



QUARTERLY STATEMENT

AS OF JUNE 30, 2002
OF THE CONDITION AND AFFAIRS OF THE

Stonewall Insurance Company

NAIC Group Code 1343 1343 NAIC Company Code 22276 Employer's ID Number 63-0202590
(Current Period) (Prior Period)

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

Country of Domicile United States of America

Incorporated 02/10/1866 Commenced Business 02/10/1866

Statutory Home Office c/o CT Corporate System 441 Vine Street, Cincinnati, OH 45202
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 2 Central Square
(Street and Number) Cambridge, MA 02139-3311 617-234-3871
(City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

Mail Address 2 Central Square, Cambridge, MA 02139-3311
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 2 Central Square
(Street and Number) Cambridge, MA 02139-3311 617-234-3871
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address _____

Statement Contact Pamela S. Sellers-Hoelsken 617-234-3871
(Name) (Area Code) (Telephone Number) (Extension)
pam.hoelsken@randallamerica.com 617-234-3899
(E-mail Address) (FAX Number)

Policyowner Relations Contact 2 Central Square
(Street and Number) Cambridge, MA 02139-3311 617-234-3871
(City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President Robert Lynam Barclay Secretary Bryan Ross Klinck
Treasurer Pamela Susan Sellers-Hoelsken

VICE PRESIDENTS

Robert Bouvet Burns Robert Alan Hamwee David Ian Wallis

DIRECTORS OR TRUSTEES

Robert Lyman Barclay Robert Alan Hamwee Thomas Vincent Inglesby
Matthew Charles Kaufman Kenneth Edward Randall Christine Kay Vanden Beukel

State of Massachusetts }
County of Middlesex } ss

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

Robert Lynam Barclay Bryan Ross Klinck Pamela Susan Sellers-Hoelsken
President Secretary Treasurer

Subscribed and sworn to before me this
2nd day of August, 2002

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

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	60,425,713		60,425,713	54,905,122
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks	671,486		671,486	280,450
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 (\$ (188,510) and short-term investments \$ 5,587,270)	5,398,760		5,398,760	9,552,108
6. Other invested assets	9,576,772	9,576,772	0	
7. Receivable for securities				
8. Aggregate write-ins for invested assets				
9. Subtotals, cash and invested assets (Lines 1 to 8)	76,072,731	9,576,772	66,495,959	64,737,680
10. Agents' balances or uncollected premiums				
10.1 Premiums and agents' balances in course of collection	(947)		(947)	(947)
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
10.3 Accrued retrospective premiums				
11. Funds held by or deposited with reinsured companies				
12. Bills receivable, taken for premiums				
13. Amounts billed and receivable under high deductible policies				
14. Reinsurance recoverables on loss and loss adjustment expense payments	16,832,347		16,832,347	13,473,806
15. Federal and foreign income tax recoverable and interest thereon (including \$ net deferred tax asset)				
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software			0	
18. Interest, dividends and real estate income due and accrued	1,294,417		1,294,417	1,214,990
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			0	
25. Aggregate write-ins for other than invested assets	0		0	
26. Total assets excluding protected cell assets (Lines 9 through 25)	94,198,548	9,576,772	84,621,776	79,425,529
27. Protected cell assets				
28. TOTALS (Lines 26 and 27)	94,198,548	9,576,772	84,621,776	79,425,529
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. Other Assets			0	0
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)	0		0	

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)	81,099,407	83,492,874
2. Reinsurance payable on paid losses and loss adjustment expenses	794,861	794,861
3. Loss adjustment expenses	23,490,931	23,490,931
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7. Federal and foreign income taxes [including \$ on realized capital gains (losses)] (including \$ net deferred tax liability)		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	669,349	669,347
13. Funds held by company under reinsurance treaties	1,116,558	1,116,558
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated	46,279	9,809
16. Provision for reinsurance	3,387,355	3,387,355
17. Net adjustments in assets and liabilities due to foreign exchange rates	(2,598)	(9,003)
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	(90,088,603)	(96,220,856)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	20,513,539	16,731,876
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	20,513,539	16,731,876
27. Aggregate write-ins for special surplus funds	(13,519,735)	(15,374,399)
28. Common capital stock	2,000,000	2,000,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	73,966,820	73,966,820
33. Unassigned funds (surplus)	1,661,152	2,101,228
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)	64,108,237	62,693,649
36. TOTALS	84,621,776	79,425,525
DETAILS OF WRITE-INS		
2301. Retroactive Reinsurance	(90,088,603)	(96,220,856)
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)	(90,088,603)	(96,220,856)
2701. Special Surplus from Retroactive Reinsurance	(13,519,735)	(15,374,399)
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)	(13,519,735)	(15,374,399)
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 AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

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 \$)			
1.2 Assumed (written \$)			
1.3 Ceded (written \$)			
1.4 Net (written \$)			
DEDUCTIONS:			
2. Losses incurred (current accident year \$):			
2.1 Direct	(1,796,078)		
2.2 Assumed	915,749		
2.3 Ceded	(1,171,157)		
2.4 Net	290,828		
3. Loss expenses incurred	1,035,964	1,171,336	1,846,335
4. Other underwriting expenses incurred	992,086		385,317
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2.4 thru 5)	2,318,878	1,171,336	2,231,652
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7)	(2,318,878)	(1,171,336)	(2,231,652)
INVESTMENT INCOME			
9. Net investment income earned	2,398,588	2,255,853	4,630,406
10. Net realized capital gains or (losses)	(1,425,809)	(1,824,752)	(1,731,443)
11. Net investment gain (loss) (Lines 9 + 10)	972,779	431,101	2,898,963
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			
14. Aggregate write-ins for miscellaneous income	1,212,604	4,297,128	5,161,054
15. Total other income (Lines 12 through 14)	1,212,604	4,297,128	5,161,054
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)	(133,495)	3,556,893	5,828,365
17. Dividends to policyholders			
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	(133,495)	3,556,893	5,828,365
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19)(to Line 22)	(133,495)	3,556,893	5,828,365
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	62,693,649	61,194,050	61,194,050
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	(133,495)	3,556,893	5,828,365
23. Net unrealized capital gains or losses	1,554,488	857,430	(4,005,577)
24. Change in net unrealized foreign exchange capital gain (loss)	(6,405)	2,704	2,418
25. Change in net deferred income tax			
26. Change in nonadmitted assets			
27. Change in provision for reinsurance			(325,607)
28. Change in surplus notes			
29. Surplus (contributed to) withdrawn from protected cells			
30. Cumulative effect of changes in accounting principles			
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)	1,414,588	4,417,027	1,499,599
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	64,108,237	65,611,077	62,693,649
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 or Expense (-)	(221,623)	0	4,660,419
1402. Reinsurance Recoverables on Loss and Loss Adjustment Expense Payments Charged Off	(420,437)	4,297,128	(454,789)
1403. Retroactive Reinsurance	1,854,664	0	955,424
1498. Summary of remaining write-ins for Line 14 from overflow page		0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	1,212,604	4,297,128	5,161,054
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)			

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance		(669,349)
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	7,499,236	11,071,605
3. Underwriting expenses paid		408,726
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(7,499,236)	(12,149,680)
6. Net investment income	2,447,501	4,499,625
7. Other income (expenses):		
7.1 Agents' balances charged off		
7.2 Net funds held under reinsurance treaties	0	(15,904)
7.3 Net amount withheld or retained for account of others		
7.4 Aggregate write-ins for miscellaneous items	7,633,962	9,966,543
7.5 Total other income (Lines 7.1 to 7.4)	7,633,962	9,950,639
8. Dividends to policyholders on direct business, less \$ dividends on reinsurance assumed or ceded (net)		
9. Federal and foreign income taxes (paid) recovered		
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	2,582,227	2,300,584
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	8,956,495	34,355,062
11.2 Stocks	0	2,584,188
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)	8,956,495	36,939,250
12. Cost of investments acquired (long-term only):		
12.1 Bonds	14,717,070	39,718,643
12.2 Stocks	0	1,200,010
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		211,038
12.6 Miscellaneous applications		
12.7 Total investments acquired (Lines 12.1 to 12.6)	14,717,070	41,129,691
13. Net Cash from investments (Line 11.8 minus Line 12.7)	(5,760,575)	(4,190,441)
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	0	17,372
14.4 Borrowed funds received		
14.5 Other cash provided	0	4,742,897
14.6 Total (Lines 14.1 to 14.5)	0	4,760,269
15. Cash applied:		
15.1 Dividends to stockholders paid		
15.2 Net transfers to affiliates	975,000	
15.3 Borrowed funds repaid		
15.4 Other applications	0	
15.5 Total (Lines 15.1 to 15.4)	975,000	
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	(975,000)	4,760,269
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	(4,153,348)	2,870,412
18. Cash and short-term investments:		
18.1 Beginning of year	9,552,108	6,681,696
18.2 End of year (Line 17 plus Line 18.1)	5,398,760	9,552,108
DETAILS OF WRITE-INS		
07.401 Miscellaneous Income	(352,955)	0
07.402 Retroactive Reinsurance	7,986,917	9,508,873
07.403 Other		457,670
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)	7,633,962	9,966,543

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 NAIC *Accounting Practices and Procedures* manual and 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. 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. The Company uses the following accounting policies:

1. Short-term investments are stated at cost,
2. Bonds, including issuer obligations, mortgage-backed securities and asset-backed securities rated 1 and 2 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or market.
3. Common Stocks are stated at market.
4. Preferred Stocks – Not applicable
5. Mortgage Loans – Not applicable
6. Loan- Backed Securities – Not applicable
7. Investments in subsidiaries, controlled and affiliated companies – Not applicable
8. Investments in joint ventures, partnerships and limited liability companies – Not applicable
9. Derivatives – Not applicable
10. Premium Deficiency – Not applicable
11. Loss/Claim Adjustment Expenses – Asbestos, Environmental and Other Latent Injury Type Claims
Direct Losses – An exposure analysis on an account by account basis is performed and the appropriate reserves are established whether it be case reserves or a bulk IBNR reserve. IBNR reserves are established for the unknown or unreported cases, adverse development on known cases and allocated adjustment expenses.

2. Accounting Changes and Corrections of Errors

A. There are no material changes in accounting principles and/or correction of errors.

B. Disclosure for Insurers Upon Initial Implementation of Codification

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. Effective January 1, 2001, the State of Ohio required that insurance companies domiciled in the State of Ohio prepare their statutory basis financial statements in accordance with the NAIC *Accounting Practices and Procedures* manual, Version effective January 1, 2001, subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner.

Accounting changes adopted to conform to the provisions of the NAIC *Accounting Practices and Procedures* manual – Version effective January 1, 2001 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 has a zero adjustment as of January 1, 2001 and subsequent.

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

Not applicable

5. Investments

Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

Not applicable

7. Investment Income

Not applicable

8. Derivative Instruments

Not applicable

9. Income Taxes

Not applicable

10. Information Concerning Parent, Subsidiaries and Affiliates

No Material Changes Since Year-End 2001.

11. Debt

Not applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans.

Not applicable

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations.

No Material Changes Since Year-End 2001.

14. Contingencies

No Material Changes Since Year-End 2001.

NOTES TO FINANCIAL STATEMENTS

15. **Leases**
Not applicable
16. **Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk**
Not applicable
17. **Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**
Not applicable
18. **Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans**
Not applicable
19. **Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**
Not applicable
20. **Other Items**
Not applicable
21. **Events Subsequent**
Not applicable
22. **Reinsurance**
No Material Changes Since Year-End 2001.
23. **Retrospectively Rated Contracts**
Not applicable
24. **Change in Incurred Losses and Loss Adjustment Expenses**
No Material Changes Since Year-End 2001. Due to the run-off status of the Company, all incurred changes are attributable to insured events or prior years. There are no accruals for additional or return premiums as a result of the prior-year effects.
25. **Intercompany Pooling Arrangements**
Not applicable
26. **Structured Settlements**
No Material Changes Since Year-End 2001.
27. **High Deductibles**
Not applicable
28. **Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**
Not applicable
29. **Asbestos/Environmental Reserves**
No Material Changes Since Year-End 2001.
30. **Subscriber Savings Accounts**
Not applicable
31. **Financial Guaranty Insurance Exposures**
Not applicable

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. 12/21/1998

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1998

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 01/07/2000

7.4 By what department or departments?
Alabama.....

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:
.....

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

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	\$	\$
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
Wachovia Bank, N.A.	100 North Main Street P.O. Box 3099 Winston-Salem, North Carolina 27150.....

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
114949.....	Madison Scottsdale, L.C.....	8777 N. Gainey Center Dr., Suite 220 Scottsdale, Arizona 85258.....

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 [] NA [X]

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	9,576,772	9,576,772		9,365,734
2. Cost of acquisitions during period:				
2.1. Actual cost at time of acquisitions				211,038
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	9,576,772	9,576,772		9,576,772
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	9,576,772	9,576,772		9,576,772
12. Total nonadmitted amounts	9,576,772	9,576,772		9,576,772
13. Statement value of long-term invested assets at end of current period	0	0		

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

SCHEDULE D - PART 1B

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

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
BONDS								
1. Class 1	32,339,421	5,076,281	1,175,148	(1,068,675)	32,339,421	35,171,881	0	31,576,602
2. Class 2	11,889,679	3,107,990	1,014,437	993,418	11,889,679	14,976,651	0	11,991,694
3. Class 3	4,618,053	0	41,664	89,731	4,618,053	4,666,120	0	5,264,954
4. Class 4	3,514,929	0	0	(215,276)	3,514,929	3,299,653	0	3,361,622
5. Class 5	2,472,725	0	0	(156,320)	2,472,725	2,316,406	0	2,705,250
6. Class 6	42,188	0	12,939	(29,248)	42,188	0	0	5,000
7. Total Bonds	54,876,995	8,184,271	2,244,188	(386,370)	54,876,995	60,430,711		54,905,122
PREFERRED STOCK								
8. Class 1	0	6,470	0	(6,470)	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock		6,470		(6,470)				
15. Total Bonds and Preferred Stock	54,876,995	8,190,741	2,244,188	(392,840)	54,876,995	60,430,711		54,905,122

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

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	5,587,270	XXX	0	36,807	0

SCHEDULE DA - PART 2- Verifi

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	8,453,786	10,886,074	0	446,957
2. Cost of short-term investments acquired	11,000,670	8,729,318	0	83,521,510
3. Increase (decrease) by adjustment	0	0	0	0
4. Increase (decrease) by foreign exchange adjustment	0	0	0	0
5. Total profit (loss) on disposal of short-term investments	0	0	0	0
6. Consideration received on disposal of short-term investments	8,568,382	14,028,122	0	75,514,681
7. Book/adjusted carrying value, current period	10,886,074	5,587,270	0	8,453,786
8. Total valuation allowance	0	0	0	0
9. Subtotal (Lines 7 plus 8)	10,886,074	5,587,270	0	8,453,786
10. Total nonadmitted amounts	0	0	0	0
11. Statement value (Lines 9 minus 10)	10,886,074	5,587,270	0	8,453,786
12. Income collected during period	52,016	36,807	0	322,373
13. Income earned during period	52,016	36,807	0	317,817

Schedule DB - Part F - Section :

NONE

Schedule DB - Part F - Section :

NONE

Schedule F

NONE

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUM

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	Yes				885,739	868,563
2. Alaska	AK	Yes					
3. Arizona	AZ	Yes		(27,631)		2,561,877	2,497,059
4. Arkansas	AR	Yes				3,552,962	3,552,962
5. California	CA	Yes		60,950	800,000	11,310,688	12,037,343
6. Colorado	CO	Yes				118,432	118,432
7. Connecticut	CT	No				10,000,000	10,000,000
8. Delaware	DE	Yes				710,592	710,592
9. District of Columbia	DC	No					
10. Florida	FL	Yes				1,671,814	1,803,557
11. Georgia	GA	Yes				834,824	806,218
12. Hawaii	HI	Yes					
13. Idaho	ID	Yes				104,205	104,205
14. Illinois	IL	Yes		3,451	150,000	38,300,235	37,549,400
15. Indiana	IN	Yes				62,523	61,951
16. Iowa	IA	Yes				1,208,007	1,208,007
17. Kansas	KS	Yes			50,000	6,067,014	6,056,907
18. Kentucky	KY	Yes					
19. Louisiana	LA	Yes		1,000,000		5,646,983	6,600,355
20. Maine	ME	No				41,682	34,817
21. Maryland	MD	Yes				23,686	23,686
22. Massachusetts	MA	Yes					
23. Michigan	MI	Yes		65,713		5,431,883	5,561,543
24. Minnesota	MN	Yes				312,614	312,614
25. Mississippi	MS	Yes		3,079,834	84,898	(2,762,786)	511,725
26. Missouri	MO	Yes				566,499	547,905
27. Montana	MT	Yes					
28. Nebraska	NE	Yes				4,196,879	4,196,879
29. Nevada	NV	Yes				52,102	46,381
30. New Hampshire	NH	No					
31. New Jersey	NJ	No				583,212	554,606
32. New Mexico	NM	Yes					
33. New York	NY	No			425,000	15,521,080	15,219,033
34. North Carolina	NC	Yes					
35. North Dakota	ND	Yes					
36. Ohio	OH	Yes		456,744	2,428,079	8,826,734	14,091,569
37. Oklahoma	OK	Yes				3,461,796	3,326,130
38. Oregon	OR	Yes				2,330,766	2,288,030
39. Pennsylvania	PA	No		153,506		16,016,706	15,717,026
40. Rhode Island	RI	No					

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

NONE

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

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		(836,955)		
17.2 Other liability - claims-made				
18.1 Products liability - occurrence		(959,123)		
18.2 Products liability - claims-made				
19.1,19.2 Private passenger auto liability				
19.3,19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
31. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business				
34. Totals		(1,796,078)		
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			

NONE

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

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	36,254	70,730	106,984	3,721		3,721	33,861		70,730	104,591	1,328	0	1,328
2. 2000													
3. Subtotals 2000 + Prior	36,254	70,730	106,984	3,721		3,721	33,861		70,730	104,591	1,328	0	1,328
4. 2001													
5. Subtotals 2001 + Prior	36,254	70,730	106,984	3,721		3,721	33,861		70,730	104,591	1,328	0	1,328
6. 2002	XXX	XXX	XXX	XXX			XXX				XXX	XXX	XXX
7. Totals	36,254	70,730	106,984	3,721		3,721	33,861		70,730	104,591	1,328	0	1,328
8. Prior Year-End's Surplus As Regards Policyholders	62,694										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. 3.7	2. 0.0	3. 1.2
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. 2.1

(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

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

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

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

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)
SPECIAL REVENUE AND ASSESSMENTS - U.S.								
U.S. GOVERNMENT								
31390E-HN-5	FNMA POOL #643837 6.0% 5/1/17	04/30/2002	Undefined		1,013,125	1,000,000	2,500	1
31390S-L2-5	FNMA POOL #649773 6%	05/31/2002	SPEAR LEEDS		3,046,406	3,000,000	8,500	1
STATE TOTAL					4,059,531	4,000,000	11,000	XXX
COUNTRY TOTAL - U.S.					4,059,531	4,000,000	11,000	XXX
3199999 - Total - Bonds - Special Revenue					4,059,531	4,000,000	11,000	XXX
INDUSTRIAL & MISCELLANEOUS - U.S.								
25468P-BT-2	WALT DISNEY CO MTN 4.875% 7/02/04	05/06/2002	SPEAR LEEDS		1,016,750	1,000,000	17,198	1PE
345397-SJ-3	FORD MOTOR CREDIT 6.7% 07/16/04	06/24/2002	SPEAR LEEDS		1,032,290	1,000,000	29,964	2
37042W-C5-8	GENERAL MOTORS MTN 6.38% 1/30/04	05/07/2002	SPEAR LEEDS		1,032,670	1,000,000	6,912	2PE
866810-AE-4	SUN MICROSYSTEMS INC 7.5% 8/15/06	05/03/2002	SWS SECURITIES		1,043,030	1,000,000	17,292	2PE
COUNTRY TOTAL - U.S.					4,124,740	4,000,000	71,365	XXX
4599999 - Total - Bonds - Industrial, Misc.					4,124,740	4,000,000	71,365	XXX
6099997 - Total - Bonds - Part 3					8,184,271	8,000,000	82,365	XXX
6099999 - Total - Bonds					8,184,271	8,000,000	82,365	XXX
INDUSTRIAL & MISCELLANEOUS - U.S.								
981907-30-6	WORLDTEX INC PFD	04/30/2002	CONVERSION	171,000	6,470		0	P6L
COUNTRY TOTAL - U.S.					6,470	XXX	0	XXX
6399999 - Total - Preferred Stocks - Industrial, Misc.					6,470	XXX	0	XXX
6599997 - Total - Preferred Stocks - Part 3					6,470	XXX	0	XXX
6599999 - Total - Preferred Stocks					6,470	XXX	0	XXX
INDUSTRIAL & MISCELLANEOUS - U.S.								
981907-20-7	WORLDTEX INC COM	04/30/2002	CONVERSION	560,000	6,470		0	L
COUNTRY TOTAL - U.S.					6,470	XXX	0	XXX
6899999 - Total - Common Stocks - Industrial, Misc.					6,470	XXX	0	XXX
7099997 - Total - Common Stocks - Part 3					6,470	XXX	0	XXX
7099999 - Total - Common Stocks					6,470	XXX	0	XXX
7199999 - Total - Preferred and Common Stocks					12,939	XXX	0	XXX
7299999 - Totals					8,197,210	XXX	82,365	XXX

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

E04

STATEMENT AS OF JUNE 30, 2002 OF THE STONEWALL INSURANCE COMPANY

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)	
US GOVERNMENT OBLIGATIONS - U.S.																	
912827-F4-9	U. S. TREASURY NOTES	06/03/2002	MATURITY		100,000	100,000	101,797	100,000	(99)	0	0	0	0	3,686		1PE	
COUNTRY TOTAL - U.S.					100,000	100,000	101,797	100,000	(99)	0	0	0	0	3,686	XXX	XXX	
0399999 - Bonds - U.S. Governments					100,000	100,000	101,797	100,000	(99)	0	0	0	0	3,686	XXX	XXX	
SPECIAL REVENUE AND ASSESSMENTS - U.S. GOVERNMENT																	
31371K-MH-1	FNMA 254260	06/25/2002	PRINCIPAL RECEIPT		31,333	31,333	31,717	31,333	(384)	0	0	0	0	244		1	
31388G-RK-9	FNMA POOL #604490	06/25/2002	PRINCIPAL RECEIPT		23,161	23,161	23,508	23,161	(347)	0	0	0	0	274		1	
31389F-QB-1	FNMA POOL #624250	06/25/2002	PRINCIPAL RECEIPT		14,360	14,360	14,344	14,360	16	0	0	0	0	323		1	
31390E-HN-5	FNMA POOL #643837 6.0% 5/1/17	06/25/2002	PRINCIPAL RECEIPT		6,322	6,322	6,404	6,322	(83)	0	0	0	0	0		1	
STATE TOTAL					75,174	75,174	75,973	75,174	(799)	0	0	0	0	841	XXX	XXX	
COUNTRY TOTAL - U.S.					75,174	75,174	75,973	75,174	(799)	0	0	0	0	841	XXX	XXX	
3199999 - Bonds - Special Revenues					75,174	75,174	75,973	75,174	(799)	0	0	0	0	841	XXX	XXX	
INDUSTRIAL & MISCELLANEOUS - U.S.																	
02378H-AG-6	AMER AIRLINES PASS TR 94-A	05/26/2002	Sink PMT @ 100.0000000		41,664	41,664	49,617	41,664	1,641	0	0	0	0	2,037		3	
254687-AG-9	DISNEY WALT CO INT	05/06/2002	SPEAR LEEDS		1,004,530	1,000,000	999,980	999,973	(3)	0	0	4,557	4,557	24,375		1PE	
370425-QW-3	GMAC GLOBAL	05/07/2002	SPEAR LEEDS		1,023,180	1,000,000	1,019,120	1,014,437	(3,145)	0	0	8,743	8,743	28,750		2	
981907-BA-5	WORLDTEX INC	04/30/2002	CONVERSION		12,939	50,000	11,750	12,939	7,939	0	0	0	0	0		6	
COUNTRY TOTAL - U.S.					2,082,313	2,091,664	2,080,467	2,069,013	6,432	0	0	13,300	13,300	55,162	XXX	XXX	
4599999 - Bonds - Industrial and Miscellaneous					2,082,313	2,091,664	2,080,467	2,069,013	6,432	0	0	13,300	13,300	55,162	XXX	XXX	
6099997 - Bonds - Part 4					2,257,487	2,266,838	2,258,237	2,244,187	5,534	0	0	13,300	13,300	59,689	XXX	XXX	
6099999 - Total - Bonds					2,257,487	2,266,838	2,258,237	2,244,187	5,534	0	0	13,300	13,300	59,689	XXX	XXX	
6599999 - Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	0	XXX	0	XXX
7099999 - Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	0	XXX	0	XXX
7199999 - Total - Preferred and Common Stocks					0	XXX	0	0	0	0	0	0	0	0	XXX	0	XXX
7299999 Totals					2,257,487	XXX	2,258,237	2,244,187	5,534	0	0	13,300	13,300	59,689	0	XXX	

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

E05

Schedule DB - Part A - Section

NONE

Schedule DB - Part B - Section

NONE

Schedule DB - Part C - Section

NONE

Schedule DB - Part D - Section

NONE
