

In answer to the letter from the NAIC on September 7, 2004, we have corrected the following pages: JURAT, 2, 7, 12, 32, 33, 34, 37, 44, E12, E15 and R001 through R025



# HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2003  
OF THE CONDITION AND AFFAIRS OF THE

## THE WELLNESS PLAN

NAIC Group Code 1150 1150 NAIC Company Code 95471 Employer's ID Number 38-2008890  
(Current Period) (Prior Period)

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

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health [ ] Property/Casualty [ ] Dental Service Corporation [ ]  
Vision Service Corporation [ ] Other [ ] Health Maintenance Organization [ X ]  
Hospital, Medical & Dental Service or Indemnity [ ] Is HMO, Federally Qualified? Yes [ X ] No [ ]

Incorporated 11/08/1972 Commenced Business 02/28/1973

Statutory Home Office 7700 SECOND AVENUE, DETROIT, MI 48202-2411  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 7700 SECOND AVENUE  
(Street and Number) DETROIT, MI 48202-2411 313-202-8500-27828  
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 7700 SECOND AVENUE, DETROIT, MI 48202-2411  
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 7700 SECOND AVENUE  
(Street and Number) DETROIT, MI 48202-2411 313-202-8500-27828  
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.wellplan.com

Statutory Statement Contact Rao Kakarala Mr. 313-202-8500-27828  
(Name) (Area Code) (Telephone Number) (Extension)  
rkakarala@wellplan.com 313-202-6870  
(E-mail Address) (FAX Number)

Policyowner Relations Contact 7700 SECOND AVENUE  
(Street and Number) DETROIT, MI 48202-2411 313-202-8500  
(City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

### OFFICERS

President James Eric Gerber Secretary \_\_\_\_\_  
Treasurer \_\_\_\_\_

### VICE PRESIDENTS

### DIRECTORS OR TRUSTEES

Kathleen Callahan Bernard Francis Parker Carol Ann Williams  
Charles Francis Whitten, M.D.

State of Michigan }  
County of Wayne } ss

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

James Eric Gerber  
President  
(Deputy Rehabilitator)

Secretary

Treasurer

Subscribed and sworn to before me this  
20th day of September, 2004

a. Is this an original filing? Yes [ ] No [ X ]  
b. If no,  
1. State the amendment number 2  
2. Date filed 09/20/2004  
3. Number of pages attached 20

Polly J. Jones  
Notary Public Wayne County, MI  
August 17, 2007

**ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN**

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	.0		.0	.0
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	.0		.0	.0
2.2 Common stocks .....	12,120,384	659,080	11,461,304	9,828,328
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			.0	.0
3.2 Other than first liens .....			.0	.0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....	20,275,152		20,275,152	28,422,937
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			.0	.0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			.0	.0
5. Cash (\$ .....20,983,303 , Schedule E, Part 1), cash equivalents (\$ .....12,365,556 , Schedule E, Part 2) and short -term investments (\$ .....0 , Schedule DA).....	33,719,564	370,705	33,348,859	424,053
6. Contract loans, (including \$ .....premium notes)			.0	.0
7. Other invested assets (Schedule BA) .....	1,080,195	.0	1,080,195	(7,441,674)
8. Receivable for securities .....			.0	.0
9. Aggregate write-ins for invested assets .....	.0	.0	.0	541,249
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	67,195,295	1,029,785	66,165,510	31,774,893
11. Investment income due and accrued .....	46,295		46,295	48,522
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection .....	655,510		655,510	1,193,364
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....earned but unbilled premium).....			.0	.0
12.3 Accrued retrospective premium.....			.0	.0
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers .....			.0	.0
13.2 Funds held by or deposited with reinsured companies .....			.0	.0
13.3 Other amounts receivable under reinsurance contracts .....			.0	.0
14. Amounts receivable relating to uninsured plans .....			.0	.0
15.1 Current federal and foreign income tax recoverable and interest thereon .....			.0	.0
15.2 Net deferred tax asset.....			.0	.0
16. Guaranty funds receivable or on deposit .....			.0	.0
17. Electronic data processing equipment and software.....	2,477,122	2,109,610	367,512	3,274,505
18. Furniture and equipment, including health care delivery assets (\$ .....1,402,330 ) .....	3,523,137	318,121	3,205,016	3,899,728
19. Net adjustment in assets and liabilities due to foreign exchange rates .....			.0	.0
20. Receivables from parent, subsidiaries and affiliates .....	10,019	10,019	.0	.0
21. Health care (\$ .....6,948,166 ) and other amounts receivable.....	6,347,592	2,762,735	3,584,857	5,764,227
22. Other assets nonadmitted .....			.0	.0
23. Aggregate write-ins for other than invested assets .....	650,615	650,615	.0	.0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	80,905,585	6,880,885	74,024,700	45,955,239
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	.0
26. Total (Lines 24 and 25)	80,905,585	6,880,885	74,024,700	45,955,239
<b>DETAILS OF WRITE-INS</b>				
0901. Employee Benefit Trust.....			.0	541,249
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.0	.0	.0	.0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	541,249
2301. Employee Advances.....	4,185	4,185	.0	.0
2302. Prepaid Expenses.....	646,430	646,430	.0	.0
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	.0	.0	.0	.0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	650,615	650,615	0	0

**ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN**

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit)**

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-term Care	Other Health	Other Non-Health
1. Net premium income	228,913,367	18,079,282				1,910,277		208,923,808					
2. Change in unearned premium reserves and reserve for rate credit	0												
3. Fee-for-service (net of \$ 516,990 medical expenses)	(31,118)	0										(31,118)	XXX
4. Risk revenue	0												XXX
5. Aggregate write-ins for other health care related revenues	(9,426,846)	(804,758)	0	0	0	(89,343)	0	(8,532,745)	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	219,455,403	17,274,524	0	0	0	1,820,934	0	200,391,063	0	0	0	(31,118)	0
8. Hospital/medical/ benefits	119,062,898	12,182,626				1,352,495		105,527,777					XXX
9. Other professional services	10,458,715	1,057,109				117,358		9,284,248					XXX
10. Outside referrals	4,628,177	131,951				14,649		4,481,577					XXX
11. Emergency room and out-of-area	22,047,100	1,580,530				175,468		20,291,102					XXX
12. Prescription Drugs	30,018,516	3,085,251				342,519		26,590,746					XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	1,971,629	1,009				112		1,970,508					XXX
15. Subtotal (Lines 8 to 14)	188,187,035	18,038,476	0	0	0	2,002,601	0	168,145,958	0	0	0	0	XXX
16. Net reinsurance recoveries	0												XXX
17. Total medical and hospital (Lines 15 minus 16)	188,187,035	18,038,476	0	0	0	2,002,601	0	168,145,958	0	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses	1,523,800	83,756				9,298		1,430,746					
20. General administrative expenses	26,520,096	2,985,818				331,481		23,202,797					
21. Increase in reserves for accident and health contracts	(2,125,000)	(1,912,660)				(212,340)							XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	214,105,931	19,195,390	0	0	0	2,131,040	0	192,779,501	0	0	0	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	5,349,472	(1,920,866)	0	0	0	(310,106)	0	7,611,562	0	0	0	(31,118)	0
<b>DETAILS OF WRITE-INS</b>													
0501. QAAP Provider Tax	(9,525,638)	(804,758)				(89,343)		(8,631,537)					XXX
0502. Miscellaneous Revenue	98,792							98,792					XXX
0503.													XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	(9,426,846)	(804,758)	0	0	0	(89,343)	0	(8,532,745)	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.													XXX
1302.													XXX
1303.													XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	0	0	0	XXX

QAAP Premium taxes were netted against Premium Income for RBC reporting purposes.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A – Paid Health Claims - Hospital and Medical**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	8,751	9,278	9,385	9,387	9,387
2. 1999 .....	13,749	20,388	20,859	20,888	20,888
3. 2000 .....	XXX	16,383	23,155	23,375	23,375
4. 2001 .....	XXX	XXX	24,056	31,079	31,079
5. 2002 .....	XXX	XXX	XXX	28,282	29,785
6. 2003 .....	XXX	XXX	XXX	XXX	15,688

**Section B – Incurred Health Claims - Hospital and Medical**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	8,936	9,350	9,385	9,387	9,387
2. 1999 .....	17,858	20,865	20,859	20,889	20,888
3. 2000 .....	XXX	22,352	23,155	23,375	23,375
4. 2001 .....	XXX	XXX	33,569	31,252	31,079
5. 2002 .....	XXX	XXX	XXX	31,543	30,104
6. 2003 .....	XXX	XXX	XXX	XXX	19,649

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to 1999 .....	XXX			XXX	.0	XXX			.0	XXX
2. 1999 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 2000 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 2001 .....	25,319	31,406	401	1.3	31,807	125.6	.0	.0	31,807	125.6
5. 2002 .....	26,072	35,556	135	0.4	35,691	136.9	496	7	36,194	150.9
6. 2003 .....	18,079	17,191	61	0.4	17,252	95.4	3,961	54	21,267	117.6
7. Total (Lines 1 through 6)	XXX	84,153	597	XXX	84,750	XXX	4,457	61	89,268	XXX
8. Total (Lines 2 through 6)	69,470	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A – Paid Health Claims - Medicare Supplement**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.0	.0	
2. 1999 .....	.0	.0	.0	.0	
3. 2000 .....	XXX	.0	.0	.0	
4. 2001 .....	XXX	XXX	.0	.0	
5. 2002 .....	XXX	XXX	XXX	.0	
6. 2003 .....	XXX	XXX	XXX	XXX	

**Section B - Incurred Health Claims - Medicare Supplement**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1	2	3	4	5
1. Prior .....					
2. ....					
3. ....	XXX				
4. ....	XXX	XXX			
5. ....	XXX	XXX	XXX		
6. ....	XXX	XXX	XXX	XXX	

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare Supplement**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to .....	XXX			XXX		XXX				XXX
2. ....										
3. ....										
4. ....										
5. ....										
6. ....										
7. Total (Lines 1 through 6)	XXX			XXX		XXX				XXX
8. Total (Lines 2 through 6)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A – Paid Health Claims - Dental Only**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.0	.0	
2. 1999 .....	.0	.0	.0	.0	
3. 2000 .....	XXX	.0	.0	.0	
4. 2001 .....	XXX	XXX	.0	.0	
5. 2002 .....	XXX	XXX	XXX	.0	
6. 2003 .....	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims - Dental Only**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1	2	3	4	5
1. Prior .....					
2. ....					
3. ....	XXX				
4. ....	XXX	XXX			
5. ....	XXX	XXX	XXX		
6. ....	XXX	XXX	XXX	XXX	

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Dental Only**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to .....	XXX			XXX		XXX				XXX
2. ....										
3. ....										
4. ....										
5. ....										
6. ....										
7. Total (Lines 1 through 6)	XXX			XXX		XXX				XXX
8. Total (Lines 2 through 6)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A – Paid Health Claims - Vision Only**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.0	.0	
2. 1999 .....	.0	.0	.0	.0	
3. 2000 .....	XXX	.0	.0	.0	
4. 2001 .....	XXX	XXX	.0	.0	
5. 2002 .....	XXX	XXX	XXX	.0	
6. 2003 .....	XXX	XXX	XXX	XXX	

**Section B - Incurred Health Claims - Vision Only**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1	2	3	4	5
1. Prior .....					
2. ....					
3. ....	XXX				
4. ....	XXX	XXX			
5. ....	XXX	XXX	XXX		
6. ....	XXX	XXX	XXX	XXX	

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Vision Only**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to .....	XXX			XXX		XXX				XXX
2. ....										
3. ....										
4. ....										
5. ....										
6. ....										
7. Total (Lines 1 through 6)	XXX			XXX		XXX				XXX
8. Total (Lines 2 through 6)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A – Paid Health Claims - Federal Employees Health Benefits Plan Premium**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.9	.9	.9
2. 1999 .....	.0	.0	.39	.41	.41
3. 2000 .....	XXX	.0	508	522	522
4. 2001 .....	XXX	XXX	1,270	1,708	1,708
5. 2002 .....	XXX	XXX	XXX	1,762	1,940
6. 2003 .....	XXX	XXX	XXX	XXX	1,604

**Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.9	.9	.9
2. 1999 .....	.0	.0	.39	.41	.41
3. 2000 .....	XXX	.0	523	522	522
4. 2001 .....	XXX	XXX	2,110	1,721	1,708
5. 2002 .....	XXX	XXX	XXX	2,008	1,976
6. 2003 .....	XXX	XXX	XXX	XXX	2,048

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Federal Employees Health Benefits Plan Premium**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to 1999 .....	XXX			XXX	.0	XXX			.0	XXX
2. 1999 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 2000 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 2001 .....	1,954	1,825	31	1.7	1,856	95.0	.0	.0	1,856	95.0
5. 2002 .....	1,962	2,216	10	0.5	2,226	113.5	49	1	2,276	116.0
6. 2003 .....	1,910	1,782	6	0.3	1,788	93.6	444	6	2,238	117.2
7. Total (Lines 1 through 6)	XXX	5,823	47	XXX	5,870	XXX	493	7	6,370	XXX
8. Total (Lines 2 through 6)	5,826	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

12

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A - Paid Health Claims - Medicare**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.0	.0	
2. 1999 .....	.0	.0	.0	.0	
3. 2000 .....	XXX	.0	.0	.0	
4. 2001 .....	XXX	XXX	.0	.0	
5. 2002 .....	XXX	XXX	XXX	.0	
6. 2003 .....	XXX	XXX	XXX	XXX	

**Section B - Incurred Health Claims - Medicare**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1	2	3	4	5
1. Prior .....					
2. ....					
3. ....	XXX				
4. ....	XXX	XXX			
5. ....	XXX	XXX	XXX		
6. ....	XXX	XXX	XXX	XXX	

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to .....	XXX			XXX		XXX				XXX
2. ....										
3. ....										
4. ....										
5. ....										
6. ....										
7. Total (Lines 1 through 6)	XXX			XXX		XXX				XXX
8. Total (Lines 2 through 6)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A - Paid Health Claims - Title XIX Medicaid**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.76,043	.79,906	.80,766	.80,775	.80,775
2. 1999 .....	119,465	168,153	172,062	172,224	172,224
3. 2000 .....	XXX	120,143	174,025	175,238	175,238
4. 2001 .....	XXX	XXX	154,056	192,704	192,704
5. 2002 .....	XXX	XXX	XXX	155,619	171,198
6. 2003 .....	XXX	XXX	XXX	XXX	136,588

**Section B – Incurred Health Claims - Title XIX Medicaid**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.77,390	.80,438	.80,766	.80,775	.80,775
2. 1999 .....	149,600	171,653	172,062	172,224	172,224
3. 2000 .....	XXX	163,918	177,025	175,238	175,238
4. 2001 .....	XXX	XXX	187,775	194,061	192,704
5. 2002 .....	XXX	XXX	XXX	181,335	174,319
6. 2003 .....	XXX	XXX	XXX	XXX	174,548

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Title XIX Medicaid**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to 1999 .....	XXX			XXX	.0	XXX			.0	XXX
2. 1999 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 2000 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 2001 .....	221,055	212,705	3,507	1.6	216,212	97.8	.0	.0	216,212	97.8
5. 2002 .....	205,588	195,651	1,073	0.5	196,724	95.7	4,733	.65	201,522	98.0
6. 2003 .....	208,924	152,167	1,115	0.7	153,282	73.4	39,708	544	193,534	92.6
7. Total (Lines 1 through 6)	XXX	560,523	5,695	XXX	566,218	XXX	44,441	609	611,268	XXX
8. Total (Lines 2 through 6)	635,567	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

12

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A - Paid Health Claims - Other**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.0	.0	.0
2. 1999 .....	.0	.0	.0	.0	.0
3. 2000 .....	XXX	.0	.0	.0	.0
4. 2001 .....	XXX	XXX	.0	.0	.0
5. 2002 .....	XXX	XXX	XXX	.0	.0
6. 2003 .....	XXX	XXX	XXX	XXX	0

**Section B – Incurred Health Claims - Other**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1	2	3	4	5
1. Prior .....					
2. ....					
3. ....	XXX				
4. ....	XXX	XXX			
5. ....	XXX	XXX	XXX		
6. ....	XXX	XXX	XXX	XXX	

**Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Other**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to .....	XXX			XXX		XXX				XXX
2. ....										
3. ....										
4. ....										
5. ....										
6. ....										
7. Total (Lines 1 through 6)	XXX			XXX		XXX			XXX	XXX
8. Total (Lines 2 through 6)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**  
 (000 Omitted)

**Section A - Paid Health Claims - Grand Total**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.84,794	.89,184	.90,160	.90,171	.90,171
2. 1999 .....	133,214	188,541	192,960	193,153	193,153
3. 2000 .....	XXX	136,526	197,688	199,135	199,135
4. 2001 .....	XXX	XXX	179,382	225,491	225,491
5. 2002 .....	XXX	XXX	XXX	185,663	202,923
6. 2003 .....	XXX	XXX	XXX	XXX	153,880

**Section B - Incurred Health Claims - Grand Total**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.86,326	.89,788	.90,160	.90,171	.90,171
2. 1999 .....	167,458	192,518	192,960	193,154	193,153
3. 2000 .....	XXX	186,270	200,703	199,135	199,135
4. 2001 .....	XXX	XXX	223,454	227,034	225,491
5. 2002 .....	XXX	XXX	XXX	214,886	206,399
6. 2003 .....	XXX	XXX	XXX	XXX	196,245

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. Prior to 1999.....	XXX	.0	.0	XXX	.0	XXX	.0	.0	.0	XXX
2. 1999.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 2000.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 2001.....	248,328	245,936	3,939	1.6	249,875	100.6	.0	.0	249,875	100.6
5. 2002.....	233,622	233,423	1,218	0.5	234,641	100.4	5,278	.73	239,992	102.7
6. 2003.....	228,913	171,140	1,182	0.7	172,322	75.3	44,113	604	217,039	94.8
7. Total (Lines 1 through 6)	XXX	650,499	6,339	XXX	656,838	XXX	49,391	677	706,906	XXX
8. Total (Lines 2 through 6)	710,863	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

# GENERAL INTERROGATORIES

(continued)

## PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]  
 1.2 If yes, indicate premium earned on U. S. business only ..... \$ .....  
 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ .....  
     1.31 Reason for excluding .....

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .... \$ .....  
 1.5 Indicate total incurred claims on all Medicare Supplement Insurance. .... \$ .....

- 1.6 Individual policies:  
     Most current three years:  
     1.61 Total premium earned ..... \$ .....0  
     1.62 Total incurred claims ..... \$ .....0  
     1.63 Number of covered lives ..... \$ .....0  
     All years prior to most current three years:  
     1.64 Total premium earned ..... \$ .....0  
     1.65 Total incurred claims ..... \$ .....0  
     1.66 Number of covered lives ..... \$ .....0

- 1.7 Group policies:  
     Most current three years:  
     1.71 Total premium earned ..... \$ .....0  
     1.72 Total incurred claims ..... \$ .....0  
     1.73 Number of covered lives ..... \$ .....0  
     All years prior to most current three years:  
     1.74 Total premium earned ..... \$ .....0  
     1.75 Total incurred claims ..... \$ .....0  
     1.76 Number of covered lives ..... \$ .....0

2. Health Test:

	1 Current Year		2 Prior Year	
2.1 Premium Numerator	\$	228,913,367	\$	234,207,470
2.2 Premium Denominator	\$	228,913,367	\$	234,207,470
2.3 Premium Ratio (2.1/2.2)		1.000		1.000
2.4 Reserve Numerator	\$	49,616,456	\$	34,693,492
2.5 Reserve Denominator	\$	49,616,456	\$	34,693,492
2.6 Reserve Ratio (2.4/2.5)		1.000		1.000

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? ..... Yes [ ] No [ X ]

3.2 If yes, give particulars:

- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and departments been filed with the appropriate regulatory agency? ..... Yes [ X ] No [ ]  
 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? ..... Yes [ X ] No [ ]  
 5.1 Does the reporting entity have stop-loss reinsurance? ..... Yes [ X ] No [ ]

5.2 If no, explain:

Self Insured Trust

- 5.3 Maximum retained risk (see instructions)  
     5.31 Comprehensive Medical ..... \$ .....  
     5.32 Medical Only ..... \$ .....  
     5.33 Medicare Supplement ..... \$ .....  
     5.34 Dental ..... \$ .....  
     5.35 Other Limited Benefit Plan ..... \$ .....  
     5.36 Other ..... \$ .....

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

- 7.1 Does the reporting entity set up its claim liability for provider services on a service data base? ..... Yes [ X ] No [ ]

7.2 If no, give details:

8. Provide the following Information regarding participating providers:

- 8.1 Number of providers at start of reporting year ..... 2,669  
 8.2 Number of providers at end of reporting year ..... 2,491

- 9.1 Does the reporting entity have business subject to premium rate guarantees? ..... Yes [ ] No [ X ]

9.2 If yes, direct premium earned:

- 9.21 Business with rate guarantees between 15-36 months .....  
 9.22 Business with rate guarantees over 36 months .....

## GENERAL INTERROGATORIES

(continued)

### PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold and Bonus/ Arrangements in its provider contract? ..... Yes [  ] No [  ]
- 10.2 If yes:
- |  |   |         |         |
|--|---|---------|---------|
|  | 10.21 Maximum amount payable bonuses .....          | \$..... | 0       |
|  | 10.22 Amount actually paid for year bonuses .....   | \$..... | 0       |
|  | 10.23 Maximum amount payable withholds .....        | \$..... | 425,750 |
|  | 10.24 Amount actually paid for year withholds ..... | \$..... | 308,019 |
- 11.1 Is the reporting entity organized as:
- |  |   |   |  |
|--|---|---|--|
|  | 11.12 A Medical Group/Staff Model, .....                  | Yes [ <input type="checkbox"/> ]            | No [ <input checked="" type="checkbox"/> ] |
|  | 11.13 An Individual Practice Association (IPA), or, ..... | Yes [ <input type="checkbox"/> ]            | No [ <input checked="" type="checkbox"/> ] |
|  | 11.14 A Mixed Model (combination of above) ?.....         | Yes [ <input checked="" type="checkbox"/> ] | No [ <input type="checkbox"/> ]            |
- 11.2 Is the reporting entity subject to Minimum Net Worth Requirements? ..... Yes [  ] No [  ]
- 11.3 If yes, show the name of the state requiring such net worth. .... Michigan
- 11.4 If yes, show the amount required. .... \$.....13,823,378
- 11.5 Is this amount included as part of a contingency reserve in stockholders equity? ..... Yes [  ] No [  ]
- 11.6 If the amount is calculated, show the calculation.  
 The amount was determined in the Risk Based Capital submission.
12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Genesee.....
Lapeer.....
Macomb.....
Muskegon.....
Oakland.....
Oceana.....
Wayne.....

**FIVE-YEAR HISTORICAL DATA**

	1 2003	2 2002	3 2001	4 2000	5 1999
<b>BALANCE SHEET ITEMS (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 26) .....	74,024,700	45,955,239	74,201,337	79,455,321	88,596,628
2. Total liabilities (Page 3, Line 22) .....	65,418,528	42,728,075	62,522,989	67,415,861	72,856,557
3. Statutory surplus .....	13,780,068	18,785,360	0	0	0
4. Total capital and surplus (Page 3, Line 30) .....	8,606,172	3,227,164	11,678,348	12,039,460	15,740,071
<b>INCOME STATEMENT ITEMS (Page 4)</b>					
5. Total revenues (Line 8) .....	219,455,403	234,140,772	251,578,503	241,089,648	226,174,451
6. Total medical and hospital expenses (Line 18) .....	188,187,035	218,466,040	216,053,917	214,794,275	213,199,854
7. Total administrative expenses (Line 21) .....	26,520,096	24,874,177	29,599,001	32,710,823	36,784,581
8. Net underwriting gain (loss) (Line 24) .....	5,349,472	(9,126,438)	(1,989,489)	(11,129,779)	(23,809,984)
9. Net investment gain (loss) (Line 27) .....	(253,472)	1,189,578	2,026,104	2,295,639	2,167,597
10. Total other income (Lines 28 plus 29) .....	0	0	(397,726)	5,133,528	981,770
11. Net income (loss) (Line 32) .....	5,096,000	(7,936,860)	(361,111)	(3,700,612)	(23,809,984)
<b>RISK - BASED CAPITAL ANALYSIS</b>					
12. Total adjusted capital .....	8,606,172	3,227,164	11,678,348	12,039,460	15,982,839
13. Authorized control level risk-based capital .....	6,911,689	9,392,680	8,819,788	9,105,698	7,962,894
<b>ENROLLMENT (Exhibit 2)</b>					
14. Total members at end of period (Column 5, Line 7) .....	110,453	118,685	134,548	134,123	141,518
15. Total member months (Column 6, Line 7) .....	1,375,374	1,530,915	1,596,772	1,662,272	1,653,996
<b>OPERATING PERCENTAGE (Page 4)</b>					
<b>(Item divided by Page 4, sum of Lines 2, 3 and 5)</b>					
16. Premiums earned (Lines 2 plus 3) .....	100.0	100.0	100.0	100.0	100.0
17. Total hospital and medical (Line 18) .....	82.2	93.3	87.0	89.8	95.3
18. Total underwriting deductions (Line 23) .....	93.5	103.9	102.1	105.4	112.5
19. Total underwriting gain (loss) (Line 24) .....	2.3	(3.9)	(0.8)	(4.7)	(10.7)
<b>UNPAID CLAIMS ANALYSIS</b>					
<b>(U&amp;I Exhibit, Part 2B)</b>					
20. Total claims incurred for prior years (Line 12, Col. 5) .....	22,537,687	48,830,224	58,015,682	41,419,775	57,489,777
21. Estimated liability of unpaid claims – [prior year (Line 12, Col. 6)] .....	32,343,492	47,728,559	56,585,235	35,775,433	27,617,333
<b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>					
22. Affiliated bonds (Sch. D Summary, Line 25, Col. 1) .....	0	0	0	0	0
23. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1) .....	0	0	0	0	0
24. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2) .....	0	0	0	0	0
25. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11) .....	0	0	0	0	0
26. Affiliated mortgage loans on real estate .....	0	0	0	0	0
27. All other affiliated .....	0	0	0	0	0
28. Total of above Lines 22 to 27 .....	0	0	0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2003 OF THE THE WELLNESS PLAN**

**SCHEDULE D - SUMMARY BY COUNTRY**

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

Description	1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b>				
1. United States .....	0	0	0	0
Governments (Including all obligations guaranteed by governments)				
2. Canada .....	0	0	0	0
3. Other Countries .....	0	0	0	0
4. Totals .....	0	0	0	0
States, Territories and Possessions (Direct and guaranteed)				
5. United States .....	0	0	0	0
6. Canada .....	0	0	0	0
7. Other Countries .....	0	0	0	0
8. Totals .....	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)				
9. United States .....	0	0	0	0
10. Canada .....	0	0	0	0
11. Other Countries .....	0	0	0	0
12. Totals .....	0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions				
13. United States .....	0	0	0	0
14. Canada .....	0	0	0	0
15. Other Countries .....	0	0	0	0
16. Totals .....	0	0	0	0
Public Utilities (unaffiliated)				
17. United States .....	0	0	0	0
18. Canada .....	0	0	0	0
19. Other Countries .....	0	0	0	0
20. Totals .....	0	0	0	0
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)				
21. United States .....	0	0	0	0
22. Canada .....	0	0	0	0
23. Other Countries .....	0	0	0	0
24. Totals .....	0	0	0	0
Parent, Subsidiaries and Affiliates				
25. Totals .....	0	0	0	0
26. <b>Total Bonds</b> .....	0	0	0	0
<b>PREFERRED STOCKS</b>				
27. United States .....	0	0	0	
Public Utilities (unaffiliated)				
28. Canada .....	0	0	0	
29. Other Countries .....	0	0	0	
30. Totals .....	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)				
31. United States .....	0	0	0	
32. Canada .....	0	0	0	
33. Other Countries .....	0	0	0	
34. Totals .....	0	0	0	
Industrial and Miscellaneous (unaffiliated)				
35. United States .....	0	0	0	
36. Canada .....	0	0	0	
37. Other Countries .....	0	0	0	
38. Totals .....	0	0	0	
Parent, Subsidiaries and Affiliates				
39. Totals .....	0	0	0	
40. <b>Total Preferred Stocks</b> .....	0	0	0	
<b>COMMON STOCKS</b>				
41. United States .....	0	0	0	
Public Utilities (unaffiliated)				
42. Canada .....	0	0	0	
43. Other Countries .....	0	0	0	
44. Totals .....	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)				
45. United States .....	0	0	0	
46. Canada .....	0	0	0	
47. Other Countries .....	0	0	0	
48. Totals .....	0	0	0	
Industrial and Miscellaneous (unaffiliated)				
49. United States .....	12,120,384	12,120,384	12,083,966	
50. Canada .....	0	0	0	
51. Other Countries .....	0	0	0	
52. Totals .....	12,120,384	12,120,384	12,083,966	
Parent, Subsidiaries and Affiliates				
53. Totals .....	0	0	0	
54. <b>Total Common Stocks</b> .....	12,120,384	12,120,384	12,083,966	
55. <b>Total Stocks</b> .....	12,120,384	12,120,384	12,083,966	
56. <b>Total Bonds and Stocks</b> .....	12,120,384	12,120,384	12,083,966	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$ .....

**SCHEDULE D - VERIFICATION BETWEEN YEARS**

1. Book/adjusted carrying value of bonds and stocks, prior year .....	9,828,328	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3 .....	10,553,027	6.1 Column 17, Part 1 .....	0
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Sec. 1 .....	0
3.1 Column 16, Part 1 .....	0	6.3 Column 11, Part 2, Sec. 2 .....	0
3.2 Column 12, Part 2, Sec. 1 .....	0	6.4 Column 11, Part 4 .....	0
3.3 Column 10, Part 2, Sec. 2 .....	85,219	7. Book/adjusted carrying value at end of current period .....	12,120,384
3.4 Column 10, Part 4 .....	0	8. Total valuation allowance .....	0
4. Total gain (loss), Col. 14, Part 4 .....	101,360	9. Subtotal (Lines 7 plus 8) .....	12,120,384
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4 .....	8,447,550	10. Total nonadmitted amounts .....	659,080
		11. Statement value of bonds and stocks, current period .....	11,461,304