

Department of the Treasury
Internal Revenue Service

For calendar year 1987, or tax year beginning _____, 1987, and ending _____, 19_____

1987

► **For Paperwork Reduction Act Notice, see page 1 of the instructions.**

Please type or print	Name	A Employer identification number
	Number and Street	B Date incorporated
	City or town, state, and ZIP code	C Check if this is a consolidated return ► <input type="checkbox"/>

D Check applicable boxes: (1) Final return (2) Change in address (3) Amended return

E Check box if a section 953(c)(3)(C) election has been made ►

F Check box for kind of company: (1) Mutual (2) Stock

Taxable Income and Tax Computation

1 Taxable income (Schedule A, line 35)		1
2 Taxable investment income for electing small companies (Schedule B, line 21)		2
3 Check if you are a member of a controlled group (see sections 1561 and 1563) ► <input type="checkbox"/>		
If checked and your tax year includes June 30, 1987, complete lines 3a and 3b; otherwise, complete only line 3b.		
a Enter your share of the \$25,000 in each taxable income bracket for the period before July 1, 1987: (i) \$ _____ (ii) \$ _____ (iii) \$ _____ (iv) \$ _____		
b Enter your share of tax bracket amounts for the period after June 30, 1987: (i) \$ _____ (ii) \$ _____		
4 Income tax—See instructions to compute the tax. Check box if alternative tax (section 1201) is used ► <input type="checkbox"/>		4
5 Enter amount of tax that a reciprocal must include		5
6 Total (add lines 4 and 5)		6
7 Tax credits— a Foreign tax credit (attach Form 1118)	7a	
b Other credits (see instructions)	7b	
c General business credit. Check if from: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form 3468 <input type="checkbox"/> Form 5884 <input type="checkbox"/> Form 6478 <input type="checkbox"/> Form 6765 <input type="checkbox"/> Form 8586	7c	
d Total credits (add lines 7a through 7c)		7d
8 Regular income tax (subtract line 7d from line 6)		8
9 Foreign corporations—Tax on income not connected with U.S. business		9
10 Tax from recomputing prior year investment credit (attach Form 4255)		10
11a Alternative minimum tax (see instructions and attach Form 4626)		11a
b Environmental tax (see instructions and attach Form 4626)		11b
12 Personal holding company tax (attach Schedule PH (Form 1120))		12
13 Total tax—Add lines 8 through 12		13
14 Credits and payments		
a 1986 overpayment allowed as a credit	14a	
b 1987 estimated tax payments	14b	
c Less: 1987 refund applied for on Form 4466	14c (_____)	
d Tax deposited with Form 7004	14d	
e Credit by reciprocal for tax paid by attorney-in-fact under section 835(d)	14e	
f Other refundable credits and payments	14f	
g Total credits and payments (add lines 14a through 14f)		14g
15 Enter any PENALTY for underpayment of estimated tax—Check ► <input type="checkbox"/> if Form 2220 is attached		15
16 TAX DUE —If the total of lines 13 and 15 is larger than line 14g, enter AMOUNT OWED		16
17 OVERPAYMENT —If line 14g is larger than the total of lines 13 and 15, enter AMOUNT OVERPAID		17
18 Enter amount of line 17 you want: Credited to 1988 estimated tax ► \$ _____ Refunded ► _____		18

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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ Title _____

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed ► <input type="checkbox"/>	Preparer's social security no.
	Firm's name (or yours if self-employed) and address		E.I. No. ►	ZIP code ►

Schedule A—Taxable Income

		1	2	3	1	
Income	1 Premiums earned—section 832(b)(4) (Schedule E, line 7)				1	
	2 Dividends—section 832(b)(2) (Schedule C, line 11, column 3)				2	
		1. Interest received	2. Amortization of premium	3. Balance (Column 1 minus column 2)		
	3a Gross interest—section 832(b)(2).					
	b Interest exempt under section 103.					
	c Taxable interest (line 3a minus line 3b)				3c	
	4 Rents—section 832(b)(2)				4	
	5 Royalties—section 832(b)(1)(C)				5	
	6 Capital gain net income—section 832(b)(1)(B) (attach separate Schedule D (Form 1120))				6	
	7 Net gain or (loss) from Form 4797, line 18, Part II (attach Form 4797)—section 832(b)(1)(B)				7	
	8 Certain mutual fire or flood insurance companies—2 percent of premiums earned—section 832(b)(1)(D).				8	
	9 Income on account of special income and deduction accounts—section 832(b)(1)(E)				9	
	10 Income from protection against loss account (Schedule K, line 2e)				10	
11 Mutual interinsurers or reciprocal underwriters—decrease in subscriber accounts—section 832(f)(2)				11		
12 Other income—section 832(b)(1)(C) (attach schedule)				12		
13 Gross income (add lines 1 through 12)				13		
Deductions	14 Compensation of officers—section 832(c)(1) (Schedule I)				14	
	15a Salaries and wages—section 832(c)(1) ▶		b Less jobs credit ▶	Balance ▶	15c	
	16 Worthless agency balances and bills receivable—section 832(c)(6)				16	
	17 Rents—section 832(c)(1)				17	
	18 Taxes—section 832(c)(3)				18	
	19 Interest—section 832(c)(2)				19	
	20 Contributions—section 832(c)(9) (see instructions for limitation)				20	
	21 Depreciation (attach Form 4562)—section 832(c)(8)				21	
	22 Depletion—section 832(c)(8)				22	
	23 Pension, profit-sharing, etc., plans—section 832(c)(10)				23	
	24 Employee benefit programs—section 832(c)(1)				24	
	25 Losses incurred—section 832(c)(4) (Schedule F, line 10)				25	
	26 Other capital losses—section 832(c)(5) (Schedule G, line 12, column 7)				26	
	27 Dividends to policyholders—section 832(c)(11)				27	
	28 Mutual interinsurers or reciprocal underwriters—increase in subscriber accounts—section 832(f)(1)				28	
	29 Other deductions—sections 832(c)(1) and 832(c)(10) (net of the annual statement change in unpaid loss adjustment expenses)(attach schedule)				29	
	30 Total deductions (add lines 14 through 29)				30	
	31 Subtotal (subtract line 30 from line 13)				31	
	32a Special deduction for section 833 organizations—section 833(b) (Schedule H, line 6)		32a			
	b Deduction on account of special income and deduction accounts—section 832(c)(13)		32b			
	c Total (add lines 32a and 32b)				32c	
	33 Subtotal (subtract line 32c from line 31)				33	
	34a Dividends-received deduction—section 832(c)(12) (Schedule C, line 21).		34a			
b Net operating loss deduction—section 832(c)(10)		34b				
c Total (add lines 34a and 34b)				34c		
35 Taxable income or (loss) (subtract line 34c from line 33). Enter here and on page 1, line 1				35		

Schedule B, Part I—Taxable Investment Income or (Loss) of Electing Small Companies—Section 834

		(1) Interest received	(2) Amortization of premium	(3) Balance (Column 1 minus column 2)		
Income	1a Gross interest—section 832(b)(2)					
	b Interest exempt under section 103					
	c Taxable interest (line 1a minus line 1b)				1c	
	2 Dividends—section 834(b)(1)(A) (Schedule C, line 11, column 3)				2	
	3 Gross rents—section 834(b)(1)(A)				3	
	4 Gross royalties—section 834(b)(1)(A)				4	
	5 Gross income from trade or business other than insurance business and from Form 4797—section 834(b)(2)				5	
	6 Income from leases described in sections 834(b)(1)(B) and 834(b)(1)(C)				6	
7 Gain from separate Schedule D (Form 1120)—section 834(b)(1)(D)				7		
8 Gross investment income. (Add lines 1c through 7)				8		
Deductions	9 Real estate taxes—section 834(c)(3)				9	
	10 Other real estate expenses—section 834(c)(3)				10	
	11 Depreciation (attach Form 4562)—section 834(c)(4)				11	
	12 Depletion—section 834(c)(9)				12	
	13 Trade or business deductions as provided in section 834(c)(8) (attach schedule)				13	
	14 Interest—section 834(c)(5)				14	
	15 Other capital losses—section 834(c)(6) (Schedule G, line 12, column 7)				15	
	16 Total (add lines 9 through 15)				16	
	17 Investment expenses—section 834(c)(2) (attach schedule)				17	
	18 Total deductions (add lines 16 and 17)				18	
	19 Subtract line 18 from line 8				19	
	20 Dividends-received deduction—section 834(c)(7) (Schedule C, line 21)				20	
	21 Taxable investment income or (loss) (subtract line 20 from line 19). Enter here and on page 1, line 2				21	

Schedule B, Part II—Invested Assets Book Values
(Complete only if you claim a deduction for general expenses allocated to investment income.)

		(1) Beginning of tax year	(2) End of tax year
1	Real estate	1	
2	Mortgage loans	2	
3	Collateral loans	3	
4	Policy loans, including premium notes	4	
5	Bonds of domestic corporations	5	
6	Stock of domestic corporations	6	
7	Government obligations, etc	7	
8	Bank deposits bearing interest	8	
9	Other interest-bearing assets (attach schedule)	9	
10	Total (add lines 1 through 9)	10	
11	Add columns (1) and (2), line 10		11
12	Mean of the invested assets for the tax year (enter one-half of line 11)		12
13	¼ of 1% of line 12 (multiply line 12 by .0025)		13
14	Income base (subtract line 16, Schedule B, Part I, from the total of line 8, Schedule B, Part I, plus line 1b, column 3, Schedule B, Part I)	14	
15	3¾% of line 12 (multiply line 12 by .0375)	15	
16	Subtract line 15 from line 14 (but do not enter less than zero)	16	
17	25% of line 16 (multiply line 16 by .25)		17
18	Limitation on deduction for investment expenses (add lines 13 and 17)		18

Schedule C—Dividends and Special Deductions
(See instructions)

Income

- 1** Dividends on stock (other than debt-financed stock) of domestic corporations—section 243(a)
- 2** Dividends on debt-financed stock of domestic and foreign corporations—section 246A
- 3** Dividends on certain preferred stock of public utilities—section 244
- 4** Dividends on stock of certain foreign corporations and certain FSCs—sections 245(a) and 245(c)(1)(B)
- 5** Dividends on stock of wholly owned foreign subsidiaries and FSCs—sections 245(b) and 245(c)(1)(A)
- 6** Dividends from affiliated companies—section 243(a)(3)
- 7** Other dividends from foreign corporations not included in lines 4 and 5
- 8** Income from controlled foreign corporations under subpart F (attach Forms 5471)
- 9** Foreign dividend gross-up (section 78)
- 10** Other dividends—attach schedule
- 11** Total dividends—add lines 1 through 10. Enter the amount from column 3 on Schedule A, line 2, or Schedule B, Part I, line 2, whichever is applicable

		Dividends Received		(3) Total dividends received (column 1 plus column 2)
		(1) Not subject to section 832(b)(5)(B)	(2) Subject to section 832(b)(5)(B)	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				

Deduction

- 12** 80% of line 1
- 13** Deduction for line 2—see instructions
- 14** Deduction for line 3—see instructions
- 15** Deduction for line 4—see instructions
- 16** 100% of line 5
- 17** Total (add lines 12 through 16)
- 18** 100% of line 6
- 19** Total not subject to section 832 (b)(5)(B)—add line 17, column 1, and line 18, column 1
- 20** Total subject to section 832 (b)(5)(B)—add line 17, column 2, and line 18, column 2. Enter here and on Schedule F, line 7
- 21** Total deduction—add line 17, column 3, and line 18, column 3. Enter here and on Schedule A, line 34(a), or Schedule B, Part I, line 20, whichever is applicable. (See instructions for limitation.)

		Dividends-Received Deduction		(3) Total dividends-received deduction (column 1 plus column 2)
		(1) Not subject to section 832(b)(5)(B)	(2) Subject to section 832(b)(5)(B)	
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				

Schedule E—Premiums Earned (See Instructions)

1	Net premiums written—section 832(b)(4)(A)		1
2	Plus: Unearned premiums on outstanding business at the end of the preceding taxable year:		
a	100% of life insurance reserves included in unearned premiums (section 832(b)(7)(A)) and all unearned premiums of section 833 organizations	2a	
b	90% of unearned premiums attributable to insuring certain securities—section 832(b)(7)(B)	2b	
c	Discounted unearned premiums attributable to title insurance—section 832(b)(8)	2c	
d	80% of all other unearned premiums—section 832(b)(4)(B)	2d	
e	Total (add lines 2a through 2d)		2e
3	Line 1 plus line 2e		3
4	Less: Unearned premiums on outstanding business at the end of the current taxable year:		
a	100% of life insurance reserves included in unearned premiums (section 832(b)(7)(A)) and all unearned premiums of section 833 organizations	4a	
b	90% of unearned premiums attributable to insuring certain securities—section 832(b)(7)(B)	4b	
c	Discounted unearned premiums attributable to title insurance—section 832(b)(8)	4c	
d	80% of all other unearned premiums—section 832(b)(4)(B)	4d	
e	Total (add lines 4a through 4d)		4e
5	Line 3 less line 4e		5
6	Transitional adjustment		
a	(1) Unearned premiums (other than title, life, and those described in sections 832(b)(7)(B) and 833) as of 12/31/86—section 832(b)(4)(C). (Fiscal year filers see instructions.)	6a(1)	
	(2) Line 6a(1) times 3⅓%		6a(2)
b	(1) Unearned premiums attributable to insuring certain securities as of 12/31/86—section 832(b)(7)(B). (Fiscal year filers see instructions.)	6b(1)	
	(2) Line 6b(1) times 1⅔%		6b(2)
c	Adjustment for companies terminating as insurance company taxable under section 831(a)—section 832(b)(7)(C)		6c
d	Total—add lines 6a(2), 6b(2), and 6c		6d
7	Premiums earned—line 5 plus line 6d. Enter here and on Schedule A, line 1		7

Schedule F—Losses Incurred

1	Losses paid during the taxable year		1
2	Plus:		
a	Unpaid losses on life insurance contracts outstanding at the end of the current taxable year—section 832(b)(5)(A)(ii)	2a	
b	Discounted unpaid losses outstanding at the end of the current taxable year—section 832(b)(5)(A)(ii)	2b	
c	Total—add lines 2a and 2b		2c
3	Line 1 plus line 2c		3
4	Less:		
a	Unpaid losses on life insurance contracts outstanding at the end of the preceding taxable year—section 832(b)(5)(A)(ii)	4a	
b	Discounted unpaid losses outstanding at the end of the preceding taxable year—section 832(b)(5)(A)(ii)	4b	
c	Total—add lines 4a and 4b		4c
5	Losses incurred—line 3 less line 4c—section 832(b)(5)(A)		5
6	Tax-exempt interest subject to section 832(b)(5)(B)	6	
7	Dividends-received deduction subject to section 832(b)(5)(B)—Enter the amount from Schedule C, line 20	7	
8	Total—line 6 plus line 7	8	
9	Reduction of deduction under section 832(b)(5)(B)—line 8 times 15%		9
10	Losses incurred deductible under section 832(c)(4)—subtract line 9 from line 5. Enter here and on Schedule A, line 25		10

Schedule G—Other Capital Losses (See instructions.)

(Capital assets sold or exchanged to meet abnormal insurance losses and to pay dividends and similar distributions to policyholders.)

1 Dividends and similar distributions paid to policyholders							1
2 Losses paid							2
3 Expenses paid							3
4 Total (add lines 1, 2, and 3)							4
5 Interest received—adjusted to cash method if necessary				5			
6 Dividends received—Schedule C, line 11, column 3, adjusted to cash method if necessary				6			
7 Gross rents, gross royalties, lease income, etc., and gross income from a trade or business other than an insurance business including income from Form 4797 (include gains for invested assets only)—adjusted to cash method if necessary				7			
8 Net premiums received (adjusted to cash method if necessary)				8			
9 Total (add lines 5 through 8)							9
10 Limitation on gross receipts from sales of capital assets (subtract line 9 from line 4, but not less than zero)							10

(1) Description of capital asset	(2) Date acquired	(3) Gross sales price	(4) Cost or other basis	(5) Expense of sale	(6) Depreciation allowed (or allowable)	(7) Loss (col. (4) plus col. (5) less the sum of cols. (3) and (6))
11						
12 Totals—column (3) must not be more than line 10. (Enter column (7) in Schedule A, line 26, or Schedule B, line 15, whichever is applicable)						

Schedule H—Special Deduction for Section 833 Organizations

Part I Computation of Deduction

1 Claims incurred during the taxable year—section 833(b)(1)(A)(i)							1
2 Expenses incurred during the taxable year in connection with the administration, adjustment, or settlement of claims—section 833(b)(1)(A)(ii)							2
3 Total—add lines 1 and 2							3
4 25% of line 3							4
5 Beginning adjusted surplus (see instructions)							5
6 Special deduction—line 4 less line 5, but not less than zero. Enter here and on Schedule A, line 32(a). (See instructions for limitation.)							6

Part II Computation of Ending Adjusted Surplus

7 Beginning adjusted surplus—enter amount from line 5, Part I							7
8 Special deduction (Schedule A, line 32(a))—section 833(b)(3)(C)(i)							8
9 Net operating loss deduction (Schedule A, line 34(b))—section 833(b)(3)(C)(ii)							9
10 Net exempt income—section 833(b)(3)(C)(iii) (see instructions):							
a Adjusted tax-exempt income							
b Adjusted dividends-received deduction							10b
11 Taxable income or (loss)—section 833(b)(3)(C) (Schedule A, line 35)							11
12 Ending adjusted surplus—add lines 7 through 11							12

Schedule I—Compensation of Officers (See instructions for information to be attached.)

Schedule J—Additional Information Required

	Yes	No		Yes	No
F (1) Did you at the end of this tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation (for rules of attribution, see section 267(c))?			I At any time during the tax year, did you have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See the instructions for exceptions and filing requirements for form TD F 90-22.1.)		
If "Yes," attach a schedule showing: (a) Name, address, and identification number; (b) Percentage owned; and (c) Taxable income or (loss) before NOL or special deductions from line 28, page 1, Form 1120 (or line 24, page 1, Form 1120-A) of that corporation for the tax year ending with or within your tax year.			If "Yes," write in the name of the foreign country.		
(2) Did any individual, partnership, corporation, estate, or trust, at the end of the tax year, own, directly or indirectly, 50% or more of your voting stock? (For rules of attribution, see section 267(c).)			J Were you the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not you have any beneficial interest in it? (If "Yes," you may be required to file Forms 3520, 3520A, or 926.)		
If "Yes," attach a schedule showing: (a) Name, address, and identification number; (b) Percentage owned; and (c) If the owner of that voting stock was a person other than a U.S. person (see instructions), check "Yes" and show owner's country			K During the tax year did you maintain any part of your accounting/tax records on a computerized system?		
▶			L Check method of accounting: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (Specify) ▶		
Note: If question F(2)(c) is checked "Yes," the corporation may have to file Form 5472.			M Have you elected to use your own payout pattern for discounting unpaid losses and unpaid loss adjustment expenses?		
G Were you a U.S. shareholder of any controlled foreign corporation (see sections 951 and 957)?			N (1) Enter the total unpaid losses shown on your annual statement:		
(If "Yes," attach Form 5471 for each such corporation.)			(a) for the current taxable year: \$		
Note: Domestic and foreign corporations in a trade or business in the U.S. that are controlled by a foreign person may have to file Form 5472.			(b) for the previous taxable year: \$		
H Did you claim a deduction for expenses connected with:			(2) Enter the total unpaid loss adjustment expenses shown on your annual statement:		
(1) Entertainment facility (boat, resort, ranch, etc.)?			(a) for the current taxable year: \$		
(2) Living accommodations (except employees on business)?			(b) for the previous taxable year: \$		
(3) Employees attending conventions or meetings outside the North American area? (See section 274(h).)			O Do you discount any of the loss reserves shown on your annual statement?		
(4) Employees' families at conventions or meetings? If "Yes," were any of those conventions or meetings outside the North American area? (See section 274(h).)			P Enter the amount of tax-exempt interest received or accrued during the tax year ▶		
(5) Employee or family vacations not reported on Form W-2?					

Schedule K—Subtractions From Protection Against Loss Account (See Instructions.)

References are to section 824(d)(1) prior to its repeal by P.L. 99-514.

1 Balance at beginning of year		1
2 Subtractions (attach computation of any items in lines 2a through 2d)		
a Section 824(d)(1)(B)	2a	
b Section 824(d)(1)(C)	2b	
c Section 824(d)(1)(D)	2c	
d Section 824(d)(1)(E)	2d	
e Total—add lines 2a through 2d. Enter here and on Schedule A, line 10	2e	
3 Balance at end of year—subtract line 2e from line 1		3

Schedule L—Balance Sheets

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2 Trade notes and accounts receivable				
a Less allowance for bad debts				
3 Inventories				
4 Federal and state government obligations				
5 Other current assets (attach schedule)				
6 Loans to stockholders				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9 Buildings and other depreciable assets				
a Less accumulated depreciation				
10 Depletable assets				
a Less accumulated depletion				
11 Land (net of any amortization)				
12 Intangible assets (amortizable only)				
a Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Stockholders' Equity				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 Loans from stockholders				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Capital stock: a preferred stock				
b common stock				
22 Paid-in or capital surplus				
23 Retained earnings—Appropriated (attach schedule)				
24 Retained earnings—Unappropriated				
25 Less cost of treasury stock		()		()
26 Total liabilities and stockholders' equity				

Schedule M-1—Reconciliation of Income per Books With Income per Return

You are not required to complete this schedule if the total assets on line 14, column (d), of Schedule L are less than \$25,000.

1 Net income per books		7 Income recorded on books this year not included in this return (itemize)	
2 Federal income tax		a Tax-exempt interest \$	
3 Excess of capital losses over capital gains		b Contributions carryover \$	
4 Income subject to tax not recorded on books this year (itemize)		8 Deductions in this tax return not charged against book income this year (itemize)	
5 Expenses recorded on books this year not deducted in this return (itemize)		a Depreciation \$	
a Depreciation \$		b Contributions carryover \$	
b Contributions carryover \$		9 Total of lines 7 and 8	
6 Total of lines 1 through 5		10 Income (Schedule A, line 33)—line 6 less line 9	

Schedule M-2—Analysis of Unappropriated Retained Earnings per Books (line 24, Schedule L)

You are not required to complete this schedule if the total assets on line 14, column (d), of Schedule L are less than \$25,000.

1 Balance at beginning of year		5 Distributions: a Cash	
2 Net income per books		b Stock	
3 Other increases (itemize)		c Property	
4 Total of lines 1, 2, and 3		6 Other decreases (itemize)	
		7 Total of lines 5 and 6	
		8 Balance at end of year (line 4 less line 7)	