QUARTERLY STATEMENT

As of March 31, 2002

of the Condition and Affairs of the

AMERICAN HARDWARE MUTUAL INSURANCE COMPANY

NAIC Group Code..... 291, 291 (Current Period) (Prior Period) NAIC Company Code..... 13331 Employer's ID Number..... 41-0299900

Organized under the Laws of Ohio State of Domicile or Port of Entry Ohio

Country of Domicile US

Incorporated..... May 25, 1899 Commenced Business..... January 3, 1900

Statutory Home Office	471 East Broad Street….. Columbus ..... OH ..... 43215 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	471 East Broad Street….. Columbus ..... OH ..... 43215 *(Street and Number) (City or Town, State and Zip Code)*	614-225-8211 *(Area Code) (Telephone Number)*
Mail Address	471 East Broad Street….. Columbus ..... OH ..... 43215 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	471 East Broad Street….. Columbus ..... OH ..... 43215 *(Street and Number) (City or Town, State and Zip Code)*	614-225-8211 *(Area Code) (Telephone Number)*
Internet Website Address	MotoristsGroup.com	
Statement Contact	James E. Vermillion *(Name)*	614-225-8331 *(Area Code) (Telephone Number) (Extension)*
	MIC-AHIG.Accounting@MotoristsGroup.com *(E-Mail Address)*	614-225-8330 *(Fax Number)*
Policyowner Relations Contact	5996 Opus Parkway….. Minnetonka ..... MN ..... 55343 *(Street and Number) (City or Town, State and Zip Code)*	1-800-922-6757 *(Area Code) (Telephone Number) (Extension)*

OFFICERS

President ..... John Jacob Bishop Treasurer ..... Michael Lee Wiseman Secretary ..... Thomas Charles Ogg

VICE PRESIDENTS

David William Lemon

DIRECTORS OR TRUSTEES

John Jacob Bishop	Alan Nicholas Dekker	David William Lemon
Thomas Charles Ogg	Robert Elvin Herman Rabold	Burtis Gilbert Taylor
Garry Lee Wharton		Michael Lee Wiseman

State of........ Ohio
County of..... Franklin

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.

John J. Bishop President	Thomas C. Ogg Secretary	Michael L. Wiseman Treasurer

Subscribed and sworn to before me this

3rd day of May, 2002

....

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31, Prior Year Net Admitted Assets
1. Bonds	123,355,923		123,355,923	125,408,404
2. Stocks:				
2.1 Preferred stocks	523,000		523,000	535,000
2.2 Common stocks	43,104,173		43,104,173	43,019,012
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $.........0 encumbrances)			0	
4.2 Properties held for the production of income (less $.........0 encumbrances)			0	
4.3 Properties held for sale (less $.........0 encumbrances)			0	
5. Cash ($.....6,634,964) and short-term investments ($.........0)	6,634,964		6,634,964	4,735,144
6. Other invested assets			0	
7. Receivable for securities			0	
8. Aggregate write-ins for invested assets	0	0	0	0
9. Subtotals, cash and invested assets (Lines 1 to 8)	173,618,059	0	173,618,059	173,697,560
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection	17,517,219		17,517,219	9,553,851
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including $.....296,020 earned but unbilled premiums)	15,733,532	71,182	15,662,350	14,470,239
10.3 Accrued retrospective premiums			0	
11. Funds held by or deposited with reinsured companies	261,215		261,215	261,261
12. Bills receivable, taken for premiums			0	
13. Amounts receivable under high deductible policies			0	
14. Reinsurance recoverables on loss and loss adjustment expense payments	14,450,142		14,450,142	7,192,186
15. Federal and foreign income tax recoverable and interest thereon (including $.....3,971,213 net deferred tax asset)	3,971,213		3,971,213	3,971,211
16. Guaranty funds receivable or on deposit			0	
17. Electronic data processing equipment and software	53,415		53,415	43,895
18. Interest, dividends and real estate income due and accrued	2,205,545		2,205,545	2,494,194
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	
20. Receivable from parent, subsidiaries and affiliates	444,645		444,645	624,197
21. Amounts due from/to protected cells			0	
22. Equities and deposits in pools and associations	189,258		189,258	197,362
23. Amounts receivable relating to uninsured accident and health plans			0	
24. Other assets nonadmitted	171,752	171,752	0	
25. Aggregate write-ins for other than invested assets	1,685,348	3,451	1,681,898	1,264,993
26. Total assets excluding protected cell assets (Lines 9 through 25)	230,301,344	246,384	230,054,960	213,770,949
27. Protected cell assets			0	
28. TOTALS (Lines 26 and 27)	230,301,344	246,384	230,054,960	213,770,949

DETAILS OF WRITE-INS

	1	2	3	4
0801.			0	
0802.			0	
0803.			0	
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0
2501. Miscellaneous receivable	4,665	3,451	1,215	94,696
2502. Pooled general expenses receivable	1,680,683		1,680,683	1,170,297
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	1,685,348	3,451	1,681,898	1,264,993

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31, Prior Year
1.	Losses (current accident year $.....6,507,721)	51,363,375	52,091,609
2.	Reinsurance payable on paid losses and loss adjustment expenses	14,466,314	6,075,336
3.	Loss adjustment expenses	10,961,458	10,897,993
4.	Commissions payable, contingent commissions and other similar charges	1,455,765	1,826,832
5.	Other expenses (excluding taxes, licenses and fees)	729,161	936,693
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	1,621,287	1,595,408
7.	Federal and foreign income taxes (including $.....80,284 on realized capital gains (losses) (including $..........0 net deferred tax liability)	178,943	212,157
8.	Borrowed money $..........0 and interest thereon $..........0		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $.....32,212,623 and including warranty reserves of $.....380)	29,867,715	28,003,034
10.	Advance premium	525,982	778,857
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders	89,110	93,800
12.	Ceded reinsurance premiums payable (net of ceding commissions)	11,225,808	4,820,640
13.	Funds held by company under reinsurance treaties	1,171,162	1,299,057
14.	Amounts withheld or retained by company for account of others	855,138	836,937
15.	Remittances and items not allocated	746	11,906
16.	Provision for reinsurance	719,752	1,063,115
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding	2,752,998	1,899,155
19.	Payable to parent, subsidiaries and affiliates		
20.	Payable for securities	100,407	223,790
21.	Liability for amounts held under uninsured accident and health plans		
22.	Capital notes $..... and interest thereon $		
23.	Aggregate write-ins for liabilities	940,788	630,323
24.	Total liabilities excluding protected cell liabilities (Lines 1 through 23)	129,025,909	113,296,643
25.	Protected cell liabilities		
26.	Total liabilities (Lines 24 and 25)	129,025,909	113,296,643
27.	Aggregate write-ins for special surplus funds	0	0
28.	Common capital stock		
29.	Preferred capital stock		
30.	Aggregate write-ins for other than special surplus funds	0	0
31.	Surplus notes		
32.	Gross paid in and contributed surplus		
33.	Unassigned funds (surplus)	101,029,051	100,474,307
34.	Less treasury stock, at cost:		
	34.1 ....0.000 shares common (value included in Line 28 $..........0)		
	34.2 ....0.000 shares preferred (value included in Line 29 $..........0)		
35.	Surplus as regards policyholders (Lines 27 to 33, less 34)	101,029,051	100,474,307
36.	TOTALS	230,054,960	213,770,949

DETAILS OF WRITE-INS

2301.	Uncashed drafts and checks that are pending escheatment to a state	187,819	183,377
2302.	Charge for future rent obligations	229,668	172,951
2303.	Miscellaneous liabilities	69,831	66,757
2398.	Summary of remaining write-ins for Line 23 from overflow page	453,471	207,237
2399.	Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	940,788	630,323
2701.			
2702.			
2703.			
2798.	Summary of remaining write-ins for Line 27 from overflow page	0	0
2799.	Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0
3001.			
3002.			
3003.			
3098.	Summary of remaining write-ins for Line 30 from overflow page	0	0
3099.	Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	0	0

STATEMENT AS OF MARCH 31, 2002 OF THE AMERICAN HARDWARE MUTUAL INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year to Date	2 Previous Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $.....19,190,439)	15,564,253	13,891,350	58,688,913
1.2 Assumed (written $.....20,525,852)	18,633,887	16,238,611	69,245,562
1.3 Ceded (written $.....19,379,581)	15,726,110	13,998,005	57,817,694
1.4 Net (written $.....20,336,710)	18,472,030	16,131,957	70,116,782
DEDUCTIONS:			
2. Losses incurred (current accident year $.....10,544,040):			
2.1 Direct	12,435,662	6,411,555	29,934,636
2.2 Assumed	11,504,634	9,497,051	42,591,256
2.3 Ceded	12,449,912	6,641,634	33,162,960
2.4 Net	11,490,384	9,266,971	39,362,933
3. Loss expenses incurred	3,078,757	1,145,366	9,194,111
4. Other underwriting expenses incurred	5,783,597	5,539,913	23,760,551
5. Aggregate write-ins for underwriting deductions	0	219,222	224,387
6. Total underwriting deductions (Lines 2 through 5)	20,352,738	16,171,472	72,541,982
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(1,880,708)	(39,515)	(2,425,200)
INVESTMENT INCOME			
9. Net investment income earned	2,151,439	2,203,263	8,725,534
10. Net realized capital gains (losses)	236,131	44,255	1,325,626
11. Net investment gain (loss) (Lines 9 + 10)	2,387,570	2,247,519	10,051,160
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $.....12,379 amount charged off $.....36,787)	(24,407)	(565)	(7,580)
13. Finance and service charges not included in premiums	138,936	103,526	440,122
14. Aggregate write-ins for miscellaneous income	109	(15,719)	(29,287)
15. Total other income (Lines 12 through 14)	114,638	87,242	403,255
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)	621,500	2,295,246	8,029,215
17. Dividends to policyholders	25,097	15,625	110,862
18. Net income after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	596,403	2,279,620	7,918,353
19. Federal and foreign income taxes incurred	220,741	200,027	501,848
20. Net income (Line 18 minus Line 19) (to Line 22)	375,662	2,079,593	7,416,505
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 previous year	100,474,308	89,057,524	89,057,524
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	375,662	2,079,593	7,416,505
23. Net unrealized capital gains or losses	66,586	(234,500)	(1,290,309)
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income taxes		195,844	(1,634,894)
26. Change in nonadmitted assets	(75,354)	(8,088)	51,457
27. Change in provision for reinsurance	343,363		(157,351)
28. Change in surplus notes			
29. Surplus (contributed to) withdrawn from protected cells			
30. Cumulative effect of changes in accounting principles		7,021,333	7,031,375
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	(155,513)	0	0
37. Change in surplus as regards policyholders (Lines 22 through 36)	554,744	9,054,183	11,416,784
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	101,029,052	98,111,707	100,474,308

DETAILS OF WRITE-INS

0501. Premium recognition transition adjustment		219,222	192,387
0502. Premium deficiency reserve			32,000
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	219,222	224,387
1401. Gain/(loss) from sale of asset other than securities	729	1	(7,042)
1402. Miscellaneous income/expense	(620)	(15,720)	(25,029)
1403. Interest on other than securities			2,784
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	109	(15,719)	(29,287)
3601. Pension valuation charge	(155,513)		
3602.			
3603.			
3698. Summary of remaining write-ins for Line 36 from overflow page	0	0	0
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above)	(155,513)	0	0

CASH FLOW

		1 Current Year to Date	2 Prior Year Ended December 31
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	15,603,492	68,387,651
2.	Loss and loss adjustment expenses paid (net of salvage and subrogation)	13,247,045	49,400,601
3.	Underwriting expenses paid	6,217,978	23,161,597
4.	Other underwriting income (expenses)	235,816	(225,775)
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(3,625,715)	(4,400,323)
6.	Net investment income	2,536,267	8,875,700
7.	Other income (expenses):		
	7.1 Agents' balances charged off	(29,391)	(7,580)
	7.2 Net funds held under reinsurance treaties	(127,849)	298,901
	7.3 Net amount withheld or retained for account of others	18,201	(92,125)
	7.4 Aggregate write-ins for miscellaneous items	48,715	438,472
	7.5 Total other income (Lines 7.1 to 7.4)	(90,324)	637,669
8.	Dividends to policyholders on direct business, less $.....74,655 dividends on reinsurance assumed or ceded (net)	99,752	80,462
9.	Federal and foreign income taxes (paid) recovered	(253,955)	(247,424)
10.	Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	(1,533,479)	4,785,160
	CASH FROM INVESTMENTS		
11.	Proceeds from investments sold, matured or repaid:		
	11.1 Bonds	2,243,926	50,405,120
	11.2 Stocks	1,726,466	15,945,482
	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		309,884
	11.8 Total investment proceeds (Lines 11.1 to 11.7)	3,970,392	66,660,486
12.	Cost of investments acquired (long-term only):		
	12.1 Bonds		57,532,447
	12.2 Stocks	1,801,592	15,978,808
	12.3 Mortgage loans		
	12.4 Real estate		
	12.5 Other invested assets		
	12.6 Miscellaneous applications	123,382	
	12.7 Total investments acquired (Lines 12.1 to 12.6)	1,924,974	73,511,255
13.	Net cash from investments (Line 11.8 minus Line 12.7)	2,045,418	(6,850,769)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
14.	Cash provided:		
	14.1 Surplus notes, capital and surplus paid in		
	14.2 Capital notes $..........0 less amounts repaid $..........0		
	14.3 Net transfers from affiliates	179,552	
	14.4 Borrowed funds received		
	14.5 Other cash provided	1,386,393	6,682,424
	14.6 Total (Lines 14.1 to 14.5)	1,565,945	6,682,424
15.	Cash applied:		
	15.1 Dividends to stockholders paid		
	15.2 Net transfers to affiliates		564,504
	15.3 Borrowed funds repaid		
	15.4 Other applications	178,064	184,113
	15.5 Total (Lines 15.1 to 15.4)	178,064	748,617
16.	Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	1,387,881	5,933,807
	RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17.	Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	1,899,819	3,868,198
18.	Cash and short-term investments:		
	18.1 Beginning of year	4,735,146	866,948
	18.2 End of period (Line 17 plus Line 18.1)	6,634,965	4,735,146

DETAILS OF WRITE-INS

07.401	Finance and service charges not included in premiums	40,502	440,122
07.402	Equities and deposits in pools and associations	8,104	26,604
07.403	Miscellaneous income/expense	109	(28,253)
07.498	Summary of remaining write-ins for Line 7.4 from overflow page	0	0
07.499	Total (Lines 7.401 to 7.403 plus 7.498) (Line 7.4 above)	48,715	438,472

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices
The accompanying financial statements have been completed in accordance with the accounting practices and procedures prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio.

B. Use of Estimates in the Preparation of the Financial Statements
The preparation of financial statements in conformity with Statutory Accounting Principles as described in the Annual Statement Instructions and the Accounting Practices and Procedures manual requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Refer to the previous year annual statement for additional disclosure information.

C. Accounting Policy
Premiums are earned over the terms of the related insurance polices and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of the premiums written. Such reserves are computed using the daily method for direct business and are based on reports received from ceding companies for reinsurance assumed business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the company uses the following accounting policies:

(1) Short-term investments are stated at amortized cost.
(2) Bonds not backed by other loans are stated at amortized cost using the scientific amortization method.
(3) Common Stocks are valued at market except that investments in stocks of uncombined subsidiaries and affiliates in which the company has an interest of 20% or more are carried on the equity basis.
(4) Preferred stocks are stated at cost, unless qualified at market.
(5) The company has no mortgage loans.
(6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. Amortized cost includes pre-payment assumptions based on values obtained from market data vendors or broker dealers. The retrospective adjustment method is used to value these securities.
(7) The company owns 30% of the common stock of Motorists Life Insurance Company, a life insurer; 100% of the common stock of American Merchants Casualty Company, a property/casualty insurer; and 100% of AHM Agency, Inc., an insurance broker. The stock is valued on a net worth basis as described in Part 8 of the NAIC Securities Valuation Handbook.
(8) The company's investments in joint ventures and partnerships are valued based on the underlying equity of the investee as presented in audited GAAP financial reports.
(9) No derivative securities are held.
(10) The company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property/Casualty Contracts-Premiums.
(11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

2. Accounting Changes and Correction of Errors

The company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. Effective January 1, 2001, the State of Ohio required that insurance companies domiciled in the state prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual – version effective January 1, 2001 subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner. There were no accounting changes or corrections of errors in 2002.

17 C. **Wash Sales**

In the course of the company's asset management, no securities were sold and reacquired within 30 days of the sale date to enhance the company's yield on its investment portfolio.

25. **Intercompany Pooling Arrangements**

Since January 1, 1993, Motorists Mutual Insurance Company (NAIC Company Code 14621) and its affiliates, American Hardware Mutual Insurance Company (NAIC Company Code 13331) and American Merchants Casualty Company (NAIC Company Code 43630), participated in a reinsurance pooling arrangement covering premiums, losses and underwriting expenses for all lines of business from January 1, 1993 forward. Related finance and service charge income, net gains/losses from agent and premium balance charge-offs, and policyholder dividends were also subject to the pooling agreement. The pool participation rates were 77% for Motorists Mutual, 20% for American Hardware and 3% for American Merchants.

On November 19, 2001, Wilson Mutual Insurance Company (NAIC Company Code 19950) affiliated with the Motorists Insurance Group. Effective January 1, 2002, the reinsurance pooling arrangement was amended to include Wilson Mutual. Unearned premiums, unpaid losses, unpaid expenses and other underwriting related balances as of December 31, 2001 were redistributed to facilitate the inclusion of Wilson Mutual. The pool participation rates for 2002 are 75% for Motorists Mutual, 19% for American Hardware, 3% for American Merchants and 3% for Wilson Mutual.

Each company recognizes facultative (quota share and excess) and treaty (excess and catastrophe) reinsurance cessions with non-affiliated reinsurers, prior to the administration of the pooling agreement. Reinsurance assumed business from voluntary and involuntary pools and associations is also recorded before pooling. As the lead insurer, Motorists Mutual assumes all net premiums, losses, adjustment expenses and underwriting expenses subject to pooling and cedes back to each company their respective share of the pool. Underwriting related balance sheet items such as premiums, losses, and expenses receivable/recoverable and payable are pooled in the same manner. Write-offs of uncollectible premiums and reinsurance balances associated with accident years 1993 and subsequent are pooled in the year the write-offs are recognized.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since 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 name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 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 [ ] N/A [X]

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. ....12/31/1998.......................

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. ....12/31/1998.......................

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). ....06/15/2000.......................

7.4 By what department or departments?.................................... Ohio and Delaware

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 (continued)

INVESTMENT

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

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 [X] No [ ]

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds	$.................................0	$...0
13.22 Preferred Stock	$.................................0	$...0
13.23 Common Stock	$................27,304,424	$.............................27,154,756
13.24 Short-Term Investments	$.................................0	$...0
13.25 Mortgages, Loans or Real Estate	$.................................0	$...0
13.26 All Other	$.................................0	$...0
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	$................27,304,424	$.............................27,154,756
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	$.................................0	$...0
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	$.................................0	$...0

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 [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
BancOne	1111 Polaris Parkway, Columbus, Oh 43271

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 Name(s)	2 Location(s)	3 Complete Explanation(s)

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 Old Custodian	2 New Custodian	3 Date of Change	4 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 Central Registration Depository	2 Name(s)	3 Address
	ABN AMRO Asset Management, Inc.	208 S. LaSalle St.,Chicago, IL 60604
	Meeder Advisor Funds	P O Box 7177, Dublin, OH 43017
	Deutsche Asset Management	222 S. Riverside Plaza, Chicago, IL 60606

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 [X] No [ ] N/A [ ]

   If yes, attach an explanation.

   See Notes to Financial Statements # 25.

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:

1	2	3	Total Discount				Discount Taken During Period			
			4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Disc. Rate	Unpaid Losses	Unpaid LAE	IBNR	Total	Unpaid Losses	Unpaid LAE	IBNR	Total
....	....	....	....	....	....	0	....	....	....	0
Total.....................................	........XXX........	........XXX........	0	0	0	0	0	0	0	0

SCHEDULE A - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	0	0	0	
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	0	0	0	0
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)	0	0	0	0
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	0	0	0	0

NONE

SCHEDULE B - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period	0	0	0	
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	0	0	0	0
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	0	0	0	0
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period	0	0	0	0

NONE

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period	0	0	0	
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	0	0	0	0
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	0	0	0	0
12. Total nonadmitted amounts				
13. Statement value of long-term invested assets at end of current period	0	0	0	0

NONE

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 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
BONDS								
1. Class 1	108,062,290		2,201,007	(1,979,305)	103,881,979			108,062,291
2. Class 2	15,188,587			1,864,726	17,053,313			15,188,588
3. Class 3	1,826,115			263,105	2,089,220			1,826,115
4. Class 4								
5. Class 5								
6. Class 6	331,411				331,411			331,411
7. Total Bonds	125,408,403	0	2,201,007	148,526	123,355,923	0	0	125,408,405
PREFERRED STOCK								
8. Class 1	535,000			(12,000)	523,000			535,000
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	535,000	0	0	(12,000)	523,000	0	0	535,000
15. Total Bonds and Preferred Stock	125,943,403	0	2,201,007	136,526	123,878,923	0	0	125,943,405

Sch. DA-Part 1
NONE

Sch. DA-Part 2-Verification
NONE

Sch. DB-Part F-Section 1
NONE

Sch. DB-Part F-Section 2
NONE

SCHEDULE F - CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
U.S. Insurers				
10348	06-1430254	Arch Reinsurance Company	Greenwich, Connecticut	Yes
24767	13-6108721	Harco National Insurance Company	Schaumburg, Illinois	Yes
60739	74-0484030	American National Insurance Company	Texas	Yes
23043	04-1543470	Liberty Mutual Insurance Company	Boston, Massachusetts	Yes
35432	22-2187459	New Jersey Re-Insurance Company	West Trenton, New Jersey	No
All Other Insurers				
	AA-1120002	Lloyd's Syndicate Number 0002	U.K.	Yes
	AA-1121241	Lloyd's Syndicate Number 1241	U.K.	Yes
	AA-1121245	Lloyd's Syndicate Number 1245	U.K.	Yes
	AA-1122987	Lloyd's Syndicate Number 2987	U.K.	Yes

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
States, Etc.	Is Insurer Licensed? (Yes or No)	2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama AL	YES		4	8,102	50,891	642,243	844,577
2. Alaska AK	YES						
3. Arizona AZ	YES	279,091	222,159	208,733	25,080	1,091,934	498,932
4. Arkansas AR	YES	9				15,001	15,000
5. California CA	YES	2,912,441	2,414,800	1,184,019	2,426,309	7,832,884	8,160,916
6. Colorado CO	YES	1,350,076	1,058,515	729,384	968,802	7,800,572	3,276,862
7. Connecticut CT	YES	342,250	295,112	179,171	226,848	1,611,947	948,243
8. Delaware DE	YES	61,380	54,931	16,520	35,975	291,926	94,445
9. District of Columbia DC	YES		(100)				
10. Florida FL	YES	8,738	10,776	55,114	42,305	1,057,795	821,660
11. Georgia GA	YES			8,231	44,025	276,613	378,304
12. Hawaii HI	NO						
13. Idaho ID	YES	647,521	427,277	140,381	270,419	1,693,401	1,174,865
14. Illinois IL	YES	511,467	332,403	263,336	202,711	4,920,132	6,581,795
15. Indiana IN	YES	209,166	17,146	47,051	19,008	700,801	273,276
16. Iowa IA	YES	426,845	289,166	43,959	39,872	197,761	247,857
17. Kansas KS	YES	351				0	23
18. Kentucky KY	YES	493,470	483,121	146,396	156,953	1,820,421	1,991,554
19. Louisiana LA	YES	138	138	(4,009)	6,940	354,357	961,393
20. Maine ME	YES	674	871	9,109	13,728	210,230	259,993
21. Maryland MD	YES	260,503	207,081	35,897	30,794	112,589	124,837
22. Massachusetts MA	YES	1,161,046	806,054	350,798	411,882	2,111,414	2,716,597
23. Michigan MI	YES	390,205	405,802	179,394	180,553	1,535,125	928,629
24. Minnesota MN	YES	700,554	675,471	63,765	136,945	4,650,992	4,698,313
25. Mississippi MS	YES		5			68	5
26. Missouri MO	YES	(23)	(105)	1,341	3,685	15,951	16,016
27. Montana MT	YES	50	50	2,772	10,683	117,205	132,714
28. Nebraska NE	YES	13,174	163	7,149		2,403	108
29. Nevada NV	YES	700,330	759,384	1,272,156	142,110	2,337,537	3,966,456
30. New Hampshire NH	YES	536,956	524,852	183,591	208,948	1,335,060	1,769,967
31. New Jersey NJ	YES	320,981	450,505	628,672	334,486	6,041,040	6,554,363
32. New Mexico NM	YES	(1,646)	1,314	129	1,759	5,784	7,314
33. New York NY	YES	1,590,762	1,460,337	369,881	240,823	10,029,011	6,754,214
34. North Carolina NC	YES	4,589	4,729	19,683	16,332	446,173	513,353
35. North Dakota ND	YES	251,672	303,228	16,484	69,245	1,116,177	746,235
36. Ohio OH	YES	876,102	851,488	233,070	583,293	2,057,885	2,171,626
37. Oklahoma OK	YES		23		764	193	91
38. Oregon OR	YES	1,698,621	1,486,877	821,530	218,646	4,114,398	4,662,139
39. Pennsylvania PA	YES	275,886	217,937	759,155	109,241	1,540,090	2,149,627
40. Rhode Island RI	YES					3	
41. South Carolina SC	YES	(13,026)	33,358	2,160	32,094	420,330	471,531
42. South Dakota SD	YES	3,351	93,973	21,754	23,864	773,087	1,011,901
43. Tennessee TN	YES		(161)	12,175	3,953	272,269	303,967
44. Texas TX	YES	262,786		50,784	51,317	533,414	631,869
45. Utah UT	YES	103,176	155,257	(490)	8,230	148,925	110,233
46. Vermont VT	YES	17,579	39,391	18,432	22,053	166,091	106,515
47. Virginia VA	YES	461,657	227,422	47,768	129,139	315,507	580,764
48. Washington WA	YES	952,653	701,000	321,493	175,100	474,203	1,999,082
49. West Virginia WV	YES	12,160	9,339			1,356	885
50. Wisconsin WI	YES	1,360,387	1,065,164	1,703,118	528,263	3,655,487	4,050,159
51. Wyoming WY	YES	6,337	8,280			595	506
52. American Samoa AS	NO						
53. Guam GU	NO						
54. Puerto Rico PR	NO						
55. US Virgin Islands VI	NO						
56. Canada CN	NO						
57. Aggregate Other Alien OT	XXX	0	0	0	0	0	0
58. Totals	(a) 50	19,190,439	16,094,539	10,158,161	8,204,071	74,848,378	73,709,710

DETAILS OF WRITE-INS

5701.	XXX						
5702.	XXX						
5703.	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above)	XXX	0	0	0	0	0	0

(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

PART 1 - LOSS EXPERIENCE

	Current Year to Date			4
Lines of Business	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	Prior Year to Date Direct Loss Percentage
1. Fire	8,397	101,855	1,213.1	
2. Allied lines	14,666	12,716	86.7	31.7
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril	44,157	21,761	49.3	16.2
5. Commercial multiple peril	3,392,837	1,664,062	49.0	25.3
6. Mortgage guaranty			0.0	
8. Ocean marine			0.0	
9. Inland marine	848,632	346,881	40.9	63.0
10. Financial guaranty			0.0	
11.1. Medical malpractice-occurrence			0.0	
11.2. Medical malpractice-claims made			0.0	
12. Earthquake	89,451	638	0.7	6.0
13. Group accident and health			0.0	
14. Credit accident and health			0.0	
15. Other accident and health	29,908	39,734	132.9	142.2
16. Workers' compensation	1,464,100	1,821,439	124.4	94.6
17.1 Other liability-occurrence	1,720,714	7,743	0.4	(17.7)
17.2 Other liability-claims made			0.0	
18.1 Products liability-occurrence	104,873	543,345	518.1	177.3
18.2 Products liability-claims made			0.0	
19.1, 19.2 Private passenger auto liability	18,974	1,640	8.6	49.5
19.3, 19.4 Commercial auto liability	5,178,417	5,841,426	112.8	49.1
21. Auto physical damage	2,351,888	1,990,125	84.6	72.7
22. Aircraft (all perils)			0.0	
23. Fidelity	139,846	28,717	20.5	60.5
24. Surety	37,990	5,000	13.2	32.9
26. Burglary and theft	38,216	8,031	21.0	163.2
27. Boiler and machinery	75,188		0.0	
28. Credit			0.0	
29. International			0.0	
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	6,000	551	9.2	114.0
34. Totals	15,564,253	12,435,662	79.9	46.2
DETAILS OF WRITE-INS				
3301. Warranty	6,000	551	9.2	114.0
3302.			0.0	
3303.			0.0	
3398. Sum. of remaining write-ins for Line 33 from overflow page	0	0	0.0	0.0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33)	6,000	551	9.2	114.0

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	7,950	7,950	
2. Allied lines	9,314	9,314	8,827
3. Farmowners multiple peril			
4. Homeowners multiple peril	42,396	42,396	35,628
5. Commercial multiple peril	4,059,748	4,059,748	3,431,949
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	1,090,830	1,090,830	911,744
10. Financial guaranty			
11.1. Medical malpractice-occurrence			
11.2. Medical malpractice-claims made			
12. Earthquake	77,321	77,321	81,653
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health	31,194	31,194	32,551
16. Workers' compensation	2,166,882	2,166,882	2,082,821
17.1. Other liability-occurrence	2,087,298	2,087,298	1,823,804
17.2. Other liability-claims made			
18.1. Products liability-occurrence	129,480	129,480	95,939
18.2. Products liability-claims made			
19.1, 19.2 Private passenger auto liability	20,380	20,380	24,451
19.3, 19.4 Commercial auto liability	6,637,108	6,637,108	5,369,909
21. Auto physical damage	2,501,068	2,501,068	1,956,895
22. Aircraft (all perils)			
23. Fidelity	158,600	158,600	100,905
24. Surety	45,522	45,522	43,996
26. Burglary and theft	40,043	40,043	28,444
27. Boiler and machinery	85,304	85,304	65,212
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	0	0	(189)
34. Totals	19,190,439	19,190,439	16,094,539
DETAILS OF WRITE-INS			
3301. Warranty			(189)
3302.			
3303.			
3398. Sum. of remaining write-ins for Line 33 from overflow page	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33)	0	0	(189)

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (a) (Cols. 1 + 2)	2002 Loss and LAE Payments on Claims Reported as of Prior Year-End	2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2002 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (b) (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/Deficiency (c) (Cols. 11 + 12)
1. 1999 + Prior	28,052	3,322	31,374	3,647	97	3,743	26,617	489	1,529	28,636	2,212	(1,207)	1,005
2. 2000	6,831	3,159	9,991	1,292	47	1,340	6,188	134	2,573	8,895	648	(405)	243
3. Subtotals 2000 + Prior	34,884	6,481	41,365	4,939	144	5,083	32,805	623	4,102	37,530	2,860	(1,612)	1,249
4. 2001	13,235	8,389	21,625	3,914	1,149	5,064	9,852	648	6,507	17,007	531	(85)	446
5. Subtotals 2001 + Prior	48,119	14,870	62,990	8,854	1,293	10,147	42,657	1,271	10,609	54,537	3,391	(1,697)	1,694
6. 2002	XXX	XXX	XXX	XXX	5,087	5,087	XXX	5,118	2,669	7,788	XXX	XXX	XXX
7. Totals	48,119	14,870	62,990	8,854	6,380	15,234	42,657	6,389	13,279	62,325	3,391	(1,697)	1,694
8. Prior Year-End's Surplus As Regards Policyholders	100,474										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 7.0 %	2. (11.4)%	3. 2.7 %
													Col. 13, Line 7 Line 8
													4. 1.7 %

(a) Should equal prior year-end Annual Statement; Page 3, Col. 1, Lines 1 + 3.
(b) Should equal Q.S. Page 3, Col.1, Lines 1 and 3.
(c) Should also equal Cols. 6 + 10 less Col. 3 for Lines 1 through 5 only.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	RESPONSE
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 CODE:

* 1 3 3 3 1 2 0 0 2 4 9 0 0 0 0 0 1 *

* 1 3 3 3 1 2 0 0 2 4 5 0 0 0 0 0 1 *

Overflow Page for Write-Ins

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2304. Reinsurance assumed overhead payable	65,722	59,202
2305. State surcharges payable	34,702	24,435
2306. Premium deficiency reserve	117,420	123,600
2307. Pension reserve	235,626	
2397. Summary of remaining write-ins for Line 23 from Liabilities	453,471	207,237

Sch. A-Part 2
NONE

Sch. A-Part 3
NONE

Sch. B-Part 1
NONE

Sch. B-Part 2
NONE

Sch. BA-Part 1
NONE

Sch. BA-Part 2
NONE

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired by the Company During the Current Quarte

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
Common Stocks - Public Utilities								
United States								
131347-10-6	Calpine Corporation	03/28/2002	SEI Financial Services Inc.	2,500.000	32,890			L
98157D-10-6	WorldCom Inc.	03/28/2002	Various	4,700.000	38,040			L
	United States				70,930	XXX	0	XXX
6699999.	Total - Common Stocks - Public Utilities				70,930	XXX	0	XXX
Common Stocks - Banks, Trust and Insurance Companies								
United States								
020002-10-1	Allstate Corporation	02/08/2002	Merrill Lynch	2,100.000	71,031			L
026874-10-7	American Intl Group Inc.	02/26/2002	Merrill Lynch	426.000	30,779			L
14040H-10-5	Capital One Financial C	02/27/2002	Merrill Lynch	1,400.000	69,049			L
339030-10-8	FleetBoston Finl Corpor	01/23/2002	Various	1,500.000	52,311			L
46625H-10-0	J P Morgan Chase & Co	02/25/2002	Various	800.000	24,859			L
493267-10-8	KeyCorp	02/08/2002	Goldman Sachs	2,000.000	46,100			L
635405-10-3	National City Corporati	03/04/2002	Lehman Brothers	1,200.000	35,715			L
693475-10-5	PNC Bank Corporation	03/01/2002	Various	2,100.000	120,127			L
867914-10-3	Suntrust Banks Incorpor	03/04/2002	Credit Suisse 1st Boston Corp.	700.000	45,670			L
902973-30-4	US Bancorp	03/19/2002	Salomon Smith Barney	2,600.000	59,450			L
	United States				555,091	XXX	0	XXX
6799999.	Total - Common Stocks - Banks, Trust & Ins. Cos.				555,091	XXX	0	XXX
Common Stocks - Industrial and Miscellaneous								
United States								
00724F-10-1	Adobe Systems Incorpora	01/03/2002	Archipelago BCC Capitol	600.000	19,766			L
013817-10-1	Alcoa Inc.	03/28/2002	Various	2,100.000	79,872			L
037411-10-5	Apache Corporation	12/27/2001	Stock Dividend	118.000				L
110122-10-8	Bristol-Myers Squibb	03/20/2002	Various	600.000	26,179			L
12189T-10-4	Burlington Northern San	01/23/2002	CIBC World Markets Corp.	400.000	11,108			L
134429-10-9	Campbell Soup	01/23/2002	First Union Capital Markets	800.000	23,400			L
166764-10-0	Chevron Texaco Corpora	03/04/2002	CIBC World Markets Corp.	1,000.000	84,811			L
253651-10-3	Diebold Inc.	02/11/2002	Investment Technology Group	200.000	7,364			L
260543-10-3	Dow Chemical Company	01/23/2002	Various	1,800.000	56,155			L
28336L-10-9	El Paso Corporation	02/12/2002	Merrill Lynch	700.000	25,927			L
291011-10-4	Emerson Electric Compan	02/08/2002	Various	600.000	32,681			L
369550-10-8	General Dynamics Corpor	03/08/2002	SEI Financial Services Inc.	930.000	81,806			L
369604-10-3	General Electric	03/05/2002	SEI Financial Services Inc.	3,000.000	121,589			L
428236-10-3	Hewlett Packard Company	03/28/2002	Various	5,400.000	116,285			L
438516-10-6	Honeywell International	02/08/2002	Various	700.000	23,340			L
458140-10-0	Intel Corporation	03/28/2002	Spear Leeds & Kellogg	300.000	9,324			L
500255-10-4	Kohl's Corporation	03/14/2002	SEI Financial Services Inc.	1,100.000	76,158			L
580135-10-1	McDonalds Corporation	01/04/2002	First Tennessee	200.000	5,370			L
589331-10-7	Merck & Company Incorpo	03/28/2002	Various	2,000.000	118,251			L
718507-10-6	Phillips Petroleum Comp	03/28/2002	Gerard Klauer Mattison & Co.	200.000	12,448			L
737464-10-7	Post Properties Inc.	03/26/2002	Prudential Securities Inc.	1,000.000	34,247			L
740189-10-5	Precision Castparts Cor	03/14/2002	SEI Financial Services Inc.	990.000	34,013			L
786514-20-8	Safeway Incorporated	02/12/2002	Merrill Lynch	500.000	20,655			L
800907-10-7	Sanmina Corp	02/13/2002	Various	2,200.000	30,146			L
803111-10-3	Sara Lee	03/18/2002	Various	800.000	17,205			L
872941-10-9	TMP Worldwide Inc.	02/26/2002	Merrill Lynch	800.000	22,331			L
883203-10-1	Textron Incorporated	02/11/2002	Investment Technology Group	800.000	35,214			L
941848-10-3	Waters Corporation	03/15/2002	Salomon Smith Barney	1,200.000	40,639			L
	United States				1,166,284	XXX	0	XXX
Foreign								
055622-10-4	BP Amoco PLC Sponsored	01/31/2002	Lehman Brothers	200.000	9,289			L

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
	Foreign				9,289	XXX	0	XXX
6899999.	Total - Common Stocks - Industrial & Miscellaneous				1,175,573	XXX	0	XXX
7099997.	Total - Common Stocks - Part 3				1,801,594	XXX	0	XXX
7099999.	Total - Common Stocks				1,801,594	XXX	0	XXX
7199999.	Total - Preferred and Common Stocks				1,801,594	XXX	0	XXX
7299999.	Total - Bonds, Preferred and Common Stocks				1,801,594	XXX	0	XXX

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues:...............0.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarte

1 CUSIP Identification	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value At Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Designation (a)
Bonds - U.S. Government																
36209H-RH-0	GNMA Pool #472188 6.740% 04/15/34	03/01/2002	Paydown		682	682	698	682	(15)				0	8		1
36209P-FC-6	GNMA Pool #477263 6.750% 06/15/39	03/01/2002	Paydown		2,126	2,126	2,168	2,126	(40)				0	24		1
36210K-PS-8	GNMA Pool #494633 6.850% 05/15/34	03/01/2002	Paydown		4,086	4,086	4,218	4,086	(126)				0	47		1
36213N-GC-4	GNMA Pool #559195 7.600% 08/15/31	03/01/2002	Paydown		8,575	8,575	9,090	8,575	(512)				0	109		1
36219C-UP-7	GNMA Pool #245490 8.250% 05/15/32	03/01/2002	Paydown		3,369	3,369	3,512	3,369	(128)				0	46		1
36223J-LG-6	GNMA Pool #309127 8.500% 05/15/31	03/01/2002	Paydown		1,749	1,749	1,847	1,749	(87)				0	25		1
36223L-AT-5	GNMA Pool #310618 9.500% 10/15/21	03/01/2002	Paydown		13,737	13,737	14,578	13,737	(824)				0	116		1
0399999.	Total - Bonds - U.S. Government				34,324	34,324	36,111	34,324	(1,732)	0	0	0	0	375	0	XXX
Bonds - Industrial and Miscellaneous																
United States																
524908-BF-6	Lehman Brothers Holding 8.500% 08/01/15	03/14/2002	RW Baird		2,209,600	2,000,000	2,186,600	2,166,682	(1,664)			42,918	42,918	107,667		1PE
	United States				2,209,600	2,000,000	2,186,600	2,166,682	(1,664)	0	0	42,918	42,918	107,667	0	XXX
4599999.	Total - Bonds - Industrial & Miscellaneous				2,209,600	2,000,000	2,186,600	2,166,682	(1,664)	0	0	42,918	42,918	107,667	0	XXX
6099997.	Total - Bonds - Part 4				2,243,924	2,034,324	2,222,711	2,201,006	(3,396)	0	0	42,918	42,918	108,042	0	XXX
6099999.	Total - Bonds				2,243,924	2,034,324	2,222,711	2,201,006	(3,396)	0	0	42,918	42,918	108,042	0	XXX
Common Stocks - Public Utilities																
United States																
00130H-10-5	AES Corporation	03/28/2002	SEI Financial Services Inc.	2,300.000	20,645		44,331	37,605	6,726			(23,686)	(23,686)			L
92343V-10-4	Verizon Communications	02/26/2002	Merrill Lynch	1,500.000	70,475		84,105	71,190	12,915			(13,630)	(13,630)		578	L
	United States				91,120	XXX	128,436	108,795	19,641	0	0	(37,316)	(37,316)	0	578	XXX
6699999.	Total - Common Stocks - Public Utilities				91,120	XXX	128,436	108,795	19,641	0	0	(37,316)	(37,316)	0	578	XXX
Common Stocks - Banks, Trust and Insurance Companies																
United States																
339030-10-8	FleetBoston Finl Corpor	02/12/2002	Merrill Lynch	1,100.000	36,092		43,701	40,150	3,551			(7,609)	(7,609)		385	L
81369Y-80-3	Technology Select Secto	01/18/2002	Morgan Stanley	4,500.000	108,631		111,594	108,000	3,594			(2,963)	(2,963)			L
	United States				144,723	XXX	155,295	148,150	7,145	0	0	(10,572)	(10,572)	0	385	XXX
6799999.	Total - Common Stocks - Banks, Trust & Insurance Companies				144,723	XXX	155,295	148,150	7,145	0	0	(10,572)	(10,572)	0	385	XXX
Common Stocks - Industrial and Miscellaneous																
United States																
00724F-10-1	Adobe Systems Incorpora	01/28/2002	Various	1,900.000	65,054		57,697	58,995	(1,298)			7,357	7,357		24	L
037411-10-5	Apache Corporation	03/08/2002	SEI Financial Services Inc.	118.000	7,090		7,128	6,484	1,233			(37)	(37)		12	L
038222-10-5	Applied Materials Inc.	03/12/2002	Various	2,900.000	131,074		125,017	116,290	8,727			6,057	6,057			L
053611-10-9	Avery Dennison Corporat	03/13/2002	Various	700.000	42,742		34,107	39,571	(5,464)			8,634	8,634		231	L
075887-10-9	Becton Dickinson	03/12/2002	Morgan Stanley	1,200.000	43,140		43,457	39,780	3,677			(317)	(317)		234	L
205887-10-2	ConAgra Incorporated	02/06/2002	Various	1,900.000	45,362		40,812	45,163	(4,351)			4,550	4,550		447	L
235811-10-6	Dana Corporation	03/20/2002	J P Morgan	1,900.000	39,117		33,829	26,372	7,457			5,288	5,288		19	L
247025-10-9	Dell Computer Corporati	01/15/2002	Warburg Dillon Read LLC	1,900.000	53,720		48,559	51,642	(3,083)			5,161	5,161			L
294429-10-5	Equifax Incorporated	03/04/2002	Credit Suisse 1st Boston Corp	2,600.000	77,751		64,960	62,790	2,170			12,792	12,792		52	L
31410H-10-1	Federated Dept Stores I	01/16/2002	Warburg Dillon Read LLC	1,100.000	45,415		35,168	44,990	(9,822)			10,247	10,247			L
31428X-10-6	FedEx Corporation	01/17/2002	Various	3,100.000	155,153		125,920	160,828	(34,908)			29,233	29,233			L
364730-10-1	Gannett Company Incorpo	03/01/2002	Weeden & Company	500.000	37,986		32,545	33,615	(1,070)			5,441	5,441		115	L
532716-10-7	The Limited Incorporate	03/07/2002	Warburg Dillon Read LLC	2,200.000	38,412		35,977	32,384	3,593			2,435	2,435		165	L
548661-10-7	Lowe's Companies Inc.	03/12/2002	SEI Financial Services Inc.	2,300.000	99,989		39,672	106,743	(67,071)			60,317	60,317		46	L
574599-10-6	Masco Corporation	03/20/2002	Various	3,300.000	85,735		85,559	80,850	4,709			176	176		446	L
655664-10-0	Nordstrom Incorporated	02/19/2002	Various	3,600.000	86,687		77,272	72,828	4,444			9,415	9,415			L
724479-10-0	Pitney Bowes Inc.	03/13/2002	Credit Suisse 1st Boston Corp	1,800.000	74,522		74,648	67,698	6,950			(125)	(125)		531	L
742718-10-9	Procter & Gamble Compan	02/28/2002	First Union Capital Markets	800.000	67,997		56,210	63,304	(7,094)			11,787	11,787		304	L
902124-10-6	Tyco International Ltd.	01/30/2002	Merrill Lynch	1,200.000	41,339		25,908	70,680	(44,772)			15,431	15,431		15	L
913017-10-9	United Technologies	01/14/2002	Lehman Brothers	1,100.000	68,763		52,202	71,093	(18,891)			16,561	16,561			L

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarte

1 CUSIP Identification	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value At Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Designation (a)
918204-10-8	V F Corporation	01/30/2002	J P Morgan	600.000	23,942		22,039	23,406	(1,367)			1,902	1,902			L
923436-10-9	VERITAS Software Corpor	03/11/2002	Merrill Lynch	1,100.000	49,580		24,038	49,313	(25,275)			25,542	25,542			L
983919-10-1	Xilinx Incorporated	02/12/2002	Merrill Lynch	1,100.000	42,303		34,007	42,955	(8,948)			8,296	8,296			L
	United States				1,422,873	XXX	1,176,731	1,367,774	(190,454)	0	0	246,143	246,143	0	2,641	XXX
Foreign																
904784-70-9	Unilever NV - NY Shares	01/04/2002	Lehman Brothers	1,200.000	67,750		72,791	69,132	3,659			(5,042)	(5,042)			L
	Foreign				67,750	XXX	72,791	69,132	3,659	0	0	(5,042)	(5,042)	0	0	XXX
6899999.	Total - Common Stocks - Industrial & Miscellaneous				1,490,623	XXX	1,249,522	1,436,906	(186,795)	0	0	241,101	241,101	0	2,641	XXX
7099997.	Total - Common Stocks - Part 4				1,726,466	XXX	1,533,253	1,693,851	(160,009)	0	0	193,213	193,213	0	3,604	XXX
7099998.	Total - Common Stocks - Summary Item for Common Stocks Bought and Sold This Quarter					XXX							0		1	XXX
7099999.	Total - Common Stocks				1,726,466	XXX	1,533,253	1,693,851	(160,009)	0	0	193,213	193,213	0	3,605	XXX
7199999.	Total - Preferred and Common Stocks				1,726,466	XXX	1,533,253	1,693,851	(160,009)	0	0	193,213	193,213	0	3,605	XXX
7299999.	Total - Bonds, Preferred and Common Stocks				3,970,390	XXX	3,755,964	3,894,857	(163,405)	0	0	236,131	236,131	108,042	3,605	XXX

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues:...............0.

Sch. DB-Part A-Section 1
NONE

Sch. DB-Part B-Section 1
NONE

Sch. DB-Part C-Section 1
NONE

Sch. DB-Part D-Section 1
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	Book Balance at End of Each Month During Current Quarter			8
		Amount of	Amount of	5	6	7	
Depository	Rate of Interest	Interest Received During Current Quarter	Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories							
Goldman Sachs Financial Square Money Market.... Minneapolis, MN				91,609	91,609	29,673	
Fidelity Instl Cash Portfolio Class I Boston, MA				4,088,438	4,344,622	4,650,539	
National City Bank Columbus, OH				600,553	689,646	682,480	
The One Group Prime Money Market Fund Chicago, IL				2,120,988	1,095,252	954,592	
0199998. Deposits in.....6 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX			232,454	281,556	317,179	
0199999. Total Open Depositories	XXX	0	0	7,134,042	6,502,686	6,634,464	XXX
0399999. Total Cash on Deposit	XXX	0	0	7,134,042	6,502,686	6,634,464	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	500	500	500	XXX
0599999. Total Cash	XXX	0	0	7,134,542	6,503,186	6,634,964	XXX

Supplement A to Sch. T
NONE

Supplement A to Sch. T
NONE

Supplement A to Sch. T
NONE

Supplement A to Sch. T
NONE

Supplement A to Sch. T
NONE

Overflow Page
NONE

Overflow Page for Write-Ins