ACTUARIAL REPORT

RACE BASED PRICING ACTIVITIES WITH RESPECT TO THE LIFE INSURANCE BUSINESS OF WESTERN & SOUTHERN LIFE INSURANCE COMPANY

December 31, 2003

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December 31, 2003

Mr. Dan Atkisson
Ohio Department of Insurance
Market Conduct Division
2100 Stella Court
Columbus, OH 43215-1067

Re: Western & Southern Life Insurance Company (WSLIC) Race Based Pricing Examination

Dear Mr. Atkisson:

Enclosed you will find our final report on the race based pricing activities of WSLIC. Copies of this report should be distributed only in their entirety and after notifying us in advance.

Let me know if you have any questions regarding the contents of the report.

Sincerely,

John A. MacBain, FSA, MAAA
Vice President, Actuarial Resources Corporation

Introduction

The Ohio Department of Insurance (ODI) has requested Actuarial Resources Corporation of Georgia ("the examiners") to perform a special multi-state market conduct examination of the premium structures applicable to and the underwriting procedures utilized with regard to the life insurance business of Western and Southern Life Insurance Company (WSLIC or "the company"). Such business ("reinsured business") includes any life insurance business acquired from another company as part of an assumption reinsurance agreement or as part of the acquisition of the company itself. The purpose of this special exam is to determine whether, and to what extent, the premium structures of the life insurance business in question contain or contained variations which, in fact or in effect, reflect differentials based on the race of the insured. This exam has been performed in accordance with any guidelines and principles established for such exams by the NAIC Race Based Premium Working Group. Pursuant to those guidelines and principles, the exam was a multi-state exam conducted on behalf of all states but with particular coordination between the ODI and WSLIC's other top four policy count (year end 2000) states of Indiana, North Carolina, Illinois and Michigan.

The request of the ODI to perform a special market conduct examination in this area arose pursuant to concerns raised by the National Association of Insurance Commissioners (NAIC) that premium differentials in life insurance rates based on the race of the insured (in particular, African-Americans) existed and/or continue to exist in the marketplace. The concerns expressed were mainly with regard to blocks of business which had been issued many years in the past but also involved the desire to determine whether the practice of varying life insurance premiums by

race continues to the present. Pursuant to the NAIC's concerns, in 2000 the ODI initiated a questionnaire directed to all domestic companies to determine which, if any, were or are involved in the marketing of life insurance on a racially distinct premium basis. A similar questionnaire had been propounded by several state insurance departments in 1988 (a copy of WSLIC's response to this survey is attached as Attachment 1). Based on the results of the ODI questionnaire promulgated in 2000, as it applied to WSLIC's direct business and its reinsured business, a special market conduct exam which is the subject of this report was commissioned.

Overview and Scope of Project

The response of WSLIC to the 2000 ODI questionnaire referenced above (the initial response is attached as Attachment 2.1, the revised exhibit as Attachment 2.2, and the supplemental response as Attachment 2.3) indicated that, at some point in its history WSLIC or its predecessors in interest or companies whose business it acquired, had marketed some of their life insurance products using rates which explicitly distinguished between white and non-white insureds. Accordingly, all of the companies' (including companies whose business had been acquired or reinsured by WSLIC) rate books were solicited from WSLIC, together with any other rate documentation information, and those provided were reviewed to determine whether premium rate differentials based on the race of the insured existed. This review included not only a search for any rate differentials explicitly based on race, but also a review of any underwriting classification mechanisms (standard, preferred, regular, substandard, etc.) in order to determine whether statistically these had the effect of creating premium differentials according to the race of the insured. It is important to note that we have relied on the personnel of WSLIC to provide

us with all rate books, other rate documentation, and all of the information contained in those rate books and rate documentations. WSLIC has also provided the examiners with a description of the information available on their data base with respect to death claims, maturities, and surrenders of WPI and ordinary business. This information is shown in Attachment 2.4. The examiners are pleased to report the cooperative and responsive nature of the representatives of the company in conjunction with our work on this report. An affidavit, signed by an officer of WSLIC, attesting to the relevance and completeness of the information provided is included as Attachment 3.

When WSLIC became aware of the NAIC's desire in 1988 to obtain information on the race based pricing activities of life insurance companies, they voluntarily implemented an internal program to first identify those industrial and ordinary policies in force with WSLIC that were priced on a racially distinct basis and still in force on a premium paying basis. Once identified, WSLIC provided an increased amount of insurance protection to these policyholders. The amount was designed to provide insurance equivalent to that provided to a white insured under a similar plan and premium rate. Premiums thereafter continued to be paid at the same level as prior to the increase. The examiners noted that the policyholders themselves received no notification of the increased amount of insurance protection. In addition, the program only applied to policyholders still in a premium paying status with WSLIC and not to policies in force as reduced paid up insurance or extended term insurance or to policyholders whose coverage was no longer in force. Additional details regarding this adjustment program are covered later in this report.

In 2000 and 2001, in response to the 2000 NAIC questionnaire in this regard, WSLIC additionally enhanced all then in force industrial and ordinary policies issued with premiums determined on a racially distinct basis. At that time, per unit nonforfeiture values were increased for all policies with values based on a substandard industrial mortality table. Both base policy benefits and paid up additions were enhanced to reflect coverages that would have been provided had the policies been issued on a non-racially distinct basis. All affected in force policies were included although the program did not apply retroactively, even in respect of those non-premium paying policies that had been in force in 1988 and had surrendered, matured, or been paid out as a result of the insured's death since that time. Additional details regarding this adjustment program are covered later in this report.

Reliances

As indicated previously in this report, this examination covers the pricing activities of WSLIC (and its reinsured business) as they relate to life insurance. The term "life insurance" is not restrictive and refers to life insurance sold by the companies under labels such as "industrial life insurance", "monthly debit ordinary (MDO) insurance", "burial insurance", "vault insurance", "monument insurance", "merchandise insurance", "monthly intermediate ordinary (MIO) insurance", "monthly account ordinary (MAO) insurance", "home service insurance", and "ordinary insurance". The types of insurance covered are also not restricted to the marketing methodology employed or to the particular type of insurance sales license under which the product is or was marketed.

In preparing this report, we have relied on the accuracy and totality of the information requested, as provided by certain WSLIC personnel. The information provided included but was not limited to, the following:

1. Rate book information on the life insurance of WSLIC and its reinsured business.

2. Other rate documentation information as historically assembled by WSLIC, including rate documentation for its reinsured business.

3. Policy file information for the policies chosen for sampling purposes.

4. Premium rate methodology documentation.

5. Various extracts provided on electronic media of WSLIC's administrative databases.

6. Various policy forms, including applications.

7. Information in various forms on the extent and amount of any remedial action implemented by WSLIC in respect of policies issued using premium rates determined on an explicitly race-distinct basis.

8. Internal company memos and documents retrieved by Mr. Tom Neiswander, Investigative Officer of the ODI.

Limitations

In certain situations, limitations of one form or another precluded reaching a 100% accurate conclusion regarding the race based pricing activities of WSLIC or the companies it had acquired with respect to its life insurance business. Among these:

1. The passage of a substantial number of years between the present and the period when WSLIC (or its predecessors in interest or companies whose business it acquired) had, or potentially had, marketed life insurance policies with racially distinct premium rates. Personnel have changed and files are not readily available. These older historical files contain significantly less information compared to that available regarding presently issued insureds.

2. The fact that WSLIC had, over the years, acquired numerous companies, either through an assumption reinsurance arrangement or through acquisition of a company's stock. Rate book and pricing information obtained in respect of business acquired in this fashion tended to be incomplete or unavailable and lacking in descriptions of the underwriting approach used for the products. No pricing information was available to provide insight into the mortality assumptions used, if any, in determining premiums.

3. The lack of any consistent and well documented relationships between plan codes used in rate books and those contained on WSLIC's administrative systems.

Details of Examination

WESTERN AND SOUTHERN LIFE INSURANCE COMPANY (WSLIC)

Pre-1957 Weekly Premium Industrial (WPI)

WSLIC began this period in 1888 as a stock company and ended it as a mutual company (1948). The examiners reviewed all available WSLIC rate books used during this period of time to attempt to determine any distinctions in rates or underwriting methodologies based on the race of the applicant. In addition, policy forms were reviewed to determine whether nonforfeiture bases varied by plan.

Seriatim listings were provided by WSLIC for the seven largest plans in force as of 12/31/2000. These plans were selected by the examiners in order to provide a general range of plans offered by WSLIC during this period in terms of coverage period, premium paying period, and status (premium paying, paid up, ETI, etc.). Since race was not contained on the master policy record, a random sample of policies was selected from the seriatim listings for these plans. ODI personnel then researched these files to attempt to obtain the race of the applicant from information contained therein, if possible. The result of that analysis is contained in Attachment 4 of this report.

A review of the results of the sampling performed on the chosen plan codes (these plan codes represented over 93% of the in force business of WSLIC as of 12/31/2000) indicates that, in

those situations where the race of the applicant was determinable, 99% of those applicants were white. This result is consistent with the history of WSLIC's career agent marketing efforts which indicate that their marketing thrust was in primarily white areas. Since WPI policies were not issued on a rated basis (they were either accept or reject), the examiners were unable to determine whether non-white applicants were actually rejected for coverage versus not merely, as a general rule, solicited for coverage.

The examiners obtained specimen policy forms in respect of the plans sampled and determined that, for these plans, the 1941 Standard Industrial Mortality Table was used for nonforfeiture values. The same policy form was used for white applicants as for non-white applicants although, as indicated above, the vast majority of applicants, where identifiable, were white. In fact, of the 386 sample policies drawn, 144 of them, or 37.3%, contained no information in the files as to the race of the applicant. The application forms used by WSLIC for these policies did solicit information on race on the application until 1965 although the race of the insured was not included in WSLIC's master record for the policy.

The examiners concluded that race was not a factor used in determining premiums for the WPI policies issued by WSLIC during this period although sampling indicated that WSLIC policies were almost exclusively issued to white policyholders.

WPI/MPI Issues of 7/1/57 Through 3/31/58

The examiners determined that during this period of time WSLIC offered its WPI portfolio on a Regular and standard basis. Separate and distinct plans were made available in each of these two classifications except for the Monthly Premium Industrial (MPI) Endowment at Age 18 policy which was offered to both Regular and standard applicants.

Rate book and internal WSLIC document information, attached as Attachment 5, analyzed by the examiners indicate that the Regular series WPI policies were marketed to non-white applicants and standard series policies marketed to whites. For the most part, the existing career sales force of WSLIC continued to have available only the standard series policies. WSLIC's revision of its WPI portfolio to essentially add a Regular series of policies available to non-whites appears to have been motivated by pressure from the sales forces of companies whose business was acquired by WSLIC in 1957 and who would continue to market products for WSLIC. Examples of such documentation are included as Attachment 6.

It should be noted that, even though separate and distinct plans were made available in each of the Regular and standard series of plans, the examiners determined that, even after adjusting for plan differences, the Regular series rate appeared to have been based on a higher underlying mortality assumption than those of the standard series. Attachment 7 illustrates the examiners' analysis used to reach this conclusion for the Eighteen Pay Life Regular series plan versus the Twenty Pay Life standard series plan. Attachment 7 illustrates that, using an identical mortality table, the underlying mortality premium (i.e. net premium) differential attributable to the plan

differences are minimal (5% to 8% - see Attachment 7, Column C) for each issue age while the gross premium differentials are significant (20% to 26% - see Attachment 7, Column A). Had the underlying mortality been similar in the development of the premiums for these two plans, the gross and net premium differentials would be expected to be much closer. Put another way, it would be reasonable for an 18-Pay Life plan to have premiums which are about 5% to 8% higher than a 20-Pay Life plan based simply on the fact that there are fewer premium payments required for the same coverage. However, since the actual gross premium differentials are much higher (20% to 26%) this implies that a higher underlying mortality assumption was the source of the higher differential. In fact, in this situation, the examiners were able to virtually reproduce (within 1 cent or less) the Regular series weekly gross premiums (see Attachment 7, Column G&H) by multiplying the substandard net (1941 Substandard Industrial Mortality Table) premium by the standard plan loading factor (loading factor = the standard plan gross premium divided by the 1941 Standard Industrial Mortality Table net premium). Thus, it seems apparent based on this analysis, that the premiums for the Regular series plans were inherently based on a higher mortality assumption vis-à-vis the standard series. In the analysis presented in Attachment 7, this higher mortality assumption is represented by the 1941 Substandard Industrial Mortality Table in comparison to the 1941 Standard Industrial Mortality Table.

Regarding the nonforfeiture mortality tables for the Regular and standard series forms, the examiners determined that, for the standard series, the 1941 Standard Industrial Mortality Table was used (see Attachment 8 from a standard series form) while for Regular series forms the 1941 Substandard Industrial Mortality Table was used (see Attachment 9 from a Regular series policy). It should be noted that the mere use of a substandard mortality table in one policy form

for nonforfeiture values and a standard mortality table in another is not, in and of itself, an indication that gross premium rates varied by race (due to the fact that actual gross premiums charged do not necessarily bear any relationship to the nonforfeiture values offered in the policy), although in this situation that was the case.

During this time period, WSLIC also developed what was known as the Thrift series of policies, and their counterpart the Security series of policies, which were to be marketed to non-white and white risks, respectively. Although the Thrift series and Security series of policies were technically of the MDO variety, they have been included in this section of the report since their availability matched the time period when the Regular and standard series WPI/MPI products were available and they utilized premium rates which varied based on the race of the insured. Unlike the Regular and standard series of policies, the Thrift and Security series policy offerings (including nonforfeiture values which for both series were based on the 1941 Standard Ordinary Mortality Table) were the same, with higher premium rates being charged for a Thrift series policy vis-à-vis its Security series counterpart. A sample nonforfeiture rate page for a comparable plan is attached as Attachment 10, where this same nonforfeiture rate page is applicable to both the Thrift series and Security series plans.

WSLIC Ordinary Series Policies (non-MDO)

The examiners reviewed rate books and internal memos retrieved by Tom Neiswander in order to determine the extent of any explicit race based distinctions in premium rates for this class of policies and to determine whether underwriting practices effectively resulted in racially distinct

premiums. An internal document from 1947 (attached as Attachment 11) indicates that African-American applicants for ordinary policies were automatically rated Table B (plus 50%) because of their race. A later document from 1954 (Attachment 12) indicates that African-Americans were to be underwritten similarly to other non-white applicants with no automatic Table B rating due to race. A seriatim listing of all ordinary policies in force which were rated was provided by WSLIC and the examiners selected samples from this group in order to determine first whether any of these insureds were non-white and second whether the ratings could reasonably be assumed to have been applied because of the applicant's race. The results of the sampling are shown in Attachment 13. As can be seen by the results in this Attachment, there is insufficient statistical evidence to support the concept that race based underwriting techniques were employed by WSLIC for ordinary plans. In fact, only 1 policy out of 20 rated policies sampled was identified as being non-white.

The samples drawn indicated that the vast majority of the insureds were white and that, where the insured was non-white, the rating appeared appropriate to the medical characteristics of the applicant.

LIFE INSURANCE BUSINESS ACQUIRED BY WSLIC FROM OTHER ENTITIES

Beginning in 1954 and continuing through 1970, WSLIC acquired a number of life insurance companies. See Attachment 14. In many cases, the field forces of these companies were acquired as well and became licensed agents for WSLIC. As an accommodation to these agents, WSLIC continued, in certain situations in 1957, the premium rating and underwriting structures

of these companies, for the 7/1/57 through 3/31/58 period noted above. The examiners reviewed all premium rate information available in respect of the business acquired by these companies, internal company memos relating to the business acquired, and memos relating to the methodology used to determine which of these policies, if any, were eligible for WSLIC's 1988 and 2000/2001 enhancement programs. The details of these programs are outlined later in this report.

Using the information available, the examiners attempted to determine whether any policies issued by the companies prior to being acquired by WSLIC utilized premium rate structures which varied based on the race of the applicant, either explicitly or by virtue of the underwriting procedures employed. In many cases, underwriting procedures were not provided to WSLIC at the time the business was acquired and, as a result, premium rate information and internal company memos became the primary source of information for the examiners.

Industrial Business

The procedures followed by the examiners in this regard consisted of first reviewing any available rate book and other rate information applicable to the business acquired, and reaching preliminary conclusions with regard to any racial distinctions in premiums with respect to the business. The examiners determined that WSLIC acquired from other companies industrial policies issued at least as early as 1913. An attempt was then made to reconcile the plans involved, if any, with the detailed analysis performed by WSLIC in this regard as part of their policy enhancement activities. A description of the procedures used by WSLIC to determine the

affected plans (for the WPI business of Imperial Life of North Carolina) is included as Attachment 15. This procedure is representative of the procedures used to determine whether the WPI/MPI business WSLIC acquired when it purchased other carriers utilized premiums based on the race of the insured. The examiners reviewed these procedures and found the methodology appropriate and complete as to the identification of any WPI/MPI business acquired by WSLIC that utilized racially distinct premium rates.

The examiners' analysis indicated that the in force policy forms determined as being priced on a racially distinct basis essentially duplicated those determined through the efforts of WSLIC as part of their enhancement process. As a result, no sampling of these plan codes to insure that the database reflected premium rates consistent with the rate book involved was undertaken since such an effort would have been redundant and would have duplicated the extensive efforts performed by WSLIC in this area. The accuracy of WSLIC's analysis of premiums was part of the examiners' effort to review the details of the policy enhancement programs.

As an example, the examiners' review of the rate book and other rating information in respect of Imperial Life Insurance Company of North Carolina indicated that its WPI/MPI business had, for the most part, premium rate structures which varied on a racially distinct basis. Sample pages from the rate books involved are included as Attachments 16.1 and 16.2.

Ordinary Business

In respect of the ordinary business acquired by WSLIC through assumption reinsurance, the examiners again reviewed all available rate books and rate material provided by those companies, as well as internal memorandums and meeting minutes covering the procedures used to identify reinsured policies may have utilized premiums reflecting the race of the insured. As with the WPI/MPI assumed business, in both 1988 and 2000/2001 WSLIC performed an extensive analysis of the reinsured ordinary business in conjunction with their policy enhancement programs at the time. The examiners reviewed the procedures utilized by WSLIC in an attempt to identify policies using racially distinct premiums.

Ordinary business, including MAO business, is priced utilizing a single base rate with substandard, or additional, premium ratings determined by the underwriters when and as appropriate. The thrust of WSLIC's approach to identifying policies with race based premiums was first to identify all substandard rated policies assumed from other companies and then to determine whether this rating was applied as a result of the race of the insured.

The examiners reviewed the procedures used by WSLIC in this regard and determined that, because of the exhaustive nature of WSLIC's efforts, no additional analysis was deemed appropriate. These procedures are documented in Attachment 17.

RACED BASED PREMIUM POLICY BENEFIT INCREASES IMPLEMENTED BY WSLIC

In both 1988 and 2000/2001, WSLIC implemented procedures where the benefit amounts for certain in force policies with racially distinct premiums were increased to reflect the differentials in premiums charged to white and non-white policyholders. Methods utilized by WSLIC to identify such affected policies were extensive and included the examination of rate manuals, the review of applications and the analysis of master administrative data. Through its analysis, WSLIC was able to identify numerous plans that had been issued either on an explicitly racially distinct premium basis, where certain rates or plans were clearly indicated to be used for non-white applicants, or issued on a two-tiered type basis (e.g. Standard/Preferred, Standard/Substandard) where separate premiums and/or plans were utilized for non-white applicants.

The first of the two benefit increase programs took place in 1988 where benefits, in the form of a special dividend, were increased for all in force premium paying policies that had been identified as having premiums based on race. There were 10,656 policies that had their benefits increased at this point in time with a total increase in face amount of $715,832 and a corresponding increase in cash values or reserves of $359,267. The vast majority of affected policies were WPI policies that had been assumed by WSLIC from other companies. See Attachment 18. The rationale utilized in determining the amount of the benefit increases will be discussed later in this report.

In 2000 and 2001, WSLIC implemented a second program of benefit increases for policies that had been issued with premiums based on race. Apart from a small number of premium paying policies not identified as part of the 1988 benefit increases, the race based premium policies adjusted in 2000/2001 were non-premium paying (reduced paid up, fully paid up, extended term) policies. As in 1988, where applicable, dividend accumulations and paid up additions were increased in addition to the basic face amount increases. There were 45,454 policies that had their benefits increased in 2000/2001 with a total increase in face amount of $1,270,169 and an increase in cash values or reserves of $823,576. As in 1988, the vast majority of affected policies were WPI policies that had been assumed by WSLIC from other companies. See Attachment 19.

Additional adjustments were also made in 2000/2001 to a portion of the above affected WPI policies with nonforfeiture values based on a substandard mortality table (i.e. Substandard Industrial, 1941 Substandard Industrial). These adjustments increased nonforfeiture benefits, in situations where beneficial, to the level that they would have been had a standard mortality table (i.e. Standard Industrial, 1941 Standard Industrial) been utilized to compute nonforfeiture values. WSLIC estimated the cost of these additional enhancements to be somewhere between $150,000 and $200,000.

Attachment 19.1 includes a summary by state of all policyholders impacted by the enhancement programs implemented by WSLIC in 1988 and 2000/2001.

WSLIC Adjustment Ratio Determination

In determining the appropriate increase in death benefits to provide in both 1988 and 2000/2001, WSLIC compared the actual premium charged to a non-white policyholder to a comparable premium that would have been charged to a white policyholder in calculating an Adjustment Ratio. By applying this Adjustment Ratio, the benefits on a policy with premiums determined on a racially distinct basis were augmented to the level that they would have been if they were charged rates for their insurance coverage that were applicable (or comparable) to white lives. Attachment 19.2 includes a summary of the average Adjustment Ratios computed by WSLIC as part of the 1988 and 2000/2001 enhancement programs. As this Attachment indicates for the policyholders impacted by these two programs, non-white policyholders were charged, on average, 18.4% higher premiums compared to white policyholders.

In general, there are two different types of situations involved in determining the appropriate increase in death benefits. The first type of situation is where identical plans were issued to both whites and non-whites but with different premium rates. Alternatively, there were many situations where specific plans were offered exclusively to non-white applicants with no directly comparable white plan.

For plan types in which identical plans were issued to whites and non-whites, computing the Adjustment Ratio to apply to the current face amount was relatively straightforward. For these situations, the factor applied to the current face amount was calculated as the non-white gross premium divided by the comparable white gross premium for the identical plan, issue age and

face amount. The following hypothetical example will demonstrate the details of this type of adjustment.

Example 1

Plan: Endowment @ Age 75

Original Face Amount = $500

Issue Age = 35

Non-White Gross Weekly Premium = .45

White Gross Weekly Premium = .35

Adjustment Ratio = .45/.35 = 1.28571

Adjusted Face Amount = $500 x 1.28571 = $642.86 (rounded to higher dollar)

This type of situation, where a comparable white plan was available, existed in 2000/2001 for the WSLIC MDO Thrift series plans, where the comparable white plans were known as Security series plans. The examiners verified the calculation of the Adjustment Ratio for a sample of the MDO Thrift series policies adjusted in 2000/2001. The results of this sampling are included in Attachment 20.

For situations in which plans were offered exclusively to non-whites (with no directly comparable white plans), a different approach was utilized by WSLIC to determine the Adjustment Ratio. This approach outlined in Attachment 21, involved the calculation of a "net" premium, which is an actuarially computed premium based on a specific mortality table and

interest rate. Note that a "gross" premium can be thought of as having two basic components - a net premium plus a loading, where the loading is intended to cover items such as expenses and profit for the company.

In these situations, the Adjustment Ratio was calculated as the gross annualized non-white premium (GANWP) divided by a "standard" gross annualized premium (SGAP). For WPI policies, the GANWP is calculated as the weekly premium times 52.142857 (52 plus 1/7). The first step WSLIC took in calculating the SGAP was to compute the absolute loading utilized to calculate the GANWP. This absolute loading was defined as the GANWP less the net annual premium based on a substandard mortality table (typically the 1941 Substandard Industrial Mortality Table). This loading was then added to a net annual premium based on a standard mortality table (typically the 1941 Standard Industrial Mortality Table) to calculate the SGAP. Again, the following hypothetical example will help to demonstrate the details of this type of calculation for plans issued exclusively to non-whites.

Example 2

Plan: Endowment @ Age 75

Original Face Amount = $500

Issue Age = 35

Non-White Gross Weekly Premium = .45

Gross Annualized Non-white Premium (GANWP) = .45 x 52.142857 = 23.46

Substandard Net Annual Premium = 15.08 (Based on the 1941 Substandard Industrial Mortality Table and 3% interest)

Thus, the absolute loading equals 8.38 (23.46 - 15.08).

Standard Net Annual Premium = 11.86 (Based on the 1941 Standard Industrial Mortality Table and 3% interest)

Standard Gross Annualized Premium (SGAP) = 11.86 + 8.38 = 20.24

Adjustment Ratio = GANWP/SGAP = 23.46/20.24 = 1.159

Adjusted Face Amount = $500 x 1.159 = $579.50 (rounded to higher dollar)

This type of situation, where a comparable white plan was not available, existed in 2000/2001 for the WSLIC WPI Regular series plans. The examiners verified the calculation of the Adjustment Ratio, based on the methodology above, for a sample of the WPI Regular series policies adjusted in 2000/2001. The results of this sampling are included in Attachment 22.

Upon review of the two methodologies utilized by WSLIC set forth above, it appears that these methodologies are somewhat inconsistent. The first methodology set forth above, where identical plans were issued to both whites and non-whites, utilizes a ratio of gross premiums. Viewed in the conceptual framework of the net premium approach described above, the loading

utilized to calculate the white gross premium would typically be comparable to the non-white loading (based on a substandard net premium) on a percentage basis, not on an absolute basis. In fact, two primary components of loading – commissions and profits – are typically expressed in terms of a percentage of premium.

Thus, the examiners feel that it would be more appropriate to calculate the loading on a percentage basis instead of an absolute basis for cases where comparable white plans are not available. This would be more consistent with the methodology utilized when comparable white premiums are available and would lead to larger Adjustment Ratios (and thus, enhanced benefits) for affected non-white policyholders virtually in all circumstances. The following example demonstrates the impact of utilizing a percentage of loading basis and the effect on the Adjustment Ratio calculated in Example 2 above.

Example 3 (Modification of Example 2)

Plan: Endowment @ Age 75

Original Face Amount = $500

Issue Age = 35

Non-White Gross Weekly Premium = .45

Gross Annualized Non-white Premium (GANWP) = .45 x 52.142857 = 23.46

Substandard Net Annual Premium = 15.08 (Based on the 1941 Substandard Industrial Mortality Table and 3% interest)

Thus, the percentage loading equals 155.57% (23.46/15.08).

Standard Net Annual Premium = 11.86 (Based on the 1941 Standard Industrial Mortality Table and 3% interest)

Modified Standard Gross Annualized Premium (MSGAP) = 11.86 x 155.57% = 18.45

Adjustment Ratio = GANWP/MSGAP = 23.46/18.45 = 1.272 (vs. 1.159 above)

Adjusted Face Amount = $500 x 1.272 = $636.00 (10% higher than $579.50 above)

The Adjustment Ratios for the WSLIC WPI Regular series samples in Attachment 23 were recalculated based on the percentage basis methodology suggested above. The results of these revised Adjustment Ratio calculations indicate benefit increases that vary from 6.0% to 13.1% relative to the original Adjustment Ratios computed by WSLIC.

Conclusions

As stated previously, the purpose of this special multi-state examination is to make a determination of whether, and to what extent, the premium structures of the business of WSLIC (and of the companies whose business was acquired or assumed by WSLIC) reflect, in fact or in effect, differentials based on the race of the insured. This section of the report attempts to

document the conclusions the examiners have reached in this regard. The findings of this examination are as follows:

1. During the period 7/1/57 through 3/31/58, WSLIC offered separate WPI and MPI plans to its white applicants and to its non-white applicants (although one plan, the MPI Endowment at 18 was available to both white and non-white applicants at different rates). WSLIC's Regular/standard series policies were priced on a racially distinct basis, with higher rates for non-whites (Regular) than whites (standard) even after considering plan differences between the Regular and standard plan series.

2. During the period 7/1/57 through 3/31/58, the nonforfeiture values available under WSLIC's Regular series forms were based on the 1941 Substandard Industrial Mortality Table while those under its standard series forms were based on the lower mortality rates inherent in the 1941 Standard Industrial Mortality Table.

3. During the period 7/1/57 through 3/31/58, WSLIC's MDO Thrift and Security series plans were priced on a racially distinct basis and, although the plans and benefits in each series were identical, the premium rates charged for the non-white Thrift series forms were higher than those for the white Security series forms.

4. Premium rates applicable to policies acquired by WSLIC when it acquired other insurers were, in some cases, racially distinct (the majority of these were WPI). The plan types

affected and period of time applicable to the race distinct pricing practice varied by company.

5. In 1988, WSLIC attempted to identify all then in force premium paying WSLIC and reinsured company plans for which a higher premiums was charged due to the race of the insured. Based on the examiners' analysis, and on the available information, this effort appears to have been diligently performed.

6. In 2000/2001, WSLIC attempted to identify all then in force WSLIC and reinsured company plans for which a higher premium was charged due to the race of the insured. Based on the examiners' analysis, and on the available information, this effort appears to have been diligently performed.

7. The policy enhancement calculations performed by WSLIC in respect of policies utilizing premiums which varied based on the race of the insured were reviewed by the examiners in detail. An inconsistency in the calculation of the Adjustment Ratios in situations where the "net" premium approach was utilized became apparent during this review.

Recommendations

After reviewing the factual information obtained as a result of this examination and the additional information developed from an analysis of that information and data, as well as the

enhancement programs and calculations performed by WSLIC, the examiners recommend the following course of action be undertaken.

1. Modify the enhancement program, as previously applied, to change the Adjustment Ratios (utilized by WSLIC to calculate the benefit amount enhancements) to a percentage basis from an absolute basis for those situations where a "net" premium approach was used.

2. Extend the enhancement program, as modified, to include all policies issued using racially distinct premiums. The extended program would not include any policy granted an enhancement pursuant to the 1988 and 2000/2001 programs, except as modified according to 1. above. For affected race based policies terminated prior to the implementation date of this extended program, remediation will be provided only to these policies where a benefit has been paid out by WSLIC (i.e. deaths, maturities, surrenders).

Company Response To Draft Report

WSLIC's response to the draft report, dated March 31, 2003, is included as Attachment 24. No changes were made in this final report as a result of the company's response.

Attachment 1

#1

NAIC
SURVEY OF LIFE INSURERS
JANUARY 27, 1988

Company name: THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

400 Broadway, Cincinnati, Ohio 45202 NAIC CODE #70483

(Identify companies if this response is prepared for more than one company).

Individual preparing response: James A. O'Connor -FLMI -2nd VP & Director
State Insurance Department Relations

Telephone Number: (513) 629-1114

I. Have you ever used race as a basis for differentiating in life insurance premiums charged?

yes x no ____

II. A. If the answer to I. is yes, have you discontinued issuing policies which used race as a basis for differentiating in life insurance premiums charged?

yes x no ____

If so, when was this practice discontinued? Early 1960's.

B. Are you currently collecting life insurance premiums which differentiate on the basis of race?

yes x no ____

C. If the answer to B. is yes, do you have data available which identifies:

SEE EXPLANATION AT END

i. The number of policies on which such premiums are collected;

yes ____ no x

ii. The aggregate annualized amount of such premiums;

yes ____ no x

iii. The name of the policy form or other identifying number or designation.

yes ____ no X

iv. The states in which the policy form was sold.

yes ____ no X

If such data is available, please furnish.

EXPLANATION: Extensive research would be required to make any separation by race. A complete separation would not be possible.

Attachment 2.1

STATE OF OHIO

COUNTY OF HAMILTON

AFFIDAVIT

VERIFICATION OF ACCURACY OF INFORMATION

Before me, the undersigned authority, personally appeared Donald J. Wuebbling who, being by me duly sworn and deposed, stated as follows:

1. My name is Donald J. Wuebbling and I am of sound mind, capable of making this affidavit and personally acquainted with the facts herein stated.

2. I am a company officer of The Western and Southern Life Insurance Company, an entity authorized to transact the business of insurance in the State of Ohio. I hold the position of Senior Vice President and General Counsel within this company.

3. I have received a copy of the survey regarding race-based pricing of life insurance policies and certify that the information provided within is correct and accurate to the best of my knowledge.

Signature of Company Officer

In witness whereof, I have hereunto subscribed my name and affixed my official seal this 15th day of September of 2000.

Signature of Notary

(seal)

ROBERT F. MORAND, Attorney at Law
NOTARY PUBLIC, STATE OF OHIO
My Commission has no expiration
date. Section 147.03 O.R.C.

Jan-14-2003 02:48pm From-001 INVESTIGATIVE SERVICES 614 644 3327 T-111 P 004/011 F-416

OHIO DEPARTMENT OF INSURANCE
QUESTIONNAIRE REGARDING RACE-BASED PRICING OF LIFE

Name of Insurance Company: The Western and Southern Life Insurance Company
Printed Name of Person providing Information: Donald J. Wuebbling
Title: Senior Vice President & General Counsel
Direct Telephone Number: (513) 629-1469 Fax Number: (513) 629-1044
Email address: don.wuebbling@westernsouthernlife.com Date: September 15, 2000

For purposes of this questionnaire the term race based underwriting/pricing shall include, but not be limited to, one or more of the following practices based on an applicant's or insured's race or color:

- limiting the amount, extent, or kind of coverage available
-charging or collecting higher premiums or rates
-assigning of risk classifications
-crediting of or providing lower dividends, policy benefits, or nonforfeiture values
-making any distinction as to policy terms or conditions
-imposing of different underwriting requirements (categorized by medical requirements vs. non-medical requirements)

DIRECT BUSINESS

1. Has your company ever marketed or issued life insurance policies using race based underwriting/pricing? If NO proceed to Question 7.

   YES X NO ____

2. Is your company currently marketing or issuing life insurance policies using race-based underwriting/pricing?

   YES ____ NO X

   Note: Please provide a narrative description fully detailing the review process used in answering this questionnaire. This process should include a review and examination of all relevant documents, including, but not limited to, rate charts, mortality tables, plan codes, agent and broker contracts, compensation and commission schedules, underwriting manuals, agent manuals, policy applications, policy forms, board of directors (and committee) minutes, and internal memoranda.

The principal operating areas of the Company were asked to review their files for any relevant documents, including but not limited to the specific items listed in the Questionnaire, that would indicate race-based underwriting/pricing. All of the listed items that are in Company files were reviewed as well as other files relating to these items. The operating areas were asked to report in writing that they had in fact conducted the research and the results of their research. In addition, past practices were reviewed. In 1988 the Company conducted an extensive investigation into this area and made policy adjustments that are described below. Files and meeting minutes relating to that exercise were reviewed and individuals who took part in that effort were interviewed.

3. If your answer to Question No. 1 was "Yes" but your answer to Question No. 2 was "No" please state when your company ceased using race-based underwriting/pricing practices.

We believe any such practices had stopped by late 1963. Further, we believe that the issuance of policies charging racially-based premiums had ceased by mid-1958. Details on the small number of such policies which appear to have been issued for a brief period of time after two acquisitions in mid-1957 are set forth in the response to Question 6.

4. Does your company still have in force, as of the date of this questionnaire, any life insurance policies that were issued using race-based underwriting/pricing practices?

YES X NO ____

5. If the answer to Question 4 was "Yes" please provide the following information on policies issued by your company. See Attached Exhibit.

STATE	a. number of policies in force	b. total annual premium	c. total face amount	d. total current cash value	e. policy form # and date of approval
Alabama					
Alaska					
Arizona					
Arkansas					
California					
Colorado					
Connecticut					
Delaware					
DC					
Florida					

Jan-14-2003 02:48pm From-001 INVESTIGATIVE SERVICES 614 644 3327 T-111 P 005/011 F-416

Georgia					
Hawaii					
Idaho					
Illinois					
Indiana					
Iowa					
Kansas					
Kentucky					
Louisiana					
Maine					
Maryland					
Massachusetts					
Michigan					
Minnesota					
Mississippi					
Missouri					
Montana					
Nebraska					
Nevada					
New Hampshire					
New Jersey					
New Mexico					
New York					
North Carolina					
North Dakota					
Ohio					
Oklahoma					
Oregon					
Pennsylvania					
Rhode Island					
South Carolina					
South Dakota					
Tennessee					
Texas					
Utah					

Vermont					
Virginia					
Washington					
West Virginia					
Wisconsin					
Wyoming					

6. If you answered "Yes" to any of the above questions please describe any steps your company has taken to remedy and/or make restitution to policyholders affected by the race-based underwriting/pricing practices, including the following information:

-what specific actions were taken
-the number of policies on which and the years in which actions were taken
-the pricing mortality tables, rate tables, or dividend scales used
-adjustments made to nonforfeiture values or other policy benefits
-the status (inforce vs. terminated) of the affected blocks of business at the time the action(s) were taken

In 1988 the face amounts, cash values and dividends of the premium paying policies discovered at that time as having been charged differential premiums were adjusted upward to the face amounts, cash values and dividends that the policies would have had absent the differential premiums. Four additional premium paying policies and 216 paid up policies were discovered as a result of our current research. They have been similarly adjusted. On average the adjustments resulted in a 15.3% increase in face amounts, cash values and dividends.

Adjustments were made on 86 premium paying policies in 1988 and on 220 other policies in 2000.

The adjustments were made using premium rates in effect at the time when the plans were issued without differential premiums; otherwise, adjustments reflected the relationship between net annual premiums calculated on 1941 SSI 2 ½% and 1941 SI 2 ½%

Jan-14-2003 02:50pm From-001 INVESTIGATIVE SERVICES 614 644 5527 T-111 P 001/011 F-416

Jan-14-2003 02:50pm From-001 INVESTIGATIVE SERVICES 614 644 3327 T-111 P 008/011 F-416

ASSUMED BUSINESS

7. Has your company assumed from another insurer any life insurance policies that were marketed or issued using race-based underwriting/pricing practices?

YES X NO ____

8. Does your company still have in-force, as of the date of this questionnaire, any assumed life insurance policies that were marketed or issued using race-based underwriting/pricing practices?

YES X NO ____

Note: Please provide a narrative description fully detailing the review process used in answering this questionnaire. This process should include a review and examination of all relevant documents, including, but not limited to, rate charts, mortality tables, plan codes, agent and broker contracts, compensation and commission schedules, underwriting manuals, agent manuals, policy applications, policy forms, board of directors (and committee) minutes, and internal memoranda.

The review process is the same as that described in the response to Question 2.

9. If the answer to Question 7 was "Yes" please provide the following information on policies assumed by your company.

STATE	a. number of policies in force	b. total annual premium	c. total face amount	d. total current cash value	e. policy form # and date of submission *
Alabama					
Alaska					
Arizona					
Arkansas					
California					
Colorado					
Connecticut					
Delaware					
DC					
Florida					

* We do not have information on policy form approvals for assumed business

Georgia					
Hawaii					
Idaho					
Illinois					
Indiana					
Iowa					
Kansas					
Kentucky					
Louisiana					
Maine					
Maryland					
Massachusetts					
Michigan					
Minnesota					
Mississippi					
Missouri					
Montana					
Nebraska					
Nevada					
New Hampshire					
New Jersey					
New Mexico					
New York					
North Carolina					
North Dakota					
Ohio					
Oklahoma					
Oregon					
Pennsylvania					
Rhode Island					
South Carolina					
South Dakota					
Tennessee					
Texas					

Utah					
Vermont					
Virginia					
Washington					
West Virginia					
Wisconsin					
Wyoming					

10. If you answered "Yes" to any of the above Questions 7 through 9 please describe any steps your company has taken to remedy and/or make restitution to policyholders affected by the race-based underwriting/pricing practices, including the following information:

-what specific actions were taken
-the number of policies on which and the years in which actions were taken
-the pricing mortality tables, rate tables, or dividend scales used
-adjustments made to nonforfeiture values or other policy benefits
-the status (inforce vs terminated) of the affected blocks of business at the time the action(s) were taken

In 1988 the face amounts, cash values and dividends of premium paying policies discovered at that time as having been charged differential premiums were adjusted upward in the manner described in the response to Question 6. There were 10,570 policies in the group that were adjusted at that time. We are currently researching paid up policies.

YOUR RESPONSE TO THIS QUESTIONNAIRE IS REQUIRED ON OR BEFORE SEPTEMBER 15, 2000
The Department requires that you acknowledge receipt of this questionnaire regardless of whether or not your company has withdrawn from the life insurance market. Please direct all responses to Brenda Artrip in the Market Conduct Division, at 614-719-1603 (voice), 614-644-3327 (fax) or Brenda.Artrip@ins.state.oh.us (e-mail). Once this questionnaire is completed you may either mail it to the address on the bottom of the first page or return it via facsimile to: 614-644-3327.

Jan-14-2003 02:51pm From-DOI INVESTIGATIVE SERVICES 614 644 3327 T-111 P 010/011 F-416

Answer to Question #5

EXHIBIT

STATE	a. number of policies in force	b. total annual premium*	c. total face amount	d. total current cash value	e. policy form # and date of approval	
Arkansas	1	$ 60	$ 1,744	$ 2,079	5701-105 MDO	11-1-56
California	5	$ 78	$ 4,051	$ 3,439	5701-105 MDO	10-29-56
					MP-870 Ed. 1-58	Not Available
					MP-818 Ed. 1-58	Not Available
					WP-819 Ed. 7-57	6-21-57
Delaware	1	$ 0	$ 860	$ 1,165	5701-105 MDO	10-31-56
Illinois	60	$ 311	$ 33,050	$ 52,373	WP-866 Ed. 7-57	4-9-57
					WP-818 Ed. 7-57	4-9-57
					WP-819 Ed. 7-57	4-9-57
					WP-870 Ed. 7-57	4-9-57
Iowa	9	$ 130	$ 7,247	$ 5,800	5701-105 MDO	10-9-56
					5701-200 MDO	10-9-56
					WP-870 Ed. 7-57	4-10-57
					WP-866 Ed. 7-57	4-10-57
Kansas	20	$ 287	$ 18,031	$ 21,419	5701-105 MDO	7-1-57
					5701-200 MDO	7-1-57
					WP-818 Ed. 7-57	7-1-57
					WP-819 Ed. 7-57	7-1-57
					WP-870 Ed. 7-57	7-1-57
Maryland	1	$ 0	$ 563	$ 853	WP-819 Ed. 7-57	Not Available
Missouri	72	$ 655	$ 52,141	$ 67,620	5701-105 MDO	12-7-56
					5701-155 MDO	12-7-56
					5701-200 MDO	12-7-56
					WP-866 Ed. 7-57	4-30-57
					WP-870 Ed. 7-57	4-30-57
					WP-818 Ed. 7-57	4-30-57
					WP-819 Ed. 7-57	4-30-57
North Carolina	96	$ 604	$ 49,914	$ 78,535	5701-105 MDO	8-26-56
					5701-155 MDO	8-26-56
					5701-155 MDO	8-26-56
					WP-818 Ed. 7-57	9-3-57
					WP-819 Ed. 7-57	9-3-57
					WP-822 Ed. 7-57	9-3-57
					WP-870 Ed. 7-57	8-3-57
					WP-874 Ed. 7-57	9-3-57
					WP-865 Ed. 7-57	9-3-57
					WP-866 Ed. 7-57	9-3-57
Oklahoma	3	$ 60	$ 2,663	$ 4,079	5701-105 MDO	5-57
					WP-870 Ed. 7-57	Not Available
Total	258	$ 2,185	$ 170,264	$ 237,363		

* Premium on the 20 policies that are still premium paying, 16 of which were adjusted in 1988 and 4 in 2000.

Jan-14-2003 02:31pm From-001 INVESTIGATIVE SERVICES 614 644 5521 T-111 P.011/011 F-416

Attachment 2.2

Western-Southern Life
FOUNDED IN 1888

OFFICE OF
SENIOR VICE PRESIDENT

March 25, 2003

Mr. Matthew S. McAllister
Actuarial Resources Corporation
2753 State Road 580
Suite 101
Clearwater, FL 33761

Subject: The Western and Southern Life Insurance Company's September 15, 2000 Response to the Ohio Department of Insurance Questionnaire Regarding Race-Based Pricing

Dear Matt:

Attached is a revision of the Exhibit which was the answer to Question 5 in the Ohio Department of Insurance Questionnaire. The questionnaire was submitted to the Department on September 15, 2000.

The only changes are in the "b. total annual premium*" column where the numbers were reduced to exclude the premiums on 53 MDO Thrift Series policies which were not premium paying on September 15, 2000. The original footnote related to that column is correct.

We regret any inconvenience this may have caused.

Sincerely,

Carroll R. Hutchinson
Senior Vice President

CRH:hjk
Attachment

400 BROADWAY • CINCINNATI, OHIO • 45202
(513) 629-1800

Answer to Question #5 EXHIBIT

STATE	a. number of policies in force	b. total annual premium*	c. total face amount	d. total current cash value	e. policy form # and date of approval	
Arkansas	1	$ 60	$ 1,744	$ 2,079	5701-105 MDO	11-1-56
California	5	$ 12	$ 4,051	$ 3,439	5701-105 MDO MP-870 Ed. 1-58 MP-818 Ed. 1-58	10-29-56 Not Available Not Available
Delaware	1	$ 0	$ 860	$ 1,165	WP-819 Ed. 7-57	6-21-57
Illinois	50	$ 26	$ 33,050	$ 52,373	5701-105 MDO WP-866 Ed. 7-57 WP-818 Ed. 7-57 WP-819 Ed. 7-57 WP-870 Ed. 7-57	10-31-56 4-9-57 4-9-57 4-9-57 4-9-57
Iowa	9	$ 63	$ 7,247	$ 5,800	5701-105 MDO 5701-200 MDO WP-870 Ed. 7-57 WP-866 Ed. 7-57	10-9-56 10-9-56 4-10-57 4-10-57
Kansas	20	$ 11	$ 18,031	$ 21,419	5701-105 MDO 5701-200 MDO WP-818 Ed. 7-57 WP-819 Ed. 7-57 WP-870 Ed. 7-57	7-1-57 7-1-57 7-1-57 7-1-57 7-1-57
Maryland	1	$ 0	$ 563	$ 853	WP-819 Ed. 7-57	Not Available
Missouri	72	$ 11	$ 52,141	$ 67,620	5701-105 MDO 5701-155 MDO 5701-200 MDO WP-866 Ed. 7-57 WP-870 Ed. 7-57 WP-818 Ed. 7-57 WP-819 Ed. 7-57	12-7-56 12-7-56 12-7-56 4-30-57 4-30-57 4-30-57 4-30-57
North Carolina	96	$ 94	$ 49,914	$ 78,535	5701-105 MDO 5701-155 MDO 5701-155 MDO WP-818 Ed. 7-57 WP-819 Ed. 7-57 WP-822 Ed. 7-57 WP-870 Ed. 7-57 WP-874 Ed. 7-57 WP-865 Ed. 7-57 WP-866 Ed. 7-57	8-26-56 8-26-56 8-26-56 9-3-57 9-3-57 9-3-57 9-3-57 9-3-57 9-3-57 9-3-57
Oklahoma	3	$ 60	$ 2,663	$ 4,079	5701-105 MDO WP-870 Ed. 7-57	5-57 Not Available
Total	258	$ 337	$ 170,264	$ 237,363		

* Premium on the 20 policies that are still premium paying, 16 of which were adjusted in 1988 and 4 in 2000.

Attachment 2.3



Western-Southern Life
FOUNDED IN 1888

RECEIVED
MAY 3 1 2001
OILS ADMINISTRATION
OHIO DEPT. OF INSURANCE

OFFICE OF
VICE PRESIDENT

May 30, 2001

Mr. Daniel H. Huston, Esq.
Chief of Regulatory Policy, Investigative & Licensing
Ohio Department of Insurance
2100 Stella Court
Columbus, OH 43215-1067

Dear Mr. Huston:

This supplements our September 15, 2000 response to the Department's questionnaire on race-based pricing of life insurance policies by The Western and Southern Life Insurance Company. We submit the enclosed documents with the understanding that they will be treated as confidential work papers pursuant to ORC 3901.48.

As referred to in our previous response, it has been necessary to expend considerable resources in order to finalize the information in the format requested by the Department. In response to Question 9, attached is a policy exhibit that has been formatted in accordance with the questionnaire directions. Dates of policy form submissions requested in the questionnaire are not in our records.

The following supplements our response of September 15, 2000 to Question 10. In that response we indicated that we were researching paid up policies. We have completed that research and have determined that there are 45,192 paid up policies issued by companies that were acquired after the dates of issuance that needed adjustments. We also discovered 42 premium paying policies that needed adjustments. All of these policies, together with the policies adjusted in 1988, have been adjusted resulting in an 18.5% increase in the benefits (including cash values and dividends) of these policies.

The adjustments were made using premium rates in effect at the time when the plans were issued without differential premiums; otherwise, adjustments reflected the relationship between net annual premiums calculated on 1941 SSI 2 ½% and 1941 SI 2 ½%.

Sincerely,

Edward J. Babbitt
Vice President & Senior Counsel

400 BROADWAY • CINCINNATI, OHIO • 45202
(513) 629-1800

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Alabama						
	Acme	1	$ 0.00	$ 182	$ 150	C-6 C-7 C-8
	Guaranty Union	1	19.92	1,221	0	1080
	Imperial	2	0.00	552	442	1800 - Paid-Up@65 SSIE 1930-3 N.C.
	Life of Missouri	3	0.00	1,719	1,327	315.6 316.12
	Texas Prudential	1	0.00	441	105	W.L.2 W.L.3 W.L.2-M
	Total	8	$ 19.92	$ 4,116	$ 2,024	
Alaska						
	Acme	2	$ 0.00	$ 633	$ 437	C-6 C-7 C-8 C-11 C-12
	Total	2	$ 0.00	$ 633	$ 437	
Arizona						
	Life of Missouri	4	$ 29.96	$ 4,829	$ 3,159	255.6 255.6 Illinois 255.7 Kansas 255.12 402.5 404.5 405.6
	Texas Prudential	2	0.00	677	515	20P9
	Total	6	$ 29.96	$ 5,506	$ 3,674	
Arkansas						
	Life of Missouri	12	$ 0.00	$ 5,858	$ 2,674	321 Illinois 321.1 Illinois 321.2 Illinois 321.3 Illinois 322 Missouri 322.1 Missouri 313 Rev 314 Rev. Infantile 315.1 405.6
	Total	12	$ 0.00	$ 5,858	$ 2,674	

* Premium on the 1,760 policies that are still premium paying. 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
California						C-3
						C-4
						C-6
						C-7
	Acme	53	$ 208.56	$ 20,838	$ 12,833	C-8
						C-11
						C-12
						C-14
						C-15
	American	2	0.00	25[illegible]	164	No Form Number
						400
						401
						402
						500
						502
						1230
						2241
						2242
						2243
						2244
						2245
						3508
						3921
	Guaranty Union	285	839.90	201,610	137,896	4501
						4502
						4503
						4680
						4690
						4691
						4892
						3508A
						3508B
						FG2050 A
						Fi2050 A
						LP1
						LP2
						LP5
						31
						P-51
	Unity	22	106.37	13,003	6,921	Form 71
						Form 33—2500—6-55—V.P.
						Form 33—1M—4-58—V.P.

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
California cont.						313 313.2 315.10 315.1 315.12 315.6 315.7 315.8 315.9 316.1 316.12 316.7 316.9 330.12 313 Rev.
	Life of Missouri	70	43.81	51,509	31,047	314 Infantile 314 Rev. Infantile 321 Illinois 321.1 Illinois 321.2 Illinois 321.3 Illinois 322 Missouri 322.1 Missouri 402.5 404.5 405.6 407.6 504.6 505.6 404.20.1
	Imperial	7	7.82	1,572	1,197	1500 End. At Age 80 1550-13¼ Pay Life-E @ 75-SSIE 165 - Paid-Up@65 SSIE 1800 - Paid-Up@65 SSIE 373-13¼ Pay Life-E @ 75-SSIE

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
California cont.						15P9 20P 850 S.I. 20P9 20PM BWL FSL FSW OWL PL25 SL W.L.2 W.L.2--M W.L.3 W.L.3X
	Texas Prudential	49	83.42	25,217	16,856	
	Total	488 $	1,289.88 $	314,004 $	206,914	
Colorado						313 313.1 313.2 314 315.7 316.1 316.6 316.7 316.9
	Life of Missouri	22 $	36.49 $	8,876 $	6,007	313 Rev. 314 Rev. Infantile 321 Illinois 321.1 Illinois 321.2 Illinois 321.3 Illinois 322 Missouri 322.1 Missouri 402.WL.1 405.20.1
	Texas Prudential	1	0.00	1,174	892	20P 850 S.I.
	Total	23 $	36.49 $	10,050 $	6,899	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Connecticut	American	1	$ 0.00	$ 501	$ 86	None
	Imperial	16	0.00	5,211	3,530	10 P.L. C 10-1-50 111 1500 End. At Age 80 1800 - Paid-Up@65 SSIE 20 P.L. C 10-1-50 121 373-13½ Pay Life-E @ 75-SSIE W.L. C 101 A
	Total	17	$ 0.00	$ 5,711	$ 3,616	
Dist. Of Columbia	American	34	$ 61.01	$ 21,579	$ 11,325	Form 50 Plan 20 January 1, 1951 Form 60 Plan 20 June 1, 1958 Form 60-61 Plan 20 Form 65-61 Plan 22
	Life of Missouri	4	1.04	630	487	313 Rev. 314 Rev. Infantile
	Imperial	25	0.00	6,186	4,815	1500 End. At Age 80 165-Paid-Up@65 SSIE 1800-Paid-Up@65 SSIE 20 P.L. C 10-1-50 121 373-13½ Pay Life-E @ 75-SSIE 80Y.E.-C-8-30 End. At Age 80
	Total	63	$ 62.05	$ 28,395	$ 16,627	
Delaware	American	6	$ 0.00	$ 1,736	$ 1,159	Form 60-61 Plan 20
	Total	6	$ 0.00	$ 1,736	$ 1,159	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Florida	American	1	$ 0.00	$ 124	$ 80	None
	Unity	1	0.00	577	211	31
	Life of Missouri	6	33.36	3,401	2,642	313 313.1 313.2 314 315.10 315.12 315.6 315.7 315.8 315.9 316.12
	Imperial	4	0.00	591	465	1550-13¼ Pay Life-E @ 75-SSIE 1800-Paid-Up@65 SSIE
	Texas Prudential	1	0.00	646	153	15P9
	Total	13	$ 33.36	$ 5,339	$ 3,551	
Georgia	Acme	1	$ 0.00	$ 574	$ 395	C-14 C-15
	American	1	0.00	568	365	Form 60 Plan 20 June 1, 1958
	Life of Missouri	5	0.00	2,903	2,085	313 Rev. 314 Rev. Infantile 504.6
	Total	7	$ 0.00	$ 4,045	$ 2,845	
Hawaii	Texas Prudential	1	$ 0.00	$ 12	$ 9	E80
	Total	1	$ 0.00	$ 12	$ 9	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Illinois						C-6 C-7 C-8
	Acme	3	$ 0.00	$ 1,029	$ 483	C-11 C-12 C-14 C-15
	Unity	1	0.00	335	237	Form 33--2500--6-55--V.P. Form 33--1M--4-58--V.P.
	Life of Missouri	2,171	1,665.48	702,12	435,069	255.12 255.6 300 313 313.1 313.2 314 315.10 315.1 315.12 315.6 315.7 315.8 315.9 316.1 316.12 316.6 316.7 316.8 316.9 255.6 Illinois 255.7 Kansas 313 Rev. 314 Illinois Infantile 314 Infantile 314 Rev. Infantile 321 Illinois 321.1 Illinois 321.2 Illinois 321.3 Illinois 322 Missouri 322.1 Missouri 402.5 402.6 402.WL.1 403.5 403.6 403.WL.1 404.5 404.6 404.20.1 405.6 405.20.1 407.6 502.5 504.5

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Illinois cont.						
	Imperial	4	0.00	1,652	1,285	10 P.L. C 10-1-50 111 373-13½ Pay Life-E @ 75-SSIE
	Texas Prudential	2	2.61	462	331	15P9 R.P.T. (T52) R.P.T. (T53)
	Total	2,181 $	1,668.09 $	705,599 $	437,405	
Indiana	Acme	1 $	0.00 $	170 $	117	C-11 C-12
	Life of Missouri	189	13.04	11,237	8,104	313 313.1 313.2 315.10 315.12 315.6 315.7 315.8 315.9 313 Rev. 314 Illinois Infantile 314 Infantile 314 Rev. Infantile 321 Illinois 321.1 Illinois 321.2 Illinois 321.3 Illinois 322 Missouri 322.1 Missouri 405.6
	Texas Prudential	1	0.00	334	254	15P9
	Total	191 $	13.04 $	11,741 $	8,475	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Iowa						313 313 Rev. 313.1 313.2 314 314 Rev. Infantile 315.1 315.6 315.7 315.8 315.9 315.10 315.12 316.1 316.6 316.7 316.8 330.12 403.WL.1 404.5 405.6 502.5
	Life of Missouri	59	$ 139.76	$ 39,630	$ 23,188	
	Total	59	$ 139.76	$ 39,630	$ 23,188	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Kansas						255.12 255.6 313 313.1 313.2 314 315.10 315.1 315.12 315.6 315.7 315.8 315.9 316.1 316.12 316.6 316.7 316.8 316.9 318.6 330.1 330.12
	Life of Missouri	1,006	$ 283.82	$ 228,109	$ 152,244	255.6 Illinois 255.7 Kansas 313 Rev. 314 Illinois Infantile 314 Infantile 314 Rev. Infantile 321 Illinois 321.1 Illinois 321.2 Illinois 321.2 Illinois 321.3 Illinois 322 Missouri 322.1 Missouri 402.5 402.6 402.WL.1 403.5 403.6 403.WL.1 404.5 404.6 404.20.1 405.6
	Total	1,006	$ 283.82	$ 228,109	$ 152,244	
Kentucky						313.1
	Life of Missouri	5	$ 0.00	$ 276	$ 230	313 Rev. 314 Rev. Infantile 403.5
	Total	5	$ 0.00	$ 276	$ 230	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Louisiana						C-11 C-12 C-14 C-15 C-3 C-4 C-6 C-7 C-8
	Acme	3,226	$ 9,939.67	$ 1,497,616	$ 896,742	HA-48 422 K-30 K-31 K-40 K-41 K-80 M-21 M-30 M-31 M-41
	Guaranty Union	1	11.76	751	0	1010
	Unity	893	1,406.21	364,246	218,114	Form 31 Form 33 Form 71 P-51
	Life of Missouri	2	0.00	891	690	315.8 316.12
	Texas Prudential	1	0.00	630	149	20P 850 S.I.
	Total	4,123	$ 11,357.64	$ 1,864,130	$ 1,115,695	
Maryland						Form 50 Plan 20 January 1, 1951 Form 60 Plan 20 June 1, 1958
	American	7,749	$ 3,933.08	$ 2,264,495	$ 1,266,944	Form 60-61 Plan 20 Form 65 Plan 22 October 1, 1960 Form 65-61 Plan 22
	Life of Missouri	1	0.00	563	437	316.6
	Imperial	17	0.00	6,551	4,714	10 P.L. C 10-1-50 111 1500 End. At Age 80 1550-13½ Pay Life-E @ 75-SSIE 165-Paid-Up@65 SSIE 1800-Paid-Up@65 SSIE 20 P.L. C 10-1-50 121 373-13½ Pay Life-E @ 75-SSIE
	Total	7,767	$ 3,933.08	$ 2,271,615	$ 1,272,095	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Massachusetts	Acme	1	$ 0.00	$ 27(	$ 39	C-11 C-12
	American	1	0.00	56(	363	Form 60 Plan 20 June 1, 1958
	Life of Missouri	1	0.00	1,13	874	316.12
	Imperial	13	0.00	2,74	1,193	10 P.L. C 10-1-50 111 1500 End. At Age 80 1800-Paid-Up@65 SSIE 20 P.L. C 10-1-50 121 373-13½ Pay Life-E @ 75-SSIE
	Total	16	$ 0.00	$ 4,71(	$ 2,469	
Michigan	Acme	1	$ 0.00	$ 11(	$ 81	C-6 C-7 C-8
	American	1	0.00	58	376	65-61 Plan 22
	Unity	1	0.00	17	126	N/A
	Life of Missouri	54	32.32	14,41	7,932	313 313.1 313.2 314 315.10 315.12 315.6 315.7 315.8 315.9 316.6 316.7 313 Rev. 314 Illinois Infantile 314 Infantile 314 Rev. Infantile 404.5 405.6 502.5
	Imperial	1	0.00	11	93	1800 - Paid-Up@65 SSIE
	Texas Prudential	2	0.00	1,03	784	20P9 PL25
	Total	80	$ 32.32	$ 16,44(	$ 9,392	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Minnesota						315.6 315.7 315.8 315.9 315.10
	Life of Missouri	10	$ 0.00	$ 7,713	$ 4,462	315.12 313 Rev. 314 Rev. Infantile 316.1 316.6 405.6
	Total	10	$ 0.00	$ 7,713	$ 4,462	
Mississippi	Acme	1	$ 0.00	$ 42	$ 29	C-11 C-12
	Unity	2	0.00	893	633	Form 33--6-55--V.P. Form 33--IM--4-58--V.P.
	Life of Missouri	6	65.88	6,631	4,352	315.6 315.7 315.8 315.9 315.10 315.12 404.5
	Total	9	$ 65.88	$ 7,569	$ 5,014	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Missouri						255.12 255.6 300 313 313.1 313.2 314 315.10 315.1 315.12 315.6 315.7 315.8 315.9 316.1 316.12 316.6 316.7 316.8 316.9 318.6 330.1
	Life of Missouri	5,447 $	3,231.46 $	1,058,221 $	681,883	330.12 255.6 Illinois 255.7 Kansas 313 Rev. 314 Illinois Infantile 314 Infantile 314 Rev. Infantile 320 B 321 Illinois 321.1 Illinois 321.2 Illinois 321.3 Illinois 322 Missouri 322.1 Missouri 402.5 402.6 402.WL.1 403.5 403.6 403.WL.1 404.5 404.6 404.20.1 40
	Total	5,447 $	3,231.46 $	1,058,221 $	681,883	
Montana	Imperial	2 $	0.00 $	705 $	236	10 P.L. C 10-1-50 111 1800-Paid-UP@65 SSIE
	Total	2 $	0.00 $	705 $	236	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Virginia	Acme	2	$ 0.00	$ 191	$ 134	C-11 C-12
	American	18	31.29	6,193	4,313	Form 50 Plan 20 - Jan. 1, 1951 Form 60 Plan 20 - June 1, 1958 Form 60-61 Plan 20 Form 60-61 Plan 22
	Life of Missouri	7	0.00	6,783	1,986	313 314 313.1 313.2 316.12 404.5 405.6 502.5
	Imperial	32	0.00	9,381	7,306	10 P.L. C 10-1-50 111 1500 End. At Age 80 1550-13½ Pay Life-E @ 75-SSIE 1800-Paid-UP@65 SSIE 20 P.L. C 10-1-50 121 373-13½ Pay Life-E @ 75-SSIE
	Total	59	$ 31.29	$ 22,551	$ 13,739	
Washington	Acme	2	$ 20.86	$ 837	$ 500	C-6 C-7 C-8
	Unity	3	0.00	797	460	P-51
	Life of Missouri	6	75.61	3,791	2,574	313 Rev. 314 Rev. Infantile 315.6 315.7 315.8 315.9 315.10 315.12
	Imperial	4	0.00	1,483	1,078	10 P.L. C 10-1-50 111 165-Paid-Up@65 SSIE 20 P.L. C 10-1-50 121
	Texas Prudential	3	0.00	1,677	701	20P 850 S.I. W.L.2 W.L.2--M W.L.3 W.L.3X
	Total	18	$ 96.47	$ 8,585	$ 5,313	
West Virginia	Imperial	1	$ 0.00	$ 211	$ 164	165-Paid-Up@65 SSIE
	Total	1	$ 0.00	$ 211	$ 164	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Wisconsin						315.6 315.7 315.8 315.9 315.1 315.12 316.6 316.7 404.5 405.6
	Life of Missouri	8	$ 0.00	$ 7,79	$ 4,974	
	Total	8	$ 0.00	$ 7,799	$ 4,974	
Wyoming	Acme	1	$ 0.00	$ 162	$ 112	C-11 C-12
	Life of Missouri	1	0.00	38	29	313 314 Infantile 314 Illinois Infantile
	Total	2	$ 0.00	$ 200	$ 141	
Total - All States	Acme	3,304	10,169.09	1,526,591	914,114	
	American	7,880	4,153.12	2,320,856	1,299,283	
	Guaranty Union	287	871.58	203,585	137,896	
	Unity	932	1,560.02	385,326	229,137	
	Life of Missouri	9,160	5,943.95	2,208,601	1,400,354	
	Imperial	24,806	970.30	2,192,389	1,672,137	
	Texas Prudential	2,826	750.25	944,428	664,005	
	Total	49,195	24,418.31	9,781,776	6,316,926	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Nebraska						315.6 315.7 315.8 315.9
	Life of Missouri	7	$ 156.00	$ 4,6[illegible]5	$ 2,577	315.10 315.12 316.6 402.5 405.20.1
	Total	7	$ 156.00	$ 4,6[illegible]5	$ 2,577	
New Jersey	American	7	$ 0.00	$ 3,4[illegible]4	$ 2,147	Form 50 Plan 20 - Jan. 1, 1951 Form 60 Plan 20 - June 1,1958
	Life of Missouri	4	0.00	1,870	1,571	313 315.10 315.12 315.6 315.7 315.8 315.9 316.7 314 Illinois Infantile 314 Infantile
	Imperial	23	30.77	6,040	3,856	10 P.L. C 10-1-50 111 1500 End. At Age 80 1800-Paid-Up@65 SSIE 373-13½ Pay Life-E @ 75-SSIE 80Y.E.-C-4-32 End. At Age 80 80Y.E.-C-6-30 End. At Age 80 Life Paid-Up at 75 1930-3 N.C. W.L. C 101 A W.L. C 101 B
	Texas Prudential	1	0.00	6[illegible]1	157	W.L.3X
	Total	35	$ 30.77	$ 12,0[illegible]5	$ 7,731	
New Mexico	Life of Missouri	1	$ 0.00	$ 56[illegible]	$ 439	315.6
	Texas Prudential	8	0.00	1,993	1,569	20P9 20PM 81EO LP83a LP83U
	Total	9	$ 0.00	$ 2,5[illegible]1	$ 2,008	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
New York						
	American	31	$ 42.75	$ 9,215	$ 5,538	Form 60 Plan 20 - June 1, 1958 Form 60-61 Plan 20 Form 60-61 Plan 22 Form 50 Plan 20 - Jan. 1, 1951
	Life of Missouri	8	13.04	1,582	819	313 313.1 313.2 314 315.10 315.12 315.6 315.7 315.8 315.9 316.7 313 Rev. 314 Illinois Infantile 314 Infantile 314 Rev. Infantile 321 Illinois 321.1 Illinois 321.2 Illinois 321.3 Illinois 322 Missouri 322.1 Missouri
	Imperial	117	26.07	32,964	25,415	10 P.L. C 10-1-50 111 1500 End. At Age 80 1550-13½ Pay Life-E @ 75-SSIE 165 - Paid-Up@65 SSIE 165-Paid-Up@65 SSIE 1800 - Paid-Up@65 SSIE 20 P.L. C 10-1-50 121 373-13½ Pay Life-E @ 75-SSIE 80 Y.E. - C-11-29 End. At Age 80 W.L. C 101 A
	Texas Prudential	1	5.21	348	231	W.L.2 W.L.3 W.L.2--M
	Total	157	$ 87.07	$ 44,109	$ 32,003	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
North Caroline	American	12	$ 36.50	$ 5,121	$ 3,096	Form 50 Plan 20 - Jan. 1, 1951 Form 60-61 Plan 20
	Imperial	24,487	895.22	2,101,830	1,605,034	10 P.L. C 10-1-50 111 13½ PLE @ 75 15 P.L. End. At Age 85 1500 End. At Age 80 1550-13½ Pay Life-E @ 75-SSIE 165 - Paid-Up@65 SSIE 1800-Paid-UP@65 SSIE 1930-3 N.C. 1934-C-2 Paid-Up at 75 1-34 20 P.L. C 10-1-50 121 20 Payment Life 1934-C-6 1-34 20 Payment Life 5-1931-6 N.C. 20-13½ PLE @ 75 373-13½ Pay Life-E @ 75-SSIE 80Y.E.-C-11-29 End. At Age 80 80Y.E.-C-4-32 End. At Age 80 80Y.E.-C-8-30 End. At Age 80 B-1-21 15 Payment End. At Age 85 B-5-2-27 15 Payment End. At Age 85 B-9-14-23 15 Payment End. At Age 85 C-1-21 End. At Age 80 C-3-26 End. At Age 80 C-80 Yr. Endowment E60 20 P C 2-1-53 363-A Life Paid-Up at 75 1930-3 N.C. W.L. C 101 B W.L. C 2-1-53 101A 0-100-1-49 0-200-1-51 0-200-8-55
	Total	24,499	$ 931.72	$ 2,106,951	$ 1,608,130	
Ohio	American	2	$ 0.00	$ 957	$ 163	None
	Life of Missouri	4	0.00	2,204	1,423	313 313 Rev. 314 Illinois Infantile 314 Infantile 314 Rev. Infantile 315.10 315.12 315.6 315.7 315.8 315.9
	Imperial	7	0.00	2,269	1,781	10 P.L. C 10-1-50 111 1550-13½ Pay Life-E @ 75-SSIE 165-Paid-Up@65 SSIE 1800-Paid-UP@65 SSIE 20 P.L. C 10-1-50 121 W.L. C 2-1-53 101A
	Texas Prudential	1	0.00	315	255	20PM
	Total	14	$ 0.00	$ 5,745	$ 3,622	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjus ed in 1988 and 42 in 2000 / 2001

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Oklahoma						315.10 315.1 315.12 315.6 315.7 315.8 315.9 316.1 316.7 402.WL.1 404.6 405.6 505.6
	Life of Missouri	25	$ 50.87	$ 20,518	$ 10,065	
	Texas Prudential	5	0.00	2,896	2,400	20P 850 S.I. 74-RI 81EO LP83a
	Total	30	$ 50.87	$ 23,414	$ 12,465	
Oregon	Life of Missouri	1	$ 19.92	$ 1,456	$ 1,095	502.5
	Total	1	$ 19.92	$ 1,456	$ 1,095	
Pennsylvania	American	7	$ 11.99	$ 2,428	$ 1,197	50 60
	Life of Missouri	1	0.00	33	25	313.2
	Imperial	26	0.00	6,674	5,192	10 P.L. C 10-1-50 111 15 P.L. End. At Age 65 1500 End. At Age 80 165-Paid-Up@65 SSIE 1800-Paid-UP@65 SSIE 20 P.L. C 10-1-50 121 373-13½ Pay Life-E @ 75-SSIE
	Total	34	$ 11.99	$ 9,135	$ 6,414	
South Carolina	American	7	$ 36.50	$ 3,032	$ 1,967	Form 50 Plan 20 - Jan. 1, 1951 Form 60-61 Plan 20
	Imperial	15	0.00	4,950	3,850	1550-13½ Pay Life-E @ 75-SSIE 1800-Paid-UP@65 SSIE 20 P.L. C 10-1-50 121 373-13½ Pay Life-E @ 75-SSIE E60 20 P C 2-1-53 363-A W.L. C 2-1-53 101A
	Total	22	$ 36.50	$ 7,982	$ 5,817	

* Premium on the 1,760 policies that are still premium paying. 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Tennessee	Unity	5	$ 42.23	$ 3,74[illegible]	$ 1,891	31
	Life of Missouri	3	14.60	1,68[illegible]	929	315.1 315.6 315.7 315.8 315.9 315.10 315.12
	Imperial	2	5.21	39[illegible]	284	1500 End. At Age 80 1800-Paid-UP@65 SSIE
	Total	10	$ 62.04	$ 5,82[illegible]	$ 3,104	
Texas	Acme	9	$ 0.00	$ 3,92[illegible]	$ 2,062	C-11 C-12 C-14 C-15
	Unity	4	5.21	1,54[illegible]	544	P-51
	Life of Missouri	7	37.49	4,91[illegible]	2,955	300 313 315.10 315.12 315.6 315.7 315.8 315.9 330.12 314 Illinois Infantile 314 Infantile 405.6 502.5
	Imperial	1	5.21	29[illegible]	207	1800 - Paid-Up@65 SSIE

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

STATE (of Residence)	Policies Assumed from	a. number of policies in force	b. total annual premium*	c. total in force amount	d. total current cash value	e. policy form #
Texas cont.						15P9 15PM 20P 850 S.I. 20P9 20PM BWL E80 FSL FSW L OWL PL25 RPT
	Texas Prudential	2,746	659.01	905,894	638,644	RPT (T52) RPT (T53) SL W.L.2 W.L.2–M W.L.3 W.L.3X 147 247 74-RI 81EO 87g-R1 LP83 LP83a
	Total	2,767 $	706.92 $	916,574 $	644,412	

* Premium on the 1,760 policies that are still premium paying, 1,718 of which were adjusted in 1988 and 42 in 2000 / 2001.

Attachment 2.4

Privileged & Confidential – 4/3/03
(This information has been requested by the Ohio Insurance Department and is submitted with the understanding that at the request of the Ohio Insurance Department will be treated as confidential work papers pursuant to ORC §390 .48.)

Death Claim, Maturity & Surrender Information Available On WSLIC Computer Systems

(Unless Otherwise Stated, Date Provided Is The Earliest Year Of Available Information. The Parentheticals Identify The Relevant Computer System. It Is Possible In Any Individual Case That Information May Not Be On The System.)

I. Weekly Premium Policies

A. Weekly Premium Death Claims:

1. Owner:
Owner's name - Unavailable on any system.[1]
Owner's address - Unavailable on any system.
Owner's SS # - Unavailable on any system.

2. Insured:
Insured's name - 1969 (WP Death Claims Files).
Insured's address - Unavailable on any system.
Insured's SS # - Unavailable on any system.

3. Beneficiary:
Beneficiary information is not available, although payee information is. This information may be the same in most cases, but not all (for example, where benefits are assigned). The payee information that is available is as follows:
Payee's name - 1995 (CDS).
Payee's address – 1995 in some cases[2] (CDS).
Payee's SS # - 1995 in some cases[3] (CDS).

B. Weekly Premium Maturities and Cash Surrenders:

1. Owner:

[1] The insured may be the owner, but there is no indicator to tell if the owner is the insured. For information about insureds, see § I.A.2.
[2] The payee's address is not a required field. But if the check was mailed to the payee and not sent to the district office, it may be present on the file.
[3] We obtain the beneficiary's SS# where a Life Account has been established for death benefit proceeds. A WP face amount would not meet the required $10,000 face amount to create a Life Account unless combined with other amounts payable from other policies. But if payments from multiple policies make up a Life Account, we usually can determine the separate policy numbers and link a WP policy number to a beneficiary SS#.

Owner's name - Unavailable on any system.[4]
Owner's address - Unavailable on any system.
Owner's SS # - Unavailable on any system.

2. Insured:
Insured's name - 1988 (WPFM), but the amount paid is not available on a system until 1995 (CDS).
Insured's address - Unavailable on any system.
Insured's SS # - Unavailable on any system.

3. Payee:
Payee's name - 1995 (CDS).
Payee's address – 1995 in some cases[5] (CDS).
Payee's SS # - Unavailable on any system.

II. Ordinary Policies

A. Ordinary Death Claims:

1. Owner:
Owner's name – 1964 in some cases[6] (ISTAT).
Owner's address – Unavailable on any system as a separate field. But if the owner is insured and/or the premium payer, see "Insured's address" and footnote 8 in § II.A.2 below.
Owner's SS # - 1964 in a limited number of cases[7] (ISTAT)

2. Insured:
Insured's name – 1964 (ISTAT)
Insured's address – 1964 in some cases[8] (ISTAT)
Insured's SS # - 1964 in some cases[9] (ISTAT)

3. Beneficiary:
Beneficiary information is not available, although payee information is. This information may be the same in most cases, but not all (for example, where benefits are assigned). The payee information that is available is as follows:
Payee's name[10] - 1995 (CDS)

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[4] The WPFM system assumes that the insured and owner are the same. There is no indicator to tell if the owner is the insured. For information about insureds, see § I.B.2.
[5] The payee's address is not a required field. But if the check was mailed to the payee and not sent to the district office, it may be present on the file.
[6] Where the Insured is not the Owner, it appears that the Owner's name is entered in a field marked "Owner". The Owner field appears to be marked in 3-5% of cases.
[7] Some cases still do not have SS#. But since 1984 a SS# has normally been obtained if a taxable event has occurred, and since 1993 a SS# has normally been obtained in all cases.
[8] Note also that the insured address field on the master is actually the premium payer address. It indicates where the bill should be mailed. The premium payer address may not be the insured.
[9] This information may be available where the insured is the owner. See footnote 7 But the insured's SS# is not gathered or kept separately from the owner's SS#.

Payee's address - 1995 in some cases[11] (CDS)
Payee's SS # - 1995 in some cases[12] (CDS)

B. Ordinary Maturities and Surrenders:

1. Owner:
Owner's name – at least 1985[13] (MDOCS and/or MDOCS year end masters), but the amount paid is not available on a system until 1995 (CDS).
Owner's address – at least 1985[14] (MDOCS and/or MDOCS masters)
Owner's SS # - at least 1985 in some cases[15] (MDOCS and/or MDOCS masters)

2. Insured:
Insured's name - at least 1985[16] (MDOCS and/or MDOCS year end masters), but the amount paid is not available on a system until 1995 (CDS).
Insured's address – If owner is insured, see "Owner's address" in § II.B.1 above.
Insured's SS # - If owner is insured, see Owner's SS # in § II.B.1 above. If owner is payee, see Payee's SS # in § II.B.3 below. Otherwise, we do not have the Insured's SS # on any system.

3. Payee:
Payee's name - 1995 (CDS)
Payee's address – 1995 in some cases[17] (CDS)
Payee's SS # - 1995 in some cases (CDS)

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[10] The IRS2 system also has the name, address and SS# of death claim payees receiving $600 or more in interest. This information is available back to 1994.
[11] The payee's address is not a required field on CDS. If the check was mailed to the payee and not sent to the District Office, it may be present on the file. See also footnote 10.
[12] SS# is kept for face amounts over $10,000 on Life Account. Also, if multiple cases make up the Life Account, we can determine the separate contract numbers. See also footnote 10.
[13] The earliest year-end MDOCS master is for 1985. It should include data for all ordinary life policies which terminated in 1985. It may also include data for some earlier terminations depending on the logic for deleting terminations from MDOCS ("strip logic") in effect in 1985 and preceding years. MDOCS strip logic for that period is not available. Current MDOCS strip logic for death claims, maturities and cash surrenders is attached as Exhibit A.
[14] See footnote 13. Also, the insured address field on the master is actually the premium payer address. It indicates where the bill should be mailed. The premium payer address may not be the insured.
[15] See footnote 13. Also, some cases still do not have SS#. But since 1934 a SS# has normally been obtained if a taxable event has occurred.
[16] See footnote 13.
[17] The payee's address is not a required field. But if the check was mailed to the payee and not sent to the district office, it may be present on the file.

Legend of System Acronyms

CDS - Corporate Disbursement System
WPFMS - Weekly Premium File Maintenance System
ISTAT - Insurance Statistical System
IRS2 - Internal Revenue Service 1099 System
MDOCS - Mechanized Daily Ordinary Consolidated System

g:\grps\law\word\djm\electronicinfo.doc

Attachment 3

AFFIDAVIT OF CARROLL R. HUTCHINSON

STATE OF OHIO :
: ss:
COUNTY OF HAMILTON :

I, Carroll R. Hutchinson, Senior Vice President of The Western and Southern Lfie Insurance Company ("Western-Southern"), hereby attest to the fact that Western-Southern provided, to the best of my knowledge and ability, all available documents and electronic media files (except for privileged documents or privileged portions of documents) requested by the Ohio Department of Insurance (the "Department") with respect to the race-based premium examination conducted by the Department. The documents and electronic media files requested included ratebooks, underwriting guidelines and procedures, agents manuals, and policy data records in our possession containing information regarding the manner in which Western-Southern and companies it acquired marketed or underwrote their life insurance product portfolios with respect to the race of an applicant. The Department also requested copies of the complaints filed in race-based premium lawsuits against Western-Southern, the motion to certify a class action (and briefs filed with the supporting and opposing certification) filed in the multi-district litigation before Judge Feldman and a copy of Judge Feldman's decision denying certification. Relevant information regarding the use of socioeconomic information in the marketing or underwriting of life insurance products was also provided. The documents provided included all such pertinent documents obtained through the acquisition of other companies and any other acquired blocks of business. Except as noted in the first sentence, the documents provided are complete in nature and have not been materially altered in any way.

FURTHER THE AFFIANT SAYETH NOTHING

CARROLL R. HUTCHINSON

SWORN TO AND SUBSCRIBED before me on May 17, 2002 by Carroll R. Hutchinson.

NOTARY PUBLIC

DAVID J. MENKE, Attorney at Law
NOTARY PUBLIC - STATE OF OHIO
My Commission has no expiration
date. Section 147.03 O.R.C.

Attachment 4

State of Ohio
Department of Insurance
2100 Stella Court Columbus, Ohio 43215-1067
(614) 644-2658 www.ohioinsurance.gov

Bob Taft
Governor
J. Lee Covington II
Director

Memorandum

DATE: February 14, 2002

TO: John MacBain

CC: Dan Atkisson

FROM: Molly Porto

RE: Summary of Findings—Industrial Life Applications

John, outlined below is the summary of the data Bob Baker and I collected yesterday. This written summary is accompanied by Excel spreadsheets for all the results shown below.

Please note the Examiners used "unknown" when the data on the application was not legible. Whenever data did not appear on an application, it was "not found." Please let me know if you have any questions or need any additional information from me.

Number Of Applications Sampled And Number Supplied--By Plan Code

Plan Code	Sample Requested	Number Supplied
1L	75	71
E2	50	45
L6	50	46
PL	100	96
PW	50	46
TE	25	22
WL	75	60
TOTAL	425	386

Applicant Race—By Plan Code

Plan Code	Reviewed	White Applicant	Non-white Applicant	Not Specified	Unknown
1L	71	0	0	71	0
E2	45	7	2	35	1
L6	46	46	0	0	0
PL	96	96	0	0	0
PW	46	28	0	18	0
TE	22	2	0	20	0
WL	60	60	0	0	0
TOTAL	386	239	2	144	1

Attachment 5

February 14, 1958

To: Mr. William C. Safford, President

From: Lewis F. Youngblood

This memorandum is prepared at the suggestion of Mr. Lawrence H. Tyte, General Counsel.

It is the recommendation of the Agency Department that we continue to sell Regular Weekly Premium and Thrift Series Monthly Debit Ordinary to Negroes in the states permitting.

It is our further recommendation that we sell all other classes of personnel such as Puerto Ricans, Cubans, Mexicans, Indians and Orientals at Standard rates, Weekly Premium, Monthly Debit Ordinary and Regular Ordinary. This recommendation is based upon the fact that these people have been sold at Standard rates in the Texas Prudential and other areas. In addition, more than 30% of our agency force in the Texas Prudential are of Mexican extraction. It would be extremely disrupting to them, the balance of their field forces and our Mexican clientele to rate them.

It is further recommended that Negroes in the states where we sell Regular Weekly Premium and Thrift Monthly Debit Ordinary be permitted to buy Standard class Ordinary in the Economy Series on a very selective basis. It is further recommended that Thrift Series be made available to this class of risk on annual, semi-annual and quarterly basis, as well as on a Monthly Debit Ordinary basis.

It is further recommended that in Ohio, Michigan and Kentucky, due to the anti-discriminatory regulations, that we sell Negroes at Standard rates across the board on a very selective basis.

Attachment 6



100 YEARS OF SERVICE

August 31, 1988

Ms. Doris Mason, Attorney
Insurance Warden
Ohio Department of Insurance
2100 Stella Court
Columbus, Ohio 43266-0566

Dear Ms. Mason:

In response to your inquiry, Western and Southern has not been able to locate any Ordinary business in force issued by it where an extra premium was charged because of race. On Industrial policies, as of August 29, 1988, there were 86 premium paying policies in force that were written by Western and Southern as a brief extension of Life of Missouri and Guaranty Union's practice of writing non-whites on a Substandard Industrial valuation table. This practice ended within a few months after Western and Southern reinsured these companies in 1957. We have already increased the face amounts of insurance on these policies by approximately 15%, being the same percentage by which race related premiums exceeded estimated standard premiums.

We continue to research the Ordinary and Industrial business of reinsured companies. Thus far we have identified about 2,500 Industrial policies that we plan to increase in a manner consistent with the 86 policies written by us. On January 1, 1988, Western and Southern had a total of over 3.5 million life insurance policies in force.

There appear to be just two Ohio residents with premium paying policies valued on a Substandard Industrial Table because of race. These policies were issued by two companies prior to their being reinsured by Western and Southern.

Enclosed is the data you requested to help you prepare for our meeting on Friday. Listed below are the 10 items you specifically asked for that we are providing:

1. A copy of the NAIC survey questionnaire that we completed.

2. A copy of the nationwide results of the survey that the ACLI recently sent to the responding companies.

3. The inception date of our practice of charging race related premiums.

4. Documentation justifying the reasons for charging race related premiums.

5. The date these practices ended and why.

6. Any steps we have taken to resolve the differences in premiums charged and/or what we intend to do in the future.

7. Any actuarial or mortality tables to support the premium rates that were charged.

8. The type of policies that were involved and the face value of these policies.

9. The names of (Ohio only) policyholders still living that are involved.

10. Correspondence from any other insurance department requesting information based upon the answers we provided to the NAIC survey and our reply to those inquiries.

We have reserved a meeting room for the September 2 session. We have also made arrangements for the September 6 and 7 meetings, should they be necessary.

Upon your arrival, you can park in the lot to the east of our building and enter by the Personnel Department entrance. If you will ask the receptionist to call me, I will escort you to our meeting room.

We look forward to seeing you and Mr. Ward this Friday.

Sincerely,

James A. O'Connor

James A. O'Connor - FLMI
Second Vice President and Director
State Insurance Department Relations
(513) 629-1114

DJW:JAO:lj:6298v
Enclosures

Attachment 7

Attachment 7

WSLIC
ODI Race Based Exam
Net to Gross Analysis - WSLIC WPI 1957/58 Era

Issue Age	A Weekly Gross [1]	B Annual 41 SSI Net [2]	C Annual 41 SI Net [3]	D = 52.14 x A x (1000/500) Annual Gross per 1000	E = D/B 1941 SSI Loading Factor	F = D/C 1941 SI Loading Factor	G = $BxF_{std}x(500/1000)/52.14$ Est. Weekly Gross Premium Using standard SI Loading	H = G/A Est. Premium/ Actual Premium Ratio
18-Pay Life (Regular series)								
15	0.47	30.01	23.95	49.01	1.633	2.047	0.47	100.00%
25	0.54	35.72	29.24	56.31	1.577	1.926	0.55	101.85%
35	0.64	43.04	36.11	66.74	1.551	1.848	0.65	101.56%
45	0.80	53.85	46.10	83.43	1.549	1.810	0.79	98.75%
20-Pay Life (standard series)								
15	0.35	27.87	22.15	36.50	1.310	1.648		
25	0.42	33.37	27.09	43.80	1.313	1.617		
35	0.51	40.37	33.63	53.19	1.317	1.581		
45	0.64	51.09	43.39	66.74	1.306	1.538		

(1) Gross weekly premium effective 7/8/57-3/31/58 ($500 face amount).
(2) Annual net premium per $1,000 based on the 1941 Substandard Industrial mortality table and 2.5% interest.
(3) Annual net premium per $1,000 based on the 1941 Standard Industrial mortality table and 2.5% interest.

Attachment 7
(Supporting Detail)

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 25 Duration: 1

Premiums: for 20 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 33.27

Factor: 28.77 Value for Units of Face: $287.70

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 25 Duration: 1

Premiums: for 20 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 27.09

Factor: 25.12 Value for Units of Face: $251.20

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table:	1941 Substandard Industrial--Age Next		
Interest Rate:	2.5%		
Issue Age:	25	Duration:	1
Premiums:	for 18 years,		Level
Benefits:	for Life,		Level
Reserve Parameters:	Net Level Premium Mean Curtate		
Units of Face:	10.000	Unit Net Premium:	35.72
Factor:	31.26	Value for Units of Face:	$312.60

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

45 [illegible]

[illegible] 36.72

35 43.04

45 51.35

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 25 Duration: 1

Premiums: for 18 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 29.24

Factor: 27.30 Value for Units of Face: $273.00

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

$ 23.95

36.11

46.10

Attachment 8

NONFORFEITURE PROVISIONS

Automatic Extended Insurance — In event of default in payment of premiums this policy, without Benefits for Loss of Sight or Limbs and without Additional Benefit in Event of Death by Accidental Means, will automatically continue in force as non-participating extended term insurance from and after the due date of the first premium in default, for the amount of insurance stated on page 1 plus the amount of any paid up dividend additions, and for such term as the value used in determining the extension term in Table of Nonforfeiture Values, increased by the present value of any paid up dividend additions and decreased by any indebtedness due the Company on this policy including accrued interest, will provide. Should there be no paid up additions and no indebtedness due the Company, the term of extended insurance will be the same as specified in Table of Nonforfeiture Values.

Cash Surrender Value — After this policy has been in force for five or more years with all due premiums paid, upon written application and surrender of this policy the Company will pay to the Insured the Cash Surrender Value stated in Table of Nonforfeiture Values, plus the present value of any paid up dividend additions and less any indebtedness due the Company on this policy including accrued interest, provided that if this policy shall have lapsed, such application must be made within sixty days after the due date of the first premium in default. Automatic Extended Insurance may be surrendered within thirty days after any policy anniversary date for the present value of the future guaranteed benefits on such anniversary date provided premiums have been paid for at least five years.

The Company may defer payment of any Cash Surrender Value for a period not to exceed six months after written application therefor is received by the Company. If payment is so deferred for a period of thirty days or more, interest at the rate of 2½% per annum shall be paid for the period of deferment.

TABLE OF NONFORFEITURE VALUES

The values in this table are based on the assumption that there are no paid up dividend additions and no indebtedness on this policy and that all premiums falling due before the end of the period shown have been paid. Proportionate adjustment in the nonforfeiture value will be made for each weekly premium paid beyond the end of the period shown.

The Cash Surrender Values are based on an amount of insurance of exactly $100 and will apply pro rata to the amount of insurance under this policy. The terms of Automatic Extended Insurance will be the same as those shown, whatever the amount of insurance under this policy may be.

Nonforfeiture values for years later than those shown will be furnished upon request.

TERMS OF AUTOMATIC EXTENDED INSURANCE AFTER POLICY HAS BEEN IN FORCE FOR

Age Nearest Birthday at Issue	2 Wks. Days	1 Yr. Days	2 Yrs. Days	3 Years Yrs.	Days	4 Years Yrs.	Days	5 Years Yrs.	Days	6 Years Yrs.	Days	7 Years Yrs.	Days	8 Years Yrs.	Days	9 Years Yrs.	Days	10 Years Yrs.	Days	11 Years Yrs.	Days	12 Years Yrs.	Days	13 Years Yrs.	Days	14 Years Yrs.	Days	15 Years Yrs.	Days	16 Years Yrs.	Days	17 Years Yrs.	Days	18 Years Yrs.	Days	19 Years Yrs.	Days	20 Years Yrs.	Days
15	20	80	132	1	187	3	266	6	337	8	29	10	68	12	89	14	343	15	176	16	291	17	336	18	289	19	164	20	66	20	346	21	87	21	167	21	272	21	354
16	20	80	132	1	143	3	268	6	347	8	30	10	89	12	63	14	334	15	146	16	230	17	252	18	199	19	82	19	309	20	126	20	277	21	87	21	127	21	215
17	20	80	132	1	160	3	280	6	4	8	80	10	115	12	81	14	226	15	115	16	185	17	178	18	109	18	267	19	199	20	10	20	155	20	274	21	6	21	79
18	20	80	133	1	182	3	303	6	83	8	117	10	144	12	93	14	214	15	80	16	128	17	102	18	20	18	267	19	92	19	251	20	30	20	150	20	241	20	312
19	20	80	122	1	211	3	336	6	82	8	161	10	175	12	102	13	200	15	43	16	69	17	37	17	296	18	158	18	352	19	149	19	284	20	29	20	116	20	183
20	20	80	122	1	246	4	15	6	125	8	208	10	206	12	109	13	252	15	8	16	7	16	214	17	207	16	63	18	349	19	60	19	170	19	275	19	259	20	58
21	20	80	122	1	280	4	70	6	193	8	266	10	233	12	112	13	281	14	222	15	308	16	286	17	121	17	834	18	148	18	299	19	69	19	160	19	240	19	100
22	20	80	122	1	339	4	122	6	253	8	303	10	257	12	111	13	234	14	272	15	242	16	160	17	36	17	241	18	60	18	195	18	216	19	45	19	174	19	181
23	20	80	122	2	30	4	177	6	212	8	343	10	273	12	101	13	201	14	219	15	175	16	83	16	316	17	160	17	318	18	94	18	210	18	304	19	13	19	66
24	20	80	122	2	91	4	262	7	3	9	14	10	268	12	86	13	151	14	162	15	106	16	6	16	233	17	60	17	222	17	358	18	106	18	190	18	207	18	220
25	20	80	122	2	155	4	235	7	62	9	40	10	264	12	63	13	117	14	103	15	37	15	293	16	145	16	336	17	122	17	261	18	6	18	83	18	160	18	213
26	20	80	122	2	219	5	20	7	94	9	58	10	277	12	32	13	68	14	42	14	322	15	215	16	66	16	245	17	38	17	166	17	272	17	356	18	50	18	112
27	20	80	122	2	280	5	73	7	127	9	66	10	262	11	360	13	16	12	344	14	261	15	140	15	349	16	162	16	313	17	72	17	178	17	259	17	320	18	17
28	20	80	122	2	338	5	116	7	151	9	87	10	235	11	317	12	325	13	290	14	191	15	65	15	309	16	73	16	320	16	349	17	84	17	167	17	236	17	296
29	20	80	120	2	35	5	156	7	167	9	39	10	207	11	270	12	265	13	210	14	122	14	356	16	191	15	363	16	142	16	262	16	362	17	81	17	154	17	220

CASH SURRENDER VALUES PER $100 OF INSURANCE AFTER POLICY HAS BEEN IN FORCE FOR

Age Nearest Birthday at Issue	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years	11 Years	12 Years	13 Years	14 Years	15 Years	16 Years	17 Years	18 Years	19 Years	20 Years
15	$3 08	$4 26	$5 51	$6 78	$8 05	$9 60	$10 76	$12 12	$13 53	$14 97	$16 44	$17 85	$19 48	$21 04	$22 64	$24 26
16	3 13	4 42	5 71	7 07	8 36	9 73	11 12	12 55	14 01	15 50	17 08	18 59	20 17	21 79	23 44	25 12
17	3 28	4 59	5 92	7 38	8 67	10 08	11 53	13 01	14 64	16 08	17 66	19 27	20 91	23 56	24 29	26 02
18	3 42	4 78	6 15	7 54	9 00	10 47	11 98	13 51	15 09	16 69	18 33	19 90	21 69	23 42	25 15	26 97
19	3 58	4 94	6 41	7 87	9 27	10 90	12 46	14 06	15 68	17 34	19 04	20 76	22 52	24 31	26 12	27 97
20	3 76	5 21	6 70	8 22	9 77	11 56	12 98	14 63	16 62	18 04	19 80	21 58	23 40	25 24	27 12	29 02
21	3 96	5 47	7 02	8 59	10 91	11 85	13 54	16 25	17 00	18 79	20 60	22 65	24 23	26 82	28 17	30 13
22	4 19	5 76	7 36	9 00	10 68	12 29	14 14	16 91	17 73	19 57	21 45	23 36	25 20	27 87	29 27	31 30
23	4 43	6 07	7 73	9 44	11 18	12 96	14 77	16 61	18 49	20 41	22 35	24 22	26 33	28 36	30 43	32 52
24	4 70	6 40	8 13	9 91	11 72	13 56	15 44	17 35	19 30	21 26	23 29	25 34	27 41	29 61	31 84	33 90
25	4 99	6 73	8 56	10 40	12 28	14 20	16 13	18 13	20 15	22 20	24 29	26 40	28 64	30 72	32 93	35 14
26	5 29	7 13	9 01	10 93	12 85	14 87	16 90	18 96	21 05	23 17	25 33	27 62	29 73	31 98	34 26	36 56
27	5 62	7 58	9 60	11 48	13 52	15 58	17 68	19 82	21 99	24 19	26 42	28 69	30 96	33 21	35 66	38 04
28	5 96	7 96	9 99	12 07	14 18	16 33	18 61	20 72	22 96	25 26	27 68	29 95	32 30	34 71	37 14	39 61
29	6 23	8 40	10 52	12 68	14 88	17 11	19 38	21 68	24 02	26 29	28 79	31 22	33 69	36 18	38 71	41 28

Basis of Nonforfeiture Values — All Cash Surrender Values are based on the 1941 Standard Industrial Mortality Table with interest at 2½% per annum and are computed on the assumptions that (1) any death benefit is payable at the end of the policy year of death and (2) premiums are payable annually in advance without any refund in the policy year of death. The Automatic Extended Insurance benefits are computed on the same basis and assumptions except that the rates of mortality used during the extension period are one hundred thirty per cent (130%) of the rates of mortality according to the above mentioned table of mortality.

The values used in determining the benefits shown in the foregoing table and for all later durations not shown therein are computed according to the adjusted premium method as provided in the Standard Nonforfeiture Law of the state in which this policy is delivered, except that in no event is any such value less than the sum required to purchase Automatic Extended Insurance for a term of twenty-eight days plus one day for each weekly premium paid. Such values are never less than those required by the law of the state in which this policy is delivered. In computing such values no account is taken of Benefits for Loss of Sight or Limbs or of Additional Benefit in Event of Death by Accidental Means.

Attachment 9

NONFORFEITURE PROVISIONS

Automatic Extended Insurance—In event of default in payment of premiums this policy, without Benefits for Loss of Sight or Limbs and without Benefit in Event of Accidental Death, will automatically continue in force as nonparticipating extended term insurance from and after the due date of the first premium in default, for the amount of insurance stated on page 1 plus the amount of any paid-up dividend additions, and for such term as the value used in determining the extension term in Table of Nonforfeiture Values, increased by the present value of any paid-up dividend additions and decreased by any indebtedness due the Company on this policy including accrued interest, will provide. Should there be no paid-up additions and no indebtedness due the Company, the term of extended insurance will be the same as specified in Table of Nonforfeiture Values.

Cash Surrender Value—After this policy has been in force for three or more years with all due premiums paid, upon written application and surrender of this policy the Company will pay the Cash Surrender Value stated in Table of Nonforfeiture Values, plus the present value of any paid-up dividend additions and less any indebtedness due the Company on this policy including accrued interest, provided that if this policy shall have lapsed, such application must be made within 60 days after the due date of the first premium in default. Provided premiums were paid for at least three years, Automatic Extended Insurance may be surrendered for the present value on the date of surrender of the future guaranteed benefits, except that in the case of surrender within 31 days after any policy anniversary the present value shall be computed as of such anniversary.

The Company may defer payment of any Cash Surrender Value for a period not to exceed six months after written application therefor is received by the Company. If payment is so deferred for a period of 30 days or more, interest at the rate of 2½% a year shall be paid for the period of deferment.

TABLE OF NONFORFEITURE VALUES

The values in this table are based on the assumption that there are no paid-up dividend additions and no indebtedness on this policy and that all premiums falling due before the end of the period shown have been paid. Proportionate adjustment in the nonforfeiture value will be made for each weekly premium paid beyond the end of the period shown. After premiums have been fully paid, proportionate increase in the Cash Surrender Value will be made for any fraction of a year beyond the end of the period shown.

The Cash Surrender Values are based on an amount of insurance of exactly $100 and will apply pro rata to the amount of insurance under this policy. The terms of Automatic Extended Insurance will be the same as those shown, whatever the amount of insurance under this policy may be.

Nonforfeiture Values for years later than those shown will be furnished upon request.

TERMS OF AUTOMATIC EXTENDED INSURANCE AFTER POLICY HAS BEEN IN FORCE FOR

Age Next Birthday at Issue	2 Wks	1 Yr.	2 Yrs.	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years	11 Years	12 Years	13 Years	14 Years	15 Years	16 Years	17 Years	18 Years	19 Years	20 Years
	Days	Days	Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days	Years Days
15	30	80	166	2 45	3 194	4 333	6 104	7 244	9 10	10 133	11 226	12 285	13 299	14 271	15 299	16 115	16 296	17 90	17 228	17 346	18 65
16	30	80	132	1 333	3 117	4 259	6 35	7 179	8 310	10 65	11 154	12 200	13 200	14 162	15 94	15 356	16 168	16 322	17 93	17 208	17 311
17	30	80	132	1 279	3 63	4 207	5 357	7 137	8 268	10 17	11 94	12 128	13 116	14 70	14 359	15 248	16 54	16 202	16 334	17 62	17 181
18	30	80	132	1 244	3 30	4 165	5 356	7 117	8 249	9 354	11 50	12 69	13 44	13 356	14 268	15 130	15 314	16 93	16 221	16 331	17 63
19	30	80	132	1 231	3 25	4 179	5 333	7 118	8 244	9 338	11 21	12 23	12 355	13 287	14 187	15 61	15 219	15 360	16 118	16 225	16 319
20	30	80	132	1 237	3 32	4 192	5 351	7 128	8 248	9 325	10 358	11 347	12 300	13 232	14 114	14 343	15 133	15 268	16 21	16 126	16 215
21	30	80	132	1 253	3 52	4 218	6 10	7 150	8 259	9 320	10 334	11 311	12 253	13 162	14 65	14 266	15 49	15 179	15 294	16 30	16 116
22	30	80	132	1 278	3 80	4 251	6 40	7 173	8 243	9 308	10 308	11 272	12 204	13 101	13 339	14 190	14 332	15 93	15 205	15 302	16 20
23	30	80	132	1 305	3 114	4 283	6 73	7 191	8 265	9 293	10 280	11 231	12 151	13 60	13 270	14 112	14 250	15 7	15 116	15 210	15 289
24	30	80	152	1 335	3 151	4 317	6 109	7 203	8 262	9 273	10 247	11 187	12 96	12 343	13 198	14 35	14 169	14 288	15 26	15 117	15 192
25	30	80	179	2 0	3 184	4 350	6 119	7 208	8 248	9 247	10 219	11 140	12 38	12 275	13 124	13 320	14 85	14 201	14 302	15 23	15 95
26	30	80	204	2 32	3 214	5 11	6 133	7 204	8 231	9 218	10 168	11 66	11 343	12 206	13 50	13 240	14 1	14 114	14 211	14 294	14 358
27	30	80	232	2 64	3 245	5 34	6 158	7 193	8 255	9 181	10 121	11 32	11 276	12 136	12 338	13 157	13 281	14 26	14 120	14 196	14 259
28	30	80	260	2 92	3 271	5 45	6 135	7 176	8 177	9 142	10 71	10 336	11 211	12 63	12 259	13 76	13 197	13 302	14 25	14 99	14 158
29	30	80	286	2 120	3 292	5 52	6 124	7 154	8 142	9 95	10 17	10 275	11 142	11 353	12 180	12 357	13 110	13 211	13 297	14 0	14 56

CASH SURRENDER VALUES PER $100 OF INSURANCE AFTER POLICY HAS BEEN IN FORCE FOR

Age Next Birthday at Issue	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years	11 Years	12 Years	13 Years	14 Years	15 Years	16 Years	17 Years	18 Years	19 Years	20 Years
15	$1.64	$2.93	$4.21	$5.48	$ 6.77	$ 8.07	$ 9.40	$10.75	$12.14	$13.56	$15.01	$16.49	$18.00	$19.54	$20.71	$22.10	$23.51	$24.95
16	1.57	2.65	4.15	5.44	6.76	8.09	9.46	10.86	12.29	13.75	15.24	16.77	18.33	19.71	21.12	22.56	24.01	25.49
17	1.52	2.67	4.12	5.45	6.80	8.17	9.58	11.02	12.50	14.00	15.54	17.12	18.72	20.15	21.60	23.08	24.57	26.08
18	1.49	2.61	4.15	5.31	6.90	8.32	9.77	11.25	12.77	14.32	15.91	17.53	19.18	20.65	22.14	23.66	25.19	26.73
19	1.50	2.65	4.22	5.62	7.06	8.52	10.02	11.55	13.11	14.71	16.34	18.00	19.70	21.21	22.73	24.30	25.86	27.43
20	1.55	2.93	4.34	5.79	7.26	8.77	10.31	11.89	13.50	15.14	16.82	18.53	20.27	21.83	23.40	24.98	26.57	28.16
21	1.62	3.04	4.50	5.99	7.51	9.07	10.66	12.28	13.94	15.63	17.35	19.11	20.89	22.48	24.08	25.69	27.31	28.93
22	1.72	3.18	4.69	6.22	7.79	9.39	11.03	12.70	14.41	16.15	17.91	19.71	21.54	23.16	24.79	26.43	28.07	29.72
23	1.83	3.34	4.89	6.48	8.09	9.74	11.43	13.13	14.90	16.69	18.50	20.34	22.20	23.85	25.51	27.18	28.85	30.53
24	1.95	3.52	5.11	6.75	8.41	10.12	11.83	13.62	15.42	17.25	19.11	20.98	22.88	24.56	26.25	27.95	29.65	31.36
25	2.08	3.70	5.35	7.03	8.73	10.50	12.29	14.11	15.96	17.83	19.72	21.63	23.56	25.27	26.99	28.72	30.46	32.21
26	2.22	3.89	5.59	7.33	9.10	10.91	12.75	14.61	16.50	18.42	20.34	22.29	24.25	25.99	27.75	29.51	31.29	33.06
27	2.37	4.09	5.85	7.64	9.47	11.32	13.21	15.12	17.06	19.00	20.97	22.95	24.96	26.72	28.52	30.32	32.12	33.94
28	2.53	4.30	6.11	7.98	9.84	11.75	13.69	15.64	17.61	19.60	21.60	23.61	25.65	27.47	29.30	31.13	32.98	34.83
29	2.68	4.52	6.39	8.39	10.23	12.18	14.16	16.16	18.17	20.19	22.23	24.28	26.36	28.22	30.09	31.97	33.85	35.74

NONFORFEITURE FACTORS PER $100 OF INSURANCE

	ACE NEXT BIRTHDAY AT ISSUE															
	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
1st 15 Years	$1.9543	$2.0097	$2.0649	$2.1198	$2.1746	$2.2300	$2.2864	$2.3444	$2.4046	$2.4673	$2.5334	$2.6025	$2.6751	$2.7516	$2.8321
After 15 Years	1.7530	1.8067	1.8602	1.9136	1.9670	2.0208	2.0756	2.1321	2.1907	2.2520	2.3167	2.3847	2.4566	2.5293	2.6060

Basis of Nonforfeiture Values—All Nonforfeiture Values are based on the 1941 Substandard Industrial Mortality Table with interest at 2½% a year and are computed on the assumptions that (1) any death benefit is payable at the end of the policy year of death and (2) premiums are payable annually in advance without any refund in the policy year of death. A detailed statement of the method of determining Nonforfeiture Values has been filed with the insurance supervisory official of the state in which the policy is delivered.

The values used in determining the benefits shown in the foregoing table and for all later durations not shown therein are computed according to the Standard Nonforfeiture Value Method using the applicable nonforfeiture factors, except that in no event is any such value less than the sum required to purchase Automatic Extended Insurance for a term of twenty-eight days, plus one additional day for each weekly premium paid. Such values are never less than those required by the law of the state in which this policy is delivered. In computing such values no account is taken of Benefits for Loss of Sight or Limbs or of Benefit in Event of Accidental Death.

Attachment 10

LIMITED PAYMENT LIFE POLICY

Premiums Payable for Number of Years Shown in the Schedule or until Prior Death
Face Amount Payable at Death — Annual Dividends
Accidental Death Benefit — Waiver of Premium Disability Benefit

TABLE OF CASH AND NONFORFEITURE VALUES

20 PAYMENT LIFE

THE VALUES APPLYING TO THE POLICY ARE THOSE IN THE COLUMN HEADED WITH THE AGE SHOWN ON PAGE 1

End of Policy Year	AGE 0				AGE 1				AGE 2			
	Tabular Cash Value	Optional Paid-up Ins.	Extended Term Ins. Years	Extended Term Ins. Days	Tabular Cash Value	Optional Paid-up Ins.	Extended Term Ins. Years	Extended Term Ins. Days	Tabular Cash Value	Optional Paid-up Ins.	Extended Term Ins. Years	Extended Term Ins. Days
1	nil	nil	0	60	nil	nil	0	60	nil	nil	0	60
2	$ 2	$ 9	0	181	$ 4	$17	1	91	$ 7	$29	2	272
3	2	9	0	222	19	77	9	90	22	87	11	244
4	17	69	7	327	34	135	19	73	37	144	21	25
5	33	131	18	214	50	194	28	77	53	203	29	95
6	50	194	28	77	66	252	34	324	70	263	35	230
7	67	256	35	102	83	311	39	344	87	320	40	69
8	85	319	40	231	101	372	43	349	105	379	43	280
9	104	383	44	234	119	430	46	333	124	439	46	247
10	123	444	47	273	138	489	49	140	143	496	48	350
11	143	506	50	109	157	545	51	136	162	551	50	294
12	164	569	52	191	177	602	53	62	182	607	52	182
13	185	629	54	144	197	654	54	262	203	663	54	39
14	206	686	56	12	218	712	56	89	224	717	53	202
15	229	748	57	301	240	768	57	297	246	772	57	16
16	250	800	59	102	260	816	59	27	266	818	58	87
17	271	850	60	287	281	864	60	208	287	865	59	244
18	293	901	62	253	302	910	62	119	308	910	61	126
19	316	952	65	220	324	957	63	31	330	955	63	346
20	339	1000	Paid-up		346	1000	Paid-up		353	1000	Paid-up	
21	373				383				390			
22	414				423				431			
23	634				654				654			
@ 65	705				705				705			
@ 65	754				754				754			

End of Policy Year	AGE 3				AGE 4				AGE 5			
	Tabular Cash Value	Optional Paid-up Ins.	Extended Term Ins. Years	Extended Term Ins. Days	Tabular Cash Value	Optional Paid-up Ins.	Extended Term Ins. Years	Extended Term Ins. Days	Tabular Cash Value	Optional Paid-up Ins.	Extended Term Ins. Years	Extended Term Ins. Days
1	nil	nil	0	60	nil	nil	0	60	nil	nil	0	60
2	$ 6	$32	1	97	$ 9	$35	4	15	$10	$39	6	364
3	24	94	13	79	25	96	13	358	26	98	14	216
4	39	149	22	30	41	154	22	321	43	159	23	171
5	56	210	30	21	58	214	30	79	60	217	30	78
6	73	269	35	295	76	275	35	302	78	276	33	151
7	91	329	40	82	94	333	39	321	97	337	39	170
8	109	384	43	176	112	389	42	334	116	395	42	188
9	128	444	44	65	132	449	43	233	135	450	44	327
10	147	500	46	114	151	503	47	236	155	506	46	332
11	167	557	50	77	171	559	49	162	176	564	48	296
12	187	611	51	296	192	615	51	37	196	615	50	85
13	208	666	53	122	213	668	52	197	218	671	51	266
14	229	719	54	256	235	723	53	252	240	724	53	28
15	251	771	56	43	257	775	55	114	263	777	54	178
16	272	870	57	144	278	821	56	190	284	822	55	230
17	293	866	58	273	300	869	57	349	306	868	56	362
18	315	912	60	193	322	914	59	349	328	912	58	228
19	337	956	63	23	344	957	62	53	351	957	61	67
20	360	1000	Paid-up		368	1000	Paid-up		375	1000	Paid-up	
21	398				406				414			
22	440				448				457			
@ 65	654				654				654			
@ 65	705				705				705			
@ 65	754				754				754			

NONFORFEITURE FACTORS					
18.16139	17.14286	17.21310	From 15 Yrs.	17.39910	17.62034	17.88160
16.49883	15.49345	15.55424	After 15 Yrs.	15.71717	15.93204	16.17717

1. Table of Values — Tabular Cash Values and Optional Paid-up Insurance amounts are shown for a $1,000 face amount. Values for other face amounts will be proportionate. The policy shall have no Cash Value prior to the end of the policy year for which a Tabular Cash Value is first shown. Tabular Cash Values between those shown in the table shall be obtained by interpolation.

The period of Extended Term Insurance is the same for any face amount and will commence as of the due date of the premium in default.

Tabular Cash Values and Nonforfeiture Benefits will be the same whether or not the policy contains any Accidental Death Benefit or Waiver of Premium Disability Benefit.

All values are equal to or greater than those required by the law of the state in which the policy is delivered. Values not shown will be furnished upon request.

2. Basis of Computation — The Tabular Cash Value for each $1,000 face amount at the end of any policy year is calculated by the Standard Nonforfeiture Value Method using the applicable nonforfeiture factors.

Net single premiums, present values and cash and nonforfeiture values are based on the Commissioners 1941 Standard Ordinary Mortality Table with interest at the rate of 2½% a year and on the assumption that death occurs at the end of the policy year and premiums are paid to the end of such year.

A detailed statement of the method of determining Tabular Cash Values has been filed with the insurance supervisory official of the state in which the policy is delivered.

NONFORFEITURE BENEFITS

1. Extended Term Insurance — Upon premium default, the policy shall be automatically continued as nonparticipating term insurance for the face amount plus any paid-up additions and dividend accumulations less any indebtedness and for such term as the Cash Value less such indebtedness will provide when applied as a net single premium at the attained age of the Insured on the date of default. If there is no Cash Value and premiums have been paid for at least one full year such term shall be as shown in the Table of Cash and Nonforfeiture Values.

2. Optional Paid-up Insurance — In lieu of Extended Term Insurance, participating paid-up life insurance may be elected by written request within 60 days after premium default. Such insurance will be payable at the same time and under the same conditions as the face amount but for such amount as the Cash Value, less any indebtedness, will provide when applied as a net single premium at the attained age of the Insured on the date of default.

3. Cash Surrender — In lieu of Extended Term Insurance or Optional Paid-up Insurance, the policy may be surrendered for its Cash Value less any indebtedness.

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Attachment 11

RACE AND NATIONALITY

NEGROES

Only the best risks will be considered, subject to a medical examination, as follows:

1. Male and single female applicants in preferred occupations such as professors, teachers, executives, administrative heads, graduate students, lawyers, doctors, ministers, etc., may be offered insurance on the 20 Payment Life plan, or endowment plans requiring equal or larger premiums, in amounts not exceeding $3,000 with a basic rating of Class B due to race. No additional benefits may be offered.

2. Male applicants who do not measure up to the occupational classifications enumerated in (1) above, but who are permanently engaged in standard occupations of the better types and who have family responsibilities and good home surroundings may, in well selected cases, be offered $500 20 Payment Life or 20 Year Endowment, with a basic rating of Class B due to race. No extra benefits will be issued in this group. Female applicants will not be considered.

3. Negro children and young adults are not to be considered as substandard coverage is not issued below age 15 and the ultimate mortality hazard in these risks is not definitely determinable.

CHINESE, FILIPINOS, JAPANESE, KOREANS, HAWAIIANS, MEXICANS, AMERICAN INDIANS AND NATIVES OF INDIA

Such applicants permanently residing in the United States, whether born in North America or in some other country, will be underwritten on the same basis as comparable Caucasian lives, except that a medical examination will be required in all cases. However, after the delivery of a standard rating policy issued on a medical examination, the Non-medical rules may be applied within one year from the date of such examination.

In underwriting these risks bear in mind living conditions, occupation, permanence of residence, etc. Insurable interest should be scrutinized with care. There is a tendency to apply for insurance in favor of distant relatives and non-relatives, thus raising a serious question as to speculation. Careful selection must be made when the amount applied for appears to be out of line, particularly on low priced plans. Particular attention should be paid to the tuberculosis hazard because it appears that this impairment is responsible for much of the extra mortality heretofore inherent in these groups.

Disability

Waiver of Premium Disability benefits may be granted in accordance with our regular rules for comparable Caucasian lives.

Accidental Death Benefits.

A.D.B. may be granted at our regular rates in accordance with the occupation and substandard rules.

FOREIGN BORN CAUCASIAN APPLICANTS

Males

May be considered on the same basis as native born applicants, with special attention being given to occupation, morals, insurable interests, and fraud ring situations.

Females

Foreign born Caucasian women should always be strictly underwritten, especially when applications are submitted non-medically. Care should be taken to guard against speculation, particularly by adult children beneficiaries. Substandard risks beyond Class A should usually be declined. A special numerical debit of 10 or 15 points is to be assessed for the factor of foreign birth. The limit of insurance should be kept to a small nominal total.

LESS THAN ONE YEAR'S RESIDENCE IN THE UNITED STATES

Consider for a maximum of $1,000 without additional benefits and subject to a medical examination. Watch for speculation, particularly at the age extremes.

Attachment 12

RACE AND NATIONALITY

Chinese, Filipinos, Japanese, Koreans, Hawaiians, Mexicans, American Indians and Natives of India

a. Life Benefits

Subject to a medical examination and Commercial Inspection report such applicants permanently residing in the United States, whether born in North America or in some other country, are to be underwritten on the same basis as comparable Caucasian lives.

After the delivery of a Standard policy, the non-medical rules may be applied within one year from the date of original medical examination.

In underwriting these risks bear in mind living conditions, occupation, permanence of residence, etc. Insurable interest should be scrutinized with care. There is a tendency to apply for insurance in favor of distant relatives and non-relatives, thus raising a serious question as to speculation. Careful selection must be made when the amount applied for appears to be excessive, particularly on low premium plans.

Particular attention should be paid to the tuberculosis hazard because it appears that this impairment is responsible for much of the extra mortality heretofore inherent in these groups.

b. Additional Benefits

Accidental Means Death Benefit may be granted at our regular rate in accordance with the occupation and other rules.

Disability Waiver of Premium Benefits may be granted in accordance with the regular rules.

Supplementary Term Insurance Benefits and Interim Term insurance may only be granted in selected cases.

Negros

The same rules apply to Negros as to the Non-Caucasians, however, every application on a Negro must be referred to the Underwriting Committee.

Foreign Born Caucasian Applicants

a. Living in the United States more than one year

Male applicants in this group may be considered on the same basis as native born applicants, with special attention being given to occupation, morals and insurable interest.

Foreign born Caucasian women must be underwritten very carefully, especially when applications are submitted non-medically. Guard against speculation, particularly by adult children beneficiaries. Substandard ratings beyond Class A are usually reasons for declination. A special numerical debit of 10 or 15 points should be assessed due to the factor of foreign birth. The limit of insurance should be kept to a nominal total, usually not more than $1000 unless special circumstances exist.

b. One year or less residence in the United States

Consider for a maximum of $1000 without additional benefits. Require a medical examination in every instance as well as a Commercial Inspection report. Watch for speculation, particularly at the age extremes.

Attachment 13

WSLIC

ODI Race Based Exam

WSLIC Rated/Standard Ordinary Samples

Attachment 13

	Total Applications	White	% White	Non-white	% Non-white	Not Answered	% No answer	No application	% No application
Rated Policies	20	18	90%	1	5%	1	5%	0	0%
Standard Policies	10	9	90%	0	0%	0	0%	1	10%
Total	30	27	90%	1	3%	1	3%	1	3%

Attachment 14

Companies Acquired by The Western and Southern Life Insurance Company ~~with Life Insurance~~ Policies Issued 1949 and Later

Company	Co Code	Acquisition Date	Insurance In Force Date	Industrial Insurance In Force
Pennsylvania Mutual (Phil.)	M	7/31/54	12/31/53	27,703,109
Life of Missouri (St. Louis)	L	6/30/57	12/31/56	109,606,175
Imperial Life (Asheville)	N	9/30/57	12/31/56	89,358,991
Guaranty Union (Los Angeles)	C	12/31/57	12/31/56	6,630,852
Texas Prudential (Galveston)	T	3/31/58	12/31/56	95,769,648
United Life (Jacksonville)	F	6/30/59	12/31/58	63,493,441
Acme Life (New Orleans)	A	12/31/66	12/31/65	43,265,000
American Life (Baltimore)	B	6/30/68	12/31/67	21,327,039
Unity Life (New Orleans	D	9/30/70	12/31/69	40,163,161

CRH hjk/01crh48
12/31/01

Attachment 15

II A. S.

MEMORANDUM

Privileged and Confidential

April 19, 2001

TO: Carroll Hutchinson

FROM: Bill Neal

RE: Race-Based Premium Research – Imperial Life Weekly Premium Industrial

1 To determine which fully paid-up, reduced paid-up and extended term policies may have been issued to minorities at premium rates higher than the rates charged white applicants, we first downloaded to a PC file all Imperial Life weekly premium policies from the master file. We eliminated policies still in force on premium paying status because we confirmed that either (a) the necessary amount increases had been made in 1988 on policies issued to minority lives or, (b) by reference to the rate manuals or application files, the policies had been issued to white lives only. The attached table indicates the number of non-premium paying records selected and the number to which increases in amount were made in April, 2001.

2. From the rate manual, we were able to determine that separate rates were used for Afro-American applicants in most cases. Working with each plan separately, logic was developed to match individual records by plan, age, issue amount and premium to rate manual data. There were several hundred mismatches. The applications for these were obtained, when available, and examined on an individual basis to determine the correct information. Errors discovered included incorrect plan codes, incorrect premiums, incorrect ages and incorrect face amounts. These were corrected on our working files so that the correct adjustment ratio could be calculated. In some cases the corrections were made on the master file as well.

3 For those policies for which higher premiums had been charged because of race, an increase in the current amounts of coverage was made. If comparable plans had been issued at the same time to both Afro-American and white applicants, the increase was calculated by multiplying the current amount of insurance by the ratio of the Afro-American premium rate to the white premium rate (ratios calculated to five decimals). The same ratio was used to increase the amount of pure endowment, when applicable. For situations in which comparable plans were not issued concurrently, we followed the procedure established in the 1988 Study. To this end, we calculated net annual premiums, using both sub-standard and standard commutation functions. We deducted the calculated sub-standard net annual premium from the annualized gross premium to determine the loading value. The loading value was then added to the standard net annual premium, yielding a recalculated gross annualized premium on a standard basis. The ratio of the actual gross annualized premium to the recalculated gross annualized premium produced the adjustment ratio to be applied to the current amount of coverage

4 A disk will be prepared in zip format listing all the policies changed showing the old and increased amounts of insurance

CC: D. Menke

WEN:mm

I:\AEGRPINS\1988 Special Dividend\WPI 00 STUDY\race based prem resrch neal 032701.doc

Attachment 16.1

INDUSTRIAL DEPARTMENT

RATE TABLES

FOR

ADULT and INFANTILE

(WHITE RISKS)

Attachment 16.2

20 Y. E. T.

YOUNG PEOPLE'S 20-YEAR ENDOWMENT $1,000.00 THRIFT POLICY

Matures as an Endowment for the face of the policy in 20 years from the date of the policy.

WEEKLY PREMIUMS

Age 1 next birthday	92c	Age 8 next birthday	92c
Age 2 next birthday	92c	Age 9 next birthday	98c
Age 3 next birthday	92c	Age 10 next birthday	98c
Age 4 next birthday	92c	Age 11 next birthday	98c
Age 5 next birthday	92c	Age 12 next birthday	98c
Age 6 next birthday	92c	Age 13 next birthday	98c
Age 7 next birthday	92c	Age 14 next birthday	98c

BENEFITS FOR THE ABOVE MENTIONED PREMIUMS

Amount payable, provided death occur after the policy has been in force for following period, viz.:	AGE NEXT BIRTHDAY									
	1	2	3	4	5	6	7	8	9	10
Under 1 year	$ 180.00	$ 200.00	$ 300.00	$ 400.00	$ 500.00	$ 600.00	$ 700.00	$ 800.00	$ 900.00	$1,000.00
After 1 year	200.00	300.00	400.00	500.00	600.00	700.00	800.00	900.00	1,000.00	
After 2 years	300.00	400.00	500.00	600.00	700.00	800.00	900.00	1,000.00		
After 3 years	400.00	500.00	600.00	700.00	800.00	900.00	1,000.00			
After 4 years	500.00	600.00	700.00	800.00	900.00	1,000.00				
After 5 years	600.00	700.00	800.00	900.00	1,000.00					
After 6 years	700.00	800.00	900.00	1,000.00						
After 7 years	800.00	900.00	1,000.00							
After 8 years	900.00	1,000.00								
After 9 years	1,000.00									

LIMITS: Ages 1, 2, 3, 4 and 5, $500.00 unit; Ages 6, 7, 8, 9, 10, 11, 12, 13 and 14, $1,000.00.
May be sold in $250.00 and $500.00 units by special permission from the Home Office for one-fourth and one-half above premium.

6-36

INDUSTRIAL DEPARTMENT

RATE TABLE

FOR

ADULT and INFANTILE

(COLORED RISKS)

Attachment 17

I.A. FILE:

MEMORANDUM

Privileged and Confidential

December 28, 2000

TO: Carroll Hutchinson

FROM: Bill Neal

RE: Race-Based Premium Research - Reinsured Companies Ordinary Policies

1. To determine which regular ordinary and monthly account ordinary fully paid-up, reduced paid-up and extended term policies might have been charged an extra premium based on race, I examined the rate manuals of United Life, Pennsylvania Mutual and Public Savings Insurance companies. I was unable to locate any "special" premiums and no references to ethnicity. I concluded that no differentiation had been made in the rates and that it was not company practice to issue policies to Caucasians only. American Life and Unity Life have only weekly premium policies in force.

2. For the five companies (Acme, Guaranty Union, Life of Missouri, Imperial Life and Texas Prudential) on which race-based premium adjustments had been made in 1988, I selected from the master file and downloaded to the PC all non-premium paying in force policies which had a substandard code. The attached chart indicates the number of policies selected.

3. The application files on the policies selected were obtained. Those relating to substandard white lives were returned to file. By reference to the rate manuals of the various companies and, in some cases to individual applications, I determined which policies had paid either a special race-based premium or to which a substandard extra premium had been applied based solely on ethnicity. Most of the policies had been issued to Afro-Americans, but a few had been issued to Hispanics and other minorities.

4. For those policies on which an extra premium had been paid because of race, an increase to the face amount of insurance was made. The increase was calculated by multiplying the current amount of insurance by the ratio of the premium rate which had been charged to the rate for comparable standard coverage (ratios were calculated to five decimals). The same ratios were applied to increase the amount of pure endowment on those few endowment policies that had such. None of the policies involved had dividend accumulations or paid-up additions.

WEN:mm

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5. Policy numbers of the policies selected were compared to those still in force for which increases had been made in 1988. Three matches were found. The face amounts to all three had been properly increased in 1988, but contained valid substandard ratings related to occupation or build.

6. Identifying policy form numbers were obtained. The policy form numbers for Life of Missouri were clearly identified in that company's policy form manual by plan, policy number, and policy date. Those for the other four companies were obtained from worksheets in the individual applications.

7. I selected from the master file and downloaded to a PC file, data from the 144 policies still in force for which amount increases had been made in 1988. Policy form identification was obtained and coded on the PC record in the manner described previously for non-premium paying policies.

8. A list will be prepared by company, state, and policy form number for the non-premium paying policies changed in 2000, and for those policies still in force which had been changed in 1988. This provides the data needed to complete the report to be submitted to the Ohio Insurance Department. The list provides number of policies, annualized premium (for premium-paying policies), adjusted amount of insurance, and current cash value (based on the adjusted amount of insurance). We will also obtain, for our own information, the original face amount, pure endowment amount and the cash value as well as the increase in each.

CC: D. Menke

WEN:mm

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Attachment 18

1988 Benefit Increases

Line	Co. Code	Co. Name	Number Of Policies	Old Face Amount	New Face Amount	Increase Face Amo
Weekly Premium Industrial	A	Acme Life Insurance Co.	3161	$1,178,212	$1,282,451	$104,23
	B	American Life Insurance Co. of Baltimore	2281	863,558	993,674	130,11
	D	Unity Life	693	294,521	373,704	79,183
	L	The Life Insurance Co. of Missouri	2446	844,081	979,181	135,100
	N	The Imperial Life Insurance Co.	909	214,068	270,899	56,831
	O	The Western and Southern Life Insurance Co.	84	37,726	43,909	6,183
	T	Texas Prudential Insurance Co.	599	138,253	199,055	60,802
Total Weekly Premium Industrial			10,173	$3,570,419	$4,142,873	$572,454
Monthly Premium Industrial	C	Guaranty Union	55	$ 40,800	$ 46,909	$ 6,109
	O	The Western and Southern Life Insurance Co.	2	1,500	1,781	281
Total Monthly Premium Industrial			57	$ 42,300	$ 48,690	$ 6,390
Total Industrial			10,230	$3,612,719	$4,191,563	$578,844
Regular Ordinary	A	Acme Life Insurance Co.	2	$ 3,000	$ 3,453	$ 453
	C	Guaranty Union	3	2,000	2,646	646
	L	The Life Insurance Co. of Missouri	3	2,200	2,580	380
	N	The Imperial Life Insurance Co.	6	10,000	12,303	2,303
	T	Texas Prudential Insurance Co.	4	3,500	4,367	867
Total Regular Ordinary			18	$ 20,700	$ 25,349	$ 4,649
Monthly Account Ordinary	A	Acme Life Insurance Co.	33	$ 33,869	$ 38,139	$ 4,270
	C	Guaranty Union	6	4,450	6,151	1,701
	L	The Life Insurance Co. of Missouri	363	351,645	476,510	124,865
	N	The Imperial Life Insurance Co.	1	1,000	1,125	125
	T	Texas Prudential Insurance Co.	5	6,192	7,570	1,378
Total Monthly Account Ordinary			408	$ 397,156	$ 529,495	$132,339
Total Ordinary			426	$ 417,856	$ 554,844	$136,988
Total All Lines of Business			10,656	$4,030,575	$4,746,407	$715,832

Increase in cash value or reserve $359,267.

Attachment 19

Exhibit II

Line of Business	Co. Code	Co. Name	Number of Policies	Old Amount	New Amount	Increase in Amount	Includes Div. Accum. and Paid-up Add. Old C.V. or Reserve	New CV or Reserve	Increase in C.V. or Reserve
Weekly Premium Industrial	A	Acme Life	2,062	819,740	932,595	112,855	544,296	610,647	66,351
	B	American Life	6,874	1,658,445	1,885,450	227,005	930,122	1,051,622	121,500
	D	Unity Life	622	157,059	212,647	55,588	99,628	132,284	32,656
	L	Life of Missouri	7,567	652,178	748,020	95,842	474,529	542,332	67,803
	N	Imperial Life	24,503	1,766,646	2,091,235	324,589	1,363,840	1,607,537	243,697
	O	Western-Southern	161	70,811	80,721	9,910	106,134	120,987	14,853
	T	Texas Prudential	2,586	693,167	863,445	170,278	500,050	613,589	113,539
Total Weekly Premium Industrial			44,375	5,818,046	6,814,113	996,067	4,018,599	4,678,998	660,399
Monthly Premium Industrial	C	Guaranty Union	265	160,496	184,177	23,681	105,384	120,886	15,502
	O	Western-Southern	2	1,000	1,117	117	1,391	1,554	163
Total Monthly Premium Industrial			267	161,496	185,294	23,798	106,775	122,440	15,665
TOTAL INDUSTRIAL			44,642	5,979,542	6,999,407	1,019,865	4,125,374	4,801,438	676,064
Regular Ordinay	A	Acme Life	3	1,101	1,183	82	698	751	53
	C	Guaranty Union	1	500	518	18	303	314	11
	L	Life of Missouri	3	1,205	1,601	396	1,091	1,450	359
	N	Imperial Life	2	1,500	1,816	316	1,026	1,241	215
	T	Texas Prudential	27	6,815	8,408	1,593	6,089	7,505	1,416
Total Regular Ordinary			36	11,121	13,526	2,405	9,207	11,261	2,054
Monthly Account Ordinary	A	Acme Life	54	36,682	39,924	3,242	22,928	24,892	1,964
	L	Life of Missouri	665	666,837	901,691	234,854	384,951	515,352	130,401
	O	W&S Thrift Series (Incl. 4 PP)	57	60,817	70,620	9,803	81,228	94,321	13,093
Total Monthly Account Ordinary			776	764,336	1,012,235	247,899	489,107	634,565	145,458
TOTAL ORDINARY			812	775,457	1,025,761	250,304	498,314	645,826	147,512
GRAND TOTAL			45,454	6,754,999	8,025,168	1,270,169	4,623,688	5,447,264	823,576
Total W&S Issues			*220*	*132,628*	*152,458*	*19,830*	*188,753*	*216,862*	*28,109*
Total Policies Assumed			*45,234*	*6,622,371*	*7,872,710*	*1,250,339*	*4,434,935*	*5,230,402*	*795,467*

Attachment 19.1

WSLIC **Attachment 19.1**

ODI Race Based Exam

Policy Counts by State-1988 and 2000/2001 Adjustment Programs

State [1]	Policy Count	As a % Of Total
AK	2	0.004%
AL	14	0.025%
AR	17	0.030%
AZ	8	0.014%
CA	621	1.107%
CO	29	0.052%
CT	17	0.030%
DC	84	0.150%
DE	10	0.018%
FL	13	0.023%
GA	10	0.018%
HI	1	0.002%
IA	84	0.150%
ID	1	0.002%
IL	2,524	4.498%
IN	200	0.356%
KS	1,195	2.130%
KY	7	0.012%
LA	6,388	11.385%
MA	19	0.034%
MD	8,994	16.029%
MI	76	0.135%
MN	15	0.027%
MO	6,507	11.597%
MS	17	0.030%
MT	2	0.004%
N/A	430	0.766%
NC	25,158	44.837%
NE	8	0.014%
NJ	42	0.075%
NM	12	0.021%
NY	199	0.355%
OH	20	0.036%
OK	33	0.059%
OR	5	0.009%

WSLIC **Attachment 19.1**

ODI Race Based Exam

Policy Counts by State-1988 and 2000/2001 Adjustment Programs

State [1]	Policy Count	As a % Of Total
PA	46	0.082%
SC	33	0.059%
TN	31	0.055%
TX	3,129	5.577%
VA	69	0.123%
WA	22	0.039%
WI	12	0.021%
WV	1	0.002%
WY	5	0.009%
TOTAL	56,110	

(1) Based on data provided from WSLIC administrative database.

Attachment 19.2

Attachment 19.2

WSLIC
ODI Race Based Exam
Adjustment Ratio Summary Based on 1988 and 2000/2001 Adjustment Programs

Line Of Business	Co Code	Old Face Amount		New Face Amount		Avg. Adj. Ratio
		1988	2000/2001	1988	2000/2001	
WPI	A	1,178,212	819,740	1,282,451	932,595	1.109
	B	863,558	1,658,445	993,674	1,885,450	1.142
	D	294,521	157,059	373,704	212,647	1.298
	L	844,081	652,178	979,181	748,020	1.154
	N	214,068	1,766,646	270,899	2,091,235	1.193
	O	37,726	70,811	43,909	80,721	1.148
	T	138,253	693,167	199,055	863,445	1.278
MPI	All	42,300	161,496	48,690	185,294	1.148
Ordinary	All	417,856	775,457	554,844	1,025,761	1.325
TOTAL		4,030,575	6,754,999	4,746,407	8,025,168	1.184

Attachment 20

WSLIC

ODI Race Based Exam

2000/2001 Benefit Adjustment Ratio Calculations - WSLIC MDO

Attachment 20

					A	B	C = A/B	D	E = A/D	F = E/C
Policy Number	Plan	IA	Issue Date	Original Face	Actual Monthly Premium	WSLIC Std Monthly Premium	WSLIC Adjustment Ratio (AR)	Std Monthly Premium[(1)]	Est. AR	Est. AR/ WSLIC AR
6233609	20L	25	9/1/57	1,000	3.54	3.08	1.14935	3.08	1.14935	100%
6242064	L85	31	11/1/57	1,064	2.79	2.32	1.20259	2.32	1.20259	100%
6244160	30L	1	12/1/57	1,000	1.99	1.69	1.17751	1.69	1.17751	100%
6250398	20L	1	1/1/58	2,000	5.08	4.34	1.17051	4.34	1.17051	100%

(1) Based on "Security Series" rate table for identical plan.

Attachment 21

We also referred to the listings of plans identified in the 1988 Study, taking care to select only those policies which had not been adjusted in 1988, because they were not premium paying at that time.

As of September 15, 2000, we selected all WPI policies on the Master File by plan, age and policy date, regardless of need for adjustment. From this file, we formed our preliminary estimate of the policies, which could potentially require modification.

The Western-Southern Life plans requiring adjustment were identified in a straightforward manner. Plans of the reinsured companies were more difficult to identify, especially for policies which had gone on fully paid-up or reduced paid-up status prior to being reinsured. It was not unheard of for different plans to be co-mingled into one generic plan upon reinsurance. While the total paid-up amount was not in question, master record fields such as issue age, face amount and weekly premium were sometimes either mis-coded or left blank. Many applications were reviewed one-by-one in an effort to determine the plan of issue.

III. Determination of the Adjustment Ratios

For plans, which were issued concurrently to both white and non-white applicants, the Adjustment Ratio was calculated by dividing the non-white weekly premium by the white weekly premium, carried to 5 decimal places. In terms of frequency, this situation was the exception rather than the rule.

For plans issued exclusively to non-white applicants, the Adjustment Ratio was calculated as follows:

a. Determine the gross weekly premium, based upon issue age and issue year, from the appropriate rate manual and express it on a "per thousand" basis.
b. Calculate the annualized premium per thousand by multiplying the result from step a. by 52.14 (i.e., 365 ÷ 7), representing the number of weeks in a calendar year.
c. Calculate the Net Annual Premium, at each issue age, for the benefit provided (including grading, if any) and for the premium-paying period on an appropriate substandard table (either SSI 3½% or 1941 SSI 3%, depending on issue date) using commutation functions.
d. Calculate the Loading by subtracting the results for step c. from the results for step b.
e. Calculate the Net Annual Premium, if any, corresponding to step c. on a standard table (either SI 3½% or 1941 SI 3%, depending on issue date).
f. The Adjustment Ratio is calculated by dividing the gross premium calculated on the substandard table (results of steps [c. + d.]) by the corresponding gross premium calculated on the standard table (results of steps [c. + d.]), rounded to 5 decimal places.

Attachment 22

WSLIC
ODI Race Based Exam
2000/2001 Benefit Adjustment Ratio Calculations - WSLIC WPI

Attachment 22

Policy Number	Plan	IA	Issue Date	A Original Face	B Actual Weekly Premium	C WSLIC Actual Annual Prem Per 1,000	D WSLIC Std Annual Prem Per 1,000	E = C/D WSLIC Adjustment Ratio (AR)	F 1941 SSI Annual Net Prem[1]	G 1941 SI Annual Net Prem[2]	H = 52.14 x B x 1000/A Est. Actual Annual Prem Per 1,000	I = H-F 1941 SSI Absolute Loading	J = G+I Est. Std Annual Prem Per 1,000	K = H/J Est. AR	L = K/E Est. AR/ WSLIC AR
57462007250	6E	7	11/18/57	525	0.25	23.9844	20.97618	1.14341	14.43	11.43	24.8286	10.3986	21.83	1.1374	99.5%
57462007230	6E	13	11/18/57	450	0.25	28.1556	24.32389	1.15753	17.46	13.63	28.9667	11.5067	25.14	1.1524	99.6%
57462000580	6E	14	11/18/57	435	0.25	29.1984	25.22500	1.15752	17.46	13.63	29.9655	12.5055	26.14	1.1465	99.1%
57361010570	6E	20	9/9/57	500	0.33	34.4124	29.85215	1.15276	21.65	17.09	34.4124	12.7624	29.85	1.1528	100.0%
57321011040	L7	9	8/12/57	214	0.10	23.9844	20.37756	1.17700	14.51	10.90	24.3645	9.8545	20.75	1.1739	99.7%
57491005810	L7	9	12/9/57	500	0.23	23.9844	20.37756	1.17700	14.51	10.90	23.9844	9.4744	20.37	1.1772	100.0%
57511001490	L7	21	12/23/57	750	0.48	33.3696	28.24686	1.18136	20.76	15.63	33.3696	12.6096	28.24	1.1817	100.0%
177166160	L7	46	12/9/57	500	0.69	71.9532	64.13287	1.12194	48.77	40.95	71.9532	23.1832	64.13	1.1219	100.0%
176672390	L8	1	10/28/57	750	0.57	39.6264	34.56618	1.14639	26.12	21.00	39.6264	13.5064	34.51	1.1484	100.2%
57491001800	L8	1	12/9/57	500	0.38	39.6264	34.56618	1.14639	26.12	21.00	39.6264	13.5064	34.51	1.1484	100.2%
57331008810	L8	5	8/19/57	500	0.39	40.6692	36.16591	1.12452	24.29	19.79	40.6692	16.3792	36.17	1.1244	100.0%
57512001120	L8	42	12/23/57	340	0.50	76.1244	68.60518	1.10960	50.2	42.68	76.6765	26.4765	69.16	1.1087	99.9%

(1) Per 1,000 based on 1941 SSI mortality table, 2.5% interest.
(2) Per 1,000 based on 1941 SI mortality table, 2.5% interest.

Attachment 22
(Supporting Detail)

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 9 Duration: 1

Premiums: to age 70, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 14.51

Factor: 12.99 Value for Units of Face: $129.90

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 9 Duration: 1

Premiums: to age 70, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 10.90

Factor: 9.68 Value for Units of Face: $96.80

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 21 Duration: 1

Premiums: to age 70, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 20.76

Factor: 16.48 Value for Units of Face: $164.80

Enter rate as X.XXX or X X/X. Press <D> for Double-interest, <S> for Single-interest; Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 21 Duration: 1

Premiums: to age 70, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 15.63

Factor: 13.79 Value for Units of Face: $137.90

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 46 Duration: 1

Premiums: to age 70, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 48.77

Factor: 38.31 Value for Units of Face: $383.10

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 46 Duration: 1

Premiums: to age 70, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 40.95

Factor: 35.02 Value for Units of Face: $350.20

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5% (SSI)

Issue Age: 1 Duration: 1

Premiums: for 18 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 26.12

Factor: 5.54 Value for Units of Face: $55.40

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5% (SI)

Issue Age: 1 Duration: 1

Premiums: for 18 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 21.00

Factor: 5.33 Value for Units of Face: $53.30

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 5 Duration: 1

Premiums: for 18 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 24.29

Factor: 22.26 Value for Units of Face: $222.60

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 5 Duration: 1

Premiums: for 18 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 19.79

Factor: 18.25 Value for Units of Face: $182.50

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 42 Duration: 1

Premiums: for 18 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 50.20

Factor: 41.88 Value for Units of Face: $418.80

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 42 Duration: 1

Premiums: for 18 years, Level

Benefits: for Life, Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 42.68

Factor: 38.42 Value for Units of Face: $384.20

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 7 Duration: 1

Premiums: to age 65, Level

Benefits: to age 65, End't Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 14.43

Factor: 12.69 Value for Units of Face: $126.90

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 7 Duration: 1

Premiums: to age 65, Level

Benefits: to age 65, End't Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 11.43

Factor: 10.05 Value for Units of Face: $100.50

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 13 Duration: 1

Premiums: to age 65, Level

Benefits: to age 65, End't Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 17.46

Factor: 15.59 Value for Units of Face: $155.90

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 13 Duration: 1

Premiums: to age 65, Level

Benefits: to age 65, End't Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 13.63

Factor: 12.54 Value for Units of Face: $125.40

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 14 Duration: 1

Premiums: to age 65, Level

Benefits: to age 65, End't Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 18.04

Factor: 15.89 Value for Units of Face: $158.90

Select <C> for Curtate; <S> for Semicontinuous; <F> for Full Continuous.
Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 14 Duration: 1

Premiums: to age 65, Level

Benefits: to age 65, End't Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 14.07

Factor: 12.92 Value for Units of Face: $129.20

OPTIONS: Press <Enter> for menu selection of tables; #nn loads
Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Substandard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 20 Duration: 1

Premiums: to age 65, Level

Benefits: to age 65, End't Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 21.65

Factor: 17.57 Value for Units of Face: $175.70

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

GENERAL PURPOSE RESERVE CALCULATOR

<F1>:Help; <Q>:Quit

Mortality Table: 1941 Standard Industrial--Age Next

Interest Rate: 2.5%

Issue Age: 20 Duration: 1

Premiums: to age 65, Level

Benefits: to age 65, End't Level

Reserve Parameters: Net Level Premium
Mean
Curtate

Units of Face: 10.000 Unit Net Premium: 17.09

Factor: 15.36 Value for Units of Face: $153.60

OPTIONS: Press <Enter> for menu selection of tables; #nn loads Table nn directly. Cursor Arrows for other variables.

Attachment 23

WSLIC
ODI Race Based Exam
2000/2001 Benefit Adjustment Ratio Calculations - WSLIC WPI
Revised calculations based on "Percentage" basis

Attachment 23

Policy Number	Plan	IA	Issue Date	A Original Face	B Actual Weekly Premium	C WSLIC Actual Annual Prem Per 1,000	D WSLIC Std Annual Prem Per 1,000	E = C/D WSLIC Adjustment Ratio (AR)	F 1941 SSI Annual Net Prem[1]	G 1941 SI Annual Net Prem[2]	H = 52.14 x B x 1000/A Est. Actual Annual Prem Per 1,000	I = H/F 1941 SSI Loading Factor	J = GxI Revised Est. Std. Ann. Prem Per 1,000	K = H/J Revised Est. AR	L = K/E Revised Est. AR/ WSLIC AR
57462007250	6E	7	11/18/57	525	0.25	23.9844	20.97618	1.14341	14.43	11.43	24.8286	1.72	19.67	1.26247	110.4%
57462007230	6E	13	11/18/57	450	0.25	28.1556	24.32389	1.15753	17.46	13.63	28.9667	1.66	22.61	1.28100	110.7%
57462000580	6E	14	11/18/57	435	0.25	29.1984	25.22500	1.15752	17.46	13.63	29.9655	1.72	23.39	1.28100	110.7%
57361010570	6E	20	9/9/57	500	0.33	34.4124	29.85215	1.15276	21.65	17.09	34.4124	1.59	27.16	1.26682	109.9%
57321011040	L7	9	8/12/57	214	0.10	23.9844	20.37756	1.17700	14.51	10.90	24.3645	1.68	18.30	1.33119	113.1%
57491005810	L7	9	12/9/57	500	0.23	23.9844	20.37756	1.17700	14.51	10.90	23.9844	1.65	18.02	1.33119	113.1%
57511001490	L7	21	12/23/57	750	0.48	33.3696	28.24686	1.18136	20.76	15.63	33.3696	1.61	25.12	1.32821	112.4%
177166160	L7	46	12/9/57	500	0.69	71.9532	64.13287	1.12194	48.77	40.95	71.9532	1.48	60.42	1.19096	106.2%
176672390	L8	1	10/28/57	750	0.57	39.6264	34.56618	1.14639	26.12	21.00	39.6264	1.52	31.86	1.24381	108.5%
57491001800	L8	1	12/9/57	500	0.38	39.6264	34.56618	1.14639	26.12	21.00	39.6264	1.52	31.86	1.24381	108.5%
57331008810	L8	5	8/19/57	500	0.39	40.6692	36.16591	1.12452	24.29	19.79	40.6692	1.67	33.13	1.22739	109.1%
57512001120	L8	42	12/23/57	340	0.50	76.1244	68.60518	1.10960	50.20	42.68	76.6765	1.53	65.19	1.17619	106.0%

(1) Per 1,000 based on 1941 SSI mortality table, 2.5% interest.
(2) Per 1,000 based on 1941 SI mortality table, 2.5% interest.

Attachment 24

Western-Southern Life
FOUNDED IN 1888

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OILS ADMINISTRATION
OHIO DEPT. OF INSURANCE

OFFICE OF
VICE PRESIDENT

May 14, 2003

Mr. Daniel H. Huston
Deputy Assistant Director
Office of Investigative & Licensing Services
Ohio Department of Insurance
2100 Stella Court
Columbus, OH 43215

Dear Mr. Huston:

The Company would like to submit the following comments to supplement the report prepared by Actuarial Resources Corporation (ARC) for the state of Ohio. We appreciate the comments in the report citing the diligence of our staff, their extensive analysis and the appropriateness of the methodology they used in identifying policies with race-based premium rates both in 1988 and 2000/2001. As the report notes, given that we were dealing extensively with records we inherited from companies we acquired, our staff faced significant challenges.

There are several points that are either referenced in the report or in the material ARC associates reviewed that we believe are especially significant and, therefore, merit additional description. They are as follows:

- **Policies Issued by Later Acquired Companies** – As the report indicates, the overwhelming majority of the policies in question were issued by companies acquired by Western & Southern and had already been issued prior to Western & Southern's acquisition of the issuer.

- **Western & Southern Practice** – As the report states, Western & Southern has not priced or issued a policy based on race since 1958. Further, the Western & Southern race-based policies discussed in the report were issued during a nine-month period in 1957 and 1958 as a continuation for a brief time of the practice of three of the acquired companies. By 2000, there were only 258 of these policies in force. We estimate that there were only about 1,500 of these policies issued overall during the nine-month time frame.

- **Ohio Experience** – Attachment 19.1 of the report sets forth by state the policies (whether issued by Western & Southern or its acquired companies) which were adjusted in 1988 or 2000-01. Only 20 of the 56,110 (or .036%) are listed under Ohio. All evidence strongly indicates that these 20 policies were issued **outside of Ohio**, with the policyholder having moved into Ohio after issue.

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- **Voluntary Enhancements Made** – As the report notes, the company voluntarily increased the insurance amounts and cash values of the policies in question to address the effects of the race-based premiums. The Ohio Department of Insurance was informed of the calculation method in 1988 and that same method was used in the 2000/2001 adjustments.

- **Further Enhancements** – ARC now recommends a modification of the calculation that in most, but not all, cases will provide a further upward adjustment in values. While the merits of this further enhancement could be debated, in the interest of putting the issue of the calculation method to rest, the company is prepared to implement the recommendation.

- **Extend Enhancement Program** – The report recommends that the enhancement program be extended to certain policies that terminated prior to the implementation dates of the enhancements. Given the very general nature of this recommendation, we cannot react to it until it is discussed further.

Once again, thank you for the opportunity to provide our comments.

Sincerely,

Edward J. Babbitt
Vice President & Senior Counsel