



QUARTERLY STATEMENT

AS OF JUNE 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

HARLEYSVILLE INSURANCE COMPANY OF OHIO

NAIC Group Code 0253 0253 NAIC Company Code 10060 Employer's ID Number 31-1411772
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated July 1, 1994 Commenced Business July 1, 1994

Statutory Home Office 10 West Broad Street, Columbus, Ohio 43215-3435
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 355 Maple Avenue, Harleysville, Pennsylvania 19438-2297 215-256-5000
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 355 Maple Avenue, Harleysville, Pennsylvania 19438-2297
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 355 Maple Avenue, Harleysville, Pennsylvania 19438-2297
(Street and Number, City or Town, State and Zip Code)
215-256-5000
(Area Code) (Telephone Number)

Internet Website Address N/A

Statement Contact James J Kaufman 231-946-6390 -7254
(Name) (Area Code) (Telephone Number) (Extension)
jkaufman@harleysvillegroup.com 231-946-0104
(E-Mail Address) (Fax Number)

Policyowner Relations Contact 355 Maple Avenue, Harleysville, Pennsylvania 19438-2297
(Street and Number, City or Town, State and Zip Code)
800-338-8301 -5470
(Area Code) (Telephone Number) (Extension)

OFFICERS

President #Keith Alan Fry
 Secretary Roger Alan Brown
 Treasurer Mark Ralph Cummins

Chairman Walter Raymond Bateman, II CEO Matthew Lee Patkus

VICE PRESIDENTS

Roger Jay Beekley David Keith Bond Joseph Richard Dowd, Jr.
 Douglas Alexander Gaudet Robert Garrett Whitlock, Jr.

DIRECTORS OR TRUSTEES

Walter Raymond Bateman, II Roger Jay Beekley Mark Ralph Cummins
 Douglas Alexander Gaudet Bruce James Magee Matthew Lee Patkus

State of _____ SS
 County of _____

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.

#Keith Alan Fry
 President

Roger Alan Brown
 Secretary

Mark Ralph Cummins
 Treasurer

Subscribed and sworn to before me this _____ day of _____ 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	21,410,162		21,410,162	19,945,380
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	8,458		8,458	8,458
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 (\$				
(\$	845,131		845,131	589,915
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)	22,263,751		22,263,751	20,543,753
10. Agents' balances or uncollected premiums :				
10.1 Premiums and agents' balances in course of collection	1,437,144	313,907	1,123,237	1,124,735
10.2 Premiums, agents' balances and installments booked but deferred and not				
yet due (including \$	2,008,857		2,008,857	2,503,904
earned but unbilled premiums)				
10.3 Accrued retrospective premiums				
11. Funds held by or deposited with reinsured companies	980		980	824
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	31,387		31,387	31,981
15. Federal and foreign income tax recoverable and interest thereon				
(including \$	1,179,052	829,631	349,421	327,103
349,421 net deferred tax asset)				
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software	28,011		28,011	37,971
18. Interest, dividends and real estate income due and accrued	293,544		293,544	301,776
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates	478,817		478,817	590,040
21. Amounts due from/to protected cells				
22. Equities and deposits in pools and associations	8,212		8,212	8,908
23. Amounts receivable relating to uninsured accident and health plans				
24. Other assets nonadmitted	32,109	32,109		
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding protected cell assets (Lines 9 through 25)	27,761,864	1,175,647	26,586,217	25,470,995
27. Protected cell assets				
28. TOTALS (Lines 26 and 27)	27,761,864	1,175,647	26,586,217	25,470,995
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)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 2,062,814)	9,266,833	9,074,380
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	2,084,979	2,048,717
4. Commissions payable, contingent commissions and other similar charges	100,340	144,816
5. Other expenses (excluding taxes, licenses and fees)	(63,644)	85,877
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	172,735	192,562
7. Federal and foreign income taxes, including \$ 2,525 on realized capital gains (losses) (including \$ net deferred tax liability)	218,514	260,849
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 4,761,412 and including warranty reserves of \$)	5,354,323	4,911,690
10. Advance premium	21,642	32,137
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	12,105	6,136
12. Ceded reinsurance premiums payable (net of ceding commissions)	11,835	35,219
13. Funds held by company under reinsurance treaties	105,283	105,283
14. Amounts withheld or retained by company for account of others	63,530	62,453
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	537,550	
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)	17,886,025	16,960,119
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	17,886,025	16,960,119
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	5,000,000	5,000,000
33. Unassigned funds (surplus)	2,700,192	2,510,876
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)	8,700,192	8,510,876
36. TOTALS	26,586,217	25,470,995
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 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 5,114,692)	7,044,129	8,500,907	16,741,940
1.2 Assumed (written \$ 5,646,762)	5,203,014	5,011,979	10,257,869
1.3 Ceded (written \$ 5,176,979)	7,105,300	8,559,463	16,862,442
1.4 Net (written \$ 5,584,475)	5,141,843	4,953,423	10,137,367
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 2,938,446):			
2.1 Direct	5,516,193	7,665,681	14,383,429
2.2 Assumed	2,897,848	3,105,486	6,292,026
2.3 Ceded	5,523,284	7,746,786	14,511,451
2.4 Net	2,890,757	3,024,381	6,164,004
3. Loss expenses incurred	651,984	498,680	1,055,735
4. Other underwriting expenses incurred	1,809,846	1,690,693	3,377,930
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	5,352,587	5,213,754	10,597,669
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(210,744)	(260,331)	(460,302)
INVESTMENT INCOME			
9. Net investment income earned	587,101	579,929	1,180,803
10. Net realized capital gains (losses)	15,615	(56,455)	(35,102)
11. Net investment gain (loss) (Lines 9 plus 10)	602,716	523,474	1,145,701
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 4,875 amount charged off \$ 7,870)	(2,995)	7,887	13,861
13. Finance and service charges not included in premiums	34,383	44,844	97,894
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)	31,388	52,731	111,755
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 plus 11 plus 15)	423,360	315,874	797,154
17. Dividends to policyholders	32,677	28,993	46,631
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	390,683	286,881	750,523
19. Federal and foreign income taxes incurred	83,656	52,503	138,546
20. Net income (Line 18 minus Line 19) (to Line 22)	307,027	234,378	611,977
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	8,510,876	7,687,998	7,687,998
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	307,027	234,378	611,977
23. Net unrealized capital gains or losses			(2,820)
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	13,551	26,989	189,781
26. Change in nonadmitted assets	(131,262)	91,427	(122,226)
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		391,882	146,166
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)	189,316	744,676	822,878
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	8,700,192	8,432,674	8,510,876
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	5,901,315	11,152,027
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	3,313,432	7,131,248
3. Underwriting expenses paid	2,023,669	3,358,325
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	564,214	662,454
6. Net investment income	595,709	1,183,400
7. Other income (expenses):		
7.1 Agents' balances charged off	(2,995)	13,861
7.2 Net funds held under reinsurance treaties	(156)	11,667
7.3 Net amount withheld or retained for account of others	1,077	10,836
7.4 Aggregate write-ins for miscellaneous items	35,079	94,849
7.5 Total other income (Lines 7.1 to 7.4)	33,005	131,213
8. Dividends to policyholders on direct business, less \$ 26,708 dividends on reinsurance assumed or ceded (net)	26,708	48,812
9. Federal and foreign income taxes (paid) recovered	(125,991)	
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	1,040,229	1,928,255
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	1,358,607	4,454,852
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)	1,358,607	4,454,852
12. Cost of investments acquired (long-term only):		
12.1 Bonds	2,806,091	5,318,549
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications	(537,550)	
12.7 Total investments acquired (Lines 12.1 to 12.6)	2,268,541	5,318,549
13. Net cash from investments (Line 11.8 minus Line 12.7)	(909,934)	(863,697)
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	111,223	
14.4 Borrowed funds received		
14.5 Other cash provided	15,757	95,434
14.6 Total (Lines 14.1 to 14.5)	126,980	95,434
15. Cash applied:		
15.1 Dividends to stockholders paid		
15.2 Net transfers to affiliates		928,397
15.3 Borrowed funds repaid		
15.4 Other applications	2,059	
15.5 Total (Lines 15.1 to 15.4)	2,059	928,397
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	124,921	(832,963)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	255,216	231,595
18. Cash and short-term investments:		
18.1 Beginning of year	589,915	358,320
18.2 End of period (Line 17 plus Line 18.1)	845,131	589,915
DETAILS OF WRITE-INS		
7.401 Finance and service charges not included in premiums	34,383	97,894
7.402 Equities and deposits in pools and associations	696	(3,045)
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)	35,079	94,849

NOTES TO FINANCIAL STATEMENTS

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.

c. Wash Sales.

The Company did not have any wash sale transactions during the quarter ended June 30, 2002.

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

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

1.2 If yes, explain:

.....

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

2.2 If yes, has the report been filed with the domiciliary state? Yes () No ()

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

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

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

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

5.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that 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 () N/A (X)
 If yes, attach an explanation.

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

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.

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).

7.4 By what department or departments?

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 (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
Bank of New York	1 Wall Street, NY, NY 10286
.....
.....

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 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? Yes () No (X) N/A ()
If yes, attach an explanation.
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? Yes () No (X)
If yes, attach an explanation.
- 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.

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Schedule A, Verification
NONE

Schedule B, Verification
NONE

Schedule BA, Verification
NONE

SCHEDULE D - PART 1B

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

	1	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	20,111,906	2,396,585	851,770	(337)	20,111,906	21,656,384		19,936,540
2. Class 2	298,904			68	298,904	298,972		298,837
3. Class 3	299,926			11	299,926	299,937		299,916
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	20,710,736	2,396,585	851,770	(258)	20,710,736	22,255,293		20,535,293
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	20,710,736	2,396,585	851,770	(258)	20,710,736	22,255,293		20,535,293

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	845,131	X X X	845,131	1,754	

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	589,915	38,755		358,320
2. Cost of short-term investments acquired	2,391,441	1,585,856		5,641,477
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	2,942,601	779,480		5,409,882
7. Book / adjusted carrying value, current period	38,755	845,131		589,915
8. Total valuation allowance				
9. Subtotal (Line 7 plus Line 8)	38,755	845,131		589,915
10. Total nonadmitted amounts				
11. Statement value (Line 9 minus Line 10)	38,755	845,131		589,915
12. Income collected during period	2,773	1,754		23,571
13. Income earned during period	2,001	2,491		23,128

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Sch. DB, Pt. F, Sn. 1, Summary Replicated (Syn.) Assets Open

NONE

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Sch. DB, Pt. F, Sn. 2, Reconciliation Replicated (Syn.) Assets

NONE

SCHEDULE F - CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
U. S. Insurers				
20281	13-1963496	Federal Insurance Company	Indiana	Yes
10019	23-2745904	Overseas Partners US Reinsurance Co.	Delaware	Yes
0299999	U. S. Insurers			
All Other Insurers				
00000	AA-3194130	Endurance Specialty Insurance Ltd.	Bermuda	No
0499999	All Other Insurers			

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	Yes					
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	5,114,692	7,967,086	4,380,320	7,245,152	13,337,810
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 Alien	OT	X X X					
58. Totals	(a) 2		5,114,692	7,967,086	4,380,320	7,245,152	13,337,810
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 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	123,242	24,391	19.8	79.2
2. Allied lines	65,416	97,968	149.8	87.1
3. Farmowners multiple peril				
4. Homeowners multiple peril	771,074	908,598	117.8	183.9
5. Commercial multiple peril	2,349,162	2,246,574	95.6	46.8
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	90,642	43,115	47.6	83.2
10. Financial guaranty				
11.1 Medical malpractice-occurrence				
11.2 Medical malpractice-claims made				
12. Earthquake	17,606	(819)	(4.7)	3.5
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation	25,711	647	2.5	(8.8)
17.1 Other liability-occurrence	274,474	536,204	195.4	17.3
17.2 Other liability-claims made				
18.1 Products liability-occurrence	3,454	(216)	(6.3)	(6.3)
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability	890,035	320,321	36.0	60.8
19.3, 19.4 Commercial auto liability	1,387,579	666,223	48.0	153.3
21. Auto physical damage	1,037,216	671,989	64.8	62.4
22. Aircraft (all perils)				
23. Fidelity	4,253	1,000	23.5	2.6
24. Surety				
26. Burglary and theft	4,265	197	4.6	(12.6)
27. Boiler and machinery				
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	7,044,129	5,516,192	78.3	90.2
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	27,912	69,957	173,201
2. Allied lines	17,770	38,734	139,182
3. Farmowners multiple peril			
4. Homeowners multiple peril	118,549	229,295	1,284,381
5. Commercial multiple peril	1,011,433	2,092,435	2,020,657
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	24,340	41,228	126,780
10. Financial guaranty			
11.1 Medical malpractice-occurrence			
11.2 Medical malpractice-claims made			
12. Earthquake	7,238	15,337	27,160
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation	10,201	18,441	23,342
17.1 Other liability-occurrence	139,080	281,089	225,884
17.2 Other liability-claims made			
18.1 Products liability-occurrence	2,281	3,578	5,204
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability	199,226	421,404	1,425,526
19.3, 19.4 Commercial auto liability	699,730	1,272,182	1,144,395
21. Auto physical damage	313,121	618,851	1,369,695
22. Aircraft (all perils)			
23. Fidelity	1,528	6,121	1,388
24. Surety			
26. Burglary and theft	150	6,040	292
27. Boiler and machinery			
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	2,572,559	5,114,692	7,967,087
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	2,484	2,062	4,546	709	73	782	1,856	364	1,564	3,784	81	(61)	20
2. 2000	1,071	1,232	2,303	296	64	360	866	124	919	1,909	91	(125)	(34)
3. Subtotals 2000 + prior	3,555	3,294	6,849	1,005	137	1,142	2,722	488	2,483	5,693	172	(186)	(14)
4. 2001	1,431	2,843	4,274	727	371	1,098	1,145	295	1,634	3,074	441	(543)	(102)
5. Subtotals 2001 + prior	4,986	6,137	11,123	1,732	508	2,240	3,867	783	4,117	8,767	613	(729)	(116)
6. 2002	X X X	X X X	X X X	X X X	1,074	1,074	X X X	720	1,865	2,585	X X X	X X X	X X X
7. Totals	4,986	6,137	11,123	1,732	1,582	3,314	3,867	1,503	5,982	11,352	613	(729)	(116)
8. Prior Year-End's Surplus As Regards Policyholders	8,511										Co1. 11, Line 7 As % of Col. 1 Line 7	Co1. 12, Line 7 As % of Col. 2 Line 7	Co1. 13, Line 7 As % of Col. 3 Line 7
											1. 12.3 %	2. (11.9)%	3. (1.0)%
													Co1. 13 , Line 7 Line 8
													4. (1.4)%

(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.

RESPONSES

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

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 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
Bonds - States, Territories and Possessions								
033161-CD-0	ANCHORAGE ALASKA	5.500 06/01/2014	06/19/2002 SALOMON SMITH BARNEY - TAX-EXEMPT		273,180	250,000		1PE
351592-EN-6	FOX VY PK DIST ILL	5.375 12/30/2013	06/13/2002 DAIN RAUSCHER CORP		537,550	500,000		1PE
1799999	Subtotal - Bonds - States, Territories and Possessions				810,730	750,000		
6099997	Subtotal - Bonds - Part 3				810,730	750,000		
6099999	Subtotal - Bonds				810,730	750,000		
7299999	TOTALS				810,730			

(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 Identification	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 Designation (a)
Bonds - U.S. Governments																
36216U-M4-5	GNMA PASS-THRU X SINGLE 9.000 05/01/2021	06/01/2002	MBS PAYDOWN	542	542.00	542.00	541	541						20		1
362206-GF-5	GNMA PASS-THRU X SINGLE 9.000 05/01/2021	06/01/2002	MBS PAYDOWN	37,964	37,964.00	37,964.00	38,010	37,965	(1)					1,147		1
0399999	Subtotal - Bonds - U.S. Governments															1,167
Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																
31377M-Z6-1	FNMA PASS-THRU . BLLN M 6.470 04/01/2009	06/01/2002	MBS PAYDOWN	1,206	1,206.00	1,206.00	1,216	1,207						33		1
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations of Agencies and Authorities of Governments and Their Political Subdivisions															33
Bonds - Public Utilities																
649085-AA-5	NEW VALLEY GENERATION I 5.572 05/01/2020	05/01/2002	SINKING FUND REDEMPTION	32,578	32,578.00	32,578.00	32,578	32,578						842		1PE
3899999	Subtotal - Bonds - Public Utilities															842
6099997	Subtotal - Bonds - Part 4															2,042
6099999	Subtotal - Bonds															2,042
7299999	TOTALS															2,042

(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

Page E08

Schedule E, Part 1, Cash

NONE