



**QUARTERLY STATEMENT**

AS OF JUNE 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

**American Modern Life Insurance Company**

NAIC Group Code 0127 0127 NAIC Company Code 65811 Employer's ID Number 86-6052181  
(Current Period) (Prior Period)

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

Country of Domicile \_\_\_\_\_

Incorporated December 12, 1956 Commenced Business January 3, 1957

Statutory Home Office 7000 Midland Blvd., Amelia, Ohio 45102-2607  
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 7000 Midland Blvd., Amelia, Ohio 45102-2607 800-543-2644 -5289  
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 5323, Cincinnati, Ohio 45201-5323  
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 7000 Midland Blvd., Amelia, Ohio 45102-2607  
(Street and Number, City or Town, State and Zip Code)  
800-543-2644 -5289  
(Area Code) (Telephone Number)

Internet Website Address www.amig.com

Statement Contact James Paul Tierney 800-543-2644 -5289  
(Name) (Area Code) (Telephone Number) (Extension)  
jim\_tierney@amig.com 513-947-4127  
(E-Mail Address) (Fax Number)

Policyowner Relations Contact 7000 Midland Blvd., Amelia, Ohio 45102-2607  
(Street and Number, City or Town, State and Zip Code)  
800-543-2644 -6682  
(Area Code) (Telephone Number) (Extension)

**OFFICERS**

Exec. V.P. & CFO ..... Kenneth Gerald Boberg  
 V. Pres. & Secretary..... Michael Lynn Flowers  
 Senior V. President ..... John Ignatius Von Lehman  
 Actuary ..... William R. Horbatt

President & CEO ..... John Weber Hayden  
 SVP & Treasurer ..... James Paul Tierney  
 Exec. V. President ..... Ronald Lee Crippin  
 Exec. V. President ..... Robert Eugene Hilliard  
 Sr. Vice President ..... Elisabeth Evensen Baldock

**VICE PRESIDENTS**

Frank Joseph May, SVP  
 John Gilbert Campbell, SVP

James Phillip Romerill, SVP  
 Patrick Michael Gallagher, SVP

Gary Andrew Cobb, SVP  
 #Paul Frederick Gelter, SVP

**DIRECTORS OR TRUSTEES**

John Weber Hayden, Chairman  
 Paul Thomas Brizzolara

Joseph Page Hayden, III  
 Kenneth Gerald Boberg

John Ignatius Von Lehman

State of Ohio SS  
 County of Clermont

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.

John Ignatius Von Lehman  
 Senior V. Pres.

Michael Lynn Flowers  
 V. Pres. & Secretary

James Paul Tierney  
 SVP & 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 .....	47,209,611		47,209,611	41,597,229
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	1,765,260		1,765,260	1,582,308
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. Policy loans .....				
6. Premium notes, including \$ ..... for first year premiums .....				
7. Cash (\$ ..... 286,112 ) and short-term investments (\$ ..... 4,829,222 ) .....	5,115,334		5,115,334	7,143,079
8. Other invested assets .....				
9. Receivable for securities .....				
10. Aggregate write-ins for invested assets .....				
11. Subtotals, cash and invested assets (Lines 1 to 10) .....	54,090,205		54,090,205	50,322,616
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers .....				
12.2 Commissions and expense allowances due .....				
12.3 Experience rating and other refunds due .....				
12.4 Other amounts receivable under reinsurance contracts .....				
13. Electronic data processing equipment and software .....				
14. Federal and foreign income tax recoverable and interest thereon (including \$ ..... 301,632 net deferred tax asset) .....	301,632		301,632	332,811
15. Guaranty funds receivable or on deposit .....				
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$ ..... loading) .....				
17. Accident and health premiums due and unpaid .....				
18. Investment income due and accrued .....	562,570		562,570	486,410
19. Net adjustment in assets and liabilities due to foreign exchange rates .....				
20. Receivable from parent, subsidiaries and affiliates .....	250,000		250,000	
21. Amounts receivable relating to uninsured accident and health plans .....				
22. Amounts due from agents .....				
23. Other assets nonadmitted .....	220,147	220,147		
24. Aggregate write-ins for other than invested assets .....	50,000		50,000	
25. Total assets excluding Separate Accounts business (Lines 11 to 24) .....	55,474,554	220,147	55,254,407	51,141,837
26. From Separate Accounts Statement .....				
27. Total (Lines 25 and 26) .....	55,474,554	220,147	55,254,407	51,141,837
DETAILS OF WRITE-INS				
1001. ....				
1002. ....				
1003. ....				
1098. Summary of remaining write-ins for Line 10 from overflow page .....				
1099. Totals (Lines 1001 through 1003 + 1098) (Line 10 above) .....				
2401. Accounts Receivable - Securities .....	50,000		50,000	
2402. ....				
2403. ....				
2498. Summary of remaining write-ins for Line 24 from overflow page .....				
2499. Totals (Lines 2401 through 2403 + 2498) (Line 24 above) .....	50,000		50,000	

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ 21,912,701 less \$ included in Line 6.3 (including \$ Modco Reserve)	21,912,701	17,983,208
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)	12,869,487	14,278,080
3. Liability for deposit-type contracts (including \$ Modco Reserve)		
4. Contract claims:		
4.1 Life	794,336	729,345
4.2 Accident and health	300,645	392,810
5. Policyholders' dividends \$ and coupons \$ due and unpaid		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment to (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on cancelled contracts		
9.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds		
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ ceded		
9.4 Interest Maintenance Reserve	59,839	124,043
10. Commissions to agents due or accrued-life and annuity contracts \$ 392,150 , accident and health \$ 436,927 and deposit-type contract funds \$	829,077	489,278
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued	82,167	240,906
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	229,970	423,042
15. Federal and foreign income taxes, including \$ on realized capital gains (losses) (including \$ net deferred tax liability)	108,600	101,400
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated		
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve	341,341	341,341
24.2 Reinsurance in unauthorized companies		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers	667,952	584,688
24.4 Payable to parent, subsidiaries and affiliates		
24.5 Drafts outstanding	273,921	266,311
24.6 Liability for amounts held under uninsured accident and health plans		
24.7 Funds held under coinsurance		
24.8 Payable for securities		
24.9 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	2,478,825	2,897,306
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	40,948,861	38,851,758
27. From Separate Accounts Statement		
28. Total Liabilities (Lines 26 and 27)	40,948,861	38,851,758
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus	7,000,000	5,000,000
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	4,805,546	4,790,076
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$ )		
36.2 shares preferred (value included in Line 30 \$ )		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ in Separate Accounts Statement)	11,805,546	9,790,076
38. Totals of Lines 29, 30 and 37	14,305,546	12,290,076
39. Totals of Lines 28 and 38	55,254,407	51,141,834
DETAILS OF WRITE-INS		
2501. Reinsurance Balances Payable	2,378,825	2,797,306
2502. Stabilization Reserve	100,000	100,000
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,478,825	2,897,306
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)		

## SUMMARY OF OPERATIONS

### (Excluding Unrealized Capital Gains and Losses)

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	5,658,616	7,808,549	15,579,166
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	1,426,892	1,185,749	2,401,085
4. Amortization of Interest Maintenance Reserve (IMR)		25,921	34,215
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	9,916,961	4,631,877	11,993,161
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income			
9. Totals (Lines 1 to 8.3)	17,002,469	13,652,096	30,007,627
10. Death benefits	1,540,505	1,052,826	1,898,870
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits			
13. Disability benefits and benefits under accident and health contracts	1,075,924	1,063,231	1,331,874
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts			
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds			
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health policies and contracts	2,519,266	3,512,262	8,229,980
20. Totals (Lines 10 to 19)	5,135,695	5,628,319	11,460,724
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	9,936,290	5,771,776	13,860,788
22. Commissions and expense allowances on reinsurance assumed	848,892	1,105,323	2,408,330
23. General insurance expenses	585,791	499,349	1,085,023
24. Insurance taxes, licenses and fees, excluding federal income taxes	559,357	253,793	667,068
25. Increase in loading on deferred and uncollected premiums			
26. Net transfers to or (from) Separate Accounts			
27. Aggregate write-ins for deductions			
28. Totals (Lines 20 to 27)	17,066,025	13,258,560	29,481,933
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(63,556)	393,536	525,694
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(63,556)	393,536	525,694
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(147,400)	249,943	337,500
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	83,844	143,593	188,194
34. Net realized capital gains or (losses) less capital gains tax of \$ ..... (excluding taxes of \$ ..... transferred to the IMR)			
35. Net Income (Line 33 plus Line 34)	83,844	143,593	188,194
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	12,290,076	9,963,929	9,963,929
37. Net income (Line 35)	83,844	143,593	188,194
38. Change in net unrealized capital gains (losses)	182,952	(34,776)	(175,392)
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in deferred income tax	(157,564)	320,469	459,196
41. Change in nonadmitted assets and related items	(93,762)	(521,824)	(126,385)
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve		(393)	(19,467)
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in	2,000,000	2,000,000	2,000,000
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus (Lines 37 through 53)	2,015,470	1,907,069	2,326,146
55. Capital and surplus as of statement date (Lines 36 + 54)	14,305,546	11,870,998	12,290,075
DETAILS OF WRITE-INS			
08.301.			
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 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)			
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above)			

**CASH FLOW**

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums and annuity considerations for life and accident and health contracts	5,658,616	15,579,166
2. Charges and fees for deposit-type contracts		
3. Considerations for supplementary contracts with life contingencies		
4. Net investment income	1,392,213	2,343,863
5. Commissions and expense allowances on reinsurance ceded	9,916,961	11,993,161
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts		
7. Aggregate write-ins for miscellaneous income		
8. Total (Lines 1 to 7)	16,967,790	29,916,190
9. Death benefits	1,475,514	1,817,067
10. Matured endowments		
11. Annuity benefits		
12. Disability benefits and benefits under accident and health contracts	1,168,089	1,140,414
13. Coupons, guaranteed annual pure endowments and similar benefits		
14. Surrender benefits and withdrawals for life contracts		
15. Group conversions		
16. Interest and adjustments on contract or deposit-type contract funds		
17. Payments on supplementary contracts with life contingencies		
18. Total (Lines 9 to 17)	2,643,603	2,957,481
19. Commissions on premiums, annuity considerations and deposit-type contract funds	9,586,100	13,599,442
20. Commissions and expense allowances on reinsurance assumed	848,892	2,408,330
21. General insurance expenses	760,711	1,165,135
22. Insurance taxes, licenses and fees, excluding federal income taxes	752,429	798,782
23. Net transfers to or (from) Separate Accounts		
24. Aggregate write-ins for deductions		
25. Total (Lines 18 to 24)	14,591,735	20,929,170
26. Dividends paid to policyholders		
27. Federal income taxes (excluding tax on capital gains)	(154,600)	273,400
28. Total (Lines 25 to 27)	14,437,135	21,202,570
29. Net cash from operations (Line 8 minus Line 28)	2,530,655	8,713,620
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds	4,579,780	12,353,835
30.2 Stocks		500,000
30.3 Mortgage loans		
30.4 Real estate		
30.5 Other invested assets		
30.6 Net gains (or losses) on cash and short-term investments		
30.7 Miscellaneous proceeds		
30.8 Total investment proceeds (Lines 30.1 to 30.7)	4,579,780	12,853,835
31. Net tax on capital gains (losses)		
32. Total (Line 30.8 minus Line 31)	4,579,780	12,853,835
33. Cost of investments acquired (long-term only):		
33.1 Bonds	10,290,426	23,994,106
33.2 Stocks		
33.3 Mortgage loans		
33.4 Real estate		
33.5 Other invested assets		
33.6 Miscellaneous applications		
33.7 Total investments acquired (Lines 33.1 to 33.6)	10,290,426	23,994,106
34. Net increase (or decrease) in policy loans and premium notes		
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34)	(5,710,646)	(11,140,271)
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in	2,000,000	2,000,000
36.2 Borrowed money \$		
36.3 Capital notes \$		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies		
36.5 Other cash provided		1,046,117
36.6 Total (Lines 36.1 to 36.5)	2,000,000	3,046,117
37. Cash applied:		
37.1 Dividends to stockholders paid		
37.2 Interest on indebtedness		
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies	847,755	14,209
37.4 Other applications (net)		
37.5 Total (Lines 37.1 to 37.4)	847,755	14,209
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5)	1,152,245	3,031,908
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38)	(2,027,746)	605,257
40. Cash and short-term investments:		
40.1 Beginning of year	7,143,080	6,537,821
40.2 End of period (Line 39 plus Line 40.1)	5,115,334	7,143,078
DETAILS OF WRITE-INS		
0701.		
0702.		
0703.		
0798. Summary of remaining write-ins for Line 7 from overflow page		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)		
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page		
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)		

**EXHIBIT 1****DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS**

	1	2	3
	Current Year to Date	Prior Year to Date	Prior Year Ended December 31
1. Industrial life .....			
2. Ordinary life insurance .....			
3. Ordinary individual annuities .....			
4. Credit life (group and individual) .....	16,286,367	9,636,818	22,033,863
5. Group life insurance .....			
6. Group annuities .....			
7. A & H - group .....			
8. A & H - credit (group and individual) .....	11,684,221	8,178,011	17,442,419
9. A & H - other .....			
10. Aggregate of all other lines of business .....			
11. Subtotal .....	27,970,588	17,814,829	39,476,282
12. Deposit-type contracts .....			
13. Total .....	27,970,588	17,814,829	39,476,282
DETAILS OF WRITE-INS			
1001. ....			
1002. ....			
1003. ....			
1098. Summary of remaining write-ins for Line 10 from overflow page .....			
1099. Total (Lines 1001 through 1003 plus Line 1098) (Line 10 above) .....			

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

- (A) The company has completed the statements in accordance with the NAIC Accounting Practices and Procedures manual.
- (B) The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported 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 expense during the period. Actual results could differ from those estimates.
- (C) Premiums are carried over the terms of the related policies using the mean method. Expenses incurred in the acquisition of new business are charged to operations as incurred.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common Stocks are stated at market.
- (4) Preferred Stocks are stated at cost.
- (5) The company has no Mortgage loans.
- (6) Loan-backed bonds are stated at amortized cost using the interest method including anticipated prepayments at the date of purchase.
- (7) Investments in subsidiaries are valued on the equity basis.
- (8) The company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The company does not own derivatives.
- (10) The company does not carry a premium deficiency reserve.
- (11) The company establishes reserves for losses on a case basis. In addition, the company makes estimates for losses incurred but not reported. These reserves are based on historical data and management assumptions. The ultimate liability may be less than or greater than the estimates established. The estimation methods and ultimate results of estimates are continually reviewed by management and independent actuaries.

### 9. Income Taxes

(A) The components of the net deferred tax asset/(liability) at June 30 are as follows:

	2002	2001
(1) Total of all deferred tax assets (admitted and non-admitted)	\$675,821	\$610,074
(2) Total of all deferred tax liabilities	\$374,189	\$370,220
(3) Total deferred tax assets non-admitted	\$ 0	\$126,385
(4) Increase (decrease) in deferred tax assets non-admitted	\$(126,385)	\$ 0

(B) All deferred tax liabilities are recognized

(C) The main components of deferred tax amounts are as follows:

DTA's	Statutory	Tax	Difference	Tax Effect
Unearned Premium	\$9,654,592	\$7,723,674	\$1,930,918	\$675,821
DTL's				
Unrealized Gain-Common Stock	\$ 1,069,110	0	\$1,069,110	\$374,189

(D) Among the more significant book adjustments were the following:

	Amount	Tax Effect
1. Income before taxes	\$ (127,760)	\$ (44,716)
2. Book over tax reserves	\$ (267,229)	\$ (93,530)
3. Net DAC Adjustment		
4. Depreciation		
5. Accrued Market Discount		
6. Tax Exempt Interest	\$ (26,134)	\$ (9,147)
7. Dividends received deduction		
8. Accrued Dividends		
9. Key-person life insurance premiums		
10. Accrued deferred compensation		
11. Taxable income	\$(421,123)	\$ (147,400)

### 10. Information Concerning Parent, Subsidiaries and Affiliates

- (A) The Company received \$2,000,000 of additional surplus from the parent company, American Modern Insurance Group, in January, 2002.

**GENERAL INTERROGATORIES**

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

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes ( ) No (X)
- 1.2 If yes, explain:  
 .....  
 .....  
 .....
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes ( ) No (X)
- 2.2 If yes, has the report been filed with the domiciliary state? Yes ( ) No ( )
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes ( ) No (X)
- 3.2 If yes, date of change:  
 If not previously filed, furnish herewith a certified copy of the instrument as amended. .....
- 4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes ( ) No (X)  
 If yes, attach an organizational chart.
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes ( ) No (X)
- 5.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....	.....	.....
.....	.....	.....
.....	.....	.....

- 6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes ( ) No ( ) N/A (X)  
 If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1998
- 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). 02/15/2000
- 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 (X) No ( )

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 .....	\$ .....	\$ 2,557,000
13.26 All Other .....	\$ .....	\$ .....
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26) .....	\$ .....	\$ 2,557,000
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above .....	\$ .....	\$ 2,557,000
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....	\$ .....	\$ .....

14.1 Does the reporting entity have any hedging transactions reported on schedule DB? Yes ( ) No (X)

14.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes ( ) No ( )

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes ( ) No (X)

15.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
.....	.....
.....	.....
.....	.....

15.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....
.....	.....	.....
.....	.....	.....

15.3 Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year? Yes ( ) No (X)

15.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

15.5 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
Midland Company .....	.....	7000 Midland Blvd. Amelia, Ohio 45102 .....
Zurich Scudder Investment .....	.....	222 South Riverside Plaza Chicago, Illinois 60606 .....
.....	.....	.....

**GENERAL INTERROGATORIES (continued)**

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

PART 2 - LIFE AND HEALTH

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:

	1
	Amount
1.1 Long-Term Mortgages in Good Standing	
1.11 Farm Mortgages .....	\$ .....
1.12 Residential Mortgages .....	\$ .....
1.13 Commercial Mortgages .....	\$ .....
1.14 Total Mortgages in Good Standing .....	\$ .....
	<u>                    </u>
1.2 Long-Term Mortgages in Good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing .....	\$ .....
	<u>                    </u>
1.3 Long-Term Mortgage Loans upon which	
1.31 Farm Mortgages .....	\$ .....
1.32 Residential Mortgages .....	\$ .....
1.33 Commercial Mortgages .....	\$ .....
1.34 Total Mortgages with Interest Overdue more than Three Months .....	\$ .....
	<u>                    </u>
1.4 Long-Term Mortgage Loans in Process of Foreclosure	
1.41 Farm Mortgages .....	\$ .....
1.42 Residential Mortgages .....	\$ .....
1.43 Commercial Mortgages .....	\$ .....
1.44 Total Mortgages in Process of Foreclosure .....	\$ .....
	<u>                    </u>
1.5 Total Mortgage Loans (Lines 1.14 plus 1.21 plus 1.34 plus 1.44) (Page 2, Column 3, Lines 3.1 plus 3.2) .....	\$ .....
	<u>                    </u>
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages .....	\$ .....
1.62 Residential Mortgages .....	\$ .....
1.63 Commercial Mortgages .....	\$ .....
1.64 Total Mortgages Foreclosed and Transferred to Real Estate .....	\$ .....
	<u>                    </u>

NONE

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Schedule A, Verification  
**NONE**

Schedule B, Verification  
**NONE**

Schedule BA, Verification  
**NONE**

**SCHEDULE D - PART 1B**

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

	1	2	3	4	5	6	7	8
	Statement Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Statement Value End of First Quarter	Statement Value End of Second Quarter	Statement Value End of Third Quarter	Statement Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 .....	45,418,565	16,619,277	14,616,682	(1,780)	45,418,565	42,590,159		41,221,844
2. Class 2 .....	4,720,345		99,742	(1,149)	4,720,345	4,619,454		4,182,462
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds .....	50,138,910	16,619,277	14,716,424	(2,929)	50,138,910	47,209,613		45,404,306
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds and Preferred Stock .....	50,138,910	16,619,277	14,716,424	(2,929)	50,138,910	47,209,613		45,404,306

**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 .....	4,829,222	X X X	4,829,222	9,528	

**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 .....	3,807,076	3,027,889		4,537,209
2. Cost of short-term investments acquired .....	13,312,036	13,965,370		46,661,406
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 .....	14,091,223	12,164,037		47,391,539
7. Book / adjusted carrying value, current period .....	3,027,889	4,829,222		3,807,076
8. Total valuation allowance .....				
9. Subtotal (Line 7 plus Line 8) .....	3,027,889	4,829,222		3,807,076
10. Total nonadmitted amounts .....				
11. Statement value (Line 9 minus Line 10) .....	3,027,889	4,829,222		3,807,076
12. Income collected during period .....	20,796	9,528		219,180
13. Income earned during period .....	13,468	9,608		213,018

**Page 14**

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

**Page 15**

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

**Page 16**

Schedule S - Ceded Reinsurance  
**NONE**

**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Direct Business Only				
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations
		2 Life Insurance Premiums	3 Annuity Considerations			
1. Alabama	AL	YES				
2. Alaska	AK	YES				
3. Arizona	AZ	YES	19,121		7,460	
4. Arkansas	AR	YES	440,537		114,960	
5. California	CA	YES	458,837		386,998	
6. Colorado	CO	YES	1,045,120		534,632	
7. Connecticut	CT	YES	10,605		13,949	
8. Delaware	DE	YES				
9. District of Columbia	DC	YES				
10. Florida	FL	YES	(1,691)		(422)	
11. Georgia	GA	YES	30,644		5,569	
12. Hawaii	HI	YES				
13. Idaho	ID	YES	525,238		299,471	
14. Illinois	IL	YES	575,885		438,525	
15. Indiana	IN	YES	202,435		115,424	
16. Iowa	IA	YES	794,777		542,005	
17. Kansas	KS	YES	49,971		18,117	
18. Kentucky	KY	YES	(12,369)		(134)	
19. Louisiana	LA	YES	(747)		1,894	
20. Maine	ME	YES				
21. Maryland	MD	YES	13,395		4,812	
22. Massachusetts	MA	YES				
23. Michigan	MI	YES	138,384		177,236	
24. Minnesota	MN	YES	1,591,134		1,147,287	
25. Mississippi	MS	YES	(668)		638	
26. Missouri	MO	YES	1,251,001		635,473	
27. Montana	MT	YES	207,458		130,164	
28. Nebraska	NE	YES	747,077		503,733	
29. Nevada	NV	YES	118,865		62,804	
30. New Hampshire	NH	NO				
31. New Jersey	NJ	NO				
32. New Mexico	NM	YES				
33. New York	NY	YES				
34. North Carolina	NC	YES	(30,600)		(3,287)	
35. North Dakota	ND	YES	90,523		62,506	
36. Ohio	OH	YES	2,632,219		3,531,446	
37. Oklahoma	OK	YES	4,984		(3)	
38. Oregon	OR	YES	1,605,727		873,295	
39. Pennsylvania	PA	YES	(10,514)		549	
40. Rhode Island	RI	YES				
41. South Carolina	SC	YES	(4,827)		(9)	
42. South Dakota	SD	YES	261,262		169,719	
43. Tennessee	TN	YES	511,677		152,218	
44. Texas	TX	YES	(21,066)		911	
45. Utah	UT	YES	128,136		94,047	
46. Vermont	VT	YES				
47. Virginia	VA	YES	11,751		927	
48. Washington	WA	YES	1,006,111		476,830	
49. West Virginia	WV	YES	567,892		310,873	
50. Wisconsin	WI	YES	1,211,409		795,197	
51. Wyoming	WY	YES	116,674		78,406	
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. Subtotal	(a)	49	16,286,367		11,684,220	
90. Reporting entity contributions for employee benefit plans	X X X					
91. Dividends or refunds applied to purchase paid-up additions and annuities	X X X					
92. Dividends or refunds applied to shorten endowment or premium paying period	X X X					
93. Premium or annuity considerations waived under disability or other contract provisions	X X X					
94. Aggregate of other amounts not allocable by State	X X X					
95. Totals (Direct Business)	X X X		16,286,367		11,684,220	
96. Plus Reinsurance Assumed	X X X		981,526		477,385	
97. Totals (All Business)	X X X		17,267,893		12,161,605	
98. Less Reinsurance Ceded	X X X		11,943,953		11,826,930	
99. Totals (All Business) less Reinsurance Ceded	X X X		5,323,940		334,675	
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. Total (Lines 5701 through 5703 plus 5798) (Line 57 above)	X X X					
9401.	X X X					
9402.	X X X					
9403.	X X X					
9498. Summary of remaining write-ins for Line 94 from overflow page	X X X					
9499. Total (Lines 9401 through 9403 plus 9498) (Line 94 above)	X X X					

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

## 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.

RESPONSE

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:



**Page E01**

Sch. A, Pt. 2, Real Estate Acquired

**NONE**

Sch. A, Pt. 3, Real Estate Sold

**NONE**

**Page E02**

Schedule B, Part 1, Mortgage Loans Acquired

**NONE**

Schedule B, Part 2, Mortgage Loans Sold

**NONE**

**Page E03**

Sch. BA, Pt. 1, Other Long-Term Invested Assets Acquired

**NONE**

Sch. BA, Pt. 2, Other Long-Term Invested Assets Sold

**NONE**

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)
Bonds - U.S. Governments								
36201P-YL-3	GNMA P/T POOL 589415	06/20/2002	PAINE WEBBER		152,355	150,000	515	1
912810-FP-8	U.S. TREASURY BOND	04/22/2002	SBC CAP MKTS		478,203	500,000	4,900	1PE
0399999	Subtotal - Bonds - U.S. Governments				630,558	650,000	5,415	
Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions								
31371K-MJ-7	FNMA P/T POOL 254261	06/18/2002	J.P. MORGAN SEC INC		180,742	174,999	537	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				180,742	174,999	537	
Bonds - Industrial and Miscellaneous								
035229-CE-1	ANHEUSER BUSCH COS	06/27/2002	CHEMICAL SECURITIES INC		431,438	375,000	7,969	1PE
55264T-AQ-4	MBNA CR CARD MASTER	04/30/2002	MERRILL LYNCH DEB SEC		499,668	500,000	1,031	1
742718-BW-8	PROCTOR & GAMBLE COMPANY	06/11/2002	CHEMICAL SECURITIES INC		348,796	350,000		1PE
742718-BW-8	PROCTOR & GAMBLE COMPANY	06/11/2002	MERRILL LYNCH DEB SEC		99,647	100,000		1PE
90333W-AA-6	U S BANK NA	05/31/2002	SBC CAP MKTS		463,059	450,000	9,563	1
4599999	Subtotal - Bonds - Industrial and Miscellaneous				1,842,608	1,775,000	18,563	
6099997	Subtotal - Bonds - Part 3				2,653,908	2,599,999	24,515	
6099999	Subtotal - Bonds				2,653,908	2,599,999	24,515	
7299999	TOTALS				2,653,908		24,515	

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

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designation (a)
<b>Bonds - U.S. Governments</b>																
36201E-NF-3	GNMA P/T POOL 580990	06/15/2002	PAYDOWN		3,707	3,707.00	3,764	3,707								1
36202D-AN-1	GNMA II P/T POOL 2713	06/20/2002	PAYDOWN		22,071	22,071.00	21,440	22,071								1
36202D-J8-5	GNMA II P/T POOL 2987	06/20/2002	PAYDOWN		33,684	33,684.00	33,578	33,684								1
36202D-LV-1	GNMA II P/T POOL 3040	06/20/2002	PAYDOWN		38,754	38,754.00	39,081	38,754								1
36206A-LZ-4	GNMA P/T POOL 405444	06/17/2002	PAYDOWN		4,728	4,728.00	4,991	4,728								1
36208P-ZP-6	GNMA P/T POOL 457150	06/17/2002	PAYDOWN		11,892	11,892.00	11,337	11,892								1
36210V-PS-4	GNMA P/T POOL 503633	06/17/2002	PAYDOWN		15,273	15,273.00	14,939	15,273								1
36211R-FP-9	GNMA P/T POOL 520474	06/17/2002	PAYDOWN		18,385	18,385.00	17,658	18,385								1
36224C-LU-9	GNMA P/T POOL 324439	06/17/2002	PAYDOWN		2,938	2,938.00	2,967	2,938								1
36224T-AC-4	GNMA P/T POOL 337603	06/17/2002	PAYDOWN		2,715	2,715.00	2,813	2,715								1
36225A-SU-0	GNMA P/T POOL 780859	06/17/2002	PAYDOWN		22,802	22,802.00	23,215	22,802								1
40074P-AC-5	GUARANTEED EXPORT TRUST	06/15/2002	PAYDOWN		88,236	88,236.00	88,236	88,236								1
400907-AL-5	GUARANTEED EXPORT TRUST	06/15/2002	PAYDOWN		26,177	26,177.00	26,177	26,177								1
912827-F4-9	U.S. TREASURY NOTES	05/15/2002	MATURITY		250,000	250,000.00	257,539	250,000						9,375		1PE
912827-F4-9	U.S. TREASURY NOTES	05/15/2002	MATURITY		500,000	500,000.00	514,521	500,000						18,750		1PE
0399999	Subtotal - Bonds - U.S. Governments				1,041,362	1,041,362.00	1,062,256	1,041,362						28,125		
<b>Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																
31287M-MV-9	FHLMC GOLD P/T POOL C62172	06/17/2002	PAYDOWN		23,670	23,670.00	23,186	23,670								1
31286J-QR-1	FHLMC GOLD P/T POOL E82264	06/17/2002	PAYDOWN		33,196	33,196.00	33,373	33,196								1
31292G-7H-3	FHLMC GOLD P/T POOL C00896	06/17/2002	PAYDOWN		33,117	33,117.00	33,112	33,117								1
31292H-DA-3	FHLMC GOLD P/T POOL C01023	06/15/2002	PAYDOWN		46,930	46,930.00	48,282	46,930								1
31292H-D6-8	FHLMC GOLD P/T POOL C01025	06/17/2002	PAYDOWN		21,704	21,704.00	21,725	21,704								1
31292H-FT-6	FHLMC GOLD P/T POOL C01078	06/17/2002	PAYDOWN		33,549	33,549.00	33,108	33,549								1
31292H-GN-8	FHLMC GOLD P/T POOL C01105	06/17/2002	PAYDOWN		30,554	30,554.00	29,585	30,554								1
31292H-N9-1	FHLMC GOLD P/T POOL C01316	06/01/2002	PAYDOWN		7,428	7,428.00	7,367	7,428								1
31293K-7A-8	FHLMC GOLD P/T POOL C22689	06/17/2002	PAYDOWN		16,028	16,028.00	15,344	16,028								1
31293S-DX-4	FHLMC GOLD P/T POOL C28218	06/17/2002	PAYDOWN		20,810	20,810.00	20,806	20,810								1
31293Y-BX-3	FHLMC GOLD P/T POOL C32754	06/17/2002	PAYDOWN		17,969	17,969.00	17,589	17,969								1
31298F-U3-4	FHLMC GOLD P/T POOL C46902	06/17/2002	PAYDOWN		10,405	10,405.00	10,392	10,405								1
31298M-JF-5	FHLMC GOLD P/T POOL C51162	06/17/2002	PAYDOWN		66,352	66,352.00	66,549	66,352								1
31376E-GP-9	FNMA P/T POOL 353106	06/25/2002	PAYDOWN		36,261	36,261.00	36,828	36,261								1
31382W-S5-2	FNMA P/T POOL 494740	06/25/2002	PAYDOWN		19,785	19,785.00	18,459	19,785								1
31384H-7K-3	FNMA P/T POOL 524798	06/25/2002	PAYDOWN		37,944	37,944.00	36,427	37,944								1
31384U-4E-1	FNMA P/T POOL 534621	06/25/2002	PAYDOWN		19,651	19,651.00	19,826	19,651								1
31384V-2A-9	FNMA P/T POOL 535469	06/25/2002	PAYDOWN		20,136	20,136.00	18,881	20,136								1
31384V-T8-5	FNMA P/T POOL 535275	06/25/2002	PAYDOWN		25,640	25,640.00	25,471	25,640								1
31384V-ZC-9	FNMA P/T POOL 535439	06/25/2002	PAYDOWN		19,958	19,958.00	20,186	19,958								1
31384W-LC-2	FNMA P/T POOL 535923	06/25/2002	PAYDOWN		122,929	122,929.00	124,331	122,929								1
31384X-4C-9	FNMA P/T POOL 537319	06/25/2002	PAYDOWN		17,401	17,401.00	17,292	17,401								1
31385E-WT-2	FNMA P/T POOL 542558	06/25/2002	PAYDOWN		28,453	28,453.00	28,080	28,453								1
31385R-SZ-9	FNMA P/T POOL 550864	06/25/2002	PAYDOWN		68,402	68,402.00	68,017	68,402								1
31385Y-LU-7	FNMA P/T POOL 556639	06/25/2002	PAYDOWN		27,890	27,890.00	27,834	27,890								1
31387N-2W-6	FNMA P/T POOL 589489	06/15/2002	PAYDOWN		10,704	10,704.00	11,025	10,704								1
31387Y-YU-1	FNMA P/T POOL 598423	06/25/2002	PAYDOWN		13,961	13,961.00	14,121	13,961								1
31388D-ZF-8	FNMA P/T POOL 602402	06/25/2002	PAYDOWN		28,633	28,633.00	28,955	28,633								1
31388T-5K-5	FNMA P/T POOL 614750	06/25/2002	PAYDOWN		25,945	25,945.00	26,059	25,945								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				885,405	885,405.00	882,210	885,405								

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

**SCHEDULE D - PART 4**Show All Long-term Bonds and Stock Sold, Redeemed or Otherwise Disposed of  
by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identif- ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designa- tion (a)
Bonds - Industrial and Miscellaneous																
035229-CH-4	ANHEUSER BUSCH COMPANIES	06/27/2002	CHEMICAL SECURITIES INC		312,876	300,000.00	297,867	298,031				14,845	14,845	12,600		1PE
22540A-6D-5	CS FIRST BOSTON	06/17/2002	PAYDOWN		8,196	8,196.00	8,194	8,196								1
36157N-HT-4	GE CAPITAL MORTGAGE SVCS	06/25/2002	PAYDOWN		14,566	14,566.00	14,354	14,566								1PE
393505-XC-1	GREENTREE FINANCIAL CORP	06/17/2002	PAYDOWN		27	27.00	27	27								1
61746W-CG-3	MORGAN STANLEY DEAN WITTER	06/17/2002	PAYDOWN		9,321	9,321.00	9,315	9,321								1
902118-AX-6	TYCO INTERNATIONAL GROUP	06/17/2002	GOLDMAN SACHS		38,250	50,000.00	49,837	49,871				(11,621)	(11,621)	2,674		2PE
902118-AX-6	TYCO INTERNATIONAL GROUP	06/18/2002	SALOMON BROS		40,500	50,000.00	49,837	49,871				(9,371)	(9,371)	2,683		2PE
98155K-AH-5	WORLDCOM, INC.	05/15/2002	GOLDMAN SACHS		112,000	200,000.00	193,974	195,738				(83,738)	(83,738)	9,600		1
4599999	Subtotal - Bonds - Industrial and Miscellaneous				535,736	632,110.00	623,405	625,621				(89,885)	(89,885)	27,557		
6099997	Subtotal - Bonds - Part 4				2,462,503	2,558,877.00	2,567,871	2,552,388				(89,885)	(89,885)	55,682		
6099999	Subtotal - Bonds				2,462,503	2,558,877.00	2,567,871	2,552,388				(89,885)	(89,885)	55,682		
7299999	TOTALS				2,462,503		2,567,871	2,552,388				(89,885)	(89,885)	55,682		

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Schedule DB, Part A, Section 1

**NONE**

Schedule DB, Part B, Section 1

**NONE**

**Page E07**

Schedule DB, Part C, Section 1

**NONE**

Schedule DB, Part D, Section 1

**NONE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 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								
US BANK	CINCINNATI, OH - COMMERCIAL ACCOUNT				505,492	384,740	513,153	
US BANK	CINCINNATI, OH - TRUST ACCOUNT				15,013	852		
US BANK	CINCINNATI, OH - OUTSTANDING A/P CHECKS				(162,139)	(288,225)	(227,042)	
0199999	TOTAL - Open Depositories				358,365	97,367	286,112	
0399999	TOTAL Cash on Deposit				358,365	97,367	286,112	
0599999	TOTALS				358,365	97,367	286,112	