

**QUARTERLY STATEMENT****AS OF SEPTEMBER 30, 2002**
OF THE CONDITION AND AFFAIRS OF THE**Republic-Franklin Insurance Company**

| | | | | | | | | |
|---------------------------------------|--------------------------|------------------------|--|------------------------------------|----------------------|--|---|--|
| NAIC Group Code | 0201 (Current Period) | 0201 (Prior Period) | NAIC Company Code | 12475 | Employer's ID Number | | 31-4290270 | |
| Organized under the Laws of | | | Ohio | State of Domicile or Port of Entry | | | Ohio | |
| Country of Domicile | | | United States of America | | | | | |
| Incorporated | | | February 10, 1949 | Commenced Business | | | February 10, 1949 | |
| Statutory Home Office | | | 2500 Corporate Exchange Drive (Street and Number) | | | | Columbus, OH 43229-7506 (City or Town, State and Zip Code) | |
| Main Administrative Office | | | 180 Genesee Street (Street and Number) | | | | | |
| | | | New Hartford, NY 13413 (City or Town, State and Zip Code) | | | | 315-734-2000 (Area Code) (Telephone Number) (Extension) | |
| Mail Address | | | Post Office Box 530 (Street and Number or P.O. Box) | | | | Utica, NY 13503-0530 (City or Town, State and Zip Code) | |
| Primary Location of Books and Records | | | 180 Genesee Street (Street and Number) | | | | | |
| | | | New Hartford, NY 13413 (City or Town, State and Zip Code) | | | | 315-734-2000 (Area Code) (Telephone Number) | |
| Internet Website Address | | | www.uticanational.com | | | | | |
| Statement Contact | | | Anthony C. Paolozzi (Name) | | | | 315-734-2385 (Area Code) (Telephone Number) (Extension) | |
| | | | anthony.paolozzi@uticanational.com (E-mail Address) | | | | 315-734-2662 (FAX Number) | |
| Policyowner Relations Contact | | | Michael C. Austin (Street and Number) | 180 Genesee Street | | | | |
| | | | New Hartford, NY 13413 (City or Town, State and Zip Code) | | | | 315-734-2413 (Area Code) (Telephone Number) (Extension) | |

OFFICERS

| | | | |
|-----------------|------------------------|-----------|--------------------------|
| President & CEO | James Douglas Robinson | Secretary | George Paul Wardley, III |
| CFO & Treasurer | Anthony Cosmo Paolozzi | | |

EXECUTIVE VICE PRESIDENT

Brian Patrick Lytwynec #

DIRECTORS

| | | |
|----------------------------|--------------------------|------------------------|
| Alfred Elliott Calligaris | Jerry John Hartman | William Craig Heston |
| Herbert Preston Ladds, Jr. | Anthony Cosmo Paolozzi # | James Douglas Robinson |
| George Paul Wardley, III | Henry Westphalen, Jr. | John Ralph Zapisek |

State of New York }
 County of Oneida } ss

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

James Douglas Robinson
President & CEO

George Paul Wardley, III
Secretary

Anthony Cosmo Paolozzi
CFO & Treasurer

Subscribed and sworn to before me this
day of October, 2002

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

ASSETS

| | Current Statement Date | | | 4 December 31, Prior Year Net Admitted Assets |
|--|------------------------|----------------------------|--|--|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 54,018,919 | | 54,018,919 | 53,036,431 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | | |
| 2.2 Common stocks | 5,068,914 | | 5,068,914 | 6,079,431 |
| 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 (\$ 4,300,855 and short-term investments \$ 100,000) | 4,400,855 | | 4,400,855 | 1,023,950 |
| 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) | 63,488,688 | | 63,488,688 | 60,139,812 |
| 10. Agents' balances or uncollected premiums | | | | |
| 10.1 Premiums and agents' balances in course of collection | 3,617,172 | 290,333 | 3,326,839 | 4,622,983 |
| 10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ 172,184 earned but unbilled premiums) | 1,759,923 | 62,600 | 1,697,323 | 1,593,082 |
| 10.3 Accrued retrospective premiums | 18,320 | 1,832 | 16,488 | 32,265 |
| 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 | 544,577 | | 544,577 | 728,761 |
| 15. Federal and foreign income tax recoverable and interest thereon (including \$ 538,000 net deferred tax asset) | 538,000 | | 538,000 | 972,786 |
| 16. Guaranty funds receivable or on deposit | 936,387 | | 936,387 | 893,165 |
| 17. Electronic data processing equipment and software | 51,602 | | 51,602 | 78,749 |
| 18. Interest, dividends and real estate income due and accrued | 768,047 | | 768,047 | 806,923 |
| 19. Net adjustments in assets and liabilities due to foreign exchange rates | | | | |
| 20. Receivable from parent, subsidiaries and affiliates | 1,714,304 | | 1,714,304 | 2,085,133 |
| 21. Amounts due from /to protected cells | | | | |
| 22. Equities and deposits in pools and associations | 185,559 | 1,629 | 183,930 | 126,097 |
| 23. Amounts receivable relating to uninsured accident and health plans | | | | |
| 24. Other assets nonadmitted | 469,691 | 469,691 | 0 | |
| 25. Aggregate write-ins for other than invested assets | 333,554 | 66,645 | 266,909 | 231,329 |
| 26. Total assets excluding protected cell assets (Lines 9 through 25) | 74,425,825 | 892,730 | 73,533,095 | 72,311,085 |
| 27. Protected cell assets | | | | |
| 28. TOTALS (Lines 26 and 27) | 74,425,825 | 892,730 | 73,533,095 | 72,311,085 |
| DETAILS OF WRITE-INS | | | | |
| 0801. | | | | |
| 0802. | | | | |
| 0803. | | | | |
| 0898. Summary of remaining write-ins for Line 8 from overflow page | | | | |
| 0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above) | | | | |
| 2501. Prepaid Expenses | 66,245 | 66,245 | 0 | 0 |
| 2502. Accounts Receivable - Other | 72,136 | 400 | 71,736 | 45,810 |
| 2503. Deposits - IRS Audit | 185,518 | | 185,518 | 185,518 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 9,655 | 0 | 9,655 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above) | 333,554 | 66,645 | 266,909 | 231,329 |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Statement Date | 2 December 31, Prior Year |
|--|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$ 7,989,000) | 27,734,927 | 26,785,631 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses | | |
| 3. Loss adjustment expenses | 7,197,869 | 6,996,548 |
| 4. Commissions payable, contingent commissions and other similar charges | 204,063 | 326,762 |
| 5. Other expenses (excluding taxes, licenses and fees) | 2,861,649 | 1,375,226 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) | 1,491,503 | 3,392,691 |
| 7. Federal and foreign income taxes [including \$ on realized capital gains (losses)] (including \$ net deferred tax liability) | 260,304 | |
| 8. Borrowed money \$ and interest thereon \$ | | |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 71,931,559 and including warranty reserves of \$) | 9,762,238 | 8,969,347 |
| 10. Advance premium | | |
| 11. Dividends declared and unpaid: | | |
| 11.1 Stockholders | | |
| 11.2 Policyholders | 186,766 | 243,675 |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) | 91,777 | 348,677 |
| 13. Funds held by company under reinsurance treaties | | |
| 14. Amounts withheld or retained by company for account of others | 956,594 | 848,901 |
| 15. Remittances and items not allocated | | |
| 16. Provision for reinsurance | 76,613 | 76,613 |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates | | |
| 18. Drafts outstanding | | 1,481 |
| 19. Payable to parent, subsidiaries and affiliates | | |
| 20. Payable for securities | | |
| 21. Liability for amounts held under uninsured accident and health plans | | |
| 22. Capital notes \$ and interest thereon \$ | | |
| 23. Aggregate write-ins for liabilities | 1,348,350 | 583,163 |
| 24. Total liabilities excluding protected cell liabilities (Lines 1 through 23) | 52,172,652 | 49,948,714 |
| 25. Protected cell liabilities | | |
| 26. Total liabilities (Lines 24 and 25) | 52,172,652 | 49,948,714 |
| 27. Aggregate write-ins for special surplus funds | 87,070 | 61,495 |
| 28. Common capital stock | 3,500,000 | 3,500,000 |
| 29. Preferred capital stock | | |
| 30. Aggregate write-ins for other than special surplus funds | | |
| 31. Surplus notes | | |
| 32. Gross paid in and contributed surplus | 2,139,802 | 2,139,802 |
| 33. Unassigned funds (surplus) | 15,633,570 | 16,661,074 |
| 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) | 21,360,443 | 22,362,371 |
| 36. TOTALS | 73,533,095 | 72,311,085 |
| DETAILS OF WRITE-INS | | |
| 2301. Contingent Balances in Safety Groups | 171,810 | 188,880 |
| 2302. Reserve for Reinsurance Insolvencies | 103,270 | 104,983 |
| 2303. Miscellaneous Accounts Payable | 1,023,063 | 243,324 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 50,207 | 45,976 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above) | 1,348,350 | 583,163 |
| 2701. Reserve for Undeclared Dividends | 87,070 | 61,495 |
| 2702. | | |
| 2703. | | |
| 2798. Summary of remaining write-ins for Line 27 from overflow page | 87,070 | 61,495 |
| 2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) | 87,070 | 61,495 |
| 3001. | | |
| 3002. | | |
| 3003. | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | | |
| 3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above) | | |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

STATEMENT OF INCOME

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|--|------------------------------|----------------------------|--------------------------------------|
| UNDERWRITING INCOME | | | |
| 1. Premiums earned: | | | |
| 1.1 Direct (written \$ 112,408,894) | 112,920,844 | 118,998,620 | 159,537,262 |
| 1.2 Assumed (written \$ 15,268,039) | 14,457,618 | 14,698,328 | 19,734,152 |
| 1.3 Ceded (written \$ 112,408,894) | 112,920,844 | 118,998,620 | 159,537,262 |
| 1.4 Net (written \$ 15,268,039) | 14,457,618 | 14,698,328 | 19,734,152 |
| DEDUCTIONS: | | | |
| 2. Losses incurred (current accident year \$ 11,001,000): | | | |
| 2.1 Direct | 71,018,936 | 100,608,062 | 144,582,457 |
| 2.2 Assumed | 9,484,806 | 11,878,721 | 17,403,675 |
| 2.3 Ceded | 71,019,935 | 100,608,029 | 144,582,425 |
| 2.4 Net | 9,483,807 | 11,878,754 | 17,403,708 |
| 3. Loss expenses incurred | 2,445,442 | 2,295,911 | 3,375,093 |
| 4. Other underwriting expenses incurred | 4,676,264 | 4,553,142 | 5,986,926 |
| 5. Aggregate write-ins for underwriting deductions | | | |
| 6. Total underwriting deductions (Lines 2.4 thru 5) | 16,605,513 | 18,727,807 | 26,765,726 |
| 7. Net income of protected cells | | | |
| 8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7) | (2,147,895) | (4,029,479) | (7,031,575) |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned | 2,722,490 | 2,892,823 | 3,859,912 |
| 10. Net realized capital gains or (losses) | 246,757 | 25,616 | (82,652) |
| 11. Net investment gain (loss) (Lines 9 + 10) | 2,969,246 | 2,918,439 | 3,777,260 |
| OTHER INCOME | | | |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 40,176) | (40,176) | (29,433) | (44,493) |
| 13. Finance and service charges not included in premiums | 56,525 | 25,883 | 84,020 |
| 14. Aggregate write-ins for miscellaneous income | (10,717) | 10,435 | (34,686) |
| 15. Total other income (Lines 12 through 14) | 5,632 | 6,885 | 4,841 |
| 16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15) | 826,983 | (1,104,155) | (3,249,474) |
| 17. Dividends to policyholders | 247,929 | 268,632 | 353,443 |
| 18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17) | 579,054 | (1,372,787) | (3,602,918) |
| 19. Federal and foreign income taxes incurred | 126,849 | (282,408) | (564,430) |
| 20. Net income (Line 18 minus Line 19)(to Line 22) | 452,206 | (1,090,379) | (3,038,487) |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 21. Surplus as regards policyholders, December 31 prior year | 22,362,371 | 25,984,035 | 25,984,035 |
| GAINS AND (LOSSES) IN SURPLUS | | | |
| 22. Net income (from Line 20) | 452,206 | (1,090,379) | (3,038,487) |
| 23. Net unrealized capital gains or losses | (1,551,886) | (1,427,705) | (693,023) |
| 24. Change in net unrealized foreign exchange capital gain (loss) | | | |
| 25. Change in net deferred income tax | 15,259 | 1,449,715 | (269,916) |
| 26. Change in nonadmitted assets | 32,950 | (53,750) | (111,650) |
| 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 | | | 461,233 |
| 31. Capital changes: | | | |
| 31.1 Paid in | | | |
| 31.2 Transferred from surplus (Stock Dividend) | | | |
| 31.3 Transferred to surplus | | | |
| 32. Surplus adjustments: | | | |
| 32.1 Paid in | | | |
| 32.2 Transferred to capital (Stock Dividend) | | | |
| 32.3 Transferred from capital | | | |
| 33. Net remittances from or (to) Home Office | | | |
| 34. Dividends to stockholders | | | |
| 35. Change in treasury stock | | | |
| 36. Aggregate write-ins for gains and losses in surplus | 49,543 | (118,613) | 59,130 |
| 37. Change in surplus as regards policyholders (Lines 22 through 36) | (1,001,928) | (1,240,732) | (3,621,664) |
| 38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37) | 21,360,443 | 24,743,303 | 22,362,371 |
| DETAILS OF WRITE-INS | | | |
| 0501. | | | |
| 0502. | | | |
| 0503. | | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | | | |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | | | |
| 1401. Insolvent Reinsurance Companies | (5,947) | 11,375 | 15,052 |
| 1402. Miscellaneous Income | (4,122) | 325 | (49,738) |
| 1403. Gain/Loss on Sale of Assets | (648) | (1,265) | 0 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | | | |
| 1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) | (10,717) | 10,435 | (34,686) |
| 3601. Contingent Balance in Safety Groups | 17,070 | 37,380 | 59,130 |
| 3602. Prior Year Adjustment | 32,473 | (155,993) | 0 |
| 3603. | | | |
| 3698. Summary of remaining write-ins for Line 36 from overflow page | | | |
| 3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above) | 49,543 | (118,613) | 59,130 |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

CASH FLOW

| | 1 Current Year to Date | 2 Prior Year Ended December 31 |
|--|---------------------------------|---|
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance | 16,467,275 | 20,180,949 |
| 2. Loss and loss adjustment expenses paid (net of salvage and subrogation) | 10,004,041 | 16,701,836 |
| 3. Underwriting expenses paid | 4,746,601 | 5,962,262 |
| 4. Other underwriting income (expenses) | | |
| 5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) | 1,716,633 | (2,483,150) |
| 6. Net investment income | 2,837,373 | 3,843,179 |
| 7. Other income (expenses): | | |
| 7.1 Agents' balances charged off | (40,176) | (44,493) |
| 7.2 Net funds held under reinsurance treaties | | |
| 7.3 Net amount withheld or retained for account of others | 107,693 | (213,832) |
| 7.4 Aggregate write-ins for miscellaneous items | (14,356) | (188,680) |
| 7.5 Total other income (Lines 7.1 to 7.4) | 53,160 | (447,005) |
| 8. Dividends to policyholders on direct business , less \$ dividends on reinsurance assumed or ceded (net) | 1,280,346 | 304,838 |
| 9. Federal and foreign income taxes (paid) recovered | 583,490 | 149,323 |
| 10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9) | 4,885,819 | 673,198 |
| Cash from Investments | | |
| 11. Proceeds from investments sold, matured or repaid: | | |
| 11.1 Bonds | 36,304,571 | 11,126,954 |
| 11.2 Stocks | 1,570,814 | 2,747,154 |
| 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 | | 142,960 |
| 11.8 Total investment proceeds (Lines 11.1 to 11.7) | 37,875,385 | 14,017,068 |
| 12. Cost of investments acquired (long-term only): | | |
| 12.1 Bonds | 36,925,325 | 12,390,388 |
| 12.2 Stocks | 2,296,624 | 2,299,760 |
| 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) | 39,221,949 | 14,690,148 |
| 13. Net Cash from investments (Line 11.8 minus Line 12.7) | (1,346,564) | (673,080) |
| Cash from Financing and Miscellaneous Sources | | |
| 14. Cash provided: | | |
| 14.1 Surplus notes, capital and surplus paid in | | |
| 14.2 Capital notes \$ less amounts repaid \$ | | |
| 14.3 Net transfers from affiliates | 370,829 | |
| 14.4 Borrowed funds received | | |
| 14.5 Other cash provided | 27,146 | 2,379,792 |
| 14.6 Total (Lines 14.1 to 14.5) | 397,975 | 2,379,792 |
| 15. Cash applied: | | |
| 15.1 Dividends to stockholders paid | | |
| 15.2 Net transfers to affiliates | | 2,781,749 |
| 15.3 Borrowed funds repaid | | |
| 15.4 Other applications | 560,326 | 60,806 |
| 15.5 Total (Lines 15.1 to 15.4) | 560,326 | 2,842,555 |
| 16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5) | (162,351) | (462,763) |
| RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS | | |
| 17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16) | 3,376,904 | (462,645) |
| 18. Cash and short-term investments: | | |
| 18.1 Beginning of year | 1,023,950 | 1,486,596 |
| 18.2 End of year (Line 17 plus Line 18.1) | 4,400,855 | 1,023,950 |
| DETAILS OF WRITE-INS | | |
| 07.401 Finance & Service Charges Not Included In Premiums | 51,554 | 31,837 |
| 07.402 Insolvent Reinsurance Companies | (7,660) | (41,534) |
| 07.403 Miscellaneous Income | 849 | 2,445 |
| 07.498 Summary of remaining write-ins for Line 7.4 from overflow page | (59,099) | (181,427) |
| 07.499 Totals (Lines 07.401 thru 07.403 plus 07.498) (Line 7.4 above) | (14,356) | (188,680) |

NOTES TO FINANCIAL STATEMENTS

Note 1 – Other Items

In 2002 Republic-Franklin Insurance Company statements reflect a significant change in net premiums written resulting from a change in our reinsurance contract for Errors & Omissions business. Previously, the company had a 10% retention on this business. Effective January 1, 2002 the contract has been changed to an excess of loss basis (\$4 million excess \$1 million). For the year 2002 this change will amount to an approximately \$1.05 million increase in net written premium.

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY**GENERAL INTERROGATORIES**

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

**PART 1 - COMMON INTERROGATORIES
GENERAL**

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

1.2 If yes, explain:

.....

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

2.2 If yes, has the report been filed with the domiciliary state? Yes No []

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

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

4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes No [X]

If yes, attach an organizational chart.

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

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

| 1 Name of Entity | 2 NAIC Company Code | 3 State of Domicile |
|---------------------|------------------------|------------------------|
| | | |
| | | |
| | | |

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

If yes, attach an explanation.

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

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1999

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). 10/01/2001

7.4 By what department or departments?

Ohio

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes No [X]

8.2 If yes, give full information:

.....

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

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

INVESTMENT

9.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No [X]

9.2 If yes, explain:

.....

10.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

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

.....

11. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$

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

14.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

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

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No []

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------|---|
| Bank of New York | One Wall Street, New York, NY 10277 |

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

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |

15.3 Have there been any changes, including name changes in the custodian(s) identified in 15.1 during the current year?

Yes [] No [X]

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

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 Reason |
|--------------------|--------------------|---------------------|-------------|
| | | | |

15.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|--------------------------------------|---------------------------------|---|
| Bank of New York | Zurich.Scudder.Investments..... | 2 International Place, Boston MA 02110-4103 |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

(continued)

PART 2
PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [X] NA []
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]
3.2 If yes, give full and complete information thereto.
.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes [] No [X]

4.2 If yes, complete the following schedule:

| 1 Line of Business | 2 Maximum Interest | 3 Discount Rate | TOTAL DISCOUNT | | | DISCOUNT TAKEN DURING PERIOD | | | |
|-----------------------|--------------------------|-----------------------|-----------------------|--------------------|-----------|------------------------------|-----------------------|--------------------|------------|
| | | | 4 Unpaid Losses | 5 Unpaid LAE | 6 IBNR | 7 TOTAL | 8 Unpaid Losses | 9 Unpaid LAE | 10 IBNR |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| TOTAL | | | | | | | | | |

SCHEDULE A - VERIFICATION

| | 1 First Quarter Current Year | 2 Second Quarter Current Year | 3 Third Quarter Current Year | 4 Prior Year Ended December 31 |
|---|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| 1. Book/adjusted carrying value, beginning of period | | | | |
| 2. Increase (decrease) by adjustment | | | | |
| 3. Cost of acquired | | | | |
| 4. Cost of additions to and permanent improvements | | | | |
| 5. Total profit (loss) on sales | | | | |
| 6. Increase (decrease) by foreign exchange adjustment | | | | |
| 7. Amount received on sales | | | | |
| 8. Book/adjusted carrying value at end of current period | | | | |
| 9. Total valuation allowance | | | | |
| 10. Subtotal (Lines 8 plus 9) | | | | |
| 11. Total nonadmitted amounts | | | | |
| 12. Statement value, current period (Page 2, real estate lines, current period) | | | | |

NONE**SCHEDULE B - VERIFICATION**

| | 1 First Quarter Current Year | 2 Second Quarter Current Year | 3 Third Quarter Current Year | 4 Prior Year Ended December 31 |
|--|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| 1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period | | | | |
| 2. Amount loaned during period: | | | | |
| 2.1. Actual cost at time of acquisitions | | | | |
| 2.2. Additional investment made after acquisitions | | | | |
| 3. Accrual of discount and mortgage interest points and commitment fees | | | | |
| 4. Increase (decrease) by adjustment | | | | |
| 5. Total profit (loss) on sale | | | | |
| 6. Amounts paid on account or in full during the period | | | | |
| 7. Amortization of premium | | | | |
| 8. Increase (decrease) by foreign exchange adjustment | | | | |
| 9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period | | | | |
| 10. Total valuation allowance | | | | |
| 11. Subtotal (Lines 9 plus 10) | | | | |
| 12. Total nonadmitted amounts | | | | |
| 13. Statement value of mortgages owned at end of current period | | | | |

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

| | 1 First Quarter Current Year | 2 Second Quarter Current Year | 3 Third Quarter Current Year | 4 Prior Year Ended December 31 |
|---|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| 1. Book/adjusted carrying value of long-term invested assets owned, beginning of period | | | | |
| 2. Cost of acquisitions during period: | | | | |
| 2.1. Actual cost at time of acquisitions | | | | |
| 2.2. Additional investment made after acquisitions | | | | |
| 3. Accrual of discount | | | | |
| 4. Increase (decrease) by adjustment | | | | |
| 5. Total profit (loss) on sale | | | | |
| 6. Amounts paid on account or in full during the period | | | | |
| 7. Amortization of premium | | | | |
| 8. Increase (decrease) by foreign exchange adjustment | | | | |
| 9. Book/adjusted carrying value of long-term invested assets at end of current period | | | | |
| 10. Total valuation allowance | | | | |
| 11. Subtotal (Lines 9 plus 10) | | | | |
| 12. Total nonadmitted amounts | | | | |
| 13. Statement value of long-term invested assets at end of current period | | | | |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE D - PART 1B

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

| | 1 Statement Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Statement Value End of First Quarter | 6 Statement Value End of Second Quarter | 7 Statement Value End of Third Quarter | 8 Statement Value December 31 Prior Year |
|-------------------------------------|--|---|---|--|--|---|--|--|
| BONDS | | | | | | | | |
| 1. Class 1 | 47,462,281 | 23,570,627 | 21,737,230 | (35,664) | 44,689,240 | 47,462,281 | 49,260,014 | 44,568,687 |
| 2. Class 2 | 5,712,044 | | 1,648,688 | (5,010) | 6,597,445 | 5,712,044 | 4,058,346 | 7,619,159 |
| 3. Class 3 | 623,503 | | | (52,945) | 858,662 | 623,503 | 570,558 | 948,585 |
| 4. Class 4 | | | | | | | | |
| 5. Class 5 | 280,000 | | | (50,000) | | 280,000 | 230,000 | |
| 6. Class 6 | | | | | | | | |
| 7. Total Bonds | 54,077,828 | 23,570,627 | 23,385,918 | (143,619) | 52,145,347 | 54,077,828 | 54,118,918 | 53,136,431 |
| 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 | 54,077,828 | 23,570,627 | 23,385,918 | (143,619) | 52,145,347 | 54,077,828 | 54,118,918 | 53,136,431 |

SCHEDULE DA - PART 1

| Short-Term Investments Owned End of Current Quarter | | | | | |
|---|--------------------------------------|----------------|------------------|--|--------------------------------------|
| | 1 Book/Adjusted Carrying Value | 2 Par Value | 3 Actual Cost | 4 Amount of Interest Received Current Quarter | 5 Paid for Accrued Interest |
| 80999999 Totals | 100,000 | XXX | 100,000 | 305 | |

SCHEDULE DA - PART 2- Verification

| Short-Term Investments Owned | | | | | |
|---|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|-----------|
| | 1 First Quarter Current Year | 2 Second Quarter Current Year | 3 Third Quarter Current Year | 4 Prior Year Ended December 31 | |
| 1. Book/adjusted carrying value, beginning of period | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| 2. Cost of short-term investments acquired | | | | | 1,499,838 |
| 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 | | | | | 1,499,838 |
| 7. Book/adjusted carrying value, current period | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| 8. Total valuation allowance | | | | | |
| 9. Subtotal (Lines 7 plus 8) | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| 10. Total nonadmitted amounts | | | | | |
| 11. Statement value (Lines 9 minus 10) | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| 12. Income collected during period | .572 | 448 | 305 | | 4,947 |
| 13. Income earned during period | 572 | 765 | 305 | | 4,072 |

Schedule DB - Part F - Section 1
NONE

Schedule DB - Part F - Section 2
NONE

SCHEDULE F—CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

| States, etc. | 1 Is Insurer Licensed? (Yes or No) | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Losses Unpaid | |
|---|--|------------------------------|----------------------------|--|----------------------------|------------------------------|----------------------------|
| | | 2 Current Year To Date | 3 Prior Year To Date | 4 Current Year To Date | 5 Prior Year To Date | 6 Current Year To Date | 7 Prior Year To Date |
| 1. Alabama | AL | No | | | | | |
| 2. Alaska | AK | No | | | | | |
| 3. Arizona | AZ | No | | | | | |
| 4. Arkansas | AR | No | | | | | |
| 5. California | CA | No | | | | | |
| 6. Colorado | CO | No | | | | | |
| 7. Connecticut | CT | Yes | 8,513,846 | 8,741,057 | 6,118,352 | 7,294,337 | 13,592,290 |
| 8. Delaware | DE | Yes | 37,193 | 21,209 | 1,138 | 42,781 | 1,000 |
| 9. District of Columbia | DC | Yes | 324,607 | 341,097 | 134,042 | 128,583 | 343,601 |
| 10. Florida | FL | No | | | | | |
| 11. Georgia | GA | Yes | 4,284,346 | 5,706,825 | 2,034,662 | 2,847,745 | 5,430,651 |
| 12. Hawaii | HI | No | | | | | |
| 13. Idaho | ID | No | | | | | |
| 14. Illinois | IL | Yes | 2,524,136 | 3,560,466 | 2,503,702 | 4,616,380 | 4,109,072 |
| 15. Indiana | IN | Yes | 537,455 | 2,361,670 | 1,210,583 | 1,267,177 | 1,438,981 |
| 16. Iowa | IA | No | | | | | |
| 17. Kansas | KS | Yes | 20,818 | 397,678 | 814,661 | 967,153 | 539,103 |
| 18. Kentucky | KY | No | | | | | |
| 19. Louisiana | LA | No | | | | | |
| 20. Maine | ME | No | | | | | |
| 21. Maryland | MD | Yes | 3,243,021 | 4,019,838 | 2,261,517 | 3,508,631 | 5,728,652 |
| 22. Massachusetts | MA | Yes | 3,363,191 | 4,822,754 | 2,567,995 | 2,751,100 | 5,896,641 |
| 23. Michigan | MI | Yes | 100,503 | 12,328 | 16,906 | 1,496 | 12,746 |
| 24. Minnesota | MN | No | | | | | |
| 25. Mississippi | MS | No | | | | | |
| 26. Missouri | MO | No | | | | | |
| 27. Montana | MT | No | | | | | |
| 28. Nebraska | NE | No | | | | | |
| 29. Nevada | NV | No | | | | | |
| 30. New Hampshire | NH | No | | | | | |
| 31. New Jersey | NJ | Yes | 6,200,697 | 6,141,110 | 2,696,330 | 2,130,015 | 14,535,935 |
| 32. New Mexico | NM | No | | | | | 10,378,160 |
| 33. New York | NY | Yes | 54,043,739 | 58,588,922 | 26,009,037 | 26,270,928 | 76,775,177 |
| 34. North Carolina | NC | Yes | 3,202,008 | 3,732,705 | 2,848,233 | 3,462,324 | 8,240,952 |
| 35. North Dakota | ND | No | | | | | 7,802,807 |
| 36. Ohio | OH | Yes | 14,928,318 | 15,048,985 | 7,788,152 | 12,799,642 | 16,232,465 |
| 37. Oklahoma | OK | No | | | | | 13,350,946 |
| 38. Oregon | OR | No | | | | | |
| 39. Pennsylvania | PA | Yes | 1,651,261 | 2,198,242 | 1,439,256 | 1,712,246 | 9,184,086 |
| 40. Rhode Island | RI | Yes | | | | | 4,451,342 |
| 41. South Carolina | SC | No | | | | | |
| 42. South Dakota | SD | No | | | | | |
| 43. Tennessee | TN | Yes | 2,128,419 | 2,771,467 | 1,893,594 | 1,769,558 | 3,065,908 |
| 44. Texas | TX | Yes | 2,343,798 | 2,640,218 | 1,873,649 | 3,258,987 | 2,837,243 |
| 45. Utah | UT | No | | | | | 3,477,615 |
| 46. Vermont | VT | No | | | | | |
| 47. Virginia | VA | Yes | 2,959,626 | 4,213,294 | 2,476,274 | 2,966,199 | 3,135,685 |
| 48. Washington | WA | No | | | | | 3,159,423 |
| 49. West Virginia | WV | No | | | | | |
| 50. Wisconsin | WI | Yes | 2,001,912 | 614,837 | 624,052 | 95,769 | 1,680,276 |
| 51. Wyoming | WY | No | | | | | .410,112 |
| 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 Aliens | OT | XXX | | | | | |
| 58. Totals | (a) | 20 | 112,408,894 | 125,934,703 | 65,312,134 | 77,848,271 | 172,822,245 |
| DETAILS OF WRITE-INS | | | | | | | |
| 5701. | | XXX | | | | | |
| 5702. | | XXX | | | | | |
| 5703. | | XXX | | | | | |
| 5798. Summary of remaining write-ins for Line 57 from overflow page | | XXX | | | | | |
| 5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above) | | XXX | | | | | |

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

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

| Lines of Business | Current Year to Date | | | 4 Prior Year to Date Direct Loss Percentage |
|---|--------------------------------|--------------------------------|--------------------------------|--|
| | 1 Direct Premiums Earned | 2 Direct Losses Incurred | 3 Direct Loss Percentage | |
| 1. Fire | 41,566 | 40,000 | 96.2 | 46.1 |
| 2. Allied Lines | 46,583 | 39,234 | 84.2 | 34.4 |
| 3. Farmowners multiple peril | | | | |
| 4. Homeowners multiple peril | 3,541,714 | 2,755,501 | 77.8 | 60.3 |
| 5. Commercial multiple peril | 38,258,764 | 23,169,205 | 60.6 | 89.9 |
| 6. Mortgage guaranty | | | | |
| 7. Ocean marine | | | | |
| 8. Inland marine | 321,823 | 74,413 | 23.1 | 37.7 |
| 9. Financial guaranty | | | | |
| 11.1 Medical malpractice - occurrence | | | | |
| 11.2 Medical malpractice - claims-made | | | | |
| 12. Earthquake | 24,853 | | | |
| 13. Group accident and health | | | | |
| 14. Credit accident and health | | | | |
| 15. Other accident and health | | | | |
| 16. Workers' compensation | 23,265,837 | 15,285,900 | 65.7 | 81.7 |
| 17.1 Other liability - occurrence | 3,660,669 | (6,883) | (0.2) | 87.8 |
| 17.2 Other liability - claims-made | 164,670 | (5,000) | (3.0) | 2.8 |
| 18.1 Products liability - occurrence | 20,414 | | | 0.0 |
| 18.2 Products liability - claims-made | 70 | | | |
| 19.1,19.2 Private passenger auto liability | 12,606,962 | 10,046,262 | 79.7 | 75.7 |
| 19.3,19.4 Commercial auto liability | 14,766,679 | 12,729,527 | 86.2 | 112.1 |
| 21. Auto physical damage | 16,192,841 | 6,890,777 | 42.6 | 53.4 |
| 22. Aircraft (all perils) | | | | |
| 23. Fidelity | 540 | | | |
| 24. Surety | 5,920 | | | |
| 26. Burglary and theft | 939 | | | 738.7 |
| 27. Boiler and machinery | | | | |
| 28. Credit | | | | |
| 29. International | | | | |
| 30. Reinsurance - Nonproportional Assumed Property | XXX | XXX | XXX | XXX |
| 31. Reinsurance - Nonproportional Assumed Liability | XXX | XXX | XXX | XXX |
| 32. Reinsurance - Nonproportional Assumed Financial Lines | XXX | XXX | XXX | XXX |
| 33. Aggregate write-ins for other lines of business | | | | |
| 34. Totals | 112,920,844 | 71,018,936 | 62.9 | 84.5 |
| DETAILS OF WRITE-INS | | | | |
| 3301. | | | | |
| 3302. | | | | |
| 3303. | | | | |
| 3398. Summary of remaining write-ins for Line 33 from overflow page | | | | |
| 3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above) | | | | |

PART 2 - DIRECT PREMIUMS WRITTEN

| | 1 Current Quarter | 2 Current Year to Date | 3 Prior Year Year to Date |
|---|-------------------------|------------------------------|---------------------------------|
| | | | |
| 1. Fire | 11,555 | 31,785 | .55,380 |
| 2. Allied Lines | 14,086 | 30,919 | .67,236 |
| 3. Farmowners multiple peril | | | |
| 4. Homeowners multiple peril | 1,495,722 | 3,878,272 | .3,526,037 |
| 5. Commercial multiple peril | 20,297,865 | 39,453,379 | 43,491,102 |
| 6. Mortgage guaranty | | | |
| 8. Ocean marine | | | |
| 9. Inland marine | 119,480 | 291,170 | 336,520 |
| 10. Financial guaranty | | | |
| 11.1 Medical malpractice - occurrence | | | |
| 11.2 Medical malpractice - claims-made | | | |
| 12. Earthquake | 15,319 | 30,240 | .24,939 |
| 13. Group accident and health | | | |
| 14. Credit accident and health | | | |
| 15. Other accident and health | | | |
| 16. Workers' compensation | 7,019,700 | 22,790,171 | 21,630,951 |
| 17.1 Other liability - occurrence | 2,312,365 | 4,751,733 | 2,771,691 |
| 17.2 Other liability - claims-made | 218,329 | 226,317 | 213,888 |
| 18.1 Products liability - occurrence | 15,260 | 24,622 | .4,725 |
| 18.2 Products liability - claims-made | | | .393 |
| 19.1,19.2 Private passenger auto liability | 4,844,150 | 13,334,811 | 13,017,832 |
| 19.3,19.4 Commercial auto liability | 5,900,038 | 11,989,237 | 22,112,875 |
| 21. Auto physical damage | 5,637,896 | 15,567,365 | 18,672,247 |
| 22. Aircraft (all perils) | | | |
| 23. Fidelity | 243 | 838 | .827 |
| 24. Surety | 4,620 | 7,515 | .6,818 |
| 26. Burglary and theft | 71 | 520 | .1,241 |
| 27. Boiler and machinery | | | |
| 28. Credit | | | |
| 29. International | | | |
| 30. Reinsurance - Nonproportional Assumed Property | XXX | XXX | XXX |
| 31. Reinsurance - Nonproportional Assumed Liability | XXX | XXX | XXX |
| 32. Reinsurance - Nonproportional Assumed Financial Lines | XXX | XXX | XXX |
| 33. Aggregate write-ins for other lines of business | | | |
| 34. Totals | 47,906,700 | 112,408,894 | 125,934,703 |
| DETAILS OF WRITE-INS | | | |
| 3301. | | | |
| 3302. | | | |
| 3303. | | | |
| 3398. Summary of remaining write-ins for Line 33 from overflow page | | | |
| 3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above) | | | |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

| Years in Which Losses Occurred | 1 Prior Year-End Known Case Loss and LAE Reserves | 2 Prior Year-End IBNR Loss and LAE Reserves | 3 Total Prior Year-End Loss and LAE Reserves (a) (Cols. 1 + 2) | 4 2002 Loss and LAE Payments on Claims Reported as of Prior Year-End | 5 2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End | 6 Total 2002 Loss and LAE Payments (Cols. 4 + 5) | 7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened as of Prior Year-End | 8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened Subsequent to Prior Year-End | 9 Q.S. Date IBNR Loss and LAE Reserves (b) (Cols. 7 + 8 + 9) | 10 Total Q.S. Loss and LAE Reserves (b) (Cols. 4 + 7 minus Col. 1) | 11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1) | 12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2) | 13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (c) (Cols. 11 + 12) | | | |
|--|--|--|---|---|---|--|---|---|---|---|--|--|--|---|----|-----|
| 1. 1999 + Prior | 9,423 | 6,369 | 15,792 | 3,122 | 73 | 3,195 | 7,831 | 375 | 5,167 | 13,373 | 1,530 | (754) | 776 | | | |
| 2. 2000 | 3,906 | 3,747 | 7,653 | 1,678 | 53 | 1,731 | 3,257 | 346 | 2,803 | 6,406 | 1,029 | (545) | 484 | | | |
| 3. Subtotals 2000 + Prior | 13,329 | 10,116 | 23,445 | 4,800 | 126 | 4,926 | 11,088 | 721 | 7,970 | 19,779 | 2,559 | (1,299) | 1,260 | | | |
| 4. 2001 | 4,428 | 5,910 | 10,338 | 2,049 | 351 | 2,400 | 3,561 | 695 | 3,349 | 7,605 | 1,182 | (1,515) | (333) | | | |
| 5. Subtotals 2001 + Prior | 17,757 | 16,026 | 33,783 | 6,849 | 477 | 7,326 | 14,649 | 1,416 | 11,319 | 27,384 | 3,741 | (2,814) | 927 | | | |
| 6. 2002 | XXX | XXX | XXX | XXX | 3,012 | 3,012 | XXX | 3,504 | 4,485 | 7,989 | XXX | XXX | XXX | | | |
| 7. Totals | 17,757 | 16,026 | 33,783 | 6,849 | 3,489 | 10,338 | 14,649 | 4,920 | 15,804 | 35,373 | 3,741 | (2,814) | 927 | | | |
| 8. Prior Year-End's Surplus As Regards Policyholders | | | | | | | | | | | 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. | 21.1 | 2. | (17.6) | 3. | 2.7 |
| | | | | | | | | | | | | | | Col. 13, Line 7 As a % of Col. 1 Line 8 | 4. | 4.1 |

(a) Should Equal Prior Year-End Annual Statement; Page 3, Col. 1, Lines 1 + 3

(b) Should Equal Q.S. Page 3, Col. 1, Lines 1 and 3.

(c) Should Also Equal Cols. 6 + 10 less Col. 3 for Lines 1 through 5 only.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

RESPONSES

1. Will the SVO Compliance Certification be filed with this statement? Yes
2. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? No
3. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement? No

Explanations:

Bar Codes:

Trusted Surplus Statement (Document Identifier 490) here:



Supplement A to Schedule T (Document Identifier 450) here:



OVERFLOW PAGE FOR WRITE-INS

PQ002 Additional Aggregate Lines for Page 02 Line 25.

*ASSETS

| | | | | |
|---|-------|-------|---|---|
| 2504. State Taxes Recoverable | 9,655 | 9,655 | 0 | 0 |
| 2597. Summary of remaining write-ins for Line 25 from Page 02 | | | | |

PQ003 Additional Aggregate Lines for Page 03 Line 23.

*LIAB

| | | |
|---|--------|--------|
| 2304. Future Effectives..... | 50,207 | 45,976 |
| 2397. Summary of remaining write-ins for Line 23 from Page 03 | 50,207 | 45,976 |

PQ005 Additional Aggregate Lines for Page 05 Line 07.4.

*CASH

| | | |
|--|----------|-----------|
| 07.404. Change in Equities & Deposits in Pools & Associations..... | (58,451) | (10,212) |
| 07.405. Change For Codification..... | 0 | (171,216) |
| 07.406. Gain or Loss on Sale..... | (648) | 0 |
| 07.497. Summary of remaining write-ins for Line 07.4 from Page 05 | (59,099) | (181,427) |

Schedule A - Part 2
NONE

Schedule A - Part 3
NONE

Schedule B - Part 1
NONE

Schedule B - Part 2
NONE

Schedule BA - Part 1
NONE

Schedule BA - Part 2
NONE

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE D - PART 3

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

| 1 CUSIP Identification | 2 Description | 3 Date Acquired | 4 Name of Vendor | 5 Number of Shares of Stock | 6 Actual Cost | 7 Par Value | 8 Paid for Accrued Interest and Dividends | 9 NAIC Designation (a) |
|--|--------------------------------|--------------------|---------------------------|-----------------------------------|---------------------|----------------|---|------------------------------|
| SPECIAL REVENUE AND ASSESSMENTS - U.S. | | | | | | | | |
| U.S. GOVERNMENT | | | | | | | | |
| 01F060-6A-8 | FNMA TBA 30 YR | 09/27/2002 | LEHMAN BROTHERS INC | 718,047 | 700,000 | | | 1 |
| 31359M-JX-2 | FNMA GLOBAL NOTE | 08/09/2002 | UBS WARBURG LLC | 6,467,874 | 6,050,000 | | 50,291 | 1 |
| 31359M-MP-5 | FNMA NOTE | 08/01/2002 | MORGAN STANLEY & CO. | 1,273,404 | 1,200,000 | | 22,750 | 1 |
| 31392E-AF-7 | FNR 2002-55 QD | 08/25/2002 | UBS WARBURG LLC | 513,594 | 500,000 | | 2,215 | 1 |
| 31392T-4E-4 | FHR 2483 DC | 08/23/2002 | BEAR STEARNS & CO., INC. | 518,750 | 500,000 | | 2,215 | 1 |
| STATE TOTAL | | | | | | 9,491,668 | 8,950,000 | 77,471 XXX |
| COUNTRY TOTAL | | | | | | 9,491,668 | 8,950,000 | 77,471 XXX |
| 3199999 - Total - Bonds - Special Revenue | | | | | | 9,491,668 | 8,950,000 | 77,471 XXX |
| PUBLIC UTILITIES - U.S. | | | | | | | | |
| 637432-CV-5 | NATIONAL RURAL UTILITIES | 08/23/2002 | BANC AMERICA SECURITIES | 248,398 | 250,000 | | | 1 |
| COUNTRY TOTAL | | | | | | 248,398 | 250,000 | 0 XXX |
| 3899999 - Total - Bonds - Public Utilities | | | | | | 248,398 | 250,000 | XXX |
| INDUSTRIAL & MISCELLANEOUS - U.S. | | | | | | | | |
| 013817-AG-6 | ALCOA INCORPORATED | 08/16/2002 | BANC AMERICA SECURITIES | 251,168 | 250,000 | | 236 | 1 |
| 066050-CQ-6 | BANKAMERICA CORP SUB NT | 08/28/2002 | BANC AMERICA SECURITIES | 276,198 | 250,000 | | 1,472 | 1 |
| 134429-AQ-2 | CAMPBELL SOUP COMPANY | 09/04/2002 | UBS WARBURG LLC | 268,418 | 250,000 | | 6,493 | 1 |
| 166760-AA-6 | CHEVRON CAPITAL CORPORATION | 09/05/2002 | LEHMAN BROTHERS INC | 249,542 | 250,000 | | | 1 |
| 17303M-GW-3 | CTICORP SUB NT NC | 08/28/2002 | BEAR STEARNS & CO., INC. | 276,932 | 250,000 | | 3,014 | 1PE |
| 22540A-J7-4 | CSFB 2001-CF2 A4 | 08/23/2002 | CR SUISSE FIRST BOSTON | 547,520 | 500,000 | | 2,439 | 1 |
| 263554-BJ-7 | DU PONT E I DE MEMOURS & CO | 09/30/2002 | CR SUISSE FIRST BOSTON | 295,242 | 250,000 | | 8,021 | 1PE |
| 36962G-YZ-1 | GENERAL ELECTRIC CAPITAL CORP. | 09/16/2002 | BANC AMERICA SECURITIES | 262,108 | 250,000 | | 3,542 | 1 |
| 501773-BB-0 | LBCMT 1998-C1 A3 | 08/28/2002 | LEHMAN BROTHERS INC | 548,750 | 500,000 | | 180 | 1 |
| 55250V-AE-6 | M&I MARSHALL & ISLEY BANK | 08/20/2002 | VARIOUS | 250,419 | 250,000 | | 17 | 1 |
| 61746W-ET-3 | MSDWC 2001-PPM A3 | 08/16/2002 | BEAR STEARNS & CO., INC. | 545,156 | 500,000 | | 1,817 | 1 |
| 61746W-GB-0 | MSDWC 2001-TOP 1 A4 | 08/15/2002 | BEAR STEARNS & CO., INC. | 554,277 | 500,000 | | 1,758 | 1 |
| 655356-JF-1 | NASC 1998-D6 A1B | 08/16/2002 | BEAR STEARNS & CO., INC. | 549,883 | 500,000 | | 915 | 1 |
| 69350E-AH-3 | PP&L TRANSITION BD 1999-1 A8 | 08/27/2002 | BANC ONE CAPITAL MARKETS | 570,098 | 500,000 | | 6,455 | 1 |
| 86358R-SU-2 | SASC 2001-19 1A4 | 08/16/2002 | LEHMAN BROTHERS INC | 513,301 | 500,000 | | 1,806 | 1 |
| 91159H-GD-6 | US BANCORP | 08/26/2002 | CR SUISSE FIRST BOSTON | 249,372 | 250,000 | | 82 | 1 |
| 931142-BR-3 | WAL-MART STORES | 09/16/2002 | LEHMAN BROTHERS INC | 260,268 | 250,000 | | 2,036 | 1 |
| 939335-4P-7 | WAMMS 2002-M55 4A4 | 08/19/2002 | CR SUISSE FIRST BOSTON | 513,672 | 500,000 | | 1,896 | 1 |
| 94977T-AP-3 | WFMS 200126 A14 | 08/16/2002 | SALOMON, SMITH BARNEY INC | 514,062 | 500,000 | | 1,806 | 1 |
| COUNTRY TOTAL | | | | | | 7,496,385 | 7,000,000 | 43,983 XXX |
| 4599999 - Total - Bonds - Industrial, Misc. | | | | | | 7,496,385 | 7,000,000 | 43,983 XXX |
| 6099997 - Total - Bonds - Part 3 | | | | | | 17,236,451 | 16,200,000 | 121,455 XXX |
| 6099998 - Total - Bonds - Part 5 | | | | | | 6,334,177 | 6,300,000 | 7,756 XXX |
| 6099999 - Total - Bonds | | | | | | 23,570,627 | 22,500,000 | 129,211 XXX |
| 6599999 - Total - Preferred Stocks | | | | | | | XXX | XXX |
| PUBLIC UTILITIES - U.S. | | | | | | | | |
| 285512-10-9 | ELECTRONIC ARTS INCORPORATED | 08/29/2002 | KNIGHT SECURITIES | 50,000 | 3,160 | | | L |
| 842587-10-7 | SOUTHERN COMPANY | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 2,844 | | | L |
| COUNTRY TOTAL | | | | | | 6,005 | XXX | 0 XXX |
| 6699999 - Total - Common Stocks - Public Utilities | | | | | | 6,005 | XXX | XXX |
| BANKS, TRUST AND INSURANCE COMPANIES - U | | | | | | | | |
| 032165-10-2 | AMISOUTH BANCORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 2,248 | | | L |
| 054937-10-7 | BB&T CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 150,000 | 5,635 | | | L |
| 55262L-10-0 | MDNA CORPORATION | 07/18/2002 | STOCK SPLIT | 150,000 | | | | L |
| 571748-10-2 | MARSH & MCLENNAN CO INC | 07/05/2002 | STOCK SPLIT | 100,000 | | | | L |
| 659424-10-5 | NORTH FORK BANCORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 200,000 | 8,287 | | | L |
| 74251V-10-2 | PRINCIPAL FINANCIAL GROUP INC | 08/29/2002 | SPEAR LEED & KELLOGG | 150,000 | 4,412 | | | L |
| 744320-10-2 | PRUDENTIAL FINANCIAL INC | 08/29/2002 | SPEAR LEED & KELLOGG | 250,000 | 7,576 | | | L |
| 89420G-10-9 | TRAVELERS PPTY CAS CL A | 08/26/2002 | DISTRIBUTION OF SHARES | 78,000 | 1,536 | | | L |
| 89420G-40-6 | TRAVELERS PPTY CAS CL B | 08/26/2002 | DISTRIBUTION OF SHARES | 160,000 | 3,429 | | | L |
| 939322-10-3 | WASHINGTON MUTUAL INC | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 3,704 | | | L |
| COUNTRY TOTAL | | | | | | 36,828 | XXX | 0 XXX |
| 6799999 - Total - Common Stocks - Banks, Trusts, Insurance | | | | | | 36,828 | XXX | XXX |
| INDUSTRIAL & MISCELLANEOUS - U.S. | | | | | | | | |
| 013104-10-4 | ALBERTSONS INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 2,574 | | | L |
| 023608-10-2 | AMEREN CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 4,390 | | | L |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE D - PART 3

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

| 1 CUSIP Identification | 2 Description | 3 Date Acquired | 4 Name of Vendor | 5 Number of Shares of Stock | 6 Actual Cost | 7 Par Value | 8 Paid for Accrued Interest and Dividends | 9 NAIC Designation (a) |
|--|---------------------------------|--------------------|----------------------------|-----------------------------------|---------------------|----------------|---|------------------------------|
| .031162-10-0. | AMGEN INCORPORATED. | .07/17/2002 | MERGER. | .88,000 | 3,528 | | | L |
| .053611-10-9. | AVERY DENNISON CORPORATION. | .08/29/2002 | SPEAR LEED & KELLOGG. | .50,000 | 3,077 | | | L |
| .093671-10-5. | H & R BLOCK INCORPORATED. | .08/29/2002 | SPEAR LEED & KELLOGG. | 100,000 | 5,002 | | | L |
| .170040-10-9. | CHITRON CORPORATION. | .08/29/2002 | KNIGHT SECURITIES. | .50,000 | 1,952 | | | L |
| .171232-10-1. | CHUBB CORPORATION. | .08/29/2002 | SPEAR LEED & KELLOGG. | .50,000 | 3,066 | | | L |
| .20825C-10-4. | CONOCOPHILLIPS COMPANY. | .09/05/2002 | MERGER. | .46,000 | 2,676 | | | L |
| .233203-81-9. | U.S. SMALL CAP VALUE PORTFOLIO. | .09/12/2002 | DIMENSIONAL FUND ADVISORS. | .43,782,840 | 750,000 | | | L |
| .278642-10-3. | EBAY INCORPORATED. | .08/29/2002 | KNIGHT SECURITIES. | 100,000 | 5,686 | | | L |
| .278865-10-0. | ECOLAB INCORPORATED. | .08/29/2002 | SPEAR LEED & KELLOGG. | 100,000 | 4,474 | | | L |
| .307000-10-9. | FAMILY DOLLAR STORES INC. | .08/29/2002 | SPEAR LEED & KELLOGG. | 100,000 | 2,828 | | | L |
| .349631-10-1. | FORTUNE BRANDS INCORPORATED. | .08/29/2002 | SPEAR LEED & KELLOGG. | 100,000 | 5,190 | | | L |
| .427866-10-8. | HERSHEY FOODS CORPORATION. | .08/29/2002 | SPEAR LEED & KELLOGG. | .50,000 | 3,796 | | | L |
| .478160-10-4. | JOHNSON & JOHNSON. | .08/29/2002 | SPEAR LEED & KELLOGG. | 200,000 | 10,777 | | | L |
| .585055-10-6. | MEDTRONIC INCORPORATED. | .08/29/2002 | SPEAR LEED & KELLOGG. | .50,000 | 2,044 | | | L |
| .61166W-10-1. | MONSANTO COMPANY NEW. | .08/19/2002 | DISTRIBUTION OF SHARES. | .64,000 | 1,031 | | | |
| .615369-10-5. | MOODY'S CORPORATION. | .08/29/2002 | SPEAR LEED & KELLOGG. | 100,000 | 4,920 | | | L |
| .64120L-10-4. | NETWORK APPLIANCE INC. | .08/29/2002 | KNIGHT SECURITIES. | 100,000 | .984 | | | L |
| .651229-10-6. | NEWELL RUBBERMAID. | .08/29/2002 | SPEAR LEED & KELLOGG. | 100,000 | 3,470 | | | L |
| .717081-10-3. | PFIZER INCORPORATED. | .08/29/2002 | SPEAR LEED & KELLOGG. | .50,000 | 1,650 | | | L |
| .755111-50-7. | RAYTHEON CO COM NEW. | .08/29/2002 | SPEAR LEED & KELLOGG. | .50,000 | 1,691 | | | L |
| .774341-10-1. | ROCKWELL COLLINS INCORPORATED. | .08/29/2002 | SPEAR LEED & KELLOGG. | 100,000 | 2,064 | | | L |
| .790849-10-3. | ST JUDE MED INC. | .07/05/2002 | STOCK SPLIT. | .50,000 | | | | L |
| .808513-10-5. | SCHWAB CHARLES CORP NEW. | .08/29/2002 | SPEAR LEED & KELLOGG. | 400,000 | 3,650 | | | L |
| .828806-10-9. | SIMON PTY GROUP INC NE. | .08/29/2002 | SPEAR LEED & KELLOGG. | 150,000 | 5,322 | | | L |
| .872649-10-8. | TRW INCORPORATED. | .08/29/2002 | SPEAR LEED & KELLOGG. | .50,000 | 2,863 | | | L |
| .88033G-10-0. | TENET HEALTHCARE CORPORATION. | .07/05/2002 | STOCK SPLIT. | .50,000 | | | | L |
| .902124-10-6. | TYCO INTL LTD. | .08/29/2002 | SPEAR LEED & KELLOGG. | 750,000 | 11,726 | | | L |
| .911312-10-6. | UNITED PARCEL SERVICE CL B. | .08/29/2002 | SPEAR LEED & KELLOGG. | 400,000 | 25,945 | | | L |
| .925524-30-8. | VIACOM INC CL B. | .08/29/2002 | SPEAR LEED & KELLOGG. | 150,000 | 6,044 | | | L |
| .988498-10-1. | YUM BRANDS INCORPORATED. | .08/29/2002 | SPEAR LEED & KELLOGG. | 100,000 | 3,042 | | | L |
| COUNTRY TOTAL | | | | | 885,063 | XXX | 0 | XXX |
| 689999 - Total - Common Stocks - Industrial, Misc. | | | | | 885,063 | XXX | | XXX |
| 709997 - Total - Common Stocks - Part 3 | | | | | 927,896 | XXX | | XXX |
| 709999 - Total - Common Stocks | | | | | 927,896 | XXX | | XXX |
| 719999 - Total - Preferred and Common Stocks | | | | | 927,896 | XXX | | XXX |
| 7299999 - Totals | | | | | 24,498,523 | XXX | 129,211 | XXX |

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

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Ident- ification | 2 Description | 3 Disposal Date | 4 Name of Purchaser | 5 Number of Shares of Stock | 6 Consideration | 7 Par Value | 8 Actual Cost | 9 Book/Adjusted Carrying Value at Disposal Date | 10 Increase (Decrease) by Adjustment | 11 Increase (Decrease) by Foreign Exchange Adjustment | 12 Foreign Exchange Gain (Loss) on Disposal | 13 Realized Gain (Loss) on Disposal | 14 Total Gain (Loss) on Disposal | 15 Interest on Bonds Received During Year | 16 Dividends on Stocks Received During Year | 17 NAIC Design- ation (a) |
|--|----------------------------------|-----------------------|----------------------------|--------------------------------------|--------------------|----------------|------------------|--|--|--|---|--|---|--|--|---------------------------------------|
| US GOVERNMENT OBLIGATIONS - U.S. | | | | | | | | | | | | | | | | |
| 912827-65-5... | UNITED STATES TREAS NOTES | 08/15/2002 | MATURITY | | 100,000 | .100,000 | .102,938 | .100,000 | (252) | | | | 0 | .6,382 | | 1PE |
| COUNTRY TOTAL | | | | | 100,000 | 100,000 | 102,938 | 100,000 | (252) | 0 | 0 | 0 | 0 | 6,382 | XXX | XXX |
| 0399999 - Bonds - U.S. Governments | | | | | 100,000 | 100,000 | 102,938 | 100,000 | (252) | | | | | 6,382 | XXX | XXX |
| SPECIAL REVENUE AND ASSESSMENTS - U.S. | | | | | | | | | | | | | | | | |
| CALIFORNIA | | | | | | | | | | | | | | | | |
| 010869-CD-5... | ALAMEDA CORRIDOR TRANSN AUTH REV | 07/30/2002 | DAIN RAUSCHER WESSEL INC | | 504,180 | 500,000 | .498,635 | .498,690 | 10 | | | 5,490 | .5,490 | 27,592 | | 1PE |
| STATE TOTAL | | | | | 504,180 | 500,000 | 498,635 | 498,690 | 10 | 0 | 0 | 5,490 | 5,490 | 27,592 | XXX | XXX |
| U.S. GOVERNMENT | | | | | | | | | | | | | | | | |
| 31283G-K8-9... | FHLMC GOLD POOL #G00319 | 09/15/2002 | PR IN RCPT | | .7,366 | .7,366 | .7,724 | .7,732 | .52 | | | (366) | (366) | 1,300 | | 1 |
| 31283H-HN-8... | FHLMC GOLD POOL #G01137 | 09/15/2002 | PR IN RCPT | | .54,639 | .54,639 | .54,502 | .54,514 | .3 | | | .125 | .125 | 6,177 | | |
| 312870-ND-9... | FHLMC GOLD POOL #G64888 | 09/15/2002 | PR IN RCPT | | .54,250 | .54,250 | .54,916 | .54,911 | (5) | | | (661) | (661) | 670 | | 1 |
| 31292H-D6-8... | FHLMC GOLD POOL #C01025 | 09/15/2002 | PR IN RCPT | | .39,038 | .39,038 | .39,440 | .39,707 | .24 | | | (669) | (669) | 5,870 | | |
| 31293R-NE-8... | FHLMC GOLD POOL #C27557 | 09/15/2002 | PR IN RCPT | | .115,944 | .115,944 | .110,618 | .110,154 | (410) | | | .5,791 | .5,791 | 7,150 | | |
| 31297Y-AD-4... | FHLMC GOLD POOL #40904 | 09/15/2002 | PR IN RCPT | | .22,078 | .22,078 | .21,064 | .20,623 | (62) | | | 1,455 | 1,455 | 2,163 | | 1 |
| 31298U-CF-4... | FHLMC GOLD POOL #C57270 | 09/15/2002 | PR IN RCPT | | .5,812 | .5,812 | .5,726 | .5,727 | | | | .84 | .84 | 625 | | |
| 31298W-CR-4... | FHLMC GOLD POOL #G59080 | 09/15/2002 | PR IN RCPT | | .28,982 | .28,982 | .28,826 | .28,828 | 1 | | | .154 | .154 | 2,235 | | |
| 31359M-JX-2... | FNMA GLOBAL NOTE | 08/23/2002 | VARIOUS | | 5,591,402 | 5,250,000 | .5,612,618 | .5,610,424 | (2,193) | | | (19,022) | (19,022) | 52,522 | | 1 |
| 31359R-M4-1... | FNMA 1998-M2 B | 09/25/2002 | PR IN RCPT | | 1,327 | 1,327 | 1,329 | 1,328 | | | | 0 | 0 | 805 | | |
| 313615-LF-1... | FNMA POOL #M0726 | 09/25/2002 | PR IN RCPT | | .28,056 | .28,056 | .28,117 | .28,111 | .10 | | | (55) | (55) | 2,440 | | 1 |
| 31365D-UL-7... | FNMA POOL #124887 | 09/25/2002 | PR IN RCPT | | .50,555 | .50,555 | .50,871 | .50,853 | .40 | | | (299) | (299) | 4,848 | | |
| 31369S-LS-5... | FNMA POOL #219137 | 09/25/2002 | PR IN RCPT | | 1,325 | 1,325 | 1,320 | 1,320 | | | | 5 | 5 | 2,176 | | |
| 31369T-N7-7... | FNMA POOL #220114 | 09/25/2002 | PR IN RCPT | | .42,840 | .42,840 | .42,800 | .42,823 | .18 | | | .17 | .17 | 3,965 | | 1 |
| 31371J-PQ-1... | FNMA POOL #253431 | 09/25/2002 | PR IN RCPT | | .24,112 | .24,112 | .24,171 | .24,214 | .16 | | | (102) | (102) | 2,928 | | |
| 31380S-PJ-8... | FNMA POOL #449149 | 09/25/2002 | PR IN RCPT | | .23,652 | .23,652 | .23,349 | .23,341 | .6 | | | 311 | 311 | 1,510 | | |
| 31384P-J6-3... | FNMA POOL #529585 | 09/25/2002 | PR IN RCPT | | .36,507 | .36,507 | .35,189 | .34,774 | (146) | | | 1,733 | 1,733 | 3,324 | | 1 |
| 31385C-YQ-0... | FNMA POOL #540819 | 09/25/2002 | PR IN RCPT | | .64,382 | .64,382 | .63,607 | .63,521 | (30) | | | .860 | .860 | 5,925 | | |
| 31386T-FU-4... | FNMA POOL #572679 | 09/25/2002 | PR IN RCPT | | .81,391 | .81,391 | .82,657 | .82,713 | .56 | | | (1,322) | (1,322) | 4,763 | | |
| 31390E-SX-1... | FNMA POOL #644134 | 09/25/2002 | PR IN RCPT | | .26,657 | .26,657 | .26,805 | .26,801 | (4) | | | (144) | (144) | 528 | | |
| 36205B-4L-3... | GNMA POOL #386127 | 09/15/2002 | PR IN RCPT | | .63,540 | .63,540 | .63,699 | .63,724 | (11) | | | (184) | (184) | 4,685 | | |
| 36209D-B2-9... | GNMA POOL #468157 | 09/15/2002 | PR IN RCPT | | .42,293 | .42,293 | .42,306 | .42,306 | .3 | | | (14) | (14) | 2,907 | | 1 |
| 36209M-4A-9... | GNMA POOL #476117 | 09/15/2002 | PR IN RCPT | | .15,850 | .15,850 | .15,978 | .16,003 | .11 | | | (153) | (153) | 1,830 | | |
| 36209U-PA-8... | GNMA POOL #482017 | 09/15/2002 | PR IN RCPT | | .15,811 | .15,811 | .15,798 | | | | | | | 1,449 | | |
| 36209W-AJ-8... | GNMA POOL #484225 | 09/15/2002 | PR IN RCPT | | .17,939 | .17,939 | .17,922 | .17,924 | .2 | | | .15 | .15 | 2,120 | | 1 |
| 36210Y-D9-3... | GNMA POOL #506028 | 09/15/2002 | PR IN RCPT | | .45,744 | .45,744 | .45,709 | .45,729 | .9 | | | .15 | .15 | 4,324 | | |
| 36211C-QY-1... | GNMA POOL #509071 | 09/15/2002 | PR IN RCPT | | .29,099 | .29,099 | .27,626 | .27,608 | .77 | | | 1,491 | 1,491 | 2,212 | | |
| 36213E-L3-8... | GNMA POOL #552146 | 09/15/2002 | PR IN RCPT | | .48,711 | .48,711 | .49,000 | .48,983 | (14) | | | (273) | (273) | 2,483 | | 1 |
| 36220U-Z2-0... | GNMA POOL #288861 | 09/15/2002 | PR IN RCPT | | .28,440 | .28,440 | .28,226 | .28,207 | (8) | | | .232 | .232 | 2,790 | | |
| 36224J-HS-4... | GNMA POOL #329741 | 09/15/2002 | PR IN RCPT | | .5,161 | .5,161 | .5,280 | .5,286 | .14 | | | (125) | (125) | 973 | | |
| 36224U-JL-2... | GNMA POOL #338767 | 09/15/2002 | PR IN RCPT | | .420 | .420 | .438 | .446 | (1) | | | (26) | (26) | .39 | | |
| 36225A-KU-3... | GNMA POOL #780307 | 09/15/2002 | PR IN RCPT | | .11,955 | .11,955 | .12,780 | .12,774 | .11 | | | (819) | (819) | 1,340 | | |
| 36225A-NY-2... | GNMA POOL #780407 | 09/15/2002 | PR IN RCPT | | .43,416 | .43,416 | .43,681 | .43,707 | .13 | | | (291) | (291) | 3,752 | | 1 |
| 36225A-XC-9... | GNMA POOL #780675 | 09/15/2002 | PR IN RCPT | | .41,336 | .41,336 | .41,588 | .41,610 | .13 | | | (274) | (274) | 3,632 | | |
| STATE TOTAL | | | | | 6,710,028 | 6,368,626 | 6,725,676 | 6,722,525 | (2,505) | 0 | 0 | (12,497) | (12,497) | 146,465 | XXX | XXX |
| COUNTRY TOTAL | | | | | 7,214,208 | 6,868,626 | 7,224,311 | 7,221,215 | (2,495) | 0 | 0 | (7,007) | (7,007) | 174,056 | XXX | XXX |
| 3199999 - Bonds - Special Revenues | | | | | 7,214,208 | 6,868,626 | 7,224,311 | 7,221,215 | (2,495) | | | (7,007) | (7,007) | 174,056 | XXX | XXX |
| PUBLIC UTILITIES - U.S. | | | | | | | | | | | | | | | | |
| 001957-AV-1... | AT & T CORPORATION | 08/19/2002 | BEAR STEARNS & CO., INC. | | .318,716 | .375,000 | .355,286 | .358,067 | .1,275 | | | (39,351) | (39,351) | 21,000 | | 2 |
| 001957-AW-9... | AT & T CORPORATION | 08/19/2002 | CR SUISSE FIRST BOSTON | | .93,676 | .125,000 | .123,670 | .123,725 | .11 | | | (30,049) | (30,049) | 7,583 | | 2 |
| COUNTRY TOTAL | | | | | 412,392 | 500,000 | 478,956 | 481,792 | 1,286 | 0 | 0 | (69,400) | (69,400) | 28,583 | XXX | XXX |
| 3899999 - Bonds - Public Utilities | | | | | 412,392 | 500,000 | 478,956 | 481,792 | 1,286 | | | (69,400) | (69,400) | 28,583 | XXX | XXX |
| INDUSTRIAL & MISCELLANEOUS - U.S. | | | | | | | | | | | | | | | | |
| 000771-AA-2... | ABN AMRO BANK | 07/30/2002 | UBS WARBURG LLC | | .556,560 | .500,000 | .494,062 | .494,737 | .58 | | | .61,823 | .61,823 | 27,663 | | |
| 013817-AB-7... | ALCOA INCORPORATED | 07/30/2002 | BEAR STEARNS & CO., INC. | | .1,123,650 | 1,000,000 | .1,013,010 | .1,011,107 | (590) | | | .112,543 | .112,543 | 73,955 | | 1PE |
| 149123-BJ-9... | CATERPILLAR INCORPORATED | 07/30/2002 | CR SUISSE FIRST BOSTON | | .1,096,540 | 1,000,000 | .1,033,860 | .1,033,455 | (210) | | | .63,085 | .63,085 | 54,953 | | 1PE |
| 191219-AY-0... | COCA COLA ENTERPRISES | 07/30/2002 | SALOMON, SMITH BARNEY INC. | | .1,033,310 | 1,000,000 | .981,970 | .983,049 | .152 | | | .50,261 | .50,261 | .49,615 | | 1PE |
| 22237L-LQ-3... | COUNTRYWIDE HOME LOANS INC. | 08/27/2002 | LEHMAN BROTHERS INC. | | .1,022,300 | 1,000,000 | .1,005,780 | .1,007,485 | (1,111) | | | .14,815 | .14,815 | .58,361 | | |
| 260543-BJ-1... | DOW CHEMICAL COMPANY | 07/31/2002 | MORGAN STANLEY & CO. | | .996,340 | 1,000,000 | .992,370 | .992,529 | .49 | | | .3,811 | .3,811 | .56,13 | | |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Identifi- cation | 2 Description | 3 Disposal Date | 4 Name of Purchaser | 5 Number of Shares of Stock | 6 Consideration | 7 Par Value | 8 Actual Cost | 9 Book/Adjusted Carrying Value at Disposal Date | 10 Increase (Decrease) by Adjustment | 11 Increase (Decrease) by Foreign Exchange Adjustment | 12 Foreign Exchange Gain (Loss) on Disposal | 13 Realized Gain (Loss) on Disposal | 14 Total Gain (Loss) on Disposal | 15 Interest on Bonds Received During Year | 16 Dividends on Stocks Received During Year | 17 NAIC Designa- tion (a) |
|--|-------------------------------|-----------------------|-------------------------|--------------------------------------|--------------------|----------------|------------------|--|--|---|---|--|---|--|--|---------------------------------------|
| 423328-BP-7 | HELLER FINANCIAL INCORPORATED | 07/30/2002 | MORGAN STANLEY & CO. | 1,112,000 | 1,000,000 | .101,320 | 1,098,464 | (2,856) | | | | .13,536 | .13,536 | .10,444 | | 1 |
| 539830-AL-3 | LOCKHEED MARTIN CORPORATION | 08/01/2002 | MORGAN STANLEY & CO. | 584,560 | 500,000 | .574,715 | .573,970 | (745) | | | | .10,590 | .10,590 | .7,403 | | 2 |
| 577778-BK-8 | MAY DEPARTMENT STORES | 08/01/2002 | LEHMAN BROTHERS INC. | 557,250 | 500,000 | .499,120 | .499,136 | .5 | | | | .58,114 | .58,114 | .36,641 | | 1PE |
| 76110F-J3-8 | RSNDTL ACCR LN 99-QS3 A-1 | 09/25/2002 | PR IN RCPT | .15,170 | .15,170 | .15,124 | .15,123 | | | | | .47 | .47 | .1,245 | | 1 |
| 76110F-X8-1 | RALI 1999-QS11 NB1 | 09/25/2002 | PR IN RCPT | .34,897 | .34,897 | .34,673 | .34,676 | 1 | | | | .220 | .220 | .5,655 | | 1PE |
| 814138-AK-9 | SECURITY CAP INDUSTRIAL | 08/19/2002 | CR SUISSE FIRST BOSTON | 356,220 | 350,000 | .349,202 | .349,309 | .16 | | | | .6,910 | .6,910 | .30,394 | | 2W |
| 87612E-AB-2 | TARGET CORPORATION | 08/01/2002 | BARCLAYS CAPITAL SEC | 573,635 | 500,000 | .503,255 | .502,788 | (146) | | | | .70,847 | .70,847 | .36,562 | | 1 |
| 931142-BE-2 | WAL-MART STORES INCORPORATED | 08/01/2002 | BANC AMERICA SECURITIES | 168,580 | 150,000 | .149,412 | .149,548 | .29 | | | | .19,033 | .19,033 | .10,198 | | 1PE |
| COUNTRY TOTAL | | | | 9,500,452 | 8,800,067 | 8,993,888 | 8,988,993 | (5,205) | 0 | 0 | | 511,458 | 511,458 | 479,709 | XXX | XXX |
| INDUSTRIAL & MISCELLANEOUS - OTHER | | | | | | | | | | | | | | | | |
| 002920-AC-0 | ABBEY NATIONAL PLC | 07/30/2002 | MERRILL LYNCH | | 274,250 | 250,000 | .260,170 | .259,896 | (64) | | | .14,354 | .14,354 | .15,238 | | 1 |
| COUNTRY TOTAL | | | | | 274,250 | 250,000 | .260,170 | .259,896 | (64) | 0 | 0 | .14,354 | .14,354 | .15,238 | XXX | XXX |
| 4599999 - Bonds - Industrial and Miscellaneous | | | | 9,774,702 | 9,050,067 | 9,254,058 | 9,248,889 | (5,269) | | | | .525,813 | .525,813 | .494,947 | XXX | XXX |
| 6099997 - Bonds - Part 4 | | | | 17,501,303 | 16,518,693 | 17,060,263 | 17,051,897 | (6,731) | | | | .449,406 | .449,406 | .703,968 | XXX | XXX |
| 6099998 - Bonds - Part 5 | | | | 6,449,184 | 6,300,000 | 6,334,177 | 6,334,021 | (156) | | | | .115,163 | .115,163 | .14,875 | XXX | XXX |
| 6099999 - Total - Bonds | | | | 23,950,487 | 22,818,693 | 23,394,440 | 23,385,917 | (6,886) | | | | .564,569 | .564,569 | .718,843 | XXX | XXX |
| 6599999 - Total - Preferred Stocks | | | | | XXX | | | | | | | | | | XXX | XXX |
| PUBLIC UTILITIES - U.S. | | | | | | | | | | | | | | | | |
| 001957-10-9 | AT&T CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 200,000 | 2,459 | | .1,940 | .1,940 | | | | .519 | .519 | | 8 | L |
| 25179M-10-3 | DEVON ENERGY CORP NEW | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | .2,288 | | .2,352 | | | | | (.64) | (.64) | | 621 | L |
| 30161N-10-1 | EXELON CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 137,000 | .6,848 | | .5,226 | .5,226 | (1,333) | | | .1,622 | .1,622 | | | |
| COUNTRY TOTAL | | | | | 11,595 | XXX | 9,518 | 9,518 | (1,333) | 0 | 0 | 2,077 | 2,077 | XXX | 628 | XXX |
| 6699999 - Common Stocks - Public Utilities | | | | | 11,595 | XXX | 9,518 | 9,518 | (1,333) | | | 2,077 | 2,077 | XXX | 628 | XXX |
| BANKS, TRUST AND INSURANCE COMPANIES - U | | | | | | | | | | | | | | | | |
| 060505-10-4 | BANK AMERICA CORP | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 7,007 | | .4,199 | .4,199 | (2,096) | | | .2,809 | .2,809 | | .120 | L |
| 172967-10-1 | CITIGROUP INCORPORATED | 08/26/2002 | VARIOUS | .0,000 | 4,966 | | .4,966 | .4,966 | .4,966 | | | | | .0 | | |
| 222372-10-4 | COUNTRYWIDE CR IND INC | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | .2,649 | | .2,362 | .2,362 | | | | .287 | .287 | | .6 | L |
| 59156R-10-8 | METLIFE | 08/29/2002 | SPEAR LEED & KELLOGG | 202,000 | 5,437 | | .2,878 | .2,878 | (3,521) | | | .2,558 | .2,558 | | | |
| 701094-10-4 | PARKER HANNIFIN CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 4,041 | | .3,580 | .3,580 | (1,011) | | | .461 | .461 | | .90 | L |
| COUNTRY TOTAL | | | | | 24,100 | XXX | 17,986 | 17,986 | (1,662) | 0 | 0 | 6,115 | 6,115 | XXX | 216 | XXX |
| 6799999 - Common Stocks - Banks, Trust and Insurance Companies | | | | | 24,100 | XXX | 17,986 | 17,986 | (1,662) | | | 6,115 | 6,115 | XXX | 216 | XXX |
| INDUSTRIAL & MISCELLANEOUS - U.S. | | | | | | | | | | | | | | | | |
| 00130H-10-5 | AES CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 200,000 | .599 | | .966 | .966 | | | | (.367) | (.367) | | | |
| 057224-10-7 | BAKER HUGHES INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | .2,697 | | .3,219 | .3,219 | (428) | | | (.521) | (.521) | | 34 | L |
| 067901-10-8 | BARRICK GOLD CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 250,000 | 3,961 | | .5,109 | .5,109 | | | | (1,148) | (1,148) | | | |
| 075887-10-9 | BECTON DICKISON & COMPANY | 08/29/2002 | SPEAR LEED & KELLOGG | 200,000 | 6,117 | | .5,285 | .5,285 | (1,345) | | | .832 | .832 | | 88 | L |
| 102183-10-0 | BOWATER INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | 2,001 | | .2,218 | .2,218 | (167) | | | (.217) | (.217) | | 86 | L |
| 17275R-10-2 | CISCO SYSTEMS INC | 08/29/2002 | KNIGHT SECURITIES | .50,000 | .702 | | .515 | .515 | (390) | | | .187 | .187 | | | |
| 208251-50-4 | CONOCO INCORPORATED | 09/05/2002 | MERGER | 100,000 | 2,676 | | .2,676 | .2,676 | | | | | | .0 | 19 | L |
| 20825C-10-4 | CONOCOPHILLIPS COMPANY | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 5,056 | | .6,417 | .6,417 | .391 | | | (1,361) | (1,361) | | 270 | L |
| 28336L-10-9 | EL PASO CORP DEL | 08/29/2002 | SPEAR LEED & KELLOGG | 200,000 | 3,367 | | .4,095 | .4,095 | | | | (.728) | (.728) | | | |
| 31428X-10-6 | FEDEX CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 4,689 | | .4,076 | .4,076 | (1,112) | | | .613 | .613 | | 30 | L |
| 401698-10-5 | GUIDANT CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 3,668 | | .3,102 | .3,102 | | | | .566 | .566 | | | |
| 413619-10-7 | HARRAHS ENTERTAINMENT INC | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | 2,343 | | .2,318 | .2,318 | | | | .25 | .25 | | | |
| 418056-10-7 | HASBRO INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | .654 | | .744 | .744 | | | | (.90) | (.90) | | 2 | L |
| 438516-10-6 | HONEYWELL INTERNATIONAL INC | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 2,911 | | .3,650 | .3,650 | .268 | | | (.739) | (.739) | | 112 | L |
| 452528-10-2 | IMMUNEX CORPORATION | 07/17/2002 | MERGER | 200,000 | 4,428 | | .4,428 | .4,428 | | | | | | .0 | | |
| 453258-40-2 | INCO LTD. | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | .893 | | .1,078 | .1,078 | | | | (.185) | (.185) | | | |
| 478366-10-7 | JOHNSON CTLS INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | 4,244 | | .4,136 | .4,136 | | | | .107 | .107 | | | |
| 494368-10-3 | KIMBERLY-CLARK CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 5,845 | | .6,501 | .6,501 | .521 | | | (.655) | (.655) | | 102 | L |
| 565849-10-6 | MARATHON OIL CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 2,424 | | .2,676 | .2,676 | | | | (.252) | (.252) | | 23 | L |
| 577081-10-2 | MATTEL INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 1,952 | | .1,570 | .1,570 | (150) | | | .382 | .382 | | | |
| 577778-10-3 | MAY DEPARTMENT STORES | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 2,902 | | .3,280 | .3,280 | (418) | | | (.377) | (.377) | | 59 | L |
| 635405-10-3 | NATIONAL CITY CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | 275,000 | 8,394 | | .7,386 | .7,386 | (655) | | | 1,008 | 1,008 | | 305 | L |
| 650111-10-7 | NEW YORK TIMES A | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | 2,373 | | .2,082 | .2,082 | (80) | | | .290 | .290 | | 13 | L |
| 651639-10-6 | NEWMONT MINING CORPORATION | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | 1,390 | | .1,450 | .1,450 | | | | (.60) | (.60) | | | |
| 681919-10-6 | OMNICOM GROUP INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | .50,000 | 2,982 | | .3,870 | .3,870 | (597) | | | (.888) | (.888) | | 24 | L |
| 68389X-10-5 | ORACLE CORPORATION | 08/29/2002 | KNIGHT SECURITIES | .400,000 | 3,984 | | 1,142 | 1,142 | (4,382) | | | .2,842 | .2,842 | | | |
| 693511-10-6 | P P & L RES INC | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 3,641 | | 3,143 | 3,143 | | | | .498 | .498 | | | |

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Identifi- cation | 2 Description | 3 Disposal Date | 4 Name of Purchaser | 5 Number of Shares of Stock | 6 Consideration | 7 Par Value | 8 Actual Cost | 9 Book/Adjusted Carrying Value at Disposal Date | 10 Increase (Decrease) by Adjustment | 11 Increase (Decrease) by Foreign Exchange Adjustment | 12 Foreign Exchange Gain (Loss) on Disposal | 13 Realized Gain (Loss) on Disposal | 14 Total Gain (Loss) on Disposal | 15 Interest on Bonds Received During Year | 16 Dividends on Stocks Received During Year | 17 NAIC Designa- tion (a) |
|--|------------------------------|-----------------------|------------------------|--------------------------------------|--------------------|----------------|------------------|--|--|--|---|--|---|--|--|---------------------------------------|
| 71713U-10-2 | PHARMACIA CORPORATION | 08/19/2002 | DISTRIBUTION OF SHARES | 0.000 | 1,031 | | | 1,031 | 1,031 | | | | 0 | | | L |
| 718154-10-7 | PHILLIP MORRIS COMPANIES | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 4,933 | | | 5,498 | 5,498 | | | (565) | (565) | | | L |
| 725906-10-1 | PLACER DOME INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 1,001 | | | 1,269 | 1,269 | | | (268) | (268) | | 5 | L |
| 786429-10-0 | SAFECO CORPORATION | 08/29/2002 | KNIGHT SECURITIES | 50,000 | 1,657 | | | 1,552 | 1,552 | | | 105 | 105 | | 9 | L |
| 806857-10-8 | SCHLUMBERGER LTD. | 08/29/2002 | SPEAR LEED & KELLOGG | 100,000 | 4,233 | | | 6,211 | 6,211 | | | (1,978) | (1,978) | | 56 | L |
| 832696-40-5 | JM SMUCKER COMPANY | 08/29/2002 | SPEAR LEED & KELLOGG | 17,000 | 628 | | | 487 | 487 | | | 140 | 140 | | 21 | L |
| 904784-70-9 | UNILVER N.V. | 08/29/2002 | SPEAR LEED & KELLOGG | 200,000 | 11,549 | | | 12,511 | 12,511 | | | (962) | (962) | | L | |
| 931142-10-3 | WAL-MART STORES INCORPORATED | 08/29/2002 | SPEAR LEED & KELLOGG | 50,000 | 2,639 | | | 2,313 | 2,313 | | | 326 | 326 | | 11 | L |
| COUNTRY TOTAL | | | | 114,568 | XXX | 118,006 | 118,006 | (7,363) | 0 | 0 | (3,438) | (3,438) | XXX | 1,270 | XXX | |
| INDUSTRIAL & MISCELLANEOUS - OTHER | | | | | | | | | | | | | | | | |
| 055622-10-4 | BP AMOCO PLC SPOON ADR | 08/29/2002 | SPEAR LEED & KELLOGG | 50,000 | 2,308 | | | 2,481 | 2,481 | .155 | | (173) | (173) | | 238 | L |
| 780257-80-4 | ROYAL DUTCH PETE COMPANY | 08/29/2002 | SPEAR LEED & KELLOGG | 300,000 | 13,264 | | | 18,440 | 18,440 | .3,734 | | (5,176) | (5,176) | | 265 | L |
| COUNTRY TOTAL | | | | 15,572 | XXX | 20,921 | 20,921 | 3,889 | 0 | 0 | (5,348) | (5,348) | XXX | 503 | XXX | |
| 6899999 - Common Stocks - Industrial and Miscellaneous | | | | 130,141 | XXX | 138,927 | 138,927 | (3,474) | | | | (8,786) | (8,786) | XXX | 1,773 | XXX |
| 7099997 - Common Stocks - Part 4 | | | | 165,836 | XXX | 166,431 | 166,431 | (6,469) | | | | (595) | (595) | XXX | 2,617 | XXX |
| 7099999 - Total - Common Stocks | | | | 165,836 | XXX | 166,431 | 166,431 | (6,469) | | | | (595) | (595) | XXX | 2,617 | XXX |
| 7199999 - Total - Preferred and Common Stocks | | | | 165,836 | XXX | 166,431 | 166,431 | (6,469) | | | | (595) | (595) | XXX | 2,617 | XXX |
| 7299999 Totals | | | | 24,116,322 | XXX | 23,560,871 | 23,552,348 | (13,356) | | | | 563,974 | 563,974 | 718,843 | 2,617 | XXX |

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

Schedule DB - Part A - Section 1
NONE

Schedule DB - Part B - Section 1
NONE

Schedule DB - Part C - Section 1
NONE

Schedule DB - Part D - Section 1
NONE

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE E - PART 1 - CASH