



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

Excess Share Insurance Corporation

NAIC Group Code 0359 0359 NAIC Company Code 10003 Employer's ID Number 31-1383517

(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated August 17, 1993 Commenced Business December 22, 1993

Statutory Home Office 5656 Frantz Road, Dublin, Ohio 43017

(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 5656 Frantz Road, Dublin, Ohio 43017 614-764-1900

(Street and Number, City or Town, State and Zip Code)

(Area Code) (Telephone Number)

Mail Address 5656 Frantz Road, Dublin, Ohio 43017

(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 5656 Frantz Road, Dublin, Ohio 43017

(Street and Number, City or Town, State and Zip Code)

614-764-1900

(Area Code) (Telephone Number)

Internet Website Address www.excessshare.com

Statement Contact Curtis Lee Robson 614-764-1900 -133

(Name)

(Area Code) (Telephone Number) (Extension)

crobson@americanshare.com

(E-Mail Address)

(Fax Number)

Policyowner Relations Contact 5656 Frantz Rd., Dublin, Ohio 43017

(Street and Number, City or Town, State and Zip Code)

614-764-1900

(Area Code) (Telephone Number) (Extension)

OFFICERS

President Dennis Roy Adams
Secretary Gerald Duane Welsh
Treasurer Curtis Lee Robson

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Dennis Roy Adams
Gerald Duane Welsh

Bruce Allen Ingraham
Marjorie Ann Harden

Paul Gregory Simons

State of Ohio

SS

County of Franklin

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.

Dennis Roy Adams
President

Gerald Duane Welsh
Secretary

Curtis Lee Robson
Treasurer

Subscribed and sworn to before me this
day of 2002

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	20,653,433		20,653,433	18,724,303
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ 5,938,181) and short-term investments (\$ 1,150,402)	7,088,583		7,088,583	6,164,957
6. Other invested assets				
7. Receivable for securities				
8. Aggregate write-ins for invested assets				
9. Subtotals, cash and invested assets (Lines 1 to 8)	27,742,016		27,742,016	24,889,260
10. Agents' balances or uncollected premiums :				
10.1 Premiums and agents' balances in course of collection				
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
10.3 Accrued retrospective premiums				
11. Funds held by or deposited with reinsured companies				
12. Bills receivable, taken for premiums				
13. Amounts billed and receivable under high deductible policies				
14. Reinsurance recoverables on loss and loss adjustment expense payments				
15. Federal and foreign income tax recoverable and interest thereon (including \$ 244,000 net deferred tax asset)	244,000	244,000		
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software				
18. Interest, dividends and real estate income due and accrued	290,341		290,341	226,147
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	386,070		386,070	347,469
26. Total assets excluding protected cell assets (Lines 9 through 25)	28,662,427	244,000	28,418,427	25,462,876
27. Protected cell assets				
28. TOTALS (Lines 26 and 27)	28,662,427	244,000	28,418,427	25,462,876
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. Insurance Premiums Receivable	386,070		386,070	319,745
2502. Reinsurance Premium Refund Receivable				27,724
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	386,070		386,070	347,469

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)	725,500	703,000
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	9,249	11,477
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7. Federal and foreign income taxes, including \$ on realized capital gains (losses) (including \$ net deferred tax liability)	7,758	22,900
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)		
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	97,239	82,957
20. Payable for securities		
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ and interest thereon \$		
23. Aggregate write-ins for liabilities	18,427,500	16,185,000
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	19,267,246	17,005,334
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	19,267,246	17,005,334
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	2,500,000	2,500,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	4,200,000	4,200,000
33. Unassigned funds (surplus)	2,451,181	1,757,542
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)	9,151,181	8,457,542
36. TOTALS	28,418,427	25,462,876
DETAILS OF WRITE-INS		
2301. Premium Deposits Payable	18,417,500	16,165,000
2302. Premium Deposit Refunds Due	10,000	20,000
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	18,427,500	16,185,000
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 \$ 1,243,493)	1,243,493	925,487	1,307,133
1.2 Assumed (written \$)			
1.3 Ceded (written \$ 225,650)	225,650	206,070	249,515
1.4 Net (written \$ 1,017,843)	1,017,843	719,417	1,057,618
DEDUCTIONS:			
2. Losses incurred (current accident year \$):			
2.1 Direct	22,500	22,500	30,000
2.2 Assumed			
2.3 Ceded			
2.4 Net	22,500	22,500	30,000
3. Loss expenses incurred			
4. Other underwriting expenses incurred	887,123	717,655	949,729
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	909,623	740,155	979,729
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	108,220	(20,738)	77,889
INVESTMENT INCOME			
9. Net investment income earned	947,116	879,882	1,181,839
10. Net realized capital gains (losses)			
11. Net investment gain (loss) (Lines 9 plus 10)	947,116	879,882	1,181,839
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	3,203	9,503	11,413
15. Total other income (Lines 12 through 14)	3,203	9,503	11,413
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 plus 11 plus 15)	1,058,539	868,647	1,271,141
17. Dividends to policyholders			
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	1,058,539	868,647	1,271,141
19. Federal and foreign income taxes incurred	359,900	295,300	432,200
20. Net income (Line 18 minus Line 19) (to Line 22)	698,639	573,347	838,941
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	8,457,542	6,128,657	6,128,657
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	698,639	573,347	838,941
23. Net unrealized capital gains or losses			
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax		228,800	228,800
26. Change in nonadmitted assets	(5,000)	(234,856)	(238,856)
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			
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		1,500,000	1,500,000
32.2 Transferred to capital (Stock Dividend)			
32.3 Transferred from capital			
33. Net remittances from or (to) Home Office			
34. Dividends to stockholders			
35. Change in treasury stock			
36. Aggregate write-ins for gains and losses in surplus			
37. Change in surplus as regards policyholders (Lines 22 through 36)	693,639	2,067,291	2,328,885
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	9,151,181	8,195,948	8,457,542
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. Miscellaneous Income	3,203	9,503	11,413
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	3,203	9,503	11,413
3601.			
3602.			
3603.			
3698. Summary of remaining write-ins for Line 36 from overflow page			
3699. TOTALS (Lines 3601 through 3603 plus 3698) (Line 36 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	951,518	892,961
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)		
3. Underwriting expenses paid	889,351	960,650
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	62,167	(67,689)
6. Net investment income	890,589	1,173,503
7. Other income (expenses):		
7.1 Agents' balances charged off		
7.2 Net funds held under reinsurance treaties		
7.3 Net amount withheld or retained for account of others		
7.4 Aggregate write-ins for miscellaneous items	3,203	11,413
7.5 Total other income (Lines 7.1 to 7.4)	3,203	11,413
8. Dividends to policyholders on direct business, less \$ dividends on reinsurance assumed or ceded (net)		
9. Federal and foreign income taxes (paid) recovered	(380,042)	(420,000)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	575,917	697,227
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	3,050,000	5,650,000
11.2 Stocks		
11.3 Mortgage loans		
11.4 Real estate		
11.5 Other invested assets		
11.6 Net gains or (losses) on cash and short-term investments		
11.7 Miscellaneous proceeds		
11.8 Total investment proceeds (Lines 11.1 to 11.7)	3,050,000	5,650,000
12. Cost of investments acquired (long-term only):		
12.1 Bonds	4,986,797	9,554,551
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications		
12.7 Total investments acquired (Lines 12.1 to 12.6)	4,986,797	9,554,551
13. Net cash from investments (Line 11.8 minus Line 12.7)	(1,936,797)	(3,904,551)
Cash from Financing and Miscellaneous Sources		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in		1,500,000
14.2 Capital notes \$ less amounts repaid \$		
14.3 Net transfers from affiliates	14,282	124,463
14.4 Borrowed funds received		
14.5 Other cash provided	2,280,224	3,922,644
14.6 Total (Lines 14.1 to 14.5)	2,294,506	5,547,107
15. Cash applied:		
15.1 Dividends to stockholders paid		
15.2 Net transfers to affiliates		
15.3 Borrowed funds repaid		
15.4 Other applications	10,000	40,372
15.5 Total (Lines 15.1 to 15.4)	10,000	40,372
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	2,284,506	5,506,735
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	923,626	2,299,411
18. Cash and short-term investments:		
18.1 Beginning of year	6,164,957	3,865,546
18.2 End of period (Line 17 plus Line 18.1)	7,088,583	6,164,957
DETAILS OF WRITE-INS		
7.401 Miscellaneous Income	3,203	11,413
7.402		
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)	3,203	11,413

NOTES TO FINANCIAL STATEMENTS

1. Income Taxes

A. The components of the net deferred tax asset/(liability) at September 30, 2002 and December 31, 2001 are as follows:

	<u>09/30/02</u>	<u>12/31/01</u>
1. Total of all deferred tax assets	\$244,000	\$239,000
2. Total of all deferred tax liabilities	0	0
3. Total deferred tax assets non-admitted	\$244,000	\$239,000
4. Increase (decrease) in deferred tax assets non-admitted	\$ 5,000	\$ 10,200

B. Does not apply.

C. Federal income taxes incurred consist of the following major components:

	<u>09/30/02</u>	<u>12/31/01</u>
Current Federal Income Taxes	\$364,900	\$442,400
Deferred Federal Income Taxes	= (5,000)	(10,200)
Federal Income Taxes Incurred	<u>\$359,900</u>	<u>\$432,200</u>

D. The company's effective Federal income tax rate in 2002 and 2001 approximates the 34% statutory rate in effect.

E. Federal income taxes incurred and available for recoupment in the event of future operating losses were \$364,900 for 2002, \$442,400 for 2001 and \$180,100 for 2000.

F. The Company files a federal income tax return separate from that of its parent, American Mutual Share Insurance Corporation.

2. There have been no events subsequent to year-end 2001 which have a material impact on the financial statements as of September 30, 2002.

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

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

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

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

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

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

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

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

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

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes () No (X) N/A ()

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. 12/31/1997

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. 12/31/1997

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). 04/15/1999

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	\$	\$
13.24 Short-Term Investments	\$	\$
13.25 Mortgages, Loans or Real Estate	\$	\$
13.26 All Other	\$	\$
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	\$	\$
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$	\$
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$	\$

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

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

If no, attach a description with this statement.

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

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

¹ Name of Custodian(s)	² Custodian Address
Bank One Trust	100 E. Broad St., Columbus, OH 43271-8192
National City Trust	155 E. Broad St., Columbus, OH 43251
.....

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)
NONE
.....
.....

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
N/A
.....
.....

15.5 Identifiy 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
NONE
.....
.....

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?
If yes, attach an explanation.

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

Yes () No (X)
- 3.1

Have any of the reporting entity's primary reinsurance contracts been cancelled?

Yes () No (X)
- 3.2

If yes, give full and complete information thereto
.....
.....
.....
- 4.1

Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero?

Yes () No (X)
- 4.2

If yes, complete the Discount Schedule.

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Schedule A, Verification
NONE

Schedule B, Verification
NONE

Schedule BA, Verification
NONE

SCHEDULE D - PART 1B

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

	1	2	3	4	5	6	7	8
	Statement Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Statement Value End of First Quarter	Statement Value End of Second Quarter	Statement Value End of Third Quarter	Statement Value December 31 Prior Year
BONDS								
1. Class 1	19,957,998	1,998,828	1,300,000	(3,393)	20,460,309	19,957,998	20,653,433	18,724,303
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	19,957,998	1,998,828	1,300,000	(3,393)	20,460,309	19,957,998	20,653,433	18,724,303
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	19,957,998	1,998,828	1,300,000	(3,393)	20,460,309	19,957,998	20,653,433	18,724,303

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	1,150,402	X X X	1,150,402	4,338	

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	2,237,366	707,818	1,597,404	640,874
2. Cost of short-term investments acquired	959,368	1,389,586	1,535,076	12,170,671
3. Increase (decrease) by adjustment				
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				
6. Consideration received on disposal of short-term investments	2,488,917	500,000	1,982,078	10,574,179
7. Book / adjusted carrying value, current period	707,817	1,597,404	1,150,402	2,237,366
8. Total valuation allowance				
9. Subtotal (Line 7 plus Line 8)	707,817	1,597,404	1,150,402	2,237,366
10. Total nonadmitted amounts				
11. Statement value (Line 9 minus Line 10)	707,817	1,597,404	1,150,402	2,237,366
12. Income collected during period	9,427	3,886	4,338	56,858
13. Income earned during period	8,204	3,894	4,004	57,033

Page 13

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

Page 14

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

Page 15

Schedule F - Ceded Reinsurance
NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

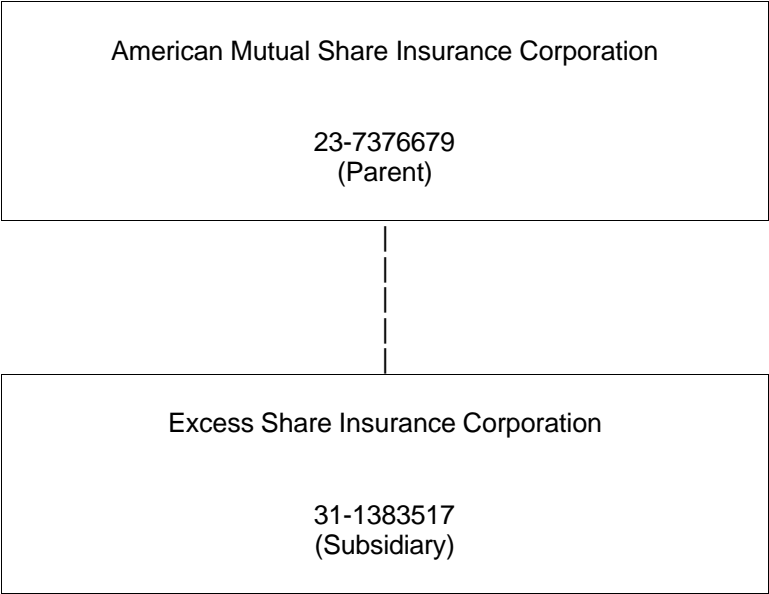
Current Year to Date - Allocated by States and Territories

States, etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	No					
2. Alaska	AK	No					
3. Arizona	AZ	No					
4. Arkansas	AR	Yes	6,043	5,606			
5. California	CA	No					
6. Colorado	CO	Yes					
7. Connecticut	CT	No					
8. Delaware	DE	Yes	8,869				
9. District of Columbia	DC	Yes	8,586	4,001			
10. Florida	FL	Yes	54,102	44,903			
11. Georgia	GA	Yes	5,859	423			
12. Hawaii	HI	Yes					
13. Idaho	ID	Yes	16,312	14,340			
14. Illinois	IL	Yes	99,444	74,754			
15. Indiana	IN	Yes	189,548	161,060			
16. Iowa	IA	No					
17. Kansas	KS	No					
18. Kentucky	KY	Yes	21,258	17,259			
19. Louisiana	LA	No					
20. Maine	ME	Yes	7,794				
21. Maryland	MD	Yes	96,144	65,809			
22. Massachusetts	MA	No					
23. Michigan	MI	Yes					
24. Minnesota	MN	Yes	62,697	44,413			
25. Mississippi	MS	No					
26. Missouri	MO	Yes	69,868	54,058			
27. Montana	MT	No					
28. Nebraska	NE	No					
29. Nevada	NV	Yes	106,938	75,619			
30. New Hampshire	NH	No					
31. New Jersey	NJ	Yes	5,168				
32. New Mexico	NM	No					
33. New York	NY	No					
34. North Carolina	NC	Yes					
35. North Dakota	ND	No					
36. Ohio	OH	Yes	149,220	129,578			
37. Oklahoma	OK	Yes	56,689				
38. Oregon	OR	Yes	15,620	16,000			
39. Pennsylvania	PA	Yes	27,979	26,423			
40. Rhode Island	RI	No					
41. South Carolina	SC	Yes					
42. South Dakota	SD	No					
43. Tennessee	TN	Yes	4,093	1,436			
44. Texas	TX	Yes	128,547	101,668			
45. Utah	UT	Yes	2,081	1,427			
46. Vermont	VT	No					
47. Virginia	VA	No					
48. Washington	WA	Yes	100,634	86,710			
49. West Virginia	WV	No					
50. Wisconsin	WI	No					
51. Wyoming	WY	No					
52. American Samoa	AS	No					
53. Guam	GU	No					
54. Puerto Rico	PR	No					
55. U.S. Virgin Islands	VI	No					
56. Canada	CN	No					
57. Aggregate Other Alien	OT	X X X				725,500	695,500
58. Totals	(a)	28	1,243,493	925,487		725,500	695,500
DETAILS OF WRITE-INS							
5701. Unassigned	X X X					725,500	695,500
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					725,500	695,500

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

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

PART 1 - ORGANIZATIONAL CHART



PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	Prior Year to Date Direct Loss Percentage
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical malpractice-occurrence				
11.2 Medical malpractice-claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability-occurrence				
17.2 Other liability-claims made				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Reinsurance-Nonproportional Assumed Property	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	1,243,493	22,500	1.8	2.4
34. TOTALS	1,243,493	22,500	1.8	
DETAILS OF WRITE-INS				
3301. Guaranty of Share Deposits in Credit Unions	1,243,493	22,500	1.8	2.4
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)	1,243,493	22,500	1.8	2.4

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical malpractice-occurrence			
11.2 Medical malpractice-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence			
17.2 Other liability-claims made			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability			
19.3, 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Reinsurance-Nonproportional Assumed Property	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	429,444	1,243,493	925,487
34. TOTALS	429,444	1,243,493	925,487
DETAILS OF WRITE-INS			
3301. Guaranty of Share Deposits in Credit Unions	429,444	1,243,493	925,487
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)	429,444	1,243,493	925,487

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	.....	..... 643	..... 643	.....	.....	.....	.....	.....	..... 643	..... 643	.....	.....	.....
2. 2000	.....	..... 30	..... 30	.....	.....	.....	.....	.....	..... 30	..... 30	.....	.....	.....
3. Subtotals 2000 + prior	.....	..... 673	..... 673	.....	.....	.....	.....	.....	..... 673	..... 673	.....	.....	.....
4. 2001	.....	..... 30	..... 30	.....	.....	.....	.....	.....	..... 30	..... 30	.....	.....	.....
5. Subtotals 2001 + prior	.....	..... 703	..... 703	.....	.....	.....	.....	.....	..... 703	..... 703	.....	.....	.....
6. 2002	X X X	X X X	X X X	X X X	.....	.....	X X X	.....	..... 23	..... 23	X X X	X X X	X X X
7. Totals	.....	..... 703	..... 703	.....	.....	.....	.....	.....	..... 726	..... 726	.....	.....	.....
8. Prior Year-End's Surplus As Regards Policyholders	..... 8,458										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1.%.	2.%.	3.%. Col. 13 , Line 7 Line 8
													4.%.

(a) Should Equal Prior Year-End Annual Statement; Page 3, Column 1, Lines 1 plus 3
(b) Should Equal Quarterly Statement Page 3, Column 1, Lines 1 and 3
(c) Should Also Equal Columns 6 plus 10 less Column 3 for Lines A through E only

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, Your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

RESPONSES

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

Yes

EXPLANATION:

.....

.....

BARCODE:

Document Identifier 470:

2. Will the Trusted Surplus Statement be filed with the state of domicile and the NAIC with this statement?

No

EXPLANATION:

.....

.....

BARCODE:

2. Document Identifier 490:



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

No

EXPLANATION:

.....

.....

BARCODE:

3. Document Identifier 450:



Page E01

Sch. A, Pt. 2, Real Estate Acquired
NONE

Sch. A, Pt. 3, Real Estate Sold
NONE

Page E02

Schedule B, Part 1, Mortgage Loans Acquired
NONE

Schedule B, Part 2, Mortgage Loans Sold
NONE

Page E03

Sch. BA, Pt. 1, Other Long-Term Invested Assets Acquired
NONE

Sch. BA, Pt. 2, Other Long-Term Invested Assets Sold
NONE

SCHEDULE D - PART 3

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

1	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								
3136F1-3E-8	FNNMA NOTE DTD 07-03-2002	07/03/2002	A. G. EDWARDS & SONS		500,000	500,000		1
3133MP-EN-2	FHLB BOND DTD 07-09-2002	07/09/2002	A. G. EDWARDS & SONS		500,703	500,000		1
3136F2-FY-9	FNMA NOTE DTD 09-12-2002	09/12/2002	A. G. EDWARDS & SONS		500,000	500,000		1
312925-2Y-5	FHLMC NOTE DTD 09-13-2002	09/13/2002	A. G. EDWARDS & SONS		498,125	498,125		1
0399999	Subtotal - Bonds - U.S. Governments				1,998,828	1,998,125		
6099997	Subtotal - Bonds - Part 3				1,998,828	1,998,125		
6099999	Subtotal - Bonds				1,998,828	1,998,125		
7299999	TOTALS				1,998,828			

(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 - U.S. Governments																
31331R-EL-5	FFCB MED TERM NOTE DTD 08-05-1997	08/05/2002	MATURED	300,000	300,000.00	300,000.00	294,750	300,000	1,305					18,540		1
3133M9-GT-3	FHLB CONS BD DTD 08-06-1999	08/06/2002	CALLED @ 100	500,000	500,000.00	500,000.00	500,000	500,000						31,500		1
31331H-4G-9	FFCB NOTE DTD 09-01-2000	09/03/2002	MATURED	500,000	500,000.00	500,000.00	502,500	500,000	(884)					33,937		1
0399999	Subtotal - Bonds - U.S. Governments			1,300,000	1,300,000.00	1,300,000.00	1,297,250	1,300,000	421					83,977		
6099997	Subtotal - Bonds - Part 4			1,300,000	1,300,000.00	1,300,000.00	1,297,250	1,300,000	421					83,977		
6099999	Subtotal - Bonds			1,300,000	1,300,000.00	1,300,000.00	1,297,250	1,300,000	421					83,977		
7299999	TOTALS			1,300,000	1,300,000.00	1,300,000.00	1,297,250	1,300,000	421					83,977		

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

Page E06

Schedule DB, Part A, Section 1
NONE

Schedule DB, Part B, Section 1
NONE

Page E07

Schedule DB, Part C, Section 1
NONE

Schedule DB, Part D, Section 1
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1		2	3	4	Book Balance at End of Each Month During Current Quarter			8
Depository					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
Open Depositories								
Corporate Savings Account	Bank One, NA; Columbus, Ohio	2.523	15,717 .....	.....	2,320,628	2,681,076	2,721,863 ..	..
Corporate Checking Account	Bank One, NA; Columbus, Ohio	1.083	2,204	773	835,235	983,579	616,318 ..	..
Certificate of Deposit 747465	First Union Bank; Florida	1.960	3,193	564	500,000	500,000	500,000 ..	..
Certificate of Deposit 088051290771	Bank One, NA; Columbus, Ohio	1.440 .....	.....	639	50,000	50,000	50,000 ..	..
Certificate of Deposit 088063016731	Bank One, NA; Oklahoma	1.980	1,498	243	300,000	300,000	300,000 ..	..
Certificate of Deposit 0920068937214	Bank One, NA; Columbus, Ohio	2.810	3,545	1,026	500,000	500,000	500,000 ..	..
Certificate of Deposit 140506967	Regions Bank; Arkansas	2.080	262	54	50,000	50,000	50,000 ..	..
Certificate of Deposit 140506968	Regions Bank; Arkansas	2.080	262	54	50,000	50,000	50,000 ..	..
Certiifcate of Deposit 1804293	Bank One, NA; Columbus, Ohio	5.260	332	20	25,000	25,000	25,000 ..	..
Certificate of Deposit 2897601322	National City Bank; Columbus, Ohio	1.800 .....	.....	1,489	100,000	100,000	100,000 ..	..
Certificate of Deposit 376000669	Wachovia Trust; North Carolina	2.000 .....	.....	455	25,000	25,000	25,000 ..	..
Certificate of Deposit 8937198	Bank One, NA; Columbus, Ohio	4.210	5,315	1,567	500,000	500,000	500,000 ..	..
Certificate of Deposit 8937230	Bank One, NA; Columbus, Ohio	4.020	5,075	1,498	500,000	500,000	500,000 ..	..
0199999	TOTAL - Open Depositories .....	.....	37,404	8,382	5,755,863	6,264,654	5,938,181 ..	..
0399999	TOTAL Cash on Deposit .....	.....	37,404	8,382	5,755,863	6,264,654	5,938,181 ..	..
0599999	TOTALS .....	.....	37,404	8,382	5,755,863	6,264,654	5,938,181 ..	..