



QUARTERLY STATEMENT  
AS OF MARCH 31, 2002  
OF THE CONDITION AND AFFAIRS OF THE

VICTORIA NATIONAL INSURANCE COMPANY

|                                                                               |                                                                          |                                       |                   |                                                                               |                      |            |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------|-------------------|-------------------------------------------------------------------------------|----------------------|------------|
| NAIC Group Code                                                               | 0304<br><small>(Current Period)</small>                                  | 0304<br><small>(Prior Period)</small> | NAIC Company Code | 10778                                                                         | Employer's ID Number | 34-1842604 |
| Organized under the Laws of                                                   | Ohio                                                                     |                                       |                   | State of Domicile or Port of Entry                                            | Ohio                 |            |
| Country of Domicile                                                           | United States of America                                                 |                                       |                   |                                                                               |                      |            |
| Incorporated                                                                  | 01/11/1996                                                               |                                       |                   | Commenced Business                                                            | 11/17/1997           |            |
| Statutory Home Office                                                         | 5915 Landerbrook Drive<br><small>(Street and Number)</small>             |                                       |                   | Cleveland, OH 44124-4058<br><small>(City or Town, State and Zip Code)</small> |                      |            |
| Main Administrative Office                                                    | 5915 Landerbrook Drive<br><small>(Street and Number)</small>             |                                       |                   | 440-461-3461<br><small>(Area Code) (Telephone Number) (Extension)</small>     |                      |            |
| Cleveland, OH 44124-4058<br><small>(City or Town, State and Zip Code)</small> |                                                                          |                                       |                   |                                                                               |                      |            |
| Mail Address                                                                  | 5915 Landerbrook Drive<br><small>(Street and Number or P.O. Box)</small> |                                       |                   | Cleveland, OH 44124-4058<br><small>(City or Town, State and Zip Code)</small> |                      |            |
| Primary Location of Books and Records                                         | 5915 Landerbrook Drive<br><small>(Street and Number)</small>             |                                       |                   | 440-461-3461-321<br><small>(Area Code) (Telephone Number)</small>             |                      |            |
| Cleveland, OH 44124-4058<br><small>(City or Town, State and Zip Code)</small> |                                                                          |                                       |                   |                                                                               |                      |            |
| Internet Website Address                                                      | WWW.Victoriainsurance.com                                                |                                       |                   |                                                                               |                      |            |
| Statement Contact                                                             | Raymond Karl Mueller<br><small>(Name)</small>                            |                                       |                   | 440-461-3461-321<br><small>(Area Code) (Telephone Number) (Extension)</small> |                      |            |
| Ray.Mueller@victoriainsurance.com<br><small>(E-mail Address)</small>          |                                                                          |                                       |                   | 440-461-0492<br><small>(FAX Number)</small>                                   |                      |            |
| Policyowner Relations Contact                                                 | 5915 Landerbrook Drive<br><small>(Street and Number)</small>             |                                       |                   | 440-461-3461-441<br><small>(Area Code) (Telephone Number) (Extension)</small> |                      |            |
| Cleveland, OH 44124-4058<br><small>(City or Town, State and Zip Code)</small> |                                                                          |                                       |                   |                                                                               |                      |            |

OFFICERS

|                     |                        |                     |               |
|---------------------|------------------------|---------------------|---------------|
| President           | Robert William Mueller | Assistant Secretary | Assunta Rossi |
| Assistant Treasurer | Raymond Karl Mueller   |                     |               |

VICE PRESIDENTS

|                     |                        |                       |
|---------------------|------------------------|-----------------------|
| Joseph William Metz | Thomas Owen Ramsbacher | Howard Veail Dempster |
| David Alan Nachman  |                        |                       |

DIRECTORS OR TRUSTEES

|                          |                           |                        |
|--------------------------|---------------------------|------------------------|
| Robert William Mueller   | Sharon Leslie Helldorfer  | James Thomas Byron     |
| Brendan Patrick Houlihan | James Andrew Tignanelli # | Joseph John Pecoraro # |
| Roger Louis Desjaden     | Howard Veail Dempster     |                        |

State of .....Ohio.....  
County of .....Cuyahoga.....  
} ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

|                                                                                 |                                      |                                             |
|---------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------|
| Robert William Mueller<br>President                                             | Assunta Rossi<br>Assistant Secretary | Raymond Karl Mueller<br>Assistant Treasurer |
| Subscribed and sworn to before me this<br>_____ day of _____, 2002<br><br>_____ |                                      |                                             |

ASSETS

|                                                                                                                                                    | Current Statement Date |                            |                                              | 4<br>December 31,<br>Prior Year Net<br>Admitted Assets |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|----------------------------------------------|--------------------------------------------------------|
|                                                                                                                                                    | 1<br>Assets            | 2<br>Nonadmitted<br>Assets | 3<br>Net Admitted<br>Assets<br>(Cols. 1 - 2) |                                                        |
| 1. Bonds .....                                                                                                                                     | 2,325,268              |                            | 2,325,268                                    | 2,370,265                                              |
| 2. Stocks:                                                                                                                                         |                        |                            |                                              |                                                        |
| 2.1 Preferred stocks .....                                                                                                                         |                        |                            |                                              |                                                        |
| 2.2 Common stocks .....                                                                                                                            |                        |                            |                                              |                                                        |
| 3. Mortgage loans on real estate:                                                                                                                  |                        |                            |                                              |                                                        |
| 3.1 First liens .....                                                                                                                              |                        |                            |                                              |                                                        |
| 3.2 Other than first liens .....                                                                                                                   |                        |                            |                                              |                                                        |
| 4. Real estate:                                                                                                                                    |                        |                            |                                              |                                                        |
| 4.1 Properties occupied by the company (less<br>\$ ..... encumbrances) .....                                                                       |                        |                            |                                              |                                                        |
| 4.2 Properties held for the production of income (less<br>\$ ..... encumbrances) .....                                                             |                        |                            |                                              |                                                        |
| 4.3 Properties held for sale (less \$ .....<br>encumbrances) .....                                                                                 |                        |                            |                                              |                                                        |
| 5. Cash (\$ .....80,032 and short-term investments<br>\$ .....929,797 ) .....                                                                      | 1,009,829              |                            | 1,009,829                                    | 911,144                                                |
| 6. Other invested assets .....                                                                                                                     |                        |                            |                                              |                                                        |
| 7. Receivable for securities .....                                                                                                                 |                        |                            |                                              |                                                        |
| 8. Aggregate write-ins for invested assets .....                                                                                                   |                        |                            |                                              |                                                        |
| 9. Subtotals, cash and invested assets (Lines 1 to 8) .....                                                                                        | 3,335,097              |                            | 3,335,097                                    | 3,281,409                                              |
| 10. Agents' balances or uncollected premiums                                                                                                       |                        |                            |                                              |                                                        |
| 10.1 Premiums and agents' balances in course of collection .....                                                                                   |                        |                            |                                              |                                                        |
| 10.2 Premiums, agents' balances and installments booked but deferred<br>and not yet due (including \$ ..... earned but unbilled<br>premiums) ..... |                        |                            |                                              |                                                        |
| 10.3 Accrued retrospective premiums .....                                                                                                          |                        |                            |                                              |                                                        |
| 11. Funds held by or deposited with reinsured companies .....                                                                                      |                        |                            |                                              |                                                        |
| 12. Bills receivable, taken for premiums .....                                                                                                     |                        |                            |                                              |                                                        |
| 13. Amounts billed and receivable under high deductible policies .....                                                                             |                        |                            |                                              |                                                        |
| 14. Reinsurance recoverables on loss and loss adjustment expense payments .....                                                                    |                        |                            |                                              |                                                        |
| 15. Federal and foreign income tax recoverable and interest thereon (including<br>\$ ..... net deferred tax asset) .....                           |                        |                            |                                              | 43,059                                                 |
| 16. Guaranty funds receivable or on deposit .....                                                                                                  |                        |                            |                                              |                                                        |
| 17. Electronic data processing equipment and software .....                                                                                        |                        |                            |                                              |                                                        |
| 18. Interest, dividends and real estate income due and accrued .....                                                                               | 19,103                 |                            | 19,103                                       | 35,295                                                 |
| 19. Net adjustments in assets and liabilities due to foreign exchange rates .....                                                                  |                        |                            |                                              |                                                        |
| 20. Receivable from parent, subsidiaries and affiliates .....                                                                                      |                        |                            |                                              |                                                        |
| 21. Amounts due from /to protected cells .....                                                                                                     |                        |                            |                                              |                                                        |
| 22. Equities and deposits in pools and associations .....                                                                                          |                        |                            |                                              |                                                        |
| 23. Amounts receivable relating to uninsured accident and health plans .....                                                                       |                        |                            |                                              |                                                        |
| 24. Other assets nonadmitted .....                                                                                                                 |                        |                            |                                              |                                                        |
| 25. Aggregate write-ins for other than invested assets .....                                                                                       |                        |                            |                                              |                                                        |
| 26. Total assets excluding protected cell assets (Lines 9 through 25) .....                                                                        | 3,354,200              |                            | 3,354,200                                    | 3,359,763                                              |
| 27. Protected cell assets .....                                                                                                                    |                        |                            |                                              |                                                        |
| 28. TOTALS (Lines 26 and 27)                                                                                                                       | 3,354,200              |                            | 3,354,200                                    | 3,359,763                                              |
| DETAILS OF WRITE-INS                                                                                                                               |                        |                            |                                              |                                                        |
| 0801. ....                                                                                                                                         |                        |                            |                                              |                                                        |
| 0802. ....                                                                                                                                         |                        |                            |                                              |                                                        |
| 0803. ....                                                                                                                                         |                        |                            |                                              |                                                        |
| 0898. Summary of remaining write-ins for Line 8 from overflow page .....                                                                           |                        |                            |                                              |                                                        |
| 0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)                                                                                       |                        |                            |                                              |                                                        |
| 2501. ....                                                                                                                                         |                        |                            |                                              |                                                        |
| 2502. ....                                                                                                                                         |                        |                            |                                              |                                                        |
| 2503. ....                                                                                                                                         |                        |                            |                                              |                                                        |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....                                                                          |                        |                            |                                              |                                                        |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)                                                                                      |                        |                            |                                              |                                                        |

LIABILITIES, SURPLUS AND OTHER FUNDS

|                                                                                                                                                        | 1<br>Current<br>Statement Date | 2<br>December 31,<br>Prior Year |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$ ..... ) .....                                                                                                      |                                |                                 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses .....                                                                               |                                |                                 |
| 3. Loss adjustment expenses .....                                                                                                                      |                                |                                 |
| 4. Commissions payable, contingent commissions and other similar charges .....                                                                         |                                |                                 |
| 5. Other expenses (excluding taxes, licenses and fees) .....                                                                                           |                                |                                 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....                                                                         |                                |                                 |
| 7. Federal and foreign income taxes [including \$ ..... on realized capital gains (losses)] (including \$ .....1,987 net deferred tax liability) ..... | 15,111                         | 1,987                           |
| 8. Borrowed money \$ ..... and interest thereon \$ .....                                                                                               |                                |                                 |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....1,270,168 and including warranty reserves of \$ ..... ) ..... |                                |                                 |
| 10. Advance premium .....                                                                                                                              |                                |                                 |
| 11. Dividends declared and unpaid:                                                                                                                     |                                |                                 |
| 11.1 Stockholders .....                                                                                                                                |                                |                                 |
| 11.2 Policyholders .....                                                                                                                               |                                |                                 |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) .....                                                                               |                                |                                 |
| 13. Funds held by company under reinsurance treaties .....                                                                                             |                                |                                 |
| 14. Amounts withheld or retained by company for account of others .....                                                                                |                                |                                 |
| 15. Remittances and items not allocated .....                                                                                                          |                                |                                 |
| 16. Provision for reinsurance .....                                                                                                                    |                                |                                 |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates .....                                                                      |                                |                                 |
| 18. Drafts outstanding .....                                                                                                                           |                                |                                 |
| 19. Payable to parent, subsidiaries and affiliates .....                                                                                               | 130,282                        | 173,341                         |
| 20. Payable for securities .....                                                                                                                       |                                |                                 |
| 21. Liability for amounts held under uninsured accident and health plans .....                                                                         |                                |                                 |
| 22. Capital notes \$ ..... and interest thereon \$ .....                                                                                               |                                |                                 |
| 23. Aggregate write-ins for liabilities .....                                                                                                          |                                |                                 |
| 24. Total liabilities excluding protected cell liabilities (Lines 1 through 23) .....                                                                  | 145,393                        | 175,328                         |
| 25. Protected cell liabilities .....                                                                                                                   |                                |                                 |
| 26. Total liabilities (Lines 24 and 25) .....                                                                                                          | 145,393                        | 175,328                         |
| 27. Aggregate write-ins for special surplus funds .....                                                                                                |                                |                                 |
| 28. Common capital stock .....                                                                                                                         | 1,000,000                      | 1,000,000                       |
| 29. Preferred capital stock .....                                                                                                                      |                                |                                 |
| 30. Aggregate write-ins for other than special surplus funds .....                                                                                     |                                |                                 |
| 31. Surplus notes .....                                                                                                                                |                                |                                 |
| 32. Gross paid in and contributed surplus .....                                                                                                        | 1,500,000                      | 1,500,000                       |
| 33. Unassigned funds (surplus) .....                                                                                                                   | 708,807                        | 684,435                         |
| 34. Less treasury stock, at cost                                                                                                                       |                                |                                 |
| 34.1 ..... shares common (value included in Line 28 \$ ..... ) .....                                                                                   |                                |                                 |
| 34.2 ..... shares preferred (value included in Line 29 \$ ..... ) .....                                                                                |                                |                                 |
| 35. Surplus as regards policyholders (Lines 27 to 33, less 34) .....                                                                                   | 3,208,807                      | 3,184,435                       |
| 36. TOTALS                                                                                                                                             | 3,354,200                      | 3,359,763                       |
| DETAILS OF WRITE-INS                                                                                                                                   |                                |                                 |
| 2301. ....                                                                                                                                             |                                |                                 |
| 2302. ....                                                                                                                                             |                                |                                 |
| 2303. ....                                                                                                                                             |                                |                                 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page .....                                                                              |                                |                                 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)                                                                                          |                                |                                 |
| 2701. ....                                                                                                                                             |                                |                                 |
| 2702. ....                                                                                                                                             |                                |                                 |
| 2703. ....                                                                                                                                             |                                |                                 |
| 2798. Summary of remaining write-ins for Line 27 from overflow page .....                                                                              |                                |                                 |
| 2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)                                                                                          |                                |                                 |
| 3001. ....                                                                                                                                             |                                |                                 |
| 3002. ....                                                                                                                                             |                                |                                 |
| 3003. ....                                                                                                                                             |                                |                                 |
| 3098. Summary of remaining write-ins for Line 30 from overflow page .....                                                                              |                                |                                 |
| 3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)                                                                                          |                                |                                 |

STATEMENT OF INCOME

|                                                                                                                      | 1<br>Current Year<br>to Date | 2<br>Prior Year<br>to Date | 3<br>Prior Year Ended<br>December 31 |
|----------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------|--------------------------------------|
| UNDERWRITING INCOME                                                                                                  |                              |                            |                                      |
| 1. Premiums earned:                                                                                                  |                              |                            |                                      |
| 1.1 Direct (written \$ 1,186,572 )                                                                                   | 1,169,745                    | 574,047                    | 4,654,668                            |
| 1.2 Assumed (written \$ )                                                                                            |                              |                            |                                      |
| 1.3 Ceded (written \$ 1,186,572 )                                                                                    | 1,169,745                    | 574,047                    | 4,654,668                            |
| 1.4 Net (written \$ )                                                                                                | 0                            |                            | 0                                    |
| DEDUCTIONS:                                                                                                          |                              |                            |                                      |
| 2. Losses incurred (current accident year \$ )::                                                                     |                              |                            |                                      |
| 2.1 Direct                                                                                                           | 958,934                      | 477,672                    | 3,053,910                            |
| 2.2 Assumed                                                                                                          |                              |                            |                                      |
| 2.3 Ceded                                                                                                            | 958,934                      | 477,672                    | 3,053,910                            |
| 2.4 Net                                                                                                              | 0                            |                            | 0                                    |
| 3. Loss expenses incurred                                                                                            |                              |                            |                                      |
| 4. Other underwriting expenses incurred                                                                              |                              |                            |                                      |
| 5. Aggregate write-ins for underwriting deductions                                                                   |                              |                            |                                      |
| 6. Total underwriting deductions (Lines 2.4 thru 5)                                                                  | 0                            |                            | 0                                    |
| 7. Net income of protected cells                                                                                     |                              |                            |                                      |
| 8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7)                                                  | 0                            |                            | 0                                    |
| INVESTMENT INCOME                                                                                                    |                              |                            |                                      |
| 9. Net investment income earned                                                                                      | 37,496                       | 55,803                     | 172,963                              |
| 10. Net realized capital gains or (losses)                                                                           |                              |                            | 9,408                                |
| 11. Net investment gain (loss) (Lines 9 + 10)                                                                        | 37,496                       | 55,803                     | 182,371                              |
| OTHER INCOME                                                                                                         |                              |                            |                                      |
| 12. Net gain or (loss) from agents' or premium balances charged off<br>(amount recovered \$ amount charged off \$ )  |                              |                            |                                      |
| 13. Finance and service charges not included in premiums                                                             |                              |                            |                                      |
| 14. Aggregate write-ins for miscellaneous income                                                                     |                              |                            |                                      |
| 15. Total other income (Lines 12 through 14)                                                                         |                              |                            |                                      |
| 16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)     | 37,496                       | 55,803                     | 182,371                              |
| 17. Dividends to policyholders                                                                                       |                              |                            |                                      |
| 18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17) | 37,496                       | 55,803                     | 182,371                              |
| 19. Federal and foreign income taxes incurred                                                                        | 13,124                       | 19,530                     | 60,285                               |
| 20. Net income (Line 18 minus Line 19)(to Line 22)                                                                   | 24,372                       | 36,273                     | 122,086                              |
| CAPITAL AND SURPLUS ACCOUNT                                                                                          |                              |                            |                                      |
| 21. Surplus as regards policyholders, December 31 prior year                                                         | 3,184,435                    | 3,064,336                  | 3,064,336                            |
| GAINS AND (LOSSES) IN SURPLUS                                                                                        |                              |                            |                                      |
| 22. Net income (from Line 20)                                                                                        | 24,372                       | 36,273                     | 122,086                              |
| 23. Net unrealized capital gains or losses                                                                           |                              |                            |                                      |
| 24. Change in net unrealized foreign exchange capital gain (loss)                                                    |                              |                            |                                      |
| 25. Change in net deferred income tax                                                                                |                              |                            | 6,478                                |
| 26. Change in nonadmitted assets                                                                                     |                              |                            |                                      |
| 27. Change in provision for reinsurance                                                                              |                              |                            |                                      |
| 28. Change in surplus notes                                                                                          |                              |                            |                                      |
| 29. Surplus (contributed to) withdrawn from protected cells                                                          |                              |                            |                                      |
| 30. Cumulative effect of changes in accounting principles                                                            |                              | (8,465)                    | (8,464)                              |
| 31. Capital changes:                                                                                                 |                              |                            |                                      |
| 31.1 Paid in                                                                                                         |                              |                            |                                      |
| 31.2 Transferred from surplus (Stock Dividend)                                                                       |                              |                            |                                      |
| 31.3 Transferred to surplus                                                                                          |                              |                            |                                      |
| 32. Surplus adjustments:                                                                                             |                              |                            |                                      |
| 32.1 Paid in                                                                                                         |                              |                            |                                      |
| 32.2 Transferred to capital (Stock Dividend)                                                                         |                              |                            |                                      |
| 32.3 Transferred from capital                                                                                        |                              |                            |                                      |
| 33. Net remittances from or (to) Home Office                                                                         |                              |                            |                                      |
| 34. Dividends to stockholders                                                                                        |                              |                            |                                      |
| 35. Change in treasury stock                                                                                         |                              |                            |                                      |
| 36. Aggregate write-ins for gains and losses in surplus                                                              |                              |                            |                                      |
| 37. Change in surplus as regards policyholders (Lines 22 through 36)                                                 | 24,372                       | 27,808                     | 120,100                              |
| 38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)                                        | 3,208,807                    | 3,092,144                  | 3,184,435                            |
| DETAILS OF WRITE-INS                                                                                                 |                              |                            |                                      |
| 0501.                                                                                                                |                              |                            |                                      |
| 0502.                                                                                                                |                              |                            |                                      |
| 0503.                                                                                                                |                              |                            |                                      |
| 0598. Summary of remaining write-ins for Line 5 from overflow page                                                   |                              |                            |                                      |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)                                                         |                              |                            |                                      |
| 1401.                                                                                                                |                              |                            |                                      |
| 1402.                                                                                                                |                              |                            |                                      |
| 1403.                                                                                                                |                              |                            |                                      |
| 1498. Summary of remaining write-ins for Line 14 from overflow page                                                  |                              |                            |                                      |
| 1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)                                                        |                              |                            |                                      |
| 3601.                                                                                                                |                              |                            |                                      |
| 3602.                                                                                                                |                              |                            |                                      |
| 3603.                                                                                                                |                              |                            |                                      |
| 3698. Summary of remaining write-ins for Line 36 from overflow page                                                  |                              |                            |                                      |
| 3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above)                                                        |                              |                            |                                      |

CASH FLOW

|                                                                                                                           | 1<br>Current<br>Year to<br>Date | 2<br>Prior Year<br>Ended<br>December 31 |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------------------------------|
| <b>Cash from Operations</b>                                                                                               |                                 |                                         |
| 1. Premiums collected net of reinsurance .....                                                                            |                                 |                                         |
| 2. Loss and loss adjustment expenses paid (net of salvage and subrogation) .....                                          |                                 |                                         |
| 3. Underwriting expenses paid .....                                                                                       |                                 |                                         |
| 4. Other underwriting income (expenses) .....                                                                             |                                 |                                         |
| 5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) .....                                            |                                 |                                         |
| 6. Net investment income .....                                                                                            | 53,747                          | 160,125                                 |
| 7. Other income (expenses):                                                                                               |                                 |                                         |
| 7.1 Agents' balances charged off .....                                                                                    |                                 |                                         |
| 7.2 Net funds held under reinsurance treaties .....                                                                       |                                 |                                         |
| 7.3 Net amount withheld or retained for account of others .....                                                           |                                 |                                         |
| 7.4 Aggregate write-ins for miscellaneous items .....                                                                     |                                 |                                         |
| 7.5 Total other income (Lines 7.1 to 7.4) .....                                                                           |                                 |                                         |
| 8. Dividends to policyholders on direct business , less \$ ..... dividends on reinsurance assumed or<br>ceded (net) ..... |                                 |                                         |
| 9. Federal and foreign income taxes (paid) recovered .....                                                                | 43,059                          | (173,342)                               |
| 10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9) .....                            | 96,806                          | (13,217)                                |
| <b>Cash from Investments</b>                                                                                              |                                 |                                         |
| 11. Proceeds from investments sold, matured or repaid:                                                                    |                                 |                                         |
| 11.1 Bonds .....                                                                                                          | 44,938                          | 2,221,928                               |
| 11.2 Stocks .....                                                                                                         |                                 |                                         |
| 11.3 Mortgage loans .....                                                                                                 |                                 |                                         |
| 11.4 Real estate .....                                                                                                    |                                 |                                         |
| 11.5 Other invested assets .....                                                                                          |                                 |                                         |
| 11.6 Net gains or (losses) on cash and short-term investments .....                                                       |                                 |                                         |
| 11.7 Miscellaneous proceeds .....                                                                                         |                                 |                                         |
| 11.8 Total investment proceeds (Lines 11.1 to 11.7) .....                                                                 | 44,938                          | 2,221,928                               |
| 12. Cost of investments acquired (long-term only):                                                                        |                                 |                                         |
| 12.1 Bonds .....                                                                                                          |                                 | 1,819,429                               |
| 12.2 Stocks .....                                                                                                         |                                 |                                         |
| 12.3 Mortgage loans .....                                                                                                 |                                 |                                         |
| 12.4 Real estate .....                                                                                                    |                                 |                                         |
| 12.5 Other invested assets .....                                                                                          |                                 |                                         |
| 12.6 Miscellaneous applications .....                                                                                     |                                 |                                         |
| 12.7 Total investments acquired (Lines 12.1 to 12.6) .....                                                                |                                 | 1,819,429                               |
| 13. Net Cash from investments (Line 11.8 minus Line 12.7) .....                                                           | 44,938                          | 402,499                                 |
| <b>Cash from Financing and Miscellaneous Sources</b>                                                                      |                                 |                                         |
| 14. Cash provided:                                                                                                        |                                 |                                         |
| 14.1 Surplus notes, capital and surplus paid in .....                                                                     |                                 |                                         |
| 14.2 Capital notes \$ ..... less amounts repaid \$ .....                                                                  |                                 |                                         |
| 14.3 Net transfers from affiliates .....                                                                                  |                                 | 21,517                                  |
| 14.4 Borrowed funds received .....                                                                                        |                                 |                                         |
| 14.5 Other cash provided .....                                                                                            |                                 |                                         |
| 14.6 Total (Lines 14.1 to 14.5) .....                                                                                     |                                 | 21,517                                  |
| 15. Cash applied:                                                                                                         |                                 |                                         |
| 15.1 Dividends to stockholders paid .....                                                                                 |                                 |                                         |
| 15.2 Net transfers to affiliates .....                                                                                    | 43,059                          |                                         |
| 15.3 Borrowed funds repaid .....                                                                                          |                                 |                                         |
| 15.4 Other applications .....                                                                                             |                                 |                                         |
| 15.5 Total (Lines 15.1 to 15.4) .....                                                                                     | 43,059                          |                                         |
| 16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5) .....                                   | (43,059)                        | 21,517                                  |
| <b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>                                                                  |                                 |                                         |
| 17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16) .....                             | 98,685                          | 410,799                                 |
| 18. Cash and short-term investments:                                                                                      |                                 |                                         |
| 18.1 Beginning of year .....                                                                                              | 911,144                         | 500,345                                 |
| 18.2 End of year (Line 17 plus Line 18.1) .....                                                                           | 1,009,829                       | 911,144                                 |
| <b>DETAILS OF WRITE-INS</b>                                                                                               |                                 |                                         |
| 07.401 .....                                                                                                              |                                 |                                         |
| 07.402 .....                                                                                                              |                                 |                                         |
| 07.403 .....                                                                                                              |                                 |                                         |
| 07.498 Summary of remaining write-ins for Line 7.4 from overflow page .....                                               |                                 |                                         |
| 07.499 Totals (Lines 07.401 thru 07.403 plus 07.498) (Line 7.4 above)                                                     |                                 |                                         |

NOTES TO FINANCIAL STATEMENTS

(national)

9. INCOME TAXES

A. The components of the net deferred tax asset/(liability) at March 31 are as follows:

|                                                                                      | <u>March 31, 2002</u><br><u>(in \$ thousands)</u> |
|--------------------------------------------------------------------------------------|---------------------------------------------------|
| (1) Total of all deferred tax assets (DTAs) (admitted and nonadmitted)               | \$0                                               |
| (2) Total of all deferred tax liabilities (DTLs)                                     | (2)                                               |
| (3) Total deferred tax assets nonadmitted in accordance with SSAP No.10 Income Taxes | 0                                                 |
| (4) Net DTA(L)                                                                       | <u>(\$2)</u>                                      |

B. The Company has recognized all Deferred Tax Liabilities as required in SSAP 10, paragraph 6D.

C. Current income taxes incurred consists of the following major components:

|                                              | <u>March 31, 2002</u><br><u>(in \$ thousands)</u> |
|----------------------------------------------|---------------------------------------------------|
| Current Year Expense (Benefit)               | \$13                                              |
| Tax Credits                                  | -                                                 |
| <u>Current Federal Income Taxes Incurred</u> | <u>\$13</u>                                       |

The change in main components of DTAs and DTLs are as follows:

(in \$ thousands)

| <b>DTAS RESULTING FROM<br/>BOOK/TAX DIFFERENCES</b> | <b>a/o March 31,<br/>2002</b> | <b>a/o YTD<br/>December 31, 2001</b> | <b>Change</b> |
|-----------------------------------------------------|-------------------------------|--------------------------------------|---------------|
| Insurance Reserves                                  | \$0                           | \$0                                  | \$0           |
| Non-Admitted Assets                                 | 0                             | 0                                    | 0             |
| Other Deferred Tax Assets                           | 0                             | 0                                    | 0             |
|                                                     |                               |                                      |               |
| Total DTAs                                          | \$0                           | \$0                                  | \$0           |
|                                                     |                               |                                      |               |
| <b>DTLS RESULTING FROM<br/>BOOK/TAX DIFFERENCES</b> | <b>a/o March 31,<br/>2002</b> | <b>a/o YTD<br/>December 31, 2001</b> | <b>Change</b> |
| Invested Assets                                     | (\$2)                         | (\$2)                                | \$0           |
| Depreciation                                        | 0                             | 0                                    | 0             |
|                                                     |                               |                                      |               |
| Total DTLs                                          | (\$2)                         | (\$2)                                | \$0           |
|                                                     |                               |                                      |               |
| Total Change in DTL                                 | (\$2)                         | (\$2)                                | \$0           |

D. Analysis of Actual Income Tax Expense

|                              | <u>March 31, 2002</u><br><u>(in \$ thousands)</u> |
|------------------------------|---------------------------------------------------|
| Total Book Earnings          | \$37                                              |
| Net Tax Exempt Investments   | 0                                                 |
| Change in Reserves           | 0                                                 |
| Other Adjustments            | 0                                                 |
| Total Adjustments            | <u>0</u>                                          |
| Total Taxable Current Income | 37                                                |
|                              |                                                   |
| Total Current Tax            | <u>\$13</u>                                       |

10. D. At March 31, 2002, the Company reported \$130,282 as amounts due to several affiliated companies. The terms of the agreement require that these amounts are settled within 90 days.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES  
GENERAL

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? ..... Yes [ ] No [X]

1.2 If yes, explain:  
.....

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]

2.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]

3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [X]

3.2 If yes, date of change: .....  
If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]  
If yes, attach an organizational chart.

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]

5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---------------------|------------------------|------------------------|
| .....               | .....                  | .....                  |
| .....               | .....                  | .....                  |
| .....               | .....                  | .....                  |

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [X] NA [ ]  
If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/1996

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/1996

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 08/08/1997

7.4 By what department or departments?  
Ohio Department of Insurance.....

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) ..... Yes [ ] No [X]

8.2 If yes, give full information:  
.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

INVESTMENT

9.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [ ] No [X]

9.2 If yes, explain:

10.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

10.2 If yes, give full and complete information relating thereto:

11. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$

12. Amount of real estate and mortgages held in short-term investments: \$

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ ] No [X]

13.2 If yes, please complete the following:

|                                                                                               | 1<br>Prior Year-End<br>Statement Value | 2<br>Current Quarter<br>Statement Value |
|-----------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| 13.21 Bonds                                                                                   | \$                                     | \$                                      |
| 13.22 Preferred Stock                                                                         | \$                                     | \$                                      |
| 13.23 Common Stock                                                                            | \$                                     | \$                                      |
| 13.24 Short-term Investments                                                                  | \$                                     | \$                                      |
| 13.25 Mortgages, Loans or Real Estate                                                         | \$                                     | \$                                      |
| 13.26 All Other                                                                               | \$                                     | \$                                      |
| 13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26) | \$                                     | \$                                      |
| 13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above                       | \$                                     | \$                                      |
| 13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above                       | \$                                     | \$                                      |

14.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

14.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [ ] No [X]

15.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| 1<br>Name of Custodian(s) | 2<br>Custodian Address |
|---------------------------|------------------------|
|                           |                        |

15.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| 1<br>Name(s)            | 2<br>Location(s) | 3<br>Complete Explanation(s)                                                                                                        |
|-------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Prudential Savings Bank | Atlanta, Georgia | Agreements pending approval by the department of Insurance. Filed forms comply with the NAIC Financial Condition Examiners Handbook |

15.3 Have there been any changes, including name changes in the custodian(s) identified in 15.1 during the current year? Yes [ ] No [X]

15.4 If yes, give full and complete information relating thereto:

| 1<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|--------------------|--------------------|---------------------|-------------|
|                    |                    |                     |             |

15.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

| 1<br>Central Registration Depository | 2<br>Name(s) | 3<br>Address |
|--------------------------------------|--------------|--------------|
| Company directs its own investments  |              |              |
|                                      |              |              |

GENERAL INTERROGATORIES  
(continued)

PART 2  
PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity' s participation change?..... Yes [ ] No [X] NA [ ]  
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... Yes [ ] No [X]  
If yes, attach an explanation.

3.1 Have any of the reporting entity' s primary reinsurance contracts been canceled?..... Yes [ ] No [X]  
3.2 If yes, give full and complete information thereto.  
.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of tabular reserves) discounted at a rate of interest greater than zero? ..... Yes [ ] No [X]

4.2 If yes, complete the following schedule:

|                  |                  |               | TOTAL DISCOUNT |            |       |       | DISCOUNT TAKEN DURING PERIOD |            |       |       |
|------------------|------------------|---------------|----------------|------------|-------|-------|------------------------------|------------|-------|-------|
| 1                | 2                | 3             | 4              | 5          | 6     | 7     | 8                            | 9          | 10    | 11    |
| Line of Business | Maximum Interest | Discount Rate | Unpaid Losses  | Unpaid LAE | IBNR  | TOTAL | Unpaid Losses                | Unpaid LAE | IBNR  | TOTAL |
| .....            | .....            | .....         | .....          | .....      | ..... | ..... | .....                        | .....      | ..... | ..... |
| .....            | .....            | .....         | .....          | .....      | ..... | ..... | .....                        | .....      | ..... | ..... |
| .....            | .....            | .....         | .....          | .....      | ..... | ..... | .....                        | .....      | ..... | ..... |
| TOTAL            |                  |               | .....          | .....      | ..... | ..... | .....                        | .....      | ..... | ..... |

SCHEDULE A - VERIFICATION

|                                                                                 | 1<br>First Quarter<br>Current Year | 2<br>Second Quarter<br>Current Year | 3<br>Third Quarter<br>Current Year | 4<br>Prior Year Ended<br>December 31 |
|---------------------------------------------------------------------------------|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| 1. Book/adjusted carrying value, beginning of period .....                      | NONE                               |                                     |                                    |                                      |
| 2. Increase (decrease) by adjustment .....                                      |                                    |                                     |                                    |                                      |
| 3. Cost of acquired .....                                                       |                                    |                                     |                                    |                                      |
| 4. Cost of additions to and permanent improvements .....                        |                                    |                                     |                                    |                                      |
| 5. Total profit (loss) on sales .....                                           |                                    |                                     |                                    |                                      |
| 6. Increase (decrease) by foreign exchange adjustment .....                     |                                    |                                     |                                    |                                      |
| 7. Amount received on sales .....                                               |                                    |                                     |                                    |                                      |
| 8. Book/adjusted carrying value at end of current period .....                  |                                    |                                     |                                    |                                      |
| 9. Total valuation allowance .....                                              |                                    |                                     |                                    |                                      |
| 10. Subtotal (Lines 8 plus 9) .....                                             |                                    |                                     |                                    |                                      |
| 11. Total nonadmitted amounts .....                                             |                                    |                                     |                                    |                                      |
| 12. Statement value, current period (Page 2, real estate lines, current period) |                                    |                                     |                                    |                                      |

SCHEDULE B - VERIFICATION

|                                                                                                                | 1<br>First Quarter<br>Current Year | 2<br>Second Quarter<br>Current Year | 3<br>Third Quarter<br>Current Year | 4<br>Prior Year Ended<br>December 31 |
|----------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| 1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period .....           | NONE                               |                                     |                                    |                                      |
| 2. Amount loaned during period:                                                                                |                                    |                                     |                                    |                                      |
| 2.1. Actual cost at time of acquisitions .....                                                                 |                                    |                                     |                                    |                                      |
| 2.2. Additional investment made after acquisitions .....                                                       |                                    |                                     |                                    |                                      |
| 3. Accrual of discount and mortgage interest points and commitment fees .....                                  |                                    |                                     |                                    |                                      |
| 4. Increase (decrease) by adjustment .....                                                                     |                                    |                                     |                                    |                                      |
| 5. Total profit (loss) on sale .....                                                                           |                                    |                                     |                                    |                                      |
| 6. Amounts paid on account or in full during the period .....                                                  |                                    |                                     |                                    |                                      |
| 7. Amortization of premium .....                                                                               |                                    |                                     |                                    |                                      |
| 8. Increase (decrease) by foreign exchange adjustment .....                                                    |                                    |                                     |                                    |                                      |
| 9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period ..... |                                    |                                     |                                    |                                      |
| 10. Total valuation allowance .....                                                                            |                                    |                                     |                                    |                                      |
| 11. Subtotal (Lines 9 plus 10) .....                                                                           |                                    |                                     |                                    |                                      |
| 12. Total nonadmitted amounts .....                                                                            |                                    |                                     |                                    |                                      |
| 13. Statement value of mortgages owned at end of current period                                                |                                    |                                     |                                    |                                      |

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

|                                                                                               | 1<br>First Quarter<br>Current Year | 2<br>Second Quarter<br>Current Year | 3<br>Third Quarter<br>Current Year | 4<br>Prior Year Ended<br>December 31 |
|-----------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| 1. Book/adjusted carrying value of long-term invested assets owned, beginning of period ..... | NONE                               |                                     |                                    |                                      |
| 2. Cost of acquisitions during period:                                                        |                                    |                                     |                                    |                                      |
| 2.1. Actual cost at time of acquisitions .....                                                |                                    |                                     |                                    |                                      |
| 2.2. Additional investment made after acquisitions .....                                      |                                    |                                     |                                    |                                      |
| 3. Accrual of discount .....                                                                  |                                    |                                     |                                    |                                      |
| 4. Increase (decrease) by adjustment .....                                                    |                                    |                                     |                                    |                                      |
| 5. Total profit (loss) on sale .....                                                          |                                    |                                     |                                    |                                      |
| 6. Amounts paid on account or in full during the period .....                                 |                                    |                                     |                                    |                                      |
| 7. Amortization of premium .....                                                              |                                    |                                     |                                    |                                      |
| 8. Increase (decrease) by foreign exchange adjustment .....                                   |                                    |                                     |                                    |                                      |
| 9. Book/adjusted carrying value of long-term invested assets at end of current period .....   |                                    |                                     |                                    |                                      |
| 10. Total valuation allowance .....                                                           |                                    |                                     |                                    |                                      |
| 11. Subtotal (Lines 9 plus 10) .....                                                          |                                    |                                     |                                    |                                      |
| 12. Total nonadmitted amounts .....                                                           |                                    |                                     |                                    |                                      |
| 13. Statement value of long-term invested assets at end of current period                     |                                    |                                     |                                    |                                      |

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

|                                     | 1<br>Statement<br>Value<br>Beginning<br>of Current Quarter | 2<br>Acquisitions<br>During Current Quarter | 3<br>Dispositions<br>During Current Quarter | 4<br>Non-Trading<br>Activity<br>During Current Quarter | 5<br>Statement<br>Value<br>End of<br>First Quarter | 6<br>Statement<br>Value<br>End of<br>Second Quarter | 7<br>Statement<br>Value<br>End of<br>Third Quarter | 8<br>Statement<br>Value<br>December 31<br>Prior Year |
|-------------------------------------|------------------------------------------------------------|---------------------------------------------|---------------------------------------------|--------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------|----------------------------------------------------|------------------------------------------------------|
| <b>BONDS</b>                        |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 1. Class 1 .....                    | 2,370,264                                                  | 929,797                                     | 44,938                                      | (58)                                                   | 3,255,065                                          |                                                     |                                                    | 2,370,264                                            |
| 2. Class 2 .....                    |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 3. Class 3 .....                    |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 4. Class 4 .....                    |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 5. Class 5 .....                    |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 6. Class 6 .....                    |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 7. Total Bonds                      | 2,370,264                                                  | 929,797                                     | 44,938                                      | (58)                                                   | 3,255,065                                          |                                                     |                                                    | 2,370,264                                            |
| <b>PREFERRED STOCK</b>              |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 8. Class 1 .....                    |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 9. Class 2 .....                    |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 10. Class 3 .....                   |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 11. Class 4 .....                   |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 12. Class 5 .....                   |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 13. Class 6 .....                   |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 14. Total Preferred Stock           |                                                            |                                             |                                             |                                                        |                                                    |                                                     |                                                    |                                                      |
| 15. Total Bonds and Preferred Stock | 2,370,264                                                  | 929,797                                     | 44,938                                      | (58)                                                   | 3,255,065                                          |                                                     |                                                    | 2,370,264                                            |

SCHEDULE DA - PART 1

| Short-Term Investments Owned End of Current Quarter |                                 |           |             |                                                   |                                 |
|-----------------------------------------------------|---------------------------------|-----------|-------------|---------------------------------------------------|---------------------------------|
|                                                     | 1                               | 2         | 3           | 4                                                 | 5                               |
|                                                     | Book/Adjusted<br>Carrying Value | Par Value | Actual Cost | Amount of Interest<br>Received Current<br>Quarter | Paid for<br>Accrued<br>Interest |
| 8099999 Totals                                      | 929,797                         | XXX       | 929,797     |                                                   |                                 |

SCHEDULE DA - PART 2- Verification

| Short-Term Investments Owned                                          |                               |                                |                               |                                 |
|-----------------------------------------------------------------------|-------------------------------|--------------------------------|-------------------------------|---------------------------------|
|                                                                       | 1                             | 2                              | 3                             | 4                               |
|                                                                       | First Quarter<br>Current Year | Second Quarter<br>Current Year | Third Quarter<br>Current Year | Prior Year Ended<br>December 31 |
| 1. Book/adjusted carrying value, beginning of period .....            |                               |                                |                               | 414,579                         |
| 2. Cost of short-term investments acquired .....                      | 929,797                       |                                |                               |                                 |
| 3. Increase (decrease) by adjustment .....                            |                               |                                |                               |                                 |
| 4. Increase (decrease) by foreign exchange adjustment .....           |                               |                                |                               |                                 |
| 5. Total profit (loss) on disposal of short-term investments .....    |                               |                                |                               |                                 |
| 6. Consideration received on disposal of short-term investments ..... |                               |                                |                               | 414,579                         |
| 7. Book/adjusted carrying value, current period .....                 | 929,797                       |                                |                               |                                 |
| 8. Total valuation allowance .....                                    |                               |                                |                               |                                 |
| 9. Subtotal (Lines 7 plus 8) .....                                    | 929,797                       |                                |                               |                                 |
| 10. Total nonadmitted amounts .....                                   |                               |                                |                               |                                 |
| 11. Statement value (Lines 9 minus 10) .....                          | 929,797                       |                                |                               |                                 |
| 12. Income collected during period .....                              |                               |                                |                               | 4,421                           |
| 13. Income earned during period .....                                 |                               |                                |                               | 3,483                           |

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule F

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

| Current Year to Date - Allocated by States and Territories              |                                                |                              |                            |                                        |                            |                              |                            |
|-------------------------------------------------------------------------|------------------------------------------------|------------------------------|----------------------------|----------------------------------------|----------------------------|------------------------------|----------------------------|
| States, etc.                                                            | 1<br>Is Insurer<br>Licensed?<br>(Yes or<br>No) | Direct Premiums Written      |                            | Direct Losses Paid (Deducting Salvage) |                            | Direct Losses Unpaid         |                            |
|                                                                         |                                                | 2<br>Current Year<br>To Date | 3<br>Prior Year<br>To Date | 4<br>Current Year<br>To Date           | 5<br>Prior Year<br>To Date | 6<br>Current Year<br>To Date | 7<br>Prior Year<br>To Date |
| 1. Alabama .....                                                        | AL                                             | No                           |                            |                                        |                            |                              |                            |
| 2. Alaska .....                                                         | AK                                             | No                           |                            |                                        |                            |                              |                            |
| 3. Arizona .....                                                        | AZ                                             | No                           |                            |                                        |                            |                              |                            |
| 4. Arkansas .....                                                       | AR                                             | No                           |                            |                                        |                            |                              |                            |
| 5. California .....                                                     | CA                                             | No                           |                            |                                        |                            |                              |                            |
| 6. Colorado .....                                                       | CO                                             | No                           |                            |                                        |                            |                              |                            |
| 7. Connecticut .....                                                    | CT                                             | No                           |                            |                                        |                            |                              |                            |
| 8. Delaware .....                                                       | DE                                             | No                           |                            |                                        |                            |                              |                            |
| 9. District of Columbia .....                                           | DC                                             | No                           |                            |                                        |                            |                              |                            |
| 10. Florida .....                                                       | FL                                             | No                           |                            |                                        |                            |                              |                            |
| 11. Georgia .....                                                       | GA                                             | No                           |                            |                                        |                            |                              |                            |
| 12. Hawaii .....                                                        | HI                                             | No                           |                            |                                        |                            |                              |                            |
| 13. Idaho .....                                                         | ID                                             | No                           |                            |                                        |                            |                              |                            |
| 14. Illinois .....                                                      | IL                                             | No                           |                            |                                        |                            |                              |                            |
| 15. Indiana .....                                                       | IN                                             | No                           |                            |                                        |                            |                              |                            |
| 16. Iowa .....                                                          | IA                                             | No                           |                            |                                        |                            |                              |                            |
| 17. Kansas .....                                                        | KS                                             | No                           |                            |                                        |                            |                              |                            |
| 18. Kentucky .....                                                      | KY                                             | No                           |                            |                                        |                            |                              |                            |
| 19. Louisiana .....                                                     | LA                                             | No                           |                            |                                        |                            |                              |                            |
| 20. Maine .....                                                         | ME                                             | No                           |                            |                                        |                            |                              |                            |
| 21. Maryland .....                                                      | MD                                             | No                           |                            |                                        |                            |                              |                            |
| 22. Massachusetts .....                                                 | MA                                             | No                           |                            |                                        |                            |                              |                            |
| 23. Michigan .....                                                      | MI                                             | No                           |                            |                                        |                            |                              |                            |
| 24. Minnesota .....                                                     | MN                                             | No                           |                            |                                        |                            |                              |                            |
| 25. Mississippi .....                                                   | MS                                             | No                           |                            |                                        |                            |                              |                            |
| 26. Missouri .....                                                      | MO                                             | No                           |                            |                                        |                            |                              |                            |
| 27. Montana .....                                                       | MT                                             | No                           |                            |                                        |                            |                              |                            |
| 28. Nebraska .....                                                      | NE                                             | No                           |                            |                                        |                            |                              |                            |
| 29. Nevada .....                                                        | NV                                             | No                           |                            |                                        |                            |                              |                            |
| 30. New Hampshire .....                                                 | NH                                             | No                           |                            |                                        |                            |                              |                            |
| 31. New Jersey .....                                                    | NJ                                             | No                           |                            |                                        |                            |                              |                            |
| 32. New Mexico .....                                                    | NM                                             | No                           |                            |                                        |                            |                              |                            |
| 33. New York .....                                                      | NY                                             | Yes                          | 983,674                    | 890,195                                | 498,081                    | 89,525                       | 1,420,354                  |
| 34. North Carolina .....                                                | NC                                             | No                           |                            |                                        |                            |                              | 190,060                    |
| 35. North Dakota .....                                                  | ND                                             | No                           |                            |                                        |                            |                              |                            |
| 36. Ohio .....                                                          | OH                                             | Yes                          | 202,898                    | 254,329                                | 128,389                    | 257,482                      | 443,541                    |
| 37. Oklahoma .....                                                      | OK                                             | No                           |                            |                                        |                            |                              | 422,029                    |
| 38. Oregon .....                                                        | OR                                             | No                           |                            |                                        |                            |                              |                            |
| 39. Pennsylvania .....                                                  | PA                                             | No                           |                            |                                        |                            |                              |                            |
| 40. Rhode Island .....                                                  | RI                                             | No                           |                            |                                        |                            |                              |                            |
| 41. South Carolina .....                                                | SC                                             | No                           |                            |                                        |                            |                              |                            |
| 42. South Dakota .....                                                  | SD                                             | No                           |                            |                                        |                            |                              |                            |
| 43. Tennessee .....                                                     | TN                                             | No                           |                            |                                        |                            |                              |                            |
| 44. Texas .....                                                         | TX                                             | No                           |                            |                                        |                            |                              |                            |
| 45. Utah .....                                                          | UT                                             | No                           |                            |                                        |                            |                              |                            |
| 46. Vermont .....                                                       | VT                                             | No                           |                            |                                        |                            |                              |                            |
| 47. Virginia .....                                                      | VA                                             | No                           |                            |                                        |                            |                              |                            |
| 48. Washington .....                                                    | WA                                             | No                           |                            |                                        |                            |                              |                            |
| 49. West Virginia .....                                                 | WV                                             | No                           |                            |                                        |                            |                              |                            |
| 50. Wisconsin .....                                                     | WI                                             | No                           |                            |                                        |                            |                              |                            |
| 51. Wyoming .....                                                       | WY                                             | No                           |                            |                                        |                            |                              |                            |
| 52. American Samoa .....                                                | AS                                             | No                           |                            |                                        |                            |                              |                            |
| 53. Guam .....                                                          | GU                                             | No                           |                            |                                        |                            |                              |                            |
| 54. Puerto Rico .....                                                   | PR                                             | No                           |                            |                                        |                            |                              |                            |
| 55. U.S. Virgin Islands .....                                           | VI                                             | No                           |                            |                                        |                            |                              |                            |
| 56. Canada .....                                                        | CN                                             | No                           |                            |                                        |                            |                              |                            |
| 57. Aggregate Other Aliens .....                                        | OT                                             | XXX                          |                            |                                        |                            |                              |                            |
| 58. Totals                                                              | (a) 2                                          | 1,186,572                    | 1,144,524                  | 626,470                                | 347,007                    | 1,863,895                    | 612,089                    |
| DETAILS OF WRITE-INS                                                    |                                                |                              |                            |                                        |                            |                              |                            |
| 5701. ....                                                              | XXX                                            |                              |                            |                                        |                            |                              |                            |
| 5702. ....                                                              | XXX                                            |                              |                            |                                        |                            |                              |                            |
| 5703. ....                                                              | XXX                                            |                              |                            |                                        |                            |                              |                            |
| 5798. Summary of remaining write-ins<br>for Line 57 from overflow page. | XXX                                            |                              |                            |                                        |                            |                              |                            |
| 5799. Totals (Lines 5701 thru 5703<br>plus 5798) (Line 57 above)        | XXX                                            |                              |                            |                                        |                            |                              |                            |

(a) Insert the number of yes responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

**NONE**

PART 1 - LOSS EXPERIENCE

| Lines of Business    |                                                                     | Current Year to Date           |                                |                                | 4<br>Prior Year to<br>Date Direct Loss<br>Percentage |
|----------------------|---------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------------------------------|
|                      |                                                                     | 1<br>Direct Premiums<br>Earned | 2<br>Direct Losses<br>Incurred | 3<br>Direct Loss<br>Percentage |                                                      |
| 1.                   | Fire .....                                                          |                                |                                |                                |                                                      |
| 2.                   | Allied Lines .....                                                  |                                |                                |                                |                                                      |
| 3.                   | Farmowners multiple peril .....                                     |                                |                                |                                |                                                      |
| 4.                   | Homeowners multiple peril .....                                     |                                |                                |                                |                                                      |
| 5.                   | Commercial multiple peril .....                                     |                                |                                |                                |                                                      |
| 6.                   | Mortgage guaranty .....                                             |                                |                                |                                |                                                      |
| 8.                   | Ocean marine .....                                                  |                                |                                |                                |                                                      |
| 9.                   | Inland marine .....                                                 |                                |                                |                                |                                                      |
| 10.                  | Financial guaranty .....                                            |                                |                                |                                |                                                      |
| 11.1                 | Medical malpractice - occurrence .....                              |                                |                                |                                |                                                      |
| 11.2                 | Medical malpractice - claims-made .....                             |                                |                                |                                |                                                      |
| 12.                  | Earthquake .....                                                    |                                |                                |                                |                                                      |
| 13.                  | Group accident and health .....                                     |                                |                                |                                |                                                      |
| 14.                  | Credit accident and health .....                                    |                                |                                |                                |                                                      |
| 15.                  | Other accident and health .....                                     |                                |                                |                                |                                                      |
| 16.                  | Workers' compensation .....                                         |                                |                                |                                |                                                      |
| 17.1                 | Other liability - occurrence .....                                  |                                |                                |                                |                                                      |
| 17.2                 | Other liability - claims-made .....                                 |                                |                                |                                |                                                      |
| 18.1                 | Products liability - occurrence .....                               |                                |                                |                                |                                                      |
| 18.2                 | Products liability - claims-made .....                              |                                |                                |                                |                                                      |
| 19.1,19.2            | Private passenger auto liability .....                              | 930,985                        | 789,907                        | 84.8                           | 73.8                                                 |
| 19.3,19.4            | Commercial auto liability .....                                     |                                |                                |                                |                                                      |
| 21.                  | Auto physical damage .....                                          | 238,760                        | 169,027                        | 70.8                           | 114.4                                                |
| 22.                  | Aircraft (all perils) .....                                         |                                |                                |                                |                                                      |
| 23.                  | Fidelity .....                                                      |                                |                                |                                |                                                      |
| 24.                  | Surety .....                                                        |                                |                                |                                |                                                      |
| 26.                  | Burglary and theft .....                                            |                                |                                |                                |                                                      |
| 27.                  | Boiler and machinery .....                                          |                                |                                |                                |                                                      |
| 28.                  | Credit .....                                                        |                                |                                |                                |                                                      |
| 29.                  | International .....                                                 |                                |                                |                                |                                                      |
| 30.                  | Reinsurance - Nonproportional Assumed Property .....                | XXX                            | XXX                            | XXX                            | XXX                                                  |
| 31.                  | Reinsurance - Nonproportional Assumed Liability .....               | XXX                            | XXX                            | XXX                            | XXX                                                  |
| 32.                  | Reinsurance - Nonproportional Assumed Financial Lines .....         | XXX                            | XXX                            | XXX                            | XXX                                                  |
| 33.                  | Aggregate write-ins for other lines of business .....               |                                |                                |                                |                                                      |
| 34.                  | Totals .....                                                        | 1,169,745                      | 958,934                        | 82.0                           | 83.2                                                 |
| DETAILS OF WRITE-INS |                                                                     |                                |                                |                                |                                                      |
| 3301.                | .....                                                               |                                |                                |                                |                                                      |
| 3302.                | .....                                                               |                                |                                |                                |                                                      |
| 3303.                | .....                                                               |                                |                                |                                |                                                      |
| 3398.                | Summary of remaining write-ins for Line 33 from overflow page ..... |                                |                                |                                |                                                      |
| 3399.                | Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)             |                                |                                |                                |                                                      |

PART 2 - DIRECT PREMIUMS WRITTEN

|                      |                                                                     | 1<br>Current<br>Quarter | 2<br>Current<br>Year to Date | 3<br>Prior Year<br>Year to Date |
|----------------------|---------------------------------------------------------------------|-------------------------|------------------------------|---------------------------------|
| 1.                   | Fire .....                                                          |                         |                              |                                 |
| 2.                   | Allied Lines .....                                                  |                         |                              |                                 |
| 3.                   | Farmowners multiple peril .....                                     |                         |                              |                                 |
| 4.                   | Homeowners multiple peril .....                                     |                         |                              |                                 |
| 5.                   | Commercial multiple peril .....                                     |                         |                              |                                 |
| 6.                   | Mortgage guaranty .....                                             |                         |                              |                                 |
| 8.                   | Ocean marine .....                                                  |                         |                              |                                 |
| 9.                   | Inland marine .....                                                 |                         |                              |                                 |
| 10.                  | Financial guaranty .....                                            |                         |                              |                                 |
| 11.1                 | Medical malpractice - occurrence .....                              |                         |                              |                                 |
| 11.2                 | Medical malpractice - claims-made .....                             |                         |                              |                                 |
| 12.                  | Earthquake .....                                                    |                         |                              |                                 |
| 13.                  | Group accident and health .....                                     |                         |                              |                                 |
| 14.                  | Credit accident and health .....                                    |                         |                              |                                 |
| 15.                  | Other accident and health .....                                     |                         |                              |                                 |
| 16.                  | Workers' compensation .....                                         |                         |                              |                                 |
| 17.1                 | Other liability - occurrence .....                                  |                         |                              |                                 |
| 17.2                 | Other liability - claims-made .....                                 |                         |                              |                                 |
| 18.1                 | Products liability - occurrence .....                               |                         |                              |                                 |
| 18.2                 | Products liability - claims-made .....                              |                         |                              |                                 |
| 19.1,19.2            | Private passenger auto liability .....                              | 939,543                 | 939,543                      | 921,358                         |
| 19.3,19.4            | Commercial auto liability .....                                     |                         |                              |                                 |
| 21.                  | Auto physical damage .....                                          | 247,029                 | 247,029                      | 223,166                         |
| 22.                  | Aircraft (all perils) .....                                         |                         |                              |                                 |
| 23.                  | Fidelity .....                                                      |                         |                              |                                 |
| 24.                  | Surety .....                                                        |                         |                              |                                 |
| 26.                  | Burglary and theft .....                                            |                         |                              |                                 |
| 27.                  | Boiler and machinery .....                                          |                         |                              |                                 |
| 28.                  | Credit .....                                                        |                         |                              |                                 |
| 29.                  | International .....                                                 |                         |                              |                                 |
| 30.                  | Reinsurance - Nonproportional Assumed Property .....                | XXX                     | XXX                          | XXX                             |
| 31.                  | Reinsurance - Nonproportional Assumed Liability .....               | XXX                     | XXX                          | XXX                             |
| 32.                  | Reinsurance - Nonproportional Assumed Financial Lines .....         | XXX                     | XXX                          | XXX                             |
| 33.                  | Aggregate write-ins for other lines of business .....               |                         |                              |                                 |
| 34.                  | Totals .....                                                        | 1,186,572               | 1,186,572                    | 1,144,524                       |
| DETAILS OF WRITE-INS |                                                                     |                         |                              |                                 |
| 3301.                | .....                                                               |                         |                              |                                 |
| 3302.                | .....                                                               |                         |                              |                                 |
| 3303.                | .....                                                               |                         |                              |                                 |
| 3398.                | Summary of remaining write-ins for Line 33 from overflow page ..... |                         |                              |                                 |
| 3399.                | Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)             |                         |                              |                                 |

Part 3  
NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

RESPONSES

1.

Will the SVO Compliance Certification be filed with this statement?

.....Yes.....
2.

Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?

.....No.....
3.

Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?

.....No.....

Explanations:

Bar Codes:

Trusteed Surplus Statement (Document Identifier 490) here:



Supplement A to Schedule T (Document Identifier 450) here:



**OVERFLOW PAGE FOR WRITE-INS**

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

Schedule D - Part 3

NONE

## SCHEDULE D - PART 4

[illegible]

E05

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

# STATEMENT AS OF MARCH 31, 2002 OF THE Victoria National Insurance Company

## SCHEDULE E - PART 1 - CASH

[illegible]