

	ONE PERCENT INCREASE	ONE PERCENT DECREASE
Effect on total of service and interest cost components	\$ 147	\$(111)
Effect on accumulated postretirement benefit obligation	\$1,115	\$(854)

The components of net periodic benefit cost were as follows (in thousands):

	PENSION BENEFITS			OTHER BENEFITS		
	2003	2002	2001	2003	2002	2001
Service cost	\$1,473	\$1,218	\$ 916	\$314	\$264	\$213
Interest cost	1,052	972	954	303	261	218
Expected return on plan assets	(643)	(751)	(815)	—	—	—
Amortization of prior actuarial losses	141	7	9	60	41	29
Amortization of prior service cost	30	30	30	—	—	—
Net periodic benefit cost	\$2,053	\$1,476	\$1,094	\$677	\$566	\$460

The Company expects to contribute \$1.5 million in pension benefits and \$0.1 million in other benefits during 2004. The following benefit payments, which reflect expected future service as appropriate, are expected to be paid (in thousands):

2004 target range of allocation by asset type of the Pension Plan's total plan fair value on a weighted average basis:

	PENSION BENEFITS	OTHER BENEFITS
2004	\$ 1,095	\$ 75
2005	1,266	79
2006	2,043	83
2007	1,722	87
2008	1,966	91
2009-2013	11,006	529

Results for the Pension and Other Benefits Plans are measured at December 31 for each year presented.

Allocation of the Pension Plan's total plan fair value by asset type:

	2003	2002
Asset Category:		
Equity securities	73%	66%
Debt securities	27%	34%
Total	100%	100%

Asset Category:

Equity securities	65% – 80%
Debt securities	25% – 50%

Target allocation of assets are determined with the objective of maximizing returns and minimizing volatility of net assets through adequate asset diversification and partial liability immunization. Adjustments are made to target allocations based on the Company's assessment of the impact of economic factors and market conditions.

NOTE 11 RELATED PARTY TRANSACTIONS

General American and MetLife have historically provided certain administrative services to RGA and RGA Reinsurance. Such services have included legal, treasury, risk management and corporate travel. The cost for the years ended December 31, 2003, 2002 and 2001 was approximately \$1.0 million, \$1.2 million and \$1.1 million respectively.

Management does not believe that the various amounts charged for these services would be materially different if they had been incurred from an unrelated third party.