation	Date Acquired
Public Utilities (unaffiliated)																				
207597-3*-4	CONNECTICUT LIGHT AND POWER \$2.09 SER F			4,000,000	50.00		183,600	35.250	141,000	183,600		6,270							P2U	11/09/1960
338135-2*-6	FITCHBURG GAS AND ELEC LT 5.125% PFD			2,569,000	100.00		100,191	79.875	205,199	256,900		13,166							P2U	06/01/1966
64572*-13-8	NEW JERSEY AMER WTR 4.70% PFD			1,950,030	100.00		195,003	97.750	190,615	195,003		9,165							RP2U	01/04/1966
837004-3*-9	SO CAROLINA ELEC AND GAS 5.125% PFD			3,342,000	50.00		167,100	41.500	138,693	167,100		17,294							P1U	03/28/1961
880428-20-6	TENN-AMERICAN WATER CO 5.00% PFD			1,135,000	100.00		116,000	76.000	86,260	116,000		5,675							RP2U	07/29/1965
6199999. Total - Preferred Stock - Public Utilities							761,894	XXX	761,767	918,603		51,570							XXX	XXX
Banks, Trust & Insurance Companies																				
458210-11-8	INSURANCE HOLDINGS OF AMER SER A CONV			75,000,000	100.00	0.000		0.000											P6U2*	09/30/1998
51841#-AA-0	LATTIMER TR NO 1			276,640,480	369.10		25,000,000	112.494	31,120,256	25,000,000									RP1UFE	06/21/2002
6299999. Total - Preferred Stock - Banks, Trust and Insurance Companies							25,000,000	XXX	31,120,256	25,000,000									XXX	XXX
Industrial & Miscellaneous																				
651195-30-7	NEWELL FINANCIAL TRUST I 5.25% CONV PFD			150,000,000	50.00		7,500,000	46.875	7,031,250	7,500,000		393,750							RP2LFE	12/08/1997
74383#-AB-4	PROVIDENT ASSET TRUST			65,627,042,000	1.00		65,627,042	0.863	56,649,263	65,627,042		4,765,011							RP1UFE	12/29/2004
91136H-30-6	UNITED RENTALS TRUST I 6.50% CONV PFD			70,000,000	50.00	36.339	2,543,750	43.125	3,018,750	2,681,250		227,500		(25,000)			(25,000)		RP4UFE	09/28/1998
6399999. Total - Preferred Stock - Industrial and Miscellaneous							75,670,792	XXX	66,699,263	75,808,292		5,386,261		(25,000)			(25,000)		XXX	XXX
6599999 - Total Preferred Stocks							101,432,686	XXX	98,581,286	101,726,895		5,437,831		(25,000)			(25,000)		XXX	XXX

SCHEDULE D - PART 2 - SECTION 2

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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
BONDS								
US Governments								
Special Revenue & Assessment								
76116F-AQ-2	RFCO STRIPS 0.000% 01/15/21		01/28/2004	UBS WARBURG		79,680,000	200,000,000	
0399999. Bonds - U.S. Governments						79,680,000	200,000,000	
313399-LK-1	FHLMC 2343 MZ 6.500% 08/15/31		12/01/2004	Interest Capitalization		1,691,255	1,691,255	
31339W-Y4-2	FHLMC 2439 KZ 6.500% 04/15/32		12/01/2004	Interest Capitalization		1,001,231	1,001,231	
3133TN-AF-1	FHLMC 2212 Z 7.000% 01/15/30		03/01/2004	Interest Capitalization		271,966	271,966	
3133TV-UR-5	FHLMC 2434 Z 6.500% 04/15/32		12/01/2004	Interest Capitalization		1,343,033	1,343,033	
31359G-KC-9	FNMA 1994-10 KZ 6.500% 01/25/24		12/01/2004	Interest Capitalization		1,538,581	1,538,581	
31359L-ZM-6	FNMA 1996-7 Z 6.500% 04/25/26		12/01/2004	Interest Capitalization		1,429,571	1,429,571	
31359X-C9-8	FNMA 2000-7 MZ 7.000% 02/17/40		12/01/2004	Interest Capitalization		1,593,962	1,593,962	
31359X-RK-7	FNMA 2000-1 Z 7.000% 02/01/30		12/01/2004	Interest Capitalization		1,104,004	1,104,004	
313921-AG-3	FNMA 2001-49 Z 6.500% 09/25/31		08/01/2004	Interest Capitalization		856,064	856,064	
31392B-J5-6	FNMA 2002-9 ZA 6.500% 03/25/32		12/01/2004	Interest Capitalization		2,262,702	2,262,702	
31392C-F6-6	FNMA 2002-29 Z 6.500% 05/25/32		12/01/2004	Interest Capitalization		1,119,193	1,119,193	
31392C-JG-0	FNMA 2002-18 ZA 6.500% 04/25/32		12/14/2004	Provident Life and Casualty		9,963,925	9,489,452	22,274
31392C-VK-7	FNMA 2002-16 ZD 6.500% 04/25/32		12/01/2004	Interest Capitalization		2,294,484	2,294,484	
31392D-LF-7	FNMA 2002-36 ZG 6.500% 06/25/32		12/01/2004	Interest Capitalization		1,855,273	1,855,273	
31392K-HU-3	FHLMC 2445 Z 6.500% 05/15/32		12/01/2004	Interest Capitalization		1,159,546	1,159,546	
31392M-AD-4	FHLMC 2448 Z 6.500% 05/15/32		12/01/2004	Interest Capitalization		1,113,164	1,113,164	
31392R-MA-6	FHLMC 2470 CLASS Z 6.000% 07/15/32		12/01/2004	Interest Capitalization		1,138,399	1,138,399	
31393G-V3-5	FHLMC 2533 Z 5.500% 12/15/32		12/01/2004	Interest Capitalization		1,042,820	1,042,820	
31394L-VL-3	FHLMC SERIES 2707 CLASS Z 5.000% 10/15/30		12/01/2004	Various		5,885,645	6,333,250	7,818
31394P-PA-5	FHLMC SERIES 2755 CLASS ZM 5.000% 02/15/34		12/01/2004	Various		21,103,314	26,061,417	28,480
31394W-J2-5	FHLMC 2776 AC 5.000% 09/15/31		05/06/2004	DEUTSCHE BANK		27,788,338	30,395,721	42,216
31394X-QR-0	FHLMC SERIES 2780 CLASS MD 5.000% 09/15/31		07/28/2004	UBS WARBURG		19,245,722	20,729,152	2,879
31394Y-CR-3	FHLMC SERIES 2801 CLASS CZ 5.500% 05/15/34		12/01/2004	Various		9,971,751	12,288,869	49,095
31395E-NK-9	FHLMC SERIES 2840 CLASS BC 5.000% 04/15/22		07/28/2004	UBS WARBURG		13,875,000	15,000,000	60,417
38373W-C6-3	GNMA 2002-29 Z 6.500% 05/16/32		12/01/2004	Interest Capitalization		3,339,491	3,339,491	
38374G-KP-6	GNMA SERIES 2004-29 CLASS ZL 5.000% 04/16/34		12/01/2004	Various		25,064,682	31,040,552	109,785
3837HO-UA-9	GNMA 96-17 Z CMO 7.000% 08/16/26		04/01/2004	Interest Capitalization		494,749	494,749	
92260M-AH-6	VA VENDEE 1996-1 Z 6.750% 02/15/26		12/01/2004	Interest Capitalization		1,663,500	1,663,500	
3199999. Bonds - Special Revenues						161,211,365	179,651,401	322,964
Public Utilities (unaffiliated)								
001192-AD-5	AGL CAPITAL CORPORATION BNDS 6.000% 10/01/34		09/22/2004	J P MORGAN CHASE		9,981,900	10,000,000	
010392-EK-0	ALABAMA POWER CO BNDS 5.125% 02/15/19		02/10/2004	BARCLAYS		4,976,750	5,000,000	
049560-AA-3	ATMOS ENERGY CORP DEB 6.750% 07/15/28		11/15/2004	Centre Reinsurance		4,376,120	4,000,000	90,000
202795-GX-2	COMMONWEALTH EDISON CO SNR NTS 6.950% 07/15/18		06/03/2004	BARCLAYS		4,685,463	4,263,000	117,688
454614-AK-4	IND BELL TEL CO DEBS 7.300% 08/15/26		04/20/2004	CREDIT SUISSE/FIRST BOSTON		7,915,193	7,150,000	98,591
461070-AD-6	INTERSTATE P&L CO BNDS 6.300% 05/01/34		05/03/2004	Various		9,965,400	10,000,000	
482620-AW-1	KN ENERGY DEBENTURES 7.250% 03/01/28		12/14/2004	Provident Life and Casualty		5,674,350	5,000,000	103,715
505588-BD-4	LACLEDE GAS 1ST MORT 5.500% 05/01/19		04/21/2004	MERRILL LYNCH		4,979,250	5,000,000	
694308-GE-1	PACIFIC GAS AND ELEC 1ST MORT 6.050% 03/01/34		03/18/2004	Various		24,878,000	25,000,000	
842400-ES-8	SO CALIF EDISON 1ST MORT 6.000% 01/15/34		01/08/2004	UBS WARBURG		9,955,850	10,000,000	
882444-AA-0	TEXAS GENCO LLC/FINANCNG 144A SNR NTS 6.875% 12/15/14		12/08/2004	Various		3,000,000	3,000,000	
913110-AC-9	UNITED UTILITIES PLC NTS 6.875% 08/15/28	F	12/14/2004	Provident Life and Casualty		17,592,234	15,655,000	355,771
3899999. Bonds - Public Utilities						107,980,510	104,068,000	765,765
Industrial & Miscellaneous								
01958X-BF-3	ALLIED WASTE NORTH AMER SR NT 6.125% 02/15/14		01/21/2004	Various		4,000,000	4,000,000	
02406P-AE-0	AMERICAN AXLE & MFG SNR NTS 5.250% 02/11/14		07/27/2004	J P MORGAN CHASE		4,829,450	5,000,000	123,229
053611-AB-5	AVERY DENNISON DEB 6.000% 01/15/33		05/12/2004	CREDIT SUISSE/FIRST BOSTON		4,808,050	5,000,000	101,667
079860-AK-8	BELLSOUTH CORP BNDS 6.000% 11/15/34		11/09/2004	J P MORGAN CHASE		4,905,250	5,000,000	
080555-AE-5	BELO (A.H.) CORP SR NOTES 7.750% 06/01/27		12/14/2004	Provident Life and Casualty		6,029,260	5,000,000	13,993
10510B-AC-4	BRAMBLES USA, INC. SERIES C SR NT 5.940% 08/04/16		06/18/2004	ROYAL BANK OF SCOTLAND		5,000,000	5,000,000	
117043-AG-4	BRUNSWICK CORP SR NTS 7.125% 08/01/27		12/14/2004	Provident Life and Casualty		8,081,962	7,000,000	184,260
118230-AC-5	BUCKEYE PARTNERS NTS 6.750% 08/15/33		12/14/2004	Provident Life and Casualty		5,228,200	5,000,000	111,563
125581-AK-4	CIT GROUP INC SNR NT 5.125% 09/30/14		09/13/2004	Various		9,970,400	10,000,000	
126304-AQ-7	CSC HOLDINGS INC 144A SNR NTS 6.750% 04/15/12		03/30/2004	SALOMON SMITH BARNEY		1,000,000	1,000,000	
126410-LK-3	CSX TRANSPORTATION, INC. DEB 9.750% 06/15/20		08/27/2004	Exchange		1,218,484	1,050,000	
12686C-AV-1	CABLEVISION SYSTEMS CORP 144A SNR NTS 8.000% 04/15/12		03/30/2004	Various		3,000,000	3,000,000	
15131G-ME-1	CENDANT CORPORATION 2002-1 1A-3 6.250% 03/25/32		09/01/2004	Interest Capitalization		841,336	841,336	
162456-AM-9	CHATTEM INC. SR SUB NTS 7.000% 03/01/14		06/17/2004	Various		4,915,000	5,000,000	45,111
165167-BE-6	CHESAPEAKE ENERGY CORP SNR NTS 6.875% 01/15/16		07/28/2004	UBS WARBURG		1,980,000	2,000,000	6,493

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
165167-BJ-5	CHESAPEAKE ENERGY CORP SR NTS 7.000% 08/15/14		07/28/2004	UBS WARBURG		5,000,000	5,000,000	
170032-AP-1	CHIQUITA BRANDS 144A SNR NTS 7.500% 11/01/14		12/02/2004	Various		3,530,000	3,500,000	28,750
235811-AJ-5	DANA CORP NOTES 7.000% 03/15/28		07/28/2004	J P MORGAN CHASE		990,000	1,000,000	26,639
235811-AL-0	DANA CORP NTS 7.000% 03/01/29		08/10/2004	LEHMAN BROTHERS		2,990,000	3,000,000	93,917
25212E-AC-4	DEX MEDIA INC NTS 8.000% 11/15/13		08/04/2004	Various		7,062,500	7,000,000	123,333
256605-AN-6	DOLE CO GTD NTS 7.250% 06/15/10		08/17/2004	GOLDMAN SACHS		3,015,000	3,000,000	39,271
277432-AD-2	EASTMAN CHEMICAL COMPANY DEBS 7.600% 02/01/27		12/14/2004	Provident Life and Casualty		8,264,998	7,000,000	196,544
278766-AX-6	ECHOSTAR DBS NTS 6.625% 10/01/14		12/08/2004	Various		8,020,100	8,000,000	37,174
293562-AD-6	EOG RESOURCES SR NTS 6.650% 04/01/28		12/14/2004	Various		17,552,060	16,000,000	234,597
31331F-AE-1	FEDERAL EXPRESS PASS THROUGH ETC 7.150% 09/28/12		12/14/2004	Provident Life and Casualty		2,355,000	2,152,651	32,493
350472-AA-4	FOUNDATONA PA COAL CO NTS 7.250% 08/01/14		07/27/2004	SALOMON SMITH BARNEY		5,530,000	5,500,000	
35687M-AF-4	FREESCALE SEMICONDUCTOR SR NTS 7.125% 07/15/14		07/27/2004	Various		11,052,500	11,000,000	9,500
377372-AB-3	GLAXOSMITHKLINE CAP INC NTS 5.375% 04/15/34		07/27/2004	UBS WARBURG		9,137,100	10,000,000	170,208
499040-AL-7	KNIGHT-RIDDER, INC. SENIOR NOTE 6.875% 03/15/29		05/24/2004	SPEAR, LEEDS & KELLOG		3,774,890	3,500,000	48,125
581557-AM-7	MCKESSON HBOC, INC DEBS 7.650% 03/01/27		12/14/2004	Provident Life and Casualty		3,670,500	3,000,000	65,663
59156R-AJ-7	METLIFE INC SNR NTS 6.375% 06/15/34		07/20/2004	WACHOVIA		5,098,500	5,000,000	44,271
60755F-AC-1	MODERN CONTINENTAL CONST SR SEC NT 8.750% 12/31/06		02/12/2004	Exchange		3,783,326	3,895,002	
655855-FA-7	NORFOLK SOUTHERN CORP DEB 9.750% 06/15/20		08/27/2004	Exchange		1,682,669	1,450,000	
718507-BQ-8	PHILLIPS PETROLEUM CO NOTES 8.750% 05/25/10		12/14/2004	Provident Life and Casualty		6,122,990	5,000,000	23,090
72650R-AE-2	PLAINS ALL AMER PIPELINE BND\$ 144 A 5.875% 08/15/16		08/05/2004	BANK OF AMERICA		6,954,150	7,000,000	
744331-AF-6	PRUDENTIAL FUNDING 144A NOTES 6.750% 09/15/23		12/14/2004	Provident Life and Casualty		5,737,570	5,000,000	83,438
755111-AF-8	RAYTHEON COMPANY SR NTS 7.200% 08/15/27		12/14/2004	Provident Life and Casualty		5,875,980	5,000,000	119,000
761042-CF-5	RMT 2000-A A4 Z 6.500% 04/19/29		03/01/2004	Interest Capitalization		340,720	340,720	
76110G-WA-5	RESIDENTIAL ACCREDIT LOANS INC 2002-QS2 A3 6.750% 02/25/32		12/01/2004	Interest Capitalization		1,967,979	1,967,979	
78387G-AL-7	SBC COMMUNICATIONS NTS 5.625% 06/15/16		08/11/2004	Various		9,990,600	10,000,000	
78387G-AQ-6	SBC COMMUNICATIONS NTS 6.150% 09/15/34		10/27/2004	Various		3,991,120	4,000,000	
806605-AG-6	SCHERING-PLOUGH CORP BND\$ 6.750% 12/01/33		12/14/2004	Provident Life and Casualty		11,233,160	10,000,000	24,375
817609-AB-6	SERVICEMASTER LP SR NT 7.450% 08/15/27		12/14/2004	Provident Life and Casualty		5,975,400	5,000,000	123,132
832248-AM-0	SMITHFIELD FOODS INC SR NT 7.000% 08/01/11		07/28/2004	J P MORGAN CHASE		5,000,000	5,000,000	
857449-AB-8	STATE STREET BANK & TRST NTS 5.250% 10/15/18		07/14/2004	GOLDMAN SACHS		9,742,900	10,000,000	137,083
87305N-AW-8	TTX PASS-THROUGH TRUSTS 2004-A SERIES 2004-A2 5.503% 01/02/22		07/08/2004	MORGAN STANLEY		4,877,000	4,877,000	
880349-AF-2	TENNECO AUTOMOTIVE INC 144 A SR SUB NTS 8.625% 11/15/14		11/12/2004	Various		3,597,500	3,500,000	
887315-BH-1	TIME WARNER COMPANY DEBS 7.570% 02/01/24		12/14/2004	Provident Life and Casualty		5,866,500	5,000,000	139,835
88826F-AH-6	TITAN AMERICA LLC SR NTS GTD SERIES B 6.100% 10/10/19		08/05/2004	BANK OF AMERICA		10,000,000	10,000,000	
902118-BK-3	TYCO INTERNATIONAL GROUP CO GUAR 6.000% 11/15/13		07/28/2004	UBS WARBURG		10,295,100	10,000,000	128,333
907834-AG-0	UNION PACIFIC RESOURCES GROUP DEBS 7.150% 05/15/28		12/14/2004	Provident Life and Casualty		4,056,101	3,500,000	20,159
911365-AN-4	UNITED RENTALS INC SR NTS 6.500% 02/15/12		05/04/2004	Various		3,960,000	4,000,000	14,444
911365-AQ-7	UNITED RENTALS INC SR SUB 7.000% 02/15/14		08/09/2004	Various		6,925,000	7,000,000	37,722
98412J-BA-1	XEROX CORP DEBS 7.200% 04/01/16		08/04/2004	CREDIT SUISSE/FIRST BOSTON		1,940,000	2,000,000	51,200
013716-AU-9	ALCAN ALUMINUM LTD BND\$ 6.125% 12/15/33	C.	12/14/2004	Provident Life and Casualty		15,899,100	15,000,000	456,823
136375-BD-3	CANADIAN NATIONAL RAILWAY CO NTS 6.900% 07/15/28	C.	05/26/2004	Various		19,643,759	18,298,000	469,321
472150-AA-2	JEAN COUTU GROUP PJC INC 144A SR SUB NTS 8.500% 08/01/14	C.	07/26/2004	Various		1,997,500	2,000,000	
472150-AD-6	JEAN COUTU GROUP PJC INC 144A SNR NTS 7.625% 08/01/12	C.	07/20/2004	MERRILL LYNCH		1,500,000	1,500,000	
77509N-AN-3	ROGERS CABLESYSTEMS 144A SECURED 6.750% 03/15/15	C.	11/19/2004	SALOMON SMITH BARNEY		1,000,000	1,000,000	
33938E-AJ-6	FLEXTRONICS INTL SR SUB NTS 6.500% 05/15/13	F.	06/14/2004	MORGAN STANLEY		2,868,750	3,000,000	17,333
524671-AA-2	LEGRAND S.A. NTS 8.500% 02/15/25	F.	07/14/2004	LEHMAN BROTHERS		4,210,000	4,000,000	141,903
780097-AH-4	ROYAL BANK OF SCOTLAND BND\$ 7.648% 09/30/31	F.	12/14/2004	Provident Life and Casualty		12,051,550	10,000,000	157,209
87251F-AA-7	TGN IFC TRUST I CERT 9.450% 07/23/08	F.	01/01/2004	Exchange		444,592	599,091	
873152-AC-6	TXU AUSTRALIA SR NTS Series A1 7.250% 12/01/16	F.	12/14/2004	Provident Life and Casualty		5,889,250	5,000,000	13,090
87656X-AA-9	TATE & LYLE INTL FIN PLC 144A NTS 5.000% 11/15/14	F.	11/30/2004	J P MORGAN CHASE		9,787,700	10,000,000	13,889
N4345F-AD-9	IBERDROLA INTERNATIONAL B.V. SER D SR NT 5.920% 08/19/19	F.	06/23/2004	ROYAL BANK OF SCOTLAND		5,000,000	5,000,000	
N7660F-AJ-6	SHV NEDERLAND BV SERIES E SENIOR NOTE 6.540% 06/28/19	F.	06/04/2004	ABN-AMRO		5,000,000	5,000,000	
45999999. Bonds - Industrial and Miscellaneous						378,058,506	361,471,779	3,908,180
6099997. Total - Bonds - Part 3						726,930,381	845,191,180	4,996,909
6099998. Total - Bonds - Part 5						91,522,796	89,938,000	713,308
6099999. Total - Bonds						818,453,177	935,129,180	5,710,217
PREFERRED STOCK								
Industrial & Miscellaneous								
74383F-AB-4	PROVIDENT ASSET TRUST		12/29/2004	DIRECT	1,368,588,000	1,368,588	XXX	
6399999. Preferred Stocks - Industrial and Miscellaneous						1,368,588	XXX	
6599997. Total - Preferred Stocks - Part 3						1,368,588	XXX	
6599998. Total - Preferred Stocks - Part 5						329	XXX	
6599999. Total - Preferred Stocks						1,368,917	XXX	

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SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
COMMON STOCK								
7299997. Total - Common Stocks - Part 3							XXX	
7299998. Total - Common Stocks - Part 5						886,893	XXX	
7299999. Total - Common Stocks						886,893	XXX	
7399999. Total - Preferred and Common Stocks						2,255,810	XXX	
7499999 - Totals						820,708,987	XXX	5,710,217

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SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
BONDS																				
US Governments																				
All other Governments																				
3128X0-YK-9	FREDDIE MAC 30-NC 1 0.000% 02/04/33		.08/04/2004	Call 14.0734		28,146,866	200,000,000	25,386,800	27,024,000		1,122,866		1,122,866		28,146,866					.02/04/2033
362157-W6-2	GNMA #156469 9.500% 11/15/16		.12/01/2004	Paydown		36,329	36,329	35,987	36,031		298		298		36,329				2,187	.11/15/2016
362198-FR-9	GNMA #270276 9.500% 06/15/19		.12/01/2004	Paydown		760	760	753	760		7		7		760			.41	.06/15/2019	
362207-DH-2	GNMA #299004 9.500% 01/15/21		.01/01/2004	Paydown		36,213	36,213	35,855	35,859		354		354		36,213				287	.01/15/2021
64908P-AA-1	NEW VALLEY GENERATION 3 (TVA) 5.131% 01/15/21		.01/15/2004	Redemption 100.0000		116,149	116,149	116,149	116,149						116,149				2,980	.01/15/2021
0399999. Bonds - U.S. Governments						28,336,317	200,189,451	25,575,544	27,212,792		1,123,525		1,123,525		28,336,317				5,495	XXX
135087-KN-3	CANADA, GOV'T OF BDS 10.250% 02/01/04	C.	.02/01/2004	Maturity		145,760	145,760	145,031	145,753		7		7		145,760	14,049	(14,049)		7,470	.02/01/2004
135087-KU-7	CANADA, GOV'T OF BDS 10.500% 10/01/04	C.	.05/01/2004	RBC INSURANCE		150,774	145,760	145,760	145,760						145,760	(25,796)	30,810	5,014	8,910	.10/01/2004
135087-VD-3	CANADA, GOV'T OF NTS 6.500% 06/01/04	C.	.05/01/2004	RBC INSURANCE		2,979,839	2,969,860	2,738,123	2,956,289		10,803		10,803		2,967,092	60,565	(47,818)	12,747	80,390	.06/01/2004
135087-VL-5	CANADA, GOV'T OF TREASURY NOTES 8.750% 12/01/05	C.	.05/01/2004	RBC INSURANCE		239,662	218,640	233,486	222,572		(639)		(639)		221,933	(1,476)	19,205	17,729	7,967	.12/01/2005
135087-VU-5	CANADA, GOV'T OF TREASURY NTS 7.000% 12/01/06	C.	.09/29/2004	Unum Life Ins Co of America		6,955,354	6,449,100	6,117,927	6,328,674		28,239		28,239		6,356,914	269,310	329,131	598,441	374,136	.12/01/2006
135087-WB-6	CANADA, GOV'T OF TREASURY NOTE 7.250% 06/01/07	C.	.05/01/2004	RBC INSURANCE		150,696	134,828	147,502	143,810		(804)		(804)		143,007	15,307	(7,617)	7,690	4,070	.06/01/2007
135087-WR-1	CANADA, GOV'T OF BDS 5.500% 06/01/09	C.	.09/29/2004	Unum Life Ins Co of America		1,483,608	1,389,276	1,363,991	1,372,128		2,054		2,054		1,374,183	58,314	51,111	109,425	63,326	.06/01/2009
135087-WU-4	CANADA, GOV'T OF BONDS 5.000% 09/01/04	C.	.09/01/2004	Maturity		248,640	248,640	249,038	248,726		(86)		(86)		248,640	42,840	(42,840)		12,432	.09/01/2004
135087-XJ-8	CANADA, GOV'T OF 4.500% 09/01/07	C.	.05/01/2004	RBC INSURANCE		860,834	830,103	857,892	854,619		(2,092)		(2,092)		852,527	10,367	(2,060)	8,307	24,920	.09/01/2007
1099999. Bonds - All Other Governments						13,215,168	12,531,967	11,998,750	12,418,333		37,482		37,482		12,455,815	443,480	315,873	759,353	583,622	XXX
State, Territories and Possessions																				
11069Z-A6-4	BRITISH COLUMBIA STRIP RESIDUAL ZERO DEBS 0.000% 08/23/24	C.	.05/01/2004	RBC INSURANCE		3,501,490	11,460,380	3,279,502	3,358,975		67,225		67,225		3,426,200	70,678	4,612	75,290		.08/23/2024
11069Z-CJ-4	BRITISH COLUMBIA STRIP BDS 0.000% 03/05/12	C.	.05/01/2004	RBC INSURANCE		3,483,169	5,101,600	1,441,763	2,622,860		72,099		72,099		2,694,960	75,801	712,408	788,209		.03/05/2012
11069Z-H9-1	BRITISH COLUMBIA STRIP BORES 0.000% 09/08/23	C.	.05/01/2004	RBC INSURANCE		7,555,013	23,394,480	6,766,853	7,095,164		143,152		143,152		7,238,316	544,559	(227,862)	316,697		.09/08/2023
11069Z-HU-4	BRITISH COLUMBIA STRIP Residual zero 0.000% 01/09/12	C.	.05/01/2004	RBC INSURANCE		10,021,292	14,576,000	3,287,180	7,442,477		210,795		210,795		7,653,272	222,507	2,145,512	2,368,019		.01/09/2012
11069Z-MC-8	BRITISH COLUMBIA STRIP BDS 0.000% 06/09/17	C.	.05/01/2004	RBC INSURANCE		2,836,257	5,830,400	1,136,228	2,012,482		53,804		53,804		2,066,286	42,147	727,824	769,971		.06/09/2017
11069Z-SD-0	BRITISH COLUMBIA STRIP DEBS 0.000% 02/23/12	C.	.05/01/2004	RBC INSURANCE		2,742,708	4,008,400	962,257	1,996,897		57,768		57,768		2,054,665	64,108	623,935	688,043		.02/23/2012
11069Z-SE-8	BRITISH COLUMBIA STRIP DEBS 0.000% 08/23/12	C.	.05/01/2004	RBC INSURANCE		3,867,596	5,830,400	1,409,157	2,834,407		79,898		79,898		2,914,305	84,573	868,718	953,291		.08/23/2012
11069Z-SF-5	BRITISH COLUMBIA STRIP BDS 0.000% 02/23/13	C.	.05/01/2004	RBC INSURANCE		3,524,642	5,466,000	1,428,156	2,597,914		71,405		71,405		2,669,319	75,073	780,250	855,323		.02/23/2013
11069Z-SH-1	BRITISH COLUMBIA STRIP BDS 0.000% 08/23/13	C.	.05/01/2004	RBC INSURANCE		5,041,365	8,016,800	1,745,338	3,611,466		100,800		100,800		3,712,267	102,615	1,226,484	1,329,099		.08/23/2013
11069Z-ZK-6	BRITISH COLUMBIA STRIP BDS 0.000% 08/23/15	C.	.05/01/2004	RBC INSURANCE		5,037,466	9,110,000	1,867,896	3,474,531		97,190		97,190		3,571,721	93,685	1,372,060	1,465,745		.08/23/2015
11069Z-ZL-4	BRITISH COLUMBIA STRIP DEBS 0.000% 02/23/16	C.	.05/01/2004	RBC INSURANCE		4,094,799	7,652,400	1,494,579	2,791,754		78,330		78,330		2,870,084	74,215	1,150,500	1,224,715		.02/23/2016
11069Z-ZM-2	BRITISH COLUMBIA STRIP ZERO CPN DEB 08/23/16	C.	.05/01/2004	RBC INSURANCE		1,876,150	3,644,000	648,085	1,247,513		35,756		35,756		1,283,269	29,807	563,074	592,881		.08/23/2016
11069Z-ZN-0	BRITISH COLUMBIA STRIP ZERO CPN DEB 0.000% 02/23/17	C.	.05/01/2004	RBC INSURANCE		2,897,126	5,830,400	1,007,309	1,937,832		54,784		54,784		1,992,616	45,089	859,421	904,510		.02/23/2017
11069Z-ZO-3	BRITISH COLUMBIA STRIP DEBS 0.000% 02/23/18	C.	.05/01/2004	RBC INSURANCE		2,951,511	6,347,880	954,467	1,854,029		54,563		54,563		1,908,592	54,256	988,663	1,042,919		.02/23/2018
11069Z-ZR-1	BRITISH COLUMBIA STRIP Provincial Strip 0.000% 08/23/18	C.	.05/01/2004	RBC INSURANCE		4,166,429	9,260,996	1,468,081	2,727,291		76,945		76,945		2,804,236	79,227	1,282,967	1,362,194		.08/23/2018
11069Z-ZS-9	BRITISH COLUMBIA STRIP Gen Stp 0.000% 02/23/19	C.	.05/01/2004	RBC INSURANCE		3,485,384	8,016,800	1,109,460	2,146,519		63,129		63,129		2,209,649	59,149	1,216,586	1,275,735		.02/23/2019

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
11069Z-ZV-2	BRITISH COLUMBIA STRIP DEBS 0.000% 08/23/20	C	.05/01/2004	RBC INSURANCE		1,778,501	4,551,854	730,891	1,268,776		32,879		32,879		1,301,655	22,010	454,836	476,846		08/23/2020
110709-BS-0	BRITISH COLUMBIA PROVINCE DEP 9.500% 01/09/12	C	.05/01/2004	RBC INSURANCE		5,165,213	3,935,520	3,901,814	3,914,190		603		603		3,914,794	(440,837)	1,691,256	1,250,419	302,684	01/09/2012
110709-DF-6	BRITISH COLUMBIA PROVINCE DEBS 7.500% 06/09/14	C	.05/01/2004	RBC INSURANCE		2,189,115	1,822,000	1,766,429	1,783,223		814		814		1,784,038	(68,078)	473,155	405,077	53,912	06/09/2014
110709-DG-4	BRITISH COLUMBIA PROVINCE DEP 8.500% 08/23/13	C	.05/01/2004	RBC INSURANCE		4,626,969	3,644,000	3,673,298	3,667,077		(567)		(567)		3,666,510	(139,748)	1,100,207	960,459	212,575	08/23/2013
110709-DK-5	BRITISH COLUMBIA PROVINCE DEBS 8.000% 09/08/23	C	.05/01/2004	RBC INSURANCE		2,362,224	1,822,000	1,605,182	1,628,583		1,202		1,202		1,629,785	3,364	729,075	732,439	94,444	09/08/2023
110709-EK-4	BRITISH COLUMBIA PROVINCE DEBS 5.700% 06/18/29	C	.05/01/2004	RBC INSURANCE		9,603,915	9,474,400	9,722,797	9,721,328		(1,500)		(1,500)		9,719,828	(109,042)	(6,871)	(115,913)	199,741	06/18/2029
110709-EX-6	BRITISH COLUMBIA PROVINCE BONDS 6.350% 06/18/31	C	.05/01/2004	RBC INSURANCE		9,660,215	8,745,600	9,539,700	9,538,884		(4,057)		(4,057)		9,534,827	(396,234)	521,622	125,388	205,402	06/18/2031
110709-FD-9	BRITISH COLUMBIA PROVINCE NOTES 5.750% 01/09/12	C	.05/01/2004	RBC INSURANCE		7,798,524	7,288,000	7,152,079	7,171,058		3,839		3,839		7,174,897	876,660	(253,032)	623,628	339,267	01/09/2012
563469-DK-8	MANITOBA PROVINCE DEBS DEP 8.500% 07/22/13	C	.05/01/2004	RBC INSURANCE		7,845,343	6,194,800	6,178,977	6,184,028		242		242		6,184,270	(370,942)	2,032,014	1,661,072	407,541	07/22/2013
563469-DT-9	MANITOBA PROVINCE Bds 7.750% 06/05/06	C	.05/01/2004	RBC INSURANCE		2,203,358	2,004,200	1,981,698	1,997,048		898		898		1,997,946	(8,245)	213,657	205,412	62,981	06/05/2006
563469-EX-9	MANITOBA PROVINCE DEB 5.200% 12/03/15	C	.05/01/2004	RBC INSURANCE		3,677,197	3,644,000	3,622,865	3,622,956		381		381		3,623,337	(170,633)	224,493	53,860	77,872	12/03/2015
563462-KG-1	MANITOBA PROV GENERIC STRIP DEB 0.000% 03/05/12	C	.05/01/2004	RBC INSURANCE		2,472,054	3,644,000	835,715	1,782,154		52,723		52,723		1,834,877	46,609	590,568	637,177		03/05/2012
56346Z-KQ-9	MANITOBA PROV GENERIC STRIP DEBS 0.000% 03/05/16	C	.05/01/2004	RBC INSURANCE		2,014,094	3,832,355	868,948	1,507,173		38,997		38,997		1,546,170	26,082	441,843	467,925		03/05/2016
626209-FB-1	BRITISH COLUMBIA MUN FIN AUTH DEBS 8.750% 05/12/13	C	.05/01/2004	RBC INSURANCE		6,504,846	5,101,600	5,050,584	5,067,199		787		787		5,067,986	(402,814)	1,839,674	1,436,860	209,131	05/12/2013
626209-GW-4	BRITISH COLUMBIA MUN FIN AUTH DEB 4.900% 12/03/13	C	.05/01/2004	RBC INSURANCE		4,338,211	4,372,800	4,289,848	4,290,971		2,116		2,116		4,293,087	(173,775)	218,899	45,124	88,055	12/03/2013
642866-DE-4	NEW BRUNSWICK PROVINCE DEBS DEP 10.000% 11/23/09	C	.05/01/2004	RBC INSURANCE		2,430,335	1,894,880	1,821,650	1,854,444		1,622		1,622		1,856,066	(315,866)	890,136	574,270	83,064	11/23/2009
642866-DM-6	NEW BRUNSWICK PROVINCE DEBS DEP 10.125% 10/31/11	C	.05/01/2004	RBC INSURANCE		585,103	437,280	435,750	436,322		27		27		436,349	(96,664)	245,417	148,753	22,258	10/31/2011
642866-DU-8	NEW BRUNSWICK PROVINCE DEBS DEP 9.250% 01/18/13	C	.05/01/2004	RBC INSURANCE		1,896,454	1,457,600	1,444,482	1,448,808		212		212		1,449,020	(108,810)	556,244	447,434	105,831	01/18/2013
642866-DY-0	NEW BRUNSWICK PROVINCE DEBS DEP 8.500% 06/28/13	C	.05/01/2004	RBC INSURANCE		1,833,909	1,457,600	1,421,889	1,433,354		558		558		1,433,912	(99,359)	499,356	399,997	42,430	06/28/2013
642866-EF-0	NEW BRUNSWICK PROVINCE DEBS DEP 8.750% 05/12/15	C	.05/01/2004	RBC INSURANCE		2,853,995	2,186,400	2,293,752	2,269,322		(1,495)		(1,495)		2,267,827	3,474	582,695	586,169	89,627	05/12/2015
642866-EM-5	NEW BRUNSWICK PROVINCE DEBS 7.750% 06/19/06	C	.05/01/2004	RBC INSURANCE		6,416,822	5,830,400	5,924,466	5,861,027		(3,809)		(3,809)		5,857,218	(4,172)	563,776	559,604	165,887	06/19/2006
642866-EP-8	NEW BRUNSWICK PROVINCE DEBS 6.750% 06/27/17	C	.05/01/2004	RBC INSURANCE		4,160,100	3,644,000	3,619,913	3,624,590		297		297		3,624,887	21,196	514,017	535,213	84,910	06/27/2017
642866-EY-9	NEW BRUNSWICK PROVINCE DEBS 5.800% 07/12/11	C	.05/01/2004	RBC INSURANCE		3,899,918	3,644,000	3,764,689	3,752,770		(3,961)		(3,961)		3,748,809	445,108	(293,999)	151,109	169,371	07/12/2011
642866-FQ-5	NEW BRUNSWICK PROVINCE NOTES 4.250% 12/02/08	C	.05/01/2004	RBC INSURANCE		1,845,467	1,822,000	1,830,746	1,830,268		(505)		(505)		1,829,762	(25,595)	41,300	15,705	32,034	12/02/2008
651333-DL-7	NEWFOUNDLAND PROVINCE DEP 10.125% 11/22/14	C	.05/01/2004	RBC INSURANCE		1,442,845	1,020,320	913,769	940,490		1,274		1,274		941,764	(156,979)	658,060	501,081	45,568	11/22/2014
651333-DX-1	NEWFOUNDLAND PROVINCE DEB DEP 10.950% 04/15/21	C	.05/01/2004	RBC INSURANCE		1,275,409	801,680	801,680	801,680						801,680	(155,008)	628,737	473,729	47,740	04/15/2021
651333-EB-8	NEWFOUNDLAND PROVINCE DEBS 8.450% 02/05/26	C	.05/01/2004	RBC INSURANCE		5,807,603	4,372,800	5,230,394	5,152,346		(5,131)		(5,131)		5,147,216	35,518	624,869	660,387	271,812	02/05/2026
66980Z-ED-5	NOVA SCOTIA PWR GENERIC RESID Cpn Stp 11.25 4/27/14 0.000% 04/27/14	C	.05/01/2004	RBC INSURANCE		8,634,239	14,576,000	3,131,071	6,135,493		173,859		173,859		6,309,352	156,138	2,168,749	2,324,887		04/27/2014
669827-DN-4	NOVA SCOTIA PROVINCE DEBS DEP 9.600% 01/30/22	C	.05/01/2004	RBC INSURANCE		6,141,847	4,227,040	4,222,777	4,223,322		26		26		4,223,348	(695,857)	2,614,356	1,918,499	305,181	01/30/2022
669827-DR-5	NOVA SCOTIA PROVINCE DEBS 8.250% 12/01/05	C	.05/01/2004	RBC INSURANCE		792,016	728,800	771,129	740,018		(1,829)		(1,829)		738,190	1,224	52,602	53,826	25,039	12/01/2005

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SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
669827-FL-6	NOVA SCOTIA PROVINCE NOTES 5.800% 06/01/33	C.	05/01/2004	RBC INSURANCE		17,470,154	17,345,440	17,561,325	17,561,589		(624)		(624)		17,560,965	(5,114)	(85,696)	(90,810)	418,952	06/01/2033
66983Z-JH-8	NOVA SCOTIA, PROV OF Residual Stp 0.000% 12/01/05	C.	05/01/2004	RBC INSURANCE		1,398,654	1,457,600	684,489	1,260,453		32,261		32,261		1,292,714	3,317	102,623	105,940		12/01/2005
68323Z-FY-0	ONTARIO STRIP Zero Cpn 7/13/22 Deb 0.000% 07/13/15	C.	05/01/2004	RBC INSURANCE		4,117,368	7,451,980	1,203,190	2,637,817		80,331		80,331		2,718,147	58,669	1,340,552	1,399,221		07/13/2015
68323Z-FZ-7	ONTARIO STRIP Zero Cpn 7/13/22 Deb 0.000% 01/13/16	C.	05/01/2004	RBC INSURANCE		3,999,850	7,451,980	1,150,831	2,522,361		76,794		76,794		2,599,155	56,073	1,344,622	1,400,695		01/13/2016
68323Z-GA-1	ONTARIO STRIP Zero Cpn 7/13/22 Deb 0.000% 07/13/16	C.	05/01/2004	RBC INSURANCE		3,848,277	7,451,980	1,100,373	2,411,457		73,413		73,413		2,484,870	53,586	1,309,821	1,363,407		07/13/2016
68323Z-GD-5	0.000% 01/13/18	C.	05/01/2004	RBC INSURANCE		5,167,065	11,095,980	1,494,050	3,187,050		95,791		95,791		3,282,840	64,604	1,819,621	1,884,225		01/13/2018
68323Z-GP-8	ONTARIO STRIP Residual 0.000% 07/13/22 ONTARIO STRIP 544 Stp 9/8/23 0.000%	C.	05/01/2004	RBC INSURANCE		3,799,417	10,932,000	1,041,492	2,181,580		64,161		64,161		2,245,741	63,380	1,490,296	1,553,676		07/13/2022
68323Z-K0-1	03/08/21	C.	05/01/2004	RBC INSURANCE		2,543,795	6,704,960	714,950	1,471,312		43,925		43,925		1,515,237	39,710	988,848	1,028,558		03/08/2021
68323Z-KW-8	ONTARIO STRIP Residual Prin 9/8/23 0.000% 09/08/23	C.	05/01/2004	RBC INSURANCE		14,094,846	43,728,000	4,080,515	8,243,663		236,033		236,033		8,479,696	243,265	5,371,885	5,615,150		09/08/2023
68323Z-LJ-6	ONTARIO STRIP DEBS 0.000% 12/02/19	C.	05/01/2004	RBC INSURANCE		5,538,734	13,482,800	1,804,376	3,483,663		100,055		100,055		3,583,719	96,650	1,858,365	1,955,015		12/02/2019
68325Z-GR-2	ONTARIO STRIP Zero Cpn 2/7/24 Deb 0.000% 02/07/24	C.	05/01/2004	RBC INSURANCE		12,798,420	40,084,000	3,567,112	7,289,448		208,671		208,671		7,498,120	193,079	5,107,222	5,300,301		02/07/2024
741666-CA-7	PRINCE EDWARD ISLAND PROV DEBS 11.000% 03/14/11	C.	05/01/2004	RBC INSURANCE		798,129	583,040	581,582	582,152		28		28		582,179	(110,045)	325,995	215,950	40,502	03/14/2011
74801G-ER-7	QUEBEC HOUSING SERIES L 11.375% 09/06/10	C.	05/01/2004	RBC INSURANCE		4,541,696	3,355,395	3,327,225	3,338,799		562		562		3,339,361	(617,782)	1,820,117	1,202,335	249,397	09/06/2010
74801G-EU-0	QUEBEC HOUSING CO GUARNT 10.800% 05/09/11	C.	05/01/2004	RBC INSURANCE		1,754,308	1,307,467	1,305,349	1,306,256		185		185		1,306,441	(248,071)	695,938	447,867	67,315	05/09/2011
74810Z-BC-0	QUEBEC PROVINCE Cpn Stp 0.000% 07/16/06	C.	05/01/2004	RBC INSURANCE		3,416,214	3,644,000	1,533,031	2,959,061		81,914		81,914		3,040,975	75,383	299,856	375,239		07/16/2006
748148-BG-7	QUEBEC PROVINCE NOTES 6.000% 10/01/12	C.	05/01/2004	RBC INSURANCE		7,853,184	7,288,000	7,235,308	7,242,090		1,329		1,329		7,243,419	886,862	(277,097)	609,765	254,581	10/01/2012
748148-KG-7	QUEBEC PROVINCE DEBS 11.000% 04/01/09	C.	05/01/2004	RBC INSURANCE		953,321	728,800	712,329	720,605		387		387		720,992	(130,257)	362,587	232,330	46,673	04/01/2009
748148-NX-7	QUEBEC PROVINCE DEBS 9.375% 01/16/23	C.	05/01/2004	RBC INSURANCE		10,503,393	7,288,000	8,104,985	7,999,412		(5,258)		(5,258)		7,994,154	(225,463)	2,734,702	2,509,239	540,048	01/16/2023
748148-PA-5	QUEBEC PROVINCE DEBS 9.500% 03/30/23	C.	05/01/2004	RBC INSURANCE		132,731	91,100	103,763	102,149		(80)		(80)		102,068	(1,700)	32,363	30,663	5,086	03/30/2023
748148-PZ-0	QUEBEC PROVINCE DEBS 8.500% 04/01/26	C.	05/01/2004	RBC INSURANCE		1,972,730	1,457,600	1,432,835	1,435,041		114		114		1,435,155	(5,891)	543,466	537,575	72,132	04/01/2026
748148-QP-1	QUEBEC PROVINCE DEBS 5.500% 06/01/09	C.	05/01/2004	RBC INSURANCE		3,875,248	3,644,000	3,756,199	3,740,245		(5,176)		(5,176)		3,735,069	444,104	(303,925)	140,179	83,463	06/01/2009
74815Z-BV-3	QUEBEC, PROVINCE of CPN STP 0.000% 04/01/09	C.	05/01/2004	RBC INSURANCE		6,538,823	8,016,800	2,235,324	4,897,486		155,665		155,665		5,053,152	130,653	1,355,019	1,485,672		04/01/2009
74818E-CJ-3	UNIVERSITY DE QUEBEC DEBS 11.650% 11/25/05	C.	05/01/2004	RBC INSURANCE		1,639,625	1,457,600	1,518,586	1,470,975		(2,147)		(2,147)		1,468,828	(149,025)	319,822	170,797	73,507	11/25/2005
74818E-CM-6	UNIVERSITY DE QUEBEC DEBS 11.250% 09/01/08	C.	05/01/2004	RBC INSURANCE		1,875,304	1,457,600	1,448,490	1,453,486		227		227		1,453,713	(158,220)	579,811	421,591	109,395	09/01/2008
803854-EG-9	SASKATCHEWAN PROVINCE DEP 9.625% 12/30/04	C.	05/01/2004	RBC INSURANCE		764,497	728,800	727,889	728,715		23		23		728,737	(118,868)	154,628	35,760	23,639	12/30/2004
803854-EQ-7	SASKATCHEWAN PROVINCE DEP 10.000% 01/18/10	C.	05/01/2004	RBC INSURANCE		2,032,242	1,577,852	1,382,770	1,468,488		4,280		4,280		1,472,768	(260,817)	820,291	559,474	123,851	01/18/2010
803854-FP-8	SASKATCHEWAN PROVINCE DEBS 8.750% 05/30/25	C.	05/01/2004	RBC INSURANCE		1,010,714	728,800	728,800	728,800						728,800	(222)	282,136	281,914	26,731	05/30/2025
803854-JD-1	SASKATCHEWAN PROVINCE GOVERNMENT NATIONAL 4.900% 12/03/13	C.	05/01/2004	RBC INSURANCE		3,626,144	3,644,000	3,603,297	3,603,799		1,045		1,045		3,604,844	(130,674)	151,974	21,300	73,379	12/03/2013
80386Z-A6-5	SASKATCHEWAN, PROV OF RESIDUAL 0.000% 05/30/25	C.	05/01/2004	RBC INSURANCE		11,679,675	40,084,000	2,845,454	6,019,119		180,220		180,220		6,199,339	169,718	5,310,618	5,480,336		05/30/2025
80386Z-BS-6	SASKATCHEWAN, PROV OF Cpn Strip 0.000% 01/18/10	C.	05/01/2004	RBC INSURANCE		8,507,610	10,932,000	3,501,957	6,708,476		183,026		183,026		6,891,501	201,859	1,414,250	1,616,109		01/18/2010
80386Z-HQ-4	SASKATCHEWAN, PROV OF Cpn Strip 0.000% 04/10/12	C.	05/01/2004	RBC INSURANCE		3,659,394	5,393,120	1,568,481	2,787,965		75,093		75,093		2,863,058	58,316	738,020	796,336		04/10/2012
80386Z-HS-0	SASKATCHEWAN, PROV OF Cpn Stp 0.000% 04/10/13	C.	05/01/2004	RBC INSURANCE		3,908,479	6,121,920	1,430,509	2,750,035		80,241		80,241		2,830,276	79,921	998,282	1,078,203		04/10/2013
80386Z-HT-8	SASKATCHEWAN, PROV OF Strip 0.000% 10/10/13	C.	05/01/2004	RBC INSURANCE		3,379,355	5,466,000	1,330,370	2,440,524		68,037		68,037		2,508,561	71,290	799,504	870,794		10/10/2013
80386Z-HV-3	SASKATCHEWAN, PROV OF Cpn Stp 0.000% 04/10/14	C.	05/01/2004	RBC INSURANCE		21,388,866	35,711,200	8,367,987	15,539,494		423,950		423,950		15,963,444	338,782	5,086,640	5,425,422		04/10/2014

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
83365Z-AB-3	QUEBEC HOUSING SERIES N DEP 8.950% 05/13/13	C	05/01/2004	RBC INSURANCE		6,118,198	4,846,520	4,840,833	4,842,677		249		249		4,842,926	(389,120)	1,664,392	1,275,272	202,027	05/13/2013
1799999. Bonds - States, Territories and Possessions						376,044,705	574,465,199	226,581,348	290,517,257		3,862,870		3,862,870		294,380,127	194,168	81,470,409	81,664,577	6,155,032	XXX
Political Subdivisions of States																				
672212-AA-5	OAKLAND ALAMEDA COUNTY COLISEU REV BDS 4.125% 04/01/04		04/01/2004	Redemption		70,000	70,000	46,150	69,004		996		996		70,000				1,444	04/01/2004
11070*-AB-8	BRITISH COLUMBIA MUNI FIN AUTH BONDS, SERIES ED 8.500% 05/10/04	C	05/01/2004	RBC INSURANCE		5,106,701	5,101,600	4,905,079	5,091,040		9,829		9,829		5,100,868	61,978	(56,145)	5,833	422,795	05/10/2004
192823-AA-0	COLCHESTER SOUTH TOWNSHIP CAN PROV 11.800% 07/05/10	C	05/01/2004	RBC INSURANCE		1,277,517	931,406	931,406	931,406						931,406	(167,287)	513,398	346,111	90,183	07/05/2010
26682C-DV-2	DURHAM REGIONAL MUNI DEBS 8.375% 09/28/07	C	05/01/2004	RBC INSURANCE		1,690,089	1,468,532	1,465,595	1,467,396		87		87		1,467,483	(54,298)	276,905	222,607	72,951	09/28/2007
26682C-DW-0	DURHAM REGIONAL MUNI DEBS 8.500% 09/28/08	C	05/01/2004	RBC INSURANCE		283,631	240,504	240,504	240,504						240,504	(8,910)	52,037	43,127	12,126	09/28/2008
281173-DF-8	EDMONTON ALBERTA UNSECURED DEBS 11.250% 12/17/05	C	05/01/2004	RBC INSURANCE		2,481,585	2,186,400	2,363,870	2,233,703		(7,397)		(7,397)		2,226,306	73,256	182,023	255,279	91,649	12/17/2005
281173-DK-7	EDMONTON ALBERTA DEBS DEP 9.625% 02/13/12	C	05/01/2004	RBC INSURANCE		2,865,037	2,186,400	2,140,832	2,157,569		789		789		2,158,358	(327,435)	1,034,114	706,679	150,191	02/13/2012
281173-DL-5	EDMONTON ALBERTA DEBS 9.000% 03/25/13	C	05/01/2004	RBC INSURANCE		4,687,204	3,644,000	3,701,648	3,682,833		(942)		(942)		3,681,891	(274,870)	1,280,183	1,005,313	197,225	03/25/2013
281173-DM-3	EDMONTON ALBERTA DEBS DEP 8.500% 09/14/18	C	05/01/2004	RBC INSURANCE		3,828,999	2,915,200	2,850,337	2,861,925		590		590		2,862,515	(39,592)	1,006,076	966,484	156,482	09/14/2018
296837-AF-4	ESSEX CO RMN CATH SCHOOL CAN PROV 12.160% 12/11/04	C	05/01/2004	RBC INSURANCE		56,171	53,202	53,202	53,202						53,202	(9,788)	12,756	2,968	2,517	12/11/2004
296837-AG-2	ESSEX CO RMN CATH SCHOOL CAN PROV 12.160% 12/11/05	C	05/01/2004	RBC INSURANCE		67,026	59,033	59,033	59,033						59,033	(10,861)	18,854	7,993	2,793	12/11/2005
296837-AH-0	ESSEX CO RMN CATH SCHOOL CAN PROV 12.160% 12/11/06	C	05/01/2004	RBC INSURANCE		79,859	66,321	66,321	66,321						66,321	(12,202)	25,740	13,538	3,137	12/11/2006
296837-AJ-6	ESSEX CO RMN CATH SCHOOL CAN PROV 12.160% 12/11/07	C	05/01/2004	RBC INSURANCE		94,720	75,066	75,066	75,066						75,066	(13,811)	33,465	19,654	3,551	12/11/2007
296837-AK-3	ESSEX CO RMN CATH SCHOOL CAN PROV 12.160% 12/11/08	C	05/01/2004	RBC INSURANCE		109,593	83,812	83,812	83,812						83,812	(15,420)	41,201	25,781	3,965	12/11/2008
296837-AL-1	ESSEX CO RMN CATH SCHOOL CAN PROV 12.160% 12/11/09	C	05/01/2004	RBC INSURANCE		126,619	94,015	94,015	94,015						94,015	(17,297)	49,901	32,604	4,448	12/11/2009
296837-AM-9	ESSEX CO RMN CATH SCHOOL CAN PROV 12.160% 12/11/10	C	05/01/2004	RBC INSURANCE		146,340	105,676	105,676	105,676						105,676	(19,443)	60,107	40,664	5,000	12/11/2010
420151-CF-7	HAWKESBURY, TOWN OF CAN PROV 10.000% 08/28/04	C	05/01/2004	RBC INSURANCE		66,338	64,863	63,540	64,763		50		50		64,812	668	857	1,525	4,363	08/28/2004
420151-CG-5	HAWKESBURY, TOWN OF CAN PROV 10.000% 08/28/05	C	05/01/2004	RBC INSURANCE		78,345	72,151	70,651	71,882		50		50		71,933	743	5,670	6,413	4,853	08/28/2005
420151-CH-3	HAWKESBURY, TOWN OF CAN PROV 10.000% 08/28/06	C	05/01/2004	RBC INSURANCE		89,989	79,439	77,763	78,988		50		50		79,038	818	10,133	10,951	5,343	08/28/2006
51938C-CH-4	LAVAL CITY QUEBEC CAN PROV 8.600% 09/03/13	C	05/01/2004	RBC INSURANCE		710,963	567,735	562,228	563,957		85		85		564,042	(18,678)	165,600	146,922	32,305	09/03/2013
596593-AA-1	MIDDLESEX CO PROV LS CAN PROV 10.250% 04/15/05	C	05/01/2004	RBC INSURANCE		136,027	127,540	127,540	127,540						127,540	1,849	6,638	8,487	7,109	04/15/2005
596593-AB-9	MIDDLESEX CO PROV LS CAN PROV 10.250% 04/15/04	C	04/15/2004	Maturity		109,320	109,320	109,320	109,320						109,320	3,963	(3,963)		5,603	04/15/2004
614852-GW-5	CITY OF MONTREAL DEP 12.000% 12/13/10	C	05/01/2004	RBC INSURANCE		1,133,672	801,680	790,376	794,689		219		219		794,909	(144,529)	483,292	338,763	36,899	12/13/2010
614852-KN-0	CITY OF MONTREAL DEBS 6.000% 06/01/43	C	05/01/2004	RBC INSURANCE		4,839,429	4,737,200	4,679,975	4,680,190		119		119		4,680,308	(12,375)	171,495	159,120	118,365	06/01/2043
642904-AA-4	NEW BRUNSWICK PROJECT CO FM BDS 6.470% 11/30/27	C	05/01/2004	RBC INSURANCE		9,452,575	8,742,589	7,887,475	8,890,460		(2,329)		(2,329)		8,888,131	618,257	(53,812)	564,445	237,106	11/30/2027
650900-BM-4	NEWFOUNDLAND MUN FIN AUTH SF 10.875% 12/01/08	C	05/01/2004	RBC INSURANCE		930,357	728,800	728,800	728,800						728,800	(80,917)	282,474	201,557	33,006	12/01/2008
66980H-GJ-0	NOVA SCOTIA MUNI FIN AUTH SERIAL DEBS 7.500% 10/28/06	C	05/01/2004	RBC INSURANCE		4,019,842	3,644,000	3,593,713	3,625,800		1,926		1,926		3,627,726	(71,641)	463,757	392,116	138,896	10/28/2006
683234-SL-3	ONTARIO PROVINCE GOVERNMENT NATIONAL 5.850% 03/08/33	C	05/20/2004	RBC-DOMINION SEC		19,434,324	19,425,000	20,204,331	20,200,722		(4,233)		(4,233)		20,196,489	(33,230)	(728,935)	(762,165)	814,134	03/08/2033

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
683244-AF-4	ONT SCHOOL BOARDS FIN CP DEBS 5.900% 10/11/27	C	.05/01/2004	Various		3,661,316	3,577,460	3,558,750	3,559,028		674		674		3,559,702	476,218	(374,604)	101,614	116,988	10/11/2027
689193-AK-6	OTTAWA-CARLTON RGNL MUNI DEBS 10.625% 05/31/09	C	.05/01/2004	RBC INSURANCE		795,871	619,480	741,518	679,828		(2,970)		(2,970)		676,858	(29,570)	148,582	119,012	27,590	05/31/2009
68919F-RD-7	OTTAWA-CARLTON RGNL MUNI DEBS 10.750% 02/28/11	C	.05/01/2004	RBC INSURANCE		985,330	728,800	905,534	831,533		(3,573)		(3,573)		827,961	(43,446)	200,816	157,370	52,696	02/28/2011
74824Q-AA-9	QUEENS UNIVERSITY GOVERNMENT NATIONAL 6.100% 11/19/32	C	.05/01/2004	RBC INSURANCE		4,571,571	4,412,884	4,435,540	4,435,585		(89)		(89)		4,435,496	346,370	(210,295)	136,075	120,949	11/19/2032
790477-AV-5	CITY OF ST JOHNS DEBS 10.500% 12/14/09	C	.05/01/2004	RBC INSURANCE		850,303	670,496	579,741	619,398		1,993		1,993		621,391	(98,826)	327,738	228,912	26,810	12/14/2009
891245-6G-2	TORONTO ONTARIO DEB 8.650% 06/08/15	C	.05/01/2004	RBC INSURANCE		1,877,010	1,457,600	1,506,277	1,495,057		(684)		(684)		1,494,374	(931)	383,567	382,636	50,088	06/08/2015
891245-6T-4	TORONTO ONTARIO UNSEC SF DEBS 7.750% 12/01/05	C	.05/01/2004	RBC INSURANCE		2,593,500	2,405,040	2,360,234	2,393,305		1,903		1,903		2,395,208	(12,309)	210,601	198,292	77,620	12/01/2005
891245-6U-1	TORONTO ONTARIO UNSEC SF DEBS 7.850% 06/28/06	C	.05/01/2004	RBC INSURANCE		1,205,975	1,093,200	1,092,325	1,092,916		35		35		1,092,951	(6,904)	119,928	113,024	29,389	06/28/2006
94180C-EA-2	WATERLOO, REG MUNICIPALITY OF DEBS 7.500% 01/15/05	C	.05/01/2004	RBC INSURANCE		751,568	728,800	720,419	727,520		401		401		727,921	(5,086)	28,733	23,647	43,353	01/15/2005
94180C-EB-0	WATERLOO, REG MUNICIPALITY OF DEBS 7.500% 01/15/06	C	.05/01/2004	RBC INSURANCE		1,451,963	1,348,280	1,327,921	1,342,799		841		841		1,343,640	(9,374)	117,698	108,324	80,204	01/15/2006
94180C-EC-8	WATERLOO, REG MUNICIPALITY OF EBS 7.750% 01/15/07	C	.05/01/2004	RBC INSURANCE		390,197	349,824	347,270	348,892		92		92		348,984	(2,452)	43,666	41,214	21,503	01/15/2007
94180C-ES-3	WATERLOO, REG MUNICIPALITY OF DEBS 7.500% 08/29/06	C	.05/01/2004	RBC INSURANCE		1,918,657	1,746,934	1,740,820	1,744,841		238		238		1,745,080	(6,518)	180,096	173,578	87,766	08/29/2006
94180C-GP-7	WATERLOO, REG MUNICIPALITY OF DEBS 8.250% 11/04/13	C	.05/01/2004	RBC INSURANCE		5,420,304	4,372,800	4,361,868	4,365,312		167		167		4,365,478	(228,912)	1,283,738	1,054,826	176,918	11/04/2013
97373C-HR-2	WINDSOR, CITY OF DEBS 11.625% 08/15/11	C	.05/01/2004	RBC INSURANCE		5,197,802	3,644,000	3,634,161	3,637,652		177		177		3,637,829	(726,955)	2,286,927	1,559,972	300,012	08/15/2011
975026-EK-7	WINNIPEG MANITOBA DEB 10.000% 12/14/09	C	.05/01/2004	RBC INSURANCE		1,398,421	1,093,200	1,249,528	1,175,245		(3,595)		(3,595)		1,171,650	(49,826)	276,599	226,771	41,631	12/14/2009
975026-EM-3	WINNIPEG MANITOBA DEB 9.375% 02/11/13	C	.05/01/2004	RBC INSURANCE		5,720,891	4,372,800	4,432,598	4,412,404		(982)		(982)		4,411,421	(384,309)	1,693,778	1,309,469	294,827	02/11/2013
975026-EN-1	WINNIPEG MANITOBA DEB 8.000% 01/20/14	C	.05/01/2004	RBC INSURANCE		3,553,571	2,915,200	2,872,857	2,885,104		658		658		2,885,762	(98,237)	766,045	667,808	181,781	01/20/2014
987049-AC-7	YORK DISTRICT SCHOOL DEBS 5.300% 06/03/25	C	.05/01/2004	RBC INSURANCE		6,795,856	7,198,619	7,194,732	7,194,922		292		292		7,195,214	(42,823)	(356,535)	(399,358)	156,792	06/03/2025
98704C-FE-1	YORK, REGIONAL MUNICIPALITY OF DEBENTURES 8.125% 10/31/06	C	.05/01/2004	RBC INSURANCE		2,677,527	2,381,718	2,362,188	2,374,946		714		714		2,375,659	(48,882)	350,750	301,868	97,288	10/31/2006
987051-AA-7	YORK REGIONAL SCHOOL DEBS 10.500% 04/30/12	C	.05/01/2004	RBC INSURANCE		2,992,307	2,186,400	2,186,400	2,186,400						2,186,400	(321,961)	1,127,868	805,907	115,415	04/30/2012
C54716-AL-6	TORONTO, MUN. OF METROPOLITAN GENERAL OBLIGATION - MUNI 8.500% 05/26/04	C	.05/01/2004	RBC INSURANCE		1,462,264	1,457,600	1,423,346	1,455,546		1,702		1,702		1,457,248	(10,574)	15,590	5,016	115,292	05/26/2004
C94496-AD-5	VANCOUVER, CITY OF UNSEC SR UNSUB NTS 7.500% 01/11/06	C	.05/01/2004	RBC INSURANCE		1,585,285	1,457,600	1,418,245	1,446,918		1,668		1,668		1,448,586	2,148	134,551	136,699	142,723	01/11/2006
2499999 Bonds - Political Subdivisions						121,829,761	108,600,221	108,530,530	109,614,767		(451)		(451)		109,614,317	(1,874,215)	14,089,660	12,215,445	5,016,075	XXX
Special Revenue & Assessment																				
31283J-BA-8	FHLMC GOLD PC #G10033 9.000% 12/01/06		12/01/2004	Paydown		142,508	142,507	149,037	144,864		(2,356)		(2,356)		142,508				5,399	12/01/2006
31283J-BB-6	FHLMC GOLD PC #G10034 9.000% 07/01/06		12/01/2004	Paydown		67,124	67,124	70,252	68,402		(1,278)		(1,278)		67,124				3,246	07/01/2006
312908-P3-4	FHLMC 1224 H PAC 8.000% 03/15/07		12/01/2004	Paydown		1,135,466	1,135,466	1,109,031	1,128,108		7,358		7,358		1,135,466				45,233	03/15/2007
312908-UT-1	FHLMC 1213 N 7.000% 02/15/22		12/01/2004	Paydown		3,082,084	3,082,084	2,674,974	2,933,550		148,534		148,534		3,082,084				107,077	02/15/2022
312913-X5-0	FHLMC 1443 I PAC 7.500% 12/15/22		12/01/2004	Paydown		2,157,743	2,157,743	1,887,350	2,009,799		147,944		147,944		2,157,743				128,678	12/15/2022
31339W-Y4-2	FHLMC 2439 KZ 6.500% 04/15/32		12/14/2004	Provident Life and Casualty		16,908,324	15,951,250	14,663,865	14,649,203		97,372		97,372		14,746,575		2,161,749	2,161,749	1,038,672	04/15/2032
313374-NZ-5	FHLMC 1994 1694 Z 6.500% 03/15/24		12/01/2004	Paydown		14,293,058	14,293,058	12,943,330	13,041,288		1,251,770		1,251,770		14,293,058				406,035	03/15/2024
313375-BB-5	FHLMC 1746 Z 7.000% 05/15/24		12/01/2004	Paydown		9,847,136	9,847,136	8,980,900	9,308,240		538,896		538,896		9,847,136				334,644	05/15/2024
313378-HZ-3	FHLMC 1909 Z CMO 7.000% 11/15/26		12/01/2004	Paydown		5,906,557	5,906,557	5,309,697	5,510,504		396,053		396,053		5,906,557				196,422	11/15/2026
31337N-AF-1	FHLMC 2212 Z 7.000% 01/15/30		12/01/2004	Paydown		4,508,269	4,508,269	4,071,143	4,129,127		379,142		379,142		4,508,269				209,389	01/15/2030
313401-2Y-6	FHLMC PC #380092 10.000% 06/01/05		12/01/2004	Paydown		11,992	11,992	11,992	11,992						11,992				638	06/01/2005
313401-M4-0	FHLMC PC #380038 9.500% 02/01/04		01/01/2004	Paydown		2,199	2,199	2,122	2,168		31		31		2,199				17	02/01/2004
31340Y-D3-0	FHLMC 71 F PAC 9.300% 12/15/20		12/15/2004	Paydown		348,091	348,091	346,622	345,834		2,257		2,257		348,091				11,681	12/15/2020
31341A-SB-2	FHLMC PC #250842 9.000% 02/01/10		12/01/2004	Paydown		208,797	208,797	198,930	200,610		8,187		8,187		208,797				10,541	02/01/2010
31341G-Q8-3	FHLMC PC #255879 9.250% 01/01/10		12/01/2004	Paydown		19,666	19,666	19,542	19,519		147		147		19,666				842	01/01/2010
31342M-C9-2	FHLMC PC #730096 10.000% 07/01/05		12/01/2004	Paydown		17,161	17,162	17,136	17,021		140		140		17,161				880	07/01/2005
31342M-FL-2	FHLMC PC #730171 9.500% 10/01/05		12/01/2004	Paydown		44,301	44,301	44,085	43,872		429		429		44,301				2,168	10/01/2005

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identifi- cation	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
31342M-G3-1	FHLMC PC #730218 9.500% 12/01/05		12/01/2004	Paydown		41,315	41,315	40,938	40,886		429		429		41,315				1,972	12/01/2005
31343C-2X-1	FHLMC PC #272590 8.500% 10/01/08		12/01/2004	Paydown		197,179	197,180	182,153	187,699		9,480		9,480		197,179				7,621	10/01/2008
31344N-S7-5	FHLMC PC #284142 9.000% 11/01/16		12/01/2004	Paydown		54,489	54,489	53,136	53,179		1,310		1,310		54,489				957	11/01/2016
31345E-VF-2	FHLMC PC #303314 9.500% 08/01/09		12/01/2004	Paydown		102,244	102,244	100,639	100,786		1,458		1,458		102,244				5,737	08/01/2009
31345F-YM-1	FHLMC PC #304316 9.000% 10/01/18		12/01/2004	Paydown		253,534	253,534	247,383	247,461		6,073		6,073		253,534				10,555	10/01/2018
31345M-BW-9	FHLMC PC #309053 9.000% 10/01/18		12/01/2004	Paydown		109,693	109,693	106,976	107,115		2,578		2,578		109,693				1,978	10/01/2018
31345R-P2-6	FHLMC PC #502240 9.500% 11/01/04		11/01/2004	Paydown		612	612	609	606		6		6		612				24	11/01/2004
31347N-DN-3	FHLMC PC #531009 9.500% 06/01/17		12/01/2004	Paydown		110,333	110,333	109,127	109,119		1,214		1,214		110,333				5,511	06/01/2017
31350Q-R5-4	FHLMC PC #735008 9.500% 02/01/05		12/01/2004	Paydown		58,076	58,076	57,334	57,381		695		695		58,076				2,390	02/01/2005
31359D-3U-5	FNMA 1993-163 ZA 7.000% 09/25/23		12/01/2004	Paydown		3,255,690	3,255,690	3,054,035	3,140,661		115,029		115,029		3,255,690				108,426	09/25/2023
31359H-WD-2	FNMA 94-79-D 7.000% 04/25/24		12/01/2004	Paydown		1,501,604	1,501,604	1,339,712	1,436,215		65,389		65,389		1,501,604				49,863	04/25/2024
31359H-WH-3	FNMA 1994-79 Z 7.000% 04/25/24		12/01/2004	Paydown		3,567,076	3,567,076	3,259,650	3,410,833		156,243		156,243		3,567,076				118,449	04/25/2024
31359K-TE-7	FNMA 96-37 Z 7.000% 08/25/26		12/01/2004	Paydown		7,838,103	7,838,103	6,915,255	7,276,484		561,619		561,619		7,838,103				255,861	08/25/2026
31359L-2X-2	FNMA 1996 9-Z 6.500% 04/25/26		12/01/2004	Paydown		5,570,792	5,570,792	4,853,446	4,965,095		605,697		605,697		5,570,792				201,285	04/25/2026
31359Q-DE-1	FNMA 1997-54 Z 6.500% 08/01/27		12/01/2004	Paydown		4,184,398	4,184,398	3,601,801	3,721,834		462,564		462,564		4,184,398				123,425	08/01/2027
31359Q-UN-2	FNMA 97-56 Z 7.000% 09/18/27		12/01/2004	Paydown		8,711,508	8,711,508	8,120,669	8,298,183		413,325		413,325		8,711,508				296,704	09/18/2027
31360F-AU-9	FNMA #04519 9.250% 01/01/14		12/01/2004	Paydown		288,137	288,136	286,490	286,459		1,678		1,678		288,137				13,405	01/01/2014
31362A-F6-6	FNMA #55089 8.500% 10/01/17		12/01/2004	Paydown		27,021	27,021	26,388	26,434		587		587		27,021				399	10/01/2017
31362E-K9-6	FNMA #58820 9.500% 04/01/14		12/01/2004	Paydown		47,046	47,046	46,961	46,922		124		124		47,046				2,271	04/01/2014
31362P-AP-6	FNMA #66614 9.000% 05/01/10		12/01/2004	Paydown		26,483	26,483	25,731	25,908		575		575		26,483				1,130	05/01/2010
31362P-AS-0	FNMA #66617 9.500% 11/01/09		12/01/2004	Paydown		5,268	5,269	5,213	5,226		42		42		5,268				276	11/01/2009
31362T-JN-4	FNMA #70469 9.000% 01/01/05		12/01/2004	Paydown		68,651	68,651	68,028	68,182		469		469		68,651				2,695	01/01/2005
31362T-PJ-6	FNMA #70625 9.000% 09/01/05		12/01/2004	Paydown		10,405	10,405	10,277	10,321		84		84		10,405				412	09/01/2005
31362T-SK-0	FNMA #70722 9.000% 01/01/06		12/01/2004	Paydown		138,796	138,797	136,616	137,408		1,388		1,388		138,796				6,075	01/01/2006
31363H-4S-4	FNMA #89933 9.000% 01/01/20		12/01/2004	Paydown		140,963	140,963	140,788	140,734		229		229		140,963				4,908	01/01/2020
313921-AG-3	FNMA 2001-49 Z 6.500% 09/25/31		12/01/2004	Paydown		3,242,845	3,242,845	2,958,625	2,963,460		279,385		279,385		3,242,845				185,417	09/25/2031
31393E-Q4-4	FNMA 2003-86 CLASS OE 5.000% 08/29/33		05/06/2004	MERRILL LYNCH		34,346,497	36,124,500	33,957,030	34,016,454		64,942		64,942		34,081,396		265,101	265,101	802,767	08/29/2033
31393T-DD-5	FNMA 2003-89 CLASS DC 5.000% 12/25/32		07/28/2004	UBS WARBURG		32,142,150	33,427,000	31,609,407	31,647,021		67,280		67,280		31,714,301		427,849	427,849	1,118,876	12/25/2032
31401K-PL-3	FNMA POOL 710627 5.500% 05/01/33		12/01/2004	Paydown		2,794,491	2,794,492	2,827,624	2,827,532		(33,041)		(33,041)		2,794,491				90,973	05/01/2033
31403R-KQ-0	FNMA POOL 755503 5.500% 11/01/33		06/28/2004	Various		1,965,309	1,982,988	2,006,499	2,006,435		(3,531)		(3,531)		2,002,904		(37,595)	(37,595)	59,554	11/01/2033
3837HO-AF-0	GNMA 1994-1 Pg(30yr GNMA 8%) 7.500% 04/16/23		09/01/2004	Paydown		2,023,266	2,023,266	2,066,560	2,034,285		(11,019)		(11,019)		2,023,266				58,244	04/16/2023
3837HO-KU-6	GNMA 1995-8 Z 7.000% 10/20/25		12/01/2004	Paydown		7,897,882	7,897,881	7,405,057	7,599,289		298,593		298,593		7,897,882				260,491	10/20/2025
3837HO-L6-8	GNMA 97-6 Z-A 7.000% 04/20/27		12/01/2004	Paydown		7,220,039	7,220,039	6,343,426	6,631,216		588,823		588,823		7,220,039				250,812	04/20/2027
3837HO-LD-3	GNMA 1995-9 Z 7.000% 11/20/25		12/01/2004	Paydown		4,634,138	4,634,138	4,471,246	4,525,810		108,328		108,328		4,634,138				150,361	11/20/2025
3837HO-UA-9	GNMA 96-17 Z CMO 7.000% 08/16/26		12/01/2004	Paydown		4,786,416	4,786,416	4,245,095	4,353,719		432,697		432,697		4,786,416				226,629	08/16/2026
3837H1-HF-1	GNMA 98-11 Z 6.500% 01/20/28		12/01/2004	Paydown		12,602,495	12,602,494	12,031,670	12,139,149		463,346		463,346		12,602,495				386,134	01/20/2028
3199999. Bonds - Special Revenues						208,665,420	210,788,878	195,211,602	198,209,602		7,638,714		7,638,714		205,848,316		2,817,104	2,817,104	7,314,149	XXX
Public Utilities (unaffiliated)																				
027789-AA-5	ANB (NATURAL GAS PIPELINE) 1ST MTG NT 10.000% 06/23/07		01/01/2004	Prior Year Call 100.0000		2,389,048	2,389,048	2,389,048	2,389,048						2,389,048				(55,014)	06/23/2007
040555-CF-9	ARIZ PUB SVC BDS 5.625% 05/15/33		12/14/2004	Provident Life and Casualty		3,745,658	3,825,000	3,843,475	3,843,475		(52)		(52)		3,843,423		(97,765)	(97,765)	232,488	05/15/2033
092113-D8-5	BLACK HILLS POWER INC. SER Z 1ST MTG BD 9.350% 05/29/21		05/29/2004	Redemption 100.0000		874,000	874,000	874,000	874,000						874,000				40,860	05/29/2021
099738-AA-4	BORGER FUNDING 1ST MTG BDS 144A 7.260% 12/31/22		07/23/2004	Various		22,586,591	22,017,000	22,004,460	22,007,029		308		308		22,007,337		579,254	579,254	920,834	12/31/2022
113804-AA-6	BROOKLYN NAVY YRD SR SEC BDS 144A 7.420% 10/01/20		10/01/2004	Redemption 100.0000		506,240	506,240	502,958	503,610		2,630		2,630		506,240				28,172	10/01/2020
15189X-AD-0	CENTERPOINT ENER HOUSTON SER K - GENL REF MORT 6.950% 03/15/33		12/14/2004	Provident Life and Casualty		5,829,300	5,000,000	5,446,700	5,445,597		(5,178)		(5,178)		5,440,419		388,881	388,881	433,410	03/15/2033
17185#-AA-5	CINCAP IV, LLC SENIOR NOTES 7.810% 07/06/09		12/06/2004	Redemption 100.0000		1,096,327	1,096,327	1,096,327	1,096,327						1,096,327				45,756	07/06/2009
202798-C8-1	COMMONWEALTH ELECTRIC SR NTS 7.980% 03/30/13		09/01/2004	Unum Life Ins Co of America		15,030,688	12,500,000	12,500,000	12,500,000						12,500,000		2,530,688	2,530,688	917,146	03/30/2013
437410-AB-9	HOMER CITY FUNDING LLC SER B SR SEC BOND 8.734% 10/01/26		10/01/2004	Redemption 100.0000		14,300	14,300	14,300	14,300						14,300				937	10/01/2026

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
47655P-AP-8	JERSEY CENTRAL PIWR & LT 1ST MTGE 8.320% 12/19/22		06/02/2004	Call 103.7400 Redemption		5,187,000	5,000,000	5,000,000	5,000,000		187,000		187,000		5,187,000				313,156	12/19/2022
494492-AA-9	KINCAID GEN SR SEC BDS 144A 7.330% 06/15/20		12/15/2004	100.0000 Unum Life Ins Co of		88,918	88,918	88,614	88,664		254		254		88,918				4,888	06/15/2020
66526H-AR-9	NO INDIANA PUB SVC (Nisource) MTN 7.350% 07/08/13		09/01/2004	America Redemption		8,625,000	7,500,000	7,500,000	7,500,000						7,500,000		1,125,000	1,125,000	392,000	07/08/2013
684181-AA-8	ORANGE COGEN FNDG SR SEC NT-144A 8.175% 03/15/22		12/15/2004	100.0000 Provident Life and		218,750	218,750	218,750	218,750						218,750				12,135	03/15/2022
708653-AA-8	PENN AMERICAN WATER GEN MTGE BONDS 144A 7.800% 09/01/26		12/14/2004	Casualty		10,253,699	9,000,000	8,974,980	8,976,326		382		382		8,976,708		1,276,991	1,276,991	902,850	09/01/2026
716600-K*-1	PETROLEUM HEAT AND POWER SER F SR NOTE 8.270% 04/01/14		10/18/2004	DEUTSCHE BANK Redemption		4,862,500	5,000,000	5,000,000	5,000,000						5,000,000		(137,500)	(137,500)	452,553	04/01/2014
74955E-AB-5	RGS-IND AND MICH SEC LEASE OBLIG 9.820% 12/07/22		12/07/2004	100.0000		1,503	1,503	1,513	1,510		(7)		(7)		1,503				112	12/07/2022
898813-AF-7	TUCSON ELECTRIC POWER COMPANY 1ST MTGE 8.500% 10/01/09		07/07/2004	Call 101.3700 Redemption		908,275	896,000	767,415	896,000		12,275		12,275		908,275				58,389	10/01/2009
909823-E8-1	UTD CTS GAS (ATMOS) SER Q 1ST MTG 9.750% 04/30/20		04/30/2004	100.0000		300,000	300,000	300,000	300,000					300,000					14,625	04/30/2020
918005-AT-6	UTILICORP UTD SEN NTS 8.270% 11/15/21		02/18/2004	MERRILL LYNCH		4,550,001	5,000,000	4,956,160	4,959,329		148		148		4,959,477		(409,476)	(409,476)	112,564	11/15/2021
021374-AB-9	ALTALINK LP SEC: NTS 5.430% 06/05/13	C.	05/01/2004	RBC INSURANCE		4,150,050	4,081,280	4,080,341	4,080,363		25		25		4,080,408	(96,244)	165,887	69,643	89,860	06/05/2013
05534K-AA-7	B C GAS INC SUB DEBS 8.000% 04/19/40	C.	05/17/2004	RBC-DOMINION SEC		4,237,370	3,885,000	3,844,091	3,844,702		74		74		3,844,776	254,447	138,147	392,593	181,797	04/19/2040
05534Z-AC-0	BC GAS UTILITY LTD MTN SERIES D 6.200% 06/02/08	C.	09/29/2004	Unum Life Ins Co of America		5,819,186	5,439,000	5,525,643	5,485,274		(6,974)		(6,974)		5,478,300	232,835	108,051	340,886	278,551	06/02/2008
05534Z-AF-3	BC GAS UTILITY LTD MTN 6.950% 09/21/29	C.	09/29/2004	America RBC INSURANCE		18,062,613	16,966,572	16,149,153	16,170,764		8,044		8,044		16,178,807	686,940	1,196,866	1,883,805	1,205,022	09/21/2029
12657Z-AF-0	CU INC DEBS 6.145% 11/22/17	C.	05/01/2004			8,168,423	7,637,824	7,659,937	7,659,151		(332)		(332)		7,658,819	936,370	(426,765)	509,605	207,026	11/22/2017
136717-AT-2	CANADA UTILITIES LTD SER 89 DEBS DEP 10.200% 11/30/09	C.	05/01/2004	RBC INSURANCE		186,985	145,760	139,492	142,416		138		138		142,554	(25,679)	70,110	44,431	6,232	11/30/2009
136717-AU-9	CANADA UTILITIES LTD SER 90 DEBS DEP 11.400% 08/15/10	C.	05/01/2004	RBC INSURANCE		1,488,774	1,093,200	1,027,608	1,054,036		1,319		1,319		1,055,356	(183,004)	616,422	433,418	88,261	08/15/2010
136717-AW-5	CANADA UTILITIES LTD SER 91 DEBS 9.920% 04/01/22	C.	05/01/2004	RBC INSURANCE		5,934,093	4,154,160	4,426,571	4,387,692		(1,871)		(1,871)		4,385,821	(572,566)	2,120,837	1,548,271	239,917	04/01/2022
136717-AY-1	CANADA UTILITIES LTD DEBENTURE 8.730% 06/01/04	C.	05/01/2004	RBC INSURANCE		2,196,873	2,186,400	2,069,537	2,178,863		6,000		6,000		2,184,863	5,838	6,172	12,010	79,487	06/01/2004
210530-AF-8	CONSUMERS GAS LTD DEP 11.950% 11/30/10	C.	05/01/2004	RBC INSURANCE		1,728,800	1,231,672	1,235,083	1,233,800		(68)		(68)		1,233,732	(226,197)	721,264	495,067	61,697	11/30/2010
210530-AG-6	CONSUMERS GAS DEP 10.800% 04/15/11	C.	05/01/2004	RBC INSURANCE		489,448	364,400	364,400	364,400					364,400	364,400	(68,014)	193,062	125,048	21,403	04/15/2011
21053Z-AN-4	CONSUMERS GAS CO LTD MTN 6.650% 11/03/27	C.	05/01/2004	RBC INSURANCE		2,314,151	2,186,400	2,182,683	2,182,845		117		117		2,182,962	51,385	79,805	131,190	71,702	11/03/2027
21053Z-AT-1	CONSUMERS GAS CO LTD MTN 7.200% 02/23/04	C.	02/23/2004	Maturity		2,369,850	2,369,850	2,211,070	2,366,505		3,345		3,345		2,369,850	(73,987)	73,987		85,947	02/23/2004
21053Z-AX-2	CONSUMERS GAS CO LTD MTN 6.050% 07/05/23	C.	05/01/2004	RBC INSURANCE		1,449,860	1,457,600	1,263,302	1,279,175		1,486		1,486		1,280,661	99,321	69,878	169,199	72,720	07/05/2023
368271-AG-7	GAZ METROPOLITAIN SF Deb 11.750% 11/15/05 GAZ METROPOLITAIN DEB DEP 10.450% 10/31/16	C.	05/01/2004	RBC INSURANCE		953,627	872,374	878,834	873,695		(256)		(256)		873,439	(91,797)	171,985	80,188	47,180	11/15/2005
368271-AL-6	GAZ METROPOLITAIN SER F 1st MTG NT 7.200% 11/19/27	C.	05/01/2004	RBC INSURANCE		3,938,596	2,696,560	2,710,436	2,707,581		(143)		(143)		2,707,438	(574,511)	1,805,668	1,231,157	141,667	10/31/2016
368271-AR-3	GAZ METROPOLITAIN COMPANY GUARNT 6.300% 10/31/33	C.	05/01/2004	RBC INSURANCE		823,748	728,800	732,152	732,105		(18)		(18)		732,087	93,825	(2,164)	91,661	23,577	11/19/2027
368271-AV-4	HYDRO ONE INC MTN 6.930% 06/01/32	C.	05/01/2004	RBC INSURANCE		2,666,315	2,623,680	2,621,222	2,621,269		91		91		2,621,360	(101,789)	146,744	44,955	83,099	10/31/2033
44810Z-AB-6	HYDRO QUEBEC DEBS DEP 10.250% 07/16/12	C.	05/01/2004	RBC INSURANCE		5,529,700	4,919,400	5,166,317	5,162,653		(781)		(781)		5,161,872	670,947	(303,119)	367,828	141,970	06/01/2032
448814-CV-3	HYDRO QUEBEC DEB 11.000% 08/15/20	C.	05/01/2004	RBC INSURANCE		1,794,584	1,311,840	1,249,309	1,270,548		1,014		1,014		1,271,562	(239,832)	762,854	523,022	106,282	07/16/2012
448814-DG-5	HYDRO QUEBEC Zero Cpn Deb 0.000% 08/15/20	C.	05/01/2004	RBC INSURANCE		1,358,865	852,696	835,642	837,853		106		106		837,959	(158,462)	679,368	520,906	66,429	08/15/2020
448814-DK-6	HYDRO QUEBEC Note 10.500% 10/15/21	C.	05/01/2004	RBC INSURANCE		3,569,116	9,110,000	3,278,416	3,358,650		67,883		67,883		3,426,533	70,610	71,972	142,582		08/15/2020
448814-DW-0	HYDRO QUEBEC GLOBAL NOTES, SERIES IM	C.	05/01/2004	RBC INSURANCE		3,405,362	2,186,400	2,175,140	2,176,495		65		65		2,176,560	(466,522)	1,695,324	1,228,802	124,849	10/15/2021
448814-EC-3	7.000% 06/01/04	C.	05/01/2004	RBC INSURANCE		2,194,315	2,186,400	2,162,131	2,185,038		1,084		1,084		2,186,122	(97,868)	106,060	8,192	63,735	06/01/2004
44881Z-LR-3	HYDRO-QUEBEC STRIP RESIDUAL 0.000% 08/15/20	C.	05/01/2004	RBC INSURANCE		13,191,453	33,670,560	3,489,553	8,056,756		233,523		233,523		8,290,279	194,284	4,706,889	4,901,173		08/15/2020
46065D-AA-4	INTERPROV PIPELINE INC DEP 8.200% 02/15/24	C.	05/01/2004	RBC INSURANCE		2,032,860	1,639,800	1,635,701	1,636,629		21		21		1,636,650	(42,964)	439,174	396,210	95,229	02/15/2024

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
669771-AL-1	NOVA CORP OF ALBERTA SF Deb 11.200%																			
669771-AM-9	NOVA CORP OF ALBERTA DEP 12.625% 04/15/10	C	05/01/2004	RBC INSURANCE		661,878	496,313	496,313	496,313						496,313	(67,896)	233,461	165,565	23,149	06/01/2014
669771-AP-2	NOVA CORP OF ALBERTA DEP 12.200% 02/28/16	C	05/01/2004	Various		1,024,682	803,138	776,758	787,287		589		589		787,876	(134,555)	371,361	236,806	54,824	04/15/2010
	NOVA CORP OF ALBERTA DEBS 9.900% 12/16/24	C	05/01/2004	RBC INSURANCE		229,364	145,760	146,124	146,082		(4)		(4)		146,078	(26,899)	110,186	83,287	11,961	02/28/2016
669771-AII-7		C	05/01/2004	RBC INSURANCE		7,658,358	5,466,000	5,445,503	5,447,161		93		93		5,447,254	76,619	2,134,485	2,211,104	203,111	12/16/2024
669812-BJ-7	NOVA SCOTIA POWER CORP DEP 10.875%	C	05/01/2004	RBC INSURANCE		1,026,879	728,800	706,572	713,790		337		337		714,127	(121,000)	433,752	312,752	36,480	11/15/2012
669812-BP-3	NOVA SCOTIA POWER CORP DEP 11.000%	C	05/01/2004	RBC INSURANCE		1,234,945	728,800	721,512	721,806		15		15		721,821	(138,162)	651,286	513,124	54,360	02/26/2031
669816-AC-4	NOVA SCOTIA POWER CORP NTS DEP 9.750%	C	05/01/2004	RBC INSURANCE		1,007,668	728,800	725,520	726,003		26		26		726,029	9,076	272,563	281,639	52,855	08/02/2019
66988Z-AQ-2	NOVA SCOTIA POWER CORP MTN, SERIES D 5.650% 07/14/08	C	09/24/2004	RBC-DOMINION SEC		2,036,129	1,942,500	1,935,119	1,938,672		565		565		1,939,237	82,348	14,545	96,893	132,904	07/14/2008
66990Z-BC-8	NOVA SCOTIA POWER CORP CPN STRIP 0.000%	C	09/29/2004	Unum Life Ins Co of America		842,672	2,952,600	425,529	686,677		39,183		39,183		725,860	30,278	86,534	116,812		07/25/2023
66990Z-BD-6	NOVA SCOTIA POWER CORP CPN STRIP 0.000%	C	09/29/2004	Unum Life Ins Co of America		788,049	2,952,600	394,969	637,360		36,369		36,369		673,729	28,104	86,216	114,320		07/25/2024
66990Z-BE-4	NOVA SCOTIA POWER CORP CPN STRIP 0.000%	C	09/29/2004	Unum Life Ins Co of America		737,559	2,952,600	366,595	591,573		33,757		33,757		625,330	26,085	86,145	112,230		07/25/2025
66990Z-BF-1	NOVA SCOTIA POWER CORP CPN STRIP 0.000%	C	09/29/2004	Unum Life Ins Co of America		690,023	2,952,600	340,258	549,074		31,332		31,332		580,406	24,211	85,406	109,617		07/25/2026
66990Z-BG-9	NOVA SCOTIA POWER CORP CPN STRIP 0.000%	C	09/29/2004	Unum Life Ins Co of America		645,438	2,952,600	315,810	509,625		29,081		29,081		538,706	22,471	84,261	106,733		07/25/2027
66990Z-BH-7	NOVA SCOTIA POWER CORP CPN STRIP 0.000%	C	09/29/2004	Unum Life Ins Co of America		603,807	2,952,600	293,134	473,030		26,992		26,992		500,022	20,858	82,928	103,785		07/25/2028
68304Z-CS-9	ONTARIO HYDRO STRIP DEBS 0.000% 04/15/17	C	05/01/2004	RBC INSURANCE		5,963,598	12,188,269	1,908,318	3,753,080		112,543		112,543		3,865,623	111,429	1,986,546	2,097,975		04/15/2017
68304Z-DC-3	ONTARIO HYDRO STRIP DEBS 0.000% 10/15/21	C	05/01/2004	RBC INSURANCE		12,317,595	34,253,600	11,087,890	11,719,891		237,916		237,916		11,957,807	1,072,299	(712,512)	359,787		10/15/2021
683078-FA-2	ONTARIO HYDRO Zero Cpn Bd 0.000% 04/11/18	C	05/01/2004	RBC INSURANCE		3,648,245	7,943,920	1,154,649	2,328,889		67,679		67,679		2,396,568	37,838	1,213,840	1,251,678		04/11/2018
683078-FB-0	ONTARIO HYDRO Zero Cpn Bd 0.000% 04/11/20	C	05/01/2004	RBC INSURANCE		2,282,223	5,320,240	709,614	1,431,269		41,593		41,593		1,472,863	23,254	786,107	809,361		04/11/2019
683078-FC-8	ONTARIO HYDRO Strip SR-40 0.000% 04/11/31	C	05/01/2004	RBC INSURANCE		2,399,070	5,976,160	733,155	1,477,608		42,892		42,892		1,520,501	23,958	854,611	878,569		04/11/2020
683078-FP-9		C	05/01/2004	RBC INSURANCE		3,766,256	18,220,000	1,120,530	2,118,649		56,447		56,447		2,175,096	54,949	1,536,212	1,591,161		04/11/2031
683078-FV-6	ONTARIO HYDRO NTS DEP 8.900% 08/18/22	C	05/01/2004	RBC INSURANCE		2,023,047	1,457,600	1,411,686	1,417,805		277		277		1,418,082	(110,156)	715,120	604,964	90,808	08/18/2022
683078-GG-8	ONTARIO HYDRO DEBS 8.250% 06/22/26	C	05/01/2004	RBC INSURANCE		2,904,020	2,186,400	2,155,834	2,158,279		146		146		2,158,425	(12,037)	757,632	745,595	64,739	06/22/2026
68309Z-A5-6	ONTARIO HYDRO STRIP GOVT GUARNT 0.000%	C	05/01/2004	RBC INSURANCE		1,937,349	3,716,880	598,604	1,236,679		37,121		37,121		1,273,800	33,532	630,016	663,548		05/26/2016
68309Z-A6-4	ONTARIO HYDRO STRIP GOVT GUARNT 0.000%	C	05/01/2004	RBC INSURANCE		1,944,106	3,862,640	595,078	1,229,401		36,904		36,904		1,266,305	33,335	644,466	677,801		11/26/2016
68309Z-A7-2	ONTARIO HYDRO STRIP DEBS 0.000% 05/26/17	C	05/01/2004	RBC INSURANCE		1,874,346	3,862,640	569,276	1,176,078		35,302		35,302		1,211,381	31,889	631,076	662,965		05/26/2017
68309Z-A8-0	ONTARIO HYDRO STRIP DEBS 0.000% 11/26/17	C	05/01/2004	RBC INSURANCE		1,812,467	3,862,640	544,555	1,125,021		33,770		33,770		1,158,791	30,505	623,170	653,675		11/26/2017
68309Z-B5-5	ONTARIO HYDRO STRIP DEBS 0.000% 05/26/20	C	05/01/2004	RBC INSURANCE		1,265,498	3,177,568	363,101	747,216		22,306		22,306		769,522	20,167	475,808	495,975		05/26/2020
68309Z-FN-2	ONTARIO HYDRO STRIP Cpn Stp 8.9 8/18/22	C	05/01/2004	RBC INSURANCE		5,384,957	14,576,000	1,779,813	3,438,848		95,377		95,377		3,534,225	85,806	1,764,927	1,850,733		08/06/2021
68309Z-TW-7	0.000% 02/18/20	C	05/01/2004	RBC INSURANCE		723,563	1,785,560	216,714	440,211		12,924		12,924		453,134	7,286	263,143	270,429		02/18/2020
68309Z-UC-9	0.000% 08/18/22	C	05/01/2004	RBC INSURANCE		6,643,355	19,677,600	2,253,479	4,339,313		118,972		118,972		4,458,285	115,218	2,069,852	2,185,070		08/18/2022
89353Z-AP-3	TRANS-CANADA PIPELINES MTN 8.290%	C	05/01/2004	RBC INSURANCE		1,787,280	1,457,600	1,519,548	1,514,732		(328)		(328)		1,514,404	133,718	139,158	272,876	88,888	02/05/2026
89353Z-AP-3	TRANS-CANADA PIPELINES MTN 8.290%	C	09/29/2004	Unum Life Ins Co of America		7,748,244	6,216,000	6,480,180	6,459,642		(3,185)		(3,185)		6,456,457	274,288	1,017,499	1,291,787	592,955	02/05/2026
89353Z-BA-5	TRANS-CANADA PIPELINES MTN - SER D 6.890%	C	05/01/2004	RBC INSURANCE		2,989,510	2,802,236	2,890,398	2,885,125		(459)		(459)		2,884,665	238,723	(133,879)	104,844	140,970	08/07/2028
89353Z-BG-2	TRANS-CANADA PIPELINES MTN 5.840%	C	09/24/2004	RBC-DOMINION SEC		824,009	777,000	777,000	777,000						777,000	33,000	14,009	47,009	34,374	06/27/2008

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										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
89353Z-BK-3	TRANS-CANADA PIPELINES MTN SR D 6.500%	C	12/09/30	RBC INSURANCE		7,053,418	6,923,600	6,397,439	6,419,719		2,040		2,040		6,421,759	454,235	177,423	631,658	177,547	12/09/2030
906667-AT-7	UNION GAS LTD Deb 10.625% 07/11/11	C	05/01/2004	RBC INSURANCE		1,733,174	1,457,600	1,457,600	1,457,600						1,457,600	(222,649)	498,223	275,574	124,532	07/11/2011
906667-AU-4	UNION GAS LTD DEBS DEP 11.500% 08/28/15	C	05/01/2004	RBC INSURANCE		2,128,046	1,413,872	1,333,863	1,350,773		841		841		1,351,614	(249,397)	1,025,829	776,432	109,362	08/28/2015
906667-AX-8	UNION GAS LTD DEBS DEP 8.750% 08/03/18	C	05/01/2004	RBC INSURANCE		1,878,030	1,457,600	1,446,960	1,448,972		100		100		1,449,072	(90,323)	519,282	428,959	94,520	08/03/2018
906667-AY-6	UNION GAS LTD DEBS DEP 7.900% 02/24/14	C	05/01/2004	RBC INSURANCE		1,297,693	1,093,200	1,090,030	1,091,007		47		47		1,091,054	(18,763)	225,402	206,639	59,034	02/24/2014
906667-AZ-3	UNION GAS LTD DEBS 9.750% 12/13/04	C	05/01/2004	RBC INSURANCE		1,522,726	1,457,600	1,450,312	1,456,574		349		349		1,456,923	17,007	48,796	65,803	54,511	12/13/2004
29244T-AA-9	EMPRESA NACIONAL ELECTRIC SR NTS 7.875%	F	02/01/27	UBS WARBURG		5,362,428	5,356,000	5,275,660	5,276,223		768		768		5,276,991		85,437	85,437	281,190	02/01/2027
458182-C*-1	AGUAS ARGENTINAS S.A. (IDB) SER B SR NT PART LOAN 10.150% 11/15/11	F	10/01/2004	Various		2,196,293	2,365,194	2,196,293	2,196,293						2,196,293					11/15/2011
38999999. Bonds - Public Utilities						299,720,809	400,825,643	233,199,758	252,559,594		1,662,328		1,662,328		254,221,922	2,238,018	43,260,868	45,498,886	10,894,575	XXX
Industrial & Miscellaneous																				
02378J-AA-6	AMERICAN AIRLINES ETC 8.390% 01/02/17		04/30/2004	The Bank of New York		1,415,000	2,000,000	2,000,000	2,000,000						2,000,000		(585,000)	(585,000)	141,232	01/02/2017
026711-CQ-2	AMERICAN HOUSING TRUST 10-G 8.600%		08/25/21	Paydown		4,144,981	4,144,981	3,920,893	4,045,063		99,918		99,918		4,144,981				176,660	08/25/2021
038101-AB-7	APPLETON PAPERS INC SER B NOTE 12.500%		12/15/08	Call	116.2780	9,883,630	8,500,000	8,515,000	8,509,094		1,374,536		1,374,536		9,883,630				519,443	12/15/2008
03968@-AA-0	ARCTIC SLOPE SER A SR NT 7.350% 12/15/07		12/15/2004	Redemption	100.0000	1,071,429	1,071,429	1,071,429	1,071,429						1,071,429				78,750	12/15/2007
04882P-CF-4	ATLANTIC RICHFIELD MTN 8.630% 02/24/12		12/14/2004	Provident Life and Casualty		8,625,862	7,000,000	7,000,000	7,000,000						7,000,000		1,625,862	1,625,862	652,764	02/24/2012
064062-C*-1	BNY (SO PAC TRANS) ETC 10.190% 04/01/07		04/01/2004	Redemption	100.0000	666,667	666,667	666,667	666,667						666,667				33,967	04/01/2007
097383-AN-3	BOISE CASCADE CORP DEBS 9.450% 11/01/09		11/05/2004	Call	118.0900	3,542,700	3,000,000	3,004,290	3,002,638		540,062		540,062		3,542,700				286,650	11/01/2009
097383-AT-0	BOISE CASCADE CORP DEBS 7.350% 02/01/16		11/05/2004	Call	112.4070	11,240,700	10,000,000	9,991,400	9,993,648		1,247,052		1,247,052		11,240,700				926,900	02/01/2016
131347-AW-6	CALPINE SR NTS 8.500% 02/15/11		06/30/2004	Various		3,810,000	5,000,000	4,994,349	4,996,236		(120)		(120)		4,996,116		(1,186,116)	(1,186,116)	264,799	02/15/2011
13134V-AB-9	CALPINE CANADA SR NOTES 8.750% 10/15/07	C	03/08/2004	Various		5,664,598	7,288,000	7,228,238	7,246,642		1,384		1,384		7,248,026	(1,438,854)	(144,574)	(1,583,428)	231,930	10/15/2007
14149Y-AG-3	CARDINAL HEALTH INC BDS 4.000% 06/15/15		10/26/2004	Various		12,692,554	14,750,000	14,417,300	14,428,673		18,271		18,271		14,446,944		(1,754,390)	(1,754,390)	512,389	06/15/2015
15131G-ME-1	CENDANT CORPORATION 2002-1 1A-3 6.250%		03/25/32	Paydown		2,341,985	2,341,986	2,098,186	2,100,427		241,558		241,558		2,341,985				129,070	03/25/2032
16117P-AF-7	CHARTER COMM HLDS LLC SR NTS 9.920%		04/01/11																	
16162T-U9-5	CHASE 2002-S6 1A2 6.500% 05/25/32		01/29/2004	MORGAN STANLEY		1,760,000	2,000,000	1,227,880	1,953,001		17,043		17,043		1,970,044		(210,044)	(210,044)		04/01/2011
18551*-AA-3	CLECO EVANGELINE LLC SR SEC BOND 8.820%		07/01/2004	Paydown		14,161,228	14,161,228	12,594,983	12,662,758		1,498,470		1,498,470		14,161,228				320,692	05/25/2032
19122J-AB-7	COCA-COLA ENTERPRISES MTN 5.850% 03/17/09	C	09/01/2004	Redemption	100.0000	337,465	337,466	324,993	326,641		10,824		10,824		337,465				22,323	09/01/2019
193333-AC-9	COLUMBUS MCKINNON SR SUB NOTES 8.500%		05/01/2004	RBC INSURANCE		6,560,371	6,140,140	5,643,859	5,813,172		17,418		17,418		5,830,590	348,003	381,778	729,781	223,884	03/17/2009
202904-AC-2	COMMONWEALTH ALUMINUM SR SUB NOTES 10.750%		04/01/08	LEHMAN BROTHERS		481,250	500,000	488,650	491,318		152		152		491,470		(10,220)	(10,220)	14,403	04/01/2008
20589Q-AC-3	CONCENTRA OPERATING CORP CO GRNT 13.000%		10/01/06	TENDER OFFER		1,000,000	1,000,000	1,006,250	1,000,000						1,000,000				127,806	10/01/2006
20763#-ET-4	CNB (GE) GTD SEC CERT R290 7.900%		08/15/09	Call	106.5110	3,994,162	3,750,000	3,909,375	3,872,456		121,706		121,706		3,994,162				396,769	08/15/2009
20763#-EU-1	CNB (GE) GTD SEC CERT R291 7.900%		04/15/06	Redemption	100.0000	207,170	207,170	207,170	207,170						207,170				12,359	04/15/2006
20763#-EV-9	CNB (GE) GTD SEC CERT R293 7.900%		04/15/06	Redemption	100.0000	207,170	207,170	207,170	207,170						207,170				12,359	04/15/2006
20763#-EW-7	CNB (GE) GTD SEC CERT R294 7.900%		04/15/06	Redemption	100.0000	207,140	207,140	207,140	207,140						207,140				12,357	04/15/2006
20763#-EX-5	CNB (GE) GTD SEC CERT R299 7.900%		04/15/06	Redemption	100.0000	207,140	207,140	207,140	207,140						207,140				12,357	04/15/2006
20763#-EY-3	CNB (GE) GTD SEC CERT R303 7.900%		04/15/06	Redemption	100.0000	244,386	244,386	244,386	244,386						244,386				14,579	04/15/2006
209864-AT-4	CONRAIL INC DEB 9.750% 06/15/20		08/27/2004	Exchange		2,901,153	2,500,000	2,942,800	2,909,377		(8,224)		(8,224)		2,901,153				170,625	06/15/2020

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
210371-AF-7	CONSTELLATION ENERGY BND\$ 7.600% 04/01/32		06/22/2004	BANK OF AMERICA		21,894,200	20,000,000	19,952,600	19,953,780		233		233		19,954,013		1,940,187	1,940,187	1,114,667	04/01/2032
210805-BV-8	CONTINENTAL AIR PASS THRU CERTS SER 974B 6.900% 01/02/17		01/02/2004	100.0000		10,626	10,626	4,782	5,146		5,480		5,480		10,626				367	01/02/2017
216831-AB-3	COOPER TIRE AND RUBBER NTS 7.625% 03/15/27		05/26/2004	DEUTSCHE BANK		11,032,800	10,000,000	9,085,000	9,110,417		5,297		5,297		9,115,714		1,917,086	1,917,086	542,222	03/15/2027
21864*-AA-9	CORDOVA FUNDING CORP SER A-1 SR SEC BDS 8.640% 12/15/19		12/15/2004	Redemption		498,745	498,746	492,925	493,754		4,991		4,991		498,745				32,319	12/15/2019
21864*-AB-7	CORDOVA FUNDING CORP SER A-2 SR SEC BDS 8.790% 12/15/19		12/15/2004	Redemption		166,982	166,982	166,982	166,982						166,982				11,008	12/15/2019
21864*-AC-5	CORDOVA FUNDING CORP SER A-3 SR SEC BDS 9.070% 12/15/19		12/15/2004	Redemption		156,267	156,267	156,267	156,267						156,267				10,630	12/15/2019
21864*-AD-3	CORDOVA FUNDING CORP SER A-4 SR SEC BDS 8.820% 12/15/19		12/15/2004	Redemption		309,977	309,977	309,977	309,977						309,977				20,505	12/15/2019
21864*-AE-1	CORDOVA FUNDING CORP SER A-5 SR SEC BDS 8.480% 12/15/19		12/15/2004	Redemption		68,028	68,028	68,028	68,028						68,028				4,327	12/15/2019
23281P-AD-8	CYPRIUS MINERALS NOTES 6.625% 10/15/05		03/08/2004	SALOMON SMITH BARNEY		6,170,259	5,728,000	5,238,943	5,569,394		15,838		15,838		5,585,232		585,027	585,027	153,900	10/15/2005
244199-AU-9	DEERE & CO Sr Unsec Deb 8.500% 01/09/22		12/14/2004	Provident Life and Casualty		3,994,170	3,000,000	3,199,470	3,186,743		(4,726)		(4,726)		3,182,017		812,153	812,153	364,792	01/09/2022
244222-AZ-5	JOHN DEERE CREDIT MTN 6.750% 04/03/07	C.	05/01/2004	RBC INSURANCE		4,343,061	4,008,400	3,997,497	4,000,901		688		688		4,001,589	547,786	(206,314)	341,472	156,039	04/03/2007
246626-AE-5	DELCO REMY INTERNATIONAL SR SUB NOTES 10.625% 08/01/06		05/24/2004	Various		7,106,050	7,000,000	7,015,000	7,001,551		87,403		87,403		7,088,954		17,096	17,096	548,368	08/01/2006
247367-AB-1	DELTA AIR LINES PASSTHROUGHS 9.200% 09/23/14		04/22/2004	Various		4,820,000	8,000,000	8,636,025	8,296,957		(11,967)		(11,967)		8,284,990		(3,464,990)	(3,464,990)	433,933	09/23/2014
25179S-AD-2	DEVON ENERGY CORP SR NTS 7.875% 09/30/31		12/14/2004	Provident Life and Casualty		6,317,239	5,000,000	4,989,000	4,989,168		109		109		4,989,277		1,327,962	1,327,962	474,688	09/30/2031
252125-AF-6	DEX MEDIA EAST LLC/FIN SER WI 12.125% 11/15/12		08/26/2004	Call	112.1250	746,752	666,000	681,818	680,363		66,389		66,389		746,752				63,032	11/15/2012
252126-AF-4	DEX MEDIA FINANCE/WEST SR SUB NTS 9.875% 08/15/13		08/26/2004	Call	109.8750	26,370	24,000	24,000	24,000		2,370		2,370		26,370				2,352	08/15/2013
26229*-AD-2	DRUMMOND COMPANY, INC SR NTS 9.510% 03/27/07		03/27/2004	Redemption		1,000,000	1,000,000	1,000,000	1,000,000						1,000,000				47,550	03/27/2007
26439X-AC-7	DUKE ENERGY FIELD SRVCS SR NTS 8.125% 08/16/30		12/14/2004	Provident Life and Casualty		15,646,490	12,310,000	13,042,563	13,032,077		(8,439)		(8,439)		13,023,638		2,622,852	2,622,852	1,328,027	08/16/2030
27876G-AL-2	ECHOSTAR DBS SR NT 10.375% 10/01/07		10/01/2004	Call	105.1880	3,155,640	3,000,000	3,000,000	3,000,000		155,640		155,640		3,155,640				311,250	10/01/2007
29331@-AA-5	ENHANCED COLO ISSUER LLC SER 2002A CAPCO NTS 9.142% 03/01/13		10/30/2004	Redemption		162,289	162,289	162,289	162,289						162,289				15,538	03/01/2013
293791-AB-5	ENTERPRISE PRODUCTS PRTN\$ LP BONDS 7.500% 02/01/11		08/06/2004	LEHMAN BROTHERS		5,475,000	5,000,000	4,996,850	4,997,574		163		163		4,997,737		477,263	477,263	385,417	02/01/2011
302088-AN-9	EXODUS COMMUNICATIONS SR NT 11.375% 07/15/08	D.	12/23/2004	DIRECT		362,249											362,249	362,249		07/15/2008
31331F-AN-1	FEDERAL EXPRESS Pass Thru Certs 7.110% 01/02/14		01/02/2004	Redemption		26,283	26,282	26,093	26,120		163		163		26,283				934	01/02/2014
314087-AD-9	FEDERATED CBO LTD CLASS I IIB NTS 6.350% 04/24/11		11/30/2004	BLAYLOCK & PARTNERS		5,840,000	8,000,000	4,564,000	5,600,000	1,712,560		2,748,560	(1,036,000)		4,564,000		1,276,000	1,276,000		04/24/2011
31410H-AK-7	FEDERATED DEPT STORES DEBS 7.000% 02/15/28		12/14/2004	Provident Life and Casualty		12,987,929	11,545,000	12,353,381	12,343,079		(13,746)		(13,746)		12,329,333		658,596	658,596	1,075,288	02/15/2028
31529#-AG-8	FERRELLGAS SP SER D SR NTS 7.240% 08/01/10		06/23/2004	WACHOVIA		10,073,200	10,000,000	10,000,000	10,000,000						10,000,000		73,200	73,200	661,656	08/01/2010
32358S-W#-2	FNB - NORTHWEST AIR (GE) SEC NT 9.090% 12/31/11		06/30/2004	Redemption		643,978	643,978	643,978	643,978						643,978				29,269	12/31/2011
33632*-UJ-4	FSB (CONOCOPHILLIPS) LEASING CERTIFICATES 7.950% 12/10/20		12/10/2004	Redemption		117,287	117,287	117,287	117,287						117,287				5,112	12/10/2020
36158Z-AM-8	GE CAPITAL CAN FUNDING CO GTD 5.150% 06/06/13	C.	09/24/2004	Various		7,217,653	7,226,100	7,273,957	7,271,947		(2,995)		(2,995)		7,268,952	308,793	(360,091)	(51,298)	255,633	06/06/2013
36232*-AB-0	GTE CORP SERIES-B ESOP NOTE 9.730% 01/02/05		01/02/2004	Redemption		2,436,554	2,436,554	2,442,798	2,437,021		(467)		(467)		2,436,554				237,077	01/02/2005
370442-AR-6	GENERAL MOTORS CORP DEBENTURE 7.400% 09/01/25		12/07/2004	JP MORGAN CHASE		9,898,100	10,000,000	9,919,400	9,660,180		1,329		1,329		9,661,509		236,591	236,591	943,500	09/01/2025

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										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
373298-BF-4	GEORGIA PACIFIC NOTES 9.625% 03/15/22		03/31/2004	Call 103.4780		4,139,120	4,000,000	3,962,800	3,967,841		171,279		171,279		4,139,120				209,611	03/15/2022
451713-AA-9	IKON OFFICE SOLUTIONS INC DEBS 6.750%		12/01/25	CREDIT SUISSE/FIRST		1,760,000	2,000,000	1,969,600	1,751,050		183		183		1,751,233		8,767	8,767	57,000	12/01/2025
460146-AS-2	INTERNATIONAL PAPER DEBS 8.125% 06/15/24		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
48003#-AB-8	JONES EDWARD D CO LP SUB CAP NTS 7.950%		04/15/2006	Redemption 100.0000		666,848	666,848	666,848	666,848						666,848				26,507	04/15/2006
492386-AT-4	KERR-MCGEE CORP BDS 7.875% 09/15/31		08/30/2004	CREDIT SUISSE/FIRST		11,565,200	10,000,000	9,963,000	9,963,113		258		258		9,963,371		1,601,829	1,601,829	759,063	09/15/2031
501148-AC-4	KRYSTAL COMPANY SR NOTES 10.250% 10/01/07		06/09/2004	BOSTON		5,650,000	5,650,000	5,627,625	5,638,581		11,419		11,419		5,650,000				398,952	10/01/2007
51157*-AA-2	ENBRIDGE ENERGY COMPANY INC 1ST MTG NTS 9.150% 12/15/11		12/15/2004	Redemption 100.0000		1,000,000	1,000,000	1,000,000	1,000,000						1,000,000				91,500	12/15/2011
52729N-AE-0	LEVEL 3 COMMUNICATIONS SR DISCOUNT NOTES 10.500% 12/01/08		10/27/2004	Various		5,470,000	7,000,000	4,343,070	7,027,801		(2,981)		(2,981)		7,024,820		(1,554,820)	(1,554,820)	474,833	12/01/2008
52736T-AC-2	LEVIATHAN GAS 144A SR NTS 10.375% 06/01/09		06/01/2004	Call 105.1880		3,860,400	3,670,000	3,747,988	3,714,526		145,874		145,874		3,860,400				190,381	06/01/2009
55972F-AD-6	MAGNUM HUNTER RE NOTE 9.600% 03/15/12		08/27/2004	Call 109.6000		384,696	351,000	351,000	351,000		33,696		33,696		384,696				32,011	03/15/2012
577778-AT-0	Redemption 100.0000		10/15/2004	100.0000		225,000	225,000	247,964	245,216		(20,216)		(20,216)		225,000				16,031	04/15/2021
58528#-CA-3	MAY DEPT STORES DEBS 9.500% 04/15/21		05/01/14	Redemption 100.0000		159,444	159,444	159,444	159,444						159,444				13,090	05/01/2014
58528#-CC-9	MEIJER INC SERIES B-1 SR SEC NT 8.210%		05/01/14	Redemption 100.0000		172,731	172,731	172,731	172,731						172,731				14,181	05/01/2014
589497-AA-4	MEIJER INC SERIES B-2 SR SEC NT 8.210%		11/01/2004	Redemption 100.0000		383,349	383,349	383,349	383,349						383,349				25,629	12/18/2019
607369-C*-4	MEREY SWEENEY, L.P. 144A SR 8.850% 12/18/19		12/18/2004	Redemption 100.0000		275,000	275,000	275,000	275,000						275,000				20,570	07/01/2023
60755#-AB-3	MOBILE GAS CORP 1ST MTG BONDS 7.480%		07/01/2004	100.0000		3,749,334	3,749,334	3,749,334	3,749,334						3,749,334				39,719	09/30/2004
60755#-AC-1	MODERN CONTINENTAL CONST SR NOTE 8.750%		02/12/2004	Various		268,195	268,195	260,505	260,505		7,690		7,690		268,195				4,618	12/31/2006
670013-AA-9	09/30/04		06/10/2004	Redemption 100.0000		2,924,825	2,500,000	2,500,000	2,500,000		424,825		424,825		2,924,825				200,139	02/28/2011
68210*-AA-1	MODERN CONTINENTAL CONST SR SEC NT 8.750% 12/31/06		06/07/2004	Call 116.9930		253,848	253,848	253,848	253,848						253,848				12,257	05/12/2010
69352B-AC-8	PMD GROUP SR NTS 11.000% 02/28/11		12/12/2004	Redemption 100.0000		509,675	509,675	509,675	509,675						509,675				45,376	07/02/2020
70556J-AC-3	OMEGA LEASING PLC SR SEC NTS 8.800%		07/02/2004	100.0000		2,272,500	7,500,000	2,775,000	2,625,000	150,000			150,000		2,775,000		(502,500)	(502,500)	95,288	02/25/2010
723787-AB-3	PIONEER NATURAL RESOURCE SR GTD 7.200%		03/18/2004	Various		6,506,151	5,700,000	5,167,590	5,178,999		7,148		7,148		5,186,147		1,320,004	1,320,004	580,260	01/15/2028
73036Z-AA-5	01/15/28		12/14/2004	Casualty		3,174,041	2,915,200	2,831,242	2,870,636		3,543		3,543		2,874,179	199,621	100,242	299,863	123,086	09/11/2007
73763H-AN-6	POCO PETROLEUMS LTD NTS 6.600% 09/11/07		05/01/2004	RBC INSURANCE		5,866,350	5,000,000	5,081,600	5,049,627		(4,666)		(4,666)		5,044,961		821,389	821,389	418,083	01/17/2011
74040#-AA-3	POTLATCH MTN 8.650% 01/17/11		11/16/2004	GOLDMAN SACHS		1,866,590	1,866,589	1,937,046	1,876,888		(10,298)		(10,298)		1,866,590				181,972	12/01/2005
741929-AF-0	PREFCO VII (US WEST) SECURED NT 9.625%		12/01/05	Various		2,640,625	2,500,000	2,500,000	2,500,000		140,625		140,625		2,640,625				163,281	01/15/2009
74913E-AJ-9	PRIMUS TELECOM SR NT 11.250% 01/15/09		02/14/2004	Call 105.6250		3,920,000	5,000,000	4,984,950	4,985,388		54		54		4,985,442		(1,065,442)	(1,065,442)	275,340	02/15/2031
74965#-AE-6	QWEST CAP FUND CO GRNT 7.750% 02/15/31		04/28/2004	Various		8,870,671	7,500,000	7,500,000	7,500,000		1,370,671		1,370,671		8,870,671				259,369	03/15/2017
760719-BB-9	RLC INDUSTRIES CO. SER E SR NT 7.830%		03/15/17	Call 118.2756		1,139,887	1,000,000	1,164,450	1,162,157		(18,155)		(18,155)		1,144,002		(4,115)	(4,115)	61,569	05/15/2009
761042-CF-5	REPUBLIC NEW YORK CORP Sub Nts 7.750%		09/01/2004	Unum Life Ins Co of America		21,203,063	21,203,063	17,858,964	17,992,581		3,210,482		3,210,482		21,203,063				599,767	04/19/2029
761042-CG-3	RMT 2000-A A4 Z 6.500% 04/19/29		08/01/2004	Paydown		11,165,515	11,165,515	9,789,017	10,120,840		1,044,675		1,044,675		11,165,515				563,653	04/19/2029
76110Y-GX-4	RMT 2000-A A5 CMO 6.500% 04/19/29		12/01/2004	Paydown		285,046	285,046	252,824	258,316		26,730		26,730		285,046				1,537	05/25/2029
76110Y-LN-0	RFMSI 1999-S12 A4 6.500% 05/25/29		01/01/2004	Paydown		3,377,500	3,377,500	3,008,906	3,042,705		334,795		334,795		3,377,500				90,087	06/25/2029
775371-AG-2	RFMSI 1999-S14 1A15 6.500% 06/25/29		05/01/2004	Paydown		375,000	375,000	403,418	393,357		(18,357)		(18,357)		375,000				27,563	04/15/2020
781740-AG-0	ROHM & HAAS SF DEBS 9.800% 04/15/20		10/15/2004	100.0000		194,341	194,340	153,335	184,613		9,728		9,728		194,341				6,960	04/01/2026
781740-AL-9	RURAL HOUSING TRUST 87-1 2-C 6.830%		12/01/2004	Paydown		112,994	112,994	104,296	109,284		3,710		3,710		112,994				4,602	04/01/2026

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1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
78572M-AA-3	SABMILLER PLC 144A BNDS 6.625% 08/15/33		12/14/2004	Provident Life and Casualty		5,615,078	5,000,000	4,948,550	4,948,784		556		556		4,949,340		665,738	665,738	442,587	08/15/2033
80311*-AA-4	SARA LEE CORP GTD ESOP NOTES 8.176% 06/15/04		01/01/2004	100.0000		100,637	100,637	100,637	100,637						100,637					06/15/2004
811410-A@-8	SEA-LAND (CSX) SER B NTS 10.000% 06/15/08		06/15/2004	100.0000		480,427	480,427	480,427	480,427						480,427				24,021	06/15/2008
843598-AG-8	SOUTHERN PACIFIC TRANS ETC 9.280% 01/02/14		07/02/2004	100.0000		61,079	61,079	61,079	61,079						61,079				4,629	01/02/2014
863573-GL-9	SMART 92-4A-AA SPA 8.250% 05/25/08		12/01/2004	Paydown		129,984	129,984	135,936	130,453		(469)		(469)		129,984				4,021	05/25/2008
866762-AE-7	SUN CO DEBS 9.375% 06/01/16		09/28/2004	TENDER OFFER		24,844,288	22,400,000	22,872,702	22,524,756		(35,623)		(35,623)		22,469,133		2,355,155	2,355,155	1,732,483	06/01/2016
871928-AU-1	APACHE (TIERS) COLLATERAL TRUST SER 97-8 7.220% 08/15/17		08/15/2004	100.0000		269,435	269,435	259,267	260,761		8,674		8,674		269,435				14,676	08/15/2017
87305N-AW-8	TTX PASS-THROUGH TRUSTS 2004-A SERIES 2004-A2 5.503% 01/02/22		12/28/2004	Call 100.0000		138,101	138,101	138,101	138,101						138,101				1,879	01/02/2022
883556-AJ-1	THERMO ELECTRON CORP CONV SUB DEBS 3.250% 11/01/07		04/08/2004	LEHMAN BROTHERS		1,485,000	1,500,000	1,500,000	1,500,000						1,500,000		(15,000)	(15,000)	22,073	11/01/2007
89605H-BZ-6	TRIBUNE COMPANY MTN SERIES D 6.500% 07/30/04		07/30/2004	Maturity		5,000,000	5,000,000	5,332,950	5,144,297		(144,297)		(144,297)		5,000,000				230,208	07/30/2004
89903@-AB-5	TUDOR INV CORP GTD SR NT 8.620% 08/30/06		08/30/2004	100.0000		2,600,000	2,600,000	2,600,000	2,600,000						2,600,000				224,120	08/30/2006
903236-AD-9	URS CORP SR NT 12.250% 05/01/09		10/12/2004	Call 106.1250		11,096,430	10,456,000	10,749,649	10,635,065		461,365		461,365		11,096,430				753,047	05/01/2009
903236-AF-4	URS CORP SR NTS 11.500% 09/15/09		05/14/2004	Call 111.5000		391,365	351,000	342,716	343,903		47,462		47,462		391,365				26,798	09/15/2009
911363-AH-2	UNITED RENTALS INC. NTS 9.000% 04/01/09		04/01/2004	Call 104.5000		6,270,000	6,000,000	5,968,750	5,979,787		290,213		290,213		6,270,000				270,000	04/01/2009
911365-AN-4	UNITED RENTALS INC SR NTS 6.500% 02/15/12		01/23/2004	SPEAR, LEEDS & KELLOG		1,000,000	1,000,000	1,000,000	1,000,000						1,000,000					02/15/2012
911365-AQ-7	UNITED RENTALS INC SR SUB 7.000% 02/15/14		01/23/2004	Various		3,000,000	3,000,000	3,000,000	3,000,000						3,000,000					02/15/2014
911674-AF-6	US CAN CO SR NTS 12.375% 10/01/10		02/12/2004	The Bank of New York		2,278,125	2,500,000	2,510,000	2,507,907		(100)		(100)		2,507,807		(229,682)	(229,682)	117,734	10/01/2010
913028-E@-9	UNITED TEL INDIANA SER W 1ST MTG 8.770% 08/01/17		08/01/2004	100.0000		43,400	43,400	43,400	43,400						43,400				3,806	08/01/2017
922036-AB-4	VANGUARD HEALTH SYSTEMS SR SUB NTS 9.750% 08/01/11		09/23/2004	Call 114.8030		2,296,060	2,000,000	2,000,000	2,000,000		296,060		296,060		2,296,060				223,166	08/01/2011
925524-AH-3	VIACOM INC DEBS 7.875% 07/30/30		12/14/2004	Provident Life and Casualty		6,184,720	5,000,000	5,517,000	5,508,413		(6,557)		(6,557)		5,501,856		682,864	682,864	540,313	07/30/2030
928866-AD-4	VON HOFFMAN CORP NT 10.250% 03/15/09		10/05/2004	Call 108.9190		5,032,057	4,620,000	4,705,050	4,684,283		347,774		347,774		5,032,057				539,320	03/15/2009
97180*-MN-5	WILM (AMER AIR) SER A SEC NT #P1 3.062% 09/28/08		09/28/2004	100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-MP-0	WILM (AMER AIR) SER A SEC NT #P2 3.062% 09/28/08		09/28/2004	Redemption 100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-MQ-8	WILM (AMER AIR) SER A SEC NT #P3 3.062% 09/28/08		09/28/2004	Redemption 100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-MR-6	WILM (AMER AIR) SER A SEC NT #P4 3.062% 09/28/08		09/28/2004	Redemption 100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-MS-4	WILM (AMER AIR) SER A SEC NT #P5 3.062% 09/28/08		09/28/2004	Redemption 100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-MT-2	WILM (AMER AIR) SER A SEC NT #P6 3.062% 09/28/08		09/28/2004	Redemption 100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-MU-9	WILM (AMER AIR) SER A SEC NT #P7 3.062% 09/28/08		09/28/2004	Redemption 100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-MV-7	WILM (AMER AIR) SER A SEC NT #P8 3.062% 09/28/08		09/28/2004	Redemption 100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-MW-5	WILM (AMER AIR) SER A SEC NT #P9 3.061% 09/28/08		09/28/2004	Redemption 100.0000		49,584	49,584	48,096	48,102		1,482		1,482		49,584				1,142	09/28/2008
97180*-MX-3	WILM (AMER AIR) SER A SEC NT#P10 3.062% 09/28/08		09/28/2004	Redemption 100.0000		49,596	49,596	48,108	48,114		1,482		1,482		49,596				1,143	09/28/2008
97180*-SC-3	WILM (AIRBUS INDUSTRIES) SER A NTS 9.030% 11/27/14		11/27/2004	Redemption 100.0000		114,053	114,053	114,053	114,053						114,053				6,205	11/27/2014
97180*-SD-1	WILM (AIRBUS INDUSTRIES) SER B NTS 9.030% 11/29/14		11/29/2004	Redemption 100.0000		114,053	114,053	114,053	114,053						114,053				6,205	11/29/2014

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
97180*-SE-9	WILM (AIRBUS INDUSTRIES) SER C NTS 9.030%		11/28/2004	Redemption		114,053	114,053	114,053	114,053						114,053				6,205	11/28/2014
97180*-SF-6	WILM (AIRBUS INDUSTRIES) SER D NTS 9.030%		11/29/2004	Redemption		114,053	114,053	114,053	114,053						114,053				6,205	11/29/2014
97180*-SG-4	WILM (AIRBUS INDUSTRIES) SER E NTS 9.030%		11/29/2004	Redemption		114,053	114,053	114,053	114,053						114,053				6,205	11/29/2014
97180*-SH-2	WILM (AIRBUS INDUSTRIES) SER F NTS 9.030%		11/28/2004	Redemption		114,053	114,053	114,053	114,053						114,053				6,205	11/28/2014
974272-AB-2	WINN-DIXIE PTC SER 99-1,A-2 8.181%		09/01/24	H. Rivkin & Co. Inc.		797,501	1,000,000	976,250	978,137		208		208		978,345		(180,844)	(180,844)	37,724	09/01/2024
983024-AG-5	WYETH BNDS 6.500% 02/01/34		12/14/2004	Provident Life and		5,331,650	5,000,000	4,945,750	4,945,750		1,385		1,385		4,947,135		384,515	384,515	323,194	02/01/2034
000000-00-0	DERIVATIVE ACTIVITY ON HEDGED BONDS		12/01/2004	Casualty		305,099			305,099						305,099					05/01/2026
U61688-AN-4	J P MORGAN & CO SUB NTS DEP 6.875%	C.	03/17/04	Various		4,372,800	4,372,800	3,554,868	4,347,229		25,571		25,571		4,372,800	(130,722)	130,722		300,630	03/17/2004
00126T-AA-3	AGT LIMITED DEBS- SER A 9.500% 08/24/04	C.	08/24/2004	Maturity		5,361,300	5,361,300	5,381,157	5,363,243		(1,943)		(1,943)		5,361,300	246,474	(246,474)		509,324	08/24/2004
007863-AB-9	AEROPORTS DE MONTREAL NOTES 6.950%	C.	05/01/2004	RBC INSURANCE		21,186,537	19,750,480	19,980,497	19,974,147		(399)		(399)		19,973,749	2,506,509	(1,293,720)	1,212,789	742,740	04/16/2032
01286Z-AK-1	ALBERTA ENERGY MTN 7.150% 12/17/09	C.	09/01/2004	MERRILL LYNCH		4,325,054	3,885,000	4,047,548	4,018,552		(12,901)		(12,901)		4,005,650	170,410	148,994	319,404	201,294	12/17/2009
01286Z-AL-9	ALBERTA ENERGY MTN 7.300% 09/02/14	C.	09/01/2004	MERRILL LYNCH		21,037,648	18,574,962	18,546,733	18,559,302		532		532		18,559,834	788,244	1,689,571	2,477,814	1,374,547	09/02/2014
01854#-BF-7	BOMBARDIER SEC NT 8.160% 01/02/23	C.	07/02/2004	Various		183,178	183,178	183,178	183,178						183,178				8,072	01/02/2023
01877P-AA-0	ALLIANCE PIPELINE LP DEB 7.230% 06/30/15	C.	12/31/2004	Redemption		395,056	395,056	387,571	389,293		5,763		5,763		395,056	581,863	(581,863)		21,566	06/30/2015
01877Z-AA-8	ALLIANCE PIPELINE LP SR NT 7.181%	C.	05/01/2004	RBC INSURANCE		11,941,558	10,602,373	10,614,033	10,613,258		(490)		(490)		10,612,768	1,267,387	61,403	1,328,790	254,481	06/30/2023
01877Z-AB-6	ALLIANCE PIPELINE LP NOTES 7.217%	C.	05/01/2004	RBC INSURANCE		4,607,723	4,074,015	4,222,314	4,217,818		(329)		(329)		4,217,488	559,901	(169,667)	390,234	98,276	12/31/2025
05560H-AA-1	BMO CAPITAL TRUST Call - Series A 6.903%	C.	12/31/10	Redemption		2,029,016	1,822,000	1,822,000	1,822,000						1,822,000	161,201	45,815	207,016	42,039	12/31/2010
064149-AR-8	BANK OF NOVA SCOTIA DEB 8.300% 09/27/13	C.	05/01/2004	RBC INSURANCE		6,267,213	5,101,600	5,063,702	5,075,736		581		581		5,076,317	(175,721)	1,366,617	1,190,896	252,319	09/27/2013
077906-JY-2	BELL CANADA Cpn 0.000% 06/01/41	C.	05/17/2004	RBC-DOMINION SEC		399,065	5,445,750	62,517	149,164		5,642		5,642		154,806	5,345	238,914	244,259		06/01/2041
077906-KA-2	BELL CANADA Cpn 0.000% 06/01/42	C.	05/17/2004	RBC-DOMINION SEC		371,890	5,445,750	56,799	135,516		5,125		5,125		140,640	4,855	226,395	231,250		06/01/2042
077906-KC-8	BELL CANADA Cpn 0.000% 06/01/43	C.	05/17/2004	RBC-DOMINION SEC		346,568	5,445,750	51,571	123,051		4,654		4,654		127,706	4,409	214,453	218,862		06/01/2043
077906-KE-4	BELL CANADA Cpn 0.000% 06/01/44	C.	05/17/2004	RBC-DOMINION SEC		322,932	5,445,750	46,833	111,751		4,227		4,227		115,978	4,004	202,950	206,954		06/01/2044
077906-KG-9	BELL CANADA Cpn 0.000% 06/01/45	C.	05/17/2004	RBC-DOMINION SEC		300,932	5,445,750	42,531	101,490		3,839		3,839		105,329	3,637	191,966	195,603		06/01/2045
077906-KJ-3	BELL CANADA Cpn 0.000% 06/01/46	C.	05/17/2004	RBC-DOMINION SEC		280,456	5,445,750	38,665	92,250		3,489		3,489		95,738	3,305	181,413	184,718		06/01/2046
077906-KL-8	BELL CANADA Cpn 0.000% 06/01/47	C.	05/17/2004	RBC-DOMINION SEC		261,342	5,445,750	35,125	83,802		3,169		3,169		86,972	3,003	171,367	174,370		06/01/2047
077906-KN-4	BELL CANADA Cpn 0.000% 06/01/48	C.	05/17/2004	RBC-DOMINION SEC		243,534	5,445,750	31,912	76,134		2,879		2,879		79,013	2,728	161,793	164,521		06/01/2048
077906-KQ-7	BELL CANADA Cpn 0.000% 06/01/49	C.	05/17/2004	RBC-DOMINION SEC		226,924	5,445,750	28,971	69,124		2,615		2,615		71,739	2,477	152,708	155,185		06/01/2049
077906-KS-3	BELL CANADA Cpn 0.000% 06/01/50	C.	05/17/2004	RBC-DOMINION SEC		211,458	5,445,750	26,303	62,763		2,374		2,374		65,136	2,249	144,073	146,322		06/01/2050
077906-KU-8	BELL CANADA Cpn 0.000% 06/01/51	C.	05/17/2004	RBC-DOMINION SEC		197,027	5,445,750	23,907	57,040		2,157		2,157		59,197	2,044	135,786	137,830		06/01/2051
077906-KW-4	BELL CANADA Cpn 0.000% 06/01/52	C.	05/17/2004	RBC-DOMINION SEC		183,631	5,445,750	21,729	51,837		1,960		1,960		53,797	1,857	127,977	129,834		06/01/2052
077906-KY-0	BELL CANADA Cpn Deb 0.000% 06/01/53	C.	05/17/2004	RBC-DOMINION SEC		171,105	5,445,750	19,714	47,039		1,779		1,779		48,818	1,685	120,602	122,287		06/01/2053
077906-LA-1	BELL CANADA Cpn 0.000% 06/01/54	C.	05/17/2004	RBC-DOMINION SEC		159,452	5,445,750	17,917	42,747		1,617		1,617		44,364	1,532	113,556	115,088		06/01/2054
077906-LC-7	BELL CANADA PRIN 0.000% 12/01/54	C.	05/17/2004	RBC-DOMINION SEC		656,859	23,235,200	77,373	182,937		6,845		6,845		189,782	6,524	460,553	467,077		12/01/2054
078149-DK-4	BELL CANADA DEB 9.700% 12/15/32	C.	05/01/2004	RBC INSURANCE		6,255,596	4,372,800	4,739,095	4,721,357		(891)		(891)		4,720,467	(338,965)	1,874,094	1,535,129	160,368	12/15/2032
097751-AE-1	BOMBARDIER INC DEB 7.350% 12/22/26	C.	07/21/2004	Various		17,643,930	19,813,500	19,649,716	19,655,239		39,173		39,173		19,694,412	213,744	(2,264,226)	(2,050,482)	846,568	12/22/2026
110727-BJ-2	BRITISH COLUMBIA TELEPHONE DEB 9.650%	C.	05/01/2004	RBC INSURANCE		1,572,656	1,093,200	1,397,930	1,350,645		(2,289)		(2,289)		1,348,356	(62,386)	286,686	224,300	42,743	06/19/2021
110727-BL-7	BRITISH COLUMBIA TELEPHONE DEB 9.650%	C.	05/01/2004	RBC INSURANCE		3,918,117	2,915,200	3,063,847	3,042,268		(1,084)		(1,084)		3,041,184	(233,124)	1,110,057	876,933	158,385	04/08/2022
136375-BD-3	CANADIAN NATIONAL RAILWAY CO NTS 6.900%	C.	12/14/2004	Provident Life and		5,755,400	5,000,000	5,376,200	5,376,200		(3,189)		(3,189)		5,373,011		382,389	382,389	315,292	07/15/2028
13642Z-AB-5	CANADIAN OCCIDENTAL PETROLEUM MTN 6.300%	C.	05/01/2004	Casualty		4,705,570	4,372,800	4,048,360	4,181,480		12,269		12,269		4,193,749	263,358	248,463	511,821	113,968	06/02/2008
13645R-AA-2	CANADIAN PACIFIC SEC NTS 6.910% 10/01/24	C.	05/01/2004	RBC INSURANCE		16,028,165	14,408,376	14,629,890	14,636,127		(2,496)		(2,496)		14,633,631	1,121,122	273,412	1,394,534	579,641	10/01/2024
136681-AD-5	CANADA TIRE DEBS DEP 12.100% 05/10/10	C.	05/01/2004	RBC INSURANCE		5,023,801	3,644,000	4,749,808	4,254,177		(24,337)		(24,337)		4,229,840	(182,890)	976,851	793,961	208,986	05/10/2010
19238V-AC-9	COGECO CABLE DEBS 6.750% 06/04/09	C.	05/13/2004	RBC-DOMINION SEC		4,961,534	5,011,650	4,790,308	4,852,393		9,123		9,123		4,861,516	461,717	(361,700)	100,018	153,851	06/04/2009

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
20660E-CF-3	CONCORDIA UNIVERSITY DEBS 6.550% 09/02/42	C	.05/01/2004	RBC INSURANCE		3,954,943	3,644,000	3,643,453	3,643,499		103		103		3,643,602	435,722	(124,381)	311,341	158,577	09/02/2042
221025-AB-5	CORY COGENERATION FNDG CORP SER B SR SEC PROJECT BNDS 7.601% 06/30/26	C	.05/01/2004	RBC INSURANCE		12,276,636	10,932,000	10,932,000	10,932,000						10,932,000	1,206,896	137,740	1,344,636	279,289	06/30/2026
281204-AA-5	EDMONTON AIRPORT REVENUE BONDS 7.214% 11/01/30	C	.05/01/2004	RBC INSURANCE		16,056,116	14,515,184	14,528,173	14,526,800		13		13		14,526,813	1,464,576	64,727	1,529,303	523,563	11/01/2030
29251Z-AD-9	ENBRIDGE INC MTN 7.220% 07/24/30	C	.05/01/2004	RBC INSURANCE		7,273,956	6,559,200	6,653,886	6,650,405		(80)		(80)		6,650,325	575,125	48,506	623,631	365,803	07/24/2030
294105-AB-7	EPCOR UTILITIES NOTES 6.800% 06/28/29	C	.05/01/2004	RBC INSURANCE		3,876,137	3,735,100	3,415,813	3,422,464		1,390		1,390		3,423,854	388,112	64,172	452,284	86,982	06/28/2029
29410Z-AD-7	EPCOR UTILITIES MTN 6.600% 11/01/11	C	.05/01/2004	RBC INSURANCE		9,441,296	8,672,720	8,684,888	8,683,597		(364)		(364)		8,683,232	1,228,266	(470,202)	758,064	286,200	11/01/2011
31680P-AA-4	55 SCHOOL BOARD TRUST DEBS 5.900% 06/02/33	C	.05/01/2004	RBC INSURANCE		10,190,752	10,203,200	10,196,058	10,196,110		31		31		10,196,140	(26,960)	21,572	(5,388)	249,042	06/02/2033
350863-AB-2	407 ETR INTERNATIONAL DEB 6.470% 07/27/29	C	.05/01/2004	RBC INSURANCE		8,150,226	7,871,040	7,568,849	7,584,359		1,346		1,346		7,585,705	742,846	(178,325)	564,521	387,174	07/27/2029
350863-AC-0	407 ETR INTERNATIONAL SERIES 99A3 6.750% 07/27/39	C	.05/01/2004	RBC INSURANCE		5,558,928	5,283,800	4,295,624	4,944,551		113,674		113,674		5,058,225	545,477	(44,774)	500,703		07/27/2039
350863-AT-3	407 ETR INTERNATIONAL SERIES 00C1 9.000% 08/15/07	C	.09/29/2004	Unum Life Ins Co of America		8,803,410	7,770,000	7,786,861	7,778,728		(1,577)		(1,577)		7,777,152	330,341	695,917	1,026,258	785,515	08/15/2007
391906-AG-9	GREATER TORONTO AIRPORT BDS 6.450% 07/30/29	C	.05/01/2004	RBC INSURANCE		2,180,038	2,186,400	2,065,273	2,070,178		568		568		2,070,746	209,113	(99,821)	109,292	106,057	07/30/2029
39191Z-AA-7	GREATER TORONTO AIRPORT MTN Ser 2000-1 7.050% 06/12/30	C	.05/01/2004	RBC INSURANCE		9,493,495	9,037,120	9,065,721	9,065,256		(126)		(126)		9,065,130	813,579	(385,214)	428,365	246,119	06/12/2030
39191Z-AB-5	GREATER TORONTO AIRPORT Series D MTN 6.700% 07/19/10	C	.05/01/2004	RBC INSURANCE		640,837	583,040	582,282	582,492		23		23		582,515	43,209	15,113	58,322	30,555	07/19/2010
39191Z-AC-3	GREATER TORONTO AIRPORT NOTE 7.100% 06/04/31	C	.05/01/2004	RBC INSURANCE		14,327,653	13,549,121	13,587,998	13,588,260		(162)		(162)		13,588,098	1,587,590	(848,035)	739,555	392,701	06/04/2031
448810-AC-5	HYDRO ONE INC NOTES 7.350% 06/03/30	C	.05/01/2004	RBC INSURANCE		14,532,507	12,364,092	13,145,323	13,128,027		(2,980)		(2,980)		13,125,047	1,803,438	(395,978)	1,407,460	373,463	06/03/2030
44991Z-AE-1	IPL ENERGY, INC. MTN 5.800% 07/29/08	C	.05/01/2004	RBC INSURANCE		5,835,174	5,466,000	5,365,498	5,411,937		3,428		3,428		5,415,364	512,957	(93,148)	419,809	239,291	07/29/2008
462622-B*-1	IPSCO INC SERIES A SR NTS 6.940% 04/01/04	C	.04/01/2004	Redemption 100.0000 CLASS ACTION SETTLEINT		1,800,000	1,800,000	1,800,000	1,800,000						1,800,000				62,460	04/01/2004
50730K-AH-0	LIDLAW INC DEBS 8.750% 04/15/25	C	.02/19/2004			17,909											17,909	17,909		04/15/2025
535908-AA-5	LINDSEY MORDEN SER B DEBS 7.000% 06/16/08	C	.02/10/2004	Various		7,572,162	11,290,500	11,223,322	11,254,803		779		779		11,255,582	(1,045,244)	(2,638,177)	(3,683,420)	123,711	06/16/2008
53947Z-AC-1	LOBLAW CO LTD MTN 6.650% 11/08/27	C	.09/24/2004	RBC-DOMINION SEC		4,078,085	3,885,000	3,883,990	3,884,082		12		12		3,884,095	164,961	29,028	193,990	231,102	11/08/2027
53947Z-AD-9	LOBLAW CO LTD MTN 6.450% 02/09/28	C	.09/24/2004	MERRILL LYNCH		3,997,976	3,885,000	3,570,191	3,580,620		3,692		3,692		3,584,311	152,142	261,523	413,665	285,596	02/09/2028
53947Z-AF-4	LOBLAW CO LTD MTN SER D 6.500% 01/22/29	C	.05/01/2004	RBC INSURANCE		13,338,278	12,998,877	12,694,677	12,708,465		1,458		1,458		12,709,922	1,131,194	(502,839)	628,355	653,950	01/22/2029
53947Z-AR-8	LOBLAW CO LTD NOTE 7.100% 06/01/16	C	.05/01/2004	RBC INSURANCE		4,190,053	3,644,000	3,642,652	3,642,796		20		20		3,642,816	388,648	158,589	547,237	107,743	06/01/2016
56348Z-AB-1	MANITOBA TELECOM SERVICES MTN 5.900% 06/02/08	C	.09/24/2004	RBC-DOMINION SEC		2,445,988	2,331,000	2,384,077	2,359,216		(4,284)		(4,284)		2,354,932	100,118	(9,063)	91,056	113,603	06/02/2008
57036Q-AB-6	MARITIMES & NE PIPELINE SEC NTS 6.900% 11/30/19	C	.05/01/2004	RBC INSURANCE		4,072,296	3,680,440	3,621,740	3,628,504		598		598		3,629,102	235,676	207,518	443,194	106,451	11/30/2019
571657-AA-3	MARS DEVELOPMENT TR SECURED 6.403% 02/04/35	C	.05/01/2004	RBC INSURANCE		10,677,649	10,203,200	10,203,200	10,203,200						10,203,200	1,238,610	(764,161)	474,449	482,376	02/04/2035
60870T-AE-7	MOLSON COMPANIES LTD SR NTS SER A 6.000% 06/02/08	C	.05/01/2004	RBC INSURANCE		8,958,162	8,381,200	8,313,425	8,345,073		2,356		2,356		8,347,429	712,890	(102,157)	610,733	208,037	06/02/2008
60870T-AF-4	MOLSON COMPANIES LTD DEBS 6.700% 06/02/28	C	.09/29/2004	Unum Life Ins Co of America		10,275,218	9,947,931	9,751,968	9,761,749		2,224		2,224		9,763,972	414,633	96,613	511,246	550,557	06/02/2028
628957-AC-6	NAV CANADA SER 96-3 REVENUE BONDS 7.400% 06/01/27	C	.05/01/2004	RBC INSURANCE		14,565,833	12,389,600	12,375,600	12,376,178		73		73		12,376,251	(47,248)	2,236,830	2,189,582	381,803	06/01/2027
628957-AF-9	NAV CANADA MTN 6.500% 06/01/09	C	.05/01/2004	RBC INSURANCE		1,606,785	1,457,600	1,450,895	1,453,348		219		219		1,453,568	75,558	77,660	153,218	39,455	06/01/2009
65090Z-AT-3	NEWFOUNDLAND LIGHT & POWER 1st Mtg 9.000% 10/01/20	C	.05/01/2004	RBC INSURANCE		21,079,359	19,509,976	18,838,803	19,183,496		27,383		27,383		19,210,879	1,757,094	111,386	1,868,480	471,045	06/28/2007
651350-BG-4	NEWFOUNDLAND TELEPHONE DEP 11.400% 07/05/10	C	.05/01/2004	RBC INSURANCE		2,730,646	2,161,621	2,249,460	2,235,912		(678)		(678)		2,235,235	(138,343)	633,754	495,411	113,263	10/01/2020
651356-AK-3	NOVA CHEMICALS SR NTS 7.850% 08/30/10	C	.05/13/2004	RBC INSURANCE		1,851,020	1,374,517	1,600,213	1,499,123		(4,939)		(4,939)		1,494,184	(149,915)	506,752	356,837	128,576	07/05/2010
66977W-AA-7	ONTREA INC COM. GUARNT SER. B 5.570% 04/09/13	C	.05/13/2004	RBC-DOMINION SEC		4,836,825	4,662,000	4,646,081	4,650,018		148		148		4,650,166	361,832	(175,173)	186,659	263,196	08/30/2010
683375-AB-5		C	.05/01/2004	RBC INSURANCE		11,420,442	10,932,000	10,931,125	10,931,174		23		23		10,931,197	705,600	(216,355)	489,245	341,158	04/09/2013

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
689561-AB-4	OTTAWA MACDONALD-CARTIER NTS 6.973%	C.	05/01/2004	RBC INSURANCE		9,456,530	8,745,600	8,745,600	8,745,600						8,745,600	915,257	(204,327)	710,930	263,982	05/25/2032
694940-AC-1	PACIFICA PAPERS SR NOTES 10.000% 03/15/09	C.	03/23/2004	Call 105.3750		605,906	575,000	557,031	562,674		43,232		43,232	605,906				30,028	03/15/2009	
74022D-AA-8	PRECISION DRILL DEBS 6.850% 06/26/07	C.	05/01/2004	RBC INSURANCE		1,591,262	1,457,600	1,402,940	1,428,184		2,491		2,491	1,430,675	70,022	90,565	160,587	34,740	06/26/2007	
74022D-AB-6	PRECISION DRILL DEBS 7.650% 10/27/10	C.	05/01/2004	RBC INSURANCE		4,192,203	3,644,000	3,619,833	3,625,650		683		683	3,626,332	373,481	192,390	565,871	142,438	10/27/2010	
74925Y-AA-0	RBC CAPITAL TRUST PERP/CALL BDS 7.288%	C.	06/30/10	Unum Life Ins Co of America																
	06/30/10	C.	09/29/2004			2,407,476	2,136,750	2,136,750	2,136,750						2,136,750	90,750	179,976	270,726	116,688	06/30/2010
	RENAISSANCE ENERGY LTD MTN 144A 6.950%																			
	07/14/09	C.	05/01/2004	RBC INSURANCE		11,320,348	10,203,200	10,236,637	10,238,831		(1,896)		(1,896)	10,236,935	1,285,480	(202,067)	1,083,413	564,383	07/14/2009	
75966Z-AE-6	RIVERSIDE FOREST SER D 8.800% 07/17/07	C.	03/31/2004	Various		3,187,913	2,888,889	2,888,889	2,888,889		299,024		299,024	3,187,913				172,836	07/17/2007	
768904-E*-1	ROGERS CABLESYSTEMS DEBS 9.650% 01/15/14	C.	02/23/2004	Call 104.8250		2,291,894	2,186,400	2,246,526	2,229,526		62,368		62,368	2,291,894	(361,886)	361,886		127,764	01/15/2014	
775100-AC-4	ROYAL GROUP TECH MTN 6.900% 04/13/10	C.	05/25/2004	RBC-DOMINION SEC		2,284,380	2,331,000	2,325,009	2,326,686		351		351	2,327,037	148,527	(191,185)	(42,657)	100,344	04/13/2010	
77991Z-AA-9	ROYAL BANK OF CANADA CANADIAN DEPOSIT NOTES			Unum Life Ins Co of America																
780087-K4-3	5.600% 04/22/08	C.	09/29/2004			4,923,537	4,662,000	4,611,169	4,635,978		4,025		4,025	4,640,003	196,970	86,565	283,534	244,979	04/22/2008	
81234Z-AA-8	SEARS CANADA MTN 7.450% 05/10/10	C.	05/01/2004	RBC INSURANCE		8,782,084	8,016,800	8,051,382	8,041,793		(1,060)		(1,060)	8,040,733	739,611	1,740	741,351	283,081	05/10/2010	
	SHAW COMMUNICATION SNR NTS 7.500%																			
	11/20/13	C.	05/13/2004	RBC-DOMINION SEC		8,611,103	8,547,000	8,547,000	8,547,000						8,547,000	(429,146)	493,248	64,103	316,122	11/20/2013
82028K-AJ-0	SIMON FRASER UNIVERSITY DEBS 5.613%																			
	06/10/43	C.	05/01/2004	RBC INSURANCE		3,522,764	3,644,000	3,644,000	3,644,000						3,644,000	(24,648)	(96,588)	(121,236)	80,134	06/10/2043
82878R-AA-5	SUNCOR INC MTN 6.800% 03/05/07	C.	05/01/2004	RBC INSURANCE		1,987,127	1,822,000	1,822,229	1,822,285		(28)		(28)	1,822,257	124,007	40,863	164,870	81,296	03/05/2007	
86722Z-AA-6	TERANET LND INFO SERVICE BDS 6.480%																			
	09/08/09	C.	05/01/2004	RBC INSURANCE		6,012,806	5,530,134	5,237,037	5,333,678		9,383		9,383	5,343,061	268,610	401,135	669,745	232,193	09/08/2009	
	Unum Life Ins Co of America																			
884903-AK-1	THOMSON CORP SR NTS 6.500% 07/09/07	C.	09/29/2004	Unum Life Ins Co of America		4,992,536	4,662,000	4,932,761	4,789,514		(24,973)		(24,973)	4,764,541	202,947	25,047	227,994	371,108	07/09/2007	
	06/01/11	C.	09/29/2004	Unum Life Ins Co of America		8,674,428	7,770,000	7,822,622	7,818,276		(3,947)		(3,947)	7,814,329	331,977	528,123	860,099	441,107	06/01/2011	
88490Z-AA-2	THOMSON CORP MTN 6.850% 06/01/11	C.	09/29/2004	Unum Life Ins Co of America		8,674,428	7,770,000	7,822,622	7,818,276		(3,947)		(3,947)	7,814,329	331,977	528,123	860,099	441,107	06/01/2011	
891190-AA-8	TORONTO HYDRO CORP DEBS 6.110% 05/07/13	C.	05/01/2004	RBC INSURANCE		1,914,047	1,822,000	1,820,925	1,820,977		27		27	1,821,004	33,967	59,076	93,043	53,680	05/07/2013	
89347Z-AC-1	TRANSALTA CORP MTN 7.300% 10/22/29	C.	06/04/2004	Various		8,684,043	8,780,100	8,058,281	8,072,576		3,603		3,603	8,076,179	1,047,513	(439,650)	607,863	578,911	10/22/2029	
	UNIVERSITY OF OTTAWA DEBS 6.280% 04/15/43																			
	04/15/43	C.	05/01/2004	RBC INSURANCE		3,866,102	3,644,000	3,640,283	3,640,298		7		7	3,640,306	193,147	32,649	225,796	124,453	04/15/2043	
914771-AA-8	VANCOUVER INTL AIRPORT DEBS SER A 6.550%																			
	12/07/06	C.	05/01/2004	RBC INSURANCE		3,802,806	3,516,460	3,527,128	3,520,935		(337)		(337)	3,520,598	14,347	267,860	282,207	92,131	12/07/2006	
921947-AA-5	VANCOUVER INTL AIRPORT SER B DEBS 7.375%																			
	12/07/26	C.	05/01/2004	RBC INSURANCE		3,326,243	2,915,200	2,740,201	2,754,272		993		993	2,755,265	(64,633)	635,611	570,978	85,998	12/07/2026	
921947-AB-3	WESTCOAST ENERGY MTN 6.750% 12/15/27	C.	05/19/2004	CIBC		11,612,110	11,655,000	11,415,956	11,422,529		1,528		1,528	11,424,056	938,268	(750,214)	188,053	349,171	12/15/2027	
95751Z-AD-5	YORK UNIVERSITY NOTE 6.480% 03/07/42	C.	05/01/2004	RBC INSURANCE		7,936,778	7,288,000	7,514,132	7,513,013		(503)		(503)	7,512,510	1,018,107	(593,840)	424,267	307,294	03/07/2042	
96717Z-AA-1	PARMALAT DAIRY & BAKERY CLASS C-2 SR NTS																			
	8.000% 10/31/15	C.	02/04/2004	DIRECT		7,805,381	11,290,500	11,290,500	2,145,195	9,148,950			9,148,950	11,294,145	(1,186,500)	(2,302,265)	(3,488,765)	270,972	10/31/2015	
000000-00-0	FOREIGN CURRENCY ADJUSTMENT	C.	12/31/2004	Various					43,474,150				(43,474,150)							
	AMERITRUST (BRITISH AERO) SEC NT 9.950%																			
	04/26/05	F.	04/26/2004	100.0000		940,574	940,574	940,574	940,574						940,574				46,794	04/26/2005
03073*-AK-2	CST EXP MASTER TRST SER 97-1 CERT 8.220%	F.	03/01/2004	Redemption		437,500	437,500	437,500	437,500						437,500				5,994	03/01/2004
12639T-AA-8	03/01/04	F.	03/01/2004	100.0000																
	CVRD FINANCE LTD SER 3-A SEC NTS 8.926%																			
	10/15/10	F.	10/15/2004	Redemption		1,942,722	1,942,721	1,946,054	1,944,842		(2,120)		(2,120)	1,942,722				109,575	10/15/2010	
126624-AC-9	CERRO NEGRO SER B SR NT 144A 7.900%	F.	12/01/20	Various		9,988,750	10,000,000	9,993,000	9,992,618		450		450	9,993,068		(4,318)	(4,318)	780,564	12/01/2020	
156877-AB-8	12/01/20	F.	12/14/2004	Various		9,988,750	10,000,000	9,993,000	9,992,618		450		450	9,993,068		(4,318)	(4,318)	780,564	12/01/2020	
204452-AG-1	COMPANIA MEGA S.A. SER G SEC NT 10.770%	F.	01/15/2004	DIRECT		19,012,000	16,975,000	16,975,000	16,975,000						16,975,000		2,037,000	2,037,000	233,604	06/15/2014
21986M-AA-3	CORPORATION DURANGO SA DE CV SR NTS 13.125% 08/01/06	F.	07/09/2004	MORGAN STANLEY		5,080,000	10,000,000	4,500,000	4,500,000						4,500,000		580,000	580,000		08/01/2006
21986M-AD-7	CORPORATION DURANGO SA DE CV SR NTS 144A 13.750% 07/15/09	F.	06/22/2004	MORGAN STANLEY		750,000	1,500,000	675,000	675,000						675,000		75,000	75,000		07/15/2009
315565-AA-9	FERTININTRO FINANCE SEC BDS-144A 8.290%	F.	04/01/20	UBS WARBURG		2,295,000	3,000,000	3,000,000	3,000,000						3,000,000		(705,000)	(705,000)	186,525	04/01/2020
	04/01/20	F.	06/28/2004	TGS (Transportadora) SER B LOAN		2,295,000	3,000,000	3,000,000	3,000,000						3,000,000		(705,000)	(705,000)	186,525	04/01/2020
458182-BB-0	PARTICIPATION 9.650% 05/15/11	F.	06/09/2004	LEHMAN BROTHERS		5,925,000	7,500,000	5,625,000	5,625,000						5,625,000		300,000	300,000		05/15/2011
	IRON ORE EXPORT MASTER TRUST (SAMARCO) SR																			
	SEC EXP NTS 10.043% 05/31/05	F.	11/30/2004	Redemption		2,352,941	2,352,941	2,352,941	2,352,941						2,352,941				147,691	05/31/2005
46289+-AC-5	10.043% 05/31/05	F.	11/30/2004	100.0000																

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
612380-AA-6	BASELL FINANCE CO BV SR NTS 144A 8.100% 03/15/27	F	12/14/2004	Provident Life and Casualty		3,270,190	3,500,000	3,526,845	3,526,845						3,526,845		(256,655)	(256,655)	353,588	03/15/2027
693300-AJ-4	PDVSA FINANCE LTD 1998-1 BDS 7.400% 08/15/16	F	08/02/2004	Call 93.7500		548,438	585,000	451,017	469,264		79,174		79,174		548,438				30,904	08/15/2016
693300-AK-1	PDVSA FINANCE LTD BDS 7.500% 11/15/28	F	08/02/2004	Call 88.0000		4,417,600	5,020,000	4,041,100	4,041,357		376,243		376,243		4,417,600				268,776	11/15/2028
758203-AA-1	REED ELSEVIER INC 144A NTS 6.625% 10/15/23	F	12/14/2004	Provident Life and Casualty		8,524,177	7,550,000	5,768,502	5,958,287		29,852		29,852		5,988,139		2,536,038	2,536,038	582,163	10/15/2023
78633#-AA-5	SADIA IFC TRUST CERTIFICATES 8.520% 11/02/08	F	11/02/2004	Redemption 100.0000		1,500,000	1,500,000	1,500,000	1,500,000						1,500,000				74,550	11/02/2008
87242R-AA-3	TGN CRIBs FINANCIAL TRUST I CONV RISK INSUR BDS 10.875% 07/25/12	F	03/24/2004	DEUTSCHE BANK		8,207,500	11,000,000	8,250,000	6,983,849	1,100,000			1,100,000		8,083,849		123,651	123,651	98,389	07/25/2012
87251#-AA-7	TGN IFC TRUST I CERT 9.450% 07/23/08	F	05/26/2004	Various		4,881,837	6,603,476	4,947,881	4,167,311	780,570			780,570		4,947,881		(66,044)	(66,044)	53,058	07/23/2008
87251*-AA-1	TGN IFC TRUST II CERT 9.450% 07/23/08	F	05/26/2004	Various		2,226,263	3,001,576	2,251,181	1,860,977	390,205			390,205		2,251,182		(24,919)	(24,919)	26,529	07/23/2008
87927V-AF-5	TELECOM ITALIA CO GUARNT 6.375% 11/15/33 TELEFONICA DE ARGENTINA SR NTS 9.125% 05/07/08	F	12/14/2004	Casualty		15,618,967	15,000,000	14,878,650	14,879,025		1,706		1,706		14,880,731		738,236	738,236	1,009,383	11/15/2033
879378-AD-9	JP MORGAN CHASE	F	05/03/2004			1,501,875	1,500,000	1,215,000	1,302,103		11,933		11,933		1,314,036		187,839	187,839	68,057	05/07/2008
886527-AA-8	AES IHB CAYMAN LTD CERT 11.500% 04/15/16	F	04/01/2004	Various		4,174,737	4,835,000	3,626,250	3,616,749		(10,843)		(10,843)		3,605,906		568,831	568,831		04/15/2016
901145-AF-9	TV AZTECA SA DE CV SR NOTES REG S GTD 10.500% 02/15/07	F	12/23/2004	Various		7,648,750	7,500,000	7,392,500	7,448,817		147,433		147,433		7,596,250		52,500	52,500	899,208	02/15/2007
F5460#-AC-6	LOUIS DREYFUS CITRUS, S.A. SR NT 7.710% 05/25/09	F	05/25/2004	Redemption 100.0000		714,286	714,286	714,286	714,286						714,286				27,536	05/25/2009
G3782#-AN-7	GLENCORE FINANCE (BERMUDA) LTD SER M SR NT 9.070% 08/31/19	F	03/31/2004	LEHMAN BROTHERS		11,463,000	10,000,000	10,000,000	10,000,000						10,000,000		1,463,000	1,463,000	546,719	08/31/2019
G6359#-AF-0	MYTRAVEL GROUP PLC SER C SR NT 9.820% 05/31/06	F	10/06/2004	Various		4,190,980	10,000,000	4,190,980	4,500,000			309,020	(309,020)		4,190,980				491,000	05/31/2006
M5314#-AA-0	HURRIYET GAZATECILIK MATBAACIL SR NT 12.000% 05/05/06	F	11/05/2004	Redemption 100.0000		2,222,222	2,222,222	2,222,222	2,222,222						2,222,222				200,000	05/05/2006
V8615#-AE-2	STOLT PARCEL TKR SER B SR NT 7.110% 06/18/13	F	10/14/2004	MERRILL LYNCH		4,706,250	5,000,000	5,000,000	5,000,000						5,000,000		(293,750)	(293,750)	355,454	06/18/2013
4599999. Bonds - Industrial and Miscellaneous						1,130,132,581	1,197,946,956	1,056,654,765	1,095,616,013	13,282,285	15,120,511	3,057,580	25,345,216	(43,474,150)	1,077,487,079	31,077,792	21,567,711	52,645,502	54,069,183	XXX
6099997. Total - Bonds - Part 4						2,177,944,760	2,705,348,316	1,857,752,297	1,986,148,359	13,282,285	29,444,979	3,057,580	39,669,684	(43,474,150)	1,982,343,893	32,079,242	163,521,625	195,600,867	84,038,132	XXX
6099998. Total - Bonds - Part 5						91,370,386	89,938,000	91,522,796	91,522,796		(7,766)		(7,766)		91,515,030	(1,777,048)	1,632,404	(144,644)	1,467,598	XXX
6099999. Total - Bonds						2,269,315,146	2,795,286,316	1,949,275,093	2,077,671,155	13,282,285	29,437,213	3,057,580	39,661,918	(43,474,150)	2,073,858,922	30,302,194	165,154,030	195,456,223	85,505,730	XXX
PREFERRED STOCK																				
Public Utilities (unaffiliated)																				
64572*-13-8	NEW JERSEY AMER WTR 4.70% PFD		10/01/2004	Redemption 100.0000	150,000	15,000		15,000	15,000						15,000					705
771367-2*-9	ROCHESTER GAS AND ELEC 4.55% PFD		05/05/2004	Call 101.0000	2,000,000	202,000		200,000	200,000						200,000		2,000	2,000	2,275	
771367-30-7	ROCHESTER GAS AND ELEC 4.10% PFD SERIES H		05/05/2004	Call 101.0000	2,300,000	232,300		188,600	188,600						188,600		43,700	43,700	4,034	
6199999. Preferred Stocks - Public Utilities						449,300	XXX	403,600	403,600						403,600		45,700	45,700	7,014	XXX
Banks, Trust & Insurance Companies																				
76156#-10-8	REWARDSPLUS OF AMERICA CORP Series E CONVERTIBLE PFD		12/16/2004	DIRECT	980,873,000	78,470		78,470	9,000,000			8,921,530	(8,921,530)		78,470					
135110-AB-0	CANADA LIFE CAP NOTES	C	05/01/2004	RBC INSURANCE	107,133,600	12,449,312		10,818,758	10,808,869		(882)		(882)		10,807,986	1,377,989	263,337	1,641,326	275,821	
866790-AB-7	SUN LIFE CAP TRUST	C	05/01/2004	RBC INSURANCE	78,710,400	8,600,204		7,849,836	7,839,834		(199)		(199)		7,839,635	788,712	(28,143)	760,569	190,909	
6299999. Preferred Stocks - Banks, Trust, and Insurance Companies						21,127,987	XXX	18,747,064	27,648,703		(1,081)	8,921,530	(8,922,611)	18,726,091	2,166,701	235,194	2,401,895	466,730	466,730	XXX
Industrial & Miscellaneous																				
62940R-20-2	NTL PFDS		02/03/2004	Exchange	94,000	329		329	329						329					
02341R-40-1	AMCOR LTD 7.25% CONV PFD	F	04/08/2004	MERRILL LYNCH	133,500,000	8,043,375		7,598,780	7,598,780						7,598,780		444,595	444,595		
6399999. Preferred Stocks - Industrial and Miscellaneous						8,043,704	XXX	7,599,109	7,599,109						7,599,109		444,595	444,595		XXX
6599997. Total - Preferred Stocks - Part 4						29,620,991	XXX	26,749,773	35,651,412		(1,081)	8,921,530	(8,922,611)	26,728,800	2,166,701	725,489	2,892,190	473,744	473,744	XXX
6599998. Total - Preferred Stocks - Part 5						564	XXX	329	329						329		235	235	235	XXX
6599999. Total - Preferred Stocks						29,621,555	XXX	26,750,102	35,651,741		(1,081)	8,921,530	(8,922,611)	26,729,129	2,166,701	725,724	2,892,425	473,979	473,979	XXX

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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
COMMON STOCK																				
Banks, Trust & Insurance Companies																				
90333H-10-1	US1 HOLDING CORP COMMON STOCK		04/20/2004	DIRECT	575,363.000	8,045,876		5,753,630	7,508,487	(1,754,857)			(1,754,857)		5,753,630		2,292,246	2,292,246		
90344#-18-5	U S I HOLDING CORPORATION SER W WARRANTS		09/17/2004	Various	350,001.000			172,200	150,850	21,350			21,350		172,200		(172,200)	(172,200)		
6799999. Common Stocks - Banks, Trust and Insurance Companies						8,045,876	XXX	5,925,830	7,659,337	(1,733,507)			(1,733,507)		5,925,830		2,120,046	2,120,046		XXX
Industrial & Miscellaneous																				
194535-20-9	CYTATION CORP WARRANTS		01/01/2004	EXPIRATION	750,000.000			1	1						1		(1)	(1)		
477998-99-1	JOHN LAING PLC WARRANTS	F	01/29/2004	PERSHING & CO	266,561.000	377,596										377,596		377,596		
6899999. Common Stocks - Industrial and Miscellaneous						377,596	XXX	1	1						1		377,595	377,595		XXX
7299997. Total - Common Stocks - Part 4						8,423,472	XXX	5,925,831	7,659,338	(1,733,507)			(1,733,507)		5,925,831		2,497,641	2,497,641		XXX
7299998. Total - Common Stocks - Part 5						891,588	XXX	886,893	886,893						886,893		4,695	4,695		XXX
7299999. Total - Common Stocks						9,315,060	XXX	6,812,724	8,546,231	(1,733,507)			(1,733,507)		6,812,724		2,502,336	2,502,336		XXX
7399999. Total - Preferred and Common Stocks						38,936,615	XXX	33,562,826	44,197,972	(1,733,507)	(1,081)	8,921,530	(10,656,118)		33,541,853	2,166,701	3,228,060	5,394,761	473,979	XXX
7499999 - Totals						2,308,251,760	XXX	1,982,837,919	2,121,869,127	11,548,778	29,436,131	11,979,110	29,005,799	(43,474,150)	2,107,400,776	32,468,895	168,382,089	200,850,985	85,979,709	XXX

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value					17	18	19	20	21
											12	13	14	15	16					
CUSIP Identi- fication	Description	For- eign	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stock)	Actual Cost	Consid- eration	Book/ Adjusted Carrying Value at Disposal Date	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amort- ization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/ Adjusted Carrying Value (12 + 13 - 14)	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
BONDS																				
State, Territories and Possessions																				
110709-EJ-7	BRITISH COLUMBIA PROVINCE DEBS 6.150% 11/19/27	C	03/22/2004	RBC-DOMINION SEC	05/01/2004	RBC INSURANCE	3,644,000	4,105,841	3,913,984	4,105,024		(816)		(816)		(127,159)	(63,880)	(191,040)	100,694	77,977
110709-FJ-6	BRITISH COLUMBIA PROVINCE DEBENTURES 5.400% 06/18/35	C	04/20/2004	RBC-DOMINION SEC	05/01/2004	RBC INSURANCE	10,932,000	10,744,341	10,613,988	10,744,198		(144)		(144)		(161,372)	31,162	(130,210)	103,509	66,634
56344Z-BB-4	MANITOBA (PROVINCE OF) NOTES 5.500% 11/15/18	C	03/23/2004	RBC-DOMINION SEC	05/01/2004	RBC INSURANCE	10,932,000	11,684,778	11,191,088	11,682,112		(2,665)		(2,665)		(592,503)	101,479	(491,024)	276,744	242,346
642866-FR-3	NEW BRUNSWICK PROVINCE DEBS 5.500% 01/27/34	C	04/20/2004	Various	05/01/2004	RBC INSURANCE	16,033,600	16,026,895	15,540,887	16,027,104		209		209		(551,068)	64,851	(486,217)	229,522	86,208
748148-RL-9	QUEBEC PROVINCE 5.750% 12/01/36	C	04/06/2004	BK OF MONTREAL	05/01/2004	RBC INSURANCE	2,915,200	2,944,673	2,922,546	2,944,673						(81,647)	59,521	(22,126)	69,805	61,538
803854-GY-8	SASKATCHEWAN PROVINCE DEBS 5.750% 03/05/29	C	03/22/2004	CIBC	05/01/2004	RBC INSURANCE	1,822,000	1,935,456	1,845,886	1,935,246		(210)		(210)		(59,942)	(29,418)	(89,360)	16,361	5,741
1799999. Bonds - States, Territories and Possessions							46,278,800	47,441,983	46,028,381	47,438,357		(3,626)		(3,626)		(1,573,691)	163,715	(1,409,977)	796,636	540,444
Public Utilities (unaffiliated)																				
95709T-AA-8	WESTAR ENERGY INC NTS 6.000% 07/01/14		06/14/2004	CREDIT SUISSE/FIRST BOSTON	06/15/2004	CREDIT SUISSE/FIRST BOSTON	5,000,000	4,972,300	5,053,100	4,972,300							80,800	80,800	833	
3899999. Bonds - Public Utilities							5,000,000	4,972,300	5,053,100	4,972,300							80,800	80,800	833	
Industrial & Miscellaneous																				
097395-AD-9	BOISE CASCADE LLC 144 A SR SUB NTS 7.125% 10/15/14		10/15/2004	J P MORGAN CHASE	10/15/2004	RBC-DOMINION SEC	500,000	500,000	512,500	500,000							12,500	12,500		
131347-AF-3	CALPINE NTS 8.750% 07/15/07		01/13/2004	MERRILL LYNCH	01/13/2004	MERRILL LYNCH	2,000,000	1,720,000	1,720,000	1,720,000								486	486	
156431-AF-5	CENTURY ALUMINUM COMPANY 144A SNR NTS 7.500% 08/15/14		08/10/2004	CREDIT SUISSE/FIRST BOSTON	08/10/2004	Various	3,000,000	3,000,000	3,037,500	3,000,000							37,500	37,500		
17302X-AE-6	CITGO PETROLEUM CORP 144 A SR SUB NTS 6.000% 10/15/11		10/15/2004	LEHMAN BROTHERS	10/15/2004	Various	1,500,000	1,489,500	1,499,375	1,489,500							9,875	9,875		
203668-AB-4	COMMUNITY HEALTH SYSTEMS 144A SR SUB NTS 6.500% 12/15/12		12/09/2004	J P MORGAN CHASE	12/10/2004	KBC Finl Products	1,000,000	1,000,000	1,007,500	1,000,000							7,500	7,500		
216762-AA-2	COOPER STANDARD AUTO 144A NTS 7.000% 12/15/12		12/16/2004	DEUTSCHE BANK	12/16/2004	CIBC	250,000	250,000	253,125	250,000							3,125	3,125		
216762-AC-8	COOPER STANDARD AUTO 144A NTS 8.375% 12/15/14		12/16/2004	DEUTSCHE BANK	12/16/2004	RBC-DOMINION SEC	750,000	750,000	750,000	750,000										
261608-AA-1	DRESSER-RAND GROUP INC 144A SR SUB NTS 7.375% 11/01/14		10/14/2004	MORGAN STANLEY	10/15/2004	KBC Finl Products	500,000	500,000	511,250	500,000							11,250	11,250		
269279-AA-3	EXCO RESOURCES INC 144A SR NTS 7.250% 01/15/11		01/14/2004	CREDIT SUISSE/FIRST BOSTON	01/15/2004	KBC Finl Products	1,000,000	1,000,000	1,032,500	1,000,000							32,500	32,500	201	
41754W-AA-9	HARVEST OPERATIONS CORP 144A SR NTS 7.875% 10/15/11		10/07/2004	MORGAN STANLEY	10/08/2004	KBC Finl Products	2,000,000	1,986,780	2,020,000	1,986,780							33,220	33,220		
501044-BZ-3	KROGER COMPANY CO GUAR 7.500% 04/01/31		05/13/2004	UBS WARBURG	12/14/2004	Provident Life and Casualty	10,000,000	10,738,100	11,874,300	10,733,649		(4,451)		(4,451)		1,140,651	1,140,651	527,083	97,917	
55932R-AC-1	MAGNACHIP SEMICONDUCTOR 144A SECURED 6.875% 12/15/11		12/16/2004	SALOMON SMITH BARNEY	12/17/2004	RBC-DOMINION SEC	1,000,000	1,000,000	1,022,500	1,000,000							22,500	22,500		
55932R-AE-7	MAGNACHIP SEMICONDUCTOR 144A SR SUB NTS 8.000% 12/15/14		12/16/2004	UBS WARBURG	12/17/2004	RAYMOND JAMES	1,000,000	1,000,000	1,032,500	1,000,000							32,500	32,500		
570506-AA-3	MARKWEST ENERGY PART/FIN 144A SR NTS 6.875% 11/01/14		10/19/2004	J P MORGAN CHASE	10/20/2004	WACHOVIA	100,000	100,000	100,250	100,000							250	250		
640079-AA-7	NEENAH PAPER INC 144A NTS 7.375% 11/15/14		11/18/2004	SALOMON SMITH BARNEY	11/18/2004	WACHOVIA	500,000	500,000	508,125	500,000							8,125	8,125		
13668Z-AD-0	CANADIAN TIRE CORP LTD NOTES 6.250% 04/13/28	C	02/19/2004	BK OF MONTREAL	05/01/2004	RBC INSURANCE	2,915,200	2,900,187	2,811,623	2,900,512		326		326		(93,419)	4,530	(88,889)	100,085	66,890
13668Z-AL-2	CANADIAN TIRE CORP LTD NOTES 6.320% 02/24/34	C	03/10/2004	Various	05/01/2004	RBC INSURANCE	3,644,000	3,673,946	3,534,607	3,673,931		(15)		(15)		(109,938)	(29,386)	(139,324)	42,274	7,572
861594-AA-7	STONE CONTAINER FIN CAN 144A 7.375% 07/15/14	C	07/15/2004	MORGAN STANLEY	07/15/2004	SCOTIA MCLEOD	500,000	500,000	506,250	500,000							6,250	6,250		
284138-AA-2	ELAN FIN PLC/ELAN FIN CP 144A SNR NTS 7.750% 11/15/11	F	11/10/2004	Various	11/10/2004	KBC Finl Products	1,500,000	1,500,000	1,545,000	1,500,000							45,000	45,000		

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value					17	18	19	20	21
											12	13	14	15	16					
CUSIP Identi- fication	Description	For- eign	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stock)	Actual Cost	Consid- eration	Book/ Adjusted Carrying Value at Disposal Date	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amort- ization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/ Adjusted Carrying Value (12 + 13 - 14)	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
33938E-AM-9	FLEXTRONICS INTL 144 A SR SUB NTS 6.250% 11/15/14	F	11/09/2004	Various	11/10/2004	Various	5,000,000	5,000,000	5,010,000	5,000,000							10,000	10,000		
45999999	Bonds - Industrial and Miscellaneous						38,659,200	39,108,513	40,288,905	39,104,373		(4,141)		(4,141)		(203,357)	1,387,890	1,184,533	670,129	172,864
60999998	Total - Bonds						89,938,000	91,522,796	91,370,386	91,515,030		(7,766)		(7,766)		(1,777,048)	1,632,404	(144,644)	1,467,598	713,308
PREFERRED STOCK																				
Industrial & Miscellaneous																				
69367F-30-6	PVT INC PRFD		02/03/2004	Exchange	11/05/2004	SALOMON SMITH BARNEY	94,000	329	564	329							235	235	235	
63999999	Preferred Stocks - Industrial and Miscellaneous							329	564	329							235	235	235	
65999998	Total - Preferred Stocks							329	564	329							235	235	235	
COMMON STOCK																				
Banks, Trust & Insurance Companies																				
040157-10-9	ARGONAUT GROUP INC		12/22/2004	DIRECT	12/22/2004	SALOMON SMITH BARNEY	5,400,000	113,232	113,229	113,232							(3)	(3)		
29530P-10-2	ERIE INDEMNITY COMPANY-CL A		01/20/2004	DIRECT	01/22/2004	MERRILL LYNCH SD	3,510,000	149,175	150,146	149,175							971	971		
404132-10-2	HCC INSURANCE HOLDINGS INC		01/20/2004	DIRECT	01/22/2004	MERRILL LYNCH SD	6,480,000	202,630	205,348	202,630							2,718	2,718		
589400-10-0	MERCURY GENERAL CORP		01/20/2004	DIRECT	01/22/2004	MERRILL LYNCH SD	2,241,000	105,529	106,011	105,529							482	482		
74267C-10-6	PROASSURANCE CORP		01/20/2004	DIRECT	01/22/2004	MERRILL LYNCH SD	2,406,000	78,171	79,089	78,171							918	918		
743315-10-3	PROGRESSIVE CORP		01/20/2004	DIRECT	01/22/2004	MERRILL LYNCH SD	2,160,000	183,902	180,991	183,902							(2,911)	(2,911)		
989390-10-9	ZENITH NATIONAL INSURANCE CP		01/20/2004	DIRECT	01/22/2004	MERRILL LYNCH SD	1,620,000	54,254	56,774	54,254							2,520	2,520		
67999999	Common Stocks - Banks, Trust and Insurance Companies							886,893	891,588	886,893							4,695	4,695		
72999998	Total - Common Stocks							886,893	891,588	886,893							4,695	4,695		
73999999	Total - Preferred and Common Stocks							887,222	892,152	887,222							4,930	4,930	235	
74999999	Totals							92,410,018	92,262,538	92,402,252		(7,766)		(7,766)		(1,777,048)	1,637,334	(139,714)	1,467,833	713,308

Schedule D - Part 6 - Section 1
N O N E

Schedule D - Part 6 - Section 2
N O N E

Schedule DA - Part 1
N O N E

Schedule DB - Part A - Section 1
N O N E

Schedule DB - Part A - Section 2
N O N E

Schedule DB - Part A - Section 3
N O N E

Schedule DB - Part B - Section 1
N O N E

Schedule DB - Part B - Section 2
N O N E

Schedule DB - Part B - Section 3
N O N E

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE DB - PART C - SECTION 1

Showing all Collar, Swap and Forwards Open December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
0499999. Subtotal - Collars								XXX						
Swaps - Hedging Transactions														
Currency Swap - Receive US\$, Pay Euros	5,943,600	03/01/2008	12.895% (10.75%)	02/01/2000	Morgan Stanley				(2,317,200)	(2,540,518)			(28,438)	53,575
Currency Swap - Receive US\$, Pay CANS	6,908,463	12/01/2023	1.4475 CANS/US\$	03/25/2004	Merrill Lynch				(192,496)	(351,190)				150,566
Currency Swap - Receive US\$, Pay CANS	3,448,276	06/01/2024	1.4500 CANS/US\$	03/25/2004	Merrill Lynch				(92,671)	(168,710)				76,136
Currency Swap - Receive US\$, Pay CANS	7,018,529	03/15/2017	1.4247 CANS/US\$	03/25/2004	Merrill Lynch				(294,114)	(592,684)				122,824
Currency Swap - Receive US\$, Pay CANS	9,674,760	12/01/2018	1.4251 CANS/US\$	03/25/2004	Merrill Lynch				(343,700)	(697,230)				180,998
Currency Swap - Receive US\$, Pay CANS	7,077,954	06/01/2019	1.4252 CANS/US\$	03/25/2004	Merrill Lynch				(224,634)	(487,564)				134,760
Currency Swap - Receive US\$, Pay CANS	3,562,675	12/01/2019	1.4280 CANS/US\$	03/25/2004	Merrill Lynch				(111,177)	(237,273)				68,991
Currency Swap - Receive US\$, Pay CANS	3,434,066	12/01/2024	1.4560 CANS/US\$	03/25/2004	CIBC				(89,232)	(149,093)				76,788
Currency Swap - Receive US\$, Pay CANS	3,637,686	09/15/2009	1.3745 CANS/US\$	03/25/2004	CIBC				(271,227)	(432,281)				39,641
Currency Swap - Receive US\$, Pay CANS	3,554,418	09/15/2013	1.4067 CANS/US\$	03/25/2004	CIBC				(187,960)	(362,486)				52,571
Currency Swap - Receive US\$, Pay CANS	4,108,028	03/15/2014	1.4110 CANS/US\$	03/25/2004	CIBC				(205,582)	(411,214)				62,470
Currency Swap - Receive US\$, Pay CANS	5,201,496	03/15/2015	1.4169 CANS/US\$	03/25/2004	CIBC				(233,312)	(491,610)				83,265
Currency Swap - Receive US\$, Pay CANS	3,771,312	06/01/2006	1.3490 CANS/US\$	03/25/2004	CIBC				(362,553)	(455,797)				23,094
Currency Swap - Receive US\$, Pay CANS	16,751,187	06/01/2011	1.3902 CANS/US\$	03/25/2004	CIBC				(1,065,874)	(1,889,000)				213,537
Currency Swap - Receive US\$, Pay CANS	15,159,957	12/01/2011	1.3910 CANS/US\$	03/25/2004	CIBC				(1,021,459)	(1,636,306)				200,547
Currency Swap - Receive US\$, Pay CANS	10,682,239	06/01/2013	1.4042 CANS/US\$	03/25/2004	CIBC				(578,233)	(1,100,327)				155,719
Currency Swap - Receive US\$, Pay CANS	7,458,410	12/01/2006	1.3525 CANS/US\$	03/25/2004	Lehman				(689,833)	(911,563)				52,739
Currency Swap - Receive US\$, Pay CANS	4,796,490	06/01/2009	1.3734 CANS/US\$	03/25/2004	Lehman				(370,593)	(582,225)				50,874
Currency Swap - Receive US\$, Pay CANS	3,692,481	12/01/2009	1.3778 CANS/US\$	03/25/2004	Lehman				(265,600)	(443,999)				41,283
Currency Swap - Receive US\$, Pay CANS	10,639,807	06/01/2014	1.4098 CANS/US\$	03/25/2004	Lehman				(573,716)	(1,069,064)				163,970
Currency Swap - Receive US\$, Pay CANS	10,683,685	12/01/2014	1.4122 CANS/US\$	03/25/2004	Lehman				(525,649)	(1,045,338)				168,924
Currency Swap - Receive US\$, Pay CANS	7,103,873	12/01/2016	1.4200 CANS/US\$	03/25/2004	Lehman				(280,507)	(611,774)				123,043
Currency Swap - Receive US\$, Pay CANS	3,570,175	12/01/2017	1.4250 CANS/US\$	03/25/2004	Lehman				(131,806)	(288,208)				64,362
Currency Swap - Receive US\$, Pay CANS	6,060,606	06/01/2010	8.787% (9.5%)	03/26/2004	CIBC				(589,600)	(960,572)			(55,345)	71,067
Currency Swap - Receive US\$, Pay CANS	9,280,303	06/01/2023	7.435% (8.0%)	03/26/2004	CIBC				(902,825)	(1,473,750)			(67,804)	199,580
Currency Swap - Receive US\$, Pay CANS	2,840,909	06/01/2025	8.388% (9.0%)	03/26/2004	CIBC				(276,375)	(497,300)			(22,624)	64,314
Currency Swap - Receive US\$, Pay CANS	10,091,603	03/20/1931	6.61% (7.15%)	03/29/2004	CIBC				(901,604)	(1,452,621)			(64,086)	258,520
Currency Swap - Receive US\$, Pay CANS	3,053,435	04/18/2006	7.407% (8.2%)	03/29/2004	CIBC				(272,800)	(347,581)			3,747	17,629
Currency Swap - Receive US\$, Pay CANS	4,961,832	04/23/2007	6.45% (7.163%)	03/29/2004	CIBC				(443,300)	(600,658)			(14,106)	37,897
Currency Swap - Receive US\$, Pay CANS	3,816,794	11/19/2007	6.193% (6.8%)	03/29/2004	CIBC				(341,000)	(455,274)			(26,989)	32,592
Currency Swap - Receive US\$, Pay CANS	2,824,427	12/07/2018	7.785% (8.4%)	03/29/2004	Deutsche Bank				(252,340)	(447,851)			(20,718)	52,840
Currency Swap - Receive US\$, Pay CANS	3,816,794	03/11/2013	8.425% (9.1%)	03/29/2004	Lehman				(341,000)	(612,948)			(6,343)	54,815
Currency Swap - Receive US\$, Pay CANS	9,294,744	06/30/2015	6.615% (7.23%)	03/30/2004	Deutsche Bank				(805,762)	(1,211,198)			(69,699)	150,592
Currency Swap - Receive US\$, Pay CANS	16,061,185	07/24/2012	5.6425% (6.25%)	03/30/2004	Lehman				(1,390,200)	(2,168,433)			(13,341)	221,145
Currency Swap - Receive US\$, Pay CANS	6,883,365	08/01/2017	6.6125% (7.269%)	03/30/2004	Lehman				(595,800)	(945,898)			(32,313)	122,490
Currency Swap - Receive US\$, Pay CANS	8,030,593	06/04/2007	6.100% (6.750%)	03/30/2004	Lehman				(695,100)	(925,937)			(59,257)	63,487
Currency Swap - Receive US\$, Pay CANS	4,725,022	06/02/2006	1.3492 CANS/US\$	04/12/2004	CIBC				(475,598)	(571,789)				28,935
Currency Swap - Receive US\$, Pay CANS	3,866,361	01/13/2007	1.3514 CANS/US\$	04/12/2004	CIBC				(359,538)	(463,313)				27,903
Currency Swap - Receive US\$, Pay CANS	4,712,797	06/02/2007	1.3527 CANS/US\$	04/12/2004	CIBC				(439,280)	(561,065)				37,258
Currency Swap - Receive US\$, Pay CANS	3,287,287	08/18/2007	1.3537 CANS/US\$	04/12/2004	CIBC				(287,974)	(389,731)				26,841
Currency Swap - Receive US\$, Pay CANS	4,706,534	12/02/2007	1.3545 CANS/US\$	04/12/2004	Lehman				(422,632)	(557,582)				40,760
Currency Swap - Receive US\$, Pay CANS	7,476,773	01/13/2008	1.3550 CANS/US\$	04/12/2004	Lehman				(636,600)	(883,582)				65,644
Currency Swap - Receive US\$, Pay CANS	3,835,425	07/13/2009	1.3623 CANS/US\$	04/12/2004	Lehman				(285,099)	(432,305)				41,056
Currency Swap - Receive US\$, Pay CANS	7,587,947	06/02/2010	1.3673 CANS/US\$	04/12/2004	Lehman				(550,803)	(825,469)				88,977
Currency Swap - Receive US\$, Pay CANS	9,881,640	07/13/2010	1.3687 CANS/US\$	04/12/2004	Lehman				(697,786)	(1,074,261)				116,747
Currency Swap - Receive US\$, Pay CANS	7,568,573	12/02/2010	1.3708 CANS/US\$	04/12/2004	Lehman				(528,517)	(806,131)				92,696
Currency Swap - Receive US\$, Pay CANS	8,622,575	01/13/2011	1.3714 CANS/US\$	04/12/2004	Lehman				(554,392)	(912,503)				106,335
Currency Swap - Receive US\$, Pay CANS	7,551,496	06/02/2011	1.3739 CANS/US\$	04/12/2004	Lehman				(505,927)	(784,357)				96,263
Currency Swap - Receive US\$, Pay CANS	3,796,411	07/13/2011	1.3763 CANS/US\$	04/12/2004	Lehman				(236,677)	(396,135)				48,704
Currency Swap - Receive US\$, Pay CANS	4,619,900	12/02/2011	1.3799 CANS/US\$	04/12/2004	CIBC				(302,917)	(467,187)				61,116
Currency Swap - Receive US\$, Pay CANS	3,784,586	01/13/2012	1.3806 CANS/US\$	04/12/2004	CIBC				(225,938)	(380,194)				50,362
Currency Swap - Receive US\$, Pay CANS	4,611,212	06/02/2012	1.3825 CANS/US\$	04/12/2004	CIBC				(290,928)	(454,512)				63,142
Currency Swap - Receive US\$, Pay CANS	3,777,199	07/13/2012	1.3833 CANS/US\$	04/12/2004	CIBC				(215,692)	(370,863)				52,008
Currency Swap - Receive US\$, Pay CANS	2,891,009	08/01/2012	1.3836 CANS/US\$	04/12/2004	CIBC				(176,700)	(281,865)				40,024

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE DB - PART C - SECTION 1

Showing all Collar, Swap and Forwards Open December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
Currency Swap - Receive US\$, Pay CANS	4,604,883	12/02/2012	1.3844 CANS/US\$	04/12/2004	CIBC				(279,417)	(440,247)				65,123
Currency Swap - Receive US\$, Pay CANS	18,051,845	02/18/2013	1.3849 CANS/US\$	04/12/2004	CIBC				(1,022,171)	(1,701,470)				257,937
Currency Swap - Receive US\$, Pay CANS	4,599,567	06/02/2013	1.3860 CANS/US\$	04/12/2004	CIBC				(267,283)	(426,860)				67,050
Currency Swap - Receive US\$, Pay CANS	3,763,867	01/13/2014	1.3882 CANS/US\$	04/12/2004	CIBC				(187,441)	(335,885)				56,719
Currency Swap - Receive US\$, Pay CANS	3,758,452	07/13/2014	1.3902 CANS/US\$	04/12/2004	CIBC				(178,926)	(324,889)				58,175
Currency Swap - Receive US\$, Pay CANS	3,753,053	01/13/2015	1.3922 CANS/US\$	04/12/2004	CIBC				(170,800)	(312,894)				59,588
Currency Swap - Receive US\$, Pay CANS	3,039,622	06/02/2015	1.3982 CANS/US\$	04/12/2004	Lehman				(151,124)	(264,205)				49,248
Currency Swap - Receive US\$, Pay CANS	3,500,750	09/08/2015	1.3997 CANS/US\$	04/12/2004	CIBC				(157,729)	(287,147)				57,390
Currency Swap - Receive US\$, Pay CANS	4,550,971	12/02/2015	1.4008 CANS/US\$	04/12/2004	CIBC				(217,640)	(367,069)				75,469
Currency Swap - Receive US\$, Pay CANS	5,800,014	06/02/2016	1.4031 CANS/US\$	04/12/2004	CIBC				(266,746)	(450,914)				98,344
Currency Swap - Receive US\$, Pay CANS	4,537,690	12/02/2016	1.4049 CANS/US\$	04/12/2004	CIBC				(200,622)	(337,905)				78,595
Currency Swap - Receive US\$, Pay CANS	4,518,072	06/02/2017	1.4110 CANS/US\$	04/12/2004	CIBC				(193,072)	(332,710)				79,869
Currency Swap - Receive US\$, Pay CANS	2,124,796	08/07/2017	1.4119 CANS/US\$	04/12/2004	CIBC				(76,346)	(154,482)				37,811
Currency Swap - Receive US\$, Pay CANS	10,878,794	12/02/2017	1.4133 CANS/US\$	04/12/2004	CIBC				(428,238)	(771,547)				196,120
Currency Swap - Receive US\$, Pay CANS	10,509,397	06/02/2018	1.4154 CANS/US\$	04/12/2004	CIBC				(403,804)	(717,812)				193,070
Currency Swap - Receive US\$, Pay CANS	13,030,004	06/02/2019	1.4198 CANS/US\$	04/12/2004	CIBC				(451,084)	(820,758)				248,084
Currency Swap - Receive US\$, Pay CANS	5,136,986	06/01/2027	1.4600 CANS/US\$	06/07/2004	Barclays				(73,802)	(481,372)				121,834
Currency Swap - Receive US\$, Pay CANS	5,110,733	06/01/2028	1.4675 CANS/US\$	06/07/2004	Barclays				(66,878)	(496,230)				123,876
Currency Swap - Receive US\$, Pay CANS	5,086,470	06/01/2029	1.4745 CANS/US\$	06/07/2004	Barclays				(60,603)	(508,115)				125,884
Currency Swap - Receive US\$, Pay CANS	2,669,852	07/25/2020	1.4233 CANS/US\$	06/07/2004	Lehman				(106,025)	(164,671)				52,697
Currency Swap - Receive US\$, Pay CANS	2,653,631	07/25/2021	1.4320 CANS/US\$	06/07/2004	Lehman				(98,526)	(155,168)				54,031
Currency Swap - Receive US\$, Pay CANS	2,638,339	07/25/2022	1.4403 CANS/US\$	06/07/2004	Lehman				(91,579)	(145,663)				55,316
Currency Swap - Receive US\$, Pay CANS	2,607,562	07/25/2029	1.4573 CANS/US\$	06/07/2004	UBS				(54,533)	(94,794)				64,644
Currency Swap - Receive US\$, Pay CANS	13,041,006	07/13/2017	1.4071 CANS/US\$	06/07/2004	UBS				(524,365)	(972,802)				231,302
Currency Swap - Receive US\$, Pay CANS	7,225,638	01/13/2019	1.4151 CANS/US\$	06/07/2004	UBS				(259,533)	(493,703)				135,581
Currency Swap - Receive US\$, Pay CANS	3,882,536	03/08/2019	1.4166 CANS/US\$	06/07/2004	UBS				(140,329)	(263,422)				73,281
Currency Swap - Receive US\$, Pay CANS	5,104,819	06/01/1930	1.4692 CANS/US\$	06/07/2004	UBS				(54,923)	(187,758)				128,890
Currency Swap - Receive US\$, Pay CANS	5,077,173	06/01/1931	1.4772 CANS/US\$	06/07/2004	UBS				(50,398)	(181,808)				130,682
Currency Swap - Receive US\$, Pay CANS	6,945,409	11/23/2022	1.4398 CANS/US\$	06/07/2004	UBS				(175,408)	(374,410)				146,993
Currency Swap - Receive US\$, Pay CANS	3,542,331	11/23/2017	1.4115 CANS/US\$	06/07/2004	Lehman				(135,295)	(266,405)				63,655
Currency Swap - Receive US\$, Pay CANS	5,309,735	05/23/2018	1.4125 CANS/US\$	06/07/2004	Lehman				(212,382)	(382,349)				97,245
Currency Swap - Receive US\$, Pay CANS	5,302,227	11/23/2018	1.4145 CANS/US\$	06/07/2004	Lehman				(184,951)	(367,516)				98,900
Currency Swap - Receive US\$, Pay CANS	3,529,827	05/23/2019	1.4165 CANS/US\$	06/07/2004	Lehman				(117,708)	(235,598)				67,013
Currency Swap - Receive US\$, Pay CANS	6,980,462	01/13/2017	1.4075 CANS/US\$	06/07/2004	Lehman				(294,783)	(555,508)				121,324
Currency Swap - Receive US\$, Pay CANS	8,239,422	07/13/2018	1.4109 CANS/US\$	06/07/2004	UBS				(293,648)	(575,614)				151,834
Currency Swap - Receive US\$, Pay CANS	10,822,740	07/13/2019	1.4160 CANS/US\$	06/07/2004	Lehman				(359,820)	(709,895)				206,650
Currency Swap - Receive US\$, Pay CANS	4,038,257	09/08/2018	1.4115 CANS/US\$	06/07/2004	Lehman				(152,015)	(280,648)				74,871
Currency Swap - Receive US\$, Pay CANS	1,855,288	12/02/2025	8.082% (8.50%)	06/08/2004	UBS				(227,500)	(344,940)			(14,259)	42,510
Currency Swap - Receive US\$, Pay CANS	2,226,345	06/02/2026	7.5925% (8.00%)	06/08/2004	UBS				(273,000)	(397,486)			(16,286)	51,616
Currency Swap - Receive US\$, Pay CANS	1,554,731	10/20/2009	10.203% (10.625%)	06/08/2004	Lehman				(190,645)	(279,638)			(6,650)	17,090
Currency Swap - Receive US\$, Pay CANS	3,710,575	06/02/2026	7.6025% (8.00%)	06/08/2004	UBS				(455,000)	(657,530)			(20,029)	86,026
Currency Swap - Receive US\$, Pay CANS	3,710,575	07/14/1931	7.0803% (7.45%)	06/08/2004	UBS				(455,000)	(653,370)			(30,532)	95,657
Currency Swap - Receive US\$, Pay CANS	2,597,403	07/14/2009	6.5875% (6.95%)	06/08/2004	Lehman				(318,500)	(412,664)			925	27,804
Currency Swap - Receive US\$, Pay CANS	5,417,440	04/02/1931	7.4475% (7.85%)	06/08/2004	Barclays				(664,300)	(1,539,077)			(44,570)	139,001
Currency Swap - Receive US\$, Pay CANS	1,929,499	02/23/1932	6.9175% (7.30%)	06/08/2004	Barclays				(236,600)	(535,919)			(13,510)	50,284
Currency Swap - Receive US\$, Pay CANS	742,115	12/15/2009	9.955% (10.35%)	06/08/2004	Barclays				(91,000)	(133,057)			(6,376)	8,297
Currency Swap - Receive US\$, Pay CANS	1,038,961	04/15/2010	11.04% (11.45%)	06/08/2004	Barclays				(127,400)	(199,752)			(4,288)	11,997
Currency Swap - Receive US\$, Pay CANS	14,359,926	06/18/1932	6.8328% (7.20%)	06/08/2004	UBS				(1,760,850)	(2,403,274)			(110,302)	376,520
Currency Swap - Receive US\$, Pay CANS	3,125,000	09/22/2025	8.202% (8.80%)	12/09/2003	Deutsche Bank				(271,420)	(525,870)			(22,918)	71,175
Currency Swap - Receive US\$, Pay CANS	952,599	05/31/2010	11.00% (12.00%)	12/09/2003	Deutsche Bank				(82,750)	(167,392)			(12,387)	11,085
Currency Swap - Receive US\$, Pay CANS	762,195	11/22/2015	11.06% (11.9%)	12/09/2003	Deutsche Bank				(66,200)	(154,985)			(7,766)	12,592
Currency Swap - Receive US\$, Pay CANS	7,621,951	09/17/2017	6.308% (6.91%)	12/09/2003	Deutsche Bank				(662,000)	(1,135,570)			(16,388)	136,079
Currency Swap - Receive US\$, Pay CANS	9,916,095	02/09/2017	7.2275% (8.01%)	12/09/2003	Merrill Lynch				(860,600)	(1,633,529)			(18,456)	172,940
Receive Fixed, Pay LIBOR	25,000,000	11/01/2008	7.060% (LIBOR)	08/01/2003	Deutsche Bank					3,143,008				247,382
Receive Fixed, Pay LIBOR	10,000,000	02/01/2007	6.760% (LIBOR)	08/01/2003	Deutsche Bank					1,322,460				73,598
Receive Fixed, Pay LIBOR	15,000,000	11/01/2007	6.850% (LIBOR)	08/01/2003	Deutsche Bank					1,876,227				128,087

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE DB - PART C - SECTION 1

Showing all Collar, Swap and Forwards Open December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
Receive Fixed, Pay LIBOR	30,000,000	05/01/2005	6.500% (LIBOR)	08/01/2003	Deutsche Bank					4,858,732				96,825
Receive Fixed, Pay LIBOR	10,000,000	02/01/2009	7.050% (LIBOR)	08/01/2003	Swiss Re					1,212,364				102,062
Receive Fixed, Pay LIBOR	20,000,000	08/01/2009	7.070% (LIBOR)	08/01/2003	Swiss Re					2,302,455				216,025
Receive Fixed, Pay LIBOR	30,000,000	02/01/2006	6.610% (LIBOR)	08/01/2003	Swiss Re					4,640,172				162,019
Receive Fixed, Pay LIBOR	35,000,000	05/01/2006	6.660% (LIBOR)	08/01/2003	Swiss Re					5,401,649				208,292
Receive Fixed, Pay LIBOR	10,000,000	08/01/2006	6.700% (LIBOR)	08/01/2003	Swiss Re					1,529,904				64,550
Receive Fixed, Pay LIBOR	30,000,000	11/01/2006	6.730% (LIBOR)	08/01/2003	Swiss Re					4,522,682				207,666
Receive Fixed, Pay LIBOR	35,000,000	08/01/2005	6.500% (LIBOR)	08/02/2003	UBS					5,431,858				142,887
Receive Fixed, Pay LIBOR	25,000,000	11/01/2005	6.550% (LIBOR)	08/03/2003	UBS					3,863,761				119,678
0599999. Subtotal - Swaps - Hedging								XXX	(40,332,544)	(26,677,343)			(821,108)	11,877,255
0899999. Subtotal - Swaps								XXX	(40,332,544)	(26,677,343)			(821,108)	11,877,255
1299999. Subtotal - Forwards								XXX						
2599999. Subtotal - Hedging								XXX	(40,332,544)	(26,677,343)			(821,108)	11,877,255
2799999. Subtotal - Other								XXX						
9999999 - Totals								XXX	(40,332,544)	(26,677,343)			(821,108)	11,877,255

SCHEDULE DB - PART C - SECTION 2

Showing all Collar, Swap and Forwards Opened During Current Year

1	2	3	4	5	6	7
Description	Notional Amount	Date of Maturity, Expiry or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)
0499999. Subtotal - Collars						
Swaps - Hedging Transactions						
Currency Swap - Receive US\$, Pay CANS	6,908,463	12/01/2023	1.4475 CANS/US\$	03/25/2004	Merrill Lynch	
Currency Swap - Receive US\$, Pay CANS	3,448,276	06/01/2024	1.4500 CANS/US\$	03/25/2004	Merrill Lynch	
Currency Swap - Receive US\$, Pay CANS	7,018,529	03/15/2017	1.4247 CANS/US\$	03/25/2004	Merrill Lynch	
Currency Swap - Receive US\$, Pay CANS	9,674,760	12/01/2018	1.4251 CANS/US\$	03/25/2004	Merrill Lynch	
Currency Swap - Receive US\$, Pay CANS	7,077,954	06/01/2019	1.4252 CANS/US\$	03/25/2004	Merrill Lynch	
Currency Swap - Receive US\$, Pay CANS	3,562,675	12/01/2019	1.4280 CANS/US\$	03/25/2004	Merrill Lynch	
Currency Swap - Receive US\$, Pay CANS	3,434,066	12/01/2024	1.4560 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,637,686	09/15/2009	1.3745 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,554,418	09/15/2013	1.4067 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,108,028	03/15/2014	1.4110 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	5,201,496	03/15/2015	1.4169 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,771,312	06/01/2006	1.3490 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	16,751,187	06/01/2011	1.3902 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	15,159,957	12/01/2011	1.3910 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	10,682,239	06/01/2013	1.4042 CANS/US\$	03/25/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	7,458,410	12/01/2006	1.3525 CANS/US\$	03/25/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	4,796,490	06/01/2009	1.3734 CANS/US\$	03/25/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	3,692,481	12/01/2009	1.3778 CANS/US\$	03/25/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	10,639,807	06/01/2014	1.4098 CANS/US\$	03/25/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	10,683,685	12/01/2014	1.4122 CANS/US\$	03/25/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	7,103,873	12/01/2016	1.4200 CANS/US\$	03/25/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	3,570,175	12/01/2017	1.4250 CANS/US\$	03/25/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	1,354,545	06/01/2009	4.86% (5.5%)	03/26/2004	Deutsche Bank	
Currency Swap - Receive US\$, Pay CANS	6,287,879	12/01/2006	6.35% (7.0%)	03/26/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	6,060,606	06/01/2010	8.787% (9.5%)	03/26/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	9,280,303	06/01/2023	7.435% (8.0%)	03/26/2004	CIBC	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE DB - PART C - SECTION 2

Showing all Collar, Swap and Forwards Opened During Current Year

1	2	3	4	5	6	7
Description	Notional Amount	Date of Maturity, Expiry or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)
Currency Swap - Receive US\$, Pay CANS	2,840,909	06/01/2025	8.388% (9.0%)	03/26/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	11,450,382	12/01/2027	6.23% (6.75%)	03/29/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	7,633,588	08/01/2007	8.283% (9.0%)	03/29/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	9,773,282	06/01/2028	6.185% (6.7%)	03/29/2004	Deutsche Bank	
Currency Swap - Receive US\$, Pay CANS	10,091,603	03/20/1931	6.61% (7.15%)	03/29/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,053,435	04/18/2006	7.407% (8.2%)	03/29/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,961,832	04/23/2007	6.45% (7.163%)	03/29/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,816,794	11/19/2007	6.193% (6.8%)	03/29/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	2,824,427	12/07/2018	7.785% (8.4%)	03/29/2004	Deutsche Bank	
Currency Swap - Receive US\$, Pay CANS	3,816,794	03/11/2013	8.425% (9.1%)	03/29/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	3,824,092	12/01/2009	6.515% (7.15%)	03/30/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	18,283,748	09/01/2014	6.6675% (7.3%)	03/30/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	5,353,728	06/01/2008	5.579% (6.2%)	03/30/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	1,912,046	06/01/2011	6.208% (6.85%)	03/30/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,588,910	07/01/2007	5.855% (6.5%)	03/30/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,588,910	04/01/2008	4.925% (5.600%)	03/30/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	9,697,951	06/30/2015	6.615% (7.23%)	03/30/2004	Deutsche Bank	
Currency Swap - Receive US\$, Pay CANS	16,061,185	07/24/2012	5.6425% (6.25%)	03/30/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	6,883,365	08/01/2017	6.6125% (7.269%)	03/30/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	8,030,593	06/04/2007	6.100% (6.750%)	03/30/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	4,725,022	06/02/2006	1.3492 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,866,361	01/13/2007	1.3514 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,712,797	06/02/2007	1.3527 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,287,287	08/18/2007	1.3537 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,706,534	12/02/2007	1.3545 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	7,476,773	01/13/2008	1.3550 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	3,835,425	07/13/2009	1.3623 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	7,587,947	06/02/2010	1.3673 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	9,881,640	07/13/2010	1.3687 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	7,568,573	12/02/2010	1.3708 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	8,622,575	01/13/2011	1.3714 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	7,551,496	06/02/2011	1.3739 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	3,796,411	07/13/2011	1.3763 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	4,619,900	12/02/2011	1.3799 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,784,586	01/13/2012	1.3806 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,611,212	06/02/2012	1.3825 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,777,199	07/13/2012	1.3833 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	2,891,009	08/01/2012	1.3836 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,604,883	12/02/2012	1.3844 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	18,051,845	02/18/2013	1.3849 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,599,567	06/02/2013	1.3860 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,763,867	01/13/2014	1.3882 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,758,452	07/13/2014	1.3902 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,753,053	01/13/2015	1.3922 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	3,039,622	06/02/2015	1.3982 CANS/US\$	04/12/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	3,500,750	09/08/2015	1.3997 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,550,971	12/02/2015	1.4008 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	5,800,014	06/02/2016	1.4031 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,537,690	12/02/2016	1.4049 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	4,518,072	06/02/2017	1.4110 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	2,124,796	08/07/2017	1.4119 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	10,878,794	12/02/2017	1.4133 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	10,509,397	06/02/2018	1.4154 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	13,030,004	06/02/2019	1.4198 CANS/US\$	04/12/2004	CIBC	
Currency Swap - Receive US\$, Pay CANS	2,623,585	07/01/2023	1.4484 CANS/US\$	06/01/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	2,612,941	07/01/2024	1.4543 CANS/US\$	06/01/2004	UBS	

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE DB - PART C - SECTION 2

Showing all Collar, Swap and Forwards Opened During Current Year

1	2	3	4	5	6	7
Description	Notional Amount	Date of Maturity, Expiry or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)
Currency Swap - Receive US\$, Pay CANS	2,623,766	07/01/2025	1.4483 CANS/US\$	06/01/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	2,619,064	07/01/2026	1.4509 CANS/US\$	06/01/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	2,612,043	07/01/2027	1.4548 CANS/US\$	06/01/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	2,599,001	07/01/2028	1.4621 CANS/US\$	06/01/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	5,136,986	06/01/2027	1.4600 CANS/US\$	06/07/2004	Barclays	
Currency Swap - Receive US\$, Pay CANS	5,110,733	06/01/2028	1.4675 CANS/US\$	06/07/2004	Barclays	
Currency Swap - Receive US\$, Pay CANS	5,086,470	06/01/2029	1.4745 CANS/US\$	06/07/2004	Barclays	
Currency Swap - Receive US\$, Pay CANS	2,669,852	07/25/2020	1.4233 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	2,653,631	07/25/2021	1.4320 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	2,638,339	07/25/2022	1.4403 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	2,607,562	07/25/2029	1.4573 CANS/US\$	06/07/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	13,041,006	07/13/2017	1.4071 CANS/US\$	06/07/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	7,225,638	01/13/2019	1.4151 CANS/US\$	06/07/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	3,882,536	03/08/2019	1.4166 CANS/US\$	06/07/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	5,104,819	06/01/1930	1.4692 CANS/US\$	06/07/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	5,077,173	06/01/1931	1.4772 CANS/US\$	06/07/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	6,945,409	11/23/2022	1.4398 CANS/US\$	06/07/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	3,542,331	11/23/2017	1.4115 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	5,309,735	05/23/2018	1.4125 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	5,302,227	11/23/2018	1.4145 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	3,529,827	05/23/2019	1.4165 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	6,980,462	01/13/2017	1.4075 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	8,239,422	07/13/2018	1.4109 CANS/US\$	06/07/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	10,822,740	07/13/2019	1.4160 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	4,038,257	09/08/2018	1.4115 CANS/US\$	06/07/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	5,936,920	02/01/2026	7.8923% (8.29%)	06/08/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	1,855,288	12/02/2025	8.082% (8.50%)	06/08/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	2,226,345	06/02/2026	7.5925% (8.00%)	06/08/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	1,554,731	10/20/2009	10.203% (10.625%)	06/08/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	3,710,575	06/02/2026	7.6025% (8.00%)	06/08/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	3,710,575	07/14/1931	7.0803% (7.45%)	06/08/2004	UBS	
Currency Swap - Receive US\$, Pay CANS	2,597,403	07/14/2009	6.5875% (6.95%)	06/08/2004	Lehman	
Currency Swap - Receive US\$, Pay CANS	5,417,440	04/02/1931	7.4475% (7.85%)	06/08/2004	Barclays	
Currency Swap - Receive US\$, Pay CANS	1,929,499	02/23/1932	6.9175% (7.30%)	06/08/2004	Barclays	
Currency Swap - Receive US\$, Pay CANS	742,115	12/15/2009	9.955% (10.35%)	06/08/2004	Barclays	
Currency Swap - Receive US\$, Pay CANS	1,038,961	04/15/2010	11.04% (11.45%)	06/08/2004	Barclays	
Currency Swap - Receive US\$, Pay CANS	14,359,926	06/18/1932	6.8328% (7.20%)	06/08/2004	UBS	
0599999. Subtotal - Swaps - Hedging						
0899999. Subtotal - Swaps						
Forwards - Hedging Transactions						
Currency Forward - Receive US\$, Pay CANS	135,640,873	05/01/2004	1.3086 CANS/US\$	03/01/2004	Goldman Sachs	
Currency Forward - Receive US\$, Pay CANS	81,176,336	05/28/2004	1.3086 CANS/US\$	03/30/2004	Goldman Sachs	
0999999. Subtotal - Forwards - Hedging						
1299999. Subtotal - Forwards						
2599999. Subtotal - Hedging						
2799999. Subtotal - Other						
9999999 - Totals						

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE DB - PART C - SECTION 3

Showing all Collar, Swap and Forwards Terminated During Current Year

1 Description	2 Notional Amount	3 Date of Maturity, Expiry or Settlement	4 Strike Price, Rate or Index Rec (Pay)	5 Date of Opening Position or Agreement	6 Exchange or Counterparty	7 Cost or (Consideration Received)	8 Indicate Exercise, Expiration, Maturity or Sale	9 Termination Date	10 Book Value	11 *	12 Consideration Received or (Paid) on Terminations	13 Increase/ (Decrease) by Adjustment	Gain/(Loss) on Termination			17 Other Investment/ Miscellaneous Income
													14 Recognized	15 Used to Adjust Basis of Hedged Item	16 Deferred	
0499999. Subtotal - Collars							XXX	XXX		XXX						
Swaps – Hedging Transactions																
Currency Swap – Receive US\$, Pay CANS	11,450,382	12/15/2027	6.23% (6.75%)	03/29/2004	CIBC		Closing Trans.	05/21/2004			75,000		75,000			
Currency Swap – Receive US\$, Pay CANS	183,952	06/30/2015	6.615% (7.23%)	03/30/2004	Deutsche Bank		Closing Trans.	07/01/2004								2,087
Currency Swap – Receive US\$, Pay CANS	5,259,146	08/24/2004	7.354% (9.50%)	12/09/2003	Deutsche Bank		Closing Trans.	08/24/2004								(56,269)
Currency Swap – Receive US\$, Pay CANS	3,824,092	12/17/2009	6.515% (7.15%)	03/30/2004	CIBC		Closing Trans.	09/29/2004			(15,000)		(15,000)			(7,044)
Currency Swap – Receive US\$, Pay CANS	18,283,748	09/02/2014	6.6675% (7.3%)	03/30/2004	Lehman		Closing Trans.	09/29/2004			(140,000)		(140,000)			(68,015)
Currency Swap – Receive US\$, Pay CANS	1,354,545	06/01/2009	4.86% (5.5%)	03/26/2004	Deutsche Bank		Closing Trans.	09/29/2004			(60,556)		(60,556)			(6,740)
Currency Swap – Receive US\$, Pay CANS	6,287,879	12/01/2006	6.35% (7.0%)	03/26/2004	Lehman		Closing Trans.	09/29/2004			(281,671)		(281,671)			(31,256)
Currency Swap – Receive US\$, Pay CANS	7,633,588	08/15/2007	8.283% (9.0%)	03/29/2004	CIBC		Closing Trans.	09/29/2004			(342,092)		(342,092)			(34,755)
Currency Swap – Receive US\$, Pay CANS	9,773,282	06/02/2028	6.185% (6.7%)	03/29/2004	Deutsche Bank		Closing Trans.	09/29/2004			(296,718)		(296,718)			(33,583)
Currency Swap – Receive US\$, Pay CANS	5,353,728	06/02/2008	5.579% (6.2%)	03/30/2004	CIBC		Closing Trans.	09/29/2004			(185,348)		(185,348)			(22,888)
Currency Swap – Receive US\$, Pay CANS	1,912,046	06/01/2011	6.208% (6.85%)	03/30/2004	CIBC		Closing Trans.	09/29/2004			(73,202)		(73,202)			(8,375)
Currency Swap – Receive US\$, Pay CANS	4,588,910	07/09/2007	5.855% (6.5%)	03/30/2004	CIBC		Closing Trans.	09/29/2004			(159,724)		(159,724)			(7,590)
Currency Swap – Receive US\$, Pay CANS	4,588,910	04/22/2008	4.925% (5.60%)	03/30/2004	Lehman		Closing Trans.	09/29/2004			(162,556)		(162,556)			(28,359)
Currency Swap – Receive US\$, Pay CANS	5,936,920	02/05/2026	7.8923% (8.29%)	06/08/2004	UBS		Closing Trans.	09/29/2004			(287,684)		(287,684)			(25,262)
Currency Swap – Receive US\$, Pay CANS	2,101,483	06/30/2010	6.455% (7.288%)	12/09/2003	Lehman		Closing Trans.	09/29/2004			(89,198)		(89,198)			(10,897)
Currency Swap – Receive US\$, Pay CANS	5,731,316	06/01/2011	6.075% (6.85%)	12/09/2003	Lehman		Closing Trans.	09/29/2004			(219,421)		(219,421)			(31,683)
Currency Swap – Receive US\$, Pay CANS	2,623,585	07/25/2023	1.4484 CANS/US\$	06/07/2004	Lehman		Closing Trans.	09/29/2004			(23,038)		(23,038)			
Currency Swap – Receive US\$, Pay CANS	2,612,941	07/25/2024	1.4543 CANS/US\$	06/07/2004	UBS		Closing Trans.	09/29/2004			(32,733)		(32,733)			
Currency Swap – Receive US\$, Pay CANS	2,623,766	07/25/2025	1.4483 CANS/US\$	06/07/2004	UBS		Closing Trans.	09/29/2004			(22,964)		(22,964)			
Currency Swap – Receive US\$, Pay CANS	2,619,064	07/25/2026	1.4509 CANS/US\$	06/07/2004	UBS		Closing Trans.	09/29/2004			(19,137)		(19,137)			
Currency Swap – Receive US\$, Pay CANS	2,612,043	07/25/2027	1.4548 CANS/US\$	06/07/2004	UBS		Closing Trans.	09/29/2004			(16,415)		(16,415)			
Currency Swap – Receive US\$, Pay CANS	2,599,001	07/25/2028	1.4621 CANS/US\$	06/07/2004	UBS		Closing Trans.	09/29/2004			(15,647)		(15,647)			
Currency Swap – Receive US\$, Pay CANS	16,668,702	09/21/2029	6.46% (6.95%)	12/09/2003	Goldman Sachs		Closing Trans.	09/29/2004			(379,911)		(379,911)			(53,068)
Currency Swap – Receive US\$, Pay CANS	219,254	06/30/2015	6.615% (7.23%)	03/30/2004	Deutsche Bank		Closing Trans.	12/31/2004								(25,666)
0599999. Subtotal - Swaps - Hedging							XXX	XXX		XXX	(2,748,015)		(2,748,015)			(449,363)
0899999. Subtotal - Swaps							XXX	XXX		XXX	(2,748,015)		(2,748,015)			(449,363)
Forwards – Hedging Transactions																
Currency Forward – Receive US\$, Pay CANS	469,963,332	03/31/2004	1.3225 CANS/US\$	11/01/2003	Goldman Sachs		Closing Trans.	03/31/2004			(3,863,572)		(3,863,572)			
Currency Forward – Receive US\$, Pay CANS	135,640,873	05/01/2004	1.3086 CANS/US\$	03/01/2004	Goldman Sachs		Closing Trans.	04/12/2004			2,869,738		2,869,738			
Currency Forward – Receive US\$, Pay CANS	81,176,336	05/28/2004	1.3086 CANS/US\$	03/30/2004	Goldman Sachs		Closing Trans.	05/04/2004			3,719,102		3,719,102			
0999999. Subtotal - Forwards - Hedging							XXX	XXX		XXX	2,725,268		2,725,268			
1299999. Subtotal - Forwards							XXX	XXX		XXX	2,725,268		2,725,268			
2599999. Subtotal - Hedging							XXX	XXX		XXX	(22,747)		(22,747)			(449,363)
2799999. Subtotal - Other							XXX	XXX		XXX						
9999999 - Totals							XXX	XXX		XXX	(22,747)		(22,747)			(449,363)

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE DB - PART D - SECTION 1

Showing all Futures Contracts and Insurance Futures Contracts Open December 31 of Current Year

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

Schedule DB - Part D - Section 2

NONE

Schedule DB - Part D - Section 3

NONE

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE DB - PART E - SECTION 1

Showing Counterparty Exposure for Derivative Instruments Open December 31 of Current Year

[illegible]

SCHEDULE E - PART 1 - CASH

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR											
1.	January.....	(8,607,200)	4.	April.....	(16,198,095)	7.	July.....	(218,059)	10.	October.....	(4,431,947)
2.	February.....	(25,296,690)	5.	May.....	(26,043,078)	8.	August.....	(4,503,402)	11.	November.....	3,852,966
3.	March.....	(10,951,812)	6.	June.....	353,520	9.	September.....	(5,593,925)	12.	December.....	4,870,002

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SCHEDULE E - PART 2 - CASH EQUIVALENTS

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

1 Line Number	2 Type	3 Description of Deposit	4 Where Deposited and Purpose of Deposit	5 Par or Book Value	6 Statement Value (a)	7 Fair Value
GA00001	B.....	U S TREASURY BONDS 7.500% 11/15/16	Georgia, WACHOVIA BANK-GEORGIA, RSD GA INS CD SEC 33-3-9	100,000	98,439	127,793
1199999. Total - Georgia				100,000	98,439	127,793
NM00001	B.....	U S TREASURY BONDS 7.500% 11/15/16	New Mexico, CENTURY BANK & TRUST, RSD NM INS CD SEC 59-A-5-19	160,000	157,503	204,469
3299999. Total - New Mexico				160,000	157,503	204,469
NC00001	B.....	U S TREASURY BONDS 7.500% 11/15/16	North Carolina, WACHOVIA BANK-NORTH CAROLINA, RSD NC INS CD SEC 58-5-50	25,000	24,610	31,948
NC00002	B.....	U S TREASURY BONDS 8.750% 08/15/20	North Carolina, WACHOVIA BANK-NORTH CAROLINA, RSD NC INS CD SEC 58-5-50	225,000	240,497	325,231
NC00003	B.....	U S TREASURY NOTES 6.250% 02/15/07	North Carolina, WACHOVIA BANK-NORTH CAROLINA, RSD NC INS CD SEC 58-5-50	150,000	149,969	159,657
3499999. Total - North Carolina				400,000	415,076	516,836
VA00001	B.....	U S TREASURY BONDS 7.125% 02/15/23	Virginia, SUNTRUST, RSD VA INS CD SEC 38-2-1045	250,000	254,452	319,013
4799999. Total - Virginia				250,000	254,452	319,013
PR00001	B.....	PUERTO RICO CONWILTH MUNICIPAL 5.500% 07/01/08	Puerto Rico, JP MORGAN CHASE, RSD TTL 26 PR INS CD SEC 313	500,000	507,132	550,695
CN00002	B.....	ALBERTSON'S INC NTS 8.000% 05/01/31	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	700,000	724,103	874,174
CN00003	B.....	AMERENENERGY GENERATING NOTES 7.950% 06/01/32	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,000,000	3,985,392	4,995,400
CN00004	B.....	CANADIAN NATIONAL RAILWAY CO NTS 6.900% 07/15/28	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	15,498,000	16,449,826	17,837,733
CN00005	B.....	FORD MOTOR GLOBAL NTS 7.450% 07/16/31	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	3,795,000	3,763,426	3,816,783
CN00006	B.....	KERR-MCGEE CORP BDS 7.875% 09/15/31	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	3,100,000	3,264,049	3,796,446
CN00007	B.....	LOCKHEED MARTIN CORPORATION BDS 8.500% 12/01/29	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	590,000	584,819	807,285
CN00008	B.....	RAYTHEON COMPANY SR NTS 7.200% 08/15/27	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	665,000	607,202	787,034
CN00009	B.....	ROYAL TRUST GIC 1.900% 01/04/05	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	397,000	397,000	397,000
CN00010	B.....	ALLIANCE PIPELINE LP DEB 7.230% 06/30/15	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	10,126,799	9,969,517	11,553,756
CN00011	B.....	BELL CANADA SR SED DEP 11.450% 04/15/10	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	1,164,800	1,140,585	1,298,274
CN00012	B.....	BELL CANADA UNSEC DEBS SER EC 10.350% 12/15/09	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	832,000	877,317	883,526
CN00013	B.....	BRITISH COLUMBIA TELEPHONE DEB 11.900% 11/22/15	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	832,000	831,053	1,292,477
CN00014	B.....	CANADA GENERIC STRIP Zero Cpn 9.25 6/1/22 Deb 0.000% 06/01/06	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,232,800	3,738,844	4,071,826
CN00015	B.....	CANADA GENERIC STRIP Zero Cpn 9.25 6/1/22 Deb 0.000% 06/01/11	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	19,375,200	10,991,775	14,838,497
CN00016	B.....	CANADA GENERIC STRIP Zero Cpn 9.25 6/1/22 Deb 0.000% 12/01/06	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	8,392,800	7,114,032	7,920,873
CN00017	B.....	CANADA GENERIC STRIP Zero Cpn 9.25 6/1/22 Deb 0.000% 12/01/09	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,232,800	2,738,981	3,505,521
CN00018	B.....	CANADA GENERIC STRIP Zero Cpn 9.25 6/1/22 Deb 0.000% 12/01/11	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	17,544,800	10,535,485	13,106,843
CN00019	B.....	CANADA, GOV'T OF BDS 6.000% 09/01/05	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	274,560	275,655	233,480
CN00020	B.....	CANADA, GOV'T OF NOTES 5.750% 09/01/06	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	145,600	147,425	126,754
CN00021	B.....	CANADIAN NATURAL RES MTN 7.400% 03/01/07	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	7,155,200	7,160,890	6,435,745
CN00022	B.....	CANADIAN OCCIDENTAL PETROLEUM NTS 6.850% 11/15/06	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,409,600	4,395,095	3,889,311
CN00023	B.....	FORD CREDIT CANADA LIMITED MTN 7.163% 04/23/07	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	5,408,000	5,517,208	4,772,668
CN00024	B.....	FORD CREDIT CANADA LIMITED MTN 8.200% 04/18/06	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	3,328,000	3,328,000	3,506,780
CN00025	B.....	GE CAPITAL CAN FUNDING MTN 6.250% 07/24/12	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	17,472,000	17,667,346	16,140,284
CN00026	B.....	HOLCIM CAPITAL CORP SER B SR UNSECURED NOTE 6.910% 09/17/17	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	8,320,000	8,320,000	9,267,149
CN00027	B.....	INTERPROVINCIAL PIPE LINE INC. MTN 8.450% 05/18/05	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	5,824,000	5,831,109	4,948,536
CN00028	B.....	MOLSON COMPANIES LTD Ser 3 Debs 8.400% 12/07/18	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	3,078,400	3,054,093	3,206,215
CN00029	B.....	MOLSON COMPANIES LTD Unsecured Ser 2 9.100% 03/11/13	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,160,000	4,145,654	4,360,762
CN00030	B.....	NOVA SCOTIA POWER CORP MTN, SERIES E 8.375% 05/17/05	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	3,328,000	3,326,597	2,825,006
CN00031	B.....	ONTARIO HYDRO STRIP Zero Cpn 8.9 8/18/22 Deb 0.000% 08/18/07	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	3,702,400	2,883,633	3,393,731
CN00032	B.....	ONTARIO PROVINCE NTS 7.250% 09/27/05	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	3,494,400	3,453,323	2,990,018
CN00033	B.....	ONTARIO PROVINCE UNSEC CANADIAN DOLLAR BD 7.500% 01/19/06	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	1,913,600	1,906,492	1,669,233
CN00034	B.....	ONTARIO STRIP BDS 0.000% 06/02/05	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	3,328,000	3,230,202	3,292,357
CN00035	B.....	ONTARIO STRIP BDS 0.000% 06/02/06	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	5,304,000	4,763,429	5,099,000
CN00036	B.....	ONTARIO STRIP BDS 0.000% 06/02/07	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	5,304,000	4,399,605	4,904,503
CN00037	B.....	ONTARIO STRIP BDS 0.000% 12/02/07	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	5,304,000	4,232,867	4,802,242
CN00038	B.....	ONTARIO STRIP DEBS 0.000% 06/02/11	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	8,632,000	5,066,792	6,535,546
CN00039	B.....	ONTARIO STRIP DEBS 0.000% 06/02/13	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	5,304,000	2,676,854	3,580,678
CN00040	B.....	ONTARIO STRIP DEBS 0.000% 12/02/11	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	5,304,000	3,033,748	3,911,011
CN00041	B.....	ONTARIO STRIP Zero Cpn 9.5 7/13/22 Deb 0.000% 01/13/07	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,347,200	3,600,331	4,082,064
CN00042	B.....	ONTARIO STRIP Zero Cpn 9.5 7/13/22 Deb 0.000% 01/13/08	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	8,429,015	6,374,819	7,591,424
CN00043	B.....	ONTARIO STRIP Zero Cpn 9.5 7/13/22 Deb 0.000% 01/13/11	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	9,838,400	5,551,424	7,608,625
CN00044	B.....	ONTARIO STRIP Zero Cpn 9.5 7/13/22 Deb 0.000% 07/13/05	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,347,200	4,139,272	4,287,383
CN00045	B.....	ONTARIO STRIP Zero Cpn 9.5 7/13/22 Deb 0.000% 07/13/09	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,347,200	2,854,917	3,647,214
CN00046	B.....	ONTARIO STRIP Zero Cpn 9.5 7/13/22 Deb 0.000% 07/13/10	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	11,252,800	6,987,995	8,927,184
CN00047	B.....	ONTARIO STRIP Zero Cpn 9.5 7/13/22 Deb 0.000% 07/13/11	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,347,200	2,370,025	3,271,746
CN00048	B.....	PPX INVESTMENT CORP SER B GUARANTEED SR NT 8.010% 02/09/17	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	10,816,000	10,816,000	12,145,286
CN00049	B.....	RENAISSANCE ENERGY LTD MTN 144A 6.950% 07/14/09	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	2,912,000	2,895,720	2,701,987

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SCHEDULE E - PART 3 - SPECIAL DEPOSITS

1 Line Number	2 Type	3 Description of Deposit	4 Where Deposited and Purpose of Deposit	5 Par or Book Value	6 Statement Value (a)	7 Fair Value
CN00050	B.....	ROYAL BANK OF CANADA SUBORDINATED DEBS 6.750% 06/04/12	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	8,736,000	8,874,657	7,840,473
CN00051	B.....	ROYAL TRUST GIC 2.150% 01/04/05	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	26,371,904	26,371,904	26,371,904
CN00052	B.....	TELEGLOBE-CANADA DEB 8.000% 10/23/26	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	12,896,000	515,840	751,192
CN00053	B.....	TRANS-CANADA PIPELINES DEP 10.625% 10/20/09	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	1,743,040	1,670,475	1,862,578
CN00054	B.....	WEST FRASER TIMBER CO DEBS 6.800% 11/19/07	CANADA, ROYAL TRUST BANK-TRUST ACCOUNT, REG RSD INS CO ACT(SC 199,C47)	4,160,000	4,157,219	3,722,784
US00055	O.....	CASH	JPMORGAN CHASE, NEW YORK, NEW YORK ESCROW FOR LITIGATION	14,817,776	14,817,776	14,817,776
5299999. Total - Other				335,834,494	279,034,931	301,854,771
9999997. Subtotal - special deposits not held for the benefit of all policyholders, claimants and creditors of the company				336,744,494	279,960,401	303,022,882
TN00001				1,600,000	1,625,059	2,212,228
9999998. Subtotal - special deposits held for the benefit of all policyholders, claimants and creditors of the company				1,600,000	1,625,059	2,212,228
9999999 - Totals				338,344,494	281,585,460	305,235,110

(a) Includes \$ 41,586,680 cash and short-term investments as defined in SSAP No. 2 of the NAIC Accounting Practices and Procedures Manual.