



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

NAIC Group Code 0250 0250 NAIC Company Code 15717 Employer's ID Number 34-4215640  
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated November 15, 1877 Commenced Business February 9, 1878

Statutory Home Office 200 West Main Street, Greenville, Ohio 45331  
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 200 West Main Street, Greenville, Ohio 45331 513-548-5111  
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address P O Box 479, Greenville, Ohio 45331  
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 1195 River Road, Marietta, Pennsylvania 17547  
(Street and Number, City or Town, State and Zip Code)  
717-426-1931  
(Area Code) (Telephone Number)

Internet Website Address www.donegalgroup.com

Statement Contact Daniel John Wagner 717-426-1931  
(Name) (Area Code) (Telephone Number) (Extension)  
danwagner@donegalgroup.com 717-426-7031  
(E-Mail Address) (Fax Number)

Policyowner Relations Contact 1195 River Road, Marietta, Pennsylvania 17547  
(Street and Number, City or Town, State and Zip Code)  
1-800-877-0600-8100  
(Area Code) (Telephone Number) (Extension)

OFFICERS

President ..... DONALD HERBERT NIKOLAUS  
Secretary ..... RALPH GEORGE SPONTAK  
Treasurer ..... DANIEL JOHN WAGNER

VICE PRESIDENTS

WILLIAM GEORGE CAESAR  
RAY ZEPHYRENIOS HAAG  
DAVID WAYNE PLOUSE  
RALPH GEORGE SPONTAK

DAVID LEO DOUGLASS  
JEFFREY ALAN JACOBSEN  
ROBERT GARY SHENK  
DANIEL JOHN WAGNER

CYRIL JAMES GREENYA  
JEFFREY DEAN MILLER  
WILLIAM HOWARD SHUPERT

DIRECTORS OR TRUSTEES

ROBERT STEVENS BOLINGER  
PATRICIA ANNE GILMARTIN  
CHARLES EDWIN IRELAND  
ROY RICHARD SHERBAHN

HARRY WAYNE BOOHER  
PHILIP HUGHES GLATFELTER, II  
RON WARREN MCCLURG

THOMAS JOSEPH FINLEY, JR  
JOHN ERB HIESTAND  
DONALD HERBERT NIKOLAUS

State of Pennsylvania SS  
County of Lancaster

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.

DONALD HERBERT NIKOLAUS President RALPH GEORGE SPONTAK Secretary DANIEL JOHN WAGNER Treasurer

Subscribed and sworn to before me this day of May, 2002

ASSETS

	Current Statement Date			4  December 31, Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2 )	
1. Bonds .....	7,615,166		7,615,166	7,985,891
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	22,808		22,808	22,808
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 \$ ..... encumbrances) .....	393,129		393,129	393,401
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ ..... 42,923 ) and short-term investments (\$ ..... 788,476 ) .....	831,399		831,399	567,950
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) .....	8,862,502		8,862,502	8,970,050
10. Agents' balances or uncollected premiums :				
10.1 Premiums and agents' balances in course of collection .....	(62,209)	11,566	(73,775)	97,725
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	1,571,414		1,571,414	982,742
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 .....	84,855		84,855	233,110
15. Federal and foreign income tax recoverable and interest thereon (including \$ ..... 281,042 net deferred tax asset) .....	691,648	126,896	564,752	579,695
16. Guaranty funds receivable or on deposit .....				
17. Electronic data processing equipment and software .....	320		320	339
18. Interest, dividends and real estate income due and accrued .....	79,607		79,607	125,053
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 .....	34,089	34,089		
25. Aggregate write-ins for other than invested assets .....				
26. Total assets excluding protected cell assets (Lines 9 through 25) .....	11,262,226	172,551	11,089,675	10,988,714
27. Protected cell assets .....				
28. TOTALS (Lines 26 and 27) .....	11,262,226	172,551	11,089,675	10,988,714
DETAILS OF WRITE-INS				
0801. ....				
0802. ....				
0803. ....				
0898. Summary of remaining write-ins for Line 8 from overflow page .....				
0899. Totals (Lines 0801 through 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 through 2503 plus 2598) (Line 25 above) .....				

STATEMENT AS OF MARCH 31, 2002 OF THE PIONEER INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ ..... 473,888 ) .....	1,604,149	1,762,679
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....	378,000	415,000
4. Commissions payable, contingent commissions and other similar charges .....	52,500	164,000
5. Other expenses (excluding taxes, licenses and fees) .....	70,001	118,817
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	103,724	84,386
7. Federal and foreign income taxes, including \$ ..... on realized capital gains (losses) (including \$ ..... net deferred tax liability) .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ ..... 2,852,004 and including warranty reserves of \$ ..... ) .....	2,811,948	2,389,657
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....	281,000	281,000
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	72,691	82,463
13. Funds held by company under reinsurance treaties .....		
14. Amounts withheld or retained by company for account of others .....	133,148	166,246
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 .....		
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) .....	5,507,161	5,464,248
25. Protected cell liabilities .....		
26. Total liabilities (Lines 24 and 25) .....	5,507,161	5,464,248
27. Aggregate write-ins for special surplus funds .....		
28. Common capital stock .....	2,500,000	2,500,000
29. Preferred capital stock .....		
30. Aggregate write-ins for other than special surplus funds .....		
31. Surplus notes .....		
32. Gross paid in and contributed surplus .....	4,500,000	4,500,000
33. Unassigned funds (surplus) .....	(1,417,486)	(1,475,534)
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) .....	5,582,514	5,524,466
36. TOTALS .....	11,089,675	10,988,714
DETAILS OF WRITE-INS		
2301. ....		
2302. ....		
2303. ....		
2398. Summary of remaining write-ins for Line 23 from overflow page .....		
2399. Totals (Lines 2301 through 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 through 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 through 3003 plus 3098) (Line 30 above) .....		

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 1,934,542 )	1,499,268	1,264,832	5,536,499
1.2 Assumed (written \$ 1,717,695 )	1,295,404	1,103,132	4,792,364
1.3 Ceded (written \$ 1,934,542 )	1,499,268	1,264,832	5,536,499
1.4 Net (written \$ 1,717,695 )	1,295,404	1,103,132	4,792,364
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 725,784 ):			
2.1 Direct	1,033,646	1,170,844	6,040,363
2.2 Assumed	609,604	799,269	3,439,008
2.3 Ceded	1,033,646	1,170,844	6,040,363
2.4 Net	609,604	799,269	3,439,008
3. Loss expenses incurred	52,063	125,596	368,565
4. Other underwriting expenses incurred	593,583	584,863	2,278,553
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	1,255,250	1,509,728	6,086,126
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	40,154	(406,596)	(1,293,762)
INVESTMENT INCOME			
9. Net investment income earned	112,329	137,075	537,765
10. Net realized capital gains (losses)	148	38	5,762
11. Net investment gain (loss) (Lines 9 plus 10)	112,477	137,113	543,527
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )			
13. Finance and service charges not included in premiums	11,594	6,798	29,101
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)	11,594	6,798	29,101
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 plus 11 plus 15)	164,225	(262,685)	(721,134)
17. Dividends to policyholders	84,705	61,444	222,088
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	79,520	(324,129)	(943,222)
19. Federal and foreign income taxes incurred	38,266	(105,461)	(321,702)
20. Net income (Line 18 minus Line 19) (to Line 22)	41,254	(218,668)	(621,520)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	5,524,466	5,811,315	5,811,315
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	41,254	(218,668)	(621,520)
23. Net unrealized capital gains or losses			425
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	14,819	6,700	40,381
26. Change in nonadmitted assets	1,975	(10,761)	(19,773)
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		313,638	313,638
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)	58,048	90,909	(286,849)
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	5,582,514	5,902,224	5,524,466
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 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 through 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 through 3603 plus 3698) (Line 36 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	1,290,751	5,058,222
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	708,942	3,614,404
3. Underwriting expenses paid	734,561	2,343,484
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(152,752)	(899,666)
6. Net investment income	161,820	569,234
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	(33,098)	76,556
7.4 Aggregate write-ins for miscellaneous items	11,594	29,101
7.5 Total other income (Lines 7.1 to 7.4)	(21,504)	105,657
8. Dividends to policyholders on direct business, less \$ dividends on reinsurance assumed or ceded (net)	84,705	236,088
9. Federal and foreign income taxes (paid) recovered		(9,958)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	(97,141)	(470,821)
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	867,845	3,678,828
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)	867,845	3,678,828
12. Cost of investments acquired (long-term only):		
12.1 Bonds	498,746	3,059,869
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate	2,000	
12.5 Other invested assets		
12.6 Miscellaneous applications		
12.7 Total investments acquired (Lines 12.1 to 12.6)	500,746	3,059,869
13. Net cash from investments (Line 11.8 minus Line 12.7)	367,099	618,959
Cash from Financing and Miscellaneous Sources		
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		
14.4 Borrowed funds received		
14.5 Other cash provided	1,008	5,061
14.6 Total (Lines 14.1 to 14.5)	1,008	5,061
15. Cash applied:		
15.1 Dividends to stockholders paid		
15.2 Net transfers to affiliates		
15.3 Borrowed funds repaid		
15.4 Other applications	7,517	11,312
15.5 Total (Lines 15.1 to 15.4)	7,517	11,312
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	(6,509)	(6,251)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	263,449	141,887
18. Cash and short-term investments:		
18.1 Beginning of year	567,950	426,063
18.2 End of period (Line 17 plus Line 18.1)	831,399	567,950
DETAILS OF WRITE-INS		
7.401 Other income	11,594	29,101
7.402		
7.403		
7.498 Summary of remaining write-ins for Line 7.4 from overflow page		
7.499 Totals (Lines 7.401 through 7.403 plus 7.498) (Line 7.4 above)	11,594	29,101

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies
- a.

The accompanying financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the State of Ohio. The NAIC Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices of the State of Ohio.
- b.

The preparation of financial statements in conformity with statutory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Actual results could differ from those estimates.
- c.

Asset values are generally stated as follows: Bonds are carried at amortized cost. The Company uses the straight line depreciation method for fixed assets and real estate. The Company does not own any subsidiaries.
2. Accounting Changes and Corrections of Errors
- None
3. Business Combinations and Goodwill
- None
4. Discontinued Operations
- None
5. Investments
- Required disclosures do not apply to the Company's investments.
6. Joint Ventures, Partnerships and Limited Liability Companies
- None
7. Investment Income
- There were no exclusions from due and accrued investment income.
8. Derivative Instruments
- None
9. Income Taxes
- a.

The components of the net deferred tax asset at March 31, 2002 are as follows:
- Total of all deferred tax assets (admitted and nonadmitted)

\$467,982
- Total of all deferred tax liabilities

60,044
- Total deferred tax assets nonadmitted

126,896
- b.

All deferred tax liabilities are recognized.
- c.

The components of incurred income tax expense and the change in deferred taxes are as follows:
- Current income tax expense (benefit)

\$ 38,266
- Increase (decrease) in net deferred tax asset

14,819
- d.

The Company has no operating loss carryforwards.
- e.

The Company's federal income tax return is consolidated with Donegal Group Inc., Atlantic States Insurance Company, Southern Insurance Company of Virginia and Southern Heritage Insurance Company.
10. Information Concerning Parent, Subsidiaries and Affiliates
- a.

The Company is a wholly-owned subsidiary of Donegal Group Inc.
11. Debt
- None
12. Retirement Plans, Deferred Compensation, and Other Postretirement Benefit Plans
- a.

The Company does not have a retirement plan.
- b.

The Company does not have a deferred compensation plan.
- c.

The Company does not have any other postretirement benefit plans.
13. Capital and Surplus and Shareholders' Dividend Restrictions
- a.

The maximum amount of dividends which can be paid by the State of Ohio insurance companies to shareholders without prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus.
- b.

The Company has no preferred stock outstanding.
- c.

Total unassigned surplus is being held for the benefit of Company stockholders.
- d.

The Company does not hold any shares of stock for future use.
- e.

The Company has no surplus debentures outstanding.
- f.

The maximum amount of dividends which can be paid by insurers domiciled in the State of Ohio to policyholders without the prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus.
14. Contingencies
- None

NOTES TO FINANCIAL STATEMENTS

15.	Leases	None
16.	Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk	None
17.	Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities	None
18.	Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans	None
19.	Direct Premium Written/Produced by Managing General Agents/Third Party Administrators	None
20.	Other Items	None
21.	Events Subsequent	Effective May, 2002, the Company merged into Atlantic States Insurance Company. As such, this submission will be the last quarterly statement filed for this entity.
22.	Reinsurance	No significant changes from December 31, 2001.
23.	Retrospectively Rated Contracts	None
24.	High Deductibles	None
25.	Intercompany Pooing Agreements	None
26.	Change in Incurred Losses and Loss Adjustment Expenses	No material changes in development patterns from December 31, 2001.
27.	Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses	None
28.	Structured Settlements	None
29.	Asbestos/Environmental Reserves	None
30.	Subscriber Savings Accounts	None
31.	Financial Guaranty Insurance Exposures	None

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?  
  
If yes, attach an organizational chart.

Yes ( ) No (X)
- 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 has 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?  
  
If yes, attach an explanation.

Yes ( ) No ( ) N/A (X)
- 7.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2000
- 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.

12/31/1995
- 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).

12/31/1995
- 7.4

By what department or departments?

Ohio Insurance Department
- 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)

(Responses to these interrogatories should be based on changes that have occurred since 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 Prior Year-End Statement Value	2 Current Quarter 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 Name of Custodian(s)	2 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 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 Identifiy all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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
.....	.....	.....
.....	.....	.....
.....	.....	.....

GENERAL INTERROGATORIES  
(continued)

PART 2  
PROPERTY AND CASUALTY INTERROGATORIES

1.

If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?  
If yes, attach an explanation.

Yes ( ) No ( ) N/A (X)
2.

Has the reporting entity reinsured any risk with any other reporting 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?  
If yes, attach an explanation.

Yes ( ) No (X)
- 3.1

Have any of the reporting entity's primary reinsurance contracts been cancelled?

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 Discount Schedule.

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 .....	393,400			402,467
2. Increase (decrease) by adjustment .....	(2,271)			(9,067)
3. Cost of acquired .....				
4. Cost of additions to and permanent improvements .....	2,000			
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 .....	393,129			393,400
9. Total valuation allowance .....				
10. Subtotal (Line 8 plus Line 9) .....	393,129			393,400
11. Total nonadmitted amounts .....				
12. Statement value, current period (Page 2, real estate lines, current period) .....	393,129			393,400

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 int .....				
2. Amount loaned during period:				
2.1 Actual cost at time of acquisitions .....				
2.2 Additional investment made after acquisit .....				
3. Accrual of discount and mortgage interest poi .....				
4. Increase (decrease) by adjustment .....				
5. Total profit (loss) on sale .....				
6. Amounts paid on account or in full during the .....				
7. Amortization of premium .....				
8. Increase (decrease) by foreign exchange adjust .....				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....				
10. Total valuation allowance .....				
11. Subtotal (Line 9 plus Line 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

Description	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 inve .....				
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions .....				
2.2 Additional investment made after acquisit .....				
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 .....				
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 (Line 9 plus Line 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	2	3	4	5	6	7	8
	Statement Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Statement Value End of First Quarter	Statement Value End of Second Quarter	Statement Value End of Third Quarter	Statement Value December 31 Prior Year
BONDS								
1. Class 1 .....	8,496,454	4,004,861	4,095,899	(1,774)	8,403,642			8,496,454
2. Class 2 .....								
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds .....	8,496,454	4,004,861	4,095,899	(1,774)	8,403,642			8,496,454
PREFERRED STOCK								
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 .....	8,496,454	4,004,861	4,095,899	(1,774)	8,403,642			8,496,454

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999 Totals .....	788,476	X X X	788,476	3,234	

SCHEDULE DA - PART 2 - VERIFICATION

Short-Term Investments Owned

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book / adjusted carrying value, beginning of period .....	510,563			249,022
2. Cost of short-term investments acquired .....	3,506,115			6,892,941
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 .....	3,228,202			6,631,400
7. Book / adjusted carrying value, current period .....	788,476			510,563
8. Total valuation allowance .....				
9. Subtotal (Line 7 plus Line 8) .....	788,476			510,563
10. Total nonadmitted amounts .....				
11. Statement value (Line 9 minus Line 10) .....	788,476			510,563
12. Income collected during period .....	3,234			17,606
13. Income earned during period .....	2,751			16,931

**Page 13**

Sch. DB, Pt. F, Sn. 1, Summary Replicated (Syn.) Assets Open  
**NONE**

**Page 14**

Sch. DB, Pt. F, Sn. 2, Reconciliation Replicated (Syn.) Assets  
**NONE**

**Page 15**

Schedule F - Ceded Reinsurance  
**NONE**

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		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	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	Yes					
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	No					
34. North Carolina .....	NC	No					
35. North Dakota .....	ND	No					
36. Ohio .....	OH	Yes	1,328,139	743,516	531,599	557,743	1,031,739
37. Oklahoma .....	OK	No					942,381
38. Oregon .....	OR	No					
39. Pennsylvania .....	PA	Yes	606,403	593,994	393,299	391,330	4,457,077
40. Rhode Island .....	RI	No					3,154,566
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 Alien .....	OT	X X X					
58. Totals .....	(a)	3	1,934,542	1,337,510	924,898	949,073	5,488,816
58. Totals .....							4,096,947
DETAILS OF WRITE-INS							
5701. ....	X X X						
5702. ....	X X X						
5703. ....	X X X						
5798. Summary of remaining write-ins for Line 57 from overflow page ..	X X X						
5799. TOTALS (Lines 5701 through 5703 plus Line 5798)(Line 57 above) ..	X X X						

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

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	Prior Year to Date Direct Loss Percentage
1. Fire .....	14,155			70.4
2. Allied lines .....	6,202	4,875	78.6	(2.0)
3. Farmowners multiple peril .....	80,163	23,801	29.7	139.0
4. Homeowners multiple peril .....	331,205	298,098	90.0	45.8
5. Commercial multiple peril .....	150,916	34,276	22.7	3.4
6. Mortgage guaranty .....				
8. Ocean marine .....				
9. Inland marine .....	18,522			22.6
10. Financial guaranty .....				
11.1 Medical malpractice-occurrence .....				
11.2 Medical malpractice-claims made .....				
12. Earthquake .....	4,927			
13. Group accident and health .....				
14. Credit accident and health .....				
15. Other accident and health .....				
16. Workers' compensation .....	502,868	449,671	89.4	117.2
17.1 Other liability-occurrence .....	12,619	(2,500)	(19.8)	
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 .....	195,746	127,517	65.1	119.3
19.3, 19.4 Commercial auto liability .....	12,414	2,215	17.8	
21. Auto physical damage .....	167,858	95,693	57.0	110.2
22. Aircraft (all perils) .....				
23. Fidelity .....				
24. Surety .....				
26. Burglary and theft .....				
27. Boiler and machinery .....	1,673			
28. Credit .....				
29. International .....				
30. Reinsurance-Nonproportional Assumed Property .....	X X X	X X X	X X X	X X X
31. Reinsurance-Nonproportional Assumed Liability .....	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X	X X X	X X X	X X X
33. Aggregate write-ins for other lines of business .....				
34. TOTALS .....	1,499,268	1,033,646	68.9	92.6
DETAILS OF WRITE-INS .....				
3301. ....				
3302. ....				
3303. ....				
3398. Summary of remaining write-ins for Line 33 from overflow page .....				
3399. Totals (Lines 3301 through 3303 plus Line 3398) (Line 33) .....				

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire .....	20,597	20,597	18,748
2. Allied lines .....	8,351	8,351	8,155
3. Farmowners multiple peril .....	108,084	108,084	84,436
4. Homeowners multiple peril .....	332,329	332,329	228,959
5. Commercial multiple peril .....	423,333	423,333	101,928
6. Mortgage guaranty .....			
8. Ocean marine .....			
9. Inland marine .....	17,950	17,950	13,358
10. Financial guaranty .....			
11.1 Medical malpractice-occurrence .....			
11.2 Medical malpractice-claims made .....			
12. Earthquake .....	4,546	4,546	3,782
13. Group accident and health .....			
14. Credit accident and health .....			
15. Other accident and health .....			
16. Workers' compensation .....	606,403	606,403	593,994
17.1 Other liability-occurrence .....	15,968	15,968	11,490
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 .....	214,115	214,115	142,355
19.3, 19.4 Commercial auto liability .....	(5,877)	(5,877)	
21. Auto physical damage .....	185,757	185,757	128,127
22. Aircraft (all perils) .....			
23. Fidelity .....			
24. Surety .....			
26. Burglary and theft .....			
27. Boiler and machinery .....	2,986	2,986	2,178
28. Credit .....			
29. International .....			
30. Reinsurance-Nonproportional Assumed Property .....	X X X	X X X	X X X
31. Reinsurance-Nonproportional Assumed Liability .....	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X	X X X	X X X
33. Aggregate write-ins for other lines of business .....			
34. TOTALS .....	1,934,542	1,934,542	1,337,510
DETAILS OF WRITE-INS .....			
3301. ....			
3302. ....			
3303. ....			
3398. Summary of remaining write-ins for Line 33 from overflow page .....			
3399. Totals (Lines 3301 through 3303 plus Line 3398) (Line 33) .....			



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 plus 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 plus 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 plus 8 plus 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 plus 7 minus Col. 1)	Prior-Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 plus 8 plus 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency(c) (Cols. 11 plus 12)
1. 1999 + Prior	175	40	215	(29)	(15)	(44)	152	14	55	221	(52)	14	(38)
2. 2000	202	108	310	51	9	60	104	5	85	194	(47)	(9)	(56)
3. Subtotals 2000 + prior	377	148	525	22	(6)	16	256	19	140	415	(99)	5	(94)
4. 2001	1,036	617	1,653	350	196	546	537	94	270	901	(149)	(57)	(206)
5. Subtotals 2001 + prior	1,413	765	2,178	372	190	562	793	113	410	1,316	(248)	(52)	(300)
6. 2002	X X X	X X X	X X X	X X X	295	295	X X X	348	318	666	X X X	X X X	X X X
7. Totals	1,413	765	2,178	372	485	857	793	461	728	1,982	(248)	(52)	(300)
8. Prior Year-End's Surplus As Regards Policy-holders	5,524										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. .... (17.6)%	2. .... (6.8)%	3. .... (13.8)%
													Col. 13 , Line 7 Line 8
													4. .... (5.4)%

(a) Should Equal Prior Year-End Annual Statement; Page 3, Column 1, Lines 1 plus 3  
(b) Should Equal Quarterly Statement Page 3, Column 1, Lines 1 and 3  
(c) Should Also Equal Columns 6 plus 10 less Column 3 for Lines A through E 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.

1. Will the SVO Compliance Certification be filed with this statement?

RESPONSES

Yes

EXPLANATION:

BARCODE:

Document Identifier 470:

2. Will the Trusted Surplus Statement be filed with the state of domicile and the NAIC with this statement?

No

EXPLANATION:

BARCODE:

2. Document Identifier 490:



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

No

EXPLANATION:

BARCODE:

3. Document Identifier 450:



**Page E01**

Sch. A, Pt. 2, Real Estate Acquired  
**NONE**

Sch. A, Pt. 3, Real Estate Sold  
**NONE**

**Page E02**

Schedule B, Part 1, Mortgage Loans Acquired  
**NONE**

Schedule B, Part 2, Mortgage Loans Sold  
**NONE**

**Page E03**

Sch. BA, Pt. 1, Other Long-Term Invested Assets Acquired  
**NONE**

Sch. BA, Pt. 2, Other Long-Term Invested Assets Sold  
**NONE**

SCHEDULE D - PART 3

Show All Long-term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)
Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions								
SPECIAL REVENUE AND ASSESSMENTS - U.S.								
U.S. GOVERNMENT								
3133ML-R5-6	FEDERAL HOME LOAN BANK BONDS	02/07/2002	VINING SPARKS		250,000	250,000		1
	STATE TOTAL				250,000	250,000		
	COUNTRY TOTAL - U.S.				250,000	250,000		
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions				250,000	250,000		
Bonds - Industrial and Miscellaneous								
INDUSTRIAL & MISCELLANEOUS - U.S.								
36962G-XR-0	GENERAL ELECTRIC CAPITAL NOTES	02/13/2002	MORGAN KEEGAN & CO.		248,746	250,000	139	1
	COUNTRY TOTAL - U.S.				248,746	250,000	139	
4599999	Subtotal - Bonds - Industrial and Miscellaneous				248,746	250,000	139	
6099997	Subtotal - Bonds - Part 3				498,746	500,000	139	
6099999	Subtotal - Bonds				498,746	500,000	139	
7299999	TOTALS				498,746		139	

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identif- ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designa- tion (a)
Bonds - U.S. Governments																
US GOVERNMENT OBLIGATIONS - U.S.																
912827-2L-5	U. S. TREASURY NOTES	02/28/2002	MATURED		250,000	250,000.00	248,438	250,000	60					7,813		1
	COUNTRY TOTAL - U.S.				250,000	250,000.00	248,438	250,000	60					7,813		
0399999	Subtotal - Bonds - U.S. Governments				250,000	250,000.00	248,438	250,000	60					7,813		
Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																
SPECIAL REVENUE AND ASSESSMENTS - U.S.																
U.S. GOVERNMENT																
31282U-XB-8	FGM 90674	03/15/2002	PRINCIPAL RECEIPT		29,690	29,690.00	30,404	29,690	(717)					164		1
312915-TB-7	FEDERAL HOME LOAN MTG. CORP.	03/15/2002	PRINCIPAL RECEIPT		18,003	18,003.00	17,947	18,003	48					134		1
313395-DJ-1	FEDERAL HOME LOAN BANK BONDS	01/08/2002	MATURED		250,000	250,000.00	250,000	250,000						8,100		1
3133MA-V2-2	FEDERAL HOME LOAN BANK BONDS	02/25/2002	CALLED		250,000	250,000.00	250,000	250,000						9,313		1
31358U-LF-1	FEDERAL NATIONAL MTG. ASSOC.	03/25/2002	VAR		39,405	39,405.00	39,676	39,345	23			60	60	432		1
31358U-RC-2	FEDERAL NATIONAL MTG. ASSOC.	02/25/2002	VAR		30,747	30,747.00	30,863	30,659	36			88	88	280		1
	STATE TOTAL				617,845	617,845.00	618,889	617,697	(610)			148	148	18,422		
	COUNTRY TOTAL - U.S.				617,845	617,845.00	618,889	617,697	(610)			148	148	18,422		
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions				617,845	617,845.00	618,889	617,697	(610)			148	148	18,422		
6099997	Subtotal - Bonds - Part 4				867,845	867,845.00	867,327	867,697	(550)			148	148	26,235		
6099999	Subtotal - Bonds				867,845	867,845.00	867,327	867,697	(550)			148	148	26,235		
7299999	TOTALS				867,845		867,327	867,697	(550)			148	148	26,235		

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

**Page E06**

Schedule DB, Part A, Section 1  
**NONE**

Schedule DB, Part B, Section 1  
**NONE**

**Page E07**

Schedule DB, Part C, Section 1  
**NONE**

Schedule 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			
Depository					Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	5	6	7	*
Name	Location and Supplemental Information							First Month	Second Month	Third Month	
Open Depositories											
FARMERS FIRST BANK	LITITZ, PA				1,804	1,804	1,804				
PROVINCE BANK	MARIETTA, PA	VARIOUS	963		325,145	328,857	40,944				
0199999	TOTAL - Open Depositories		963		326,949	330,661	42,748				
0399999	TOTAL Cash on Deposit		963		326,949	330,661	42,748				
0499999	Cash in Company's Office				175	175	175				
0599999	TOTALS		963		327,124	330,836	42,923				