

# NORTH COAST LIFE INSURANCE COMPANY

Spokane, Washington

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## BALANCE SHEETS Statutory Basis

<u>ASSETS</u>	June 30, 2009 (Unaudited)	December 31, 2008
Ledger and Non-Ledger Assets:		
Bonds: (market: \$79,547,050 / \$85,117,224) .....	\$ 90,751,877	\$ 87,730,096
Preferred stocks: (market: \$5,435,269 / \$9,671,228) .....	6,975,271	9,932,079
Mortgages (residential) .....	226,515	232,951
Real Estate Owned (REO) .....	0	0
Other invested assets .....	2,148,673	2,088,673
Policy loans and liens .....	15,552,026	15,457,330
Deposits and cash .....	3,889,570	1,964,840
Agents' balances and loans .....	23,957	42,240
Furniture, equipment and autos .....	0	0
Computer equipment .....	4,951	7,253
Premiums deferred & uncollected .....	1,666,264	1,907,766
Investment income due and accrued .....	1,589,801	1,587,574
Net deferred tax asset .....	2,672,848	2,672,848
Amounts receivable:		
Reinsurance .....	3,888	3,888
Other .....	(18,266)	(9,040)
Guaranty Assn. assessments & other .....	11,544	122,769
<b>Total Ledger and Non-ledger Assets</b> .....	<b>125,498,919</b>	<b>123,741,267</b>
Non-admitted Assets included above:		
Fixed income investments .....	0	0
Mortgages, REO and related .....	927	1,490
Agents' balances and loans .....	23,957	42,240
Furniture, equipment and autos .....	0	0
Interest Maintenance Reserve .....	0	111,184
Deferred tax asset .....	2,505,242	2,505,242
Subtotal .....	2,530,126	2,660,156
<b>NET ADMITTED ASSETS</b> .....	<b>\$122,968,793</b>	<b>\$ 121,081,111</b>
<u>LIABILITIES, ASSET RESERVES AND CAPITAL &amp; SURPLUS</u>		
Policy Liabilities:		
Policy reserves .....	\$115,234,118	\$ 113,768,349
Claims payable .....	201,666	265,131
Policy dividends & coupons .....	6,500	6,500
Premiums paid in advance .....	44,643	46,892
Other policy liabilities .....	298,381	(101,245)
<b>Total Policy Liabilities</b> .....	<b>115,785,308</b>	<b>113,985,627</b>
General Liabilities:		
Unearned investment income .....	368,361	402,755
Accrued taxes .....	152,945	427,603
Accrued general expenses .....	28,763	100,792
Preferred stock dividend payable .....	0	0
Other Amounts payable .....	172,859	269,313
<b>Total General Liabilities</b> .....	<b>722,928</b>	<b>1,200,463</b>
<b>Total Liabilities</b> .....	<b>116,508,236</b>	<b>115,186,090</b>
Asset Reserves:		
Interest Maintenance Reserve .....	205,491	0
Asset Valuation Reserve .....	971,625	157,762
<b>Total Asset Reserves</b> .....	<b>1,177,116</b>	<b>157,762</b>
Capital & Surplus:		
Paid up capital .....	8,119,412	8,119,412
Unassigned Surplus .....	(2,835,971)	(2,382,153)
<b>Total Capital &amp; Surplus</b> .....	<b>5,283,441</b>	<b>5,737,259</b>
<b>TOTAL LIABILITIES, CAPITAL &amp; SURPLUS</b> .....	<b>\$122,968,793</b>	<b>\$ 121,081,111</b>