

**U.S. Life Insurance Company  
 Income Tax Return**

PLEASE TYPE OR PRINT

Name _____	<b>a Employer identification number</b> _____
Number and street _____ _____	<b>b Date and place incorporated</b> _____
City or town, State, and ZIP code _____	
<b>c Check if a—</b> <input type="checkbox"/> Legal reserve company—If so, check Type of company— <input type="checkbox"/> Stock <input type="checkbox"/> Mutual Principal business— <input type="checkbox"/> Life insurance <input type="checkbox"/> Health and accident insurance <input type="checkbox"/> Fraternal or assessment association <input type="checkbox"/> Burial or other insurance company (See instruction A)	<b>d Do you have any variable annuity contracts outstanding?</b> Yes <input type="checkbox"/> No <input type="checkbox"/> <b>e Do you have any segregated asset accounts?</b> Yes <input type="checkbox"/> No <input type="checkbox"/> (If "Yes," see instruction P.) <b>f Were you a member of a controlled group subject to the provisions of section 1561? Yes <input type="checkbox"/> No <input type="checkbox"/> or section 1562? Yes <input type="checkbox"/> No <input type="checkbox"/> If "Yes," check type of relationship: (1) parent-subsidiary <input type="checkbox"/>; (2) brother-sister <input type="checkbox"/>; (3) combination of (1) and (2) <input type="checkbox"/>; (see section 1563).</b>
	<b>g Amount of total insurance liabilities. (See instruction O.)</b> _____ <b>h State the percentage that the total of your life insurance reserves (Sec. 801(b)), plus unearned premiums, and unpaid losses (whether or not ascertained), on noncancellable life, health, or accident policies not included in life insurance reserves, is to your total reserves (Sec. 801(c)). Attach schedule.</b> _____ %

<b>TAXABLE INCOME</b>	1 (a) Taxable investment income (Schedule C) . . . . . (b) Gain from operations (Schedule E) (If a loss, enter zero). . . . . (c) The smaller of (a) or (b) . . . . . 2 50 percent of the excess, if any, of 1(b) over 1(a). . . . . 3 Amount subtracted from policyholders' surplus account (line 5, Schedule G) . . . . . 4 Life insurance company taxable income (total of lines 1(c), 2, and 3) . . . . .	
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<b>TAX COMPUTATION</b>	5 Surtax exemption—Enter line 4 or \$25,000, whichever is lesser. (Component members of a controlled group: see page 7 of instructions and enter your surtax exemption or line 4, whichever is lesser.) . . . . . 6 Line 4 less line 5 . . . . . 7 (a) 22 percent of line 4 . . . . . (b) 26 percent of line 6 . . . . . (c) If multiple surtax exemption is elected under section 1562, enter 6 percent of line 5 . . . . .	
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<b>TAX</b>	8 Income tax: (a) The lesser of line 7 (above) or line 29 of separate Schedule D . . . . . (b) Surcharge—enter 2½% of line 8(a) . . . . . 9 Foreign tax credit (attach Form 1118) . . . . . 10 Balance (line 8 less line 9) . . . . . 11 Investment credit (attach Form 3468) . . . . . 12 Balance of tax (line 10 less line 11) . . . . . 13 Foreign Corporations—tax on income not connected with U.S. business (see Tax Computation instructions). . . . . 14 Tax from recomputing prior year investment credit (attach Form 4255) . . . . . 15 Minimum tax on tax preference items (see instructions). Check here <input type="checkbox"/> if Form 4626 is attached . . . . . 16 Total tax (add lines 12, 13, 14, and 15) . . . . . 17 <b>Credits:</b> (a) Tax paid (deposited) with Form 7004 application for extension (attach copy) . . . . . (b) Estimated tax—Overpayment from 1969 allowed as a credit . . . . . 1970 estimated tax payments (deposits) . . . . . Less refund of 1970 estimated tax applied for on Form 4466 . . . . . ( ) (c) Credit from regulated investment companies (attach Form 2439) . . . . . (d) Other tax credits (see Tax Computation instructions) . . . . . 18 <b>TAX DUE</b> (line 16 less line 17). See instr. F for depository method of payment . . . . . → 19 <b>OVERPAYMENT</b> (line 17 less line 16) . . . . . → 20 Enter amount of line 19 you want: Credited on 1971 estimated tax ▶ Refunded ▶	
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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than the taxpayer, his declaration is based on all information of which he has any knowledge.

<b>CORPORATE SEAL</b>	Date	Signature of officer	Title
	Date	Individual or firm signature of preparer	Address

**SCHEDULE A.—INVESTMENT YIELD (See instructions)**

		1. Interest	2. Accrual of discount	3. Amortization of premium	4. Total (For line 1: column 1 plus column 2 less column 3)
<b>GROSS INVESTMENT INCOME</b>	<b>1 Interest:</b>				
	(a) Wholly exempt obligations (attach schedule)				
	(b) U.S. obligations and U.S. instrumentalities				
	(c) Loans, notes, mortgages, bank deposits, bonds, debentures, etc.				
	Totals				
	<b>2 Dividends (see instructions):</b>				
	(a) Domestic corporations subject to 85% deduction				
	(b) Certain preferred stock of public utilities				
	(c) Foreign corporations subject to 85% deduction				
	(d) Qualifying dividends received from affiliated groups and subject to the 100% deduction (section 243(a)(3))				
(e) Qualifying dividends received from affiliated groups and subject to the provisions of section 1564(b)					
(f) Other (attach schedule)					
<b>3 Gross rents (attach schedule)</b>					
<b>4 Gross royalties (attach schedule)</b>					
<b>5 Leases, terminations, etc.</b>					
<b>6 Net short-term capital gain reduced by any net long-term capital loss (line 9, separate Schedule D)</b>					
<b>7 Gross income from trade or business other than insurance business (attach schedule)</b>					
<b>8 GROSS INVESTMENT INCOME (total lines 1–7)</b>					
<b>DEDUCTIONS</b>	<b>9 Investment expenses (attach schedule) (see Schedule H)</b>				
	<b>10 Real estate expenses (attach schedule)</b>				
	<b>11 Depreciation (Schedule K)</b>				
	<b>12 Depletion (attach schedule)</b>				
	<b>13 Trade or business deductions as provided in section 804(c)(5) (attach schedule)</b>				
	<b>14 Total deductions (lines 9–13)</b>				
	<b>15 INVESTMENT YIELD (line 8 less line 14)</b>				

**SCHEDULE B.—PART I—POLICY AND OTHER CONTRACT LIABILITY REQUIREMENTS (Sec. 805(a)) (See instructions)**

<b>1</b> Adjusted life insurance reserves (from Part VI)		
<b>2</b> Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III)		%
<b>3</b> Pension plan reserves (line 5, col. 7, Part V)		
<b>4</b> Multiplied by the current earnings rate (line 1, Part III)		%
<b>5</b> Interest paid (from Part VII)		
<b>6</b> Policy and other contract liability requirements (total of lines 2, 4, and 5)		

**PART II—ASSETS (Sec. 805(b)(4))**

	1. Beginning of taxable year	2. End of taxable year	3. Mean of column 1 and column 2 *
<b>1</b> Real estate			
<b>2</b> Mortgages: (a) Without service fees			
(b) With service fees			
<b>3</b> Collateral loans			
<b>4</b> Policy loans, including premium notes			
<b>5</b> Corporate bonds			
<b>6</b> Stocks			
<b>7</b> Government obligations, etc. (Submit detailed schedule)			
<b>8</b> Bank deposits, cash, etc.			
<b>9</b> Other assets (attach schedule)			
<b>10</b> Totals			

\* Adjusted under section 806(a)—see instructions (attach schedule)

**PART III—EARNINGS RATES (Sec. 805(b))**

<b>1</b> Current earnings rate (line 15, Schedule A, divided by line 10, column 3, Part II)	%
<b>2</b> Earnings rate for first preceding year (attach schedule)	%
<b>3</b> Earnings rate for second preceding year (attach schedule)	%
<b>4</b> Earnings rate for third preceding year (attach schedule)	%
<b>5</b> Earnings rate for fourth preceding year (attach schedule)	%
<b>6</b> Total (lines 1–5)	%
<b>7</b> Average earnings rate (see instructions)	%

PART IV—AVERAGE INTEREST RATE ASSUMED (Sec. 805(c)(2))

Table with 8 columns: 1. Nature of reserve, 2. Assumed morbidity or mortality table, 3. Assumed interest rate, 4. Method of computation, 5. Amount of reserve at beginning of taxable year, 6. Amount of reserve at end of taxable year, 7. Mean of columns 5 and 6, 8. Column 3 times column 7. Includes a row for 'Totals' and a calculation row for 'Average rate of interest assumed...'.

PART V—PENSION PLAN RESERVES (Sec. 805(d))

Table with 8 columns for pension plan reserves: 1. Section 805(d)(1)(A) reserves, 2. Section 805(d)(1)(B) reserves, 3. Section 805(d)(1)(C) reserves, 4. Section 805(d)(1)(D) reserves, 5. Totals. Includes a row for 'Totals' with '\*\*\*' in column 7.

\* See instructions for secs. 806(b) and 818(c) adjustments. \*\* Adjusted under sec. 806(a) (attach schedule). \*\*\* Also enter on line 3, Schedule B, Part I.

PART VI—ADJUSTED LIFE INSURANCE RESERVES (Sec. 805(c)(1))

Table for adjusted life insurance reserves with 8 columns. Includes rows for: 1. Mean of the reserves, 2(a) 100%, (b) Plus 10 times the average rate of interest assumed, (c) Total, (d) 10 times the adjusted reserves rate, (e) Line (c) less line (d), 3. Adjusted life insurance reserves.

PART VII—INTEREST PAID (Sec. 805(e))

Table for interest paid with 8 columns. Includes rows for: 1. Interest on indebtedness, 2. Amounts in the nature of interest, 3. Discount on prepaid premiums, 4. Interest on certain special contingency reserves, 5. Total interest paid.

SCHEDULE C.—TAXABLE INVESTMENT INCOME (See instructions)

Table for taxable investment income with 8 columns. Includes rows for: 1. Policyholders' share, 2. Company's share, 3. Total (100%).

Main table for Schedule C with 8 columns. Includes rows for: 4. Interest wholly tax-exempt, 5(a-f) Dividends from line 2(a-f), 6. Other items of investment yield, 7. Net long-term capital gain, 8. Total (lines 4-7).

REDUCTIONS

Table for reductions with 8 columns. Includes rows for: 9. Interest wholly tax-exempt, 10. Dividends-received deduction (a-d), 11. Small business deduction, 12. Total (lines 9, 10(d), and 11), 13. Taxable investment income.

<b>1</b> Policyholder's share (sec. 809) (line 6, Schedule E-1, divided by line 15, Schedule A), but not to exceed 100%			%
<b>2</b> Company's share			%
<b>3</b> Total			<b>100%</b>
	<b>1. Total</b>	<b>2. Exclusion—policyholders' share (line 1 times col. 1)</b>	<b>3. Company's share (col. 1 less col. 2)</b>
<b>4</b> Interest wholly tax-exempt (line 1(a), col. 4, Schedule A, see inst.)			
<b>5</b> (a) Dividends from line 2(a), Schedule A			
(b) Dividends from line 2(b), Schedule A			
(c) Dividends from line 2(c), Schedule A			
(d) Dividends from line 2(d), Schedule A			
(e) Dividends from line 2(e), Schedule A			
(f) Dividends from line 2(f), Schedule A			
<b>6</b> Other items of investment yield (line 15, Schedule A, less 4-5 above)			
<b>7</b> Total (lines 4-6)			
<b>8</b> Net long-term capital gain (line 10, separate Schedule D)			
<b>9</b> Gross premiums less: return premiums, etc.			
<b>10</b> (a) Decrease in reserves (after adjustment under sec. 810(a)) (attach schedule)			
(b) Decrease in sec. 811(b)(2) reserves (see line 3, Part II, Schedule E-2)			
<b>11</b> Other amounts (attach schedule)			
<b>12</b> Total (lines 7-11)			
<b>DEDUCTIONS</b>			
<b>13</b> Death benefits, etc.			
<b>14</b> Increase in reserves (after reduction for investment yield under sec. 810(b)) (attach schedule)			
<b>15</b> Assumption by another person of liabilities under insurance, etc., contracts			
<b>16</b> Interest wholly tax-exempt (line 4, column 3)			
<b>17</b> Investment expenses, etc., not deducted on Schedule A (attach schedule)			
<b>18</b> Small business deduction (line 11, Schedule C)			
<b>19</b> Other deductions not deducted on Schedule A (attach schedule)			
<b>20</b> Total (lines 13-19)			
<b>21</b> Dividends-received deduction (affiliated groups, see instr.): (a) 85% of line 5(a), column 3			
(b) 60.813% of line 5(b), column 3			
(c) 85% of line 5(c), column 3			
(d) Total, but not to exceed 85% of the excess, if any, of line 12 over line 20			
<b>22</b> Operations loss deduction (attach schedule)			
<b>23</b> Tentative deduction (lines 20-22)			
<b>24</b> Plus: (a) Dividends to policyholders (line 7, Part I, Schedule E-2)			
(b) Accident and health, and group life insurance (line 9, Part I, Schedule E-2)			
(c) Certain nonparticipating contracts (line 11, Part I, Schedule E-2)			
<b>25</b> Total deductions (line 23 plus line 24)			
<b>26</b> Gain (loss) from operations (line 12 less line 25). Enter here and on line 1(b), page 1			

**SCHEDULE E-1.—REQUIRED INTEREST (Sec. 809(a)(2))**

	1. Rate	2. Beginning of taxable year	3. End of taxable year	4. Mean of columns 2 and 3	5. Column 1 times column 4
<b>1</b> Sec. 810(c)(1) reserves (from line 5, column 8, Parts IV and V, Schedule B)					
<b>2</b> Sec. 810(c)(3) reserves					
<b>3</b> Sec. 810(c)(4) reserves					
<b>4</b> Sec. 810(c)(5) reserves					
<b>5</b> Sec. 810(c)(6) reserves					
<b>6</b> Required interest (total lines 1-5)					

**SCHEDULE E-2.—PART I—LIMITATION ON DEDUCTION (LINE 24, SCHEDULE E) (Sec. 809(f))**

<b>1</b> Statutory amount	250,000
<b>2</b> (a) Line 12, Schedule E	
(b) Less: tentative deduction (line 23, Schedule E)	
<b>3</b> Gain from operations without regard to line 24, Schedule E	
<b>4</b> Less: taxable investment income (line 13, Schedule C)	
<b>5</b> Excess of line 3 over line 4 (but not less than zero)	
<b>6</b> Maximum possible deduction for line 24, Schedule E (line 1 plus line 5)	
<b>7</b> Deduction for dividends to policyholders (Part II) (not in excess of line 6)	
<b>8</b> Maximum deduction for accident and health, and group life insurance (line 6 less line 7)	
<b>9</b> Deduction for accident and health, and group life insurance (Part III) (not in excess of line 8)	
<b>10</b> Maximum deduction for certain nonparticipating contracts (line 8 less line 9)	
<b>11</b> Deduction for certain nonparticipating contracts (line 3, Part IV, Schedule E-2) (not in excess of line 10)	

**PART II—DIVIDENDS TO POLICYHOLDERS (Sec. 809(d)(3))**

1	Dividends paid to policyholders . . . . .		
2 (a)	Increased by the excess of (1) over (2):		
	(1) Reserve as of the end of the taxable year . . . . .		
	(2) Reserve as of the end of the preceding taxable year . . . . .		
	<b>OR</b>		
(b)	Decreased by the excess of (1) over (2):		
	(1) Reserve as of the end of the preceding taxable year . . . . .		
	(2) Reserve as of the end of the taxable year . . . . .		
3	If positive, enter on line 7, Schedule E-2; if negative, enter on line 10(b), Schedule E . . . . .		

**PART III—CERTAIN ACCIDENT AND HEALTH INSURANCE AND GROUP LIFE INSURANCE (Sec. 809(d)(6))**

1	Amount of deductions allowed or allowable in prior years under section 809(d)(6) . . . . .	
2	Net premiums . . . . .	
3	Line 2 multiplied by 2% . . . . .	
4	Tentative deduction—the lesser of line 3 or (50% of line 2, less the total amount on line 1) . . . . .	

**PART IV—CERTAIN NONPARTICIPATING CONTRACTS (Sec. 809(d)(5))**

1 (a)	Reserve at the end of the taxable year . . . . .	
(b)	Reserve at the beginning of the taxable year . . . . .	
(c)	Increase (if the difference is negative, enter "0") . . . . .	
(d)	Multiplied by . . . . .	10%
2 (a)	Net premiums . . . . .	
(b)	Multiplied by . . . . .	3%
3	Tentative deduction—the greater of line 1 or line 2 . . . . .	

**SCHEDULE F.—SHAREHOLDERS' SURPLUS ACCOUNT (Sec. 815(b))**

1 (a)	Balance as of the end of the preceding year . . . . .	
(b)	Transfers under sec. 815(d)(1) and (4) for preceding year . . . . .	
(c)	Balance as of the beginning of the taxable year (line 1(a) plus line 1(b)) . . . . .	
2	Life insurance company taxable income computed without regard to section 802(b)(3) (line 4 less line 3, page 1) . . . . .	
3	Net long-term capital gain in excess of net short-term capital loss, reduced by income, if any, on line 2 . . . . .	
4	Dividends-received deduction (affiliated groups—see instructions):	
	(a) 85% of line 2(a), Schedule A . . . . .	
	(b) 60.813% of line 2(b), Schedule A . . . . .	
	(c) 85% of line 2(c), Schedule A . . . . .	
	(d) Total, but not to exceed 85% of line 12 less line 20, Schedule E . . . . .	
5	Interest wholly exempt from tax (line 1(a), column 4, Schedule A) . . . . .	
6	Small business deduction (line 11, Schedule C) . . . . .	
7	Total (lines 1-6) . . . . .	
8	Less: tax liability for 1970 under sec. 802(a) (computed without regard to sec. 802(b)(3)) . . . . .	
9	Excess of line 7 over line 8 . . . . .	
10	Less: distributions in 1970 (not to exceed line 9) . . . . .	
11	Balance as of the end of the taxable year (line 9 less line 10) . . . . .	

**SCHEDULE G.—POLICYHOLDERS' SURPLUS ACCOUNT (Sec. 815(c))**

1	Balance as of the beginning of the taxable year . . . . .	
2 Add:	(a) 50 percent of the excess, if any, of the gain from operations over the taxable investment income (line 2, page 1) . . . . .	
	(b) The deduction for certain nonparticipating contracts (line 24(c), Schedule E) . . . . .	
	(c) The deduction for accident and health, and group life insurance (line 24(b), Schedule E) . . . . .	
3	Total (line 1 plus line 2) . . . . .	
4 (a)	Actual distributions only in excess of line 9, Schedule F . . . . .	
	(b) Tax increase on 4(a) by reason of sec. 802(b)(3) . . . . .	
	(c) Subtractions under sec. 815(d)(1) and (4) (see instructions) . . . . .	
	(d) Tax increase on 4(c) by reason of sec. 802(b)(3) . . . . .	
	(e) Subtraction required under sec. 815(d)(2) due to termination . . . . .	
5	Total of lines 4(a)-(e) (not to exceed line 3). Enter here and on line 3, page 1 . . . . .	
6	Balance as of the end of the year (line 3 less line 5) . . . . .	

SCHEDULE H.—LIMITATION OF INVESTMENT EXPENSE DEDUCTION

(Schedule H need not be filled in if no deduction is claimed for any general expenses that are allocated to investment income.)

Table with 5 main rows for investment expense calculations, including mean of assets, mortgage service fees, and various percentages.

SCHEDULE J.—COMPENSATION OF OFFICERS (See instructions, page 7)

Table with 8 columns: Name of officer, Social security number, Title, Time devoted to business, Percent of corporation stock owned, Amount of compensation, Expense account allowances.

SCHEDULE K.—DEPRECIATION (See instruction 11, page 3)

Taxpayers using Revenue Procedures 62-21 and 65-13: Make no entry in column 2. Enter the cost or other basis of assets held at the end of the year in column 3, and enter the accumulated depreciation at the end of the year in column 4.

Table with 7 columns: Group and guideline class, Date acquired, Cost or other basis, Depreciation allowed or allowable in prior years, Method of computing depreciation, Life or rate, Depreciation for this year.

i (1) Did you at the end of the taxable year own directly or indirectly 50 percent or more of the voting stock of a domestic corporation? Yes No

(2) Did any corporation, individual, partnership, trust, or association at the end of the taxable year own directly or indirectly 50 percent or more of your voting stock? Yes No

(For rules of attribution, see section 267(c).) If the answer to (1) or (2) is "Yes," attach a schedule showing: (a) name, address, and identifying number; and (b) percentage owned.

If the answer to (1) above is "Yes," also show the taxable income (or loss) from line 30, page 1, Form 1120 of such corporation for the taxable year ending with or within your taxable year.

If the answer to (2) above is "Yes," was the owner of such voting stock an alien individual or a foreign corporation, partnership, trust or association? Yes No

j Did you submit a copy of the annual statement for the preceding year as required by General Instruction K? Yes No

k Does a copy of the annual statement accompany this return? Yes No. If not, explain why the statement is not attached.

l Did you claim a deduction for expenses connected with any:

- (1) Entertainment facility (boat, resort, ranch, etc.)? Yes No
(2) Living accommodations (except employees on business)? Yes No
(3) Employees' families at conventions or meetings? Yes No
(4) Employee or family vacations not reported on Form W-2? Yes No

m Did you file all required Forms 1099, 1096 and 1087? Yes No

n Were you a U.S. shareholder of any controlled foreign corporation? Yes No. (See sections 951 and 957.) If "Yes," attach Form 3646 for each such corporation.

o Did the company, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country? Yes No