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QUARTERLY STATEMENT

As of September 30, 2002

of the Condition and Affairs of the

EVERGREEN NATIONAL INDEMNITY COMPANY

NAIC Group Code..... 959, 959 (Current Period) (Prior Period) — NAIC Company Code..... 12750 — Employer's ID Number..... 36-2467238

Organized under the Laws of OH — State of Domicile or Port of Entry OH

Country of Domicile US

Incorporated..... December 30, 1939 — Commenced Business..... January 1, 1940

Statutory Home Office	2400 CORPORATE EXCHANGE DRIVE ….. COLUMBUS ..... OH ..... 43231 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	2400 CORPORATE EXCHANGE DRIVE ….. COLUMBUS ..... OH ..... 43231 *(Street and Number) (City or Town, State and Zip Code)*	614-895-2000 *(Area Code) (Telephone Number)*
Mail Address	P.O. BOX 163340 ….. COLUMBUS ..... OH ..... 43216-3340 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	2400 CORPORATE EXCHANGE DRIVE ….. COLUMBUS ..... OH ..... 43231 *(Street and Number) (City or Town, State and Zip Code)*	614-895-2000 *(Area Code) (Telephone Number)*
Internet Website Address	www.centurysurety.com	
Statement Contact	ERIN ELIZABETH ALWARD *(Name)*	614-895-2000 *(Area Code) (Telephone Number) (Extension)*
	ealward@centurysurety.com *(E-Mail Address)*	614-895-7036 *(Fax Number)*
Policyowner Relations Contact	2400 CORPORATE EXCHANGE DRIVE ….. COLUMBUS ..... OH ..... 43231 *(Street and Number) (City or Town, State and Zip Code)*	614-895-2000 *(Area Code) (Telephone Number) (Extension)*

OFFICERS

President ..... ROSWELL PAINE ELLIS — Treasurer ..... GLENN DAVID SOUTHWICK — Secretary ..... JOHN ANTHONY MARAZZA

VICE PRESIDENTS

CHRISTOPHER JOHN TIMM	JOHN ANTHONY MARAZZA	CRAIG LANGJAHR STOUT	DANIEL JOSEPH CLARK
DAVID GERVERS	TIMOTHY CLAY ELLIS	TIMOTHY ALLAN GORDON	CHARLES DEL HAMM JR
GREG DAVID EWALD #	STEVEN ROBERT YOUNG #		

DIRECTORS OR TRUSTEES

ROSWELL PAINE ELLIS	JOHN ANTHONY MARAZZA	EDWARD FARRELL FEIGHAN	CHRISTOPHER JOHN TIMM
CHARLES DEL HAMM JR			

State of........ OHIO
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.

(Signature)	(Signature)	(Signature)
ROSWELL PAINE ELLIS	JOHN ANTHONY MARAZZA	GLENN DAVID SOUTHWICK
(Printed Name)	(Printed Name)	(Printed Name)
President	Secretary	Treasurer

Subscribed and sworn to before me this

.............day of ...., 2002

....

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31, Prior Year Net Admitted Assets
1. Bonds	18,142,155		18,142,155	15,952,359
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $..........0 encumbrances)			0	
4.2 Properties held for the production of income (less $..........0 encumbrances)			0	
4.3 Properties held for sale (less $..........0 encumbrances)			0	
5. Cash ($.....8,678,863) and short-term investments ($.....110,507)	8,789,370		8,789,370	5,215,841
6. Other invested assets			0	
7. Receivable for securities			0	
8. Aggregate write-ins for invested assets	0	0	0	0
9. Subtotals, cash and invested assets (Lines 1 to 8)	26,931,525	0	26,931,525	21,168,200
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection	1,499,039	1,103,118	395,921	307,156
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)			0	1,638,917
10.3 Accrued retrospective premiums			0	
11. Funds held by or deposited with reinsured companies			0	
12. Bills receivable, taken for premiums			0	
13. Amounts receivable under high deductible policies			0	
14. Reinsurance recoverables on loss and loss adjustment expense payments	2,219,917		2,219,917	19,253,747
15. Federal and foreign income tax recoverable and interest thereon (including $.....850,840 net deferred tax asset)	741,840	375,216	366,624	313,610
16. Guaranty funds receivable or on deposit			0	
17. Electronic data processing equipment and software	11,930		11,930	16,435
18. Interest, dividends and real estate income due and accrued	324,222		324,222	232,763
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	
20. Receivable from parent, subsidiaries and affiliates	567,572	300,000	267,572	
21. Amounts due from/to protected cells			0	
22. Equities and deposits in pools and associations			0	
23. Amounts receivable relating to uninsured accident and health plans			0	
24. Other assets nonadmitted	8,896	8,896	0	
25. Aggregate write-ins for other than invested assets	0	0	0	267
26. Total assets excluding protected cell assets (Lines 9 through 25)	32,304,941	1,787,230	30,517,711	42,931,095
27. Protected cell assets			0	
28. TOTALS (Lines 26 and 27)	32,304,941	1,787,230	30,517,711	42,931,095

DETAILS OF WRITE-INS

0801.			0	
0802.			0	
0803.			0	
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0
2501. Recoverable On Profit Commission And Rate Adjustment			0	
2502. Miscellaneous Receivable			0	267
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	0	0	267

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31, Prior Year
1.	Losses (current accident year $.....1,755,408)	6,390,810	6,299,953
2.	Reinsurance payable on paid losses and loss adjustment expenses	438,037	961,860
3.	Loss adjustment expenses	1,664,897	1,469,134
4.	Commissions payable, contingent commissions and other similar charges		
5.	Other expenses (excluding taxes, licenses and fees)	3,793	11,972
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	63,723	28,239
7.	Federal and foreign income taxes (including $..........0 on realized capital gains (losses) (including $..........0 net deferred tax liability)		
8.	Borrowed money $..........0 and interest thereon $..........0		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $.....5,440,456 and including warranty reserves of $..........0)	4,933,784	2,845,435
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)		16,272
13.	Funds held by company under reinsurance treaties		
14.	Amounts withheld or retained by company for account of others	142,126	516,156
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		16,534,727
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	(283,219)	(386,792)
24.	Total liabilities excluding protected cell liabilities (Lines 1 through 23)	13,353,951	28,296,956
25.	Protected cell liabilities		
26.	Total liabilities (Lines 24 and 25)	13,353,951	28,296,956
27.	Aggregate write-ins for special surplus funds	415,800	415,800
28.	Common capital stock	3,018,001	3,000,000
29.	Preferred capital stock		
30.	Aggregate write-ins for other than special surplus funds	0	0
31.	Surplus notes		
32.	Gross paid in and contributed surplus	12,876,866	7,876,867
33.	Unassigned funds (surplus)	853,093	3,341,472
34.	Less treasury stock, at cost:		
	34.1 ....0.000 shares common (value included in Line 28 $..........0)		
	34.2 ....0.000 shares preferred (value included in Line 29 $..........0)		
35.	Surplus as regards policyholders (Lines 27 to 33, less 34)	17,163,760	14,634,139
36.	TOTALS	30,517,711	42,931,095

DETAILS OF WRITE-INS

2301.	Line 15 from 2000 Annual Statement		
2302.	Unclaimed Funds	540	540
2303.	Loss Portfolio Transfer	67,170	58,543
2398.	Summary of remaining write-ins for Line 23 from overflow page	(350,929)	(445,875)
2399.	Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	(283,219)	(386,792)
2701.	Special Surplus from Retroactive Reinsurance	415,800	415,800
2702.			
2703.			
2798.	Summary of remaining write-ins for Line 27 from overflow page	0	0
2799.	Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	415,800	415,800
3001.			
3002.			
3003.			
3098.	Summary of remaining write-ins for Line 30 from overflow page	0	0
3099.	Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Previous Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $.....17,806,416)	19,934,686	25,059,295	31,784,874
1.2 Assumed (written $.....12,409,082)	10,299,044	6,048,647	8,838,296
1.3 Ceded (written $.....18,285,062)	20,391,643	25,052,359	32,298,835
1.4 Net (written $.....11,930,436)	9,842,087	6,055,583	8,324,335
DEDUCTIONS:			
2. Losses incurred (current accident year $.....2,496,435):			
2.1 Direct	7,950,612	20,258,350	29,251,288
2.2 Assumed	2,663,357	1,922,083	3,912,246
2.3 Ceded	8,089,366	20,017,356	29,918,638
2.4 Net	2,524,603	2,163,077	3,244,896
3. Loss expenses incurred	1,529,925	940,776	1,325,452
4. Other underwriting expenses incurred	6,428,286	3,068,089	4,197,166
5. Aggregate write-ins for underwriting deductions	(42,000)	0	52,500
6. Total underwriting deductions (Lines 2 through 5)	10,440,814	6,171,942	8,820,014
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(598,727)	(116,359)	(495,679)
INVESTMENT INCOME			
9. Net investment income earned	644,735	874,677	993,018
10. Net realized capital gains (losses)	11,631		52,160
11. Net investment gain (loss) (Lines 9 + 10)	656,366	874,677	1,045,178
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $..........0 amount charged off $.....183,676)	(183,676)	7,276	7,277
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	356,813	94,291	725,756
15. Total other income (Lines 12 through 14)	173,137	101,567	733,033
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)	230,776	859,885	1,282,532
17. Dividends to policyholders			
18. Net income after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	230,776	859,885	1,282,532
19. Federal and foreign income taxes incurred	157,000	262,500	393,500
20. Net income (Line 18 minus Line 19) (to Line 22)	73,776	597,385	889,032
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 previous year	14,634,139	13,556,381	13,556,381
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	73,776	597,385	889,032
23. Net unrealized capital gains or losses			
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income taxes	127,840	96,000	597,000
26. Change in nonadmitted assets	(394,746)	(1,145,293)	(743,274)
27. Change in provision for reinsurance		(33,066)	
28. Change in surplus notes			
29. Surplus (contributed to) withdrawn from protected cells			
30. Cumulative effect of changes in accounting principles		335,000	335,000
31. Capital changes:			
31.1 Paid in	1		
31.2 Transferred from surplus (Stock Dividend)	18,000		
31.3 Transferred to surplus			
32. Surplus adjustments:			
32.1 Paid in	4,999,999		
32.2 Transferred to capital (Stock Dividend)	(18,000)		
32.3 Transferred from capital			
33. Net remittances from or (to) Home Office			
34. Dividends to stockholders	(2,277,249)		
35. Change in treasury stock			
36. Aggregate write-ins for gains and losses in surplus	0	0	0
37. Change in surplus as regards policyholders (Lines 22 through 36)	2,529,621	(149,974)	1,077,758
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	17,163,760	13,406,407	14,634,139

DETAILS OF WRITE-INS

	1	2	3
0501. Premium Deficiency Reserve	(42,000)		52,500
0502. Premium Deficiency Reserve			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	(42,000)	0	52,500
1401. Miscellaneous Income	340,541	94,291	95,756
1402. Retroactive Reinsurance Gain			630,000
1403. Reinsurance Charged off	16,272		
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	356,813	94,291	725,756
3601. Lines 23 and 29 from 2000 Annual Statement			
3602. Reverse of Paid in Capital			
3603.			
3698. Summary of remaining write-ins for Line 36 from overflow page	0	0	0
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above)	0	0	0

CASH FLOW

		1 Current Year to Date	2 Prior Year Ended December 31
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	13,071,778	5,754,896
2.	Loss and loss adjustment expenses paid (net of salvage and subrogation)	(12,742,099)	16,987,406
3.	Underwriting expenses paid	6,400,981	6,401,975
4.	Other underwriting income (expenses)	42,000	(52,500)
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	19,454,896	(17,686,985)
6.	Net investment income	631,935	1,119,122
7.	Other income (expenses):		
7.1	Agents' balances charged off	(183,676)	7,277
7.2	Net funds held under reinsurance treaties		(434,312)
7.3	Net amount withheld or retained for account of others	(374,030)	(204,292)
7.4	Aggregate write-ins for miscellaneous items	356,813	326,637
7.5	Total other income (Lines 7.1 to 7.4)	(200,893)	(304,690)
8.	Dividends to policyholders on direct business, less $...............0 dividends on reinsurance assumed or ceded (net)		
9.	Federal and foreign income taxes (paid) recovered	(91,390)	(241,610)
10.	Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	19,794,548	(17,114,163)
	CASH FROM INVESTMENTS		
11.	Proceeds from investments sold, matured or repaid:		
11.1	Bonds	2,963,248	2,590,112
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	7,008	
11.8	Total investment proceeds (Lines 11.1 to 11.7)	2,970,256	2,590,112
12.	Cost of investments acquired (long-term only):		
12.1	Bonds	5,220,066	3,286,979
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)	5,220,066	3,286,979
13.	Net cash from investments (Line 11.8 minus Line 12.7)	(2,249,810)	(696,867)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
14.	Cash provided:		
14.1	Surplus notes, capital and surplus paid in	5,018,000	
14.2	Capital notes $..........0 less amounts repaid $..........0		
14.3	Net transfers from affiliates		17,081,479
14.4	Borrowed funds received		
14.5	Other cash provided	108,339	6,576
14.6	Total (Lines 14.1 to 14.5)	5,126,339	17,088,055
15.	Cash applied:		
15.1	Dividends to stockholders paid	2,295,249	
15.2	Net transfers to affiliates	16,802,299	
15.3	Borrowed funds repaid		
15.4	Other applications		
15.5	Total (Lines 15.1 to 15.4)	19,097,548	0
16.	Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	(13,971,209)	17,088,055
	RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17.	Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	3,573,529	(722,975)
18.	Cash and short-term investments:		
18.1	Beginning of year	5,215,841	5,938,816
18.2	End of period (Line 17 plus Line 18.1)	8,789,370	5,215,841

DETAILS OF WRITE-INS

07.401	Miscellaneous Income	356,813	95,756
07.402	Recoverable On Profit Commission and Rate Adjustment		338,339
07.403	Miscellaneous Receivable		3,939
07.498	Summary of remaining write-ins for Line 7.4 from overflow page	0	(111,397)
07.499	Total (Lines 7.401 to 7.403 plus 7.498) (Line 7.4 above)	356,813	326,637

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Evergreen National Indemnity Company (Company) have been prepared on the basis of accounting practices prescribed or permitted by The Ohio Department of Insurance (Department).

The State of Ohio requires insurance companies domiciled in the State of Ohio to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* , version effective January 1, 2001 (NAIC SAP), which has been adopted as a component of prescribed or permitted practices by the State of Ohio. The State has adopted no prescribed accounting practices that differ from those found in NAIC SAP. However, the Commissioner of Insurance has the right to permit practices that deviate from prescribed practices.

Note 9 - Income Taxes

A. Components of Deferred Tax Assets (DTAs) and Deferred Tax Liabilities (DTLs)

Description	Amount
Gross deferred tax assets	$ 850,840
Gross deferred tax liabilities	-
Net deferred tax asset	850,840
Nonadmitted deferred tax assets	375,216
Admitted deferred tax asset	$ 475,624
Increase in nonadmitted deferred tax assets	$ 9,216

B. Unrecognized DTLs

Not applicable.

C. Current Tax and Change in Deferred Tax

Current income taxes incurred consists of the following major components:

Description	2002	2001
Current income tax expense	$ 157,000	$ 393,500
Prior year underaccrual (overaccrual)	-	-
Current income taxes incurred	$ 157,000	$ 393,500

The main components of the 2002 deferred tax amounts were as follows:

DTAs	Statutory	Tax	Difference	Tax Effect
Unpaid losses and LAE (including salvage and subrogation)	$ 7,982,764	$ 6,684,439	$ 1,298,325	$ 441,430
Unearned premiums	4,933,784	3,947,027	986,757	335,497
Other				73,913
Gross DTAs				$ 850,840
Nonadmitted DTAs				$ 375,216

DTAs Resulting from Book/Tax Differences in	September 30, 2002	December 31, 2001	Change
Unpaid losses and LAE (including salvage and subrogation)	$ 441,430	$ 431,000	$ 10,430
Unearned premiums	335,497	193,000	142,497
Other	73,913	99,000	(25,087)
Gross DTAs	$ 850,840	$ 723,000	$ 127,840
Nonadmitted DTAs	$ 375,216	$ 366,000	$ 9,216

The change in gross DTAs of $127,840 and gross DTLs of $0 is the change in net deferred income taxes of $127,840 before consideration of nonadmitted DTAs.

NOTES TO FINANCIAL STATEMENTS

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

The significant book to tax adjustments were as follows:

Description	Amount	Tax Effect at 34%
Income before taxes	$ 230,776	$ 79,000
Tax over book reserves (including salvage and subrogation)	31,252	10,000
Unearned premiums	417,670	142,000
Net operating loss carryforward	(217,388)	(74,000)
Taxable income	$ 462,310	$ 157,000

E. Operating Loss and Tax Carryforwards

1. At September 30, 2002, the Company has a net operating loss carry-forward balance of $1,387,556 that expires in 2008. The utilization of this net operating loss is limited to $289,850 per year in accordance with Section 382 of the Internal Revenue Code. During 2002, the Company utilized $217,388 of available operating loss carryforwards to offset current taxable income.

2. The following is income tax expense for 2002 and 2001 that is available for recoupment in the event of future net losses:

Year	Amount
2002	$ 157,000
2001	$ 393,500

Note 10 - Information Concerning Parent, Subsidiaries

A. Nature of Relationships

Effective of April of 2002, the Company became an 80.1% owned subsidiary of Century Surety Company and a 19.9% owned subsidiary of Waste Management, Inc. Prior to April of 2002, the Company was a wholly owned subsidiary of Century Surety Company. Century Surety Company, an Ohio property/casualty insurance company, is a wholly owned subsidiary of ProFinance Holdings Corporation.

B. Detail of Transactions Greater than 1/2% of Admitted Assets

1. The Company declared and distributed $1,445,000 of ordinary cash dividends, $832,249 of extraordinary cash dividends and $18,000 of stock dividends to Century Surety Company through September 2002.

2. In 2002, the Company expensed $4,208,384 in commissions to Evergreen UNI, an affiliate through an officer.

3. In 2002, the Company paid Williams National Surety Corporation (Williams) and C.E. Parrish General Agency (Parrish) $5,492,545 of commissions for bail bonds through an operating agreement. Certain officers of Williams and Parrish are officers of an affiliate.

4. The Company incurred commissions of $124,377 through an agency agreement with ProCentury Insurance Agency, Inc. (a subsidiary of ProFinance Holdings Corporation).

Note 13 - Capital and Surplus, Shareholder's Dividend Restrictions and Quasi Reorganization

A. Outstanding Shares

The Company has the following shares authorized, issued and outstanding at September 30, 2002:

A shares, $500 par; 10,000 authorized; 6,000 issued and outstanding
B shares, $1 par; 25,000 authorized; 18,000 issued and outstanding
C shares, $1 par; 100 authorized; 1 issued and outstanding

The Company has no preferred stock authorized, issued, or outstanding.

C., D. and E. Dividend Restrictions

The maximum dividend which can be paid by Ohio incorporated insurance companies is subject to restrictions relating to the maintenance of minimum assets and capital. For example, no company shall make any distribution of dividends or assets unless the value of assets remaining is at least equal to the aggregate amount of debts and liabilities, including capital. In addition, no company which is part of a holding company system may make a distribution which exceeds the greater of ten percent of policyholders surplus or its net income of the previous calendar year. Accordingly, the maximum dividend payout to shareholder that may be made without prior approval of the Department, in 2002, is $1,463,414. The Company declared and distributed $1,445,000 of ordinary cash dividends, $832,249 of extraordinary cash dividends and $18,000 of ordinary stock dividends to Century Surety Company through September 2002.

NOTES TO FINANCIAL STATEMENTS

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

C. Wash Sales

The Company did not have any wash sales during the current year.

Note 21 - Events Subsequent

In April of 2002, the Parent sold a minority interest of the Company (previously a wholly owned subsidiary of the Parent) to an investor of ProFinance Holdings Corporation (ultimate parent).

In April of 2002, the Company raised $5,000,000 through the issuance of one share of Class C stock to the minority owner.

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 [X] No [ ]

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

3.2 If yes, date of change: March 2002..............................
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 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. ....12/31/2000.....................

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. ....12/31/2000.....................

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). ....03/14/2002.....................

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)

INVESTMENT

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

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

9.2 If yes, explain:.................... See notes to the financial statements

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	$0	$0
13.22 Preferred Stock	$0	$0
13.23 Common Stock	$0	$0
13.24 Short-Term Investments	$0	$0
13.25 Mortgages, Loans or Real Estate	$0	$0
13.26 All Other	$0	$0
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	$0	$0
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	$0	$0
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	$0	$0

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
Fifth Third Bank	P.O. Box 182026, Columbus, OH 43215
US Bank	425 Walnut Street, Cincinnati, OH 45202

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
SEC File # 801-22445	General Re / New England Asset Management	76 Batterson Park Road, Farmington, CT 06032

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] N/A [ ]
   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	2	3	Total Discount				Discount Taken During Period			
			4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Disc. Rate	Unpaid Losses	Unpaid LAE	IBNR	Total	Unpaid Losses	Unpaid LAE	IBNR	Total
....	....	....	....	....	....	0	....	....	....	0
Total...................................	........XXX.......	........XXX.......	0	0	0	0	0	0	0	0

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	0	0	0	
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	0	0	0	0
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)	0	0	0	0
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	0	0	0	0

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	0	0	0	
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	0	0	0	0
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	0	0	0	0
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period	0	0	0	0

NONE

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	0	0	0	
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	0	0	0	0
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	0	0	0	0
12. Total nonadmitted amounts				
13. Statement value of long-term invested assets at end of current period	0	0	0	0

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 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	18,347,309	782,059	1,842,434	(28,807)	14,163,348	18,347,309	17,258,127	15,213,452
2. Class 2	1,020,803		25,520	(748)	1,021,555	1,020,803	994,535	1,022,288
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	19,368,112	782,059	1,867,954	(29,555)	15,184,903	19,368,112	18,252,662	16,235,740
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	19,368,112	782,059	1,867,954	(29,555)	15,184,903	19,368,112	18,252,662	16,235,740

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
8099999. Totals	110,507	XXX	110,507	2,700	

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	283,381	270,023	11,300	745,549
2. Cost of short-term investments acquired	2,108,830	5,151,437	782,059	7,460,691
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	2,122,188	5,410,160	682,852	7,922,859
7. Book/adjusted carrying value, current period	270,023	11,300	110,507	283,381
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	270,023	11,300	110,507	283,381
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	270,023	11,300	110,507	283,381
12. Income collected during period	5,061	6,551	2,700	20,434
13. Income earned during period	3,709	7,151	1,432	22,593

Sch. DB-Part F-Section 1
NONE

Sch. DB-Part F-Section 2
NONE

Sch. F
NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

	States, Etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		Is Insurer Licensed? (Yes or No)	2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1.	Alabama AL	YES	62,273	44,040	(253,566)	4,706	93,487	644,700
2.	Alaska AK	YES	5,911	80,306	3,500		7,975	11,837
3.	Arizona AZ	S/L	1,260,105	115,676	35,407	1,323	78,176	67,963
4.	Arkansas AR	YES	12,108	13,800			849	842
5.	California CA	NO	16,283	9,131	14,500		2,738	2,418
6.	Colorado CO	YES	1,013,266	771,146		709,921	346,615	278,804
7.	Connecticut CT	YES	(2,809)	2,493,960	727,256	1,263,955	2,608,144	3,723,251
8.	Delaware DE	YES	97,979	25,963	26,744	30,080	162,660	148,386
9.	District of Columbia DC	YES	2,184	13,136				
10.	Florida FL	YES	4,980,996	16,722			485,320	302,055
11.	Georgia GA	YES	173,639	37,404	8,131	53,500	132,558	82,594
12.	Hawaii HI	NO		9,423			357	681
13.	Idaho ID	YES		3	(68)	7,400	121,844	73,797
14.	Illinois IL	YES	182,534	777,922	841,936	622,163	1,156,472	1,223,339
15.	Indiana IN	YES	302,150	2,724,715	1,421,859	1,753,850	1,278,310	1,983,900
16.	Iowa IA	YES	8,750	41,450			12,522	9,899
17.	Kansas KS	YES	37,015	28,467	31,610	12,500	120,302	130,073
18.	Kentucky KY	YES	649,441	7,200,143	4,769,268	4,853,033	13,718,776	9,769,532
19.	Louisiana LA	YES		(911)			6,038	11,106
20.	Maine ME	NO						
21.	Maryland MD	YES	216,548	231,108	(117,299)	56,822	117,697	334,490
22.	Massachusetts MA	YES	8,770	26,926			9,508	3,165
23.	Michigan MI	YES	334,810	252,257	46,703	5,309	173,964	174,115
24.	Minnesota MN	YES	105,587	750		(315)	20,873	14,695
25.	Mississippi MS	YES			107,882		103,858	1,191
26.	Missouri MO	YES	695,922	590,329	2,119,698	2,552,105	4,359,952	6,138,153
27.	Montana MT	YES	(1,041)	5	63,352	75,177	140,557	1,134,482
28.	Nebraska NE	YES	46,086				2,874	511
29.	Nevada NV	YES	25,118	272,021	6,340	110,602	91,332	161,409
30.	New Hampshire NH	NO						
31.	New Jersey NJ	YES	125,007	95,686	45,561	106,881	181,462	165,336
32.	New Mexico NM	YES	7,153	(179)			34,421	19,669
33.	New York NY	NO		4,537			306	286
34.	North Carolina NC	NO	946	677			571	336
35.	North Dakota ND	YES					495	963
36.	Ohio OH	YES	1,855,526	1,043,166	(8,031)	50,893	523,315	348,958
37.	Oklahoma OK	YES	74,001	96,882	99,750	19,856	13,824	173,841
38.	Oregon OR	YES		5,879	100,332	34,401	3,961	88,274
39.	Pennsylvania PA	YES	1,955,294	1,048,714	21,697	50,002	745,163	436,263
40.	Rhode Island RI	YES					744	533
41.	South Carolina SC	YES	28,816	37,456	25,192	187,646	247,084	239,494
42.	South Dakota SD	YES		497			1,349	5,468
43.	Tennessee TN	YES	207,169	1,475,010	574,009	575,454	903,591	1,247,085
44.	Texas TX	YES	1,977,622	1,185,917	1,836,537	1,190,641	897,600	1,246,274
45.	Utah UT	YES	14,517	22,809		2,025	36,281	20,286
46.	Vermont VT	YES	143,723	62,954			8,194	1,687
47.	Virginia VA	YES	228,968	244,933	140,105	92,535	121,356	212,636
48.	Washington WA	YES	160	3,898			1,443	1,456
49.	West Virginia WV	S/L	550,976	195,244	28,095	1,072	133,314	157,112
50.	Wisconsin WI	YES	402,913	2,372			26,354	14,398
51.	Wyoming WY	YES					1,402	778
52.	American Samoa AS	NO						
53.	Guam GU	NO						
54.	Puerto Rico PR	NO						
55.	US Virgin Islands VI	NO						
56.	Canada CN	NO						
57.	Aggregate Other Alien OT	XXX	0	0	0	0	0	0
58.	Totals	(a) 43	17,806,416	21,302,344	12,716,500	14,423,537	29,235,988	30,808,521

DETAILS OF WRITE-INS

5701.		XXX						
5702.		XXX						
5703.		XXX						
5798.	Summary of remaining write-ins for Line 57 from overflow page	XXX	0	0	0	0	0	0
5799.	Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above)	XXX	0	0	0	0	0	0

(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

NONE

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire	30,162	(28,384)	(94.1)	(51.7)
2. Allied lines	7,614	(4,438)	(58.3)	(35.2)
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril			0.0	
5. Commercial multiple peril	773,702	405,396	52.4	27.7
6. Mortgage guaranty			0.0	
8. Ocean marine			0.0	
9. Inland marine	10,314	21,046	204.1	(330.4)
10. Financial guaranty			0.0	
11.1. Medical malpractice-occurrence			0.0	
11.2. Medical malpractice-claims made			0.0	
12. Earthquake			0.0	
13. Group accident and health			0.0	
14. Credit accident and health			0.0	
15. Other accident and health			0.0	
16. Workers' compensation	4,260,203	5,303,879	124.5	96.3
17.1 Other liability-occurrence	316,521	(98,512)	(31.1)	39.7
17.2 Other liability-claims made	28,722	(137,195)	(477.7)	47.2
18.1 Products liability-occurrence			0.0	
18.2 Products liability-claims made			0.0	
19.1, 19.2 Private passenger auto liability			0.0	
19.3, 19.4 Commercial auto liability	(8,459)	(158,711)	1,876.2	397.4
21. Auto physical damage	(1,502)	(7,615)	507.0	(21.8)
22. Aircraft (all perils)			0.0	
23. Fidelity			0.0	
24. Surety	14,517,409	2,655,146	18.3	30.9
26. Burglary and theft			0.0	
27. Boiler and machinery			0.0	
28. Credit			0.0	
29. International			0.0	
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	0	0	0.0	0.0
34. Totals	19,934,686	7,950,612	39.9	80.8
DETAILS OF WRITE-INS				
3301.			0.0	
3302.			0.0	
3303.			0.0	
3398. Sum. of remaining write-ins for Line 33 from overflow page	0	0	0.0	0.0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	(8,808)	30,541	32,649
2. Allied lines	(2,444)	7,559	6,364
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril	191,297	641,054	591,976
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	2,931	11,838	7,265
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	(104,999)	932,478	14,394,768
17.1. Other liability-occurrence	87,254	290,693	300,641
17.2. Other liability-claims made	5,680	20,498	17,137
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	(7,899)	(8,335)	(46,262)
21. Auto physical damage	(1,200)	(1,502)	1,826
22. Aircraft (all perils)			
23. Fidelity			
24. Surety	10,975,687	15,881,592	5,995,980
26. Burglary and theft			
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	0	0	0
34. Totals	11,137,499	17,806,416	21,302,344
DETAILS OF WRITE-INS			
3301.			
3302.			
3303.			
3398. Sum. of remaining write-ins for Line 33 from overflow page	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33)	0	0	0

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 and Open 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	10 Total Q.S. Loss and LAE Reserves (b) (Cols. 7 + 8 + 9)	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 Reserves Developed (Savings)/Deficiency (c) (Cols. 11 + 12)
1. 1999 + Prior	2,137	1,227	3,364	1,361	54	1,415	1,506	454	956	2,916	730	237	967
2. 2000	954	622	1,576	535	27	562	683	105	499	1,287	264	9	273
3. Subtotals 2000 + Prior	3,091	1,849	4,940	1,896	81	1,977	2,189	559	1,455	4,203	994	246	1,240
4. 2001	806	2,022	2,828	834	77	911	504	158	984	1,646	532	(803)	(271)
5. Subtotals 2001 + Prior	3,897	3,871	7,768	2,730	158	2,888	2,693	717	2,439	5,849	1,526	(557)	969
6. 2002	XXX	XXX	XXX	XXX	878	878	XXX	846	1,361	2,207	XXX	XXX	XXX
7. Totals	3,897	3,871	7,768	2,730	1,036	3,766	2,693	1,563	3,800	8,056	1,526	(557)	969
8. Prior Year-End's Surplus As Regards Policyholders	14,634										Col. 11, Line 7 As % of Col. 1, Line 7 1. 39.2 %	Col. 12, Line 7 As % of Col. 2, Line 7 2. (14.4)%	Col. 13, Line 7 As % of Col. 3, Line 7 3. 12.5 %
													Col. 13, Line 7 Line 8 4. 6.6 %

(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

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

	RESPONSE
1. Will the SVO Compliance Certification be filed with this statement?	YES
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 CODE:

* 1 2 7 5 0 2 0 0 2 4 9 0 0 0 0 0 3 *

* 1 2 7 5 0 2 0 0 2 4 5 0 0 0 0 0 3 *

Overflow Page for Write-Ins

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2304. Retroactive Reinsurance Reserves Ceded	(3,369,751)	(3,555,000)
2305. Premium Deficiency Reserve	10,500	52,500
2306. Funds held by Company under Retroactive ReinsuranceTreaty	3,008,322	3,056,625
2397. Summary of remaining write-ins for Line 23 from Liabilities	(350,929)	(445,875)

Additional Write-ins for Cash Flow:

	1 Current Year to Date	2 Prior Year Ended December 31
07.404 Receivable from Affiliate		(300,000)
07.405 Furniture and Equipment		12,000
07.406 Loss Portfolio Transfer		(7,522)
07.407 Retroactive Reinsurance Reserves Ceded		(3,555,000)
07.408 Funds held by Company under Retroactive ReinsuranceTreaty		3,056,625
07.409 Retroactive Reinsurance Gain		630,000
07.410 Premium Deficiency Reserve		52,500
07.497 Summary of remaining write-ins for Line 7.4 from Cash Flow	0	(111,397)

Sch. A-Part 2
NONE

Sch. A-Part 3
NONE

Sch. B-Part 1
NONE

Sch. B-Part 2
NONE

Sch. BA-Part 1
NONE

Sch. BA-Part 2
NONE

Sch. D-Part 3
NONE

SCHEDULE D - PART 4

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

1 CUSIP Identification	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 Designation (a)
Bonds - Special Revenue and Special Assessment																
United States																
31379D-3H-0...	FEDERAL NATIONAL MTG AS 6.500 12/01/2028	09/01/2002	PAYDOWN		94,365	94,365	95,073	94,444	(79)				0	4,294		1
31380Y-3J-7....	FEDERAL NATIONAL MTG AS 6.500 12/01/2028	09/01/2002	PAYDOWN		17,991	17,991	18,131	18,006	(16)				0	773		1
31380Y-U8-1...	FEDERAL NATIONAL MTG AS 6.500 12/01/2028	09/01/2002	PAYDOWN		26,198	26,198	26,395	26,221	(23)				0	999		1
31389A-4Z-3....	FEDERAL NATIONAL MTG AS 6.000 12/01/2031	09/01/2002	PAYDOWN		11,074	11,074	10,949	11,066	7				0	486		1
	U.S.				149,628	149,628	150,548	149,737	(111)	0	0	0	0	6,552	0	XXX
	United States				149,628	149,628	150,548	149,737	(111)	0	0	0	0	6,552	0	XXX
3199999.	Total - Bonds - Special Revenue & Assessment				149,628	149,628	150,548	149,737	(111)	0	0	0	0	6,552	0	XXX
Bonds - Public Utilities																
United States																
69351U-AB-9...	PPL ELECTRIC UTILITIES 6.250 08/15/2009....	08/27/2002	BLAYLOCK & PARTNERS, L.P.		517,485	500,000	510,260	510,260	(305)			7,530	7,530	16,927		1PE
91311Q-AA-3...	UNITED UTILITES PLC 6.450 04/01/2008......	08/22/2002	JP MORGAN SECURITIES INC.		26,653	25,000	25,776	25,570	(50)			1,134	1,134	1,460		2PE
	United States				544,138	525,000	536,036	535,830	(355)	0	0	8,664	8,664	18,387	0	XXX
3899999.	Total - Bonds - Public Utilities				544,138	525,000	536,036	535,830	(355)	0	0	8,664	8,664	18,387	0	XXX
Bonds - Industrial and Miscellaneous																
United States																
89350L-GQ-9...	TRANSAMERICA FINANCE CO 6.950 08/29/2002	08/29/2002	MATURITY		500,000	500,000	519,045	503,494	(3,494)				0	34,557		1PE
	United States				500,000	500,000	519,045	503,494	(3,494)	0	0	0	0	34,557	0	XXX
4599999.	Total - Bonds - Industrial & Miscellaneous				500,000	500,000	519,045	503,494	(3,494)	0	0	0	0	34,557	0	XXX
6099997.	Total - Bonds - Part 4				1,193,766	1,174,628	1,205,629	1,189,061	(3,960)	0	0	8,664	8,664	59,496	0	XXX
6099999.	Total - Bonds				1,193,766	1,174,628	1,205,629	1,189,061	(3,960)	0	0	8,664	8,664	59,496	0	XXX
7299999.	Total - Bonds, Preferred and Common Stocks				1,193,766	XXX	1,205,629	1,189,061	(3,960)	0	0	8,664	8,664	59,496	0	XXX

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues:...............0.

Sch. DB-Part A-Section 1
NONE

Sch. DB-Part B-Section 1
NONE

Sch. DB-Part C-Section 1
NONE

Sch. DB-Part D-Section 1
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2 Rate of Interest	3 Amount of Interest Received During Current Quarter	4 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter 5 First Month	6 Second Month	7 Third Month	8 *
Open Depositories								
Delaware County Bank & Trust Co.	41 N. Sandusky Street Delaware, OH 43015	2.750		6,837	500,000	500,000	500,000	
Eaton National Bank & Trust Co	110 West Main Street Eaton, OH 45320	2.750		6,837	500,000	500,000	500,000	
First Bank Richmond	20 North 9th Street Richmond, IN 47374	2.750	10,383	4,144	625,000	625,000	625,000	
First Union	PO Box 740074 Atlanta, GA 30374				21,815	21,424	21,830	
Firstar	Location 0999 Cincinnati, OH 45264-0999	1.410	4,608		2,379,768	1,111,068	2,088,043	
Hibernia Bank	PO Box 61540 New Orleans, LA 70161	2.280		428	20,176	20,176	20,176	
Ohio Heritage Bank	200 Main Street Coshocton, OH 43812	2.750		3,418	250,000	250,000	250,000	
Ohio Valley Bank Company	420 Third Avenue Gallipolis, OH 45631	2.750		8,546	625,000	625,000	625,000	
United States Treasury Bills		1.667					4,048,314	
United States Treasury Bills		1.680			2,698,238			
United States Treasury Bills		1.652				2,773,601		
United States Treasury Bills		1.671				1,099,439		
Received During Quarter on Disposed Holdings			20,781					
0199999. Total Open Depositories		XXX	35,772	30,210	7,619,997	7,525,708	8,678,363	XXX
0399999. Total Cash on Deposit		XXX	35,772	30,210	7,619,997	7,525,708	8,678,363	XXX
0499999. Cash in Company's Office		XXX	XXX	XXX	500	500	500	XXX
0599999. Total Cash		XXX	35,772	30,210	7,620,497	7,526,208	8,678,863	XXX

Overflow Page for Write-Ins

Overflow Page for Write-Ins