

USable Life
Consolidated Balance Sheet
December 31, 2007

Assets

Cash and cash equivalents	11,296,627
Investments available for sale	193,562,663
Receivables	72,366,372
Property and equipment, net	4,947,540
Deferred acquisition costs	27,097,168
Other assets	15,086,110
Total assets	<u><u>324,356,480</u></u>

Liabilities and members' equity:

Liabilities:

Policy liabilities	138,903,752
Policyholder account balances	15,878,639
Accounts payable and accrued liabilities	26,919,121
Deferred income taxes	8,665,501
Total liabilities	<u>190,367,013</u>

Stockholder' equity

Common stock	2,500,000
Additional paid-in capital	500,000
Unrealized holding gains/(losses)	15,132,858
Retained earnings	115,856,609
Total stockholders' equity	<u>133,989,467</u>

Total liabilities and stockholders' equity	<u><u>324,356,480</u></u>
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USable Life
Consolidated Income Statement
For the year ended December 31, 2007

Revenues:

Gross premiums	241,057,027
Premiums ceded under reinsurance	<u>37,256,355</u>
Premiums, net	203,800,672
Other revenues	3,649,088
Investment income	<u>13,671,456</u>
Total revenues	221,121,216

Operating expenses:

Claims, net	126,846,593
Increase in liability for future policy benefits	9,480,656
Commissions & administrative expenses	<u>78,434,912</u>
Total operating expenses	214,762,161

Income before income tax provision 6,359,055

Income tax provision 1,262,304

Net income 5,096,751