



QUARTERLY STATEMENT

AS OF JUNE 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

National Interstate Insurance Company

NAIC Group Code 0084 0084 NAIC Company Code 32620 Employer's ID Number 34-1607395
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated February 10, 1989 Commenced Business March 28, 1989

Statutory Home Office 3250 Interstate Drive, Richfield, Ohio 44286
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 3250 Interstate Drive, Richfield, Ohio 44286 800-929-1500 -307
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 3250 Interstate Drive, Richfield, Ohio 44286
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 3250 Interstate Drive, Richfield, Ohio
(Street and Number, City or Town, State and Zip Code)
800-929-1500 -307
(Area Code) (Telephone Number)

Internet Website Address www.nationalinterstate.com

Statement Contact Gary Norman Monda 330-659-8900 -307
(Name) (Area Code) (Telephone Number) (Extension)
gary.monda@nationalinterstate.com 330-659-8902
(E-Mail Address) (Fax Number)

Policyowner Relations Contact 3250 Interstate Drive, Richfield, Ohio 44286
(Street and Number, City or Town, State and Zip Code)
330-659-8900 -123
(Area Code) (Telephone Number) (Extension)

OFFICERS

President Alan Robert Spachman
 Secretary #Michael Andrew Schroeder
 Treasurer Arthur Myron Kraus

VICE PRESIDENTS

Gary Norman Monda Terry Eugene Phillips Robert Adrian Bernartchez
 Arthur Myron Kraus David Warner Michelson Eric Juris Raudins
 #Michael Andrew Schroeder

DIRECTORS OR TRUSTEES

Gary Norman Monda Alan Robert Spachman David Warner Michelson
 Robert Adrian Bernartchez Bradley Scott Schneberger Eric Juris Raudins
 Arthur Myron Kraus Michelle Ann Silvestro Terry Eugene Phillips
 Ronald George Steiger, Jr. Edward Jeffrey Masch William Joseph Hobbs
 #Michael Andrew Schroeder

State of Ohio SS
 County of Summit

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.

Alan Robert Spachman
 President

#Michael Andrew Schroeder
 Secretary

Arthur Myron Kraus
 Treasurer

Subscribed and sworn to before me this
 9th day of August, 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	65,766,325		65,766,325	57,041,247
2. Stocks:				
2.1 Preferred stocks	7,103,100		7,103,100	6,539,263
2.2 Common stocks	8,958,377		8,958,377	8,951,580
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 \$ 4,989,576 encumbrances)	5,127,473		5,127,473	4,908,779
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ 6,514,771) and short-term investments (\$ 8,603,804)	15,118,575		15,118,575	14,028,703
6. Other invested assets				
7. Receivable for securities	4,117,323		4,117,323	
8. Aggregate write-ins for invested assets				
9. Subtotals, cash and invested assets (Lines 1 to 8)	106,191,173		106,191,173	91,469,572
10. Agents' balances or uncollected premiums :				
10.1 Premiums and agents' balances in course of collection	2,920,460		2,920,460	2,196,218
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	38,926,686	675,000	38,251,686	24,320,207
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	2,764,076		2,764,076	776,840
15. Federal and foreign income tax recoverable and interest thereon (including \$ 5,343,144 net deferred tax asset)	5,343,144		5,343,144	3,546,897
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software	89,451		89,451	114,941
18. Interest, dividends and real estate income due and accrued	1,215,027		1,215,027	989,038
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				
25. Aggregate write-ins for other than invested assets	181,578	181,578		
26. Total assets excluding protected cell assets (Lines 9 through 25)	157,631,595	856,578	156,775,017	123,413,713
27. Protected cell assets				
28. TOTALS (Lines 26 and 27)	157,631,595	856,578	156,775,017	123,413,713
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. Prepaid expenses	180,212	180,212		
2502. Other assets	1,366	1,366		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	181,578	181,578		

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 14,366,644)	39,974,551	33,264,891
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	15,262,694	12,312,621
4. Commissions payable, contingent commissions and other similar charges	1,644,879	1,376,827
5. Other expenses (excluding taxes, licenses and fees)	6,300,541	4,610,767
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,055,654	938,586
7. Federal and foreign income taxes, including \$ on realized capital gains (losses) (including \$ net deferred tax liability)	1,466,140	409,283
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 16,409,321 and including warranty reserves of \$)	39,082,921	28,840,571
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	13,847,982	6,320,247
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	342,052	565,872
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	1,831,814	582,414
20. Payable for securities		210,068
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)	120,809,228	89,432,147
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	120,809,228	89,432,147
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	3,000,000	3,000,000
29. Preferred capital stock	7,608,779	7,608,779
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	25,357,010	23,372,787
33. Unassigned funds (surplus)		
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)	35,965,789	33,981,566
36. TOTALS	156,775,017	123,413,713
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 \$ 60,295,090)	47,080,548	38,958,503	82,691,624
1.2 Assumed (written \$ 8,074,794)	5,947,383	4,861,075	10,198,427
1.3 Ceded (written \$ 23,269,898)	18,170,295	13,772,020	30,481,416
1.4 Net (written \$ 45,099,986)	34,857,636	30,047,558	62,408,635
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 18,539,451):			
2.1 Direct	26,457,854	20,372,859	44,654,546
2.2 Assumed	2,956,572	2,906,968	3,988,883
2.3 Ceded	11,789,251	5,256,637	13,754,308
2.4 Net	17,625,175	18,023,190	34,889,121
3. Loss expenses incurred	6,149,573	5,107,106	11,440,695
4. Other underwriting expenses incurred	11,206,190	10,285,471	18,664,627
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	34,980,938	33,415,767	64,994,443
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(123,302)	(3,368,209)	(2,585,808)
INVESTMENT INCOME			
9. Net investment income earned	2,005,894	1,618,801	3,389,492
10. Net realized capital gains (losses)	182,370	28,450	506,392
11. Net investment gain (loss) (Lines 9 plus 10)	2,188,264	1,647,251	3,895,884
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	476,907	40,915	42,590
15. Total other income (Lines 12 through 14)	476,907	40,915	42,590
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 plus 11 plus 15)	2,541,869	(1,680,043)	1,352,666
17. Dividends to policyholders			
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	2,541,869	(1,680,043)	1,352,666
19. Federal and foreign income taxes incurred	1,956,856		730,188
20. Net income (Line 18 minus Line 19) (to Line 22)	585,013	(1,680,043)	622,478
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	33,981,566	21,106,069	21,106,069
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	585,013	(1,680,043)	622,478
23. Net unrealized capital gains or losses	(302,947)	531,180	(131,743)
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	1,796,247	86,165	685,744
26. Change in nonadmitted assets	(94,090)	(25,266)	(500,914)
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		7,291,153	7,291,153
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			4,908,779
37. Change in surplus as regards policyholders (Lines 22 through 36)	1,984,223	6,203,189	12,875,497
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	35,965,789	27,309,258	33,981,566
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. Other	80,112	40,915	42,590
1402. Rent Income	396,795		
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	476,907	40,915	42,590
3601. Contribution of real estate net of encumbrances from parent company			4,908,779
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)			4,908,779

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	38,008,000	65,815,860
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	16,102,251	30,342,063
3. Underwriting expenses paid	9,131,296	18,067,363
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	12,774,453	17,406,434
6. Net investment income	2,046,044	3,288,302
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	(223,820)	278,612
7.4 Aggregate write-ins for miscellaneous items	646,117	152,423
7.5 Total other income (Lines 7.1 to 7.4)	422,297	431,035
8. Dividends to policyholders on direct business, less \$ dividends on reinsurance assumed or ceded (net)		
9. Federal and foreign income taxes (paid) recovered	(900,000)	896,488
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	14,342,794	22,022,259
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	2,518,735	23,918,828
11.2 Stocks	384,791	2,368,650
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)	2,903,526	26,287,478
12. Cost of investments acquired (long-term only):		
12.1 Bonds	15,448,977	40,859,754
12.2 Stocks	1,254,301	4,136,845
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications	210,068	(210,068)
12.7 Total investments acquired (Lines 12.1 to 12.6)	16,913,346	44,786,531
13. Net cash from investments (Line 11.8 minus Line 12.7)	(14,009,820)	(18,499,053)
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	1,249,400	
14.4 Borrowed funds received		
14.5 Other cash provided		75,556
14.6 Total (Lines 14.1 to 14.5)	1,249,400	75,556
15. Cash applied:		
15.1 Dividends to stockholders paid		
15.2 Net transfers to affiliates		529,917
15.3 Borrowed funds repaid	217,778	
15.4 Other applications	274,724	19,137
15.5 Total (Lines 15.1 to 15.4)	492,502	549,054
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	756,898	(473,498)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	1,089,872	3,049,708
18. Cash and short-term investments:		
18.1 Beginning of year	14,028,703	10,978,995
18.2 End of period (Line 17 plus Line 18.1)	15,118,575	14,028,703
DETAILS OF WRITE-INS		
7.401 Other Income	476,907	30,096
7.402 Depreciation	169,210	122,327
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)	646,117	152,423

NOTES TO FINANCIAL STATEMENTS**1. Summary of Significant Accounting Policies**

The Annual Statement of National Interstate Insurance Company has been prepared in accordance with the NAIC *Accounting Practices and Procedures* manual.

The preparation of financial statements in accordance with the NAIC *Accounting Practices and Procedures* manual requires management to make estimates and assumptions that affect amounts reported as 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.

Accounting Policy

Premiums that are written under the Company's insurance policies and reinsurance contracts are earned over the terms of the related policies and contracts on a daily pro rata basis. Unearned reserves are liabilities established, as the portion of premiums written that have not yet been earned.

Unlike the recognition of premiums revenue, expenses incurred while producing new insurance business such as commissions and premium taxes are charged to operations as incurred and ceding allowances received or receivable are credited to operations through reductions in expenses incurred.

In addition, the Company uses the following accounting policies:

Short-term investments are stated at amortized cost.

Bonds are stated at amortized cost using the interest method.

Common stock in National Interstate Insurance Company of Hawaii, Inc. (a wholly owned subsidiary) is carried on the equity basis; all other common stocks are carried at market.

Preferred stocks are carried at market.

Unpaid losses and loss adjustment expense reserves represent the estimated ultimate net cost of all reported and unreported losses incurred. The Company does not discount loss and loss adjustment expense reserves. The reserves for unpaid losses and loss adjustment expenses include an amount determined using individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Those estimates are subject to the effects of trends in loss severity and frequency. Although considerable variability is inherent in such estimates and the ultimate liability may be in excess of or less than the amounts provided, management believes that the reserves for losses and loss adjustment expenses are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are reflected in the period determined.

Estimated salvage and subrogation recoverable have not reduced outstanding losses and loss adjustment expenses. Such amounts, which are not significant, are recognized when received.

2. Accounting changes

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 therein prepare their statutory basis financial statements in accordance with the NAIC *Accounting Practices and Procedures* manual – Version effective January 1, 2001.

Accounting changes adopted to conform to provisions of the NAIC *Accounting Practices and Procedures* manual – version effective January 1, 2001 are reported as changes in accounting principal. 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 \$7,291,153. Included in this total adjustment is an increase in unassigned funds of \$2,861,153 related to the reporting of deferred tax assets and \$4,430,000 related to the elimination of excess of statutory reserves over statement reserves.

3. Business Combinations and Goodwill

The Company has never engaged in a business combination.

4. Discontinued Operations

To date, the Company has never discontinued one of its insurance operations.

5. Investments

NOTES TO FINANCIAL STATEMENTS

The Company's investment portfolio does not include mortgage loans, restructured debt, reverse mortgages, loan-backed securities or repurchase agreements.

6. Joint Ventures, Partnerships and Limited Liability companies

The Company does not invest in any of these types of ventures.

7. Investment Income

The company's due and accrued investment income is current and therefore, none is excluded.

8. Derivative Instruments

The Company does not invest in derivative instruments.

9. Income Taxes

The components of net deferred taxes (all assets) are as follows:

	<u>2002</u>	<u>2001</u>
Total deferred tax assets (all admitted)	<u>\$5,343,144</u>	<u>\$3,546,897</u>

The only component of current income taxes incurred as reported in the Statement of Income is current income tax expense.

The main components of the 2002 and 2001 deferred tax asset amounts are as follows:

	<u>Statutory</u>	<u>Tax</u>	<u>Difference</u>	<u>Tax Effect</u>
2001 deferred tax asset:				
Reserves (primarily loss and unearned premiums)	<u>\$74,418,083</u>	<u>\$63,986,033</u>	<u>\$10,432,050</u>	<u>\$3,546,897</u>
2002 deferred tax asset:				
Reserves (primarily loss and unearned premiums)	<u>\$99,992,033</u>	<u>\$84,276,903</u>	<u>\$15,715,130</u>	<u>\$5,343,144</u>

Among the more significant book to tax adjustments for the six months ended June 30, 2002 and the year ended December 31, 2001 and following:

	<u>December 31, 2001</u>		<u>June 30, 2002</u>	
	<u>Amount</u>	<u>Tax Effect</u>	<u>Amount</u>	<u>Tax Effect</u>
Income(loss) before taxes	\$1,352,666	\$501,906	\$2,541,870	\$864,236
Book over tax reserves	2,216,226	753,517	5,283,079	1,796,247
Tax exempt interest expense	(488,820)	(166,199)	(234,377)	(79,688)
Dividend received deduction	(144,264)	(49,050)	(78,890)	(26,823)
Other	(911,726)	(309,987)	(1,756,219)	(597,115)
Taxable Income	\$2,024,082	\$730,188	\$5,755,461	1,956,857

The following are income taxes incurred in the current years that will be available for recoupment: in future years:

2001	\$730,188
2000	1,296,068
1999	937,660

The Company files its Federal income tax returns with its parent and its parent's other wholly owned subsidiaries. A written agreement between companies calls for allocation of income taxes to companies in the group, which have taxable income.

NOTES TO FINANCIAL STATEMENTS**10. Information Concerning Parent, Subsidiaries and Affiliates**

The company's parent company, National Interstate Corporation (Corporation) is a 58% owned subsidiary of Great American Insurance Company. The Company is the parent (100%) of National Interstate Insurance Company of Hawaii, Inc.

The company has a management services agreement with National Interstate Insurance Agency, Inc (Agency) whereby Agency receives a fee for rendering administrative services to the Company. Fees paid in 2002, which are based on cost of services under this agreement, amounted to \$ 1,120,000.

On December 31, 2001, Corporation donated its real estate, which consisted of an office building occupied by the Company to the Company as additional paid in capital. Net of encumbrances, the book value to the building was \$4,908,779 at December 31, 2001.

At June 30, 2002 the Company had the following inter-company receivables and (payables):

National Interstate Corporation	\$ 9,967,875
Hudson Indemnity, Ltd.	(4,670,592)
National Interstate Insurance of Hawaii, Inc.	(498,501)
Other	<u>(6,630,596)</u>
	\$ <u>(1,831,814)</u>

11. Debt

The company acquired debt in connection the transfer of real estate from Corporation on December 31,2001 in the amount of \$5,207,354 (balance due on June 30, 2002 - \$4,989,576). The debt consists of a note payable governed by a mortgage loan agreement and secured by the real estate. The note is payable in monthly installments of \$31,111 through November 1, 2010 with a final payment of \$1,878,465 on December 1,2010. Interest is payable monthly at variable rate determined by adding to the London Inter-bank Offering Rate (LIBOR), 1.75% for years 1 through 5 and 1.50% for years 6 through 10. The LIBOR rate at December 31, 2001 was 1.87%. 2001 is the 1st year of payments. The Company paid \$65,888 in interest in 2002. The mortgage loan agreement contains certain covenants including maintenance of Corporation's consolidated shareholders' equity at a minimum level which at December 31,2001, was met.

12. Retirement Plans

The Company has no such plans at June 30, 2002.

13. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

The company had 100,000 common shares issued and outstanding at June 30, 2002.

No preferred shares are authorized.

The payment of dividends by Ohio domiciled insurance companies, without the prior approval of the Superintendent of Insurance, is limited of the greater of 10% of statutory surplus as of the prior year end or net income for the prior year. The Ohio Insurance Holding Company law requires an insurance company's surplus be reasonable in relation to it liabilities and adequate for its financial needs following any dividend that it may pay to its parent. The maximum dividend payment that may be made without prior approval in 2002 is \$3,398,157. The Company has no regular dividend payment schedule.

Unassigned funds (surplus) at June 30, 2002 was reduced by unrealized capital losses on unaffiliated common and preferred stocks of \$1,163,836 and other nonadmitted assets of \$856,578.

The company does not issue surplus notes.

No quasi-reorganizations were made in 2002 or any prior year.

14. Contingencies

The Company has no contingent liabilities at June 30, 2002 and has no reserves committed to cover unknown contingencies.

NOTES TO FINANCIAL STATEMENTS**15. Leases**

The company leases approximately 9,600 square feet of office space in Honolulu, Hawaii under a lease that expires in 2003. The Company's lease commitment under this lease is \$143,180 in 2002 and \$11,932 in 2003.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

The company does not invest in these types of financial instruments

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

None

18. Gain or Loss from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The Company does not sell A&H Insurance programs.

19. Direct Premiums Written/Produced by Managing General Agents/Third Party Administrators

The Company does not do business through managing general agents or third party administrators.

20. Other Items

The company has had no extraordinary items to report in 2002 and 2001, nor has it been involved with any troubled debt restructuring in either year.

Investments with a fair valued of \$6,031,515 at December 31, 2001 were on deposit with government authorities or trustees as required by law.

21. Events Subsequent

The company has no Type I or Type II subsequent events to report.

22. Reinsurance

The following table shows details of unsecured reinsurance recoverable at December 31, 2001 that exceed 3% of the company's policyholder surplus. The balances at June 30, 2002 were not materially different.

Reinsurer	NAIC COMPANY CODE	FEDERAL ID NUMBER	UNSECURED AGGREGATE RECOVERABLE
General Reinsurance Corporation	22039	13-2637100	\$3,695,000
Great American Insurance Company	16691	31-0501234	7,169,000
St. Paul Re	24767	41-0406690	2,621,000
National Fire Insurance Company of Pittsburgh	19445	25-0687550	1,764,000
Swiss Reinsurance America Corporation	25364	13-1675535	1,390,000

The company has no reinsurance in dispute nor does it deem any of its reinsurance recoveries to be uncollectible. The company has not entered any agreements in 2002 and 2001 that would result in the commutation of ceded reinsurance. The company does not have any retroactive reinsurance agreements.

Had reinsurance agreements with ceding commissions been canceled by either the Company or the reinsurer at December 31, 2001, the maximum return ceding commission to nonaffiliated reinsurers would have been \$661,642 and to affiliated reinsurers \$1,482,712.

NOTES TO FINANCIAL STATEMENTS

23. Retrospectively rated contracts & contracts subject to Redetermination

The company has not entered any contracts that are retrospectively rated or subject to redetermination.

24. Change in Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years have increased by \$2,419,000 in 2001 and \$446,000 in 2002 through June 30. These increases are generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

25. Intercompany Pooling Arrangements

The Company does not participate in intercompany pooling arrangements.

26. Structured Settlements

The company rarely enters structured settlements, and in 2002 and 2001 entered none.

27. High Deductibles

Although the company writes commercial auto policies with deductible of various sizes, it does not write policies that have high deductibles.

28. Discounting of Liabilities for Unpaid Losses and Loss Adjustment Expenses

The Company does not discount its liabilities for unpaid loss and loss adjustment expenses.

29. Asbestos/Environmental Reserves

The company primarily writes auto insurance both commercial and private passenger, and has never written a policy that insured against asbestos or other environmental risks.

30. Subscriber Savings Accounts

This note is not applicable to the Company.

31. Financial Guaranty Insurance Exposures

Policies issued by the Company do not include financial guarantee coverage.

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 (X) No ()
 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
.....
.....
12

- 6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes () No () N/A (X)
 If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1998
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1998
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/06/2000
- 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 (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	\$ 4,701,227	\$ 5,015,344
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)	\$ 4,701,227	\$ 5,015,344
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
National City Bank	629 Euclid Ave., Cleveland, Ohio 44114-3484
KeyBank National Association	P.O. Box 6717, Cleveland, Ohio 44101-1717
.....

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 () N/A (X)
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.

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	4,908,779	5,095,231		
2. Increase (decrease) by adjustment	62,919	31,395		
3. Cost of acquired				4,908,779
4. Cost of additions to and permanent improvements	123,533	848		
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	5,095,231	5,127,474		4,908,779
9. Total valuation allowance				
10. Subtotal (Line 8 plus Line 9)	5,095,231	5,127,474		4,908,779
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	5,095,231	5,127,474		4,908,779

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				
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 (Line 9 plus Line 10)				
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period				

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

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

SCHEDULE D - PART 1B

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

	1	2	3	4	5	6	7	8
	Statement Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Statement Value End of First Quarter	Statement Value End of Second Quarter	Statement Value End of Third Quarter	Statement Value December 31 Prior Year
BONDS								
1. Class 1	60,035,312	6,701,249	5,737,219	910,504	60,035,312	61,909,846		53,178,673
2. Class 2	4,890,993			(1,533,722)	4,890,993	3,357,271		1,023,617
3. Class 3				499,208		499,208		2,838,957
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	64,926,305	6,701,249	5,737,219	(124,010)	64,926,305	65,766,325		57,041,247
PREFERRED STOCK								
8. Class 1	5,147,314	500,000		43,146	5,147,314	5,690,460		5,123,373
9. Class 2	1,186,720			17,040	1,186,720	1,203,760		1,212,850
10. Class 3	198,480			1,120	198,480	199,600		199,200
11. Class 4								
12. Class 5								
13. Class 6	8,800			480	8,800	9,280		
14. Total Preferred Stock	6,541,314	500,000		61,786	6,541,314	7,103,100		6,535,423
15. Total Bonds and Preferred Stock	71,467,619	7,201,249	5,737,219	(62,224)	71,467,619	72,869,425		63,576,670

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	8,603,804	X X X	8,603,804	46,077	

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	15,599,284	13,440,526		9,430,808
2. Cost of short-term investments acquired	(2,158,758)	(4,836,722)		6,168,476
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				
7. Book / adjusted carrying value, current period	13,440,526	8,603,804		15,599,284
8. Total valuation allowance				
9. Subtotal (Line 7 plus Line 8)	13,440,526	8,603,804		15,599,284
10. Total nonadmitted amounts				
11. Statement value (Line 9 minus Line 10)	13,440,526	8,603,804		15,599,284
12. Income collected during period	60,432	46,077		437,330
13. Income earned during period	51,016	64,167		440,365

SCHEDULE DB - PART F - SECTION 1

Summary of Replicated (Synthetic) Assets Open

Replicated (Synthetic) Asset					Components of the Replicated (Synthetic) Asset						
1	2	3	4	5	Derivative Instruments Open		Cash Instrument(s) Held				
Replication RSAT Number	Description	NAIC Designation or Other Description	Statement Value	Fair Value	6	7	8	9	10	11	12
					Description	Fair Value	CUSIP	Description	Statement Value	Fair Value	NAIC Designation or Other Description

SCHEDULE DB - PART F - SECTION 2

Reconciliation of Replicated (Synthetic) Assets Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1 Number of Positions	2 Total Replicated (Synthetic) Assets Statement Value	3 Number of Positions	4 Total Replicated (Synthetic) Assets Statement Value	5 Number of Positions	6 Total Replicated (Synthetic) Assets Statement Value	7 Number of Positions	8 Total Replicated (Synthetic) Assets Statement Value	9 Number of Positions	10 Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory										
2. Add: Opened or Acquired Transactions										
3. Add: Increases in Replicated Asset Statement Value	X X X		X X X		X X X		X X X		X X X	
4. Less: Closed or Disposed of Transactions										
5. Less: Positions Disposed of for Failing Effectiveness Criteria										
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	X X X		X X X		X X X		X X X		X X X	
7. Ending Inventory										

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	Yes	(52,564)	2,074,256	299,494	67,951	2,101,470	269,237
2. Alaska	AK	Yes	52,939	78,760	10,445		3,000	2,500
3. Arizona	AZ	Yes	2,016	341,407	92,276	85,514	203,002	129,935
4. Arkansas	AR	Yes	340,238	463,143	33,038	23,053	94,200	41,905
5. California	CA	Yes	4,258,533	5,412,475	1,720,839	677,388	7,160,224	1,257,693
6. Colorado	CO	Yes	238,939	860,892	32,186	56,340	103,506	179,565
7. Connecticut	CT	Yes	1,809,713	2,312,220	1,028,489	359,842	1,215,199	770,069
8. Delaware	DE	Yes	266,585	176,065	32,385	16,906	61,906	138,963
9. District of Columbia	DC	Yes	(6,558)					
10. Florida	FL	Yes	3,657,616	3,994,285	1,286,211	1,843,796	2,623,767	1,823,759
11. Georgia	GA	Yes	461,145	648,681	98,511	69,969	221,298	75,175
12. Hawaii	HI	Yes	9,952,578	8,156,019	2,366,066	1,930,624	3,527,726	2,859,957
13. Idaho	ID	Yes	50,030	167,215	11,444	30,504	712,218	112,227
14. Illinois	IL	Yes	1,254,357	1,023,550	333,848	360,656	3,098,913	984,058
15. Indiana	IN	Yes	563,357	437,179	506,164	298,882	831,486	1,017,633
16. Iowa	IA	Yes	308,509	635,691	16,296	9,167	110,086	118,640
17. Kansas	KS	Yes	123,082	65,265	89,332	68,661	66,000	22,074
18. Kentucky	KY	Yes	203,138	71,031	20,800	32,599	46,500	39,804
19. Louisiana	LA	Yes	1,371,055	1,181,957	279,885	139,359	1,471,155	347,588
20. Maine	ME	Yes	406,300	4,965	966		18,001	
21. Maryland	MD	Yes	698,531	199,273	53,293	181,531	370,400	121,703
22. Massachusetts	MA	Yes	1,789,490	1,759,122	294,377	79,009	636,275	329,174
23. Michigan	MI	Yes	1,562,730	1,212,510	222,692	146,575	1,012,982	328,803
24. Minnesota	MN	Yes	1,866,225	297,201	119,249	582,337	114,974	40,069
25. Mississippi	MS	Yes	271,265	62,814	18,003	35,151	243,557	8,985
26. Missouri	MO	Yes	762,017	1,147,023	315,525	90,003	287,074	226,882
27. Montana	MT	Yes	528,007	865,742	80,759	89,168	92,910	119,806
28. Nebraska	NE	Yes	1,389,150	474,788	100,763	39,508	811,057	561,389
29. Nevada	NV	Yes	50,408	63,035	67,230	59,897	410,702	171,553
30. New Hampshire	NH	Yes	513,661	11,681	33,210		16,200	
31. New Jersey	NJ	Yes	1,707,586	1,264,132	188,710	376,793	529,919	121,161
32. New Mexico	NM	Yes	146,280	142,146	120,205	316,266	301,083	233,644
33. New York	NY	Yes	3,605,840	2,548,882	775,556	483,818	2,638,086	2,202,497
34. North Carolina	NC	Yes	3,064,083	1,424,167	568,704	596,670	1,043,345	226,205
35. North Dakota	ND	Yes	5,447	2,548	5,816			1
36. Ohio	OH	Yes	3,487,255	1,431,998	489,818	326,162	1,462,618	448,839
37. Oklahoma	OK	Yes	748,909	507,195	180,734	106,472	47,270	114,704
38. Oregon	OR	Yes	363,395	339,057	358,513	128,341	145,714	376,825
39. Pennsylvania	PA	Yes	4,049,817	826,529	447,711	621,183	1,400,903	659,582
40. Rhode Island	RI	Yes	238	3,330	1,890			
41. South Carolina	SC	Yes	550,369	363,542	160,218	48,102	72,499	11,314
42. South Dakota	SD	Yes	113,328	94,978	4,646	14,080		27,231
43. Tennessee	TN	Yes	1,255,077	580,924	80,644	197,665	151,191	1,046,512
44. Texas	TX	Yes	1,916,809	200,146	4,935	215,097	219,004	24,093
45. Utah	UT	Yes	558,068	517,921	149,072	38,736	82,501	46,323
46. Vermont	VT	Yes	102,478	95,703	1,577	5,916	10,001	1
47. Virginia	VA	Yes	1,681,395	332,940	464,948	150,474	746,763	186,649
48. Washington	WA	Yes	1,215,425	960,440	323,377	140,294	374,801	340,042
49. West Virginia	WV	Yes	131,894	2,903			34,400	
50. Wisconsin	WI	Yes	898,904	567,942	59,857	40,499	82,843	18,503
51. Wyoming	WY	Yes		18,140				
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)	51	60,295,089	46,423,808	13,950,707	11,180,958	37,008,729	18,183,272
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.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY

PART 1 – ORGANIZATIONAL CHART

	<u>FEIN Number</u>	<u>NAIC Co. Code</u>	<u>Domiciliary State</u>
AMERICAN FINANCIAL GROUP, INC.	31-1544320		
AFC HOLDING COMPANY	31-1422526		
AMERICAN FINANCIAL CORPORATION	31-0624874		
Dixie Terminal Corporation	31-0823725		
One East Fourth, Inc.	31-0686194		
American Premier Underwriters, Inc.	23-6000765		
GAI (Bermuda) Ltd. (Bermuda)			
GAI Insurance Company, Ltd. (Bermuda)*			
Pennsylvania Company	51-6001624		
Atlanta Casualty Company*	58-1132392	21792	OH
American Premier Insurance Company*	31-1287689	37001	IN
Atlanta Casualty Group, Inc.	58-1293110		
Atlanta Reserve Insurance Company*	31-1627506	10968	OH
Atlanta Specialty Insurance Company*	42-1019055	31925	OH
Penn Central U.K. Limited (United Kingdom)			
Insurance (GB) Limited (United Kingdom)*			
Infinity Insurance Company*	31-0943862	22268	IN
Infinity National Insurance Company*	31-1358834	10068	IN
Infinity Select Insurance Company*	31-1333017	20260	IN
Leader Insurance Company*	34-0927698	11738	OH
Leader Preferred Insurance Company*	34-1785809	10195	OH
Leader Specialty Insurance Company*	34-1767787	10061	IN
TICO Insurance Company*	75-1227771	39497	OH
Republic Indemnity Company of America*	95-2801326	22179	CA
Republic Indemnity Company of California*	31-1054123	43753	CA
Windsor Insurance Company*	58-1806189	12599	IN
American Deposit Insurance Company*	73-0772113	16802	OK
Coventry Insurance Company*	31-1277903	35211	OH
El Aguila Compañía de Seguros, S.A. de C.V. (Mexico)*			
Moore Group Inc.	58-1080659		
Regal Insurance Company*	58-1806192	38873	IN
Premier Lease & Loan Services Insurance Agency, Inc.	91-1242743		
Great American Insurance Company*	31-0501234	16691	OH
American Empire Surplus Lines Insurance Company*	31-0912199	35351	DE
American Empire Insurance Company*	31-0973761	37990	OH
Fidelity Excess and Surplus Insurance Company*	22-2824607	12203	OH
Brothers Property Corporation	59-2840291		
FCIA Management Company, Inc.	13-3628555		
GAI Warranty Company	31-1753938		

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Great American Alliance Insurance Company*	95-1542353	26832	OH
Great American Assurance Company*	15-6020948	26344	OH
Great American Contemporary Insurance Company*	36-4079497	10646	OH
Great American Custom Insurance Services, Inc.	31-1070712		
Great American E & S Insurance Company*	31-0954439	37532	DE
Great American Fidelity Insurance Company*	31-1036473	41858	DE
Great American Insurance Company of New York*	13-5539046	22136	NY
Great American Lloyd's Insurance Company*@	31-0974853	38024	TX
Great American Protection Insurance Company*	31-1288778	38580	IN
Great American Security Insurance Company*	31-1209419	31135	OH
Great American Spirit Insurance Company*	31-1237970	33723	IN
Great Texas County Mutual Insurance Company*@	43-6030348	13820	TX
Mid-Continent Casualty Company*	73-0556513	23418	OK
Mid-Continent Insurance Company*	73-1406844	15380	OK
Oklahoma Surety Company*	73-0773259	23426	OK
National Interstate Corporation	34-1607394		
Hudson Indemnity, Ltd. (Cayman Islands)*			
National Interstate Insurance Company*	34-1607395	32620	OH
National Interstate Insurance Company of Hawaii, Inc.*	99-0345306	11051	HI
PLLS Canada Insurance Brokers Inc. (Canada)			
Pointe Apartments, Inc.	41-1752820		
Transport Insurance Company*	75-0784127	33014	OH
Worldwide Insurance Company*	39-1341441	26050	OH
Worldwide Direct Auto Insurance Company*	61-6027355	20133	OH
Worldwide Casualty Insurance Company*	61-0983091	39896	OH
Great American Financial Resources, Inc.	06-1356481		
AAG Holding Company, Inc.	31-1475936		
Great American Life Insurance Company*	13-1935920	63312	OH
American Retirement Life Insurance Company*	59-2760189	88366	OH
Annuity Investors Life Insurance Company*	31-1021738	93661	OH
Consolidated Financial Corporation	36-3383108		
Great American Life Assurance Company*	95-2496321	62200	OH
Great American Life Insurance Company of New York*	13-1996152	67288	NY
Loyal American Life Insurance Company*	63-0343428	65722	OH
Manhattan National Life Insurance Company	45-0252531	67083	IL
United Teacher Associates, Ltd.	74-2180806		
United Teacher Associates Insurance Company*	58-0869673	63479	TX
Great American Life Assurance Company of Puerto Rico*	66-0258488	73814	PR

*Denotes Insurer

@ Denotes company which is affiliated but not owned

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	652,414	186,021	28.5	29.6
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	270,658			
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	1,995,638	264,851	13.3	22.8
17.1 Other liability-occurrence	1,866,360	231,736	12.4	27.6
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	1,300,182	639,401	49.2	73.2
19.3, 19.4 Commercial auto liability	29,039,666	19,936,561	68.7	57.6
21. Auto physical damage	11,955,630	5,199,283	43.5	47.8
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	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	47,080,548	26,457,853	56.2	52.3
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			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril	377,008	722,588	581,305
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	94,819	266,324	
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	1,045,653	2,356,892	2,102,427
17.1 Other liability-occurrence			
17.2 Other liability-claims made	725,999	2,658,775	1,755,759
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability	807,695	1,436,663	1,518,885
19.3, 19.4 Commercial auto liability	12,958,929	38,056,770	28,288,756
21. Auto physical damage	6,712,738	14,797,078	12,176,677
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	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	22,722,841	60,295,090	46,423,809
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	4,480	4,125	8,605	1,386	2	1,388	4,122	47	3,074	7,243	1,028	(1,002)	26
2. 2000	5,509	3,386	8,895	1,196	19	1,215	3,814	66	4,653	8,533	(499)	1,352	853
3. Subtotals 2000 + prior	9,989	7,511	17,500	2,582	21	2,603	7,936	113	7,727	15,776	529	350	879
4. 2001	11,552	16,524	28,076	5,791	342	6,133	9,570	439	11,502	21,511	3,809	(4,241)	(432)
5. Subtotals 2001 + prior	21,541	24,035	45,576	8,373	363	8,736	17,506	552	19,229	37,287	4,338	(3,891)	447
6. 2002	X X X	X X X	X X X	X X X	5,379	5,379	X X X	7,015	10,937	17,952	X X X	X X X	X X X
7. Totals	21,541	24,035	45,576	8,373	5,742	14,115	17,506	7,567	30,166	55,239	4,338	(3,891)	447
8. Prior Year-End's Surplus As Regards Policy-holders	33,981										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. 20.1 %	2. (16.2)%	3. 1.0 %
													Co1. 13 , Line 7 Line 8
													4. 1.3 %

(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:



SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost	7 Amount of Encumbrances	8 Book / Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2 City	3 State						

Acquired by purchase

0199999 Acquired by purchase

SCHEDULE A - PART 3

Showing all Real Estate SOLD during the Quarter, including Payments during the Final Year on "Sales under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													

SCHEDULE B - PART 1

Showing all Mortgage Loans ACQUIRED during the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Book Value/Recorded Investment Excluding Accrued Interest	8 Increase (Decrease) by Adjustment	9 Increase (Decrease) by Foreign Exchange Adjustment	10 Value of Land and Buildings	11 Date of Last Appraisal or Valuation
	2 City	3 State								

Mortgages in good standing - Farm mortgages

00

0199999 Mortgages in good standing - Farm mortgages

SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD, transferred or paid in full during the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book Value/Recorded Investment Excluding Accrued Interest at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)
Bonds - U.S. Governments								
3136F1-Y8-7	FANNIE MAE	06/20/2002	NATIONAL FINANCIAL SERV		751,928	750,000		1
31359M-ET-6	FANNIE MAE	04/24/2002	NATIONAL FINANCIAL SERV		1,029,240	1,000,000	3,556	1
3136F1-WH-9	FANNIE MAE	04/24/2002	NATIONAL FINANCIAL SERV		1,020,130	1,000,000	(3,792)	1
31364G-VY-2	FANNIE MAE MED TERM NOTE	04/19/2002	NATIONAL FINANCIAL SERV		1,017,500	1,000,000	(9,060)	1
31364F-40-1	FANNIE MAE MED TERM NOTE	04/04/2002	NATIONAL FINANCIAL SERV		1,009,375	1,000,000	(7,858)	1
31331L-WF-1	FEDERAL FARM CR BANKS	04/24/2002	NATIONAL FINANCIAL SERV		1,013,438	1,000,000	8,686	1
3134A4-JT-2	FEDERAL HOME LOAN MTG CO	05/22/2002	DEUTCHE BANK		131,457	131,000	(2,678)	1
912827-7F-3	U.S. TREASURY NOTE	05/16/2002	WACHOVIA BANK		98,398	100,000	(1,499)	1
0399999	Subtotal - Bonds - U.S. Governments				6,071,465	5,981,000	(12,646)	
Bonds - Industrial and Miscellaneous								
25468P-BX-3	WALT DISNEY CO	05/17/2002	PAINÉ WEBBER		639,143	645,000	(9,023)	1
4599999	Subtotal - Bonds - Industrial and Miscellaneous				639,143	645,000	(9,023)	
6099997	Subtotal - Bonds - Part 3				6,710,609	6,626,000	(21,669)	
6099999	Subtotal - Bonds				6,710,609	6,626,000	(21,669)	
Preferred Stock - Industrial and Miscellaneous								
369622-70-9	GENERAL ELECTRIC CAP	04/17/2002	PAINÉ WEBBER	5,000	500,000			P1
053484-70-5	AVALONBAY COMMUNITIES INC	04/23/2002	PAINÉ WEBBER	1,900,000	50,910			P1
053484-70-5	AVALONBAY COMMUNITIES INC	06/17/2002	PAINÉ WEBBER	1,300,000	34,322			P1
6399999	Subtotal - Preferred Stock - Industrial and Miscellaneous				585,232			
6599997	Subtotal - Preferred Stock - Part 3				585,232			
6599999	Subtotal - Preferred Stock				585,232			
Common Stock - Public Utilities								
233331-10-7	DTE ENERGY CO	06/20/2002	MERRILL LYNCH	1,200,000	52,008			L
6699999	Subtotal - Common Stock - Public Utilities				52,008			
Common Stock - Industrial and Miscellaneous								
00184A-10-5	ADL TIME WARNER INC COM	06/19/2002	MCDONALD & CO	500,000	8,130			L
437076-10-2	HOME DEPOT INC COM	05/31/2002	MERRILL LYNCH	250,000	10,370			L
492386-10-7	KERR MCGEE CORP COM	04/19/2002	MCDONALD & CO	1,000,000	59,490			L
755111-50-7	RAYTHEON CO COM	04/15/2002	MERRILL LYNCH	200,000	7,882			L
835699-30-7	SONY CORP SPONS ADR	04/19/2002	MCDONALD & CO	200,000	10,504			L
882508-10-4	TEXAS INSTRS INC COM	04/19/2002	MERRILL LYNCH	2,100,000	71,209			L
925524-30-8	VIACOM INC COM	06/19/2002	MCDONALD & CO	500,000	22,095			L
911312-10-6	UNITED PARCEL SERV INC	06/19/2002	MCDONALD & CO	800,000	49,672			L
948741-10-3	WEINGARTEN REALTY INVESTORS REIT	05/14/2002	MCDONALD & CO	550,000	19,674			L
948741-10-3	WEINGARTEN REALTY INVESTORS REIT	06/19/2002	MCDONALD & CO	500,000	17,775			L
98157D-10-6	WORLDCOM INC-WORLDCOM GROUP	05/07/2002	MERRILL LYNCH	11,000,000	24,079			L
6899999	Subtotal - Common Stock - Industrial and Miscellaneous				300,880			
7099997	Subtotal - Common Stock - Part 3				352,888			
7099999	Subtotal - Common Stock				352,888			
(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues								

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)
7199999	Subtotal - Preferred and Common Stock				938,120			
7299999	TOTALS				7,648,729		(21,669)	

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identif- ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designa- tion (a)
Bonds - U.S. Governments																
31364G-H5-1	FANNIE MAE	05/09/2002	CALLED		250,000	250,000.00	248,323	248,841				1,159	1,159	8,468		1
3837H1-WG-2	GOVERNMENT NAT MTG ASSN SERIES 1998	05/21/2002	CALLED		246,265	246,265.31	246,265	246,265						13,542		1
3837H1-WG-2	GOVERNMENT NAT MTG ASSN SERIES 1998	06/20/2002	CALLED		253,735	253,734.69	253,735	253,735						1,374		1
0399999	Subtotal - Bonds - U.S. Governments				750,000	750,000.00	748,323	748,841				1,159	1,159	23,384		
Bonds - States, Territories and Possessions																
130621-QL-2	CALIF ST. HIGHER EDUC FAC	06/30/2002	MATURED		210,000	210,000.00	228,936	210,000								1
1799999	Subtotal - Bonds - States, Territories and Possessions				210,000	210,000.00	228,936	210,000								
Bonds - Political Subdivisions of States, Territories and Possessions																
473522-AD-2	JEFFERSON CNTY TEX HEALTH FAC	06/27/2002	PAINE WEBBER		1,025,500	1,000,000.00	997,370	997,370				28,130	28,130	22,633		1
2499999	Subtotal - Bonds - Political Subdivisions of States, Territories and Possessions				1,025,500	1,000,000.00	997,370	997,370				28,130	28,130	22,633		
Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																
575826-AP-7	MASS STATEGO	06/28/2002	CONSTITUTION CAPITAL		811,373	750,000.00	732,038	732,038				79,335	79,335	19,775		1
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions				811,373	750,000.00	732,038	732,038				79,335	79,335	19,775		
Bonds - Industrial and Miscellaneous																
25156P-AA-1	DEUTCHE TELKOM INT FIN	04/11/2002	NATIONAL FINANCAIL SERV		838,736	800,000.00	847,760	838,437				299	299	19,978		1
438516-AK-2	HONEYWELL INT	06/28/2002	PAINE WEBBER		1,100,550	1,000,000.00	1,069,390	1,067,067				33,483	33,483	(5,000)		1
637432-CS-2	NATIONAL RURAL UTIL COOP FIN	06/27/2002	PAINE WEBBER		522,000	500,000.00	504,500	504,251				17,749	17,749	(993)		1
25468P-BX-3	WALT DISNEY CO	06/28/2002	PAINE WEBBER		657,900	645,000.00	639,143	639,215				18,685	18,685	(9,023)		1
4599999	Subtotal - Bonds - Industrial and Miscellaneous				3,119,186	2,945,000.00	3,060,793	3,048,970				70,216	70,216	4,961		
6099997	Subtotal - Bonds - Part 4				5,916,059	5,655,000.00	5,767,459	5,737,219				178,839	178,840	70,754		
6099999	Subtotal - Bonds				5,916,059	5,655,000.00	5,767,459	5,737,219				178,839	178,840	70,754		
7299999	TOTALS				5,916,059		5,767,459	5,737,219				178,839	178,840	70,754		

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

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate, or Index	Date of Acquisition	Exchange or Counterparty	Cost/Option Premium	Book Value	*	Statement Value	Fair Value	Year to Date Increase/(Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/Miscellaneous Income

SCHEDULE DB - PART B - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate, or Index	Date of Issuance/Purchase	Exchange or Counterparty	Consideration Received	Book Value	*	Statement Value	Fair Value	Year to Date Increase/(Decrease) by Adjustment	Used to Adjust Basis	Other Investment/Miscellaneous Income

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2	3	4	Book Balance at End of Each Month During Current Quarter			8 *
					5	6	7	
Name	Location and Supplemental Information	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	
Open Depositories								
National City Bank	Cleveland, Ohio				(27,323)	(27,323)	(27,323)	
FirstBank of Hawaii	Honolulu, Hawaii				365,636	277,588	447,850	
KeyBank	Cleveland, Ohio				1,240,274	1,433,296	5,973,466	
Security Bank of Omaha	Omaha, Nebraska				97,302	280,760	100,628	
BankOne	Baton Rouge, Louisiana	5.200	71	159	20,000	20,000	20,000	
0199999	TOTAL - Open Depositories		71	159	1,695,889	1,984,321	6,514,621	
0399999	TOTAL Cash on Deposit		71	159	1,695,889	1,984,321	6,514,621	
0599999	TOTALS		71	159	1,695,889	1,984,321	6,514,621	