



QUARTERLY STATEMENT

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

PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

NAIC Group Code	0944 <small>(Current Period)</small>	0944 <small>(Prior Period)</small>	NAIC Company Code	22906	Employer's ID Number	62-1482846
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	Ohio	
Country of Domicile	United States of America					
Incorporated	12/18/1991		Commenced Business	04/09/1992		
Statutory Home Office	9700 Rockside Rd., Suite 250 <small>(Street and Number)</small>			Valley View, OH 44125 <small>(City or Town, State and Zip Code)</small>		
Main Administrative Office	301 Plus Park Blvd., Suite 10 <small>(Street and Number)</small>			615-242-1961 <small>(Area Code) (Telephone Number) (Extension)</small>		
	Nashville, TN 37217 <small>(City or Town, State and Zip Code)</small>					
Mail Address	P.O. Box 305054 <small>(Street and Number or P.O. Box)</small>			Nashville, TN 37230-5054 <small>(City or Town, State and Zip Code)</small>		
Primary Location of Books and Records	301 Plus Park Blvd., Suite 10 <small>(Street and Number)</small>			615-242-1961 <small>(Area Code) (Telephone Number)</small>		
	Nashville, TN 37217 <small>(City or Town, State and Zip Code)</small>					
Internet Website Address	www.pgac.com					
Statement Contact	BRIAN MICHAEL DONOVAN <small>(Name)</small>			615-744-1271 <small>(Area Code) (Telephone Number) (Extension)</small>		
	BDonovan@pgac.com <small>(E-mail Address)</small>			615-366-1718 <small>(FAX Number)</small>		
Policyowner Relations Contact	301 Plus Park Blvd, Suite 10 <small>(Street and Number)</small>			615-744-1401 <small>(Area Code) (Telephone Number) (Extension)</small>		
	Nashville, TN 37217 <small>(City or Town, State and Zip Code)</small>					

OFFICERS

PRESIDENT	RANDY PHILIP PARKER	SECRETARY	WILLIAM PAUL MORELLI
TREASURER	WILLIAM MITCHELL ROBERT		

VICE PRESIDENTS

DAVID LEE HETTINGER SR.	ALISON WALKER GARRETSON	BRIAN MICHAEL DONOVAN
JOHN BRUCE ALLYN	DOUGLAS ALLEN MARKEL	GREGORY SWAN REICHERT
LARRY JOHN LAUDER	CHARLES WESLEY KIRKLAND, JR	ANDREW PETER MARTIN
MICHAEL JUDE MILLER		

DIRECTORS OR TRUSTEES

ORRIN HENRY INGRAM	JOHN RIVERS INGRAM	STEVEN JUDE MASON
RANDY PHILIP PARKER	ROBERT WILLIAM MITCHELL	

State of TENNESSEE }  
County of DAVIDSON } ss

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

RANDY P. PARKER PRESIDENT	WILLIAM P. MORELLI SECRETARY	ROBERT W. MITCHELL TREASURER
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Subscribed and sworn to before me this  
14 day of MAY, 2002

MARIE S. FERRELL  
NOTARY AT LARGE  
JANUARY 25, 2003

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 .....	4,831,593		4,831,593	4,262,754
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	644,877		644,877	622,273
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) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ ..... and short-term investments \$ .....13,342,181 ) .....	13,342,181		13,342,181	9,141,658
6. Other invested assets .....				
7. Receivable for securities .....	1,448		1,448	
8. Aggregate write-ins for invested assets .....				
9. Subtotals, cash and invested assets (Lines 1 to 8) .....	18,820,099		18,820,099	14,026,685
10. Agents' balances or uncollected premiums				
10.1 Premiums and agents' balances in course of collection .....	2,149,582		2,149,582	13,426,827
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	13,608,300		13,608,300	10,175,490
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 .....	2,150,583		2,150,583	2,841,119
15. Federal and foreign income tax recoverable and interest thereon (including \$ .....1,442,765 net deferred tax asset).....	1,442,765	588,656	854,109	598,940
16. Guaranty funds receivable or on deposit.....				
17. Electronic data processing equipment and software.....				
18. Interest, dividends and real estate income due and accrued .....	49,750		49,750	47,825
19. Net adjustments in assets and liabilities due to foreign exchange rates .....				
20. Receivable from parent, subsidiaries and affiliates .....	9,651,985		9,651,985	5,267,537
21. Amounts due from /to protected cells .....				
22. Equities and deposits in pools and associations .....				
23. Amounts receivable relating to uninsured accident and health plans.....				
24. Other assets nonadmitted .....				
25. Aggregate write-ins for other than invested assets .....				
26. Total assets excluding protected cell assets (Lines 9 through 25) .....	47,873,064	588,656	47,284,408	46,384,423
27. Protected cell assets .....				
28. TOTALS (Lines 26 and 27)	47,873,064	588,656	47,284,408	46,384,423
DETAILS OF WRITE-INS				
0801. ....				
0802. ....				
0803. ....				
0898. Summary of remaining write-ins for Line 8 from overflow page .....				
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)				
2501. ....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....3,859,545 ) .....	7,756,402	7,813,299
2. Reinsurance payable on paid losses and loss adjustment expenses .....	1,815,495	4,034,370
3. Loss adjustment expenses .....	1,570,404	1,466,210
4. Commissions payable, contingent commissions and other similar charges .....	1,994,387	1,770,123
5. Other expenses (excluding taxes, licenses and fees) .....	4,704	9,999
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	162,499	33,974
7. Federal and foreign income taxes [including \$ ..... on realized capital gains (losses)] (including \$ ..... net deferred tax liability) .....	481,549	482,022
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....17,236,827 and including warranty reserves of \$ ..... ) .....	15,435,685	13,369,737
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	9,384,259	8,839,041
13. Funds held by company under reinsurance treaties .....		
14. Amounts withheld or retained by company for account of others .....		
15. Remittances and items not allocated .....		
16. Provision for reinsurance .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....		
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 .....	24,564	24,564
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23) .....	38,629,948	37,843,339
25. Protected cell liabilities .....		
26. Total liabilities (Lines 24 and 25) .....	38,629,948	37,843,339
27. Aggregate write-ins for special surplus funds .....		
28. Common capital stock .....	1,000,000	1,000,000
29. Preferred capital stock .....		
30. Aggregate write-ins for other than special surplus funds .....		
31. Surplus notes .....		
32. Gross paid in and contributed surplus .....	8,500,000	8,500,000
33. Unassigned funds (surplus) .....	(845,540)	(958,916)
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) .....	8,654,460	8,541,084
36. TOTALS .....	47,284,408	46,384,423
<b>DETAILS OF WRITE-INS</b>		
2301. UNCLAIMED PROPERTY .....	24,564	24,564
2302. ....		
2303. ....		
2398. Summary of remaining write-ins for Line 23 from overflow page .....		
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above) .....	24,564	24,564
2701. ....		
2702. ....		
2703. ....		
2798. Summary of remaining write-ins for Line 27 from overflow page .....		
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....		
3001. ....		
3002. ....		
3003. ....		
3098. Summary of remaining write-ins for Line 30 from overflow page .....		
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above) .....		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 11,508,549 )	7,447,952	5,866,663	25,832,880
1.2 Assumed (written \$ 9,723,162 )	7,657,214	2,092,477	22,816,599
1.3 Ceded (written \$ 11,495,369 )	7,434,772	5,856,133	25,832,880
1.4 Net (written \$ 9,736,342 )	7,670,394	2,103,007	22,816,599
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 5,724,601 ):			
2.1 Direct	4,687,980	4,383,527	17,874,386
2.2 Assumed	4,857,431	1,436,321	16,260,657
2.3 Ceded	4,847,996	4,383,527	16,771,706
2.4 Net	4,697,415	1,436,321	17,363,337
3. Loss expenses incurred	673,025	213,495	2,219,282
4. Other underwriting expenses incurred	2,288,194	1,473,515	7,029,630
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2.4 thru 5)	7,658,634	3,123,331	26,612,249
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7)	11,760	(1,020,324)	(3,795,650)
INVESTMENT INCOME			
9. Net investment income earned	74,141	71,730	296,625
10. Net realized capital gains or (losses)		10,364	107,943
11. Net investment gain (loss) (Lines 9 + 10)	74,141	82,094	404,568
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	246,267	107,545	687,869
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)	246,267	107,545	687,869
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)	332,168	(830,685)	(2,703,213)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	332,168	(830,685)	(2,703,213)
19. Federal and foreign income taxes incurred	613,772	(173,569)	286,769
20. Net income (Line 18 minus Line 19)(to Line 22)	(281,604)	(657,116)	(2,989,982)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	8,541,084	5,989,399	5,989,399
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	(281,604)	(657,116)	(2,989,982)
23. Net unrealized capital gains or losses	22,604	(82,196)	(57,273)
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	318,428	346,669	318,074
26. Change in nonadmitted assets	(90,352)	(28,595)	
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	144,300	280,866	280,866
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			5,000,000
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)	113,376	(140,372)	2,551,685
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	8,654,460	5,849,027	8,541,084
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)			
1401. MISCELLANEOUS INCOME		0	0
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)			
3601.			
3602.			
3603.			
3698. Summary of remaining write-ins for Line 36 from overflow page			
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above)			

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	17,580,777	8,916,234
2. Loss and loss adjustment expenses paid (net of salvage and subrogation) .....	6,851,482	7,960,530
3. Underwriting expenses paid .....	1,823,491	5,163,305
4. Other underwriting income (expenses) .....		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) .....	8,905,804	(4,207,601)
6. Net investment income .....	75,166	300,668
7. Other income (expenses):		
7.1 Agents' balances charged off .....		
7.2 Net funds held under reinsurance treaties .....		
7.3 Net amount withheld or retained for account of others .....		
7.4 Aggregate write-ins for miscellaneous items .....	246,267	687,869
7.5 Total other income (Lines 7.1 to 7.4) .....	246,267	687,869
8. Dividends to policyholders on direct business , less \$ ..... dividends on reinsurance assumed or ceded (net) .....		
9. Federal and foreign income taxes (paid) recovered .....	(614,245)	367,442
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9) .....	8,612,992	(2,851,622)
<b>Cash from Investments</b>		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds .....	28,034	2,539,797
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) .....	28,034	2,539,797
12. Cost of investments acquired (long-term only):		
12.1 Bonds .....	599,825	3,286,838
12.2 Stocks .....		297,695
12.3 Mortgage loans .....		
12.4 Real estate .....		
12.5 Other invested assets .....		
12.6 Miscellaneous applications .....		
12.7 Total investments acquired (Lines 12.1 to 12.6) .....	599,825	3,584,533
13. Net Cash from investments (Line 11.8 minus Line 12.7) .....	(571,791)	(1,044,736)
<b>Cash from Financing and Miscellaneous Sources</b>		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in .....		5,000,000
14.2 Capital notes \$ ..... less amounts repaid \$ .....		
14.3 Net transfers from affiliates .....	0	
14.4 Borrowed funds received .....		
14.5 Other cash provided .....	545,218	8,839,041
14.6 Total (Lines 14.1 to 14.5) .....	545,218	13,839,041
15. Cash applied:		
15.1 Dividends to stockholders paid .....		
15.2 Net transfers to affiliates .....	4,384,448	7,141,361
15.3 Borrowed funds repaid .....		
15.4 Other applications .....	1,448	
15.5 Total (Lines 15.1 to 15.4) .....	4,385,896	7,141,361
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5) .....	(3,840,678)	6,697,680
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16) .....	4,200,523	2,801,322
18. Cash and short-term investments:		
18.1 Beginning of year .....	9,141,658	6,340,336
18.2 End of year (Line 17 plus Line 18.1) .....	13,342,181	9,141,658
<b>DETAILS OF WRITE-INS</b>		
07.401 FEE INCOME .....	246,267	687,869
07.402 MISCELLANEOUS INCOME .....		0
07.403 .....		
07.498 Summary of remaining write-ins for Line 7.4 from overflow page .....		
07.499 Totals (Lines 07.401 thru 07.403 plus 07.498) (Line 7.4 above) .....	246,267	687,869

NOTES TO FINANCIAL STATEMENTS

1. Accounting Practices

- A. The accompanying financial statements of Permanent General Assurance Corporation of Ohio (PGAC of Ohio) have been prepared in accordance with the NAIC Accounting Practices and Procedures manual 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 requires management to 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.

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct 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.

- (1) Short-term investments are stated at cost.
- (2) Bonds are stated at amortized cost using the yield to maturity method.
- (3) Common stocks are stated at market value.
- (4) The company holds no preferred stock as of the statement date.
- (5) The company holds no mortgage loans.
- (6) The company holds no loan backed securities
- (7) The company holds no investments in subsidiaries or affiliated companies.
- (8) Reserve for losses represents the estimated liability for claims reported to the Company and an amount, based on actuarially determined reserves for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.

2. Disclosure for Insurers Upon Initial Implementation of Codification:

The Company prepares its statutory financial statements in conformity with accounting practices prescribed in the NAIC Accounting Practices and Procedures manual subject to any deviations prescribed or permitted by the State of Ohio Insurance Commissioner

Accounting changes adopted to conform to the provisions of the NAIC Accounting Practices and Procedures manual are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. As a result of these changes, the Company reported a change of accounting principle, as an adjustment that increased unassigned funds (surplus), of \$144,300 as of January 1, 2002. For the quarter ending 3/31/02, the total adjustment to unassigned funds is \$854,109 which relates to the implementation of codification (specifically the recognition of a Deferred Tax Asset).

3. Income Taxes

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

(1) Total of all deferred tax assets (admitted and nonadmitted)	\$1,442,765
(2) Total of all deferred tax liabilities	0
(3) Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	588,656
(4) Increase(decrease) in deferred tax assets nonadmitted	90,352
(5) Total of deferred tax assets nonadmitted in accordance with state prescribed amounts.	0

- B. Deferred tax liabilities are not recognized within the Companies financials.

- C. The components of incurred income tax expense and the change in DTAs and DTLs are as follows:

	2002
(1) Current Income Tax Expense (benefit)	\$613,772
Change in DTAs	\$ 318,428
Change in DTLs	\$ 0
(2) Net change in deferred taxes (Page 4, Line 25)	\$ 318,428
(3) Deferred income taxes include a benefit of \$0 from net operating losses	

- D. The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled bi-monthly.

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES  
GENERAL

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

1.2 If yes, explain: .....  
.....

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

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

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

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

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

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

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

1 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 [X] NA [ ]  
If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/1999

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. .... 12/31/1999

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). .... 01/31/2001

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

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

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

GENERAL INTERROGATORIES

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

INVESTMENT

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

9.2 If yes, explain:  
.....

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

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

11. Amount of real estate and mortgages held in other invested assets in Schedule BA: .....\$ .....0

12. Amount of real estate and mortgages held in short-term investments: .....\$ .....0

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 .....	\$ .....0	\$ .....0
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....	\$ .....598,940	\$ .....854,109

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
Fleet National Bank.....	One Federal Street, Boston, MA. 02211.....

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



GENERAL INTERROGATORIES  
(continued)

PART 2  
PROPERTY & CASUALTY INTERROGATORIES

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

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

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes [ ] No [X]

3.2 If yes, give full and complete information thereto.  
.....

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

4.2 If yes, complete the following schedule:

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

SCHEDULE A - VERIFICATION

	1 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 .....	NONE			
2. Increase (decrease) by adjustment .....				
3. Cost of acquired .....				
4. Cost of additions to and permanent improvements .....				
5. Total profit (loss) on sales .....				
6. Increase (decrease) by foreign exchange adjustment .....				
7. Amount received on sales .....				
8. Book/adjusted carrying value at end of current period .....				
9. Total valuation allowance .....				
10. Subtotal (Lines 8 plus 9) .....				
11. Total nonadmitted amounts .....				
12. Statement value, current period (Page 2, real estate lines, current period)				

SCHEDULE B - VERIFICATION

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

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

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

STATEMENT AS OF MARCH 31, 2002 OF THE Permanent General Assurance Corporation of Ohio

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
<b>BONDS</b>								
1. Class 1 .....	3,769,662	14,452,515	540,252	(3,522)	17,678,403			3,769,662
2. Class 2 .....	494,802		0	571	495,373			494,802
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds	4,264,464	14,452,515	540,252	(2,951)	18,173,776			4,264,464
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	4,264,464	14,452,515	540,252	(2,951)	18,173,776			4,264,464

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	13,342,181	XXX	13,342,181	309	

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 .....	1,709			6,959,766
2. Cost of short-term investments acquired .....	13,852,690			7,048,149
3. Increase (decrease) by adjustment .....				(5,695,000)
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 .....	512,218			8,311,206
7. Book/adjusted carrying value, current period .....	13,342,181			1,709
8. Total valuation allowance .....				
9. Subtotal (Lines 7 plus 8) .....	13,342,181			1,709
10. Total nonadmitted amounts .....				
11. Statement value (Lines 9 minus 10) .....	13,342,181			1,709
12. Income collected during period .....	2,700			27,903
13. Income earned during period .....	4,556			23,356

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

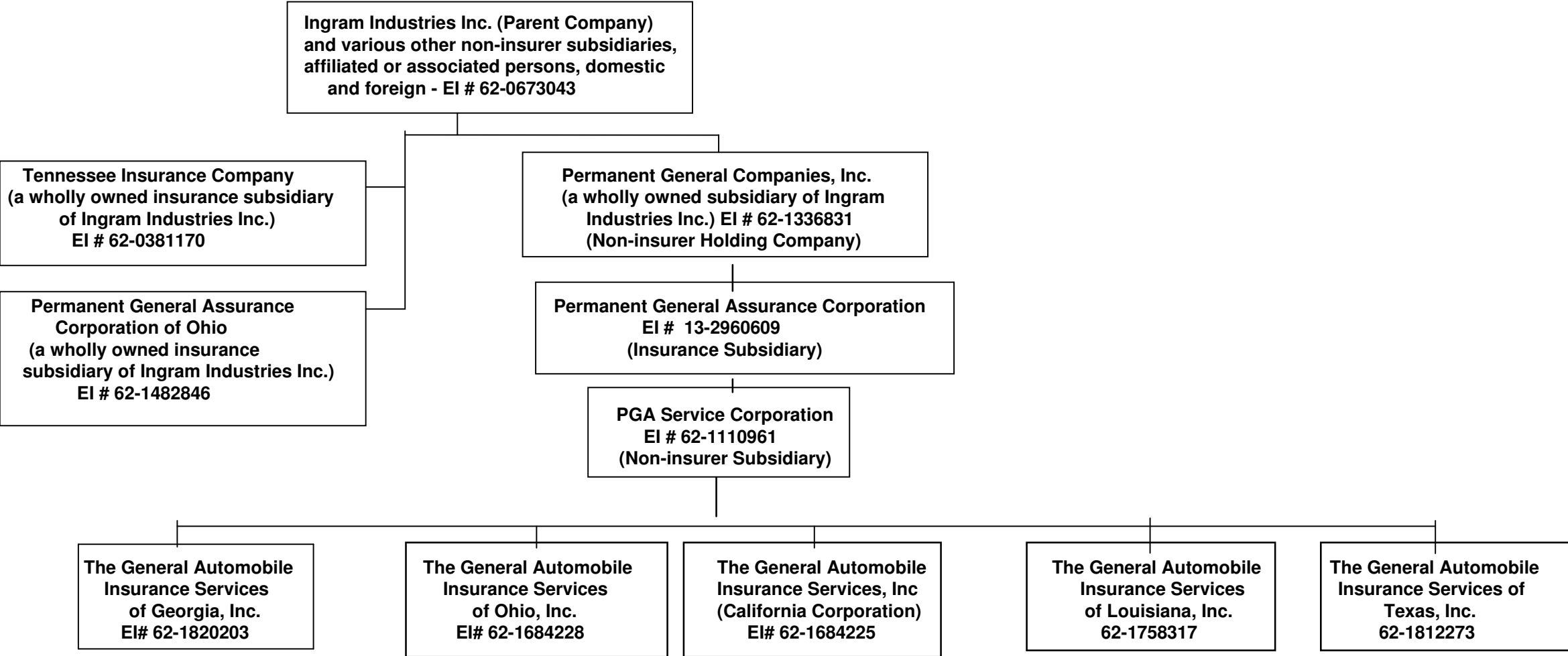


SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

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	No					
16. Iowa .....	IA	No					
17. Kansas .....	KS	No					
18. Kentucky .....	KY	No					
19. Louisiana .....	LA	No					
20. Maine .....	ME	No					
21. Maryland .....	MD	No					
22. Massachusetts .....	MA	No					
23. Michigan .....	MI	No					
24. Minnesota .....	MN	No					
25. Mississippi .....	MS	No					
26. Missouri .....	MO	No					
27. Montana .....	MT	No					
28. Nebraska .....	NE	No					
29. Nevada .....	NV	No					
30. New Hampshire .....	NH	No					
31. New Jersey .....	NJ	No					
32. New Mexico .....	NM	No					
33. New York .....	NY	No					
34. North Carolina .....	NC	No					
35. North Dakota .....	ND	No					
36. Ohio .....	OH	Yes	11,508,549	9,443,516	4,506,351	4,371,437	10,584,486
37. Oklahoma .....	OK	No					
38. Oregon .....	OR	No					
39. Pennsylvania .....	PA	No					
40. Rhode Island .....	RI	No					
41. South Carolina .....	SC	No					
42. South Dakota .....	SD	No					
43. Tennessee .....	TN	No					
44. Texas .....	TX	No					
45. Utah .....	UT	No					
46. Vermont .....	VT	No					
47. Virginia .....	VA	No					
48. Washington .....	WA	No					
49. West Virginia .....	WV	No					
50. Wisconsin .....	WI	No					
51. Wyoming .....	WY	No					
52. American Samoa .....	AS	No					
53. Guam .....	GU	No					
54. Puerto Rico .....	PR	No					
55. U.S. Virgin Islands .....	VI	No					
56. Canada .....	CN	No					
57. Aggregate Other Aliens .....	OT	XXX					
58. Totals	(a) 1	11,508,549	9,443,516	4,506,351	4,371,437	10,584,486	9,776,533
DETAILS OF WRITE-INS							
5701. ....	XXX						
5702. ....	XXX						
5703. ....	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page.	XXX						
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)	XXX						

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

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





PART 1 - LOSS EXPERIENCE

Lines of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire .....				
2.	Allied Lines .....				
3.	Farmowners multiple peril .....				
4.	Homeowners multiple peril .....				
5.	Commercial multiple peril .....				
6.	Mortgage guaranty .....				
8.	Ocean marine .....				
9.	Inland marine .....				
10.	Financial guaranty .....				
11.1	Medical malpractice - occurrence .....				
11.2	Medical malpractice - claims-made .....				
12.	Earthquake .....				
13.	Group accident and health .....				
14.	Credit accident and health .....				
15.	Other accident and health .....				
16.	Workers' compensation .....				
17.1	Other liability - occurrence .....				
17.2	Other liability - claims-made .....				
18.1	Products liability - occurrence .....				
18.2	Products liability - claims-made .....				
19.1,19.2	Private passenger auto liability .....	5,089,626	3,197,356	62.8	73.6
19.3,19.4	Commercial auto liability .....				
21.	Auto physical damage .....	2,358,326	1,490,624	63.2	77.2
22.	Aircraft (all perils) .....				
23.	Fidelity .....				
24.	Surety .....				
26.	Burglary and theft .....				
27.	Boiler and machinery .....				
28.	Credit .....				
29.	International .....				
30.	Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX	XXX
31.	Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX	XXX
33.	Aggregate write-ins for other lines of business .....				
34.	Totals .....	7,447,952	4,687,980	62.9	74.7
DETAILS OF WRITE-INS					
3301.	.....				
3302.	.....				
3303.	.....				
3398.	Summary of remaining write-ins for Line 33 from overflow page .....				
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire .....			
2.	Allied Lines .....			
3.	Farmowners multiple peril .....			
4.	Homeowners multiple peril .....			
5.	Commercial multiple peril .....			
6.	Mortgage guaranty .....			
8.	Ocean marine .....			
9.	Inland marine .....			
10.	Financial guaranty .....			
11.1	Medical malpractice - occurrence .....			
11.2	Medical malpractice - claims-made .....			
12.	Earthquake .....			
13.	Group accident and health .....			
14.	Credit accident and health .....			
15.	Other accident and health .....			
16.	Workers' compensation .....			
17.1	Other liability - occurrence .....			
17.2	Other liability - claims-made .....			
18.1	Products liability - occurrence .....			
18.2	Products liability - claims-made .....			
19.1,19.2	Private passenger auto liability .....	7,980,361	7,980,361	6,561,611
19.3,19.4	Commercial auto liability .....			
21.	Auto physical damage .....	3,528,188	3,528,188	2,881,905
22.	Aircraft (all perils) .....			
23.	Fidelity .....			
24.	Surety .....			
26.	Burglary and theft .....			
27.	Boiler and machinery .....			
28.	Credit .....			
29.	International .....			
30.	Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX
31.	Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX
33.	Aggregate write-ins for other lines of business .....			
34.	Totals .....	11,508,549	11,508,549	9,443,516
DETAILS OF WRITE-INS				
3301.	.....			
3302.	.....			
3303.	.....			
3398.	Summary of remaining write-ins for Line 33 from overflow page .....			
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)			

STATEMENT AS OF MARCH 31, 2002 OF THE Permanent General Assurance Corporation of Ohio

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 Reserve Developed (Savings)/ Deficiency (c) (Cols. 11 + 12)
1. 1999 + Prior	744	42	786	60	1	61	190	1	60	251	(494)	20	(474)
2. 2000	1,030	78	1,108	110	2	112	257	1	182	440	(663)	107	(556)
3. Subtotals 2000 + Prior	1,774	120	1,894	170	3	173	447	2	242	691	(1,157)	127	(1,030)
4. 2001	4,981	2,404	7,385	2,735	28	2,763	3,212	33	1,531	4,776	966	(812)	154
5. Subtotals 2001 + Prior	6,755	2,524	9,279	2,905	31	2,936	3,659	35	1,773	5,467	(191)	(685)	(876)
6. 2002	XXX	XXX	XXX	XXX	2,387	2,387	XXX	2,326	1,534	3,860	XXX	XXX	XXX
7. Totals	6,755	2,524	9,279	2,905	2,418	5,323	3,659	2,361	3,307	9,327	(191)	(685)	(876)
8. Prior Year-End's Surplus As Regards Policyholders	8,541										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. (2.8)	2. (27.1)	3. (9.4)
											Col. 13, Line 7 As a % of Col. 1 Line 8		
											4. (10.3)		

(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

RESPONSES

1.

Will the SVO Compliance Certification be filed with this statement?

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

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

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

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

.....No.....

Explanations:

Bar Codes:

Trusteed Surplus Statement (Document Identifier 490) here:



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



OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

## E04

## E04

E04

E04

## SCHEDULE D - PART 4

[illegible]

E05

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule E - Part 1

NONE