

CONSECO INC

FORM S-3/A

(Securities Registration Statement (simplified form))

Filed 06/22/98

| | |
|-------------|---|
| Address | 11825 N PENNSYLVANIA ST CARMEL, IN 46032 |
| Telephone | 3178176100 |
| CIK | 0000719241 |
| SIC Code | 6321 - Accident and Health Insurance |
| Industry | Insurance (Life) |
| Sector | Financial |
| Fiscal Year | 12/31 |

CONSECO FINANCING TRUST VII

FORM S-3/A

(Securities Registration Statement (simplified form))

Filed 6/22/1998

| | |
|-----------|--|
| Address | 11825 N. PENNSYLVANIA ST. CARMEL, Indiana 46032 |
| Telephone | 317-817-6100 |
| CIK | 0001049901 |

REGISTRATION NO. 333-56611

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

AMENDMENT NO. 1 TO

FORM S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

| | | |
|--|---|---|
| CONSECO, INC. | INDIANA | 35-1468632 |
| CONSECO FINANCING TRUST V | DELAWARE | 35-6653357 |
| CONSECO FINANCING TRUST VI | DELAWARE | 35-6653358 |
| CONSECO FINANCING TRUST VII | DELAWARE | 35-6653359 |
| (Exact name of the Registrants as specified in their respective charters) | (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

11825 N. Pennsylvania St.
Carmel, Indiana 46032
(317) 817-6100

(Address, including zip code, and telephone number, including area code, of each Registrant's principal executive offices)

John J. Sabl, Esq.

Executive Vice President

and General Counsel

Conseco, Inc.

11825 N. Pennsylvania St.

Carmel, Indiana 46032

(317) 817-6163

(Name, address, including zip code, and telephone number, including area code, of agent for service for each Registrant)

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: From time to time after the Registration Statement becomes effective, as determined by market conditions.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

[X]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. []

(Continued on next page)

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SECTION 8(A), MAY DETERMINE.

Pursuant to Rule 429 under the Securities Act of 1933, the Prospectus contained herein constitutes a combined Prospectus that also relates to \$450,000,000 unsold principal amount of the securities previously registered pursuant to the Registration Statement on Form S-3 (File No. 333-27803).

PROSPECTUS

\$2,000,000,000

**CONSECO, INC.
DEBT SECURITIES, PREFERRED STOCK, DEPOSITARY SHARES, COMMON STOCK, STOCK
PURCHASE CONTRACTS, STOCK PURCHASE UNITS AND WARRANTS**

**CONSECO FINANCING TRUST V
CONSECO FINANCING TRUST VI
CONSECO FINANCING TRUST VII
PREFERRED SECURITIES FULLY AND UNCONDITIONALLY GUARANTEED
BY CONSECO, INC.**

Conseco, Inc., an Indiana corporation ("Conseco" or the "Company"), may offer and sell from time to time, in one or more series, (i) its debt securities, consisting of debentures, notes and/or other evidences of indebtedness representing unsecured obligations of Conseco (the "Debt Securities"), (ii) shares of its preferred stock, no par value per share ("Preferred Stock"), which may be represented by depositary shares (the "Depositary Shares") as described herein, (iii) shares of its common stock, no par value per share ("Common Stock"), (iv) Stock Purchase Contracts ("Stock Purchase Contracts") to purchase shares of Common Stock, (v) Stock Purchase Units, each representing ownership of a Stock Purchase Contract and Preferred Securities (as defined herein) or debt obligations of third parties, including U.S. Treasury securities, securing the holder's obligation to purchase Common Stock under the Stock Purchase Contracts ("Stock Purchase Units") and (vi) warrants to purchase Debt Securities, Preferred Stock, Common Stock or other securities or rights ("Warrants").

Conseco Financing Trust V, Conseco Financing Trust VI and Conseco Financing Trust VII (each, a "Conseco Trust"), statutory business trusts formed under the laws of the State of Delaware, may offer, from time to time, preferred securities, representing preferred undivided beneficial interests in the assets of the respective Conseco Trusts ("Preferred Securities"). The payment of periodic cash distributions ("Distributions") with respect to Preferred Securities out of moneys held by each of the Conseco Trusts, and payments on liquidation, redemption or otherwise with respect to such Preferred Securities, will be guaranteed by the Company to the extent described herein (each, a "Trust Guarantee"). See "Description of Preferred Securities" and "Description of Trust Guarantees." The Company's obligations under the Trust Guarantees will rank junior and subordinate in right of payment to all other liabilities of the Company and pari passu with its obligations under the most senior preferred or preference stock of the Company. See "Description of Trust Guarantees -- Status of the Trust Guarantees." Subordinated Debt Securities (as defined herein) may be issued and sold by the Company in one or more series to a Conseco Trust or a trustee of such Conseco Trust in connection with the investment of the proceeds from the offering of Preferred Securities and Common Securities (as defined herein) of such Conseco Trust. The Subordinated Debt Securities purchased by a Conseco Trust may be subsequently distributed pro rata to holders of Preferred Securities and Common Securities in connection with the dissolution of such Conseco Trust. The Debt Securities, Preferred Stock, Depositary Shares, Common Stock, Stock Purchase Contracts, Stock Purchase Units, Warrants and Preferred Securities are herein collectively referred to as the "Securities."

Certain specific terms of the particular Securities in respect of which this Prospectus is being delivered will be set forth in an accompanying supplement to this Prospectus (the "Prospectus Supplement"), which will describe, without limitation and where applicable, the following: (i) in the case of Debt Securities, the specific designation, aggregate principal amount, ranking as senior or subordinated Debt Securities, denomination, maturity, premium, if any, interest rate (which may be fixed or variable), time and method of calculating interest, if any, place or places where principal of, premium, if any, and interest, if any, on such Debt Securities

will be payable, the currencies or currency units in which principal of, premium, if any, and interest, if any, on such Debt Securities will be payable, any terms of redemption or conversion, any sinking fund provisions, the purchase price, any listing on a securities exchange, any right of the Company to defer payment of interest on the Debt Securities and the maximum length of such deferral period and other special terms; (ii) in the case of Preferred Stock and Depositary Shares, the specific designation, stated value and liquidation preference per share and number of shares offered, the purchase price, dividend rate (which may be fixed or variable), method of calculating payment of dividends, place or places where dividends on such Preferred Stock will be payable, any terms of redemption, dates on which dividends shall be payable and dates from which dividends shall accrue, any listing on a securities exchange, voting and other rights, including conversion or exchange rights, if any, and other special terms, including whether interests in the Preferred Stock will be represented by Depositary Shares and, if so, the fraction of a share of Preferred Stock represented by each Depositary Share; (iii) in the case of Common Stock, the number of shares offered, the initial offering price, market price and dividend information; (iv) in the case of Stock Purchase Contracts, the number of shares of Common Stock issuable thereunder, the purchase price of the Common Stock, the date or dates on which the Common Stock is required to be purchased by the holders of the Stock Purchase Contracts, any periodic payments required to be made by the Company to the holders of the Stock Purchase Contracts or vice versa, and the terms of the offering and sale thereof, (v) in the case of Stock Purchase Units, the specific terms of the Stock Purchase Contracts and any Preferred Securities or debt obligations of third parties securing the holder's obligation to purchase the Common Stock under the Stock Purchase Contracts, and the terms of the offering and sale thereof; (vi) in the case of Warrants, the specific designation, the number, purchase price, exercise price and other terms thereof, any listing of the Warrants or the underlying Securities on a securities exchange or any other terms in connection with the offering, sale and exercise of the Warrants, as well as the terms on which and the Securities for which such Warrants may be exercised; and (vii) in the case of Preferred Securities, the specific designation, number of securities, liquidation amount per security, the purchase price, any listing on a securities exchange, distribution rate (or method of calculation thereof), dates on which distributions shall be payable and dates from which distributions shall accrue, any voting rights, terms for any conversion or exchange into other securities, any redemption, exchange or sinking fund provisions, any other rights, preferences, privileges, limitations or restrictions relating to the Preferred Securities, the specific terms and provisions of the Guarantee and the terms upon which the proceeds of the sale of the Preferred Securities shall be used to purchase a specific series of Subordinated Debt Securities of the Company.

The offering price to the public of the Securities will be limited to U.S. \$2,000,000,000 in the aggregate (or its equivalent (based on the applicable exchange rate at the time of issue), if Securities are offered for consideration denominated in one or more foreign currencies or currency units as shall be designated by the Company). The Debt Securities may be denominated in United States dollars or, at the option of the Company if so specified in the applicable Prospectus Supplement, in one or more foreign currencies or currency units. The Debt Securities may be issued in registered form or bearer form, or both. If so specified in the applicable Prospectus Supplement, Securities of one or more classes or series may be issued in whole or in part in the form of one or more temporary or permanent global securities.

The Common Stock is listed on the New York Stock Exchange under the trading symbol "CNC".

The Securities may be sold to or through underwriters, through dealers or agents or directly to purchasers. See "Plan of Distribution." The names of any underwriters, dealers or agents involved in the sale of the Securities in respect of which this Prospectus is being delivered and any applicable fee, commission or discount arrangements with them will be set forth in a Prospectus Supplement. See "Plan of Distribution" for possible indemnification arrangements for dealers, underwriters and agents.

This Prospectus may not be used to consummate sales of Securities unless accompanied by a Prospectus Supplement.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is June 22, 1998.

State insurance holding company laws and regulations applicable to the Company generally provide that no person may acquire control of the Company, and thus indirect control of its insurance subsidiaries, unless such person has provided certain required information to, and such acquisition is approved (or not disapproved) by, the appropriate insurance regulatory authorities. Generally, any person acquiring beneficial ownership of 10% or more of the Common Stock would be presumed to have acquired such control, unless the appropriate insurance regulatory authorities upon advance application determine otherwise.

NO DEALER, SALESMAN OR OTHER INDIVIDUAL HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED IN THIS PROSPECTUS, ANY ACCOMPANYING PROSPECTUS SUPPLEMENT OR THE DOCUMENTS INCORPORATED OR DEEMED INCORPORATED BY REFERENCE HEREIN. IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY UNDERWRITER, DEALER OR AGENT. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITIES OTHER THAN THE REGISTERED SECURITIES TO WHICH IT RELATES, OR AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THOSE SECURITIES TO WHICH IT RELATES, IN ANY JURISDICTION WHERE, OR TO ANY PERSON TO WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. NEITHER THE DELIVERY OF THIS PROSPECTUS OR ANY PROSPECTUS SUPPLEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS NOT BEEN ANY CHANGE IN THE FACTS SET FORTH IN THIS PROSPECTUS OR IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, in accordance therewith, files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information filed by Conseco with the Commission can be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, and at the following regional offices of the Commission: New York Regional Office, 7 World Trade Center, 13th Floor, New York, New York 10048; and Chicago Regional Office, Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. Copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, upon payment of the prescribed rates. In addition, the Commission maintains a Web site at <http://www.sec.gov> that contains reports, proxy and information statements and other information regarding registrants, including the Company, that file electronically with the Commission. Copies of such reports, proxy statements and other information can also be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The Company and the Conseco Trusts have filed with the Commission a Registration Statement on Form S-3 under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the Securities offered hereby. This Prospectus, which constitutes part of the Registration Statement, does not contain all of the information set forth in the Registration Statement and the exhibits thereto, certain parts of which are omitted in accordance with the rules and regulations of the Commission. Statements contained herein or in any Prospectus Supplement concerning the provisions of any document do not purport to be complete and, in each instance, are qualified in all respects by reference to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the Commission. For further information with respect to the Company, the Conseco Trusts and the Securities, reference is hereby made to such Registration Statement, including the exhibits thereto and the documents incorporated herein by reference, which can be examined at the Commission's principal office, 450 Fifth Street, N.W., Washington, D.C. 20549, or copies of which can be obtained from the Commission at such office upon payment of the fees prescribed by the Commission.

No separate financial statements of the Conseco Trusts have been included or incorporated by reference herein. The Company does not consider that such financial statements would be material to holders of the

Preferred Securities because (i) all of the voting securities of the Conseco Trusts will be owned, directly or indirectly, by the Company, a reporting company under the Exchange Act, (ii) the Conseco Trusts have and will have no independent operations but exist for the sole purpose of issuing securities representing undivided beneficial interests in their assets and investing the proceeds thereof in Subordinated Debt Securities issued by the Company, and (iii) the Company's obligations described herein and in any accompanying Prospectus Supplement, under the Declaration (as defined herein) (including the obligation to pay expenses of the Conseco Trusts), the Subordinated Indenture and any supplemental indentures thereto, the Subordinated Debt Securities issued to the Conseco Trust and the Trust Guarantees taken together, constitute a full and unconditional guarantee by the Company of payments due on the Preferred Securities. See "Description of Preferred Securities of the Conseco Trusts" and "Description of Trust Guarantees."

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents previously filed by the Company with the Commission pursuant to the Exchange Act are incorporated herein by this reference:

1. Annual Report on Form 10-K for the fiscal year ended December 31, 1997 including Part III thereof which is incorporated by reference from the Company's proxy statement dated April 10, 1998 for its annual meeting of shareholders (the "Company's Annual Report");
2. Quarterly Report on Form 10-Q for the quarter ended March 31, 1998;
3. Current Reports on Form 8-K dated February 4, 1998, April 6, 1998, June 3, 1998 and June 4, 1998; and
4. The description of the Common Stock in its Registration Statements filed pursuant to Section 12 of the Exchange Act, and any amendment or report filed for the purpose of updating any such description.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date hereof and prior to the termination of the offering made hereby shall be deemed to be incorporated by reference in this Prospectus or any Prospectus Supplement and to be part hereof from the date of filing of such documents.

Any statement contained herein, or in a document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus or any Prospectus Supplement. To the extent that any proxy statement is incorporated by reference herein, such incorporation shall not include any information contained in such proxy statement that is not, pursuant to the Commission's rules, deemed to be "filed" with the Commission or subject to the liabilities of Section 18 of the Exchange Act.

The Company will provide without charge to each person to whom this Prospectus is delivered, upon the written or oral request of such person, a copy of any or all of the documents incorporated herein by reference (other than exhibits to such documents unless such exhibits are specifically incorporated by reference into such documents). Any such request should be directed to James W. Rosensteele, Senior Vice President, Corporate Communications, Conseco, Inc., 11825 N. Pennsylvania Street, Carmel, Indiana 46032 (telephone number: (317) 817-2893).

THE COMPANY

The Company is a financial services holding company. The Company develops, markets and administers supplemental health insurance, annuity, life insurance, individual and group major medical insurance and other insurance products. Since 1982, the Company has acquired 19 insurance groups. The Company's operating strategy is to grow the insurance business within its subsidiaries by focusing its resources on the development and expansion of profitable products and strong distribution channels. The Company has supplemented such growth by acquiring companies that have profitable niche products and strong distribution systems. Once an insurance company has been acquired, the Company's operating strategy has been to consolidate and streamline management and administrative functions where appropriate, to realize superior investment returns through active asset management, to eliminate unprofitable products and distribution channels, and to expand and develop the profitable distribution channels and products.

The Company was organized in 1979 as an Indiana corporation and commenced operations in 1982. The Company's executive offices are located at 11825 N. Pennsylvania Street, Carmel, Indiana 46032. Its telephone number is (317) 817-6100.

THE CONSECO TRUSTS

Each of the Conseco Trusts is a statutory business trust formed under Delaware law pursuant to (i) a declaration of trust (each a "Declaration") executed by the Company as sponsor for such trust (the "Sponsor"), and the Conseco Trustees (as defined herein) of such trust and (ii) the filing of a certificate of trust with the Secretary of State of the State of Delaware on May 23, 1997. Each Conseco Trust exists for the exclusive purposes of (i) issuing and selling the Preferred Securities and common securities representing common undivided beneficial interests in the assets of such Conseco Trust (the "Common Securities" and, together with the Preferred Securities, the "Trust Securities"), (ii) using the gross proceeds from the sale of the Trust Securities to acquire the Subordinated Debt Securities and (iii) engaging in only those other activities necessary, appropriate, convenient or incidental thereto. All of the Common Securities will be directly or indirectly owned by the Company. The Common Securities will rank *pari passu*, and payments will be made thereon *pro rata*, with the Preferred Securities, except that, if an event of default under the Declaration has occurred and is continuing, the rights of the holders of the Common Securities to payment in respect of distributions and payments upon liquidation, redemption and otherwise will be subordinated to the rights of the holders of the Preferred Securities. The Company will directly or indirectly acquire Common Securities in an aggregate liquidation amount equal to at least 3% of the total capital of each Conseco Trust.

Unless otherwise specified in the applicable Prospectus Supplement, each Conseco Trust has a term of up to 55 years but may terminate earlier, as provided in the Declaration. Each Conseco Trust's business and affairs will be conducted by the trustees (the "Conseco Trustees") appointed by the Company as the direct or indirect holder of all of the Common Securities. The holder of the Common Securities will be entitled to appoint, remove or replace any of, or increase or reduce the number of, the Conseco Trustees of each Conseco Trust. The duties and obligations of the Conseco Trustees shall be governed by the Declaration of such Conseco Trust. A majority of the Conseco Trustees (the "Regular Trustees") of each Conseco Trust will be persons who are employees or officers of or who are affiliated with the Company. One Conseco Trustee of each Conseco Trust will be a financial institution that is not affiliated with the Company and has a minimum amount of combined capital and surplus of not less than \$50,000,000, which shall act as property trustee and as indenture trustee for the purposes of compliance with the provisions of Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), pursuant to the terms set forth in the applicable Prospectus Supplement (the "Institutional Trustee"). In addition, unless the Institutional Trustee maintains a principal place of business in the State of Delaware and otherwise meets the requirements of applicable law, one Conseco Trustee of each Conseco Trust will be an entity having a principal place of business in, or a natural person resident of, the State of Delaware (the "Delaware Trustee"). The Company will pay all fees and expenses related to the Conseco Trust and the offering of the Trust Securities.

Unless otherwise specified in the applicable Prospectus Supplement, the Institutional Trustee for each Conseco Trust shall be State Street Bank and Trust Company. Unless otherwise specified in the applicable Prospectus Supplement, the Delaware Trustee for each Conseco Trust shall be First Union Trust Company, National Association, and its address in the State of Delaware is One Rodney Square, 920 King Street, Wilmington, Delaware 19801. The principal place of business of each Conseco Trust shall be c/o Conseco, Inc., 11825 N. Pennsylvania Street, Carmel, Indiana 46032; telephone (317) 817-6100.

USE OF PROCEEDS

Unless otherwise indicated in the accompanying Prospectus Supplement, the net proceeds received by the Company from the sale of the Securities offered hereby are expected to be used for general corporate purposes. The proceeds from the sale of Preferred Securities by the Conseco Trusts will be invested in the Subordinated Debt Securities of the Company. Except as may otherwise be described in the Prospectus Supplement relating to such Preferred Securities, the Company expects to use the net proceeds from the sale of such Subordinated Debt Securities to the Conseco Trusts for general corporate purposes. Any specific allocation of the proceeds to a particular purpose that has been made at the date of any Prospectus Supplement will be described therein.

RATIOS OF EARNINGS TO FIXED CHARGES, EARNINGS TO FIXED

CHARGES AND PREFERRED STOCK DIVIDENDS AND EARNINGS TO FIXED CHARGES, PREFERRED STOCK DIVIDENDS AND DISTRIBUTIONS ON COMPANY-OBLIGATED MANDATORILY REDEEMABLE PREFERRED SECURITIES OF SUBSIDIARY TRUSTS

The following table sets forth the Company's ratios of earnings to fixed charges, earnings to fixed charges and preferred stock dividends and earnings to fixed charges, preferred stock dividends and distributions on Company-obligated mandatorily redeemable preferred securities of subsidiary trusts for each of the five years ended December 31, 1997 and for the three months ended March 31, 1997 and 1998.

| | YEAR ENDED DECEMBER 31, | | | | | THREE MONTHS ENDED MARCH 31, | |
|--|-------------------------|-------|-------|-------|-------|------------------------------------|-------|
| | 1993 | 1994 | 1995 | 1996 | 1997 | 1997 | 1998 |
| Ratio of earnings to fixed charges: | | | | | | | |
| As reported..... | 2.19X | 2.26X | 1.57X | 1.61X | 2.04X | 1.96X | 2.28X |
| Excluding interest on annuities and financial product policyholder account balances(1)(2)..... | 8.85X | 4.55X | 3.80X | 4.55X | 7.21X | 7.36X | 6.26X |
| Ratio of earnings to fixed charges and preferred dividends: | | | | | | | |
| As reported..... | 2.04X | 1.95X | 1.50X | 1.50X | 1.95X | 1.74X | 2.25X |
| Excluding interest on annuities and financial product policyholder account balances(1)(2)..... | 6.00X | 3.14X | 3.06X | 3.14X | 5.77X | 4.07X | 5.93X |
| Ratio of earnings to fixed charges, preferred dividends and distributions on Company-obligated mandatorily redeemable preferred securities of subsidiary trusts: | | | | | | | |
| As reported..... | 2.04X | 1.95X | 1.50X | 1.49X | 1.82X | 1.65X | 2.01X |
| Excluding interest on annuities and financial product policyholder account balances(1)(2)..... | 6.00X | 3.14X | 3.06X | 3.06X | 4.20X | 3.28X | 4.05X |

(1) These ratios are included to assist the reader in analyzing the impact of interest on annuities and financial products (which is not generally required to be paid in cash in the period it is recognized). Such ratios are not intended to, and do not, represent the following ratios prepared in accordance with generally accepted accounting principles ("GAAP"): the ratio of earnings to fixed charges; the ratio of earnings to fixed charges and preferred dividends; or the ratio of earnings to fixed charges, preferred dividends and distributions on Company-obligated mandatorily redeemable preferred securities of subsidiary trusts.

(2) Excludes interest credited to annuity and financial products of \$408.5 million, \$134.7 million, \$585.4 million, \$668.6 million and \$806.7 million for the years ended December 31, 1993, 1994, 1995, 1996 and 1997, respectively, and \$173.7 million and \$188.4 million for the three months ended March 31, 1997 and 1998, respectively.

DESCRIPTION OF DEBT SECURITIES

The Debt Securities offered hereby, consisting of notes, debentures and other evidences of indebtedness, are to be issued in one or more series constituting either senior Debt Securities ("Senior Debt Securities") or subordinated Debt Securities ("Subordinated Debt Securities"). Unless otherwise specified in the applicable Prospectus Supplement, the Debt Securities will be issued pursuant to indentures described below (as applicable, the "Senior Indenture" or the "Subordinated Indenture", each, an "Indenture" and, together, the "Indentures"), in each case between the Company and the trustee identified therein (the "Trustee"), the forms of which have been filed as exhibits to the Registration Statement of which this Prospectus forms a part. Except for the subordination provisions of the Subordinated Indenture, for which there are no counterparts in the Senior Indenture, the provisions of the Subordinated Indenture are substantially identical in substance to the provisions of the Senior Indenture that bear the same section numbers.

The statements herein relating to the Debt Securities and the following summaries of certain general provisions of the Indentures do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all the provisions of the Indentures (as they may be amended or supplemented from time to time), including the definitions therein of certain terms capitalized in this Prospectus. All article and section references appearing herein are to articles and sections of the applicable Indenture and whenever particular Sections or defined terms of the Indentures (as they may be amended or supplemented from time to time) are referred to herein or in a Prospectus Supplement, such Sections or defined terms are incorporated herein or therein by reference.

GENERAL

The Debt Securities will be unsecured obligations of the Company. The Indentures do not limit the aggregate amount of Debt Securities which may be issued thereunder, nor do they limit the incurrence or issuance of other secured or unsecured debt of the Company. The Debt Securities issued under the Senior Indenture will be unsecured and will rank pari passu with all other unsecured and unsubordinated obligations of the Company. The Debt Securities issued under the Subordinated Indenture will be subordinate and junior in right of payment, to the extent and in the manner set forth in the Subordinated Indenture, to all Senior Indebtedness of the Company. See "-- Subordination under the Subordinated Indenture."

Reference is made to the applicable Prospectus Supplement which will accompany this Prospectus for a description of the specific series of Debt Securities being offered thereby, including, but not limited to, the following:

(1) the title, designation and purchase price, of such Debt Securities, including whether the Debt Securities are Senior Debt Securities or Subordinated Debt Securities and whether such Debt Securities will be issued under the Senior Indenture, the Subordinated Indenture or other indenture set forth in the Prospectus Supplement; (2) any limit upon the aggregate principal amount of such Debt Securities; (3) the date or dates on which the principal of and premium, if any, on such Debt Securities will mature or the method of determining such date or dates; (4) the rate or rates (which may be fixed or variable) at which such Debt Securities will bear interest, if any, or the method of calculating such rate or rates; (5) the date or dates from which interest, if any, will accrue or the method by which such date or dates will be determined; (6) the date or dates on which interest, if any, will be payable and the record date or dates therefor; (7) the place or places where principal of, premium, if any, and interest, if any, on such Debt Securities will be payable; (8) the right, if any, of the Company to defer payment of interest on Debt Securities and the maximum length of any such deferral period; (9) the period or periods within which, the price or prices at which, the currency or currencies (including currency unit or units) in which, and the terms and conditions upon which, such Debt Securities may be redeemed, in whole or in part, at the option of the Company; (10) the obligation, if any, of the Company to redeem or purchase such Debt Securities pursuant to any sinking fund or analogous provisions or upon the happening of a specified event and the period or periods within which, the price or prices at which and the other terms and conditions upon which, such Debt Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligations; (11) the denominations in which such Debt Securities are authorized to be issued; (12) the currency or currency unit for which Debt Securities may be purchased or in which Debt Securities may be denominated and/or the currency or currencies (including currency unit or units) in which principal of, premium, if any, and interest, if

any, on such Debt Securities will be payable and whether the Company or the holders of any such Debt Securities may elect to receive payments in respect of such Debt Securities in a currency or currency unit other than that in which such Debt Securities are stated to be payable; (13) if other than the principal amount thereof, the portion of the principal amount of such Debt Securities which will be payable upon declaration of the acceleration of the maturity thereof or the method by which such portion shall be determined; (14) the person to whom any interest on any such Debt Security shall be payable if other than the person in whose name such Debt Security is registered on the applicable record date; (15) any addition to, or modification or deletion of, any Event of Default or any covenant of the Company specified in the Indenture with respect to such Debt Securities; (16) the application, if any, of such means of defeasance or covenant defeasance as may be specified for such Debt Securities; (17) whether such Debt Securities are to be issued in whole or in part in the form of one or more temporary or permanent global securities and, if so, the identity of the depositary for such global security or securities; (18) any Federal income tax considerations applicable to holders of the Debt Securities; and (19) any other special terms pertaining to such Debt Securities. Unless otherwise specified in the applicable Prospectus Supplement, the Debt Securities will not be listed on any securities exchange. (Section 3.1.)

Unless otherwise specified in the applicable Prospectus Supplement, Debt Securities will be issued in fully-registered form without coupons. Where Debt Securities of any series are issued in bearer form, the special restrictions and considerations, including special offering restrictions and special Federal income tax considerations, applicable to any such Debt Securities and to payment on and transfer and exchange of such Debt Securities will be described in the applicable Prospectus Supplement. Bearer Debt Securities will be transferable by delivery. (Section 3.5.)

Debt Securities may be sold at a substantial discount below their stated principal amount, bearing no interest or interest at a rate which at the time of issuance is below market rates. Certain Federal income tax consequences and special considerations applicable to any such Debt Securities, or to Debt Securities issued at par that are treated as having been issued at a discount, will be described in the applicable Prospectus Supplement.

If the purchase price of any of the Debt Securities is payable in one or more foreign currencies or currency units or if any Debt Securities are denominated in one or more foreign currencies or currency units or if the principal of, premium, if any, or interest, if any, on any Debt Securities is payable in one or more foreign currencies or currency units, or by reference to commodity prices, equity indices or other factors, the restrictions, elections, certain Federal income tax considerations, specific terms and other information with respect to such issue of Debt Securities and such foreign currency or currency units or commodity prices, equity indices or other factors will be set forth in the applicable Prospectus Supplement. In general, holders of such series of Debt Securities may receive a principal amount on any principal payment date, or a payment of premium, if any, on any premium interest payment date or a payment of interest on any interest payment date, that is greater than or less than the amount of principal, premium, if any, or interest otherwise payable on such dates, depending on the value on such dates of the applicable currency, commodity, equity index or other factor.

PAYMENT, REGISTRATION, TRANSFER AND EXCHANGE

Unless otherwise provided in the applicable Prospectus Supplement, payments in respect of the Debt Securities will be made in the designated currency at the office or agency of the Company maintained for that purpose as the Company may designate from time to time, except that, at the option of the Company, interest payments, if any, on Debt Securities in registered form may be made (i) by checks mailed to the holders of Debt Securities entitled thereto at their registered addresses or (ii) by wire transfer to an account maintained by the person entitled thereto as specified in the Register. (Sections 3.7(a) and 9.2.) Unless otherwise indicated in the applicable Prospectus Supplement, payment of any installment of interest on Debt Securities in registered form will be made to the person in whose name such Debt Security is registered at the close of business on the regular record date for such interest. (Section 3.7(a).)

Payment in respect of Debt Securities in bearer form will be made in the currency and in the manner designated in the Prospectus Supplement, subject to any applicable laws and regulations, at such paying agencies outside the United States as the Company may appoint from time to time. The paying agents outside the United States initially appointed by the Company for a series of Debt Securities will be named in the Prospectus Supplement. The Company may at any time designate additional paying agents or rescind the designation of any paying agents, except that, if Debt Securities of a series are issuable as Registered Securities, the Company will be required to maintain at least one paying agent in each Place of Payment for such series and, if Debt Securities of a series are issuable as Bearer Securities, the Company will be required to maintain a paying agent in a Place of Payment outside the United States where Debt Securities of such series and any coupons appertaining thereto may be presented and surrendered for payment. (Section 9.2.)

Unless otherwise provided in the applicable Prospectus Supplement, Debt Securities in registered form will be transferable or exchangeable at the agency of the Company maintained for such purpose as designated by the Company from time to time. (Sections 3.5 and 9.2.) Debt Securities may be transferred or exchanged without service charge, other than any tax or other governmental charge imposed in connection therewith. (Section 3.5.)

GLOBAL DEBT SECURITIES

Unless otherwise specified in the applicable Prospectus Supplement, the Debt Securities of a series may be issued in whole or in part in the form of one or more fully registered global securities (a "Registered Global Security") that will be deposited with a depository (the "Depository") or with a nominee for the Depository identified in the applicable Prospectus Supplement. In such a case, one or more Registered Global Securities will be issued in a denomination or aggregate denominations equal to the portion of the aggregate principal amount of outstanding Debt Securities of the series to be represented by such Registered Global Security or Securities. (Section 3.3.) Unless and until it is exchanged in whole or in part for Debt Securities in definitive certificated form, a Registered Global Security may not be registered for transfer or exchange except as a whole by the Depository for such Registered Global Security to a nominee of such Depository or by a nominee of such Depository to such Depository or another nominee of such Depository or by such Depository or any such nominee to a successor Depository for such series or a nominee of such successor Depository and except in the circumstances described in the applicable Prospectus Supplement. (Section 3.5.)

The specific terms of the depository arrangement with respect to any portion of a series of Debt Securities to be represented by a Registered Global Security will be described in the applicable Prospectus Supplement. Unless otherwise specified in the applicable Prospectus Supplement, the Company expects that the following provisions will apply to such depository arrangements.

Ownership of beneficial interests in a Registered Global Security will be limited to participants or persons that may hold interests through participants (as such term is defined below). Upon the issuance of any Registered Global Security, and the deposit of such Registered Global Security with or on behalf of the Depository for such Registered Global Security, the Depository will credit, on its book-entry registration and transfer system, the respective principal amounts of the Debt Securities represented by such Registered Global Security to the accounts of institutions ("participants") that have accounts with the Depository or its nominee. The accounts to be credited will be designated by the underwriters or agents engaging in the distribution of such Debt Securities or by the Company, if such Debt Securities are offered and sold directly by the Company. Ownership of beneficial interests by participants in such Registered Global Security will be shown on, and the transfer of such beneficial interests will be effected only through, records maintained by the Depository for such Registered Global Security or by its nominee. Ownership of beneficial interests in such Registered Global Security by persons that hold through participants will be shown on, and the transfer of such beneficial interests within such participants will be effected only through, records maintained by such participants. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. The foregoing limitations and such laws may impair the ability to transfer beneficial interests in such Registered Global Security.

So long as the Depository for a Registered Global Security, or its nominee, is the registered owner of such Registered Global Security, such Depository or such nominee, as the case may be, will be considered the sole owner or holder of the Debt Securities represented by such Registered Global Security for all purposes under the applicable Indenture. Unless otherwise specified in the applicable Prospectus Supplement and except as specified below, owners of beneficial interests in such Registered Global Security will not be entitled to have Debt Securities of the series represented by such Registered Global Security registered in their names, will not receive or be entitled to receive physical delivery of Debt Securities of such series in certificated form and will not be considered the holders thereof for any purposes under the relevant Indenture. (Section 3.8.) Accordingly, each person owning a beneficial interest in such Registered Global Security must rely on the procedures of the Depository and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the relevant Indenture. The Depository may grant proxies and otherwise authorize participants to give or take any request, demand, authorization, direction, notice, consent, waiver or other action which a holder is entitled to give or take under the relevant Indenture. The Company understands that, under existing industry practices, if the Company requests any action of holders or if any owner of a beneficial interest in such Registered Global Security desires to give any notice or take any action which a holder is entitled to give or take under the relevant Indenture, the Depository would authorize the participants to give such notice or take such action, and such participants would authorize beneficial owners owning through such participants to give such notice or take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Unless otherwise specified in the applicable Prospectus Supplement, payments with respect to principal, premium, if any, and interest, if any, on Debt Securities represented by a Registered Global Security registered in the name of a Depository or its nominee will be made to such Depository or its nominee, as the case may be, as the registered owner of such Registered Global Security.

The Company expects that the Depository for any Debt Securities represented by a Registered Global Security, upon receipt of any payment of principal, premium or interest, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Registered Global Security as shown on the records of such Depository. The Company also expects that payments by participants to owners of beneficial interests in such Registered Global Security held through such participants will be governed by standing instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "street names," and will be the responsibility of such participants. None of the Company, the respective Trustees or any agent of the Company or the respective Trustees shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests of a Registered Global Security, or for maintaining, supervising or reviewing any records relating to such beneficial interests. (Section 3.8.)

Unless otherwise specified in the applicable Prospectus Supplement, if the Depository for any Debt Securities represented by a Registered Global Security is at any time unwilling or unable to continue as Depository or ceases to be a clearing agency registered under the Exchange Act and a duly registered successor Depository is not appointed by the Company within 90 days, the Company will issue such Debt Securities in definitive certificated form in exchange for such Registered Global Security. In addition, the Company may at any time and in its sole discretion determine not to have any of the Debt Securities of a series represented by one or more Registered Global Securities and, in such event, will issue Debt Securities of such series in definitive certificated form in exchange for all of the Registered Global Security or Securities representing such Debt Securities. (Section 3.5.)

The Debt Securities of a series may also be issued in whole or in part in the form of one or more bearer global securities (a "Bearer Global Security") that will be deposited with a depository, or with a nominee for such depository, identified in the applicable Prospectus Supplement. Any such Bearer Global Security may be issued in temporary or permanent form. (Section 3.4.) The specific terms and procedures, including the specific terms of the depository arrangement, with respect to any portion of a series of Debt Securities to be represented by one or more Bearer Global Securities will be described in the applicable Prospectus Supplement.

CONSOLIDATION, MERGER OR SALE BY THE COMPANY

Unless otherwise specified in the applicable Prospectus Supplement, the Company shall not consolidate with or merge into any other corporation or sell its assets substantially as an entirety, unless: (i) the corporation formed by such consolidation or into which the Company is merged or the corporation which acquires its assets is organized in the United States; (ii) the corporation formed by such consolidation or into which the Company is merged or which acquires the Company's assets substantially as an entirety expressly assumes all of the obligations of the Company under each Indenture; (iii) immediately after giving effect to such transaction, no Default or Event of Default shall have happened and be continuing, and (iv) if, as a result of such transaction, properties or assets of the Company would become subject to an encumbrance which would not be permitted by the terms of any series of Debt Securities, the Company or the successor corporation, as the case may be, shall take such steps as are necessary to secure such Debt Securities equally and ratably with all indebtedness secured thereunder. Upon any such consolidation, merger or sale, the successor corporation formed by such consolidation, or into which the Company is merged or to which such sale is made, shall succeed to, and be substituted for the Company under each Indenture. (Section 7.1.)

EVENTS OF DEFAULT, NOTICE AND CERTAIN RIGHTS ON DEFAULT

Each Indenture provides that, if an Event of Default specified therein occurs with respect to the Debt Securities of any series and is continuing, the Trustee for such series or the holders of 25% in aggregate principal amount of all of the outstanding Debt Securities of that series, by written notice to the Company (and to the Trustee for such series, if notice is given by such holders of Debt Securities), may declare the principal of (or, if the Debt Securities of that series are Original Issue Discount Securities or Indexed Securities, such portion of the principal amount specified in the Prospectus Supplement) and accrued interest on all the Debt Securities of that series to be due and payable (provided, with respect to any Debt Securities issued under the Subordinated Indenture, that the payment of principal and interest on such Debt Securities shall remain subordinated to the extent provided in Article 12 of the Subordinated Indenture). (Section 5.2.)

Unless otherwise specified in the applicable Prospectus Supplement, Events of Default with respect to Debt Securities of any series are defined in each Indenture as being: (a) default for 30 days in payment of any interest on any Debt Security of that series or any coupon appertaining thereto or any additional amount payable with respect to Debt Securities of such series as specified in the applicable Prospectus Supplement when due; (b) default in payment of principal, or premium, if any, at maturity or on redemption or otherwise, or in the making of a mandatory sinking fund payment of any Debt Securities of that series when due; (c) default for 60 days after notice to the Company by the Trustee for such series, or by the holders of 25% in aggregate principal amount of the Debt Securities of such series then outstanding, in the performance of any other agreement in the Debt Securities of that series, in the Indenture or in any supplemental indenture or board resolution referred to therein under which the Debt Securities of that series may have been issued; (d) default resulting in acceleration of other indebtedness of the Company for borrowed money where the aggregate principal amount so accelerated exceeds \$25 million and such acceleration is not rescinded or annulled within 30 days after the written notice thereof to the Company by the Trustee or to the Company and the Trustee by the holders of 25% in aggregate principal amount of the Debt Securities of such series then outstanding, provided that such Event of Default will be remedied, cured or waived if the default that resulted in the acceleration of such other indebtedness is remedied, cured or waived; and (e) certain events of bankruptcy, insolvency or reorganization of the Company. (Section 5.1.) The definition of "Event of Default" in each Indenture specifically excludes a default under a secured debt under which the obligee has recourse (exclusive of recourse for ancillary matters such as environmental indemnities, misapplication of funds, costs of enforcement, etc.) only to the collateral pledged for repayment, and where the fair market value of such collateral does not exceed two percent of Total Assets (as defined in the Indenture) at the time of the default. Events of Default with respect to a specified series of Debt Securities may be added to the Indenture and, if so added, will be described in the applicable Prospectus Supplement. (Sections 3.1 and 5.1(7).)

Each Indenture provides that the Trustee will, within 90 days after the occurrence of a Default with respect to the Debt Securities of any series, give to the holders of the Debt Securities of that series notice of all Defaults known to it unless such Default shall have been cured or waived; provided that except in the case of

a Default in payment on the Debt Securities of that series, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding such notice is in the interests of the holders of the Debt Securities of that series. (Section 6.6.) "Default" means any event which is, or after notice or passage of time or both, would be, an Event of Default. (Section 1.1.)

Each Indenture provides that the holders of a majority in aggregate principal amount of the Debt Securities of each series affected (with each such series voting as a class) may, subject to certain limited conditions, direct the time, method and place of conducting any proceeding for any remedy available to the Trustee for such series, or exercising any trust or power conferred on such Trustee. (Section 5.8.)

Each Indenture includes a covenant that the Company will file annually with the Trustee a certificate as to the Company's compliance with all conditions and covenants of such Indenture. (Section 9.5.)

The holders of a majority in aggregate principal amount of any series of Debt Securities by notice to the Trustee for such series may waive, on behalf of the holders of all Debt Securities of such series, any past Default or Event of Default with respect to that series and its consequences except a Default or Event of Default in the payment of the principal of, premium, if any, or interest, if any, on any Debt Security, and except in respect of an Event of Default resulting from the breach of a covenant or provision of either Indenture which, pursuant to the applicable Indenture, cannot be amended or modified without the consent of the holders of each outstanding Debt Security of such series affected. (Section 5.7.)

OPTION TO DEFER INTEREST PAYMENTS

If provided in the applicable Prospectus Supplement, the Company shall have the right at any time and from time to time during the term of the series of Debt Securities to defer the payment of interest for such number of consecutive interest payment periods as may be specified in the applicable Prospectus Supplement (each, an "Extension Period"), subject to the terms, conditions and covenants, if any, specified in such Prospectus Supplement, provided that such Extension Period may not extend beyond the stated maturity of the Debt Securities. Certain material United States Federal income tax consequences and special considerations applicable to any such Debt Securities will be described in the applicable Prospectus Supplement.

Unless otherwise specified in the applicable Prospectus Supplement, at the end of such Extension Period, the Company shall pay all interest then accrued and unpaid together with interest thereon compounded semiannually at the rate specified for the Debt Securities to the extent permitted by applicable law ("Compound Interest"); provided, that during any such Extension Period, (a) the Company shall not declare or pay dividends on, make distributions with respect to, or redeem, purchase, acquire or make a liquidation payment with respect to, any of its capital stock (other than (i) purchases or acquisitions of capital stock of the Company in connection with the satisfaction by the Company of its obligations under any employee or agent benefit plans or the satisfaction by the Company of its obligations pursuant to any contract or security outstanding on the date of such event requiring the Company to purchase capital stock of the Company, (ii) as a result of a reclassification of the Company's capital stock or the exchange or conversion of one class or series of the Company's capital stock for another class or series of the Company's capital stock, (iii) the purchase of fractional interests in shares of the Company's capital stock pursuant to the conversion of exchange provisions of such capital stock or the security being converted or exchanged, (iv) dividends or distributions in capital stock of the Company (or rights to acquire capital stock) or repurchases or redemptions of capital stock solely from the issuance or exchange of capital stock or (v) redemptions or repurchases of any rights outstanding under a shareholder rights plan), (b) the Company shall not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities issued by the Company that rank junior to the Debt Securities, and (c) the Company shall not make any guarantee payments with respect to the foregoing (other than payments pursuant to the Trust Guarantee or the Common Guarantee (as defined herein)). Prior to the termination of any such Extension Period, the Company may further defer payments of interest by extending the interest payment period; provided, however, that, such Extension Period, including all such previous and further extensions, may not extend beyond the maturity of the Debt Securities. Upon the termination of any Extension Period and the payment of all amounts then due, the Company may commence a new Extension Period, subject to the terms set forth in this section. No

interest during an Extension Period, except at the end thereof, shall be due and payable, but the Company may prepay at any time all or any portion of the interest accrued during an Extension Period. The Company has no present intention of exercising its right to defer payments of interest by extending the interest payment period on the Debt Securities. If the Institutional Trustee shall be the sole holder of the Debt Securities, the Company shall give the Regular Trustees and the Institutional Trustee notice of its selection of such Extension Period one Business Day prior to the earlier of (i) the date distributions on the Preferred Securities are payable or (ii) the date the Regular Trustees are required to give notice to the New York Stock Exchange (or other applicable self-regulatory organization) or to holders of the Preferred Securities of the record or payment date of such distribution. The Regular Trustees shall give notice of the Company's selection of such Extension Period to the holders of the Preferred Securities. If the Institutional Trustee shall not be the sole holder of the Debt Securities, the Company shall give the holders of the Debt Securities notice of its selection of such Extension Period ten Business Days prior to the earlier of (i) the Interest Payment Date or (ii) the date upon which the Company is required to give notice to the New York Stock Exchange (or other applicable self-regulatory organization) or to holders of the Debt Securities of the record or payment date of such related interest payment.

MODIFICATION OF THE INDENTURES

Unless otherwise specified in the applicable Prospectus Supplement, each Indenture contains provisions permitting the Company and the Trustee to enter into one or more supplemental indentures without the consent of the holders of any of the Debt Securities in order (i) to evidence the succession of another corporation to the Company and the assumption of the covenants of the Company by a successor to the Company; (ii) to add to the covenants of the Company or surrender any right or power of the Company; (iii) to add additional Events of Default with respect to any series of Debt Securities; (iv) to add or change any provisions to such extent as necessary to permit or facilitate the issuance of Debt Securities in bearer form; (v) to change or eliminate any provision affecting only Debt Securities not yet issued; (vi) to secure the Debt Securities; (vii) to establish the form or terms of Debt Securities; (viii) to evidence and provide for successor Trustees; (ix) if allowed without penalty under applicable laws and regulations, to permit payment in respect of Debt Securities in bearer form in the United States; (x) to correct any defect or supplement any inconsistent provisions or to make any other provisions with respect to matters or questions arising under such Indenture, provided that such action does not adversely affect the interests of any holder of Debt Securities of any series; or (xi) to cure any ambiguity or correct any mistake. The Subordinated Indenture also permits the Company and the Trustee thereunder to enter into such supplemental indentures to modify the subordination provisions contained in the Subordinated Debenture except in a manner adverse to any outstanding Debt Securities. (Section 8.1.)

Unless otherwise specified in the applicable Prospectus Supplement, each Indenture also contains provisions permitting the Company and the Trustee, with the consent of the holders of a majority in aggregate principal amount of the outstanding Debt Securities affected by such supplemental indenture (with the Debt Securities of each series voting as a class), to execute supplemental indentures adding any provisions to or changing or eliminating any of the provisions of such Indenture or any supplemental indenture or modifying the rights of the holders of Debt Securities of such series, except that, without the consent of the holder of each Debt Security so affected, no such supplemental indenture may: (i) change the time for payment of principal or premium, if any, or interest on any Debt Security; (ii) reduce the principal of, or any installment of principal of, or premium, if any, or interest on any Debt Security, or change the manner in which the amount of any of the foregoing is determined; (iii) reduce the amount of premium, if any, payable upon the redemption of any Debt Security; (iv) reduce the amount of principal payable upon acceleration of the maturity of any Original Issue Discount or Index Security; (v) change the currency or currency unit in which any Debt Security or any premium or interest thereon is payable; (vi) impair the right to institute suit for the enforcement of any payment on or with respect to any Debt Security; (vii) reduce the percentage in principal amount of the outstanding Debt Securities affected thereby the consent of whose holders is required for modification or amendment of such Indenture or for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults; (viii) change the obligation of the Company to maintain an office or agency in the places and for the purposes specified in such Indenture; (ix) modify the provisions relating to

the subordination of outstanding Debt Securities of any series in a manner adverse to the holders thereof; or (x) modify the provisions relating to waiver of certain defaults or any of the foregoing provisions. (Section 8.2.)

SUBORDINATION UNDER THE SUBORDINATED INDENTURE

The Subordinated Indenture provides that any Subordinated Debt Securities issued thereunder are subordinated in right of payment to all Senior Indebtedness to the extent provided in the Subordinated Indenture. (Section 12.1 of the Subordinated Indenture.) The Subordinated Indenture defines the term "Senior Indebtedness" as: (i) all indebtedness of the Company, whether outstanding on the date of the Subordinated Indenture or thereafter created, incurred or assumed, which is for money borrowed, or evidenced by a note or similar instrument given in connection with the acquisition of any business, properties or assets, including securities; (ii) any indebtedness of others of the kinds described in the preceding clause (i) for the payment of which the Company is responsible or liable as guarantor or otherwise; and (iii) amendments, renewals, extensions and refundings of any such indebtedness. The Senior Indebtedness shall continue to be Senior Indebtedness and entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of the Senior Indebtedness or extension or renewal of the Senior Indebtedness. Senior Indebtedness does not include (A) any indebtedness of the Company to any of its subsidiaries, (B) indebtedness incurred for the purchase of goods or materials or for services obtained in the ordinary course of business and (C) any indebtedness which by its terms is expressly made pari passu with or subordinated to the Subordinated Debt Securities. (Section 12.2 of the Subordinated Indenture.)

If (i) the Company defaults in the payment of any principal, or premium, if any, or interest on any Senior Indebtedness when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or declaration or otherwise or (ii) an event of default occurs with respect to any Senior Indebtedness permitting the holders thereof to accelerate the maturity thereof and written notice of such event of default (requesting that payments on Subordinated Debt Securities cease) is given to the Company by the holders of Senior Indebtedness, then unless and until such default in payment or event of default shall have been cured or waived or shall have ceased to exist, no direct or indirect payment (in cash, property or securities, by set-off or otherwise) shall be made or agreed to be made on account of the Subordinated Debt Securities or interest thereon or in respect of any repayment, redemption, retirement, purchase or other acquisition of Subordinated Debt Securities. (Section 12.4 of the Subordinated Indenture.)

In the event of (i) any insolvency, bankruptcy, receivership, liquidation, reorganization, readjustment, composition or other similar proceeding relating to the Company, its creditors or its property, (ii) any proceeding for the liquidation, dissolution or other winding-up of the Company, voluntary or involuntary, whether or not involving insolvency or bankruptcy proceedings, (iii) any assignment by the Company for the benefit of creditors or (iv) any other marshalling of the assets of the Company, all Senior Indebtedness (including, without limitation, interest accruing after the commencement of any such proceeding, assignment or marshalling of assets) shall first be paid in full before any payment or distribution, whether in cash, securities or other property, shall be made by the Company on account of Subordinated Debt Securities. In any such event, any payment or distribution, whether in cash, securities or other property (other than securities of the Company or any other corporation provided for by a plan of reorganization or readjustment, the payment of which is subordinate, at least to the extent provided in the subordination provisions of the Subordinated Indenture with respect to the indebtedness evidenced by Subordinated Debt Securities, to the payment of all Senior Indebtedness at the time outstanding and to any securities issued in respect thereof under any such plan of reorganization or readjustment), which would otherwise (but for the subordination provisions) be payable or deliverable in respect of Subordinated Debt Securities (including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Company being subordinated to the payment of Subordinated Debt Securities) shall be paid or delivered directly to the holders of Senior Indebtedness, or to their representative or trustee, in accordance with the priorities then existing among such holders until all Senior Indebtedness shall have been paid in full.

(Section 12.3 of the Subordinated Indenture.) No present or future holder of any Senior Indebtedness shall be prejudiced in the right to enforce subordination of the indebtedness evidenced by Subordinated Debt Securities by any act or failure to act on the part of the Company. (Section 12.9 of the Subordinated Indenture.)

Senior Indebtedness shall not be deemed to have been paid in full unless the holders thereof shall have received cash, securities or other property equal to the amount of such Senior Indebtedness then outstanding. Upon the payment in full of all Senior Indebtedness, the holders of Subordinated Debt Securities shall be subrogated to all the rights of any holders of Senior Indebtedness to receive any further payments or distributions applicable to the Senior Indebtedness until all Subordinated Debt Securities shall have been paid in full, and such payments or distributions received by any holder of Subordinated Debt Securities, by reason of such subrogation, of cash, securities or other property which otherwise would be paid or distributed to the holders of Senior Indebtedness, shall, as between the Company and its creditors other than the holders of Senior Indebtedness, on the one hand, and the holders of Subordinated Debt Securities, on the other, be deemed to be a payment by the Company on account of Senior Indebtedness, and not on account of Subordinated Debt Securities. (Section 12.7 of the Subordinated Indenture.)

The Subordinated Indenture provides that the foregoing subordination provisions, insofar as they relate to any particular issue of Subordinated Debt Securities, may be changed prior to such issuance. Any such change would be described in the applicable Prospectus Supplement relating to such Subordinated Debt Securities.

DEFEASANCE AND COVENANT DEFEASANCE

If indicated in the applicable Prospectus Supplement, the Company may elect either (i) to defease and be discharged from any and all obligations with respect to the Debt Securities of or within any series (except as otherwise provided in the relevant Indenture) ("defeasance") or (ii) to be released from its obligations with respect to certain covenants applicable to the Debt Securities of or within any series ("covenant defeasance"), upon the deposit with the relevant Trustee (or other qualifying trustee), in trust for such purpose, of money and/or Government Obligations which through the payment of principal and interest in accordance with their terms will provide money in an amount sufficient, without reinvestment, to pay the principal of and any premium or interest on such Debt Securities to Maturity or redemption, as the case may be, and any mandatory sinking fund or analogous payments thereon. As a condition to defeasance or covenant defeasance, the Company must deliver to the Trustee an Opinion of Counsel to the effect that the Holders of such Debt Securities will not recognize income, gain or loss for Federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to Federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. Such Opinion of Counsel, in the case of defeasance under clause (i) above, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable Federal income tax law occurring after the date of the relevant Indenture. (Article 4.) If indicated in the applicable Prospectus Supplement, in addition to obligations of the United States or an agency or instrumentality thereof, Government Obligations may include obligations of the government or an agency or instrumentality of the government issuing the currency or currency unit in which Debt Securities of such series are payable. (Section 3.1.)

In addition, with respect to the Subordinated Indenture, in order to be discharged no event or condition shall exist that, pursuant to certain provisions described under "-- Subordination under the Subordinated Indenture" above, would prevent the Company from making payments of principal of (and premium, if any) and interest on Subordinated Debt Securities at the date of the irrevocable deposit referred to above. (Section 4.6(j) of the Subordinated Indenture.)

The Company may exercise its defeasance option with respect to such Debt Securities notwithstanding its prior exercise of its covenant defeasance option. If the Company exercises its defeasance option, payment of such Debt Securities may not be accelerated because of a Default or an Event of Default. (Section 4.4.) If the Company exercises its covenant defeasance option, payment of such Debt Securities may not be accelerated by reason of a Default or an Event of Default with respect to the covenants to which such covenant defeasance

is applicable. However, if such acceleration were to occur by reason of another Event of Default, the realizable value at the acceleration date of the money and Government Obligations in the defeasance trust could be less than the principal and interest then due on such Debt Securities, in that the required deposit in the defeasance trust is based upon scheduled cash flow rather than market value, which will vary depending upon interest rates and other factors.

THE TRUSTEES

Unless otherwise specified in the applicable Prospectus Supplement, LTCB Trust Company will be the Trustee under the Senior Indenture, and State Street Bank and Trust Company will be the Trustee under the Subordinated Indenture. The Company may also maintain banking and other commercial relationships with each of the Trustees and their affiliates in the ordinary course of business.

DESCRIPTION OF CAPITAL STOCK

At May 21, 1998 the authorized capital stock of the Company was 1,020,000,000 shares, consisting of:

(a) 20,000,000 shares of Preferred Stock, of which 1,889,400 shares of Preferred Redeemable Increased Dividend Equity Securities, 7% PRIDES ("PRIDES"), were outstanding; and

(b) 1,000,000,000 shares of Common Stock, of which 187,126,301 shares were outstanding.

In general, the classes of authorized capital stock are afforded preferences with respect to dividends and liquidation rights in the order listed above. The Board of Directors of the Company is empowered, without approval of the shareholders, to cause the Preferred Stock to be issued in one or more series, with the numbers of shares of each series and the rights, preferences and limitations of each series to be determined by it including, without limitation, the dividend rights, conversion rights, redemption rights and liquidation preferences, if any, of any wholly unissued series of Preferred Stock (or of the entire class of Preferred Stock if none of such shares have been issued), the number of shares constituting each such series and the terms and conditions of the issue thereof. The descriptions set forth below do not purport to be complete and are qualified in their entirety by reference to the Amended and Restated Articles of Incorporation of the Company, as amended (the "Articles of Incorporation").

The Prospectus Supplement relating to an offering of Common Stock will describe terms relevant thereto, including the number of shares offered, the initial offering price, market price and dividend information.

PREFERRED STOCK

The applicable Prospectus Supplement will describe the following terms of any Preferred Stock in respect of which this Prospectus is being delivered (to the extent applicable to such Preferred Stock): (i) the specific designation, number of shares, seniority and purchase price; (ii) any liquidation preference per share; (iii) any date of maturity; (iv) any redemption, repayment or sinking fund provisions; (v) any dividend rate or rates and the dates on which any such dividends will be payable (or the method by which such rates or dates will be determined); (vi) any voting rights; (vii) if other than the currency of the United States of America, the currency or currencies, including composite currencies, in which such Preferred Stock is denominated and/or in which payments will or may be payable; (viii) the method by which amounts in respect of such Preferred Stock may be calculated and any commodities, currencies or indices, or value, rate or price, relevant to such calculation; (ix) whether the Preferred Stock is convertible or exchangeable and, if so, the securities or rights into which such Preferred Stock is convertible or exchangeable (which may include other Preferred Stock, Debt Securities, Common Stock or other securities or rights of the Company (including rights to receive payment in cash or securities based on the value, rate or price of one or more specified commodities, currencies or indices) or a combination of the foregoing), and the terms and conditions upon which such conversions or exchanges will be effected, including the initial conversion or exchange prices or rates, the conversion or exchange period and any other related provisions; (x) the place or places where dividends and other payments on the Preferred Stock will be payable; and (xi) any additional voting, dividend, liquidation, redemption and other rights, preferences, privileges, limitations and restrictions.

As described under "Description of Depositary Shares", the Company may, at its option, elect to offer Depositary Shares evidenced by depositary receipts ("Depositary Receipts"), each representing an interest (to be specified in the applicable Prospectus Supplement relating to the particular series of the Preferred Stock) in a share of the particular series of the Preferred Stock issued and deposited with a Preferred Stock Depositary (as defined herein).

All shares of Preferred Stock offered hereby, or issuable upon conversion, exchange or exercise of Securities, will, when issued, be fully paid and non-assessable.

COMMON STOCK

Dividends. Except as provided below, holders of Common Stock are entitled to receive dividends and other distributions in cash, stock or property of the Company, when, as and if declared by the Board of Directors out of assets or funds of the Company legally available therefor and shall share equally on a per share basis in all such dividends and other distributions (subject to the rights of holders of Preferred Stock).

Voting Rights. At every meeting of shareholders, every holder of Common Stock is entitled to one vote per share. Subject to any voting rights which may be granted to holders of Preferred Stock any action submitted to shareholders is approved if the number of votes cast in favor of such action exceeds the number of votes against, except where other provision is made by law and subject to applicable quorum requirements.

Liquidation Rights. In the event of any liquidation, dissolution or winding-up of the business of the Company, whether voluntary or involuntary (any such event, a "Liquidation"), the holders of Common Stock are entitled to share equally in the assets available for distribution after payment of all liabilities and provision for the liquidation preference of any shares of Preferred Stock then outstanding.

Miscellaneous. The holders of Common Stock have no preemptive rights, cumulative voting rights, subscription rights, or conversion rights and the Common Stock is not subject to redemption.

The transfer agent and registrar with respect to the Common Stock and the PRIDES is First Union National Bank.

All shares of Common Stock offered hereby, or issuable upon conversion, exchange or exercise of Securities, will, when issued, be fully paid and non-assessable. The Common Stock is traded on the New York Stock Exchange under the symbol "CNC".

PRIDES

General. The PRIDES are shares of convertible preferred stock and rank prior to the Common Stock as to payment of dividends and distribution of assets upon liquidation. The shares of PRIDES mandatorily convert into shares of Common Stock on February 1, 2000, (the "Mandatory Conversion Date"), and the Company has the option to redeem the shares of PRIDES, in whole or in part, at any time and from time to time on or after February 1, 1999 and prior to the Mandatory Conversion Date pursuant to the terms described below and payable in shares of Common Stock. In addition, the shares of PRIDES are convertible into shares of Common Stock at the option of the holder at any time prior to the Mandatory Conversion Date as set forth below.

Dividends. Holders of shares of PRIDES are entitled to receive annual cumulative dividends at a rate per annum of 7% of the stated liquidation preference (equivalent to \$4.279 per each share of PRIDES) payable quarterly in arrears on each February 1, May 1, August 1, and November 1.

Mandatory Conversion. On the Mandatory Conversion Date, unless previously redeemed or converted, each outstanding share of PRIDES will mandatorily convert into (i) four shares of Common Stock, subject to adjustment in certain events, and (ii) the right to receive cash in an amount equal to all accrued and unpaid dividends thereon (other than previously declared dividends payable to a holder of record as of a prior date).

Optional Redemption. Shares of PRIDES are not redeemable prior to February 1, 1999. At any time and from time to time on or after February 1, 1999 and ending immediately prior to the Mandatory Conversion Date, the Company may redeem any or all of the outstanding shares of PRIDES. Upon any such

redemption, each holder will receive, in exchange for each share of PRIDES, the number of shares of Common Stock equal to the Call Price (which is the sum of

(i) \$62.195, declining after February 1, 1999 to \$61.125 until the Mandatory Conversion Date and (ii) all accrued and unpaid dividends thereon (other than previously declared dividends payable to a holder of record as of a prior date)) divided by the current market price on the applicable date of determination, but in no event less than 3.42 shares of Common Stock, subject to adjustment. The number of shares of Common Stock to be delivered in payment of the applicable Call Price will be determined on the basis of the current market price of the Common Stock prior to the announcement of the redemption.

Conversion at the Option of the Holder. At any time prior to the Mandatory Conversion Date, unless previously redeemed, each share of PRIDES is convertible at the option of the holder thereof into 3.42 shares of Common Stock (the "Optional Conversion Rate"), equivalent to the conversion price of \$17.8728 per share of Common Stock, subject to adjustment as described herein. The right of holders to convert shares of PRIDES called for redemption will terminate immediately prior to the close of business on the redemption date.

Voting Rights. The holders of shares of PRIDES have the right with the holders of Common Stock to vote in the election of directors and upon each other matter coming before any meeting of the holders of Common Stock on the basis of 4/5 of one vote for each share of PRIDES. On such matters, the holders of shares of PRIDES and the holders of Common Stock vote together as one class except as otherwise provided by law or the Articles of Incorporation. In addition, (i) whenever dividends on the shares of PRIDES or any other series of Preferred Stock with like voting rights are in arrears and unpaid for six quarterly dividend periods, and in certain other circumstances, the holders of the shares of PRIDES (voting separately as a class with the holders of all other series of Preferred Stock with like voting rights that are exercisable) will be entitled to vote, on the basis of one vote for each share of PRIDES, for the election of two directors of the Company, such directors to be in addition to the number of directors constituting the Board of Directors immediately prior to the accrual of such right, and (ii) the holders of the shares of PRIDES may have voting rights with respect to certain alterations of the Articles of Incorporation and certain other matters, voting on the same basis or separately as a series.

Liquidation Preference and Ranking. The shares of PRIDES rank prior to the Common Stock as to payment of dividends and distribution of assets upon liquidation. The liquidation preference of each share of PRIDES is an amount equal to the sum of (i) \$61.125 per share and (ii) all accrued and unpaid dividends thereon.

CERTAIN PROVISIONS OF THE ARTICLES OF INCORPORATION AND BYLAWS OF CONSECO

Certain provisions of the Articles of Incorporation and the Bylaws of the Company (the "Bylaws") may make it more difficult to effect a change in control of the Company if the Board of Directors determines that such action would not be in the best interests of the shareholders. It could be argued, contrary to the belief of the Board of Directors, that such provisions are not in the best interests of the shareholders to the extent that they will have the effect of tending to discourage possible takeover bids, which might be at prices involving a premium over then recent market quotations for the Common Stock. The most important of those provisions are described below.

The Articles of Incorporation authorize the establishment of a classified Board of Directors pursuant to the Bylaws. The Bylaws, in turn, provide that the Directors serve staggered three-year terms, with the members of only one class being elected in any year.

A classified Board of Directors may increase the difficulty of removing incumbent directors, providing such directors with enhanced ability to retain their positions. A classified Board of Directors may also make the acquisition of control of the Company by a third party by means of a proxy contest more difficult. In addition, the classification may make it more difficult to replace a majority of directors for business reasons unrelated to a change in control.

The Articles of Incorporation provide that holders of the Company's voting stock shall not be entitled to vote on certain business transactions (defined to include, among other things, certain mergers, consolidations, sales, leases, transfers or other dispositions of a substantial part of the Company's assets) with certain related persons (which includes persons beneficially owning more than 10% of the Company's outstanding voting stock), nor may such business combination transactions be effected, unless (i) the relevant business combination shall have been approved by two-thirds of the continuing directors or (ii) the aggregate amount of the cash and the fair value of any consideration other than cash to be received by any holder of the Common Stock or Preferred Stock in the business combination for each such share of Common Stock or Preferred Stock shall be at least equal to the highest per share price paid by the related person in order to acquire any shares of Common Stock or Preferred Stock, as the case may be, beneficially owned by such related person.

As discussed above, Preferred Stock may be issued from time to time in one or more series with such rights, preferences, limitations and restrictions as may be determined by the Board of Directors. The issuance of Preferred Stock could be used, under certain circumstances, as a method of delaying or preventing a change of control of the Company and could have a detrimental effect on the rights of holders of Common Stock, including loss of voting control.

The provisions of the Articles of Incorporation regarding the classified Board of Directors and certain business combination transactions may not be amended without the affirmative approval of holders of not less than 80% of the outstanding voting stock of the Company.

The Bylaws may be amended by majority vote of the Board of Directors.

CERTAIN PROVISIONS OF CORPORATE AND INSURANCE LAWS

In addition to the Articles of Incorporation and Bylaws, certain provisions of Indiana law may delay, deter or prevent a merger, tender offer or other takeover attempt of the Company.

Under the Indiana Business Corporation Law (the "IBCL"), a director may, in considering the best interests of a corporation, consider the effects of any action on shareholders, employees, suppliers and customers of the corporation, on communities in which offices or other facilities of the corporation are located, and any other factors the director considers pertinent.

The IBCL provides that no business combination (defined to include certain mergers, sales of assets, sales of 5% or more of outstanding stock, loans, recapitalizations or liquidations or dissolutions) involving a corporation and an interested shareholder (defined to include any holder of 10% or more of such corporation's voting stock) may be entered into unless (1) it has been approved by the board of directors of the corporation or (2) (a) five years have expired since the acquisition of shares of the corporation by the interested shareholder, (b) all requirements of the corporation's articles of incorporation relating to business combinations have been satisfied and (c) either (i) a majority of shareholders of the corporation (excluding the interested shareholder) approve the business combination or (ii) all shareholders are paid fair value (as defined in the statute) for their stock. However, such law does not restrict any offer to purchase all of a corporation's shares.

The IBCL also provides that when a target corporation (such as the Company), incorporated in Indiana and having its principal place of business, principal office or substantial assets in Indiana, has a certain threshold of ownership by Indiana residents, any acquisition which, together with its previous holdings, gives the acquiror at least 20% of the target's voting stock triggers a shareholder approval mechanism. If the acquiror files a statutorily required disclosure statement, the target's management has 50 days within which to hold a special meeting of shareholders at which all disinterested shareholders of the target (those not affiliated with the acquiror or any officer or inside director of the target) consider and vote upon whether the acquiror shall have voting rights with respect to the shares of the target held by it. Without shareholder approval, the shares acquired by the acquiror have no voting rights. If the acquiror fails to file the statutorily required disclosure statement, the target can redeem the acquiror's shares at a price to be determined according to

procedures devised by the target. In order for these provisions of the IBCL not to apply to a particular Indiana company, the company must affirmatively so provide in its articles of incorporation or bylaws.

In addition, the insurance laws and regulations of the jurisdictions in which the Company's insurance subsidiaries do business may impede or delay a business combination involving the Company.

DESCRIPTION OF DEPOSITARY SHARES

The description set forth below of certain provisions of the Deposit Agreement (as defined below) and of the Depositary Shares and Depositary Receipts summarizes the material terms of the Deposit Agreement and of the Depositary Shares and Depositary Receipts and is qualified in its entirety by reference to the form of Deposit Agreement and form of Depositary Receipts relating to each series of the Preferred Stock, as well as the Articles of Incorporation or any required amendment thereto describing the applicable series of Preferred Stock.

GENERAL

The Company may, as its option, elect to have shares of Preferred Stock be represented by Depositary Shares. The shares of any series of the Preferred Stock underlying the Depositary Shares will be deposited under a separate deposit agreement (the "Deposit Agreement") to be entered into by the Company and a bank or trust company selected by the Company (the "Preferred Stock Depositary"). The Prospectus Supplement relating to a series of Depositary Shares will set forth the name and address of the Preferred Stock Depositary. Subject to the terms of the Deposit Agreement, each owner of a Depositary Share will be entitled, proportionately, to all the rights, preferences and privileges of the Preferred Stock represented thereby (including dividend, voting, redemption, conversion, exchange and liquidation rights).

The Depositary Shares will be evidenced by Depositary Receipts issued pursuant to the Deposit Agreement, each of which will represent the fractional interest in the number of shares of a particular series of the Preferred Stock described in the applicable Prospectus Supplement.

DIVIDENDS AND OTHER DISTRIBUTIONS

The Preferred Stock Depositary will distribute all cash dividends or other cash distributions in respect of the series of Preferred Stock represented by the Depositary Shares to the record holders of Depositary Receipts in proportion, insofar as possible, to the number of Depositary Shares owned by such holders. The Depositary, however, will distribute only such amount as can be distributed without attributing to any Depositary Share a fraction of one cent, and any balance not so distributed will be added to and treated as part of the next sum received by the Depositary for distribution to record holders of Depositary Receipts then outstanding.

In the event of a distribution other than in cash in respect of the Preferred Stock, the Preferred Stock Depositary will distribute property received by it to the record holders of Depositary Receipts in proportion, insofar as possible, to the number of Depositary Shares owned by such holders, unless the Preferred Stock Depositary determines (after consultation with the Company) that it is not feasible to make such distribution, in which case the Preferred Stock Depositary may, with the approval of the Company, adopt such method as it deems equitable and practicable for the purpose of effecting such distribution, including a public or private sale, of such property, and distribution of the net proceeds from such sale to such holders.

The amount so distributed to record holders of Depositary Receipts in any of the foregoing cases will be reduced by any amount required to be withheld by the Company or the Preferred Stock Depositary on account of taxes.

CONVERSION AND EXCHANGE

If any series of Preferred Stock underlying the Depositary Shares is subject to provisions relating to its conversion or exchange, as set forth in the applicable Prospectus Supplement relating thereto, each record

holder of Depositary Receipts will have the right or obligation to convert or exchange the Depositary Shares represented by such Depositary Receipts pursuant to the terms thereof.

REDEMPTION OF DEPOSITARY SHARES

If any series of Preferred Stock underlying the Depositary Shares is subject to redemption, the Depositary Shares will be redeemed from the proceeds received by the Preferred Stock Depositary resulting from the redemption, in whole or in part, of the Preferred Stock held by the Preferred Stock Depositary. Whenever the Company redeems Preferred Stock from the Preferred Stock Depositary, the Preferred Stock Depositary will redeem as of the same redemption date a proportionate number of Depositary Shares representing the shares of Preferred Stock that were redeemed. If less than all the Depositary Shares are to be redeemed, the Depositary Shares to be redeemed will be selected by lot or pro rata as may be determined by the Company.

After the date fixed for redemption, the Depositary Shares so called for redemption will no longer be deemed to be outstanding and all rights of the holders of the Depositary Shares will cease, except the right to receive the redemption price upon such redemption. Any funds deposited by the Company with the Preferred Stock Depositary for any Depositary Shares which the holders thereof fail to redeem shall be returned to the Company after a period of two years from the date such funds are so deposited.

VOTING

Upon receipt of notice of any meeting at which the holders of any shares of Preferred Stock underlying the Depositary Shares are entitled to vote, the Preferred Stock Depositary will mail the information contained in such notice to the record holders of the Depositary Receipts. Each record holder of such Depositary Receipts on the record date (which will be the same date as the record date for the Preferred Stock) will be entitled to instruct the Preferred Stock Depositary as to the exercise of the voting rights pertaining to the number of shares of Preferred Stock underlying such holder's Depositary Shares. The Preferred Stock Depositary will endeavor, insofar as practicable, to vote the number of shares of Preferred Stock underlying such Depositary Shares in accordance with such instructions, and the Company will agree to take all reasonable action which may be deemed necessary by the Preferred Stock Depositary in order to enable the Preferred Stock Depositary to do so. The Preferred Stock Depositary will abstain from voting any of the Preferred Stock to the extent it does not receive specific written instructions from holders of Depositary Receipts representing such Preferred Stock.

RECORD DATE

Whenever (i) any cash dividend or other cash distribution shall become payable, any distribution other than cash shall be made, or any rights, preferences or privileges shall be offered with respect to the Preferred Stock, or (ii) the Preferred Stock Depositary shall receive notice of any meeting at which holders of Preferred Stock are entitled to vote or of which holders of Preferred Stock are entitled to notice, or of the mandatory conversion of, or any election on the part of the Company to call for the redemption of, any Preferred Stock, the Preferred Stock Depositary shall in each such instance fix a record date (which shall be the same as the record date for the Preferred Stock) for the determination of the holders of Depositary Receipts (x) that shall be entitled to receive such dividend, distribution, rights, preferences or privileges or the net proceeds of the sale thereof or (y) that shall be entitled to give instructions for the exercise of voting rights at any such meeting or to receive notice of such meeting or of such redemption or conversion, subject to the provisions of the Deposit Agreement.

WITHDRAWAL OF PREFERRED STOCK

Upon surrender of Depositary Receipts at the principal office of the Preferred Stock Depositary, upon payment of any unpaid amount due the Preferred Stock Depositary, and subject to the terms of the Deposit Agreement, the owner of the Depositary Shares evidenced thereby is entitled to delivery of the number of whole shares of Preferred Stock and all money and other property, if any, represented by such Depositary Shares. Partial shares of Preferred Stock will not be issued. If the Depositary Receipts delivered by the holder

evidence a number of Depositary Shares in excess of the number of Depositary Shares representing the number of whole shares of Preferred Stock to be withdrawn, the Preferred Stock Depositary will deliver to such holder at the same time a new Depositary Receipt evidencing such excess number of Depositary Shares. Holders of Preferred Stock thus withdrawn will not thereafter be entitled to deposit such shares under the Deposit Agreement or to receive Depositary Receipts evidencing Depositary Shares therefor.

AMENDMENT AND TERMINATION OF THE DEPOSIT AGREEMENT

The Deposit Agreement will provide that the form of Depositary Receipt and any provision of the Deposit Agreement may at any time be amended by agreement between the Company and the Preferred Stock Depositary. However, any amendment which imposes or increases any fees, taxes or other charges payable by the holders of Depositary Receipts (other than taxes and other governmental charges, fees and other expenses payable by such holders as stated under "Charges of Preferred Stock Depositary"), or which otherwise prejudices any substantial existing right of holders of Depositary Receipts, will not take effect as to outstanding Depositary Receipts until the expiration of 90 days after notice of such amendment has been mailed to the record holders of outstanding Depositary Receipts.

Whenever so directed by the Company, the Preferred Stock Depositary will terminate the Deposit Agreement by mailing notice of such termination to the record holders of all Depositary Receipts then outstanding at least 30 days prior to the date fixed in such notice for such termination. The Preferred Stock Depositary may likewise terminate the Deposit Agreement if at any time 45 days shall have expired after the Preferred Stock Depositary shall have delivered to the Company a written notice of its election to resign and a successor depositary shall not have been appointed and accepted its appointment. If any Depositary Receipts remain outstanding after the date of termination, the Preferred Stock Depositary thereafter will discontinue the transfer of Depositary Receipts, will suspend the distribution of dividends to the holders thereof, and will not give any further notices (other than notice of such termination) or perform any further acts under the Deposit Agreement except as provided below and except that the Preferred Stock Depositary will continue (i) to collect dividends on the Preferred Stock and any other distributions with respect thereto and (ii) to deliver the Preferred Stock together with such dividends and distributions and the net proceeds of any sales of rights, preferences, privileges or other property, without liability for interest thereon, in exchange for Depositary Receipts surrendered. At any time after the expiration of two years from the date of termination, the Preferred Stock Depositary may sell the Preferred Stock then held by it at public or private sales, at such place or places and upon such terms as it deems proper, and may thereafter hold the net proceeds of any such sale, together with any money and other property then held by it, without liability for interest thereon, for the pro rata benefit of the holders of Depositary Receipts which have not been surrendered.

CHARGES OF PREFERRED STOCK DEPOSITARY

The Company will pay all charges of the Preferred Stock Depositary including charges in connection with the initial deposit of the Preferred Stock, the initial issuance of the Depositary Receipts, the distribution of information to the holders of Depositary Receipts with respect to matters on which Preferred Stock is entitled to vote, withdrawals of the Preferred Stock by the holders of Depositary Receipts or redemption or conversion of the Preferred Stock, except for taxes (including transfer taxes, if any) and other governmental charges and such other charges as are expressly provided in the Deposit Agreement to be at the expense of holders of Depositary Receipts or persons depositing Preferred Stock.

MISCELLANEOUS

The Preferred Stock Depositary will make available for inspection by holders of Depositary Receipts, at its Corporate Office and its New York Office, all reports and communications from the Company which are delivered to the Preferred Stock Depositary as the holder of Preferred Stock.

Neither the Preferred Stock Depositary nor the Company will be liable if it is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the Deposit Agreement. The obligations of the Preferred Stock Depositary under the Deposit Agreement are limited to performing its

duties thereunder without negligence or bad faith. The obligations of the Company under the Deposit Agreement are limited to performing its duties thereunder in good faith. Neither the Company nor the Preferred Stock Depositary is obligated to prosecute or defend any legal proceeding in respect of any Depositary Shares or Preferred Stock unless satisfactory indemnity is furnished. The Company and the Preferred Stock Depositary are entitled to rely upon advice of or information from counsel, accountants or other persons believed to be competent and on documents believed to be genuine.

The Preferred Stock Depositary may resign at any time or be removed by the Company, effective upon the acceptance by its successor of its appointment; provided, that if a successor Preferred Stock Depositary has not been appointed or accepted such appointment within 45 days after the Preferred Stock Depositary has delivered a notice of election to resign to the Company, the Preferred Stock Depositary may terminate the Deposit Agreement. See "Amendment and Termination of the Deposit Agreement" above.

DESCRIPTION OF WARRANTS

GENERAL

The Company may issue Warrants to purchase Debt Securities, Preferred Stock, Common Stock or any combination thereof, and such Warrants may be issued independently or together with any such Securities and may be attached to or separate from such Securities. Each series of Warrants will be issued under a separate warrant agreement (each a "Warrant Agreement") to be entered into between the Company and a warrant agent ("Warrant Agent"). The Warrant Agent will act solely as an agent of the Company in connection with the Warrants of each such series and will not assume any obligation or relationship of agency for or with holders or beneficial owners of Warrants. The following sets forth certain general terms and provisions of the Warrants offered hereby. Further terms of the Warrants and the applicable Warrant Agreement will be set forth in the applicable Prospectus Supplement.

The applicable Prospectus Supplement will describe the terms of any Warrants in respect of which this Prospectus is being delivered, including the following: (i) the title of such Warrants; (ii) the aggregate number of such Warrants; (iii) the price or prices at which such Warrants will be issued; (iv) the currency or currencies, including composite currencies, in which the price of such Warrants may be payable; (v) the designation and terms of the Securities (other than Preferred Securities and Common Securities) purchasable upon exercise of such Warrants; (vi) the price at which and the currency or currencies, including composite currencies, in which the Securities (other than Preferred Securities and Common Securities) purchasable upon exercise of such Warrants may be purchased; (vii) the date on which the right to exercise such Warrants shall commence and the date on which such right shall expire; (viii) whether such Warrants will be issued in registered form or bearer form; (ix) if applicable, the minimum or maximum amount of such Warrants which may be exercised at any one time; (x) if applicable, the designation and terms of the Securities (other than Preferred Securities and Common Securities) with which such Warrants are issued and the number of such Warrants issued with each such Security; (xi) if applicable, the date on and after which such Warrants and the related Securities (other than Preferred Securities and Common Securities) will be separately transferable; (xii) information with respect to book-entry procedures, if any; (xiii) if applicable, a discussion of certain United States Federal income tax considerations; and (xiv) any other terms of such Warrants, including terms, procedures and limitations relating to the exchange and exercise of such Warrants.

DESCRIPTION OF PREFERRED SECURITIES OF THE CONSECO TRUSTS

GENERAL

Each Consecoco Trust may issue, from time to time, only one series of Preferred Securities having terms described in the Prospectus Supplement relating thereto. The Declaration of each Consecoco Trust authorizes the Regular Trustees of such Consecoco Trust to issue on behalf of such Consecoco Trust one series of Preferred Securities. Each Declaration will be qualified as an indenture under the Trust Indenture Act. The Institutional Trustee, an independent trustee, will act as indenture trustee for the Preferred Securities for purposes of compliance with the provisions of the Trust Indenture Act. The Preferred Securities will have such terms,

including distributions, redemption, voting, liquidation rights and such other preferred, deferred or other special rights or such restrictions as shall be established by the Regular Trustees in accordance with the applicable Declaration or as shall be set forth in the Declaration or made part of the Declaration by the Trust Indenture Act. Reference is made to any Prospectus Supplement relating to the Preferred Securities of a Conseco Trust for specific terms of the Preferred Securities, including, to the extent applicable, (i) the distinctive designation of such Preferred Securities, (ii) the number of Preferred Securities issued by such Conseco Trust, (iii) the annual distribution rate (or method of determining such rate) for Preferred Securities issued by such Conseco Trust and the date or dates upon which such distributions shall be payable (provided, however, that distributions on such Preferred Securities shall, subject to any deferral provisions, and any provisions for payment of defaulted distributions, be payable on a quarterly basis to holders of such Preferred Securities as of a record date in each quarter during which such Preferred Securities are outstanding), (iv) any right of such Conseco Trust to defer quarterly distributions on the Preferred Securities as a result of an interest deferral right exercised by the Company on the Subordinated Debt Securities held by such Conseco Trust; (v) whether distributions on Preferred Securities shall be cumulative, and, in the case of Preferred Securities having such cumulative distribution rights, the date or dates or method of determining the date or dates from which distributions on Preferred Securities shall be cumulative, (vi) the amount or amounts which shall be paid out of the assets of such Conseco Trust to the holders of Preferred Securities upon voluntary or involuntary dissolution, winding-up or termination of such Conseco Trust, (vii) the obligation or option, if any, of such Conseco Trust to purchase or redeem Preferred Securities and the price or prices at which, the period or periods within which and the terms and conditions upon which Preferred Securities shall be purchased or redeemed, in whole or in part, pursuant to such obligation or option with such redemption price to be specified in the applicable Prospectus Supplement, (viii) the voting rights, if any, of Preferred Securities in addition to those required by law, including the number of votes per Preferred Security and any requirement for the approval by the holders of Preferred Securities as a condition to specified action or amendments to the Declaration, (ix) the terms and conditions, if any, upon which Subordinated Debt Securities held by such Conseco Trust may be distributed to holders of Preferred Securities, and (x) any other relevant rights, preferences, privileges, limitations or restrictions of Preferred Securities consistent with the Declaration or with applicable law. All Preferred Securities offered hereby will be guaranteed by the Company to the extent set forth below under "Description of Trust Guarantees." The Trust Guarantee issued to each Conseco Trust, when taken together with the Company's back-up undertakings, consisting of its obligations under each Declaration (including the obligation to pay expenses of each Conseco Trust), the applicable Indenture and any applicable supplemental indentures thereto and the Subordinated Debt Securities issued to any Conseco Trust will provide a full and unconditional guarantee by the Company of amounts due on the Preferred Securities issued by each Conseco Trust. The payment terms of the Preferred Securities will be the same as the Subordinated Debt Securities issued to the applicable Conseco Trust by the Company.

Each Declaration authorizes the Regular Trustees to issue on behalf of the applicable Trust one series of Common Securities having such terms including distributions, redemption, voting, liquidation rights or such restrictions as shall be established by the Regular Trustees in accordance with the Declaration or as shall otherwise be set forth therein. The terms of the Common Securities issued by each Conseco Trust will be substantially identical to the terms of the Preferred Securities issued by such Conseco Trust, and the Common Securities will rank *pari passu*, and payments will be made thereon *pro rata*, with the Preferred Securities except that, if an event of default under such Declaration has occurred and is continuing, the rights of the holders of the Common Securities to payment in respect of distributions and payments upon liquidation, redemption and otherwise will be subordinated to the rights of the holders of the Preferred Securities. The Common Securities will also carry the right to vote and to appoint, remove or replace any of the Conseco Trustees of such Conseco Trust. All of the Common Securities of each Conseco Trust will be directly or indirectly owned by the Company.

The financial statements of any Conseco Trust that issues Preferred Securities will be reflected in the Company's consolidated financial statements with the Preferred Securities shown as Company-obligated mandatorily-redeemable preferred securities of a subsidiary trust under minority interest in consolidated subsidiaries. In a footnote to the Company's audited financial statements there will be included statements that the applicable Conseco Trust is wholly-owned by the Company and that the sole asset of such Conseco

Trust is the Subordinated Debt Securities (indicating the principal amount, interest rate and maturity date thereof).

DESCRIPTION OF TRUST GUARANTEES

Set forth below is a summary of information concerning the Trust Guarantees that will be executed and delivered by the Company for the benefit of the holders, from time to time, of Preferred Securities. Each Trust Guarantee will be qualified as an indenture under the Trust Indenture Act. Unless otherwise specified in the applicable Prospectus Supplement, State Street Bank and Trust Company will act as independent indenture trustee for Trust Indenture Act purposes under each Trust Guarantee (the "Preferred Securities Guarantee Trustee"). The terms of each Trust Guarantee will be those set forth in such Trust Guarantee and those made part of such Trust Guarantee by the Trust Indenture Act. The following summary does not purport to be complete and is subject to and qualified in its entirety by reference to the provisions of the form of Trust Guarantee, a copy of which has been filed as an exhibit to the Registration Statement of which this Prospectus is a part, and the Trust Indenture Act. Each Trust Guarantee will be held by the Preferred Securities Guarantee Trustee for the benefit of the holders of the Preferred Securities of the applicable Conseco Trust.

GENERAL

Unless otherwise specified in the applicable Prospectus Supplement, pursuant to each Trust Guarantee, the Company will agree, to the extent set forth therein, to pay in full to the holders of the Preferred Securities, the Guarantee Payments (as defined below) (except to the extent paid by such Conseco Trust), as and when due, regardless of any defense, right of set-off or counterclaim which such Conseco Trust may have or assert. The following payments or distributions with respect to the Preferred Securities (the "Guarantee Payments"), to the extent not paid by such Conseco Trust, will be subject to the Trust Guarantee (without duplication): (i) any accrued and unpaid distributions that are required to be paid on such Preferred Securities, to the extent such Conseco Trust shall have funds available therefor, (ii) the redemption price, including all accrued and unpaid distributions to the date of redemption (the "Redemption Price"), to the extent such Conseco Trust has funds available therefor, with respect to any Preferred Securities called for redemption by such Conseco Trust and (iii) upon a voluntary or involuntary dissolution, winding-up or termination of such Conseco Trust (other than in connection with such distribution of Subordinated Debt Securities to the holders of Preferred Securities or the redemption of all of the Preferred Securities upon maturity or redemption of the Subordinated Debt Securities) the lesser of (a) the aggregate of the liquidation amount and all accrued and unpaid distributions on such Preferred Securities to the date of payment, to the extent such Conseco Trust has funds available therefor or (b) the amount of assets of such Conseco Trust remaining for distribution to holders of such Preferred Securities in liquidation of such Conseco Trust. The Company's obligation to make a Guarantee Payment may be satisfied by direct payment of the required amounts by the Company to the holders of Preferred Securities or by causing the applicable Conseco Trust to pay such amounts to such holders.

Each Trust Guarantee will not apply to any payment of distributions except to the extent the applicable Conseco Trust shall have funds available therefor. If the Company does not make interest or principal payments on the Subordinated Debt Securities purchased by such Conseco Trust, such Conseco Trust will not pay distributions on the Preferred Securities issued by such Conseco Trust and will not have funds available therefore.

The Company has also agreed to guarantee the obligations of each Conseco Trust with respect to the Common Securities (the "Common Guarantee") issued by such Conseco Trust to the same extent as the Trust Guarantee, except that, if an Event of Default under the Subordinated Indenture has occurred and is continuing, holders of Preferred Securities under the Trust Guarantee shall have priority over holders of the Common Securities under the Common Guarantee with respect to distributions and payments on liquidation, redemption or otherwise.

CERTAIN COVENANTS OF THE COMPANY

Unless otherwise specified in the applicable Prospectus Supplement, in each Trust Guarantee, the Company will covenant that, so long as any Preferred Securities issued by the applicable Conseco Trust remain outstanding, if there shall have occurred any event of default under such Trust Guarantee or under the Declaration of such Conseco Trust, then (a) the Company will not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase, acquire or make a liquidation payment with respect to, any of its capital stock (other than (i) purchases or acquisitions of capital stock of the Company in connection with the satisfaction by the Company of its obligations under any employee or agent benefit plans or the satisfaction by the Company of its obligations pursuant to any contract or security outstanding on the date of such event requiring the Company to purchase capital stock of the Company, (ii) as a result of a reclassification of the Company's capital stock or the exchange or conversion of one class or series of the Company's capital stock for another class or series of the Company's capital stock, (iii) the purchase of fractional interests in shares of the Company's capital stock pursuant to the conversion or exchange provisions of such capital stock or the security being converted or exchanged, (iv) dividends or distributions in capital stock of the Company (or rights to acquire capital stock) or repurchases or redemptions of capital stock solely from the issuance or exchange of capital stock or (v) redemptions or repurchases of any rights outstanding under a shareholder rights plan); (b) the Company shall not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities issued by the Company which rank junior to the Subordinated Debt Securities issued to the applicable Conseco Trust and (c) the Company shall not make any guarantee payments with respect to the foregoing (other than pursuant to a Trust Guarantee).

MODIFICATION OF THE TRUST GUARANTEES; ASSIGNMENT

Except with respect to any changes that do not adversely affect the rights of holders of Preferred Securities (in which case no consent of such holders will be required), each Trust Guarantee may be amended only with the prior approval of the holders of not less than a majority in liquidation amount of the outstanding Preferred Securities of such Conseco Trust. The manner of obtaining any such approval of holders of such Preferred Securities will be set forth in accompanying Prospectus Supplement. All guarantees and agreements contained in a Trust Guarantee shall bind the successors, assigns, receivers, trustees and representatives of the Company and shall inure to the benefit of the holders of the Preferred Securities of the applicable Conseco Trust then outstanding.

EVENTS OF DEFAULT

An event of default under a Trust Guarantee will occur upon the failure of the Company to perform any of its payment or other obligations thereunder. The holders of a majority in liquidation amount of the Preferred Securities to which such Trust Guarantee relates have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Preferred Securities Guarantee Trustee in respect of such Trust Guarantee or to direct the exercise of any trust or power conferred upon the Preferred Securities Guarantee Trustee under such Trust Guarantee.

If the Preferred Securities Guarantee Trustee fails to enforce such Trust Guarantee, any record holder of Preferred Securities to which such Trust Guarantee relates may institute a legal proceeding directly against the Company to enforce the Preferred Securities Guarantee Trustee's rights under such Trust Guarantee without first instituting a legal proceeding against the applicable Conseco Trust, the Preferred Securities Guarantee Trustee or any other person or entity. Notwithstanding the foregoing, if the Company has failed to make a Guarantee Payment under a Trust Guarantee, a record holder of Preferred Securities to which such Trust Guarantee relates may directly institute a proceeding against the Company for enforcement of such Trust Guarantee for such payment to the record holder of the Preferred Securities to which such Trust Guarantee relates of the principal of or interest on the applicable Subordinated Debt Securities on or after the respective due dates specified in the Subordinated Debt Securities, and the amount of the payment will be based on the holder's pro rata share of the amount due and owing on all of the Preferred Securities to which such Trust Guarantee relates. The Company has waived any right or remedy to require that any action be brought first against the applicable Conseco Trust or any other person or entity before proceeding directly

against the Company. The record holder in the case of the issuance of one or more global Preferred Securities certificates will be The Depository Trust Company acting at the direction of the beneficial owners of the Preferred Securities.

The Company will be required to provide annually to the Preferred Securities Guarantee Trustee a statement as to the performance by the Company of certain of its obligations under each outstanding Trust Guarantee and as to any default in such performance.

INFORMATION CONCERNING THE PREFERRED SECURITIES GUARANTEE TRUSTEE

The Preferred Securities Guarantee Trustee, prior to the occurrence of a default to a Trust Guarantee, undertakes to perform only such duties as are specifically set forth in such Trust Guarantee and, after default with respect to such Trust Guarantee, shall exercise the same degree of care as a prudent individual would exercise in the conduct of his or her own affairs. Subject to such provision, the Preferred Securities Guarantee Trustee is under no obligation to exercise any of the powers vested in it by a Trust Guarantee at the request of any holder of Preferred Securities to which such Trust Guarantee relates unless it is offered reasonable indemnity against the costs, expenses and liabilities that might be incurred thereby.

TERMINATION

Each Trust Guarantee will terminate as to the Preferred Securities issued by the applicable Conseco Trust upon full payment of the Redemption Price of all Preferred Securities of such Conseco Trust, upon distribution of the Subordinated Debt Securities held by such Conseco Trust to the holders of all of the Preferred Securities of such Conseco Trust or upon full payment of the amounts payable in accordance with the Declaration of such Conseco Trust upon liquidation of such Conseco Trust. Each Trust Guarantee will continue to be effective or will be reinstated, as the case may be, if at any time any holder of Preferred Securities issued by the applicable Conseco Trust must restore payment of any sums paid under such Preferred Securities or such Trust Guarantee.

STATUS OF THE TRUST GUARANTEES

The Trust Guarantees will constitute an unsecured obligation of the Company and will rank (i) subordinate and junior in right of payment to all other liabilities of the Company, including the Subordinated Debt Securities, except those liabilities of the Company made *pari passu* or subordinate by their terms,

(ii) *pari passu* with the most senior preferred or preference stock now or hereafter issued by the Company and with any guarantee now or hereafter entered into by the Company in respect of any preferred or preference stock of any affiliate of the Company and (iii) senior to the Common Stock. The terms of the Preferred Securities provide that each holder of Preferred Securities by acceptance thereof agrees to the subordination provisions and other terms of the Trust Guarantee relating thereto.

Each Trust Guarantee will constitute a guarantee of payment and not of collection (that is, the guaranteed party may institute a legal proceeding directly against the Company to enforce its rights under such Trust Guarantee without instituting a legal proceeding against any other person or entity).

GOVERNING LAW

The Trust Guarantees will be governed by and construed in accordance with the law of the State of New York.

DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS

The Company may issue Stock Purchase Contracts, including contracts obligating holders to purchase from the Company, and the Company to sell to the holders, a specified number of shares of Common Stock, Preferred Stock or Depository Shares at a future date or dates. The consideration per share of Common Stock, Preferred Stock or Depository Shares may be fixed at the time the Stock Purchase Contracts are issued or may be determined by reference to a specific formula set forth in the Stock Purchase Contracts. The Stock

Purchase Contracts may be issued separately or as a part of units ("Stock Purchase Units") consisting of a Stock Purchase Contract and Debt Securities, Preferred Securities or debt obligations of third parties, including U.S. Treasury securities, securing the holders' obligations to purchase the Common Stock, Preferred Stock or Depositary Shares under the Stock Purchase Contracts. The Stock Purchase Contracts may require the Company to make periodic payments to the holders of the Stock Purchase Units or vice versa, and such payments may be unsecured or prefunded on some basis. The Stock Purchase Contracts may require holders to secure their obligations thereunder in a specified manner.

The applicable Prospectus Supplement will describe the terms of any Stock Purchase Contracts or Stock Purchase Units. The description in the Prospectus Supplement will not necessarily be complete, and reference will be made to the Stock Purchase Contracts, and, if applicable, collateral arrangements and depositary arrangements, relating to such Stock Purchase Contracts or Stock Purchase Units.

PLAN OF DISTRIBUTION

The Company and/or any Conseco Trust may sell any of the Securities being offered hereby in any one or more of the following ways from time to time: (i) through agents; (ii) to or through underwriters; (iii) through dealers; or (iv) directly to purchasers.

The Prospectus Supplement with respect to the Securities will set forth the terms of the offering of the Securities, including the name or names of any underwriters, dealers or agents; the purchase price of the Securities and the proceeds to the Company and/or a Conseco Trust from such sale; any underwriting discounts and commissions or agency fees and other items constituting underwriters' or agents' compensation; any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers and any securities exchange on which such Securities may be listed. Any initial public offering price, discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

The distribution of the Securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices.

Offers to purchase Securities may be solicited by agents designated by the Company from time to time. Any such agent involved in the offer or sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Company and/or the applicable Conseco Trust to such agent will be set forth, in the applicable Prospectus Supplement. Unless otherwise indicated in such Prospectus Supplement, any such agent will be acting on a reasonable best efforts basis for the period of its appointment. Any such agent may be deemed to be an underwriter, as that term is defined in the Securities Act, of the Securities so offered and sold.

If Securities are sold by means of an underwritten offering, the Company and/or the applicable Conseco Trust will execute an underwriting agreement with an underwriter or underwriters at the time an agreement for such sale is reached, and the names of the specific managing underwriter or underwriters, as well as any other underwriters, and the terms of the transaction, including commissions, discounts and any other compensation of the underwriters and dealers, if any, will be set forth in the Prospectus Supplement which will be used by the underwriters to make resales of the Securities in respect of which this Prospectus is delivered to the public. If underwriters are utilized in the sale of the Securities in respect of which this Prospectus is delivered, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at fixed public offering prices or at varying prices determined by the underwriter at the time of sale. Securities may be offered to the public either through underwriting syndicates represented by managing underwriters or directly by the managing underwriters. If any underwriter or underwriters are utilized in the sale of the Securities, unless otherwise indicated in the Prospectus Supplement, the underwriting agreement will provide that the obligations of the underwriters are subject to certain conditions precedent and that the underwriters with respect to a sale of Securities will be obligated to purchase all such Securities of a series if any are purchased.

If a dealer is utilized in the sales of the Securities in respect of which this Prospectus is delivered, the Company and/or the applicable Conseco Trust will sell such Securities to the dealer as principal. The dealer may then resell such Securities to the public at varying prices to be determined by such dealer at the time of resale. Any such dealer may be deemed to be an underwriter, as such term is defined in the Securities Act, of the Securities so offered and sold. The name of the dealer and the terms of the transaction will be set forth in the Prospectus Supplement relating thereto.

Offers to purchase Securities may be solicited directly by the Company and/or the applicable Conseco Trust and the sale thereof may be made by the Company and/or the applicable Conseco Trust directly to institutional investors or others, who may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale thereof. The terms of any such sales will be described in the Prospectus Supplement relating thereto.

Agents, underwriters and dealers may be entitled under relevant agreements to indemnification or contribution by the Company and/or the applicable Conseco Trust against certain liabilities, including liabilities under the Securities Act.

Agents, underwriters and dealers may be customers of, engage in transactions with, or perform services for, the Company and its subsidiaries in the ordinary course of business.

Securities may also be offered and sold, if so indicated in the applicable Prospectus Supplement, in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise, by one or more firms ("remarketing firms"), acting as principals for their own accounts or as agents for the Company and/or the applicable Conseco Trust. Any remarketing firm will be identified and the terms of its agreement, if any, with its compensation will be described in the applicable Prospectus Supplement. Remarketing firms may be deemed to be underwriters, as such term is defined in the Securities Act, in connection with the Securities remarketed thereby. Remarketing firms may be entitled under agreements which may be entered into with the Company and/or the applicable Conseco Trust to indemnification or contribution by the Company and/or the applicable Conseco Trust against certain civil liabilities, including liabilities under the Securities Act, and may be customers of, engage in transactions with or perform services for Conseco and its subsidiaries in the ordinary course of business.

If so indicated in the applicable Prospectus Supplement, the Company and/or the applicable Conseco Trust may authorize agents, underwriters or dealers to solicit offers by certain types of institutions to purchase Securities from the Company and/or the applicable Conseco Trust at the public offering prices set forth in the applicable Prospectus Supplement pursuant to delayed delivery contracts ("Contracts") providing for payment and delivery on a specified date or dates in the future. A commission indicated in the applicable Prospectus Supplement will be paid to underwriters, dealers and agents soliciting purchases of Securities pursuant to Contracts accepted by the Company and/or the applicable Conseco Trust.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements, trend analyses and other information contained in this Prospectus, any Prospectus Supplement or any document incorporated by reference herein relative to markets for the products of the Company or Green Tree Financial Corporation ("Green Tree") and trends in the Company's or Green Tree's operations or financial results, as well as other statements including words such as "anticipate," "believe," "plan," "estimate," "expect," "intend," and other similar expressions, constitute forward-looking statements under the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from those contemplated by the forward-looking statements. Such factors include, among other things: (1) general economic conditions and other factors, including prevailing interest rate levels, short-term interest rate fluctuations, stock market performance and health care inflation, which may affect the ability of the Company to sell its products, the ability of Green Tree to make loans and access capital resources, the market value of the Company's or Green Tree's investments, the lapse rate and profitability of the Company's policies and the level of defaults and prepayments of loans made by Green Tree; (2) the Company's ability to achieve anticipated levels of operational efficiencies at recently acquired companies, as well as through other cost-saving initiatives; (3) customer response to new products, distribution channels and marketing initiatives; (4) mortality, morbidity, usage of

health care services and other factors which may affect the profitability of the Company's insurance products; (5) changes in the Federal income tax laws and regulations which may affect the relative tax advantages of some of the Company's products; (6) increasing competition in the sale of insurance and annuities and in the consumer finance business; (7) regulatory changes or actions, including those relating to regulation of financial services affecting (among other things) bank sales and underwriting of insurance products, regulation of the sale, underwriting and pricing of insurance products, and health care regulation affecting the Company's supplemental health insurance products; (8) the availability and terms of future acquisitions; and (9) the risk factors or uncertainties listed from time to time in any Prospectus Supplement or any document incorporated by reference herein.

LEGAL MATTERS

Unless otherwise indicated in the applicable Prospectus Supplement, the legal validity of Securities (other than the Preferred Securities) will be passed upon for the Company by John J. Sabl, Executive Vice President, General Counsel and Secretary of the Company. Mr. Sabl is a full-time employee of the Company and owns 75,000 shares and holds options to purchase 450,000 shares of Common Stock.

Unless otherwise indicated in the applicable Prospectus Supplement, certain matters of Delaware law relating to the validity of the Preferred Securities will be passed upon for the Conseco Trusts by Richards, Layton & Finger, P.A., Wilmington, Delaware, special Delaware counsel to the Conseco Trusts.

EXPERTS

The consolidated financial statements and schedules of the Company as of December 31, 1997 and 1996 and for each of the three years in the period ended December 31, 1997 incorporated by reference in this Prospectus, have been audited by Coopers & Lybrand L.L.P., independent accountants, as set forth in their reports thereon incorporated by reference herein, and are incorporated by reference in reliance upon such reports, given upon the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of Green Tree at December 31, 1997 and 1996, and for each of the three years in the period ended December 31, 1997, included in the Current Report on Form 8-K dated June 3, 1998, which is incorporated by reference in this Prospectus, have been audited by KPMG Peat Marwick LLP, independent auditors, as set forth in their report thereon incorporated by reference herein, and are incorporated by reference in reliance upon such report, given upon authority of such firm as experts in accounting and auditing.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

| | |
|--|-------------|
| Securities and Exchange Commission registration fee..... | \$ 590,000 |
| New York Stock Exchange listing fee..... | 75,000 |
| Legal fees and expenses..... | 200,000 |
| Accounting fees and expenses..... | 125,000 |
| Printing and engraving expenses..... | 250,000 |
| Trustee's fees and expenses..... | 50,000 |
| Rating agencies' fees..... | 600,000 |
| Miscellaneous..... | 110,000 |
| | ----- |
| Total..... | \$2,000,000 |
| | ===== |

Except for the SEC registration fee, all of the foregoing are estimates.

ITEM 15. INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Indiana Business Corporation Law grants authorization to Indiana corporations to indemnify officers and directors for their conduct if such conduct was in good faith and was in the corporation's best interests or, in the case of directors, was not opposed to such best interests, and permits the purchase of insurance in this regard. In addition, the shareholders of a corporation may approve the inclusion of other or additional indemnification provisions in the articles of incorporation and bylaws.

The Consecos Bylaws provides for the indemnification of any person made a party to any action, suit or proceeding by reason of the fact that he or she is a director, officer or employee of Consecos, if (a) such person is wholly successful with respect to such action, suit or proceeding or (b) if such person is determined to have acted in good faith, in what he or she reasonably believed to be the best interests of Consecos or at least not opposed to its best interests and, in addition, with respect to any criminal claim, is determined to have had reasonable cause to believe that his or her conduct was lawful or had no reasonable cause to believe that his or her conduct was unlawful. Such indemnification shall be against the reasonable expenses, including attorneys' fees, incurred by such person in connection with the defense of such action, suit or proceeding and amounts paid in settlement. If such person was not wholly successful, the determination of entitlement to indemnification shall be made by one of the following methods, such method to be selected by the Board of Directors: (a) by the Board of Directors by a majority vote of a quorum consisting of directors who are not and have not been parties to the claim; (b) by the majority vote of a committee duly designated by the Board of Directors, consisting solely of two or more directors who are not and have not been parties to the claim; and (c) by special legal counsel.

The above discussion of Consecos's Bylaws and the Indiana Business Corporation Law is not intended to be exhaustive and is qualified in its entirety by such Bylaws and the Indiana Business Corporation Law.

The Declaration of Trust for each of Consecos Financing Trust V, Consecos Financing Trust VI and Consecos Financing Trust VII (the "Trusts") provides that no Institutional Trustee or any of its Affiliates, Delaware Trustee or any of its Affiliates, or any officer, director, shareholder, member, partner, employee, representative, custodian, nominee or agent of the Institutional Trustee or the Delaware Trustee (each a "Fiduciary Indemnified Person"), and no Regular Trustee, Affiliate of any Regular Trustee, or any officer, director, shareholder, member, partner, employee, representative or agent of any Regular Trustee or any Affiliate thereof, or any employee or agent of any of the Trusts or any of their Affiliates (each a "Company Indemnified Person") shall be liable, responsible or accountable in damages or otherwise to any of such Trusts or any officer, director, shareholder, partner, member, representative, employee or agent of any such Trust or its Affiliates or to any holder of Preferred Securities for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Fiduciary Indemnified Person or Company Indemnified Person in good faith on behalf of any of such Trusts and in a manner such Fiduciary Indemnified Person or Company Indemnified Person reasonably believed to be within the scope of the authority conferred on such Fiduciary Indemnified Person or Company Indemnified Person by such Declaration or by law, except

that a Fiduciary Indemnified Person or Company Indemnified Person shall be liable for any such loss, damage or claim incurred by reason of such Fiduciary Indemnified Person's or Company Indemnified Person's gross negligence or willful misconduct with respect to such acts or omissions.

The Declaration of Trust for each of such Trusts also provides that to the full extent permitted by law, the Company shall indemnify any Company Indemnified Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of any such Trust) by reason of the fact that he is or was a Company Indemnified Person against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of any such Trust, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. Each of the Declaration of Trusts also provides that to the full extent permitted by law, the Company shall indemnify any Company Indemnified Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of any such trust to procure a judgment in its favor by reason of the fact that such person is or was a Company Indemnified Person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of any such trust and except that no such indemnification shall be made in respect of any claim, issue or matter as to which such Company Indemnified Person shall have been adjudged to be liable to any such trust unless and only to the extent that the Court of Chancery of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such Court of Chancery or such other court shall deem proper. The Declaration of Trust for each such Trust further provides that expenses (including attorneys' fees) incurred by a Company Indemnified Person in defending a civil, criminal, administrative or investigative action, suit or proceeding referred to in the immediately preceding two sentences shall be paid by the Company in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such Company Indemnified Person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Company as authorized in any such Declaration.

The Declaration of Trust for each Trust also provides that the Company shall indemnify each Fiduciary Indemnified Person against any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts under any such Trust, including the costs and expenses (including reasonable legal fees and expenses) of defending itself against or investigating any claim or liability in connection with the exercise or performance of any of its powers or duties thereunder.

ITEM 16. EXHIBITS

| EXHIBIT NUMBER ----- | DESCRIPTION OF EXHIBIT ----- |
|-------------------------|---|
| 1.1 | Form of Purchase Agreement -- Debt Securities is incorporated herein by reference to Exhibit 1.1 to the Registration Statement on Form S-3 of the Registrant (No. 33-53095) |
| 1.2 | Form of Purchase Agreement -- Equity is incorporated herein by reference to Exhibit 1.2 to the Registration Statement on Form S-3 of the Registrant (No. 33-53095) |

EXHIBIT NUMBER

DESCRIPTION OF EXHIBIT

| EXHIBIT NUMBER | DESCRIPTION OF EXHIBIT |
|----------------|--|
| 3.1 | Amended and Restated Articles of Incorporation of Conseco, Inc. were filed with the Commission as Exhibit 3.1 to Conseco's Annual Report on Form 10-K for the year ended December 31, 1997, and are incorporated herein by this reference. |
| 3.2 | Amended and Restated Bylaws of Conseco, Inc. were filed with the Commission as Exhibit 3.2 to its Annual Report on Form 10-K for the year ended December 31, 1997, and are incorporated herein by this reference. |
| 4.1 | Senior Indenture, dated as of November 13, 1997 by and between Conseco, Inc. and LTCB Trust Company, as Trustee, pursuant to which the Senior Debt Securities are to be issued* |
| 4.2 | Subordinated Indenture, dated as of November 14, 1996 between Conseco, Inc. and Fleet National Bank, as Trustee, pursuant to which the Subordinated Debentures are to be issued is incorporated herein by reference to Exhibit 4.17.1 to Conseco's Current Report on Form 8-K dated November 19, 1996. |
| 4.3 | Form of Deposit Agreement is incorporated herein by reference to Exhibit 4.3 to the Registration Statement on Form S-3 of the Registrant (No. 33-53095) |
| 4.4 | Certificate of Trust of Conseco Financing Trust V* |
| 4.5 | Declaration of Trust of Conseco Financing Trust V* |
| 4.6 | Certificate of Trust of Conseco Financing Trust VI* |
| 4.7 | Declaration of Trust of Conseco Financing Trust VI* |
| 4.8 | Certificate of Trust of Conseco Financing Trust VII* |
| 4.9 | Declaration of Trust of Conseco Financing Trust VII* |
| 4.10 | Form of Amended and Restated Declaration of Trust is incorporated by reference to Exhibit 4.10 to Amendment No. 2 to the Registration Statement on Form S-3 of Conseco (No. 333-14991) |
| 4.11 | Form of Preferred Securities Guarantee Agreement by Conseco, Inc. is incorporated by reference to Exhibit 4.11 to Amendment No. 2 to the Registration Statement on Form S-3 of Conseco (No. 333-14991) |
| 4.12 | Form of Debt Security The form or forms of such Debt Securities with respect to each particular offering will be filed as an exhibit subsequently included or incorporated by reference herein. |
| 4.13 | Form of Preferred Stock Any amendment to the Company's Articles of Incorporation authorizing the creation of any series of Preferred Stock or Depositary Shares representing such shares of Preferred Stock and setting forth the rights, preferences and designations thereof will be filed as an exhibit subsequently included or incorporated by reference herein. |

| EXHIBIT NUMBER ----- | DESCRIPTION OF EXHIBIT ----- |
|-------------------------|---|
| 4.14 | Form of Warrant Agreement is incorporated herein by reference to Exhibit 4.4 to the Registration Statement on Form S-3 of the Registrant (No. 33-53095). |
| 4.15 | Form of Preferred Security is incorporated by reference to Exhibit 4.15 to Amendment No. 1 to the Registration Statement on Form S-3 of Consecoco (No. 333-14991) |
| 4.16 | Form of Supplemental Indenture is incorporated by reference to Exhibit 4.16 to Amendment No. 1 to the Registration Statement on Form S-3 of Consecoco (No. 333-14991) |
| 4.17 | Form of % Subordinated Deferrable Interest Debenture is incorporated by reference to Exhibit 4.17 to Amendment No. 1 to the Registration Statement on Form S-3 of Consecoco (No. 333-14991) |
| 5.1 | Opinion of John J. Sabl |
| 5.2 | Opinion of Richards, Layton & Finger, P.A. |
| 12.1 | Computation of Ratios of Earnings to Fixed Charges, Preferred Dividends and Distributions on Company-obligated Mandatorily Redeemable Preferred Securities of Subsidiary Trusts (previously filed) |
| 23.1 | Consent of John J. Sabl (included in Exhibit 5.1 hereto) |
| 23.2 | Consent of Coopers & Lybrand L.L.P. with respect to the financial statements of Consecoco, Inc. |
| 23.3 | Consent of Richards, Layton & Finger, P.A. (included in Exhibit 5.2 hereto) |
| 23.4 | Consent of KPMG Peat Marwick LLP with respect to the financial statements of Green Tree Financial Corporation |
| 24.1 | Powers of Attorney from Stephen C. Hilbert, Rollin M. Dick, James S. Adams, Ngairé E. Cuneo, David R. Decatur, M. Phil Hathaway, Donald F. Gongaware, James D. Massey, Dennis E. Murray, Sr. and John M. Mutz were included on the signature page of the initial filing of this Registration Statement. |
| 25.1 | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of LTCB Trust Company, as Trustee under the Senior Indenture |
| 25.2 | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of State Street Bank and Trust Company, as Trustee under the Subordinated Indenture |
| 25.3 | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of _____, as Trustee under the Declaration of Trust of Consecoco Financing Trust V, the Declaration of Trust of Consecoco Financing Trust VI and the Declaration of Trust of Consecoco Financing Trust VII** |
| 25.4 | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of _____, as Trustee of the Preferred Securities Guarantees for the benefit of the holders of Preferred Securities of Consecoco Financing Trust V, Consecoco Financing Trust VI and Consecoco Financing Trust VII** |

* Incorporated herein by reference to the corresponding exhibit to the Registration Statement on Form S-3 of Consecoco (No. 333-27803). ** To be filed by amendment.

ITEM 17. UNDERTAKINGS

(a) The undersigned Registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement.

Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement; Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrants hereby undertake that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) If the securities to be registered are to be offered at competitive bidding, the undersigned Registrants hereby undertake: (1) to use its best efforts to distribute prior to the opening of bids, to prospective bidders, underwriters, and dealers, a reasonable number of copies of a prospectus which at that time meets the requirements of Section 10(a) of the Act, and relating to the securities offered at competitive bidding, as contained in the Registration Statement, together with any supplements thereto, and (2) to file an amendment to the Registration Statement reflecting the results of bidding, the terms of the reoffering and related matters to the extent required by the applicable form, not later than the first use, authorized by the issuer after the opening of bids, of a prospectus relating to the securities offered at competitive bidding, unless no further public offering of such securities by the issuer and no reoffering of such securities by the purchasers is proposed to be made.

(d) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrants pursuant to the foregoing provisions, or otherwise, each of the Registrants has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrants of expenses incurred or paid by a director, officer or controlling person of the Registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrants will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(e) The undersigned Registrants hereby undertake that (1) for purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective; and (2) for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(f) The undersigned Registrants hereby undertake to file, if necessary, an application for the purpose of determining the eligibility of the Trustee to act under subsection (a) of Section 310 of the Trust Indenture Act of 1939, as amended, in accordance with the rules and regulations prescribed by the Securities and Exchange Commission under Section 305(b)(2) of such Act.

(g) The undersigned Registrants hereby undertake to deliver or cause to be delivered with the prospectus, to each person to whom the prospectus is sent or given, the latest annual report to security holders that is incorporated by reference in the prospectus and furnished pursuant to and meeting the requirements of Rule 14a-3 or Rule 14c-3 under the Securities Exchange Act of 1934; and, where interim financial information required to be presented by Article 3 of Regulation S-X are not set forth in the prospectus, to deliver, or cause to be delivered to each person to whom the prospectus is sent or given, the latest quarterly report that is specifically incorporated by reference in the prospectus to provide such interim financial information.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Consecro, Inc. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Carmel, State of Indiana, on June 22, 1998.

CONSECO, INC.

By:

Stephen C. Hilbert, Chairman of the Board, President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 1 to Registration Statement has been signed by the following persons in the capacities and on the dates indicated:

| SIGNATURE ----- | TITLE ----- | DATE ----- |
|-------------------------------------|---|---------------|
| * ----- Stephen C. Hilbert | Director, Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer of Consecro, Inc.) | June 22, 1998 |
| * ----- Rollin M. Dick | Director, Executive Vice President and Chief Financial Officer (Principal Financial Officer of Consecro, Inc.) | June 22, 1998 |
| * ----- James S. Adams | Senior Vice President, Chief Accounting Officer and Treasurer (Principal Accounting Officer of Consecro, Inc.) | June 22, 1998 |
| * ----- Ngaire E. Cuneo | Director | June 22, 1998 |
| * ----- David R. Decatur | Director | June 22, 1998 |
| * ----- M. Phil Hathaway | Director | June 22, 1998 |
| * ----- Donald F. Gongaware | Director | June 22, 1998 |
| * ----- James D. Massey | Director | June 22, 1998 |
| * ----- Dennis E. Murray, Sr. | Director | June 22, 1998 |

SIGNATURE

*

Director

TITLE

DATE

June 22, 1998

John M. Mutz

* By: /S/ KARL W. KINDIG

Karl W. Kindig,
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Conseco Financing Trust V certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Carmel, State of Indiana, on June 22, 1998.

CONSECO FINANCING TRUST V

By:

*

Stephen C. Hilbert, as Trustee

By:

*

Rollin M. Dick, as Trustee

* By: /S/ KARL W. KINDIG

*Karl W. Kindig,
Attorney-in-Fact*

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Conseco Financing Trust VI certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Carmel, State of Indiana, on June 22, 1998.

CONSECO FINANCING TRUST VI

By:

*

Stephen C. Hilbert, as Trustee

By:

*

Rollin M. Dick, as Trustee

* By: /S/ KARL W. KINDIG

*Karl W. Kindig,
Attorney-in-Fact*

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Conseco Financing Trust VII certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Carmel, State of Indiana, on June 22, 1998.

CONSECO FINANCING TRUST VII

By:

*

Stephen C. Hilbert, as Trustee

By:

*

Rollin M. Dick, as Trustee

* By: /S/ KARL W. KINDIG

*Karl W. Kindig,
Attorney-in-Fact*

**EXHIBIT INDEX
TO REGISTRATION STATEMENT
ON FORM S-3**

CONSECO, INC.

| EXHIBIT NUMBER | DESCRIPTION OF EXHIBIT |
|----------------|--|
| 1.1 | Form of Purchase Agreement -- Debt Securities is incorporated herein by reference to Exhibit 1.1 to the Registration Statement on Form S-3 of the Registrant (No. 33-53095) |
| 1.2 | Form of Purchase Agreement -- Equity is incorporated herein by reference to Exhibit 1.2 to the Registration Statement on Form S-3 of the Registrant (No. 33-53095) |
| 3.1 | Amended and Restated Articles of Incorporation of Conseco, Inc. were filed with the Commission as Exhibit 3.1 to Conseco's Annual Report on Form 10-K for the year ended December 31, 1997, and are incorporated herein by this reference. |
| 3.2 | Amended and Restated Bylaws of Conseco, Inc. were filed with the Commission as Exhibit 3.2 to its Annual Report on Form 10-K for the year ended December 31, 1997, and are incorporated herein by this reference. |
| 4.1 | Senior Indenture, dated as of November 13, 1997 by and between Conseco, Inc. and LTCB Trust Company, as Trustee, pursuant to which the Senior Debt Securities are to be issued* |
| 4.2 | Subordinated Indenture, dated as of November 14, 1996 between Conseco, Inc. and Fleet National Bank, as Trustee, pursuant to which the Subordinated Debentures are to be issued is incorporated herein by reference to Exhibit 4.17.1 to Conseco's Current Report on Form 8-K dated November 19, 1996. |
| 4.3 | Form of Deposit Agreement is incorporated herein by reference to Exhibit 4.3 to the Registration Statement on Form S-3 of the Registrant (No. 33-53095) |
| 4.4 | Certificate of Trust of Conseco Financing Trust V* |
| 4.5 | Declaration of Trust of Conseco Financing Trust V* |
| 4.6 | Certificate of Trust of Conseco Financing Trust VI* |
| 4.7 | Declaration of Trust of Conseco Financing Trust VI* |
| 4.8 | Certificate of Trust of Conseco Financing Trust VII* |
| 4.9 | Declaration of Trust of Conseco Financing Trust VII* |
| 4.10 | Form of Amended and Restated Declaration of Trust is incorporated by reference to Exhibit 4.10 to Amendment No. 2 to the Registration Statement on Form S-3 of Conseco (No. 333-14991) |
| 4.11 | Form of Preferred Securities Guarantee Agreement by Conseco, Inc. is incorporated by reference to Exhibit 4.11 to Amendment No. 2 to the Registration Statement on Form S-3 of Conseco (No. 333-14991) |

| EXHIBIT NUMBER | DESCRIPTION OF EXHIBIT |
|----------------|--|
| 4.12 | Form of Debt Security The form or forms of such Debt Securities with respect to each particular offering will be filed as an exhibit subsequently included or incorporated by reference herein. |
| 4.13 | Form of Preferred Stock Any amendment to the Company's Articles of Incorporation authorizing the creation of any series of Preferred Stock or Depository Shares representing such shares of Preferred Stock and setting forth the rights, preferences and designations thereof will be filed as an exhibit subsequently included or incorporated by reference herein. |
| 4.14 | Form of Warrant Agreement is incorporated herein by reference to Exhibit 4.4 to the Registration Statement on Form S-3 of the Registrant (No. 33-53095). |
| 4.15 | Form of Preferred Security is incorporated by reference to Exhibit 4.15 to Amendment No. 1 to the Registration Statement on Form S-3 of Conseco (No. 333-14991) |
| 4.16 | Form of Supplemental Indenture is incorporated by reference to Exhibit 4.16 to Amendment No. 1 to the Registration Statement on Form S-3 of Conseco (No. 333-14991) |
| 4.19 | Form of % Subordinated Deferrable Interest Debenture is incorporated by reference to Exhibit 4.17 to Amendment No. 1 to the Registration Statement on Form S-3 of Conseco (No. 333-14991) |
| 5.1 | Opinion of John J. Sabl |
| 5.2 | Opinion of Richards, Layton & Finger, P.A. |
| 12.1 | Computation of Ratios of Earnings to Fixed Charges, Preferred Dividends and Distributions on Company-obligated Mandatorily Redeemable Preferred Securities of Subsidiary Trusts (previously filed) |
| 23.1 | Consent of John J. Sabl (included in Exhibit 5.1 hereto) |
| 23.2 | Consent of Coopers & Lybrand L.L.P. with respect to the financial statements of Conseco, Inc. |
| 23.3 | Consent of Richards, Layton & Finger, P.A. (included in Exhibit 5.2 hereto) |
| 23.4 | Consent of KPMG Peat Marwick LLP with respect to financial statements of Green Tree Financial Corporation. Exhibit 5.2 hereto) |
| 25.1 | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of LTCB Trust Company, as Trustee under the Senior Indenture |
| 25.2 | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of State Street Bank and Trust Company, as Trustee under the Subordinated Indenture |
| 25.3 | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of _____, as Trustee under the Declaration of Trust of Conseco Financing Trust V, the Declaration of Trust of Conseco Financing Trust VI and the Declaration of Trust of Conseco Financing Trust VII** |
| 25.4 | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of _____, as Trustee of the Preferred Securities Guarantees for the benefit of the holders of Preferred Securities of Conseco Financing Trust V, Conseco Financing Trust VI and Conseco Financing Trust VII** |

* Incorporated herein by reference to the corresponding exhibit to the Registration Statement on Form S-3 of Conseco (No. 333-27803). ** To be filed by amendment.

EXHIBIT 23.2

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statement of Conseco, Inc. on Form S-3 (File No. 333-56611), of our reports dated March 23, 1998 on our audits of the consolidated financial statements and financial statement schedules of Conseco, Inc. and subsidiaries as of December 31, 1997 and 1996, and for the years ended December 31, 1997, 1996 and 1995, included in the Annual Report on Form 10-K. We also consent to the reference to our firm under the caption "Experts."

/S/ COOPERS & LYBRAND L.L.P.

COOPERS & LYBRAND L.L.P.

*Indianapolis, Indiana
June 19, 1998*

EXHIBIT 23.4

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors
Green Tree Financial Corporation:

We consent to the incorporation by reference in the Registration Statement (No. 333-56611) on Form S-3 of Conseco, Inc. of our report dated January 27, 1998, except as to Note O which is as of February 13, 1998, with respect to the consolidated balance sheets of Green Tree Financial Corporation and subsidiaries as of December 31, 1997 and 1996, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 1997, which report appears in the Form 8-K of Conseco, Inc. dated June 3, 1998 and to the reference to our firm under the heading "EXPERTS" in the Registration Statement. Our report refers to the Company's adoption of the Financial Accounting Standards Board's Statement No. 125 "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," in 1997.

/S/ KPMG PEAT MARWICK LLP

KPMG PEAT MARWICK LLP

*Minneapolis, Minnesota
June 19, 1998*

EXHIBIT 25.1

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM T-1

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE**

**CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) []**

LTCB TRUST COMPANY

(Exact name of trustee as specified in its charter)

New York State 13-3191890

(Jurisdiction of incorporation or (I.R.S. Employer Identification
organization if not a U.S. national bank Number)

165 Broadway New York, N.Y. 10006

(Address of principal executive offices) (Zip code)

LTCB Trust Company 165 Broadway New York, N.Y. 10006 Corporate Trust Administration 47th Floor Attn: Barbara Bevelaqua, Vice President (212) 335-4901 Lisa Karisen, Assistant Vice President (212) 335-4899

(Name, address and telephone number of agent for service)

CONSECO, INC.

(Exact name of obligor as specified in its charter)

INDIANA 35-146632

(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)

11825 N. Pennsylvania Street
Carmel, Indiana 46032

(Address of principal executive offices) (Zip code)

Senior Debt Securities

(Title of the indenture securities)

ITEM 1. GENERAL INFORMATION

Furnish the following information as to the trustee:

a) Name and address of each examining or supervising authority to which it is subject:

Superintendent of Banks
State of New York
Albany, New York

Federal Reserve Bank of New York (District 2)
33 Liberty Street
New York, N.Y. 10045

Federal Deposit Insurance Corporation 550 17th Street, N.W.
Washington, D.C. 20429

b) Whether it is authorized to exercise corporate trust powers:
The trustee is authorized to exercise corporate trust powers.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR

If the obligor is an affiliate of the trustee, describe each affiliation:

The obligor is not an affiliate of the trustee.

ITEM 16. LIST OF EXHIBITS

Exhibit I

A copy of the authorization certificate of LTCB Trust Company as well as supplemental and related documents now in effect, which contain the authority to commence business and a grant of powers to said LTCB Trust Company to exercise corporate trust powers.**

Exhibit II

A copy of the existing By-Laws of LTCB Trust Company.

Exhibit III

The consent of the trustee as required by Section 321(b) of the Act.

Exhibit IV

A copy of the latest published report of condition of the trust issued as at March 31, 1998

** Exhibit I is herein incorporated by reference to the Exhibit bearing the identical number in Item 16 of the Form T-1 of LTCB Trust Company, filed as Exhibit 21.5 to the Registration Statement on Form S-1 of ALHC Merger Corporation, filed with the Securities and Exchange Commission on September 12, 1994 (Registration No. 33-81858).

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, LTCB Trust Company, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and State of New York, on the 22nd day of June 1998.

LTCB Trust Company

By: Barbara Bevelaqua

Barbara Bevelaqua Vice President

EXHIBIT II

BY-LAWS OF LTCB TRUST COMPANY AS ADOPTED BY INCORPORATORS ON OCTOBER 7, 1983, AND SINCE AMENDED THROUGH AND INCLUDING APRIL 25, 1997

ARTICLE 1. Stockholders

Section 1. Place of Meetings of Stockholders. Meetings of stockholders shall be held at the office of The Long-Term Credit Bank of Japan, Limited in the City of New York, State of New York, provided, however, that the Board of Directors in its discretion may fix any other location in the City of New York.

Section 2. Annual Meetings of Stockholders. A meeting of stockholders shall be held annually for the election of Directors and the transaction of other business at such time within the first three calendar months of each year as may from time to time be designated by the Board of Directors.

Section 3. Special Meetings of Stockholders. Special meetings of the stockholders may be called by the Board of Directors, the President, an Executive Vice President or the Secretary upon the written request of a majority of the Board of Directors or upon the written request of the holders of not less than 50 per cent of all outstanding shares entitled to vote on the action proposed to be taken. Such call and written request shall state the purpose or purposes of the proposed meeting.

Section 4. Notice of Meetings of Stockholders. Written notice of every meeting of stockholders shall be signed by the President, an Executive Vice President or the Secretary and state the place, date and hour of the meeting and unless it is the annual meeting indicate that it is being issued by or at the direction of the person or persons calling the meeting and state the purpose or purposes for which the meeting is called.

A copy of the notice of any meeting shall be given, personally or by mail at least 15 business days before the date of the meeting, to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed given when deposited in the United States mail, with postage thereon prepaid, directed to the stockholder at his address as it appears on the record of stockholders, or at any other address upon his written request for mailing filed with the Secretary.

Section 5. Quorum of Stockholders. The holders of a majority of the shares entitled to vote thereat shall constitute a quorum at a meeting of stockholders for the transaction of any business. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any stockholders.

Section 6. Adjourned Meeting. The stockholders present at a meeting of stockholders may adjourn the meeting despite the absence of a quorum. When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting.

Section 7. Presiding Officer. The Chairman shall preside at all meetings of stockholders, except that in his absence or disability, the President or an Executive Vice President shall preside in his place.

Section 8. Proxies. Every stockholder entitled to vote at a meeting of stockholders or to express consent or dissent without a meeting may authorize another person or persons to act for him by proxy. Every proxy must be signed by the stockholder or his attorney-in-fact. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the stockholder executing it, except in those cases where an irrevocable proxy is provided by law. No Director, officer, or employee of the Trust Company shall act as proxy.

Section 9. Inspectors at Stockholders' Meetings. The Board of Directors, in advance of any stockholders' meeting, may appoint one or more inspectors to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the person presiding at a stockholders' meeting, may, and on the request of any stockholder entitled to vote thereat shall, appoint inspectors. In case any person appointed fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting or at the meeting by the person presiding thereat. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of shares

outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the person presiding at the meeting or any stockholder entitled to vote thereat, the inspectors shall make a report in writing of any challenge, question or matter determined by them and execute a certificate of any fact found by them. Any report or certificate made by them shall be prima facie evidence of the facts stated and of the vote as certified by them. No Director, officer or employee of the Trust Company shall act as inspector.

Section 10. Qualification of Voters. Every stockholder of record shall be entitled at every meeting of stockholders to one vote for every share standing in his name on the record of stockholders.

Section 11. Vote of Stockholders. Directors shall, except as otherwise required by law, be elected by a plurality of the votes cast at a meeting of stockholders by the holders of shares entitled to vote in the election. Any other corporate action by vote of the stockholders shall, except as otherwise required by law, be authorized by a majority of the votes cast at a meeting of stockholders by the holders of shares entitled to vote thereon.

Section 12. Written Consent of Stockholders Without a Meeting. Any stockholder action required or permitted to be taken by vote may be taken on written consent in substitution for and as the equivalent of any meeting of stockholders herein provided for. Any such consent shall set forth the action so taken, and be signed by the holders of all outstanding shares entitled to vote thereon.

ARTICLE 2.

Directors

Section 1. Board of Directors. The affairs of the Trust Company shall be managed by its Board of Directors.

Section 2. Qualifications of Directors. Each Director shall be at least 18 years of age, and shall fulfill the other statutory requirements for serving as such Director. Subject to applicable law, at least one-half of the Directors shall be officers of the majority stockholder (if any) of the Trust Company; and, if necessary to enable such officers to serve as Directors, application shall be made to the New York Superintendent of Banks to exercise his discretion to permit as Directors of the Trust Company not more than one-half of the total number thereof to serve as such, although such Directors are not citizens of the United States or citizens or residents of this state or a contiguous state.

Section 3. Number of Directors. The Board of Directors shall be composed of not less than seven nor more than thirty members. The number of the Directors shall be fixed at any time within the maximum and minimum limits by the Board of Directors.

Section 4. Election and Term of Directors. At each annual meeting of stockholders, the stockholders shall elect Directors to hold office until the next annual meeting. Each Director shall hold office until the expiration of the term for which he is elected, and until his successor has been elected and qualified.

Section 5. Vacancies and Newly Created Directorships. All vacancies in the office of Director, including newly created directorships resulting from an increase in the number of Directors, shall be filled by election by the stockholders except as hereinafter provided. Vacancies not exceeding one-third of the entire Board may be filled by affirmative vote of the majority of the Directors then in office, and the Directors so elected shall hold office for the balance of the unexpired term; or when the number of Directors required is nine or more, two vacancies may, with the consent of the New York Superintendent of Banks, be left unfilled until the next annual election, and when the number of Directors required is more than five and less than nine, one vacancy may, with the Superintendent's consent, be left unfilled until the next annual election. Every vacancy, including newly created but unfilled directorships resulting from an increase in the number of Directors, in the office of Director and each reduction in the number of Directors shall be reported to the Superintendent within ten days after such vacancy occurs or such reduction is effected. Each election by the Board to fill any such vacancy shall be likewise reported together with the name, address and occupation of the person so elected.

Section 6. Removal of Directors. Any or all of the Directors may be removed for cause by vote of the stockholders or Directors, or with or without cause by a vote of the stockholders.

Section 7. Quorum of Directors. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business or of any specified item of business.

Section 8. Action by the Board. The vote of the majority of the Directors present at a meeting of the Board of Directors at the time of the vote, if a quorum is present at such time, shall, except as otherwise provided by law, be the act of the Board of Directors.

Section 9. Place and Time of Meetings of the Board; Notice; Adjournment. The first meeting of each newly elected Board of Directors shall be held immediately following the annual meeting of stockholders and at the place thereof. The Board of Directors shall hold a regular meeting at the office of The Long-Term Credit Bank of Japan, Limited in the City of New York, State of New York without notice on the third Friday of each month at 2:00 p.m. Should the day appointed for a regular meeting not be a business day, the meeting shall be held at the same time on the next business day.

The Board of Directors in its discretion may fix any other location or any other time for the holding of regular meetings upon notice to the Directors. Special meetings of the Board may be called by the President, an Executive Vice President or the Secretary upon the request of at least two Directors. Notice of a special meeting shall be given to each Director. The notice shall state the place, date and hour of the meeting and indicate that it is being issued by or at the direction of the person or persons calling the meeting. The notice shall be given personally (including by telephone) or by mail not less than 3 business days before the date of meeting, to each Director. If mailed, such notice shall be deemed given when deposited in the United States mail, with postage thereon prepaid, directed to the Director at his address, or at any other address upon his written request for mailing filed with the Secretary. The notice need not specify the purpose of any special meeting of the Board.

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment of a meeting of the Board to another time and place shall be given to the Directors who were not present at the time of the adjournment and, unless such time and place are announced at the meeting, to the other Directors.

Section 10. Presiding Officer. The Chairman shall preside at all meetings of the Board of Directors, except that in his absence or disability, the President or an Executive Vice President shall preside in his place. The Chairman shall be elected as such by said Board at its Annual Meeting. He shall serve as Chairman until the next Annual Meeting of said Board and until his successor is elected and qualified, but he shall not be an officer of the Trust Company and shall have only such powers and duties, in addition to those of a Director, as are specifically set forth in these By-Laws. He shall be an ex officio member of all Committees of the Board, except the Examining and Audit Committee.

Section 11. Compensation of Directors. Such compensation shall be paid to Directors for attendance at meetings of the Board of Directors and of any Committee of said Board, and such additional annual compensation shall be paid to Directors regardless of attendance, as shall be determined by the Board of Directors by resolution from time to time.

Section 12. Attendance at Meetings. Any one or more Directors may participate in a meeting of the Board of Directors or any Committee of said Board by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 13. Committees of the Board. The Board of Directors shall appoint a Committee of at least three of its members to examine fully once in each calendar year the books, papers and affairs of the Trust Company and such other matters as may be required byss.122 of the Banking Law of the State of New York. The Committee may employ such assistance in making such examinations as the Committee may deem necessary.

A report in writing of any examination so made, sworn to by the Directors making the same, shall be presented to the Board of Directors at their next regular meeting after the completion of such examination and placed on file in the Trust Company and a duplicate thereof filed in the Office of the New York Superintendent of Banks. Such report shall contain the matters required unders.123 of the Banking Law of the State of New York.

The Board of Directors may appoint from time to time other Committees of one or more Directors for such purposes and with such powers as the Board may determine.

The President shall have the power to designate another Director to serve on any standing Committee during the absence or inability to serve of any member thereof.

ARTICLE 3.

Officers

Section 1. Number. The officers of the Trust Company, each of whom shall be elected or appointed by the Board of Directors, shall be a President, one or more Vice Presidents, one or more Assistant Vice Presidents, a Secretary, a Treasurer, and such other officer or officers, if any, as the Board of Directors may deem appropriate or desirable, including, at the option of the Board of Directors, one or more Executive Vice Presidents and/or one or more Senior Vice Presidents. Each reference to Vice Presidents elsewhere in these By-Laws, including without limitation the extent of and limitations on the powers and duties of Vice Presidents, shall also pertain and be fully applicable to any

person holding the office of Senior Vice President. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election, Term of Office and General Duties. The officers to be elected or appointed by the Board of Directors shall be elected or appointed annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the stockholders.

Each officer shall hold office until the first meeting of the Board of Directors following the next annual meeting of stockholders, and until his successor has been elected or appointed and qualified.

Participation in major policymaking functions of the Trust Company by officers, when acting in their capacity as such, shall be limited to the President and the Executive Vice Presidents.

Section 3. Removal. Any officers elected or appointed by the Board of Directors may be removed by the Board of Directors with or without cause, but such removal without cause shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. A vacancy in any office because of resignation, removal or otherwise, may be filled by the Board of Directors, or, under its authority, by the President or an Executive Vice President, for the unexpired portion of the term.

Section 5. President. The President shall have general supervision of the policies and operations of the Trust Company and shall also be the chief executive officer of the Trust Company. He shall be an ex officio member of all Committees of the Board, except the Examining and Audit Committee. He shall have the powers and shall perform the duties pertaining generally to the office of the President, and shall have the powers and duties conferred or imposed upon the President by law, by these By-Laws, or by the Board of Directors.

Section 6. Absence or Disability. In the absence or disability of the President, the Executive Vice Presidents, in the order of seniority of their elections as such, shall act in his place and assume his duties.

Section 7. Executive Vice Presidents, Vice Presidents and Other Officers. Each Executive Vice President, each Vice President, each Assistant Vice President, and each other officer deemed appropriate or desirable by the Board of Directors, shall have such powers and duties as may be assigned by the Board of Directors from time to time; and, under authority of the Board of Directors, the President or an Executive Vice President shall have authority to appoint and dismiss employees and to prescribe their duties and, to the extent not inconsistent with these By-Laws, the duties of officers.

Section 8. Secretary. The Secretary shall: (1) keep the minutes of the proceedings of the stockholders, Board of Directors, and Examining and Audit Committee and other committees, if any, in one or more books provided for that purpose; (2) see that all notices are duly given in accordance with the provisions of these By-Laws; (3) be custodian of the corporate records and of the seal of the Trust Company; (4) file each written request by a stockholder or Director that notices to him be mailed to some address other than his address as it appears on the records of the Trust Company; (5) sign with the President or an Executive Vice President, certificates representing shares of the Trust Company; (6) have general charge of the record of stockholders of the Trust Company; and (7) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or the Board of Directors.

Section 9. Treasurer. The Treasurer shall: (1) have charge and custody of and be responsible for all funds and securities of the Trust Company, receive and give receipts for moneys due and payable to the Trust Company from any source whatsoever, and deposit all such moneys in the name of the Trust Company in banks, trust companies, or other depositories; (2) have charge and custody of and be responsible for the keeping of correct and complete books and records of account of the Trust Company; (3) have the duty, unless specifically assigned to another officer by the Board of Directors, to prepare and submit to the Board of Directors the monthly report required by ss.121 of the Banking Law of the State of New York; and (4) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or the Board of Directors.

Section 10. Fiduciary Instruments and Documents. All instruments in behalf of the Trust Company as trustee, depository, agent or in any other fiduciary capacity, including agreements, indentures, mortgages, deeds, conveyances, satisfactions, discharges, releases, contracts, assignments, participation certificates of interest in mortgages, transfers, powers of attorney, proxies, petitions, proofs of claim, assignments and transfers of any shares of stock, bonds or other securities, and all other documents and writings in connection with any fiduciary capacity, may be executed by the President, an Executive Vice President, any Vice President or any Assistant Vice President; or any other officer, if thereunto authorized by the President or an Executive Vice President; or any other person thereunto authorized by the Board of Directors, the President or an Executive Vice President. Any officer or person authorized to execute any such instrument, document or writing is also authorized to affix the seal of the Trust Company thereto and to cause the same to be attested by the Secretary or the Treasurer. This is in addition to and not in substitution

for the manner of execution of any instruments elsewhere provided for in these By-Laws.

Section 11. Contracts and Instruments. All contracts, checks, drafts, and other commitments and instruments of the Trust Company, all guaranties of signatures on assignments of stocks and other documents and all assignments or other papers necessary or proper for the sale, assignment or transfer of stocks, registered bonds or other securities or any other personal property or rights therein standing in the name of and owned by the Trust Company in its own right, or held by it as security, shall be executed by one of the following officers: the President, an Executive Vice President, any Vice President, any Assistant Vice President, or another officer or person authorized by the Board of Directors, the President or an Executive Vice President to sign on behalf of the Trust Company.

Section 12. Powers of Attorney. All powers of attorney and all authorizations to representatives or agents of the Trust Company shall be executed by the President, an Executive Vice President, or a Vice President who is thereunto designated by the President or an Executive Vice President. Any such power of attorney or authorization may, however, be executed by another officer or officers, or person or persons, who may be specifically authorized to execute the same by the Board of Directors, the President or an Executive Vice President.

Section 13. Bonding of Officers and Employees; Other Insurance. Each officer and employee handling moneys, funds, property or valuables, if so required by the Board of Directors, shall give a bond with security to be approved by the Board, conditioned for the honest discharge of his duties as such officer or employee. Such bonds may be in individual, schedule or blanket form and the premiums therefor shall be paid by the Trust Company. The purchase of and payment for such bonds shall be in addition to, and not exclusive of, such other insurance coverage of whatever nature as the Trust Company shall or may obtain for the proper conduct and protection of its business, property, operations and personnel.

Section 14. Compensation of Officers. The Board of Directors shall from time to time fix the compensation, if any, of the President and Executive Vice Presidents; and those officers shall fix the compensation of the other officers and the employees of the Trust Company.

ARTICLE 4.

Certificates Representing Shares; Record of Stockholders; Transfer of Shares

Section 1. Certificates Representing Shares. The shares of the Trust Company shall be represented by certificates which shall be in such form as shall be determined by the Board of Directors, subject to applicable law. All such certificates shall be consecutively numbered. Such certificates shall be signed by the President or an Executive Vice President and by the Secretary, and may be sealed with the seal of the Trust Company or a facsimile thereof. In case any officer who has signed shall have ceased to be such officer before such certificate is issued, it may be issued by the Trust Company with the same effect as if he were such officer at the date of issue. Each certificate shall state upon the face thereof: (1) that the Trust Company is formed under the laws of New York; (2) the name of the person or persons to whom issued; (3) the number and class of shares; and (4) the par value of each share represented by such certificate.

Section 2. Record of Stockholders. The Trust Company shall keep at its office a record containing the names and addresses of all stockholders, the number and class of shares held by each, and the dates when they respectively became the owners of record thereof. The Trust Company shall be protected in treating the persons in whose names shares stand on the record of stockholders as the owners thereof for all purposes.

Section 3. Transfer of Shares. Upon surrender to the Trust Company of a certificate representing shares duly endorsed or accompanied by proper evidence of succession, assignment, or authority to transfer, such shares shall be transferred on the record of the stockholders of the Trust Company, but only by action of the President or an Executive Vice President.

ARTICLE 5.

Fiscal Year

The fiscal year of the Trust Company shall be determined by resolution of the Board of Directors.

ARTICLE 6.

Dividends

The Board of Directors may from time to time declare, and the Trust Company may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by applicable law, including without limitation ss.ss.110 and 112 of the Banking Law of the State of New York, or comparable provisions of law hereafter in effect.

ARTICLE 7.

Corporate Seal

Section 1. Impression. The following is an impression of the seal adopted by the Board of Directors of the Trust Company:

Section 2. Officers' Authority. All of the officers of the Trust Company shall have authority to affix the corporate seal to documents.

ARTICLE 8.

Miscellaneous Provisions

Section 1. Records. The Organization Certificate, the By-Laws and the proceedings of all meetings of the stockholders, the Board of Directors, and any Committee of the Board, shall be recorded in appropriate minute books. The minutes of each such meeting shall be signed by the Secretary or other officer appointed to act as Secretary of the meeting.

Section 2. Business Hours. The business hours of the Trust Company's office shall be from 9 a.m. to 3 p.m. daily except Saturdays, Sundays, and days or parts of days recognized as legal holidays by the laws of this State on which the Federal Reserve Bank of New York is not open for the conduct of its normal business.

Section 3. Indemnification. Directors, officers and agents of the Trust Company shall be entitled to indemnification from the Trust Company, for the defense of any civil or criminal action or proceeding, or appeal therein, brought against them by reason of their being, or having been, such Directors, officers or agents, to the fullest extent consistent with applicable law, including without limitation Title 7 of Article 15 of the Banking Law of the State of New York, or comparable provisions of law hereafter in effect.

The Trust Company shall not be required to provide any such indemnification to any Director, officer or agent in any such action or proceeding, or appeal therein, arising out of services rendered by any such person to any person, firm or association, or any corporation other than the Trust Company, unless such services were rendered by such Director, officer or agent at the specific written request of the Trust Company made by the Trust Company in the manner provided by the Board of Directors.

Expenses incurred in defending a civil or criminal action or proceeding may be paid by the Trust Company in advance of the final disposition of such action or proceeding if authorized as provided by applicable law or allowed by order of a court of competent jurisdiction. All such expenses so advanced by the Trust Company shall be repaid in case the person receiving such advancement or allowance is ultimately found not to be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced by the Trust Company or allowed by the court exceed the indemnification to which he is entitled.

The rights of indemnification provided for in this Section 3 shall inure to the benefit of the heirs, executors, administrators and assigns of each person indemnified and shall not, except as required by applicable law, be deemed exclusive of any contractual or other legal rights to which he or they may be entitled.

The Trust Company may, but need not, purchase insurance for the purpose of indemnifying its Directors, officers or agents, for the purpose of indemnifying itself for any obligation which it incurs as a result of its indemnification of Directors, officers or agents, or for both purposes. Such insurance may, but need not, be for the benefit of all Directors, officers or agents.

A person is an "agent" under, and any action taken by him is subject to the provisions of, this Section 3, only when the person is neither a Director, officer nor employee of the Trust Company but his action has been taken in good faith on behalf of the Trust Company pursuant to, and within the scope of, actual authority duly conferred on him by the Trust Company.

ARTICLE 9.

Emergencies

Section 1. Emergencies. In the event of an emergency declared by the President of the United States or the person performing his functions, the officers and employees of the Trust Company will continue to conduct the affairs of the Trust Company under such guidance from the Directors as may be available, except as to matters which by statute require specific approval of the Board of Directors and subject to conformance with any governmental directives during the emergency.

Section 2. Offices. The business of the Trust Company shall be conducted at its office located at 165 Broadway, New York, New York, 10006 and any other legally authorized location which may be leased or acquired by the Trust Company to carry on its business. During an emergency resulting in any authorized place of business of the Trust Company being unable to function, the business ordinarily conducted at such location shall be relocated elsewhere in such suitable

quarters, in addition to or in lieu of the locations heretofore mentioned, as may be designated by the Board of Directors or by such persons as are then, in accordance with resolutions adopted from time to time by the Board of Directors dealing with the exercise of authority in the time of such emergency, conducting the affairs of the Trust Company. Any temporarily relocated place of business of the Trust Company shall be returned to its legally authorized location as soon as practicable and such temporary place of business shall then be discontinued.

ARTICLE 10.

Inspection and Amendments

Section 1. Inspection. A copy of the By-Laws, with all amendments to date shall, at all times, be kept at the principal office of the Trust Company and shall be open for inspection by all stockholders during business hours.

Section 2. Amendments. Except as may otherwise be required by law, these By-Laws may be changed or amended (1) by a vote of a majority of the Directors for the time being, at any regular or special meeting of the Board, or (2) by vote of the stockholders at any meeting of the stockholders.

* * *

Certified a true copy this 1st day of May, 1997.

/s/ Sam Angione

Sam Angione
Executive Vice President and
Secretary

EXHIBIT III

**AUTHORIZATION AND CONSENT OF LTCB TRUST COMPANY
REQUIRED BY SECTION 321(b) OF THE ACT**

LTCB Trust Company hereby authorizes and consents that any reports, records, or other available information in the possession of the Board of Governors of the Federal Reserve System, the New York Federal Reserve Board, the New York State Banking Department and the Federal Deposit Insurance Corporation be furnished by such authorities to the Securities and Exchange Commission (SEC) upon request therefore, in connection with the SEC's acting upon form T-1 and Exhibits filed with it by LTCB Trust Company to establish its eligibility and qualification under the Trust Indenture Act of 1939 (as amended by the Trust Indenture Reform Act of 1990) to be designated as trustee under the indenture to be executed in connection with the issuance by Conseco, Inc. of its Senior Medium Term Notes, Series A

6/22/98

Dated

/s/ Barbara Bevelaqua

Barbara Bevelaqua
Vice President

EXHIBIT IV

**CONSOLIDATED REPORT OF INCOME
FOR THE PERIOD JANUARY 1, 1998 - March 31, 1998**

ALL REPORT OF INCOME SCHEDULES ARE TO BE REPORTED ON A CALENDAR YEAR-TO-DATE BASIS IN THOUSANDS OF DOLLARS.

SCHEDULE RI-INCOME STATEMENT

| | | Dollar Amounts in Thousands | |
|--|------|-----------------------------|-----------|
| ----- | | | |
| 1. Interest Income: | | | |
| a. Interest and fee income on loans: | | | |
| (1) In domestic offices: | RIAD | | |
| | ---- | | |
| (a) Loans secured by real estate | 4011 | 2,572 | 1.a.1.a |
| (b) Loans to depository institutions | 4019 | 0 | 1.a.1.b |
| (c) Loans to finance agricultural production and other loans to farmers | 4024 | 0 | 1.a.1.c |
| (d) Commercial and industrial loans | 4012 | 11,374 | 1.a.1.d |
| (e) Acceptances of other banks | 4028 | 0 | 1.a.1.e |
| (f) Loans to individuals for household, family, and other personal expenditures: | | | |
| (1) Credit cards and related plans | 4054 | 0 | 1.a.1.f.1 |
| (2) Other | 4055 | 0 | 1.a.1.f.2 |
| (g) Loans to foreign governments and official institutions | 4056 | 0 | 1.a.1.g |
| (h) Obligations (other than securities and leases) of states and political subdivisions in the U.S.: | | | |
| (1) Taxable obligations | 4503 | 0 | 1.a.1.h.1 |
| (2) Tax-exempt obligations | 4504 | 0 | 1.a.1.h.2 |
| (i) All other loans in domestic offices | 4058 | 179 | 1.a.1.i |
| (2) In foreign offices, Edge and Agreement subsidiaries, and IBFs | 4059 | 28 | 1.a.2 |
| b. Income from lease financing receivables: | | | |
| (1) Taxable leases | 4505 | 289 | 1.b.1 |
| (2) Tax-exempt leases | 4307 | 0 | 1.b.2 |
| Interest income on balances due from depository institutions: (1) | | | |
| (1) In domestic offices | 4105 | 1 | 1.c.1 |
| (2) In foreign offices, Edge and Agreement subsidiaries, and IBFs | 4106 | 0 | 1.c.2 |
| d. Interest and dividend income on securities: | | | |
| (1) U.S. Treasury securities and U.S. Government agency obligations | 4027 | 1,596 | 1.d.1 |
| (2) Securities issued by states and political subdivisions in the U.S.: | | | |
| (a) Taxable securities | 4506 | 0 | 1.d.2.a |
| (b) Tax-exempt securities | 4507 | 19 | 1.d.2.b |
| (3) Other domestic debt securities | 3657 | 128 | 1.d.3 |
| (4) Foreign debt securities | 3858 | 0 | 1.d.4 |
| (5) Equity securities (including investments in mutual funds) | 3859 | 108 | 1.d.5 |
| e. Interest income from trading assets | 4069 | 0 | 1.e |

(1) Includes interest income on time certificates of deposits not held for trading.

SCHEDULE RI - CONTINUED

Dollar Amounts in Thousands

| | | | | | |
|--|------|--------------|------|---------|-----------|
| 1. Interest Income (continued) | | | | | |
| f. Interest income on federal funds sold and securities purchased under agreements to resell | RIAD | Year-to-Date | | | |
| | 4020 | 615 | | | 1.f |
| g. Total interest income (sum of items 1.a through 1.f) | 4107 | 16,909 | | | 1.g |
| 2. Interest expense: | | | | | |
| a. Interest on deposits: | | | | | |
| (1) Interest on deposits in domestic offices: | | | | | |
| (a) Transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts) | 4508 | 0 | | | 2.a.1.a |
| (b) Nontransaction accounts: | | | | | |
| (1) Money market deposit accounts (MMDAs) | 4509 | 0 | | | 2.a.1.b.1 |
| (2) Other savings deposits | 4511 | 0 | | | 2.a.1.b.2 |
| (3) Time deposits of \$100,000 or more | A517 | 6,164 | | | 2.a.1.b.3 |
| (4) Time deposits of less than \$100,000 | A518 | 3 | | | 2.a.1.b.4 |
| (2) Interest on deposits in foreign offices, Edge and agreement subsidiaries, and IBFs | 4172 | 531 | | | 2.a.2 |
| b. Expenses of federal funds purchased and securities sold under agreements to repurchase | 4180 | 9 | | | 2.b |
| c. Interest on demand notes issued to the U.S. Treasury, trading liabilities, and on other borrowed money | 4185 | 2,681 | | | 2.c |
| d. Not applicable | | | | | |
| e. Interest on subordinated notes and debentures | 4200 | 867 | | | 2.e |
| f. Total interest expense (sum of items 2.a through 2.e) | 4073 | 10,255 | RIAD | | 2.f |
| 3. Net interest income (item 1.g minus 2.f) | | | 4074 | 6,654 | 3. |
| 4. Provisions: | | | | | |
| a. Provision for credit losses | | | 4230 | (1,000) | 4.a |
| b. Provision for allocated transfer risk | | | 4243 | 0 | 4.b |
| Noninterest income: | RIAD | | | | |
| a. Income from fiduciary activities | 4070 | 824 | | | 5.a |
| b. Service charges on deposit accounts in domestic offices | 4080 | 0 | | | 5.b |
| c. Trading revenue (must equal Schedule RI, sum of Memorandum items 8.a through 8.d) | A220 | 0 | | | 5.c |
| d. - e. Not applicable | | | | | |
| f. Other noninterest income: | | | | | |
| (1) Other fee income | 5407 | 1,160 | | | 5.f.1 |
| (2) All other noninterest income* | 5408 | 0 | RIAD | | 5.f.2 |
| g. Total noninterest income (sum of items 5.a through 5.f) | | | 4079 | 1,984 | 5.g |
| 6. a. Realized gains (losses) on held-to-maturity securities | | | 3521 | 0 | 6.a |
| b. Realized gains (losses) on available-for-sale securities | | | 3196 | 76 | 6.b |
| 7. Noninterest expense: | RIAD | | | | |
| a. Salaries and employee benefits | 4135 | 1,312 | | | 7.a |
| b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest) | 4217 | 901 | | | 7.b |
| c. Other noninterest expense* | 4092 | 1,669 | RIAD | | 7.c |
| d. Total noninterest expense (sum of items 7.a through 7.c) | | | 4093 | 3,882 | 7.d |
| 8. Income (loss) before income taxes and extraordinary items and other adjustments (item 3 plus or minus items 4.a, 4.b, 5.g, 6.a, 6.b, and 7.d) | | | 4301 | 5,832 | 8. |
| 9. Applicable income taxes (on item 8) | | | 4302 | 3,348 | 9. |
| 10. Income (loss) before extraordinary items and other adjustments (item 8 minus 9) | | | 4300 | 2,484 | 10. |
| 11. Extraordinary items and other adjustments, net of income taxes* | | | 4320 | 0 | 11 |
| 12. Net income (loss) (sum of items 10 and 11) | | | 4340 | 2,484 | 12. |

* Describe on Schedule RI-E - Explanations.

SCHEDULE RI - CONTINUED

Dollar Amounts in Thousands

MEMORANDA

| | RIAD | Year-to Date | |
|--|------|--------------|-------|
| 1. Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after August 7, 1986, that is not deductible for federal income tax purposes | 4513 | 0 | M.1 |
| 2. Income from the sale and servicing of mutual funds and annuities in domestic offices (included in Schedule RI, item 8) | 8431 | 0 | M.2 |
| 3. - 4. Not applicable | | | |
| 5. Number of full-time equivalent employees on payroll at end of current period (round to nearest whole number) | 4150 | 45 | M.5 |
| 6. Not applicable | | | |
| 7. If the reporting bank has restated its balance sheet as a result of applying push accounting this calendar year, report the date of the bank's acquisition | 9106 | | M.7 |
| 8. Trading revenue (from cash instruments and off-balance sheet derivative instruments) (sum of Memorandum items 8.a through 8.d must equal Schedule RI, item 5.c): | | | |
| a. Interest rate exposures | 8757 | 0 | M.8.a |
| b. Foreign exchange exposures | 8758 | 0 | M.8.b |
| c. Equity security and index exposures | 8759 | 0 | M.8.c |
| d. Commodity and other exposures | 8760 | 0 | M.8.d |
| 9. Impact on income of off-balance sheet derivatives held for purposes other than trading: | | | |
| a. Net increase (decrease) to interest income | 8761 | 0 | M.9.a |
| b. Net (increase) decrease to interest expense | 8762 | (1,326) | M.9.b |
| c. Other (noninterest) allocations | 8763 | 0 | M.9.c |
| 10. Credit losses on off-balance sheet derivatives (see instructions) | A251 | 0 | M.10 |
| 11. Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year? | A530 | NO | M.11 |
| -- Deferred portion of total applicable income taxes included in Schedule RI, items 9 and 11 (to be reported with the December Report of Income) | 4772 | N/A | M.12 |

(1) For example, a bank acquired on June 1, 1997, would report 1997/06/01

* Describe on Schedule RI-E - Explanations.

**CONSOLIDATED REPORT OF CONDITION FOR INSURED COMMERCIAL AND STATE-CHARTERED SAVINGS BANKS
FOR MARCH 31, 1998**

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

SCHEDULE RC - BALANCE SHEET

| | | Dollar Amounts in Thousands | |
|--------|--|-----------------------------|-------------|
| ----- | | | |
| ASSETS | | | |
| 1. | Cash and balances due from depository institutions (from Schedule RC-A): | RCFD | |
| | a. Noninterest-bearing balances and currency and coin (1) | 0081 | 20,668 1.a |
| | b. Interest-bearing balances (2) | 0071 | 150 1.b |
| 2. | Securities: | | |
| | a. Held-to-maturity securities (from Schedule RC-B, column A) | 1754 | 1,005 2.a |
| | b. Available-for-sale securities (from Schedule RC-B, column D) | 1773 | 110,874 2.b |
| 3. | Federal funds sold and securities purchased under agreements to resell | 1350 | 137,000 3 |
| 4. | Loans and lease financing receivables: | RCFD | |
| | a. Loans and leases, net of unearned income (from Schedule RC-C) | 2122 632,900 | 4.a |
| | b. LESS: Allowance for loan and lease losses | 3123 17,013 | 4.b |
| | c. LESS: Allocated transfer risk reserve | 3128 0 | 4.c |
| | d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c) | RCFD | |
| | | 2125 | 615,887 4.d |
| 5. | Trading assets (from Schedule RC-D) | 3545 | 0 5. |
| 6. | Premises and fixed assets (including capitalized leases) | 2145 | 1,468 6. |
| 7. | Other real estate owned (from Schedule RC-M) | 2150 | 0 7. |
| 8. | Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M) | 2130 | 0 8. |
| 9. | Customers' liability to this bank on acceptances outstanding | 2155 | 0 9. |
| 10. | Intangible assets (from Schedule RC-M) | 2143 | 0 10. |
| 11. | Other assets (from Schedule RC-F) | 2160 | 17,926 11. |
| 12. | Total assets (sum of items 1 through 11) | 2170 | 904,978 12. |

(1) Includes cash items in process of collection and unposted debits.

(2) Includes time certificates of deposit not held for trading.

SCHEDULE RC - CONTINUED

DOLLAR AMOUNTS IN THOUSANDS

LIABILITIES

13. Deposits:

| | | | | | |
|---|------|---------|------|---------|--------|
| a. In domestic offices (sum of totals of columns A and C from Schedule RC-E. part I) | RCON | | RCON | | |
| (1) Noninterest-bearing (1) | 6831 | 15,749 | 2200 | 501,859 | 13.a |
| (2) Interest-bearing | 6836 | 486,110 | | | 13.a.1 |
| b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E. part II) | RCFN | | RCFN | | |
| (1) Noninterest-bearing | 6631 | 0 | 2200 | 997 | 13.b |
| (2) Interest-bearing | 6636 | 997 | RCFD | | 13.b1 |
| 14. Federal funds purchased and securities sold under agreements to repurchase | | | 2800 | 4,000 | 14 |
| 15. a. Demand notes issued to the U.S. Treasury | | | RCON | | |
| b. Trading liabilities (from Schedule RC-D) | | | 2840 | 0 | 15.a |
| 16. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases): | | | RCFD | | |
| a. With a remaining maturity of one year or less | | | 3548 | 0 | 15.b |
| b. With a remaining maturity of more than one year through three years | | | | | |
| c. With a remaining maturity of more than three years | | | | | |
| 17. Not applicable | | | | | |
| 18. Bank's liability on acceptances executed and outstanding | | | | | |
| 19. Subordinated notes and debentures(2) | | | 2332 | 12,000 | 16.a |
| 20. Other liabilities (from Schedule RC-G) | | | A547 | 0 | 16.b |
| 21. Total liabilities (sum of items 13 through 20) | | | A548 | 120,165 | 16.c |
| 22. Not applicable | | | | | |
| EQUITY CAPITAL | | | | | |
| 23. Perpetual preferred stock and related surplus | | | 3838 | 0 | 23 |
| 24. Common Stock | | | 3230 | 52,250 | 24 |
| 25. Surplus (exclude all surplus related to preferred stock) | | | 3839 | 52,750 | 25 |
| 26. a. Undivided profits and capital reserves | | | 3632 | 32,485 | 26.a |
| b. Net unrealized holding gains (losses) on available-for-sale securities | | | 8434 | 563 | 26.b |
| 27. Cumulative foreign currency translation adjustments | | | 3284 | 0 | 27 |
| 28. Total equity capital (sum of items 23 through 27) | | | 3210 | 138,048 | 28 |
| 29. Total liabilities and equity capital (sum of items 21 and 28) | | | 3300 | 904,978 | 29 |

MEMORANDUM

TO BE REPORTED ONLY WITH THE MARCH REPORT OF CONDITION.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1997
- | | | | |
|--|------|--------|-----|
| | RCFD | NUMBER | |
| | 6274 | 1 | M.1 |

1= Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank

2= Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company

(but not on the bank separately)

3= Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)

4= Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)

5= Review of the bank's financial statements by external auditors

6= Compilation of the bank's financial statements by external auditors

7= Other audit procedures (excluding tax preparation work)

8= No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.

(2) Includes limited-life preferred stock and related surplus.

EXHIBIT 25.2
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

**STATEMENT OF ELIGIBILITY UNDER THE
TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

Check if an Application to Determine Eligibility of a Trustee Pursuant to Section 305(b)(2)

STATE STREET BANK AND TRUST COMPANY

(Exact name of trustee as specified in its charter)

| | |
|--|---|
| Massachusetts | 04-1867445 |
| ----- | |
| (Jurisdiction of incorporation or organization if not a U.S. national bank) | (I.R.S. Employer Identification No.) |
| 225 Franklin Street, Boston, Massachusetts | 02110 |
| ----- | |
| (Address of principal executive offices) | (Zip Code) |

Maureen Scannell Bateman, Esq. Executive Vice President and General Counsel 225 Franklin Street, Boston, Massachusetts 02110 (617) 654-3253

(Name, address and telephone number of agent for service)

CONSECO, INC.

(Exact name of obligor as specified in its charter)

| | |
|---|---|
| Indiana | 35-1468632 |
| ----- | |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

11825 N. Pennsylvania Street, Carmel, Indiana 46032

(Address of principal executive offices) (Zip Code)

Subordinated Debt Securities

(Title of indenture securities)

GENERAL

Item 1. General Information.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervisory authority to which it is subject.

Department of Banking and Insurance of The Commonwealth of Massachusetts, 100 Cambridge Street, Boston, Massachusetts.

Board of Governors of the Federal Reserve System, Washington, D.C., Federal Deposit Insurance Corporation, Washington, D.C.

(b) Whether it is authorized to exercise corporate trust powers. Trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations with Obligor.

If the Obligor is an affiliate of the trustee, describe each such affiliation.

The obligor is not an affiliate of the trustee or of its parent, State Street Corporation.

(See note on page 2.)

Item 3. through Item 15. Not applicable.

Item 16. List of Exhibits.

List below all exhibits filed as part of this statement of eligibility.

1. A copy of the articles of association of the trustee as now in effect.

A copy of the Articles of Association of the trustee, as now in effect, is on file with the Securities and Exchange Commission as Exhibit 1 to Amendment No. 1 to the Statement of Eligibility and Qualification of Trustee (Form T-1) filed with the Registration Statement of Morse Shoe, Inc. (File No. 22-17940) and is incorporated herein by reference thereto.

2. A copy of the certificate of authority of the trustee to commence business, if not contained in the articles of association.

A copy of a Statement from the Commissioner of Banks of Massachusetts that no certificate of authority for the trustee to commence business was necessary or issued is on file with the Securities and Exchange Commission as Exhibit 2 to Amendment No. 1 to the Statement of Eligibility and Qualification of Trustee (Form T-1) filed with the Registration Statement of Morse Shoe, Inc. (File No. 22-17940) and is incorporated herein by reference thereto.

3. A copy of the authorization of the trustee to exercise corporate trust powers, if such authorization is not contained in the documents specified in paragraph (1) or (2), above.

A copy of the authorization of the trustee to exercise corporate trust powers is on file with the Securities and Exchange Commission as Exhibit 3 to Amendment No. 1 to the Statement of Eligibility and Qualification of Trustee (Form T-1) filed with the Registration Statement of Morse Shoe, Inc. (File No. 22-17940) and is incorporated herein by reference thereto.

4. A copy of the existing by-laws of the trustee, or instruments corresponding thereto.

A copy of the by-laws of the trustee, as now in effect, is on file with the Securities and Exchange Commission as Exhibit 4 to the Statement of Eligibility and Qualification of Trustee (Form T-1) filed with the Registration Statement of Eastern Edison Company (File No. 33-37823) and is incorporated herein by reference thereto.

5. A copy of each indenture referred to in Item 4. if the obligor is in default.

Not applicable.

6. The consents of United States institutional trustees required by Section 321(b) of the Act.

The consent of the trustee required by Section 321(b) of the Act is annexed hereto as Exhibit 6 and made a part hereof.

7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority is annexed hereto as Exhibit 7 and made a part hereof.

NOTES

In answering any item of this Statement of Eligibility which relates to matters peculiarly within the knowledge of the obligor or any underwriter of the obligor, the trustee has relied upon the information furnished to it by the obligor and the underwriters, and the trustee disclaims responsibility for the accuracy or completeness of such information.

The answer to Item 2. of this statement will be amended, if necessary, to reflect any facts which differ from those stated and which would have been required to be stated if known at the date hereof.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, State Street Bank and Trust Company, a corporation duly organized and existing under the laws of The Commonwealth of Massachusetts, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Boston and The Commonwealth of Massachusetts, on the 22nd of June, 1998.

STATE STREET BANK AND TRUST COMPANY

By: /s/ Susan Keller

Susan Keller
Vice President

EXHIBIT 6

CONSENT OF THE TRUSTEE

Pursuant to the requirements of Section 321(b) of the Trust Indenture Act of 1939, as amended, in connection with the proposed issuance by Conseco, Inc. of its Subordinated Debt Securities we hereby consent that reports of examination by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefor.

STATE STREET BANK AND TRUST COMPANY

By: /s/ Susan Keller

Susan Keller
Vice President

Dated: June 22, 1998

EXHIBIT 7

Consolidated Report of Condition of State Street Bank and Trust Company, Massachusetts and foreign and domestic subsidiaries, a state banking institution organized and operating under the banking laws of this commonwealth and a member of the Federal Reserve System, at the close of business December 31, 1997, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act and in accordance with a call made by the Commissioner of Banks under General Laws, Chapter 172, Section 22(a).

| ASSETS | Thousands of Dollars ----- |
|--|----------------------------------|
| Cash and balances due from depository institutions: | |
| Noninterest-bearing balances and currency and coin | \$ 2,220,829 |
| Interest-bearing balances..... | 10,076,045 |
| Securities..... | 10,373,821 |
| Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge subsidiary..... | 5,124,310 |
| Loans and lease financing receivables: | |
| Loans and leases, net of unearned income..... | 6,270,348 |
| Allowance for loan and lease losses..... | 82,820 |
| Allocated transfer risk reserve..... | 0 |
| Loans and leases, net of unearned income and allowances..... | 6,187,528 |
| Assets held in trading accounts..... | 1,241,555 |
| Premises and fixed assets..... | 410,029 |
| Other real estate owned..... | 100 |
| Investments in unconsolidated subsidiaries..... | 38,831 |
| Customers' liability to this bank on acceptances outstanding..... | 44,962 |
| Intangible assets..... | 224,049 |
| Other assets..... | 1,507,650 |
| | ----- |
| Total assets..... | \$37,449,709 ===== |
| | |
| LIABILITIES | |
| Deposits: | |
| In domestic offices..... | \$10,115,205 |
| Noninterest-bearing..... | 7,739,136 |
| Interest-bearing..... | 2,376,069 |
| In foreign offices and Edge subsidiary..... | 14,791,134 |
| Noninterest-bearing..... | 71,889 |
| Interest-bearing..... | 14,719,245 |
| Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge subsidiary..... | 7,603,920 |
| Demand notes issued to the U.S. Treasury and Trading Liabilities..... | 194,059 |
| Trading liabilities..... | 1,036,905 |
| Other borrowed money..... | 459,252 |
| Subordinated notes and debentures..... | 0 |
| Bank's liability on acceptances executed and outstanding..... | 44,962 |
| Other liabilities..... | 972,782 |
| | ----- |
| Total liabilities..... | 35,218,219 ----- |
| | |
| EQUITY CAPITAL | |
| Perpetual preferred stock and related surplus..... | 0 |
| Common stock..... | 29,931 |
| Surplus..... | 444,620 |
| Undivided profits and capital reserves/Net unrealized holding gains (losses)..... | 1,763,076 |
| Cumulative foreign currency translation adjustments..... | (6,137) |
| | ----- |
| Total equity capital..... | 2,231,490 ----- |
| | |
| Total liabilities and equity capital..... | \$37,449,709 ===== |

I, Rex S. Schuette, Senior Vice President and Comptroller of the above named bank do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true to the best of my knowledge and belief.

Rex S. Schuette

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true and correct.

David A. Spina Marshall N. Carter Truman S. Casner

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