



ASSETS

|                                                                                                                                                        | Current Statement Date |                                |                                                  | 4<br><br>December 31,<br>Prior Year Net<br>Admitted Assets |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------------|--------------------------------------------------|------------------------------------------------------------|
|                                                                                                                                                        | 1<br><br>Assets        | 2<br><br>Nonadmitted<br>Assets | 3<br><br>Net Admitted<br>Assets<br>(Cols. 1 - 2) |                                                            |
| 1. Bonds.....                                                                                                                                          | .....471,003,805       | .....                          | .....471,003,805                                 | .....453,598,841                                           |
| 2. Stocks:                                                                                                                                             |                        |                                |                                                  |                                                            |
| 2.1 Preferred stocks.....                                                                                                                              | .....                  | .....                          | .....0                                           | .....                                                      |
| 2.2 Common stocks.....                                                                                                                                 | .....129,029,361       | .....10,341,543                | .....118,687,818                                 | .....139,773,314                                           |
| 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<br>encumbrances).....                                                                            | .....14,544,244        | .....                          | .....14,544,244                                  | .....14,883,731                                            |
| 4.2 Properties held for the production of income (less \$.....0<br>encumbrances).....                                                                  | .....808,174           | .....                          | .....808,174                                     | .....821,081                                               |
| 4.3 Properties held for sale (less \$.....0 encumbrances).....                                                                                         | .....                  | .....                          | .....0                                           | .....124,188                                               |
| 5. Cash (\$.....19,499,577) and short-term investments (\$.....0).....                                                                                 | .....19,499,577        | .....                          | .....19,499,577                                  | .....14,795,127                                            |
| 6. Other invested assets.....                                                                                                                          | .....17,908,082        | .....3,397,297                 | .....14,510,785                                  | .....16,210,200                                            |
| 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).....                                                                                             | .....652,793,243       | .....13,738,840                | .....639,054,404                                 | .....640,206,482                                           |
| 10. Agents' balances or uncollected premiums:                                                                                                          |                        |                                |                                                  |                                                            |
| 10.1 Premiums and agents' balances in course of collection.....                                                                                        | .....22,662,966        | .....93,500                    | .....22,569,466                                  | .....4,063,343                                             |
| 10.2 Premiums, agents' balances and installments booked but deferred<br>and not yet due (including \$.....1,102,500 earned but unbilled premiums)..... | .....73,605,373        | .....838,052                   | .....72,767,321                                  | .....66,978,417                                            |
| 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.....                                                                         | .....14,635,310        | .....                          | .....14,635,310                                  | .....9,732,545                                             |
| 15. Federal and foreign income tax recoverable and interest thereon<br>(including \$.....27,090,531 net deferred tax asset).....                       | .....32,525,545        | .....12,444,383                | .....20,081,162                                  | .....13,807,312                                            |
| 16. Guaranty funds receivable or on deposit.....                                                                                                       | .....                  | .....                          | .....0                                           | .....                                                      |
| 17. Electronic data processing equipment and software.....                                                                                             | .....1,385,589         | .....807,048                   | .....578,541                                     | .....844,548                                               |
| 18. Interest, dividends and real estate income due and accrued.....                                                                                    | .....7,387,670         | .....                          | .....7,387,670                                   | .....6,427,290                                             |
| 19. Net adjustments in assets and liabilities due to foreign exchange rates.....                                                                       | .....                  | .....                          | .....0                                           | .....                                                      |
| 20. Receivable from parent, subsidiaries and affiliates.....                                                                                           | .....233,222           | .....                          | .....233,222                                     | .....458,527                                               |
| 21. Amounts due from/to protected cells.....                                                                                                           | .....68,383            | .....                          | .....68,383                                      | .....                                                      |
| 22. Equities and deposits in pools and associations.....                                                                                               | .....                  | .....                          | .....0                                           | .....1,532,719                                             |
| 23. Amounts receivable relating to uninsured accident and health plans.....                                                                            | .....                  | .....                          | .....0                                           | .....                                                      |
| 24. Other assets nonadmitted.....                                                                                                                      | .....3,043,755         | .....3,043,755                 | .....0                                           | .....(0)                                                   |
| 25. Aggregate write-ins for other than invested assets.....                                                                                            | .....2,789,563         | .....2,777,139                 | .....12,424                                      | .....18,942                                                |
| 26. Total assets excluding protected cell assets (Lines 9 through 25).....                                                                             | .....811,130,618       | .....33,742,717                | .....777,387,901                                 | .....744,070,124                                           |
| 27. Protected cell assets.....                                                                                                                         | .....                  | .....                          | .....0                                           | .....                                                      |
| 28. TOTALS (Lines 26 and 27).....                                                                                                                      | .....811,130,618       | .....33,742,717                | .....777,387,901                                 | .....744,070,124                                           |

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. Miscellaneous assets.....                                          | .....127,246   | .....114,822   | .....12,424 | .....18,942 |
| 2502. Pension deposits.....                                              | .....1,655,281 | .....1,655,281 | .....0      | .....       |
| 2503. Tenant allowances.....                                             | .....1,007,036 | .....1,007,036 | .....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).....       | .....2,789,563 | .....2,777,139 | .....12,424 | .....18,942 |

STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

|                                                                                                                                                      | 1<br>Current<br>Statement Date | 2<br>December 31,<br>Prior Year |
|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$....64,856,910).....                                                                                              | .....184,773,615               | .....164,854,282                |
| 2. Reinsurance payable on paid losses and loss adjustment expenses.....                                                                              | .....14,584,707                | .....6,244,909                  |
| 3. Loss adjustment expenses.....                                                                                                                     | .....40,337,666                | .....36,476,665                 |
| 4. Commissions payable, contingent commissions and other similar charges.....                                                                        | .....8,116,508                 | .....6,795,705                  |
| 5. Other expenses (excluding taxes, licenses and fees).....                                                                                          | .....3,941,422                 | .....4,358,323                  |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes).....                                                                        | .....3,492,323                 | .....4,061,322                  |
| 7. Federal and foreign income taxes (including \$.....0 on realized capital gains (losses) (including \$.....0 net deferred tax liability).....      | .....(0)                       | .....801,118                    |
| 8. Borrowed money \$.....0 and interest thereon \$.....0.....                                                                                        |                                |                                 |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$....43,933,459 and including warranty reserves of \$....750)..... | .....130,973,060               | .....107,811,525                |
| 10. Advance premium.....                                                                                                                             | .....3,727,402                 | .....2,998,600                  |
| 11. Dividends declared and unpaid:                                                                                                                   |                                |                                 |
| 11.1 Stockholders.....                                                                                                                               |                                |                                 |
| 11.2 Policyholders.....                                                                                                                              | .....380,250                   | .....361,130                    |
| 12. Ceded reinsurance premiums payable (net of ceding commissions).....                                                                              | .....20,140,033                | .....16,744,662                 |
| 13. Funds held by company under reinsurance treaties.....                                                                                            |                                |                                 |
| 14. Amounts withheld or retained by company for account of others.....                                                                               | .....9,151,508                 | .....9,497,992                  |
| 15. Remittances and items not allocated.....                                                                                                         | .....1,776,594                 | .....1,220,117                  |
| 16. Provision for reinsurance.....                                                                                                                   | .....9,126                     | .....9,126                      |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates.....                                                                     |                                |                                 |
| 18. Drafts outstanding.....                                                                                                                          | .....9,849,286                 | .....10,203,780                 |
| 19. Payable to parent, subsidiaries and affiliates.....                                                                                              | .....952,512                   | .....824,948                    |
| 20. Payable for securities.....                                                                                                                      | .....3,478,916                 | .....714,760                    |
| 21. Liability for amounts held under uninsured accident and health plans.....                                                                        |                                |                                 |
| 22. Capital notes \$.... and interest thereon \$.....                                                                                                |                                |                                 |
| 23. Aggregate write-ins for liabilities.....                                                                                                         | .....13,906,677                | .....3,570,187                  |
| 24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....                                                                 | .....449,591,604               | .....377,549,149                |
| 25. Protected cell liabilities.....                                                                                                                  |                                |                                 |
| 26. Total liabilities (Lines 24 and 25).....                                                                                                         | .....449,591,604               | .....377,549,149                |
| 27. Aggregate write-ins for special surplus funds.....                                                                                               | .....0                         | .....0                          |
| 28. Common capital stock.....                                                                                                                        |                                |                                 |
| 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.....                                                                                                       |                                |                                 |
| 33. Unassigned funds (surplus).....                                                                                                                  | .....327,796,298               | .....366,520,975                |
| 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).....                                                                                  | .....327,796,298               | .....366,520,975                |
| 36. TOTALS.....                                                                                                                                      | .....777,387,902               | .....744,070,124                |

DETAILS OF WRITE-INS

|                                                                          |                 |                |
|--------------------------------------------------------------------------|-----------------|----------------|
| 2301. Line 15 from 2000 Annual Statement.....                            |                 |                |
| 2302. Pooled general expenses payable.....                               | .....1,114,230  | .....1,116,975 |
| 2303. Miscellaneous liabilities.....                                     | .....129,222    | .....430,276   |
| 2398. Summary of remaining write-ins for Line 23 from overflow page..... | .....12,663,225 | .....2,022,936 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....       | .....13,906,677 | .....3,570,187 |
| 2701. ....                                                               |                 |                |
| 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).....       | .....0          | .....0         |
| 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<br>Current Year<br>to Date | 2<br>Previous Year<br>to Date | 3<br>Prior Year Ended<br>December 31 |
|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------|--------------------------------------|
| UNDERWRITING INCOME                                                                                                                            |                              |                               |                                      |
| 1. Premiums earned:                                                                                                                            |                              |                               |                                      |
| 1.1 Direct..... (written \$.....248,117,509).....                                                                                              | 231,864,086                  | 201,312,881                   | 273,935,013                          |
| 1.2 Assumed..... (written \$.....95,231,568).....                                                                                              | 83,971,007                   | 56,462,109                    | 77,321,384                           |
| 1.3 Ceded..... (written \$.....89,598,779).....                                                                                                | 82,762,370                   | 62,967,605                    | 85,356,609                           |
| 1.4 Net..... (written \$.....253,750,298).....                                                                                                 | 233,072,723                  | 194,807,386                   | 265,899,788                          |
| DEDUCTIONS:                                                                                                                                    |                              |                               |                                      |
| 2. Losses incurred (current accident year \$.....145,977,114):                                                                                 |                              |                               |                                      |
| 2.1 Direct.....                                                                                                                                | 146,107,136                  | 121,648,785                   | 159,896,714                          |
| 2.2 Assumed.....                                                                                                                               | 61,451,542                   | 35,022,415                    | 46,867,424                           |
| 2.3 Ceded.....                                                                                                                                 | 52,273,922                   | 42,489,676                    | 55,376,108                           |
| 2.4 Net.....                                                                                                                                   | 155,284,756                  | 114,181,525                   | 151,388,030                          |
| 3. Loss expenses incurred.....                                                                                                                 | 30,201,435                   | 24,126,323                    | 31,796,208                           |
| 4. Other underwriting expenses incurred.....                                                                                                   | 77,003,132                   | 66,087,247                    | 90,484,537                           |
| 5. Aggregate write-ins for underwriting deductions.....                                                                                        | (258,000)                    | 844,005                       | 863,890                              |
| 6. Total underwriting deductions (Lines 2 through 5).....                                                                                      | 262,231,323                  | 205,239,100                   | 274,532,665                          |
| 7. Net income of protected cells.....                                                                                                          |                              |                               |                                      |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....                                                                            | (29,158,599)                 | (10,431,715)                  | (8,632,877)                          |
| INVESTMENT INCOME                                                                                                                              |                              |                               |                                      |
| 9. Net investment income earned.....                                                                                                           | 20,721,010                   | 21,568,435                    | 31,453,548                           |
| 10. Net realized capital gains (losses).....                                                                                                   | (1,667,081)                  | 5,131,826                     | 4,707,622                            |
| 11. Net investment gain (loss) (Lines 9 + 10).....                                                                                             | 19,053,929                   | 26,700,261                    | 36,161,170                           |
| OTHER INCOME                                                                                                                                   |                              |                               |                                      |
| 12. Net gain or (loss) from agents' or premium balances charged off<br>(amount recovered \$.....61,688 amount charged off \$.....535,958)..... | (474,270)                    | (11,067)                      | (29,182)                             |
| 13. Finance and service charges not included in premiums.....                                                                                  | 1,691,095                    | 1,250,692                     | 1,694,468                            |
| 14. Aggregate write-ins for miscellaneous income.....                                                                                          | 26,881                       | 119,230                       | 73,614                               |
| 15. Total other income (Lines 12 through 14).....                                                                                              | 1,243,706                    | 1,358,854                     | 1,738,900                            |
| 16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15).....                          | (8,860,964)                  | 17,627,400                    | 29,267,193                           |
| 17. Dividends to policyholders.....                                                                                                            | 370,443                      | 274,918                       | 426,819                              |
| 18. Net income after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17).....                       | (9,231,407)                  | 17,352,483                    | 28,840,375                           |
| 19. Federal and foreign income taxes incurred.....                                                                                             | (3,373,214)                  | 2,774,729                     | 4,427,692                            |
| 20. Net income (Line 18 minus Line 19) (to Line 22).....                                                                                       | (5,858,193)                  | 14,577,754                    | 24,412,683                           |
| CAPITAL AND SURPLUS ACCOUNT                                                                                                                    |                              |                               |                                      |
| 21. Surplus as regards policyholders, December 31 previous year.....                                                                           | 366,520,975                  | 339,756,339                   | 339,756,339                          |
| GAINS AND (LOSSES) IN SURPLUS                                                                                                                  |                              |                               |                                      |
| 22. Net income (from Line 20).....                                                                                                             | (5,858,193)                  | 14,577,754                    | 24,412,683                           |
| 23. Net unrealized capital gains or losses.....                                                                                                | (19,553,371)                 | (21,217,635)                  | (13,080,182)                         |
| 24. Change in net unrealized foreign exchange capital gain (loss).....                                                                         |                              |                               |                                      |
| 25. Change in net deferred income taxes.....                                                                                                   | 5,224,526                    | 700,634                       | (1,162,992)                          |
| 26. Change in nonadmitted assets.....                                                                                                          | (11,878,727)                 | (460,955)                     | (3,885,418)                          |
| 27. Change in provision for reinsurance.....                                                                                                   |                              |                               | 1,647                                |
| 28. Change in surplus notes.....                                                                                                               | (3,397,297)                  |                               |                                      |
| 29. Surplus (contributed to) withdrawn from protected cells.....                                                                               |                              |                               |                                      |
| 30. Cumulative effect of changes in accounting principles.....                                                                                 | 5,687,217                    | 20,582,213                    | 20,478,899                           |
| 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.....                                                                                   | (8,948,832)                  | 0                             | 0                                    |
| 37. Change in surplus as regards policyholders (Lines 22 through 36).....                                                                      | (38,724,677)                 | 14,182,011                    | 26,764,636                           |
| 38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37).....                                                             | 327,796,298                  | 353,938,350                   | 366,520,975                          |
| DETAILS OF WRITE-INS                                                                                                                           |                              |                               |                                      |
| 0501. Premium recognition transition adjustment.....                                                                                           |                              | 844,005                       | 740,690                              |
| 0502. Premium deficiency reserve.....                                                                                                          | (258,000)                    |                               | 123,200                              |
| 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).....                                                                              | (258,000)                    | 844,005                       | 863,890                              |
| 1401. Miscellaneous income.....                                                                                                                | 26,881                       | 119,230                       | 73,614                               |
| 1402. ....                                                                                                                                     |                              |                               |                                      |
| 1403. ....                                                                                                                                     |                              |                               |                                      |
| 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).....                                                                             | 26,881                       | 119,230                       | 73,614                               |
| 3601. Change in pension plan obligations .....                                                                                                 | (8,948,832)                  |                               |                                      |
| 3602. ....                                                                                                                                     |                              |                               |                                      |
| 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).....                                                                             | (8,948,832)                  | 0                             | 0                                    |

CASH FLOW

|                                                                                                                            | 1<br>Current Year<br>to Date | 2<br>Prior Year Ended<br>December 31 |
|----------------------------------------------------------------------------------------------------------------------------|------------------------------|--------------------------------------|
| CASH FROM OPERATIONS                                                                                                       |                              |                                      |
| 1. Premiums collected net of reinsurance.....                                                                              | 239,536,483                  | 267,998,369                          |
| 2. Loss and loss adjustment expenses paid (net of salvage and subrogation).....                                            | 158,614,782                  | 182,287,106                          |
| 3. Underwriting expenses paid.....                                                                                         | 66,409,026                   | 88,178,564                           |
| 4. Other underwriting income (expenses).....                                                                               | 5,599,478                    | (863,890)                            |
| 5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4).....                                              | 20,112,153                   | (3,331,192)                          |
| 6. Net investment income.....                                                                                              | 21,095,187                   | 33,440,879                           |
| 7. Other income (expenses):                                                                                                |                              |                                      |
| 7.1 Agents' balances charged off.....                                                                                      | (545,882)                    | (29,182)                             |
| 7.2 Net funds held under reinsurance treaties.....                                                                         |                              |                                      |
| 7.3 Net amount withheld or retained for account of others.....                                                             | (346,484)                    | 1,116,840                            |
| 7.4 Aggregate write-ins for miscellaneous items.....                                                                       | 3,171,053                    | 252,459                              |
| 7.5 Total other income (Lines 7.1 to 7.4).....                                                                             | 2,278,687                    | 1,340,118                            |
| 8. Dividends to policyholders on direct business, less \$.....(9,380) dividends on reinsurance assumed or ceded (net)..... | 120,095                      | 309,779                              |
| 9. Federal and foreign income taxes (paid) recovered.....                                                                  | 1,471,470                    | (5,168,247)                          |
| 10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9).....                              | 44,837,402                   | 25,971,779                           |
| CASH FROM INVESTMENTS                                                                                                      |                              |                                      |
| 11. Proceeds from investments sold, matured or repaid:                                                                     |                              |                                      |
| 11.1 Bonds.....                                                                                                            | 27,664,752                   | 110,209,455                          |
| 11.2 Stocks.....                                                                                                           | 20,560,614                   | 62,164,200                           |
| 11.3 Mortgage loans.....                                                                                                   |                              |                                      |
| 11.4 Real estate.....                                                                                                      | 217,099                      |                                      |
| 11.5 Other invested assets.....                                                                                            | 1,414,142                    | 528,783                              |
| 11.6 Net gains or (losses) on cash and short-term investments.....                                                         |                              |                                      |
| 11.7 Miscellaneous proceeds.....                                                                                           |                              | 714,760                              |
| 11.8 Total investment proceeds (Lines 11.1 to 11.7).....                                                                   | 49,856,607                   | 173,617,198                          |
| 12. Cost of investments acquired (long-term only):                                                                         |                              |                                      |
| 12.1 Bonds.....                                                                                                            | 46,471,642                   | 125,244,180                          |
| 12.2 Stocks.....                                                                                                           | 21,752,132                   | 63,591,020                           |
| 12.3 Mortgage loans.....                                                                                                   |                              |                                      |
| 12.4 Real estate.....                                                                                                      | 446,538                      | 992,675                              |
| 12.5 Other invested assets.....                                                                                            | 223,781                      | 10,388,933                           |
| 12.6 Miscellaneous applications.....                                                                                       | 838,836                      |                                      |
| 12.7 Total investments acquired (Lines 12.1 to 12.6).....                                                                  | 69,732,929                   | 200,216,808                          |
| 13. Net cash from investments (Line 11.8 minus Line 12.7).....                                                             | (19,876,322)                 | (26,599,610)                         |
| CASH FROM FINANCING AND MISCELLANEOUS SOURCES                                                                              |                              |                                      |
| 14. Cash provided:                                                                                                         |                              |                                      |
| 14.1 Surplus notes, capital and surplus paid in.....                                                                       |                              |                                      |
| 14.2 Capital notes \$.....0 less amounts repaid \$.....0.....                                                              |                              |                                      |
| 14.3 Net transfers from affiliates.....                                                                                    | 352,869                      | 268,594                              |
| 14.4 Borrowed funds received.....                                                                                          |                              |                                      |
| 14.5 Other cash provided.....                                                                                              | 266,008                      | 14,447,669                           |
| 14.6 Total (Lines 14.1 to 14.5).....                                                                                       | 618,877                      | 14,716,262                           |
| 15. Cash applied:                                                                                                          |                              |                                      |
| 15.1 Dividends to stockholders paid.....                                                                                   |                              |                                      |
| 15.2 Net transfers to affiliates.....                                                                                      |                              |                                      |
| 15.3 Borrowed funds repaid.....                                                                                            |                              |                                      |
| 15.4 Other applications.....                                                                                               | 20,875,506                   |                                      |
| 15.5 Total (Lines 15.1 to 15.4).....                                                                                       | 20,875,506                   | 0                                    |
| 16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5).....                                     | (20,256,629)                 | 14,716,262                           |
| RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS                                                                          |                              |                                      |
| 17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16).....                               | 4,704,451                    | 14,088,432                           |
| 18. Cash and short-term investments:                                                                                       |                              |                                      |
| 18.1 Beginning of year.....                                                                                                | 14,795,127                   | 706,695                              |
| 18.2 End of period (Line 17 plus Line 18.1).....                                                                           | 19,499,578                   | 14,795,127                           |

|                                                                            |           |             |
|----------------------------------------------------------------------------|-----------|-------------|
| DETAILS OF WRITE-INS                                                       |           |             |
| 07.401 Finance and service charges not included in premiums.....           | 1,679,834 | 1,694,468   |
| 07.402 Change in equities and deposits in pools and associations.....      | 1,464,336 | (1,349,988) |
| 07.403 Miscellaneous income or expense.....                                | 26,883    | 73,614      |
| 07.498 Summary of remaining write-ins for Line 7.4 from overflow page..... | 0         | (165,635)   |
| 07.499 Total (Lines 7.401 to 7.403 plus 7.498) (Line 7.4 above).....       | 3,171,053 | 252,459     |

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements have been completed in accordance with the accounting practices and procedures prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles as described in the Annual Statement Instructions and the Accounting Practices and Procedures manual requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Refer to the previous year annual statement for additional disclosure information.

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of the premiums written. Such reserves are computed using the daily method for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the scientific amortization method.
- (3) Common Stocks are valued at market.
- (4) Preferred stocks are stated at cost, unless qualified at market.
- (5) The company has no mortgage loans.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. Amortized cost includes pre-payment assumptions based on values obtained from market data vendors or broker dealers. The retrospective adjustment method is used to value these securities.
- (7) No investments are held in subsidiaries or affiliates.
- (8) The company's investments in joint ventures and partnerships, if any, are valued based on the underlying equity of the investee as presented in audited GAAP financial reports.
- (9) No derivative securities are held.
- (10) The company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property/Casualty Contracts-Premiums. No deficiency reserve is required.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

2. Accounting Changes and Correction of Errors

The company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. Effective January 1, 2001, the State of Ohio required that insurance companies domiciled in the state prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual – version effective January 1, 2001 subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner. The net deferred federal income tax (FIT) asset amount shown in the financial reports as of December 31, 2001 reflect only the admitted portion of the net deferred FIT asset component. The non-admitted portion is not reflected in the prior year amount shown. The company changed its method of accounting for the net deferred FIT asset effective January 1, 2002 to recognize the deferred asset component on a "gross" (admitted and non-admitted) basis. The portion of the net deferred FIT asset, which is non-admitted, is recognized as a non-admitted asset. This adjustment, which is reported in the 2002 financial statement as a change in accounting principle, had no impact on the change in the surplus account for the year as shown below.

|                                                       |              |
|-------------------------------------------------------|--------------|
| Cumulative Effect of Changes in Accounting Principles | \$ 5,687,217 |
| Change in Non-Admitted Assets                         | \$ 5,687,217 |
| Net Change in Surplus                                 | \$ -0-       |

17 C. Wash Sales

In the course of the company's asset management, no securities were sold and reacquired within 30 days of the sale date to enhance the company's yield on its investment portfolio.

25. Intercompany Pooling Arrangements

Since January 1, 1993, Motorists Mutual Insurance Company (NAIC Company Code 14621) and its affiliates, American Hardware Mutual Insurance Company (NAIC Company Code 13331) and American Merchants Casualty Company (NAIC Company Code 43630), participated in a reinsurance pooling arrangement covering premiums, losses and underwriting expenses for all lines of business from January 1, 1993 forward. Related finance and service charge income, net gains/losses from agent and premium balance charge-offs, and policyholder dividends were also subject to the pooling agreement. The pool participation rates were 77% for Motorists Mutual, 20% for American Hardware and 3% for American Merchants.

On November 19, 2001, Wilson Mutual Insurance Company (NAIC Company Code 19950) affiliated with the Motorists Insurance Group. Effective January 1, 2002, the reinsurance pooling arrangement was amended to include Wilson Mutual. Unearned premiums, unpaid losses, unpaid expenses and other underwriting related balances as of December 31, 2001 were redistributed to facilitate the inclusion of Wilson Mutual. The pool participation rates for 2002 are 75% for Motorists Mutual, 19% for American Hardware, 3% for American Merchants and 3% for Wilson Mutual.

Each company recognizes facultative (quota share and excess) and treaty (excess and catastrophe) reinsurance cessions with non-affiliated reinsurers, prior to the administration of the pooling agreement. Reinsurance assumed business from voluntary and involuntary pools and associations is also recorded before pooling. As the lead insurer, Motorists Mutual assumes all net premiums, losses, adjustment expenses and underwriting expenses subject to pooling and cedes back to each company their respective share of the pool. Underwriting related balance sheet items such as premiums, losses, and expenses receivable/recoverable and payable are pooled in the same manner. Write-offs of uncollectible premiums and reinsurance balances associated with accident years 1993 and subsequent are pooled in the year the write-offs are recognized.

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 [ X ] No [ ]

1.2 If yes, explain:..... Net deferred FIT asset is now reflected on a "gross" basis as explained in Note 2.

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

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

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

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

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

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

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

| 1              | 2                 | 3                 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | 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. ....12/31/1998.....

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....12/31/1998.....

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....06/15/2000.....

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:  
\_\_\_\_\_

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 [ ] 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<br>Prior Year-End<br>Statement Value | 2<br>Current Quarter<br>Statement Value |
|----------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| 13.21 Bonds.....                                                                                   | \$.....0                               | \$.....0                                |
| 13.22 Preferred Stock.....                                                                         | \$.....0                               | \$.....0                                |
| 13.23 Common Stock.....                                                                            | \$.....63,719,343                      | \$.....60,954,822                       |
| 13.24 Short-Term Investments.....                                                                  | \$.....0                               | \$.....0                                |
| 13.25 Mortgages, Loans or Real Estate.....                                                         | \$.....0                               | \$.....0                                |
| 13.26 All Other.....                                                                               | \$.....10,000,000                      | \$.....10,000,000                       |
| 13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)..... | \$.....73,719,343                      | \$.....70,954,822                       |
| 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<br>Name of Custodian(s) | 2<br>Custodian Address                   |
|---------------------------|------------------------------------------|
| Banc One                  | 1111 Polaris Parkway, Columbus, OH 43271 |

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<br>Name(s) | 2<br>Location(s) | 3<br>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<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>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<br>Central Registration Depository | 2<br>Name(s)                    | 3<br>Address                                   |
|--------------------------------------|---------------------------------|------------------------------------------------|
|                                      | ABN AMRO Asset Management, Inc. | 208 S. LaSalle St., Chicago, IL 60604          |
|                                      | Meeder Advisor Funds            | P.O. Box 7177, Dublin, OH 43017                |
|                                      | Deutsche Asset Management       | 222 S. Riverside Plaza, Chicago, IL 60606-5808 |

STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL 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] 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<br>Line of Business | 2<br>Maximum Interest | 3<br>Disc. Rate | Total Discount     |                 |           |            | Discount Taken During Period |                 |            |             |
|-----------------------|-----------------------|-----------------|--------------------|-----------------|-----------|------------|------------------------------|-----------------|------------|-------------|
|                       |                       |                 | 4<br>Unpaid Losses | 5<br>Unpaid LAE | 6<br>IBNR | 7<br>Total | 8<br>Unpaid Losses           | 9<br>Unpaid LAE | 10<br>IBNR | 11<br>Total |
| .....                 | .....                 | .....           | .....              | .....           | .....     | .....0     | .....                        | .....           | .....      | .....0      |
| Total.....            | .....XXX.....         | .....XXX.....   | .....0             | .....0          | .....0    | .....0     | .....0                       | .....0          | .....0     | .....0      |

STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL INSURANCE COMPANY

SCHEDULE A - VERIFICATION

|                                                                                      | 1<br>First Quarter<br>Current Year | 2<br>Second Quarter<br>Current Year | 3<br>Third Quarter<br>Current Year | 4<br>Prior Year Ended<br>December 31 |
|--------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| 1. Book/adjusted carrying value, beginning of period.....                            | .....15,828,999                    | .....15,807,795                     | .....15,544,624                    | .....15,778,733                      |
| 2. Increase (decrease) by adjustment.....                                            | .....(232,585)                     | .....(233,652)                      | .....(234,093)                     | .....(942,409)                       |
| 3. Cost of acquired.....                                                             | .....86,709                        |                                     |                                    | .....470,422                         |
| 4. Cost of additions to and permanent improvements.....                              | .....248,859                       | .....57,190                         | .....53,780                        | .....522,253                         |
| 5. Total profit (loss) on sales.....                                                 | .....(18,214)                      | .....(8,058)                        | .....(11,893)                      |                                      |
| 6. Increase (decrease) by foreign exchange adjustment.....                           |                                    |                                     |                                    |                                      |
| 7. Amount received on sales.....                                                     | .....105,973                       | .....78,652                         |                                    |                                      |
| 8. Book/adjusted carrying value at end of current period.....                        | .....15,807,795                    | .....15,544,624                     | .....15,352,418                    | .....15,828,999                      |
| 9. Total valuation allowance.....                                                    |                                    |                                     |                                    |                                      |
| 10. Subtotal (Lines 8 plus 9).....                                                   | .....15,807,795                    | .....15,544,624                     | .....15,352,418                    | .....15,828,999                      |
| 11. Total nonadmitted amounts.....                                                   |                                    |                                     |                                    |                                      |
| 12. Statement value, current period (Page 2, real estate lines, current period)..... | .....15,807,795                    | .....15,544,624                     | .....15,352,418                    | .....15,828,999                      |

SCHEDULE B - VERIFICATION

|                                                                                                               | 1<br>First Quarter<br>Current Year | 2<br>Second Quarter<br>Current Year | 3<br>Third Quarter<br>Current Year | 4<br>Prior Year Ended<br>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<br>First Quarter<br>Current Year | 2<br>Second Quarter<br>Current Year | 3<br>Third Quarter<br>Current Year | 4<br>Prior Year Ended<br>December 31 |
|----------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| 1. Book/adjusted carrying value of long-term invested assets owned, beginning of period..... | .....18,199,289                    | .....18,595,297                     | .....18,108,616                    | .....8,671,168                       |
| 2. Cost of acquisitions during period:                                                       |                                    |                                     |                                    |                                      |
| 2.1 Actual cost at time of acquisitions.....                                                 | .....567,730                       |                                     | .....36,300                        | .....10,388,933                      |
| 2.2 Additional investment made after acquisitions.....                                       |                                    |                                     |                                    |                                      |
| 3. Accrual of discount.....                                                                  |                                    |                                     |                                    |                                      |
| 4. Increase (decrease) by adjustment.....                                                    |                                    | .....(381,672)                      | .....(127,382)                     | .....(332,029)                       |
| 5. Total profit (loss) on sale.....                                                          |                                    |                                     |                                    |                                      |
| 6. Amounts paid on account or in full during the period.....                                 | .....171,722                       | .....105,009                        | .....109,452                       | .....528,783                         |
| 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.....   | .....18,595,297                    | .....18,108,616                     | .....17,908,082                    | .....18,199,289                      |
| 10. Total valuation allowance.....                                                           |                                    |                                     |                                    |                                      |
| 11. Subtotal (Lines 9 plus 10).....                                                          | .....18,595,297                    | .....18,108,616                     | .....17,908,082                    | .....18,199,289                      |
| 12. Total nonadmitted amounts.....                                                           | .....2,837,689                     | .....2,843,442                      | .....3,397,297                     | .....1,989,089                       |
| 13. Statement value of long-term invested assets at end of current period.....               | .....15,757,608                    | .....15,265,174                     | .....14,510,785                    | .....16,210,200                      |

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

11

|                                          | 1                                                  | 2                                         | 3                                         | 4                                                 | 5                                          | 6                                           | 7                                          | 8                                            |
|------------------------------------------|----------------------------------------------------|-------------------------------------------|-------------------------------------------|---------------------------------------------------|--------------------------------------------|---------------------------------------------|--------------------------------------------|----------------------------------------------|
|                                          | Statement Value<br>Beginning<br>of Current Quarter | Acquisitions<br>During<br>Current Quarter | Dispositions<br>During<br>Current Quarter | Non-Trading Activity<br>During<br>Current Quarter | Statement Value<br>End of<br>First Quarter | Statement Value<br>End of<br>Second Quarter | Statement Value<br>End of<br>Third Quarter | Statement Value<br>December 31<br>Prior Year |
| BONDS                                    |                                                    |                                           |                                           |                                                   |                                            |                                             |                                            |                                              |
| 1. Class 1.....                          | .....418,211,501                                   | .....22,852,533                           | .....3,756,612                            | .....1,982,353                                    | .....417,104,989                           | .....418,211,501                            | .....439,289,775                           | .....416,041,218                             |
| 2. Class 2.....                          | .....15,189,302                                    |                                           |                                           | .....(4,175,925)                                  | .....17,282,023                            | .....15,189,302                             | .....11,013,377                            | .....18,413,850                              |
| 3. Class 3.....                          | .....17,030,245                                    |                                           |                                           | .....3,181,919                                    | .....17,130,581                            | .....17,030,245                             | .....18,820,653                            | .....14,353,772                              |
| 4. Class 4.....                          | .....2,790,000                                     |                                           |                                           | .....(2,790,000)                                  |                                            | .....2,790,000                              |                                            |                                              |
| 5. Class 5.....                          |                                                    |                                           |                                           |                                                   |                                            |                                             |                                            |                                              |
| 6. Class 6.....                          | .....1,940,000                                     |                                           |                                           | .....(60,000)                                     | .....4,760,000                             | .....1,940,000                              | .....1,880,000                             | .....4,790,000                               |
| 7. Total Bonds.....                      | .....455,161,048                                   | .....22,852,533                           | .....3,756,612                            | .....(1,861,653)                                  | .....456,277,593                           | .....455,161,048                            | .....471,003,805                           | .....453,598,840                             |
| 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..... | .....455,161,048                                   | .....22,852,533                           | .....3,756,612                            | .....(1,861,653)                                  | .....456,277,593                           | .....455,161,048                            | .....471,003,805                           | .....453,598,840                             |

**Sch. DA-Part 1**  
**NONE**

**Sch. DA-Part 2-Verification**  
**NONE**

**Sch. DB-Part F-Section 1**  
**NONE**

**Sch. DB-Part F-Section 2**  
**NONE**

SCHEDULE F - CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

| 1<br>NAIC<br>Company<br>Code | 2<br>Federal<br>ID<br>Number | 3<br><br>Name of Reinsurer | 4<br><br>Location | 5<br>Is Insurer<br>Authorized?<br>(Yes or No) |
|------------------------------|------------------------------|----------------------------|-------------------|-----------------------------------------------|
|------------------------------|------------------------------|----------------------------|-------------------|-----------------------------------------------|

U.S. Insurers

|            |                 |                                          |                               |               |
|------------|-----------------|------------------------------------------|-------------------------------|---------------|
| 10348..... | 06-1430254..... | Arch Reinsurance Company.....            | Greenwich, Connecticut.....   | .....Yes..... |
| 24767..... | 13-6108721..... | Harco National Insurance Company.....    | Schaumburg, Illinois.....     | .....Yes..... |
| 60739..... | 74-0484030..... | American National Insurance Company..... | Texas.....                    | .....Yes..... |
| 23043..... | 04-1543470..... | Liberty Mutual Insurance Company.....    | Boston, Massachusetts.....    | .....Yes..... |
| 35432..... | 22-2187459..... | New Jersey Re-Insurance Company.....     | West Trenton, New Jersey..... | .....No.....  |

All Other Insurers

|       |                 |                                    |          |               |
|-------|-----------------|------------------------------------|----------|---------------|
| ..... | AA-1120002..... | Lloyd's Syndicate Number 0002..... | U.K..... | .....Yes..... |
| ..... | AA-1121241..... | Lloyd's Syndicate Number 1241..... | U.K..... | .....Yes..... |
| ..... | AA-1121245..... | Lloyd's Syndicate Number 1245..... | U.K..... | .....Yes..... |
| ..... | AA-1122987..... | Lloyd's Syndicate Number 2987..... | U.K..... | .....Yes..... |

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

| States, Etc.                     | 1<br>Is Insurer<br>Licensed?<br>(Yes or No) | Direct Premiums Written      |                            | Direct Losses Paid (Deducting Salvage) |                            | Direct Losses Unpaid         |                            |
|----------------------------------|---------------------------------------------|------------------------------|----------------------------|----------------------------------------|----------------------------|------------------------------|----------------------------|
|                                  |                                             | 2<br>Current Year<br>to Date | 3<br>Prior Year<br>to Date | 4<br>Current Year<br>to Date           | 5<br>Prior Year<br>to Date | 6<br>Current Year<br>to Date | 7<br>Prior Year<br>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            | NO                                          |                              |                            |                                        |                            |                              |                            |
| 8. Delaware.....DE               | NO                                          |                              |                            |                                        |                            |                              |                            |
| 9. District of Columbia.....DC   | NO                                          |                              |                            |                                        |                            |                              |                            |
| 10. Florida.....FL               | NO                                          |                              |                            |                                        |                            |                              |                            |
| 11. Georgia.....GA               | NO                                          |                              |                            |                                        |                            |                              |                            |
| 12. Hawaii.....HI                | NO                                          |                              |                            |                                        |                            |                              |                            |
| 13. Idaho.....ID                 | NO                                          |                              |                            |                                        |                            |                              |                            |
| 14. Illinois.....IL              | NO                                          |                              |                            |                                        |                            |                              |                            |
| 15. Indiana.....IN               | YES                                         | 24,783,720                   | 19,569,574                 | 11,321,552                             | 9,515,097                  | 14,660,716                   | 13,359,995                 |
| 16. Iowa.....IA                  | NO                                          |                              |                            |                                        |                            |                              |                            |
| 17. Kansas.....KS                | NO                                          |                              |                            |                                        |                            |                              |                            |
| 18. Kentucky.....KY              | YES                                         | 25,502,308                   | 19,689,343                 | 17,853,649                             | 8,743,408                  | 17,011,665                   | 14,944,720                 |
| 19. Louisiana.....LA             | NO                                          |                              |                            |                                        |                            |                              |                            |
| 20. Maine.....ME                 | NO                                          |                              |                            |                                        |                            |                              |                            |
| 21. Maryland.....MD              | NO                                          |                              |                            |                                        |                            |                              |                            |
| 22. Massachusetts.....MA         | NO                                          |                              |                            |                                        |                            |                              |                            |
| 23. Michigan.....MI              | YES                                         |                              |                            | 1,092,620                              | 931,507                    | 4,409,730                    | 5,604,646                  |
| 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            | NO                                          |                              |                            |                                        |                            |                              |                            |
| 32. New Mexico.....NM            | NO                                          |                              |                            |                                        |                            |                              |                            |
| 33. New York.....NY              | NO                                          |                              |                            |                                        |                            |                              |                            |
| 34. North Carolina.....NC        | NO                                          |                              |                            |                                        |                            |                              |                            |
| 35. North Dakota.....ND          | NO                                          |                              |                            |                                        |                            |                              |                            |
| 36. Ohio.....OH                  | YES                                         | 160,815,997                  | 140,572,916                | 84,713,548                             | 81,570,737                 | 89,658,677                   | 83,515,598                 |
| 37. Oklahoma.....OK              | NO                                          |                              |                            |                                        |                            |                              |                            |
| 38. Oregon.....OR                | NO                                          |                              |                            |                                        |                            |                              |                            |
| 39. Pennsylvania.....PA          | YES                                         | 29,350,789                   | 25,951,069                 | 16,615,652                             | 14,675,360                 | 25,992,247                   | 27,515,295                 |
| 40. Rhode Island.....RI          | NO                                          |                              |                            |                                        |                            |                              |                            |
| 41. South Carolina.....SC        | NO                                          |                              |                            |                                        |                            |                              |                            |
| 42. South Dakota.....SD          | NO                                          |                              |                            |                                        |                            |                              |                            |
| 43. Tennessee.....TN             | NO                                          |                              |                            |                                        |                            |                              |                            |
| 44. Texas.....TX                 | NO                                          |                              |                            |                                        |                            |                              |                            |
| 45. Utah.....UT                  | NO                                          |                              |                            |                                        |                            |                              |                            |
| 46. Vermont.....VT               | NO                                          |                              |                            |                                        |                            |                              |                            |
| 47. Virginia.....VA              | NO                                          |                              |                            |                                        |                            |                              |                            |
| 48. Washington.....WA            | NO                                          |                              |                            |                                        |                            |                              |                            |
| 49. West Virginia.....WV         | YES                                         | 7,664,695                    | 6,434,713                  | 4,141,075                              | 3,886,630                  | 3,280,747                    | 4,037,747                  |
| 50. Wisconsin.....WI             | NO                                          |                              |                            |                                        |                            |                              |                            |
| 51. Wyoming.....WY               | NO                                          |                              |                            |                                        |                            |                              |                            |
| 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).....6                                   | 248,117,509                  | 212,217,615                | 135,738,097                            | 119,322,738                | 155,013,782                  | 148,978,001                |

DETAILS OF WRITE-INS

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

---

STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

| Lines of Business                                                     | Current Year to Date           |                                |                                | Prior Year to Date<br>Direct Loss<br>Percentage |
|-----------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------------------------|
|                                                                       | 1<br>Direct Premiums<br>Earned | 2<br>Direct Losses<br>Incurred | 3<br>Direct<br>Loss Percentage |                                                 |
| 1. Fire.....                                                          | 1,212,310                      | 414,442                        | 34.2                           | 26.4                                            |
| 2. Allied lines.....                                                  | 653,714                        | 568,715                        | 87.0                           | 58.6                                            |
| 3. Farnowners multiple peril.....                                     |                                |                                | 0.0                            |                                                 |
| 4. Homeowners multiple peril.....                                     | 36,848,341                     | 33,809,341                     | 91.8                           | 80.4                                            |
| 5. Commercial multiple peril.....                                     | 14,821,196                     | 8,443,164                      | 57.0                           | 65.9                                            |
| 6. Mortgage guaranty.....                                             |                                |                                | 0.0                            |                                                 |
| 8. Ocean marine.....                                                  | 293,367                        | 178,155                        | 60.7                           | 50.7                                            |
| 9. Inland marine.....                                                 | 5,541,812                      | 2,194,699                      | 39.6                           | 39.2                                            |
| 10. Financial guaranty.....                                           |                                |                                | 0.0                            |                                                 |
| 11.1. Medical malpractice-occurrence.....                             |                                |                                | 0.0                            |                                                 |
| 11.2. Medical malpractice-claims made.....                            |                                |                                | 0.0                            |                                                 |
| 12. Earthquake.....                                                   | 843,922                        | 5,000                          | 0.6                            |                                                 |
| 13. Group accident and health.....                                    |                                |                                | 0.0                            |                                                 |
| 14. Credit accident and health.....                                   |                                |                                | 0.0                            |                                                 |
| 15. Other accident and health.....                                    |                                |                                | 0.0                            |                                                 |
| 16. Workers' compensation.....                                        | 5,586,352                      | 4,569,671                      | 81.8                           | 71.3                                            |
| 17.1 Other liability-occurrence.....                                  | 16,462,929                     | 5,665,798                      | 34.4                           | 35.1                                            |
| 17.2 Other liability-claims made.....                                 |                                |                                | 0.0                            |                                                 |
| 18.1 Products liability-occurrence.....                               | 1,379,197                      | 2,431,090                      | 176.3                          | (7.0)                                           |
| 18.2 Products liability-claims made.....                              |                                |                                | 0.0                            |                                                 |
| 19.1, 19.2 Private passenger auto liability.....                      | 65,192,087                     | 40,145,860                     | 61.6                           | 60.5                                            |
| 19.3, 19.4 Commercial auto liability.....                             | 22,905,613                     | 12,351,639                     | 53.9                           | 51.2                                            |
| 21. Auto physical damage.....                                         | 59,573,270                     | 35,079,832                     | 58.9                           | 61.3                                            |
| 22. Aircraft (all perils).....                                        |                                |                                | 0.0                            |                                                 |
| 23. Fidelity.....                                                     | 192,025                        | 55,195                         | 28.7                           | 22.2                                            |
| 24. Surety.....                                                       |                                |                                | 0.0                            |                                                 |
| 26. Burglary and theft.....                                           | 105,666                        | 25,506                         | 24.1                           | 31.5                                            |
| 27. Boiler and machinery.....                                         | 252,285                        | 169,030                        | 67.0                           | (0.3)                                           |
| 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.....                                                       | 231,864,086                    | 146,107,136                    | 63.0                           | 60.4                                            |
| 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<br>Current<br>Quarter | 2<br>Current<br>Year to Date | 3<br>Prior Year<br>Year to Date |
|-----------------------------------------------------------------------|-------------------------|------------------------------|---------------------------------|
| 1. Fire.....                                                          | 493,094                 | 1,287,276                    | 1,073,813                       |
| 2. Allied lines.....                                                  | 283,613                 | 709,479                      | 576,359                         |
| 3. Farnowners multiple peril.....                                     |                         |                              |                                 |
| 4. Homeowners multiple peril.....                                     | 15,388,453              | 39,885,068                   | 33,932,672                      |
| 5. Commercial multiple peril.....                                     | 5,320,011               | 16,438,187                   | 12,634,238                      |
| 6. Mortgage guaranty.....                                             |                         |                              |                                 |
| 8. Ocean marine.....                                                  | 111,949                 | 330,216                      | 340,107                         |
| 9. Inland marine.....                                                 | 2,081,573               | 6,085,669                    | 5,286,748                       |
| 10. Financial guaranty.....                                           |                         |                              |                                 |
| 11.1. Medical malpractice-occurrence.....                             |                         |                              |                                 |
| 11.2. Medical malpractice-claims made.....                            |                         |                              |                                 |
| 12. Earthquake.....                                                   | 338,347                 | 895,290                      | 779,645                         |
| 13. Group accident and health.....                                    |                         |                              |                                 |
| 14. Credit accident and health.....                                   |                         |                              |                                 |
| 15. Other accident and health.....                                    |                         |                              |                                 |
| 16. Workers' compensation.....                                        | 1,941,048               | 6,266,211                    | 5,092,933                       |
| 17.1 Other liability-occurrence.....                                  | 6,427,219               | 18,956,170                   | 15,373,187                      |
| 17.2 Other liability-claims made.....                                 |                         |                              |                                 |
| 18.1 Products liability-occurrence.....                               | 486,586                 | 1,515,649                    | 1,204,138                       |
| 18.2 Products liability-claims made.....                              |                         |                              |                                 |
| 19.1, 19.2 Private passenger auto liability.....                      | 23,092,366              | 67,130,009                   | 60,693,206                      |
| 19.3, 19.4 Commercial auto liability.....                             | 8,629,475               | 25,562,145                   | 21,093,248                      |
| 21. Auto physical damage.....                                         | 21,533,780              | 62,453,403                   | 53,710,828                      |
| 22. Aircraft (all perils).....                                        |                         |                              |                                 |
| 23. Fidelity.....                                                     | 69,558                  | 213,007                      | 156,336                         |
| 24. Surety.....                                                       |                         |                              |                                 |
| 26. Burglary and theft.....                                           | 36,760                  | 116,065                      | 94,788                          |
| 27. Boiler and machinery.....                                         | 82,235                  | 273,666                      | 175,369                         |
| 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.....                                                       | 86,316,066              | 248,117,509                  | 212,217,615                     |
| 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                               |

STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

|    |                                                      |                                                      |                                                |                                                                      |                                                                         |                                                                           |                                                     |                                                                                                  |                                                                                                             |                                           |                                                                 |                                                                                                                 |                                                                                                               |                                                                                                        |                                              |
|----|------------------------------------------------------|------------------------------------------------------|------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|----------------------------------------------|
| 19 | Years in Which Losses Occurred                       | 1<br>Prior Year-End Known Case Loss and LAE Reserves | 2<br>Prior Year-End IBNR Loss and LAE Reserves | 3<br>Total Prior Year-End Loss and LAE Reserves (a)<br>(Cols. 1 + 2) | 4<br>2002 Loss and LAE Payments on Claims Reported as of Prior Year-End | 5<br>2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End | 6<br>Total 2002 Loss and LAE Payments (Cols. 4 + 5) | 7<br>Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End | 8<br>Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End | 9<br>Q.S. Date IBNR Loss and LAE Reserves | 10<br>Total Q.S. Loss and LAE Reserves (b)<br>(Cols. 7 + 8 + 9) | 11<br>Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1) | 12<br>Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2) | 13<br>Prior Year-End Total Loss and LAE Reserves Developed (Savings)/Deficiency (c)<br>(Cols. 11 + 12) |                                              |
|    | 1. 1999 + Prior                                      | .....50,945                                          | .....28,666                                    | .....79,611                                                          | .....22,476                                                             | .....2,289                                                                | .....24,765                                         | .....35,819                                                                                      | .....1,277                                                                                                  | .....29,802                               | .....66,897                                                     | .....7,350                                                                                                      | .....4,701                                                                                                    | .....12,052                                                                                            |                                              |
|    | 2. 2000                                              | .....26,301                                          | .....12,164                                    | .....38,465                                                          | .....10,343                                                             | .....923                                                                  | .....11,266                                         | .....19,331                                                                                      | .....1,506                                                                                                  | .....7,252                                | .....28,090                                                     | .....3,373                                                                                                      | .....(2,482)                                                                                                  | .....891                                                                                               |                                              |
|    | 3. Subtotals 2000 + Prior                            | .....77,246                                          | .....40,830                                    | .....118,076                                                         | .....32,819                                                             | .....3,212                                                                | .....36,031                                         | .....55,151                                                                                      | .....2,783                                                                                                  | .....37,054                               | .....94,987                                                     | .....10,723                                                                                                     | .....2,219                                                                                                    | .....12,942                                                                                            |                                              |
|    | 4. 2001                                              | .....50,956                                          | .....32,299                                    | .....83,255                                                          | .....22,460                                                             | .....7,691                                                                | .....30,151                                         | .....29,900                                                                                      | .....3,242                                                                                                  | .....18,775                               | .....51,917                                                     | .....1,404                                                                                                      | .....(2,592)                                                                                                  | .....(1,188)                                                                                           |                                              |
|    | 5. Subtotals 2001 + Prior                            | .....128,203                                         | .....73,128                                    | .....201,331                                                         | .....55,279                                                             | .....10,903                                                               | .....66,182                                         | .....85,051                                                                                      | .....6,024                                                                                                  | .....55,829                               | .....146,904                                                    | .....12,127                                                                                                     | .....(373)                                                                                                    | .....11,755                                                                                            |                                              |
|    | 6. 2002                                              | .....XXX.....                                        | .....XXX.....                                  | .....XXX.....                                                        | .....XXX.....                                                           | .....95,527                                                               | .....95,527                                         | .....XXX.....                                                                                    | .....49,954                                                                                                 | .....28,253                               | .....78,207                                                     | .....XXX.....                                                                                                   | .....XXX.....                                                                                                 | .....XXX.....                                                                                          |                                              |
|    | 7. Totals                                            | .....128,203                                         | .....73,128                                    | .....201,331                                                         | .....55,279                                                             | .....106,430                                                              | .....161,708                                        | .....85,051                                                                                      | .....55,978                                                                                                 | .....84,082                               | .....225,111                                                    | .....12,127                                                                                                     | .....(373)                                                                                                    | .....11,755                                                                                            |                                              |
|    | 8. Prior Year-End's Surplus As Regards Policyholders | .....366,521                                         |                                                |                                                                      |                                                                         |                                                                           |                                                     |                                                                                                  |                                                                                                             |                                           |                                                                 |                                                                                                                 | Col. 11, Line 7<br>As % of Col. 1,<br>Line 7                                                                  | Col. 12, Line 7<br>As % of Col. 2,<br>Line 7                                                           | Col. 13, Line 7<br>As % of Col. 3,<br>Line 7 |
|    |                                                      |                                                      |                                                |                                                                      |                                                                         |                                                                           |                                                     |                                                                                                  |                                                                                                             |                                           |                                                                 |                                                                                                                 |                                                                                                               |                                                                                                        |                                              |
|    |                                                      |                                                      |                                                |                                                                      |                                                                         |                                                                           |                                                     |                                                                                                  |                                                                                                             | 1. ....9.5 %                              | 2. ....(0.5)%                                                   | 3. ....5.8 %                                                                                                    |                                                                                                               |                                                                                                        |                                              |
|    |                                                      |                                                      |                                                |                                                                      |                                                                         |                                                                           |                                                     |                                                                                                  |                                                                                                             |                                           |                                                                 |                                                                                                                 |                                                                                                               |                                                                                                        |                                              |
|    |                                                      |                                                      |                                                |                                                                      |                                                                         |                                                                           |                                                     |                                                                                                  |                                                                                                             |                                           |                                                                 |                                                                                                                 | Col. 13, Line 7<br>Line 8                                                                                     |                                                                                                        |                                              |
|    |                                                      |                                                      |                                                |                                                                      |                                                                         |                                                                           |                                                     |                                                                                                  |                                                                                                             |                                           |                                                                 |                                                                                                                 | 4. ....3.2 %                                                                                                  |                                                                                                        |                                              |

(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.

STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL INSURANCE COMPANY

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?                                       | <div>YES</div> |
| 2. Will the Trusteed Surplus Statement be filed with the State of Domicile and the NAIC with this statement? | <div>NO</div>  |
| 3. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?            | <div>NO</div>  |

EXPLANATIONS:

BAR CODE:



Overflow Page for Write-Ins

Additional Write-ins for Liabilities:

|                                                                               | 1<br>Current<br>Statement Date | 2<br>December 31,<br>Prior Year |
|-------------------------------------------------------------------------------|--------------------------------|---------------------------------|
| 2304. Uncashed drafts and checks that are pending escheatment to a state..... | .....465,837                   | .....457,304                    |
| 2305. Reinsurance assumed overhead payable.....                               | .....76,768                    | .....68,231                     |
| 2306. Tenant allowances payable.....                                          | .....28,746                    | .....2,790                      |
| 2307. Notes payable for agency sales assistance.....                          | .....887,445                   | .....1,018,751                  |
| 2308. Premium deficiency reserve.....                                         | .....205,500                   | .....475,860                    |
| 2309. Pension plan obligations.....                                           | .....10,998,930                | .....                           |
| 2397. Summary of remaining write-ins for Line 23 from Liabilities.....        | .....12,663,225                | .....2,022,936                  |

Additional Write-ins for Cash Flow:

|                                                                        | 1<br>Current Year<br>to Date | 2<br>Prior Year Ended<br>December 31 |
|------------------------------------------------------------------------|------------------------------|--------------------------------------|
| 07.404 Miscellaneous assets.....                                       | .....                        | .....12,517                          |
| 07.405 Miscellaneous liabilities.....                                  | .....                        | .....(178,152)                       |
| 07.497 Summary of remaining write-ins for Line 7.4 from Cash Flow..... | .....0                       | .....(165,635)                       |

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Current Quarter

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

NONE

SCHEDULE A - PART 3

Showing all Real Estate SOLD During the Quarter, Including Payments During the Final Year on "Sales Under Contract

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

Property Sold

|                                 |               |         |              |                 |        |        |        |              |              |        |        |               |               |        |        |
|---------------------------------|---------------|---------|--------------|-----------------|--------|--------|--------|--------------|--------------|--------|--------|---------------|---------------|--------|--------|
| Miscellaneous Improvements..... | Columbus..... | OH..... | .....Various | Remodeling..... | .....  | .....  | .....  | .....17,080  | .....10,560  | .....  | .....  | .....(6,521)  | .....(6,521)  | .....  | .....  |
| Miscellaneous Improvements..... | Columbus..... | OH..... | .....Various | Remodeling..... | .....  | .....  | .....  | .....461,450 | .....456,078 | .....  | .....  | .....(5,372)  | .....(5,372)  | .....  | .....  |
| 0199999. Totals.....            |               |         |              |                 | .....0 | .....0 | .....0 | .....478,530 | .....466,638 | .....0 | .....0 | .....(11,893) | .....(11,893) | .....0 | .....0 |
| 9999999. Totals.....            |               |         |              |                 | .....0 | .....0 | .....0 | .....478,530 | .....466,638 | .....0 | .....0 | .....(11,893) | .....(11,893) | .....0 | .....0 |

SCHEDULE B - PART 1

Showing all Mortgage Loans ACQUIRED During the Current Quarter

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

NONE

E02

SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD, Transferred or Paid in Full During the Current Quarter

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

NONE

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

| 1<br><br>Number of Units<br>and Description                                                                                              | Location      |                | 4<br><br>Name of<br>Vendor | 5<br><br>Date<br>Acquired | 6<br><br>Actual<br>Cost | 7<br><br>Amount of<br>Encumbrances | 8<br><br>Book/Adjusted<br>Carrying Value<br>Less Encumbrances | 9<br><br>Increase (Decrease)<br>by Adjustment | 10<br><br>Increase (Decrease)<br>by Foreign<br>Exchange Adjustment |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------|----------------------------|---------------------------|-------------------------|------------------------------------|---------------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------|
|                                                                                                                                          | 2<br><br>City | 3<br><br>State |                            |                           |                         |                                    |                                                               |                                               |                                                                    |
| Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments                       |               |                |                            |                           |                         |                                    |                                                               |                                               |                                                                    |
| 2 Agency Loans.....                                                                                                                      | Various.....  | Various.....   | Private Placements.....    | .....Various              | .....36,300             | .....                              | .....36,300                                                   | .....                                         | .....                                                              |
| 0699999. Total - Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments..... |               |                |                            |                           | .....36,300             | .....0                             | .....36,300                                                   | .....0                                        | .....0                                                             |
| 9999999. Totals.....                                                                                                                     |               |                |                            |                           | .....36,300             | .....0                             | .....36,300                                                   | .....0                                        | .....0                                                             |

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Current Quarter

| 1<br><br>Number of Units<br>and Description                                                                                              | Location      |                | 4<br><br>Name of Purchaser or<br>Nature of Disposition | 5<br><br>Date<br>Acquired | 6                                                                      | 7                                       | 8                                                              | 9                                                                          | 10                        | 11                                              | 12                                   | 13                                |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------|--------------------------------------------------------|---------------------------|------------------------------------------------------------------------|-----------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------------|---------------------------|-------------------------------------------------|--------------------------------------|-----------------------------------|
|                                                                                                                                          | 2<br><br>City | 3<br><br>State |                                                        |                           | Book/Adjusted<br>Carrying<br>Value Less<br>Encumbrances,<br>Prior Year | Increase<br>(Decrease) by<br>Adjustment | Increase<br>(Decrease)<br>by Foreign<br>Exchange<br>Adjustment | Book/<br>Adjusted<br>Carrying Value<br>Less Encumbrances<br>at Disposition | Consideration<br>Received | Foreign<br>Exchange<br>Profit (Loss)<br>on Sale | Realized<br>Profit (Loss)<br>on Sale | Total<br>Profit (Loss)<br>on Sale |
| Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments                       |               |                |                                                        |                           |                                                                        |                                         |                                                                |                                                                            |                           |                                                 |                                      |                                   |
| 1 Agency Loan.....                                                                                                                       | Various.....  | Various...     | Private Placements.....                                | .....Various              |                                                                        | 723                                     |                                                                |                                                                            | 723                       |                                                 |                                      | 0                                 |
| 0699999. Total - Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments..... |               |                |                                                        |                           | 0                                                                      | 723                                     | 0                                                              | 0                                                                          | 723                       | 0                                               | 0                                    | 0                                 |
| 9999999. Totals.....                                                                                                                     |               |                |                                                        |                           | 0                                                                      | 723                                     | 0                                                              | 0                                                                          | 723                       | 0                                               | 0                                    | 0                                 |

| STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL INSURANCE COMPANY            |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
|---------------------------------------------------------------------------------------|------------------------------------------------------|-----------------------|----------------------------------|-----------------------------------|------------------|----------------|-------------------------------------------------|------------------------------|
| SCHEDULE D - PART 3                                                                   |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| Show all Long-Term Bonds and Stock Acquired by the Company During the Current Quarter |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| 1<br>CUSIP<br>Identification                                                          | 2<br>Description                                     | 3<br>Date<br>Acquired | 4<br>Name of Vendor              | 5<br>Number of<br>Shares of Stock | 6<br>Actual Cost | 7<br>Par Value | 8<br>Paid for Accrued<br>Interest and Dividends | 9<br>NAIC<br>Designation (a) |
| <b>Bonds - U.S. Government</b>                                                        |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| 3133MJ-SW-1.....                                                                      | Federal Home Loan Bank 0.000% 11/19/21.....          | 09/19/2002.....       | Morgan Keegan & Company Inc..... |                                   | 3,236,464        | 11,200,000     |                                                 | 1PE.....                     |
| 3133MK-GK-7.....                                                                      | Federal Home Loan Bank 5.250% 11/14/08.....          | 08/05/2002.....       | Mesirow & Co.....                |                                   | 2,111,560        | 2,000,000      | 23,625                                          | 1PE.....                     |
| 3133MQ-CB-8.....                                                                      | Federal Home Loan Bank 5.875% 08/06/12.....          | 08/05/2002.....       | Kiley Bloemers Inc.....          |                                   | 2,026,520        | 2,000,000      |                                                 | 1PE.....                     |
| 36201P-S5-5.....                                                                      | GNMA Pool #589240 6.400% 09/15/37.....               | 08/21/2002.....       | Red Capital Markets.....         |                                   | 4,432,416        | 4,258,100      | 16,654                                          | 1.....                       |
| 03999999                                                                              | Total - Bonds - U.S. Government.....                 |                       |                                  |                                   | 11,806,960       | 19,458,100     | 40,279                                          | XXX.....                     |
| <b>Bonds - Public Utilities</b>                                                       |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| <b>United States</b>                                                                  |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| 689648-AN-3.....                                                                      | Otter Tail Power 5.625% 10/01/17.....                | 09/24/2002.....       | A G Edwards.....                 |                                   | 3,000,000        | 3,000,000      |                                                 | 1PE.....                     |
|                                                                                       | United States.....                                   |                       |                                  |                                   | 3,000,000        | 3,000,000      | 0                                               | XXX.....                     |
| 38999999                                                                              | Total - Bonds - Public Utilities.....                |                       |                                  |                                   | 3,000,000        | 3,000,000      | 0                                               | XXX.....                     |
| <b>Bonds - Industrial and Miscellaneous</b>                                           |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| <b>United States</b>                                                                  |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| 36962E-Y3-7.....                                                                      | General Electric 8.700% 03/01/07.....                | 09/12/2002.....       | Sun Trust Equity.....            |                                   | 2,154,224        | 1,815,000      | 7,018                                           | 1PE.....                     |
| 459200-AG-6.....                                                                      | IBM Corporation 8.375% 11/01/19.....                 | 07/19/2002.....       | Morgan Keegan & Company Inc..... |                                   | 5,891,350        | 5,000,000      | 96,545                                          | 1PE.....                     |
|                                                                                       | United States.....                                   |                       |                                  |                                   | 8,045,574        | 6,815,000      | 103,563                                         | XXX.....                     |
| 45999999                                                                              | Total - Bonds - Industrial & Miscellaneous.....      |                       |                                  |                                   | 8,045,574        | 6,815,000      | 103,563                                         | XXX.....                     |
| 60999997                                                                              | Total - Bonds - Part 3.....                          |                       |                                  |                                   | 22,852,534       | 29,273,100     | 143,842                                         | XXX.....                     |
| 60999999                                                                              | Total - Bonds.....                                   |                       |                                  |                                   | 22,852,534       | 29,273,100     | 143,842                                         | XXX.....                     |
| <b>Common Stocks - Banks, Trust and Insurance Companies</b>                           |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| <b>United States</b>                                                                  |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| 172967-10-1.....                                                                      | Citigroup Inc.....                                   | 07/29/2002.....       | Various.....                     | 3,900,000                         | 130,906          |                |                                                 | L.....                       |
| 25811P-10-0.....                                                                      | Doral Financial Corpora.....                         | 09/16/2002.....       | Stock Split.....                 | 1,500,000                         |                  |                |                                                 | L.....                       |
| 316773-10-0.....                                                                      | Fifth Third Bancorp.....                             | 09/05/2002.....       | SEI Financial Services Inc.....  | 2,118,000                         | 138,526          |                |                                                 | L.....                       |
| 339030-10-8.....                                                                      | FleetBoston Finl Corpor.....                         | 08/07/2002.....       | Various.....                     | 4,400,000                         | 94,081           |                |                                                 | L.....                       |
| 46625H-10-0.....                                                                      | J P Morgan Chase & Co.....                           | 07/24/2002.....       | Various.....                     | 3,200,000                         | 73,633           |                |                                                 | L.....                       |
| 475070-10-8.....                                                                      | Jefferson-Pilot Corpora.....                         | 09/27/2002.....       | Fox Pitt Kelton.....             | 2,500,000                         | 102,234          |                |                                                 | L.....                       |
| 534187-10-9.....                                                                      | Lincoln National Corpor.....                         | 08/15/2002.....       | Various.....                     | 5,000,000                         | 177,351          |                |                                                 | L.....                       |
| 552848-10-3.....                                                                      | MGIC Investment Corpora.....                         | 07/26/2002.....       | Salomon Smith Barney.....        | 200,000                           | 11,482           |                |                                                 | L.....                       |
| 89420G-10-9.....                                                                      | Travelers P & C Corp Cl.....                         | 08/21/2002.....       | Spin Off.....                    | 71,000                            | 1,249            |                |                                                 | L.....                       |
| 89420G-40-6.....                                                                      | Travelers P & C Corp Cl.....                         | 08/21/2002.....       | Spin Off.....                    | 146,000                           | 2,772            |                |                                                 | L.....                       |
| 902973-30-4.....                                                                      | US Bancorp.....                                      | 07/24/2002.....       | Various.....                     | 4,900,000                         | 101,087          |                |                                                 | L.....                       |
| G0450A-10-5.....                                                                      | Arch Capital Group Ltd.....                          | 07/30/2002.....       | Merrill Lynch.....               | 800,000                           | 21,160           |                |                                                 | L.....                       |
|                                                                                       | United States.....                                   |                       |                                  |                                   | 854,481          | XXX            | 0                                               | XXX.....                     |
| <b>Canada</b>                                                                         |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| 44332P-10-1.....                                                                      | Hub International Limit.....                         | 07/30/2002.....       | Lehman Brothers.....             | 1,200,000                         | 16,972           |                |                                                 | L.....                       |
|                                                                                       | Canada.....                                          |                       |                                  |                                   | 16,972           | XXX            | 0                                               | XXX.....                     |
| <b>Foreign</b>                                                                        |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| G4933P-10-1.....                                                                      | IPC Holdings Ltd (Bermu.....                         | 07/30/2002.....       | Merrill Lynch.....               | 400,000                           | 12,500           |                |                                                 | L.....                       |
|                                                                                       | Foreign.....                                         |                       |                                  |                                   | 12,500           | XXX            | 0                                               | XXX.....                     |
| 67999999                                                                              | Total - Common Stocks - Banks, Trust & Ins. Cos..... |                       |                                  |                                   | 883,953          | XXX            | 0                                               | XXX.....                     |
| <b>Common Stocks - Industrial and Miscellaneous</b>                                   |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| <b>United States</b>                                                                  |                                                      |                       |                                  |                                   |                  |                |                                                 |                              |
| 00252W-10-4.....                                                                      | AaiPharma Inc.....                                   | 07/30/2002.....       | Merrill Lynch.....               | 900,000                           | 17,649           |                |                                                 | L.....                       |
| 002824-10-0.....                                                                      | Abbott Laboratories.....                             | 08/06/2002.....       | Various.....                     | 6,800,000                         | 236,628          |                |                                                 | L.....                       |
| 013817-10-1.....                                                                      | Alcoa Inc.....                                       | 08/13/2002.....       | Goldman Sachs.....               | 1,500,000                         | 38,912           |                |                                                 | L.....                       |
| 02553E-10-6.....                                                                      | American Eagle Outfite.....                          | 07/30/2002.....       | Merrill Lynch.....               | 1,700,000                         | 30,685           |                |                                                 | L.....                       |
| 027352-10-3.....                                                                      | American Mgmt Systems I.....                         | 09/27/2002.....       | Various.....                     | 7,100,000                         | 101,971          |                |                                                 | L.....                       |
| 03072M-10-8.....                                                                      | AmerUs Group Company.....                            | 07/02/2002.....       | Investment Technology Group..... | 2,000,000                         | 73,540           |                |                                                 | L.....                       |
| 032511-10-7.....                                                                      | Anadarko Petroleum Corp.....                         | 07/17/2002.....       | Investment Technology Group..... | 500,000                           | 22,031           |                |                                                 | L.....                       |
| 042923-10-2.....                                                                      | Artisan Components Inc.....                          | 07/30/2002.....       | Merrill Lynch.....               | 2,800,000                         | 23,660           |                |                                                 | L.....                       |
| 04648X-10-7.....                                                                      | Asyst Technologies Inc.....                          | 07/30/2002.....       | Merrill Lynch.....               | 2,700,000                         | 34,668           |                |                                                 | L.....                       |
| 053015-10-3.....                                                                      | Automatic Data Process.....                          | 09/25/2002.....       | Various.....                     | 8,300,000                         | 322,144          |                |                                                 | L.....                       |
| 071813-10-9.....                                                                      | Baxter International In.....                         | 09/04/2002.....       | Various.....                     | 7,200,000                         | 265,135          |                |                                                 | L.....                       |

STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

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

| 1<br>CUSIP<br>Identification | 2<br>Description             | 3<br>Date<br>Acquired | 4<br>Name of Vendor                | 5<br>Number of<br>Shares of Stock | 6<br>Actual Cost | 7<br>Par Value | 8<br>Paid for Accrued<br>Interest and Dividends | 9<br>NAIC<br>Designation (a) |
|------------------------------|------------------------------|-----------------------|------------------------------------|-----------------------------------|------------------|----------------|-------------------------------------------------|------------------------------|
| 075571-10-9.....             | Bebe Stores Inc.....         | 07/30/2002.....       | Merrill Lynch.....                 | 1,000.000                         | 18,380           |                |                                                 | L.....                       |
| 075887-10-9.....             | Becton Dickinson.....        | 07/25/2002.....       | Various.....                       | 5,000.000                         | 131,161          |                |                                                 | L.....                       |
| 076446-30-1.....             | Bedford Property Invest..... | 09/10/2002.....       | Various.....                       | 2,400.000                         | 57,436           |                |                                                 | L.....                       |
| 082657-10-7.....             | Bentley Pharmaceuticals..... | 07/30/2002.....       | Lehman Brothers.....               | 2,100.000                         | 23,917           |                |                                                 | L.....                       |
| 090572-20-7.....             | Bio-Rad Laboratories In..... | 08/30/2002.....       | B-Trade Services.....              | 1,500.000                         | 64,016           |                |                                                 | L.....                       |
| 103304-10-1.....             | Boyd Gaming Corporation..... | 07/30/2002.....       | Lehman Brothers.....               | 1,400.000                         | 21,686           |                |                                                 | L.....                       |
| 103430-10-4.....             | Boykin Lodging Company.....  | 09/24/2002.....       | Various.....                       | 3,800.000                         | 32,952           |                |                                                 | L.....                       |
| 110122-10-8.....             | Bristol-Myers Squibb.....    | 08/08/2002.....       | Various.....                       | 5,900.000                         | 136,353          |                |                                                 | L.....                       |
| 161048-10-3.....             | Charlotte Russe Holding..... | 07/30/2002.....       | Merrill Lynch.....                 | 1,600.000                         | 26,656           |                |                                                 | L.....                       |
| 168905-10-7.....             | The Childrens Place.....     | 07/30/2002.....       | Merrill Lynch.....                 | 500.000                           | 11,120           |                |                                                 | L.....                       |
| 19259P-30-0.....             | Coinstar Inc.....            | 07/30/2002.....       | Merrill Lynch.....                 | 1,000.000                         | 28,650           |                |                                                 | L.....                       |
| 195872-10-6.....             | Colonial Properties Tru..... | 07/19/2002.....       | Various.....                       | 1,100.000                         | 39,322           |                |                                                 | L.....                       |
| 201723-10-3.....             | Commercial Metals Compa..... | 07/02/2002.....       | Stock Split.....                   | 2,900.000                         |                  |                |                                                 | L.....                       |
| 206016-10-7.....             | Conceptus Inc.....           | 07/30/2002.....       | Merrill Lynch.....                 | 1,300.000                         | 16,640           |                |                                                 | L.....                       |
| 208192-10-4.....             | Connetics Corporation.....   | 07/30/2002.....       | Merrill Lynch.....                 | 3,600.000                         | 39,996           |                |                                                 | L.....                       |
| 217020-10-6.....             | CoorsTek Inc.....            | 07/30/2002.....       | Merrill Lynch.....                 | 1,200.000                         | 26,100           |                |                                                 | L.....                       |
| 229678-10-7.....             | Cubist Pharmaceuticals.....  | 07/30/2002.....       | Merrill Lynch.....                 | 1,600.000                         | 14,720           |                |                                                 | L.....                       |
| 232572-10-7.....             | Cymer Inc.....               | 07/30/2002.....       | Merrill Lynch.....                 | 1,000.000                         | 29,570           |                |                                                 | L.....                       |
| 23330X-10-0.....             | DRS Technologies Inc.....    | 07/30/2002.....       | Lehman Brothers.....               | 700.000                           | 26,085           |                |                                                 | L.....                       |
| 235811-10-6.....             | Dana Corporation.....        | 07/03/2002.....       | Warburg Dillon Read LLC.....       | 3,900.000                         | 70,827           |                |                                                 | L.....                       |
| 253807-10-1.....             | Digimarc Corporation.....    | 07/30/2002.....       | Merrill Lynch.....                 | 1,600.000                         | 16,208           |                |                                                 | L.....                       |
| 256743-10-5.....             | Dollar Thrifty Automoti..... | 07/16/2002.....       | Various.....                       | 1,000.000                         | 24,510           |                |                                                 | L.....                       |
| 285661-10-4.....             | Electronic Data Systems..... | 08/27/2002.....       | Standard & Poor's Securities.....  | 3,300.000                         | 134,799          |                |                                                 | L.....                       |
| 291011-10-4.....             | Emerson Electric Compan..... | 09/05/2002.....       | Various.....                       | 2,100.000                         | 98,803           |                |                                                 | L.....                       |
| 29362U-10-4.....             | Entegris Inc.....            | 07/30/2002.....       | Merrill Lynch.....                 | 4,400.000                         | 46,860           |                |                                                 | L.....                       |
| 30226D-10-6.....             | Extreme Networks Inc.....    | 08/19/2002.....       | Credit Suisse 1st Boston Corp..... | 7,400.000                         | 79,014           |                |                                                 | L.....                       |
| 32051K-10-6.....             | First Horizon Pharmaceu..... | 07/30/2002.....       | Merrill Lynch.....                 | 2,900.000                         | 14,181           |                |                                                 | L.....                       |
| 369604-10-3.....             | General Electric.....        | 09/10/2002.....       | Various.....                       | 9,750.000                         | 294,223          |                |                                                 | L.....                       |
| 37245M-20-7.....             | Genta Incorporated.....      | 07/30/2002.....       | Merrill Lynch.....                 | 1,700.000                         | 14,263           |                |                                                 | L.....                       |
| 40426W-10-1.....             | HRPT Properties Trust.....   | 09/30/2002.....       | Various.....                       | 4,500.000                         | 37,669           |                |                                                 | L.....                       |
| 427866-10-8.....             | Hershey Foods Corporati..... | 07/03/2002.....       | Raymond James Assoc.....           | 1,000.000                         | 62,295           |                |                                                 | L.....                       |
| 436440-10-1.....             | Hologic Inc.....             | 07/30/2002.....       | Merrill Lynch.....                 | 2,200.000                         | 28,248           |                |                                                 | L.....                       |
| 44043J-10-5.....             | Horizon Offshore Inc.....    | 07/30/2002.....       | Merrill Lynch.....                 | 3,300.000                         | 18,975           |                |                                                 | L.....                       |
| 441339-10-8.....             | Hot Topic Inc.....           | 07/30/2002.....       | Merrill Lynch.....                 | 600.000                           | 13,332           |                |                                                 | L.....                       |
| 451713-10-1.....             | Ikon Office Solutions I..... | 08/22/2002.....       | Various.....                       | 900.000                           | 7,663            |                |                                                 | L.....                       |
| 45811K-20-8.....             | Integrated Circuit Syst..... | 07/30/2002.....       | Merrill Lynch.....                 | 1,900.000                         | 34,523           |                |                                                 | L.....                       |
| 458140-10-0.....             | Intel Corporation.....       | 08/07/2002.....       | B-Trade Services.....              | 3,600.000                         | 65,631           |                |                                                 | L.....                       |
| 45819B-10-1.....             | Intergrated Defense Tec..... | 07/30/2002.....       | Lehman Brothers.....               | 900.000                           | 19,305           |                |                                                 | L.....                       |
| 45845L-10-7.....             | InterCept Inc.....           | 09/17/2002.....       | First Albany Corp.....             | 8,200.000                         | 105,287          |                |                                                 | L.....                       |
| 46185R-10-0.....             | Invitrogen Corporation.....  | 07/30/2002.....       | Merrill Lynch.....                 | 300.000                           | 10,554           |                |                                                 | L.....                       |
| 482740-20-6.....             | K-V Pharmaceutical Comp..... | 07/30/2002.....       | Various.....                       | 2,600.000                         | 58,475           |                |                                                 | L.....                       |
| 492914-10-6.....             | Key Energy Services Inc..... | 07/30/2002.....       | Lehman Brothers.....               | 4,100.000                         | 35,670           |                |                                                 | L.....                       |
| 494274-10-3.....             | Kimball International.....   | 07/17/2002.....       | B-Trade Services.....              | 200.000                           | 3,046            |                |                                                 | L.....                       |
| 500228-10-1.....             | Koger Equity Inc.....        | 07/22/2002.....       | Various.....                       | 3,000.000                         | 51,730           |                |                                                 | L.....                       |
| 501049-10-0.....             | Kroll Inc.....               | 09/17/2002.....       | Various.....                       | 3,400.000                         | 72,122           |                |                                                 | L.....                       |
| 502392-10-3.....             | LTX Corporation.....         | 07/30/2002.....       | Merrill Lynch.....                 | 2,300.000                         | 23,851           |                |                                                 | L.....                       |
| 505401-20-8.....             | Labor Ready Inc.....         | 07/30/2002.....       | Lehman Brothers.....               | 4,000.000                         | 28,985           |                |                                                 | L.....                       |
| 520780-10-7.....             | Lawson Software Inc.....     | 07/30/2002.....       | Merrill Lynch.....                 | 1,600.000                         | 8,080            |                |                                                 | L.....                       |
| 532716-10-7.....             | The Limited Incorporate..... | 08/16/2002.....       | Various.....                       | 15,800.000                        | 255,654          |                |                                                 | L.....                       |
| 552880-10-6.....             | MGI Pharma Inc.....          | 07/30/2002.....       | Merrill Lynch.....                 | 2,500.000                         | 13,125           |                |                                                 | L.....                       |
| 553769-10-0.....             | MTR Gaming Group Inc.....    | 08/22/2002.....       | CIBC World Markets Corp.....       | 3,700.000                         | 32,553           |                |                                                 | L.....                       |
| 562750-10-9.....             | Manhattan Associates In..... | 08/21/2002.....       | Various.....                       | 3,200.000                         | 72,667           |                |                                                 | L.....                       |
| 577914-10-4.....             | Maverick Tube Corporati..... | 07/30/2002.....       | Lehman Brothers.....               | 2,900.000                         | 31,347           |                |                                                 | L.....                       |

SCHEDULE D - PART 3

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

E04.2

| 1<br>CUSIP<br>Identification | 2<br>Description             | 3<br>Date<br>Acquired | 4<br>Name of Vendor                | 5<br>Number of<br>Shares of Stock | 6<br>Actual Cost | 7<br>Par Value | 8<br>Paid for Accrued<br>Interest and Dividends | 9<br>NAIC<br>Designation (a) |
|------------------------------|------------------------------|-----------------------|------------------------------------|-----------------------------------|------------------|----------------|-------------------------------------------------|------------------------------|
| 584688-10-5.....             | The Medicines Company.....   | 07/30/2002.....       | Merrill Lynch.....                 | 2,800.000                         | 28,616           |                |                                                 | L.....                       |
| 584690-30-9.....             | Medicis Pharmaceutical.....  | 07/30/2002.....       | Lehman Brothers.....               | 500.000                           | 20,365           |                |                                                 | L.....                       |
| 585055-10-6.....             | Medtronic Inc.....           | 07/03/2002.....       | Raymond James Assoc.....           | 1,550.000                         | 62,259           |                |                                                 | L.....                       |
| 58505Y-10-3.....             | MedSource Technologies.....  | 07/30/2002.....       | Merrill Lynch.....                 | 1,600.000                         | 18,416           |                |                                                 | L.....                       |
| 594972-40-8.....             | MicroStrategy Incorpore..... | 08/02/2002.....       | Tax Free Exchange.....             | 5.000                             | 1                |                |                                                 | L.....                       |
| 605203-10-8.....             | Missions West Propertie..... | 09/05/2002.....       | Various.....                       | 3,600.000                         | 41,303           |                |                                                 | L.....                       |
| 62852P-10-3.....             | Mykrolis Corporaton.....     | 07/30/2002.....       | Lehman Brothers.....               | 900.000                           | 7,200            |                |                                                 | L.....                       |
| 637071-10-1.....             | National-Oilwell Inc.....    | 07/30/2002.....       | Lehman Brothers.....               | 1,500.000                         | 26,415           |                |                                                 | L.....                       |
| 64110L-10-6.....             | NetFlix Inc.....             | 08/27/2002.....       | Various.....                       | 5,100.000                         | 67,145           |                |                                                 | L.....                       |
| 64117V-10-7.....             | NetScreen Technologies.....  | 08/21/2002.....       | Various.....                       | 1,900.000                         | 22,849           |                |                                                 | L.....                       |
| 64125C-10-9.....             | Neurocrine Biosciences.....  | 07/30/2002.....       | Merrill Lynch.....                 | 900.000                           | 31,797           |                |                                                 | L.....                       |
| 669947-40-0.....             | Novastar Financial Inc.....  | 07/18/2002.....       | Various.....                       | 2,300.000                         | 57,765           |                |                                                 | L.....                       |
| 670006-10-5.....             | Novell Incorporated.....     | 09/25/2002.....       | Various.....                       | 25,400.000                        | 61,817           |                |                                                 | L.....                       |
| 670009-10-9.....             | Noven Pharmaceuticals I..... | 09/10/2002.....       | J P Morgan.....                    | 5,300.000                         | 71,586           |                |                                                 | L.....                       |
| 681919-10-6.....             | Omnicom Group Incorpore..... | 08/01/2002.....       | SEI Financial Services Inc.....    | 3,800.000                         | 196,486          |                |                                                 | L.....                       |
| 683948-10-3.....             | Option Care Inc.....         | 07/30/2002.....       | Merrill Lynch.....                 | 1,800.000                         | 24,678           |                |                                                 | L.....                       |
| 694873-10-0.....             | Pacific Sunwear of Cali..... | 07/30/2002.....       | Merrill Lynch.....                 | 1,900.000                         | 38,589           |                |                                                 | L.....                       |
| 703481-10-1.....             | Patterson - UTI Energy.....  | 07/30/2002.....       | Merrill Lynch.....                 | 1,400.000                         | 33,600           |                |                                                 | L.....                       |
| 719405-10-2.....             | Photronics Inc.....          | 07/30/2002.....       | Merrill Lynch.....                 | 1,300.000                         | 16,705           |                |                                                 | L.....                       |
| 731738-10-0.....             | PolyMedica Corporation.....  | 07/30/2002.....       | Merrill Lynch.....                 | 1,300.000                         | 42,315           |                |                                                 | L.....                       |
| 739308-10-4.....             | Power-One Inc.....           | 07/30/2002.....       | Merrill Lynch.....                 | 3,200.000                         | 15,040           |                |                                                 | L.....                       |
| 739419-10-9.....             | PracticeWorks Inc.....       | 07/30/2002.....       | Lehman Brothers.....               | 1,000.000                         | 13,916           |                |                                                 | L.....                       |
| 73941U-10-2.....             | Pozen Inc.....               | 07/30/2002.....       | Merrill Lynch.....                 | 4,600.000                         | 20,884           |                |                                                 | L.....                       |
| 740189-10-5.....             | Precision Castparts Cor..... | 07/01/2002.....       | SEI Financial Services Inc.....    | 1,600.000                         | 49,651           |                |                                                 | L.....                       |
| 747620-10-2.....             | Quanex Corporation.....      | 07/17/2002.....       | B-Trade Services.....              | 300.000                           | 10,975           |                |                                                 | L.....                       |
| 749941-10-0.....             | RF Micro Devices Inc.....    | 08/22/2002.....       | Various.....                       | 6,400.000                         | 52,432           |                |                                                 | L.....                       |
| 75086X-10-6.....             | Raindance Communication..... | 07/30/2002.....       | Merrill Lynch.....                 | 5,900.000                         | 22,420           |                |                                                 | L.....                       |
| 755111-50-7.....             | Raytheon Company.....        | 09/26/2002.....       | Warburg Dillon Read LLC.....       | 1,200.000                         | 38,977           |                |                                                 | L.....                       |
| 80874P-10-9.....             | Scientific Games Corp.....   | 08/06/2002.....       | First Union Capital Markets.....   | 8,800.000                         | 59,895           |                |                                                 | L.....                       |
| 812387-10-8.....             | Sears Roebuck & Company..... | 09/25/2002.....       | Various.....                       | 5,600.000                         | 253,327          |                |                                                 | L.....                       |
| 825549-10-8.....             | Shuffle Master Inc.....      | 07/30/2002.....       | Merrill Lynch.....                 | 3,800.000                         | 67,070           |                |                                                 | L.....                       |
| 826675-10-0.....             | Signal Technology Corp.....  | 07/30/2002.....       | Merrill Lynch.....                 | 2,900.000                         | 25,897           |                |                                                 | L.....                       |
| 827048-10-9.....             | Silgan Holdings Inc.....     | 07/03/2002.....       | B-Trade Services.....              | 200.000                           | 7,863            |                |                                                 | L.....                       |
| 827057-10-0.....             | Silicon Storage Technol..... | 07/30/2002.....       | Merrill Lynch.....                 | 1,600.000                         | 9,296            |                |                                                 | L.....                       |
| 83088M-10-2.....             | Skyworks Solutions Inc.....  | 08/21/2002.....       | Credit Suisse 1st Boston Corp..... | 16,900.000                        | 83,275           |                |                                                 | L.....                       |
| 901167-10-6.....             | Tweeter Home Entertainm..... | 07/30/2002.....       | Merrill Lynch.....                 | 200.000                           | 1,392            |                |                                                 | L.....                       |
| 910671-10-6.....             | United Industrial Corp.....  | 07/30/2002.....       | Lehman Brothers.....               | 800.000                           | 15,512           |                |                                                 | L.....                       |
| 913017-10-9.....             | United Technologies.....     | 09/26/2002.....       | Factset Data Systems.....          | 1,700.000                         | 100,555          |                |                                                 | L.....                       |
| 916906-10-0.....             | US Freightways Corporat..... | 07/30/2002.....       | Merrill Lynch.....                 | 700.000                           | 23,380           |                |                                                 | L.....                       |
| 92763R-10-4.....             | Virage Logic Corporatio..... | 07/30/2002.....       | Merrill Lynch.....                 | 3,100.000                         | 42,222           |                |                                                 | L.....                       |
| 928483-10-6.....             | Vital Works Inc.....         | 09/23/2002.....       | Various.....                       | 8,400.000                         | 67,740           |                |                                                 | L.....                       |
| 941848-10-3.....             | Waters Corporation.....      | 08/13/2002.....       | Various.....                       | 4,400.000                         | 99,297           |                |                                                 | L.....                       |
| 955306-10-5.....             | West Pharmaceutical Ser..... | 08/29/2002.....       | B-Trade Services.....              | 2,000.000                         | 48,112           |                |                                                 | L.....                       |
| 972232-10-2.....             | Wilson Greatbatch Techn..... | 07/30/2002.....       | Lehman Brothers.....               | 700.000                           | 16,814           |                |                                                 | L.....                       |
| 980745-10-3.....             | Woodward Governor Compa..... | 09/24/2002.....       | B-Trade Services.....              | 700.000                           | 32,842           |                |                                                 | L.....                       |
| 98385X-10-6.....             | XTO Energy Inc.....          | 07/30/2002.....       | Lehman Brothers.....               | 1,500.000                         | 27,300           |                |                                                 | L.....                       |
| 98975F-10-1.....             | Zoran Corporation.....       | 07/30/2002.....       | CIBC World Markets Corp.....       | 1,600.000                         | 23,872           |                |                                                 | L.....                       |
| M97385-11-2.....             | Verisity Ltd.....            | 07/30/2002.....       | Merrill Lynch.....                 | 2,000.000                         | 30,100           |                |                                                 | L.....                       |
|                              | United States.....           |                       |                                    | 5,926,221                         | XXX              |                | 0                                               | XXX.....                     |
| Foreign                      |                              |                       |                                    |                                   |                  |                |                                                 |                              |
| 74022D-10-0.....             | Precision Drilling Corp..... | 07/30/2002.....       | Lehman Brothers.....               | 1,200.000                         | 36,742           |                |                                                 | L.....                       |
| G6797E-10-6.....             | O2Micro International L..... | 07/30/2002.....       | Merrill Lynch.....                 | 2,500.000                         | 27,475           |                |                                                 | L.....                       |
| N07045-10-2.....             | ASM International NV.....    | 07/30/2002.....       | Merrill Lynch.....                 | 1,600.000                         | 24,864           |                |                                                 | L.....                       |
|                              | Foreign.....                 |                       |                                    | 89,081                            | XXX              |                | 0                                               | XXX.....                     |

SCHEDULE D - PART 3

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

| 1<br>CUSIP<br>Identification | 2<br>Description                                                                         | 3<br>Date<br>Acquired | 4<br>Name of Vendor | 5<br>Number of<br>Shares of Stock | 6<br>Actual Cost | 7<br>Par Value | 8<br>Paid for Accrued<br>Interest and Dividends | 9<br>NAIC<br>Designation (a) |
|------------------------------|------------------------------------------------------------------------------------------|-----------------------|---------------------|-----------------------------------|------------------|----------------|-------------------------------------------------|------------------------------|
| 6899999                      | Total - Common Stocks - Industrial & Miscellaneous.....                                  |                       |                     |                                   | 6,015,302        | XXX.....       | 0                                               | XXX.....                     |
| 7099997                      | Total - Common Stocks - Part 3.....                                                      |                       |                     |                                   | 6,899,255        | XXX.....       | 0                                               | XXX.....                     |
| 7099998                      | Total - Common Stocks - Summary Item for Common Stocks Bought and Sold This Quarter..... |                       |                     |                                   | 452,626          | XXX.....       |                                                 | XXX.....                     |
| 7099999                      | Total - Common Stocks.....                                                               |                       |                     |                                   | 7,351,881        | XXX.....       | 0                                               | XXX.....                     |
| 7199999                      | Total - Preferred and Common Stocks.....                                                 |                       |                     |                                   | 7,351,881        | XXX.....       | 0                                               | XXX.....                     |
| 7299999                      | Total - Bonds, Preferred and Common Stocks.....                                          |                       |                     |                                   | 30,204,415       | XXX.....       | 143,842                                         | XXX.....                     |

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

| STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL 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 Quarte |                                                   |                  |                    |                                 |               |           |             |                                                        |                                         |                                                                |                                                   |                                        |                                     |                                                 |                                                   |                            |
| 1                                                                                                                   | 2                                                 | 3                | 4                  | 5                               | 6             | 7         | 8           | 9                                                      | 10                                      | 11                                                             | 12                                                | 13                                     | 14                                  | 15                                              | 16                                                | 17                         |
| CUSIP<br>Identification                                                                                             | Description                                       | Disposal<br>Date | Name of Purchaser  | Number of<br>Shares of<br>Stock | Consideration | Par Value | Actual Cost | Book/Adjusted<br>Carrying<br>Value At<br>Disposal Date | Increase<br>(Decrease)<br>by Adjustment | Increase<br>(Decrease)<br>by Foreign<br>Exchange<br>Adjustment | Foreign<br>Exchange<br>Gain (Loss)<br>on Disposal | Realized<br>Gain (Loss)<br>on Disposal | Total<br>Gain (Loss)<br>on Disposal | Interest<br>on Bonds<br>Received<br>During Year | Dividends<br>on Stocks<br>Received<br>During Year | NAIC<br>Designation<br>(a) |
| <b>Bonds - U.S. Government</b>                                                                                      |                                                   |                  |                    |                                 |               |           |             |                                                        |                                         |                                                                |                                                   |                                        |                                     |                                                 |                                                   |                            |
| 36200T-NU-8...                                                                                                      | GNMA Pool #572003 7.250% 03/15/25.....            | 09/01/2002       | Paydown.....       |                                 | 7,531         | 7,531     | 7,936       | 7,933                                                  | (402)                                   |                                                                |                                                   |                                        | .0                                  | .91                                             |                                                   | 1.....                     |
| 36200V-SR-5...                                                                                                      | GNMA Pool #573928 6.970% 03/15/32.....            | 09/01/2002       | Paydown.....       |                                 | 2,821         | 2,821     | 2,912       | 2,912                                                  | (91)                                    |                                                                |                                                   |                                        | .0                                  | .33                                             |                                                   | 1.....                     |
| 362027-FX-7...                                                                                                      | GNMA Pool #1982 8.100% 01/15/12.....              | 09/01/2002       | Paydown.....       |                                 | 12,691        | 12,691    | 12,945      | 12,840                                                 | (150)                                   |                                                                |                                                   |                                        | .0                                  | .172                                            |                                                   | 1.....                     |
| 36204D-VT-3...                                                                                                      | GNMA Pool #367026 8.750% 09/15/29.....            | 09/01/2002       | Paydown.....       |                                 | 3,424         | 3,424     | 3,389       | 3,393                                                  | .31                                     |                                                                |                                                   |                                        | .0                                  | .50                                             |                                                   | 1.....                     |
| 36204L-NV-9...                                                                                                      | GNMA Pool #373104 6.750% 09/15/39.....            | 09/01/2002       | Paydown.....       |                                 | 3,040         | 3,040     | 2,789       | 2,796                                                  | .244                                    |                                                                |                                                   |                                        | .0                                  | .34                                             |                                                   | 1.....                     |
| 36205Q-3X-5...                                                                                                      | GNMA Pool #397814 8.250% 06/15/20.....            | 09/01/2002       | Paydown.....       |                                 | 15,517        | 15,517    | 16,352      | 16,313                                                 | (796)                                   |                                                                |                                                   |                                        | .0                                  | .214                                            |                                                   | 1.....                     |
| 362063-B8-1...                                                                                                      | GNMA Pool #33363 9.500% 08/15/09.....             | 09/01/2002       | Paydown.....       |                                 | 37,628        | 37,628    | 40,591      | 39,308                                                 | (1,680)                                 |                                                                |                                                   |                                        | .0                                  | .532                                            |                                                   | 1.....                     |
| 362064-Z4-2...                                                                                                      | GNMA Pool #34963 9.500% 09/15/09.....             | 09/01/2002       | Paydown.....       |                                 | 4,313         | 4,313     | 4,653       | 4,540                                                  | (227)                                   |                                                                |                                                   |                                        | .0                                  | .68                                             |                                                   | 1.....                     |
| 36206N-3Y-9...                                                                                                      | GNMA Pool #416715 7.250% 01/15/31.....            | 09/01/2002       | Paydown.....       |                                 | 2,541         | 2,541     | 2,585       | 2,580                                                  | (40)                                    |                                                                |                                                   |                                        | .0                                  | .31                                             |                                                   | 1.....                     |
| 362075-W9-0...                                                                                                      | GNMA Pool #44772 11.000% 09/15/10.....            | 09/01/2002       | Paydown.....       |                                 | .335          | .335      | .358        | .345                                                   | (10)                                    |                                                                |                                                   |                                        | .0                                  | .6                                              |                                                   | 1.....                     |
| 36207D-SN-7...                                                                                                      | GNMA Pool #429025 7.900% 08/15/32.....            | 09/01/2002       | Paydown.....       |                                 | 4,110         | 4,110     | 4,195       | 4,189                                                  | (79)                                    |                                                                |                                                   |                                        | .0                                  | .54                                             |                                                   | 1.....                     |
| 36207E-BK-9...                                                                                                      | GNMA Pool #429442 8.000% 09/15/26.....            | 09/01/2002       | Paydown.....       |                                 | 1,734         | 1,734     | 1,764       | 1,759                                                  | (26)                                    |                                                                |                                                   |                                        | .0                                  | .23                                             |                                                   | 1.....                     |
| 362088-MF-0...                                                                                                      | GNMA Pool #056158 13.500% 10/15/12.....           | 09/01/2002       | Paydown.....       |                                 | .223          | .223      | .242        | .233                                                   | (11)                                    |                                                                |                                                   |                                        | .0                                  | .5                                              |                                                   | 1.....                     |
| 36209K-NY-0...                                                                                                      | GNMA Pool #473907 6.400% 11/15/39.....            | 09/01/2002       | Paydown.....       |                                 | 5,292         | 5,292     | 5,235       | 5,236                                                  | .56                                     |                                                                |                                                   |                                        | .0                                  | .57                                             |                                                   | 1.....                     |
| 36209L-GY-6...                                                                                                      | GNMA Pool #474615 6.500% 05/15/34.....            | 09/01/2002       | Paydown.....       |                                 | 27,111        | 27,111    | 27,251      | 27,240                                                 | (129)                                   |                                                                |                                                   |                                        | .0                                  | .294                                            |                                                   | 1.....                     |
| 36209N-WB-4...                                                                                                      | GNMA Pool #476842 6.750% 05/15/34.....            | 09/01/2002       | Paydown.....       |                                 | 4,987         | 4,987     | 5,075       | 5,070                                                  | (84)                                    |                                                                |                                                   |                                        | .0                                  | .56                                             |                                                   | 1.....                     |
| 36209V-D5-0...                                                                                                      | GNMA Pool #482624 6.470% 05/15/34.....            | 09/01/2002       | Paydown.....       |                                 | 7,456         | 7,456     | 7,503       | 7,499                                                  | (43)                                    |                                                                |                                                   |                                        | .0                                  | .81                                             |                                                   | 1.....                     |
| 36209V-EA-8...                                                                                                      | GNMA Pool #482629 6.750% 04/15/34.....            | 09/01/2002       | Paydown.....       |                                 | 12,309        | 12,309    | 12,528      | 12,515                                                 | (206)                                   |                                                                |                                                   |                                        | .0                                  | .139                                            |                                                   | 1.....                     |
| 36210F-HR-0...                                                                                                      | GNMA Pool #490840 6.600% 04/15/34.....            | 09/01/2002       | Paydown.....       |                                 | 15,810        | 15,810    | 16,017      | 16,005                                                 | (195)                                   |                                                                |                                                   |                                        | .0                                  | .174                                            |                                                   | 1.....                     |
| 36210F-HS-8...                                                                                                      | GNMA Pool #490841 6.750% 04/15/30.....            | 09/01/2002       | Paydown.....       |                                 | 19,648        | 19,648    | 20,112      | 20,079                                                 | (431)                                   |                                                                |                                                   |                                        | .0                                  | .221                                            |                                                   | 1.....                     |
| 36210F-HZ-2...                                                                                                      | GNMA Pool #490848 6.840% 05/15/34.....            | 09/01/2002       | Paydown.....       |                                 | 52,366        | 52,366    | 53,970      | 54,271                                                 | (1,905)                                 |                                                                |                                                   |                                        | .0                                  | .598                                            |                                                   | 1.....                     |
| 36210G-ZM-9...                                                                                                      | GNMA Pool #492248 6.910% 04/01/19.....            | 09/01/2002       | Paydown.....       |                                 | 33,583        | 33,583    | 34,738      | 34,583                                                 | (1,000)                                 |                                                                |                                                   |                                        | .0                                  | .388                                            |                                                   | 1.....                     |
| 36210R-JM-3...                                                                                                      | GNMA Pool #499868 7.280% 09/15/27.....            | 09/01/2002       | Paydown.....       |                                 | 6,933         | 6,933     | 6,884       | 6,886                                                  | .47                                     |                                                                |                                                   |                                        | .0                                  | .84                                             |                                                   | 1.....                     |
| 36210V-EX-5...                                                                                                      | GNMA Pool #503350 7.450% 09/15/34.....            | 09/01/2002       | Paydown.....       |                                 | 1,749         | 1,749     | 1,774       | 1,773                                                  | (24)                                    |                                                                |                                                   |                                        | .0                                  | .22                                             |                                                   | 1.....                     |
| 36212W-5M-5...                                                                                                      | GNMA Pool #546352 8.000% 12/15/30.....            | 09/01/2002       | Paydown.....       |                                 | 2,523         | 2,523     | 2,724       | 2,719                                                  | (196)                                   |                                                                |                                                   |                                        | .0                                  | .34                                             |                                                   | 1.....                     |
| 36212W-5Z-6...                                                                                                      | GNMA Pool #546364 8.000% 01/15/31.....            | 09/01/2002       | Paydown.....       |                                 | 1,096         | 1,096     | 1,179       | 1,177                                                  | (82)                                    |                                                                |                                                   |                                        | .0                                  | .15                                             |                                                   | 1.....                     |
| 36212W-6C-6...                                                                                                      | GNMA Pool #546367 7.500% 03/15/36.....            | 09/01/2002       | Paydown.....       |                                 | 4,602         | 4,602     | 4,832       | 4,828                                                  | (226)                                   |                                                                |                                                   |                                        | .0                                  | .58                                             |                                                   | 1.....                     |
| 362142-UN-9...                                                                                                      | GNMA Pool #122189 12.000% 03/15/15.....           | 09/01/2002       | Paydown.....       |                                 | .63           | .63       | .69         | .68                                                    | (5)                                     |                                                                |                                                   |                                        | .0                                  | .1                                              |                                                   | 1.....                     |
| 362160-G9-8...                                                                                                      | GNMA Pool #179424 9.000% 10/15/16.....            | 09/01/2002       | Paydown.....       |                                 | 74,893        | 74,893    | 77,701      | 77,569                                                 | (2,676)                                 |                                                                |                                                   |                                        | .0                                  | .1,679                                          |                                                   | 1.....                     |
| 36217A-HY-9...                                                                                                      | GNMA Pool #187547 9.000% 03/15/17.....            | 09/01/2002       | Paydown.....       |                                 | 2,028         | 2,028     | 2,163       | 2,125                                                  | (96)                                    |                                                                |                                                   |                                        | .0                                  | .31                                             |                                                   | 1.....                     |
| 36217J-EA-5...                                                                                                      | GNMA Pool #194629 9.000% 11/15/16.....            | 09/01/2002       | Paydown.....       |                                 | 1,259         | 1,259     | 1,341       | 1,335                                                  | (77)                                    |                                                                |                                                   |                                        | .0                                  | .19                                             |                                                   | 1.....                     |
| 36218N-JE-2...                                                                                                      | GNMA Pool #227161 10.000% 05/15/19.....           | 09/01/2002       | Paydown.....       |                                 | .301          | .301      | .306        | .306                                                   | (5)                                     |                                                                |                                                   |                                        | .0                                  | .5                                              |                                                   | 1.....                     |
| 362194-KB-7...                                                                                                      | GNMA Pool #266790 9.000% 08/15/31.....            | 09/01/2002       | Paydown.....       |                                 | 3,254         | 3,254     | 3,449       | 3,425                                                  | (172)                                   |                                                                |                                                   |                                        | .0                                  | .49                                             |                                                   | 1.....                     |
| 36220U-NU-1...                                                                                                      | GNMA Pool #288503 9.500% 06/15/20.....            | 09/01/2002       | Paydown.....       |                                 | .174          | .174      | .173        | .173                                                   | .1                                      |                                                                |                                                   |                                        | .0                                  | .3                                              |                                                   | 1.....                     |
| 0399999...                                                                                                          | Total - Bonds - U.S. Government.....              |                  |                    |                                 | 373,345       | 373,345   | 385,735     | 384,023                                                | (10,685)                                | .0                                                             | .0                                                | .0                                     | .0                                  | 5,321                                           | .0                                                | XXX...                     |
| <b>Bonds - Special Revenue and Special Assessment</b>                                                               |                                                   |                  |                    |                                 |               |           |             |                                                        |                                         |                                                                |                                                   |                                        |                                     |                                                 |                                                   |                            |
| <b>Pennsylvania</b>                                                                                                 |                                                   |                  |                    |                                 |               |           |             |                                                        |                                         |                                                                |                                                   |                                        |                                     |                                                 |                                                   |                            |
| 04233K-AB-2...                                                                                                      | Armstrong Cnty Pa Indl 0.000% 08/20/34.....       | 08/20/2002       | Call 8.7750.....   |                                 | 46,508        | 530,000   | 36,888      | 46,028                                                 | .479                                    |                                                                |                                                   | .1                                     | .1                                  |                                                 |                                                   | 1PE.....                   |
|                                                                                                                     | Pennsylvania.....                                 |                  |                    |                                 | 46,508        | 530,000   | 36,888      | 46,028                                                 | .479                                    | .0                                                             | .0                                                | .1                                     | .1                                  | .0                                              | .0                                                | XXX...                     |
| <b>United States</b>                                                                                                |                                                   |                  |                    |                                 |               |           |             |                                                        |                                         |                                                                |                                                   |                                        |                                     |                                                 |                                                   |                            |
| 313448-HG-0...                                                                                                      | FHLMC Pool #298331 7.500% 07/01/08.....           | 09/01/2002       | Paydown.....       |                                 | 1,910         | 1,910     | 1,965       | 1,946                                                  | (35)                                    |                                                                |                                                   |                                        | .0                                  | .24                                             |                                                   | 1.....                     |
| 31377Q-F6-4...                                                                                                      | FNMA Pool #383689 6.740% 06/01/11.....            | 09/01/2002       | Paydown.....       |                                 | 5,698         | 5,698     | 5,847       | 5,832                                                  | (135)                                   |                                                                |                                                   |                                        | .0                                  | .64                                             |                                                   | 1.....                     |
|                                                                                                                     | U.S.....                                          |                  |                    |                                 | 7,608         | 7,608     | 7,812       | 7,778                                                  | (170)                                   | .0                                                             | .0                                                | .0                                     | .0                                  | .88                                             | .0                                                | XXX...                     |
|                                                                                                                     | United States.....                                |                  |                    |                                 | 54,116        | 537,608   | 44,700      | 53,806                                                 | .309                                    | .0                                                             | .0                                                | .1                                     | .1                                  | .88                                             | .0                                                | XXX...                     |
| 3199999...                                                                                                          | Total - Bonds - Special Revenue & Assessment..... |                  |                    |                                 | 54,116        | 537,608   | 44,700      | 53,806                                                 | .309                                    | .0                                                             | .0                                                | .1                                     | .1                                  | .88                                             | .0                                                | XXX...                     |
| <b>Bonds - Public Utilities</b>                                                                                     |                                                   |                  |                    |                                 |               |           |             |                                                        |                                         |                                                                |                                                   |                                        |                                     |                                                 |                                                   |                            |
| <b>United States</b>                                                                                                |                                                   |                  |                    |                                 |               |           |             |                                                        |                                         |                                                                |                                                   |                                        |                                     |                                                 |                                                   |                            |
| 079867-AB-3...                                                                                                      | BellSouth Telecommuncat 7.875% 08/01/32.....      | 08/01/2002       | Call 104.2900..... |                                 | 1,303,625     | 1,250,000 | 1,282,650   | 1,281,655                                              | .71                                     |                                                                |                                                   | 21,899                                 | 21,899                              | 49,219                                          |                                                   | 1PE.....                   |
| 144141-CM-8...                                                                                                      | Carolina Power & Light 8.200% 07/01/22.....       | 09/04/2002       | Call 103.5500..... |                                 | 2,071,000     | 2,000,000 | 2,040,560   | 2,037,125                                              | (794)                                   |                                                                |                                                   | 34,669                                 | 34,669                              | 110,700                                         |                                                   | 1PE.....                   |
|                                                                                                                     | United States.....                                |                  |                    |                                 | 3,374,625     | 3,250,000 | 3,323,210   | 3,318,780                                              | (723)                                   | .0                                                             | .0                                                | 56,568                                 | 56,568                              | 159,919                                         | .0                                                | XXX...                     |

STATEMENT AS OF SEPTEMBER 30, 2002 OF TIMOTORISTS MUTUAL 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 Quarte

| 1                       | 2                                     | 3                | 4                 | 5                               | 6             | 7         | 8           | 9                                                      | 10                                      | 11                                                             | 12                                                | 13                                     | 14                                  | 15                                              | 16                                                | 17                         |
|-------------------------|---------------------------------------|------------------|-------------------|---------------------------------|---------------|-----------|-------------|--------------------------------------------------------|-----------------------------------------|----------------------------------------------------------------|---------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------------------|---------------------------------------------------|----------------------------|
| CUSIP<br>Identification | Description                           | Disposal<br>Date | Name of Purchaser | Number of<br>Shares of<br>Stock | Consideration | Par Value | Actual Cost | Book/Adjusted<br>Carrying<br>Value At<br>Disposal Date | Increase<br>(Decrease)<br>by Adjustment | Increase<br>(Decrease)<br>by Foreign<br>Exchange<br>Adjustment | Foreign<br>Exchange<br>Gain (Loss)<br>on Disposal | Realized<br>Gain (Loss)<br>on Disposal | Total<br>Gain (Loss)<br>on Disposal | Interest<br>on Bonds<br>Received<br>During Year | Dividends<br>on Stocks<br>Received<br>During Year | NAIC<br>Designation<br>(a) |
| 3899999                 | Total - Bonds - Public Utilities..... |                  |                   |                                 | 3,374,625     | 3,250,000 | 3,323,210   | 3,318,780                                              | (723)                                   | 0                                                              | 0                                                 | 56,568                                 | 56,568                              | 159,919                                         | 0                                                 | XXX                        |
| 6099997                 | Total - Bonds - Part 4.....           |                  |                   |                                 | 3,802,086     | 4,160,953 | 3,753,645   | 3,756,609                                              | (11,099)                                | 0                                                              | 0                                                 | 56,569                                 | 56,569                              | 165,328                                         | 0                                                 | XXX                        |
| 6099999                 | Total - Bonds.....                    |                  |                   |                                 | 3,802,086     | 4,160,953 | 3,753,645   | 3,756,609                                              | (11,099)                                | 0                                                              | 0                                                 | 56,569                                 | 56,569                              | 165,328                                         | 0                                                 | XXX                        |

Common Stocks - Public Utilities

United States

|             |                                               |            |                                  |            |         |     |         |         |          |   |   |           |           |   |     |     |
|-------------|-----------------------------------------------|------------|----------------------------------|------------|---------|-----|---------|---------|----------|---|---|-----------|-----------|---|-----|-----|
| 147339-10-5 | Cascade Natural Gas Cor.....                  | 09/11/2002 | Various.....                     | 900,000    | 18,826  |     | 15,093  | 18,810  | (3,717)  |   |   | 3,733     | 3,733     |   | 216 | L   |
| 283677-85-4 | El Paso Electric Compan.....                  | 07/25/2002 | Investment Technology Group..... | 1,100,000  | 14,243  |     | 10,427  | 15,235  | (4,808)  |   |   | 3,816     | 3,816     |   |     | L   |
| 74956K-10-4 | RGS Energy Group Inc.....                     | 07/12/2002 | Corporate Reorg/Merger.....      | 4,700,000  | 185,650 |     | 120,721 | 184,240 | (63,519) |   |   | 64,929    | 64,929    |   |     | L   |
| 98157D-10-6 | WorldCom Inc.....                             | 07/01/2002 | Merrill Lynch.....               | 21,100,000 | 1,547   |     | 682,260 | 17,513  | 664,747  |   |   | (680,713) | (680,713) |   |     | L   |
|             | United States.....                            |            |                                  |            | 220,266 | XXX | 828,501 | 235,798 | 592,703  | 0 | 0 | (608,235) | (608,235) | 0 | 216 | XXX |
| 6699999     | Total - Common Stocks - Public Utilities..... |            |                                  |            | 220,266 | XXX | 828,501 | 235,798 | 592,703  | 0 | 0 | (608,235) | (608,235) | 0 | 216 | XXX |

Common Stocks - Banks, Trust and Insurance Companies

United States

|             |                                                                 |            |                                  |            |           |     |           |           |           |   |   |          |          |   |       |     |
|-------------|-----------------------------------------------------------------|------------|----------------------------------|------------|-----------|-----|-----------|-----------|-----------|---|---|----------|----------|---|-------|-----|
| 032165-10-2 | AmSouth Bancorporation.....                                     | 09/17/2002 | Goldman Sachs.....               | 6,800,000  | 144,813   |     | 135,563   | 152,184   | (16,621)  |   |   | 9,249    | 9,249    |   | 1,496 | L   |
| 060505-10-4 | Bank Amer Corporation.....                                      | 08/20/2002 | Warburg Dillon Read LLC.....     | 3,200,000  | 219,861   |     | 212,576   | 225,152   | (12,576)  |   |   | 7,285    | 7,285    |   |       | L   |
| 065908-50-1 | BankAtlantic Bancorp In.....                                    | 07/25/2002 | Investment Technology Group..... | 7,000,000  | 64,163    |     | 37,730    | 86,800    | (49,070)  |   |   | 26,433   | 26,433   |   | 203   | L   |
| 172967-10-1 | Citigroup Inc.....                                              | 09/18/2002 | Various.....                     | 10,233,000 | 302,017   |     | 245,885   | 371,270   | (125,385) |   |   | 56,132   | 56,132   |   | 1,842 | L   |
| 172967-10-1 | Citigroup Inc.....                                              | 08/21/2002 | Spin Off.....                    |            | 41,147    |     | 41,147    | 53,027    | (11,881)  |   |   | 0        | 0        |   |       | L   |
| 195493-30-9 | The Colonial BancGroup.....                                     | 07/25/2002 | Investment Technology Group..... | 4,600,000  | 59,376    |     | 56,182    | 69,000    | (12,818)  |   |   | 3,195    | 3,195    |   | 598   | L   |
| 200641-10-8 | The Commerce Group Inc.....                                     | 07/25/2002 | Investment Technology Group..... | 400,000    | 13,364    |     | 10,775    | 15,820    | (5,045)   |   |   | 2,589    | 2,589    |   |       | L   |
| 201647-10-4 | Commercial Federal Corp.....                                    | 07/25/2002 | Investment Technology Group..... | 800,000    | 19,423    |     | 21,397    | 23,200    | (1,803)   |   |   | (1,973)  | (1,973)  |   | 72    | L   |
| 25811P-10-0 | Doral Financial Corpora.....                                    | 07/25/2002 | Investment Technology Group..... | 600,000    | 21,557    |     | 10,453    | 20,034    | (9,581)   |   |   | 11,105   | 11,105   |   |       | L   |
| 337907-10-9 | FirstFed Financial Corp.....                                    | 07/25/2002 | Investment Technology Group..... | 500,000    | 12,490    |     | 7,379     | 14,500    | (7,121)   |   |   | 5,111    | 5,111    |   |       | L   |
| 337930-10-1 | Flagstar Bancorp Inc.....                                       | 07/25/2002 | Investment Technology Group..... | 3,200,000  | 63,249    |     | 29,266    | 73,920    | (44,654)  |   |   | 33,983   | 33,983   |   |       | L   |
| 453414-10-4 | Independence Community.....                                     | 07/25/2002 | Investment Technology Group..... | 800,000    | 22,015    |     | 18,684    | 23,416    | (4,732)   |   |   | 3,332    | 3,332    |   |       | L   |
| 514936-10-3 | LandAmerica Financial G.....                                    | 07/25/2002 | Investment Technology Group..... | 200,000    | 5,426     |     | 4,754     | 6,300     | (1,546)   |   |   | 672      | 672      |   |       | L   |
| 81170Q-10-6 | Seacoast Financial Serv.....                                    | 07/25/2002 | Investment Technology Group..... | 700,000    | 13,545    |     | 9,686     | 17,549    | (7,863)   |   |   | 3,859    | 3,859    |   |       | L   |
| 857550-10-7 | Staten Island Bancorp I.....                                    | 07/25/2002 | Investment Technology Group..... | 3,800,000  | 66,319    |     | 30,369    | 72,960    | (42,591)  |   |   | 35,950   | 35,950   |   | 456   | L   |
| 863902-10-2 | The Student Loan Corpor.....                                    | 07/25/2002 | Investment Technology Group..... | 600,000    | 47,387    |     | 31,893    | 49,704    | (17,811)  |   |   | 15,493   | 15,493   |   |       | L   |
| 902788-10-8 | UMB Financial Corporati.....                                    | 07/25/2002 | Investment Technology Group..... | 500,000    | 19,744    |     | 17,619    | 23,435    | (5,816)   |   |   | 2,125    | 2,125    |   | 100   | L   |
| 925391-10-4 | Vesta Insurance Group I.....                                    | 07/25/2002 | Investment Technology Group..... | 5,600,000  | 18,059    |     | 60,940    | 23,968    | 36,972    |   |   | (42,880) | (42,880) |   |       | L   |
| 929903-10-2 | Wachovia Corp 2nd New.....                                      | 07/02/2002 | Lehman Brothers.....             | 7,100,000  | 259,569   |     | 252,336   | 271,078   | (18,742)  |   |   | 7,233    | 7,233    |   |       | L   |
| 938824-10-9 | Washington Federal Inc.....                                     | 07/25/2002 | Investment Technology Group..... | 810,000    | 18,249    |     | 15,245    | 20,461    | (5,215)   |   |   | 3,004    | 3,004    |   | 186   | L   |
|             | United States.....                                              |            |                                  |            | 1,431,773 | XXX | 1,249,879 | 1,613,778 | (363,899) | 0 | 0 | 181,897  | 181,897  | 0 | 4,953 | XXX |
| 6799999     | Total - Common Stocks - Banks, Trust & Insurance Companies..... |            |                                  |            | 1,431,773 | XXX | 1,249,879 | 1,613,778 | (363,899) | 0 | 0 | 181,897  | 181,897  | 0 | 4,953 | XXX |

Common Stocks - Industrial and Miscellaneous

United States

|             |                              |            |                                  |           |         |  |         |         |          |  |  |          |          |  |     |   |
|-------------|------------------------------|------------|----------------------------------|-----------|---------|--|---------|---------|----------|--|--|----------|----------|--|-----|---|
| 001547-10-8 | AK Steel Holding Corp.....   | 07/25/2002 | Investment Technology Group..... | 2,700,000 | 24,086  |  | 58,390  | 34,587  | 23,803   |  |  | (34,304) | (34,304) |  |     | L |
| 00754A-10-5 | Advanced Fibre Communic..... | 07/02/2002 | J P Morgan.....                  | 2,000,000 | 32,564  |  | 42,126  | 33,080  | 9,046    |  |  | (9,562)  | (9,562)  |  |     | L |
| 012653-10-1 | Albemarle Corporation.....   | 07/25/2002 | Investment Technology Group..... | 1,200,000 | 34,247  |  | 23,058  | 36,900  | (13,842) |  |  | 11,189   | 11,189   |  | 156 | L |
| 014482-10-3 | Alexander & Baldwin.....     | 09/26/2002 | Various.....                     | 2,900,000 | 64,538  |  | 64,187  | 74,820  | (10,633) |  |  | 351      | 351      |  | 653 | L |
| 026375-10-5 | American Greetings Corp..... | 07/25/2002 | Investment Technology Group..... | 1,300,000 | 18,821  |  | 16,902  | 21,658  | (4,756)  |  |  | 1,920    | 1,920    |  |     | L |
| 02744M-10-8 | American Medical System..... | 08/12/2002 | Various.....                     | 7,300,000 | 144,559 |  | 81,024  | 146,438 | (65,414) |  |  | 63,535   | 63,535   |  |     | L |
| 03072M-10-8 | AmerUs Group Company.....    | 07/25/2002 | Investment Technology Group..... | 1,200,000 | 36,179  |  | 36,141  | 44,520  | (8,379)  |  |  | 38       | 38       |  |     | L |
| 032657-20-7 | Analogic Corporation.....    | 09/09/2002 | Knight Securities LP.....        | 2,300,000 | 99,331  |  | 110,332 | 113,091 | (2,759)  |  |  | (11,001) | (11,001) |  | 161 | L |
| 032744-10-4 | Anaren Microwave Inc.....    | 07/02/2002 | Banc/America Secur LLC.....      | 2,600,000 | 21,263  |  | 46,583  | 22,464  | 24,119   |  |  | (25,321) | (25,321) |  |     | L |
| 035290-10-5 | Anixter International I..... | 07/26/2002 | Various.....                     | 2,000,000 | 44,895  |  | 57,292  | 47,000  | 10,292   |  |  | (12,397) | (12,397) |  |     | L |
| 03662Q-10-5 | ANSYS Inc.....               | 08/06/2002 | Various.....                     | 1,400,000 | 26,767  |  | 36,710  | 28,140  | 8,570    |  |  | (9,943)  | (9,943)  |  |     | L |
| 054802-10-3 | Aztar Corporation.....       | 07/25/2002 | Investment Technology Group..... | 1,300,000 | 19,123  |  | 11,775  | 27,040  | (15,265) |  |  | 7,349    | 7,349    |  |     | L |

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                       | 2                            | 3                | 4                                  | 5                               | 6             | 7         | 8           | 9                                                      | 10                                      | 11                                                             | 12                                                | 13                                     | 14                                  | 15                                              | 16                                                | 17                         |
|-------------------------|------------------------------|------------------|------------------------------------|---------------------------------|---------------|-----------|-------------|--------------------------------------------------------|-----------------------------------------|----------------------------------------------------------------|---------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------------------|---------------------------------------------------|----------------------------|
| CUSIP<br>Identification | Description                  | Disposal<br>Date | Name of Purchaser                  | Number of<br>Shares of<br>Stock | Consideration | Par Value | Actual Cost | Book/Adjusted<br>Carrying<br>Value At<br>Disposal Date | Increase<br>(Decrease)<br>by Adjustment | Increase<br>(Decrease)<br>by Foreign<br>Exchange<br>Adjustment | Foreign<br>Exchange<br>Gain (Loss)<br>on Disposal | Realized<br>Gain (Loss)<br>on Disposal | Total<br>Gain (Loss)<br>on Disposal | Interest<br>on Bonds<br>Received<br>During Year | Dividends<br>on Stocks<br>Received<br>During Year | NAIC<br>Designation<br>(a) |
| 066821-10-9...          | Banta Corporation.....       | 07/25/2002       | Investment Technology Group.....   | 900.000                         | 28,034        |           | 16,799      | 32,310                                                 | (15,512)                                |                                                                |                                                   | 11,236                                 | 11,236                              |                                                 | 144                                               | L.....                     |
| 115736-10-0...          | Brown Shoe Inc New.....      | 07/25/2002       | Investment Technology Group.....   | 2,000.000                       | 42,413        |           | 28,709      | 56,200                                                 | (27,491)                                |                                                                |                                                   | 13,704                                 | 13,704                              |                                                 | 200                                               | L.....                     |
| 12189T-10-4...          | Burlington Northern San..... | 07/24/2002       | Various.....                       | 5,900.000                       | 157,883       |           | 158,320     | 177,000                                                | (18,680)                                |                                                                |                                                   | (437)                                  | (437)                               |                                                 | 708                                               | L.....                     |
| 123655-10-2...          | Butler Manufacturing Co..... | 07/25/2002       | Investment Technology Group.....   | 200.000                         | 4,976         |           | 5,304       | 5,490                                                  | (186)                                   |                                                                |                                                   | (328)                                  | (328)                               |                                                 | 36                                                | L.....                     |
| 125071-10-0...          | CDI Corporation.....         | 09/13/2002       | Various.....                       | 2,900.000                       | 77,942        |           | 85,275      | 94,395                                                 | (9,120)                                 |                                                                |                                                   | (7,333)                                | (7,333)                             |                                                 |                                                   | L.....                     |
| 134429-10-9...          | Campbell Soup.....           | 08/21/2002       | Credit Suisse 1st Boston Corp..... | 14,300.000                      | 305,614       |           | 407,649     | 395,538                                                | 12,111                                  |                                                                |                                                   | (102,034)                              | (102,034)                           |                                                 | 2,252                                             | L.....                     |
| 144433-10-9...          | Carreker Corporation.....    | 07/25/2002       | Investment Technology Group.....   | 2,800.000                       | 21,727        |           | 29,291      | 32,200                                                 | (2,909)                                 |                                                                |                                                   | (7,563)                                | (7,563)                             |                                                 |                                                   | L.....                     |
| 162825-10-3...          | Checkpoint Systems Inc.....  | 07/25/2002       | Investment Technology Group.....   | 800.000                         | 8,072         |           | 8,787       | 9,360                                                  | (573)                                   |                                                                |                                                   | (715)                                  | (715)                               |                                                 |                                                   | L.....                     |
| 201723-10-3...          | Commercial Metals Compa..... | 07/25/2002       | Investment Technology Group.....   | 300.000                         | 10,950        |           | 9,575       | 14,082                                                 | (4,508)                                 |                                                                |                                                   | 1,375                                  | 1,375                               |                                                 | 24                                                | L.....                     |
| 205887-10-2...          | ConAgra Incorporated.....    | 09/04/2002       | Credit Suisse 1st Boston Corp..... | 6,700.000                       | 171,833       |           | 143,916     | 185,255                                                | (41,339)                                |                                                                |                                                   | 27,917                                 | 27,917                              |                                                 | 1,575                                             | L.....                     |
| 216831-10-7...          | Cooper Tire & Rubber.....    | 07/25/2002       | Investment Technology Group.....   | 2,400.000                       | 46,277        |           | 44,253      | 49,320                                                 | (5,067)                                 |                                                                |                                                   | 2,023                                  | 2,023                               |                                                 |                                                   | L.....                     |
| 23330X-10-0...          | DRS Technologies Inc.....    | 07/19/2002       | Standard & Poor's Securities.....  | 500.000                         | 17,154        |           | 16,690      | 21,375                                                 | (4,685)                                 |                                                                |                                                   | 464                                    | 464                                 |                                                 |                                                   | L.....                     |
| 247131-10-5...          | Delphi Financial Group.....  | 07/25/2002       | Investment Technology Group.....   | 600.000                         | 23,237        |           | 33,531      | 26,010                                                 | 7,521                                   |                                                                |                                                   | (10,294)                               | (10,294)                            |                                                 |                                                   | L.....                     |
| 253798-10-2...          | Digi International Inc.....  | 07/25/2002       | Investment Technology Group.....   | 4,200.000                       | 10,783        |           | 52,587      | 13,864                                                 | 38,723                                  |                                                                |                                                   | (41,804)                               | (41,804)                            |                                                 |                                                   | L.....                     |
| 254067-10-1...          | Dillard's Inc.....           | 07/25/2002       | Investment Technology Group.....   | 1,100.000                       | 25,684        |           | 18,660      | 28,919                                                 | (10,259)                                |                                                                |                                                   | 7,024                                  | 7,024                               |                                                 | 44                                                | L.....                     |
| 256605-10-6...          | Dole Food Company.....       | 07/25/2002       | Investment Technology Group.....   | 1,800.000                       | 50,605        |           | 28,120      | 51,930                                                 | (23,810)                                |                                                                |                                                   | 22,486                                 | 22,486                              |                                                 |                                                   | L.....                     |
| 261018-10-5...          | Downey Financial Corpor..... | 07/25/2002       | Investment Technology Group.....   | 900.000                         | 35,171        |           | 27,747      | 42,570                                                 | (14,823)                                |                                                                |                                                   | 7,424                                  | 7,424                               |                                                 |                                                   | L.....                     |
| 261570-10-5...          | The Dress Barn Inc.....      | 07/25/2002       | Investment Technology Group.....   | 1,200.000                       | 15,576        |           | 13,703      | 18,564                                                 | (4,862)                                 |                                                                |                                                   | 1,873                                  | 1,873                               |                                                 |                                                   | L.....                     |
| 28336L-10-9...          | El Paso Corporation.....     | 09/25/2002       | SEI Financial Services Inc.....    | 7,600.000                       | 49,131        |           | 436,395     | 156,636                                                | 279,759                                 |                                                                |                                                   | (387,264)                              | (387,264)                           |                                                 | 1,653                                             | L.....                     |
| 294429-10-5...          | Equifax Incorporated.....    | 08/08/2002       | Various.....                       | 15,100.000                      | 306,421       |           | 373,442     | 407,700                                                | (34,258)                                |                                                                |                                                   | (67,021)                               | (67,021)                            |                                                 |                                                   | L.....                     |
| 297659-10-4...          | Ethyl Corporation New.....   | 07/01/2002       | Tax Free Exchange.....             | 14,700.000                      | 72,962        |           | 72,962      | 11,025                                                 | 61,937                                  |                                                                |                                                   | 0                                      | 0                                   |                                                 |                                                   | L.....                     |
| 30239F-10-6...          | FBL Financial Group Inc..... | 07/25/2002       | Investment Technology Group.....   | 1,382.000                       | 27,784        |           | 31,181      | 30,611                                                 | 570                                     |                                                                |                                                   | (3,397)                                | (3,397)                             |                                                 |                                                   | L.....                     |
| 303072-10-2...          | Factory 2-U Stores Inc.....  | 08/13/2002       | US Bancorp Piper Jaffray Inc.....  | 3,900.000                       | 15,917        |           | 66,518      | 54,015                                                 | 12,503                                  |                                                                |                                                   | (50,601)                               | (50,601)                            |                                                 |                                                   | L.....                     |
| 35914P-10-5...          | Frontier Oil Corporatio..... | 09/24/2002       | Various.....                       | 1,800.000                       | 24,482        |           | 31,524      | 31,680                                                 | (156)                                   |                                                                |                                                   | (7,041)                                | (7,041)                             |                                                 | 90                                                | L.....                     |
| 368483-10-3...          | Gehl Company.....            | 09/20/2002       | B-Trade Services.....              | 300.000                         | 3,044         |           | 6,277       | 4,305                                                  | 1,972                                   |                                                                |                                                   | (3,233)                                | (3,233)                             |                                                 |                                                   | L.....                     |
| 369300-10-8...          | General Cable Corporati..... | 07/25/2002       | Investment Technology Group.....   | 8,500.000                       | 33,948        |           | 99,735      | 53,550                                                 | 46,185                                  |                                                                |                                                   | (65,787)                               | (65,787)                            |                                                 |                                                   | L.....                     |
| 415864-10-7...          | Harsco Corporation.....      | 07/25/2002       | Investment Technology Group.....   | 200.000                         | 5,586         |           | 5,860       | 7,500                                                  | (1,640)                                 |                                                                |                                                   | (274)                                  | (274)                               |                                                 | 50                                                | L.....                     |
| 451923-10-6...          | ILEX Oncology Inc.....       | 07/29/2002       | J P Morgan.....                    | 1,300.000                       | 13,849        |           | 31,200      | 18,317                                                 | 12,883                                  |                                                                |                                                   | (17,351)                               | (17,351)                            |                                                 |                                                   | L.....                     |
| 45245A-10-7...          | Imation Corporation.....     | 07/25/2002       | Investment Technology Group.....   | 1,700.000                       | 48,011        |           | 49,367      | 50,592                                                 | (1,225)                                 |                                                                |                                                   | (1,355)                                | (1,355)                             |                                                 |                                                   | L.....                     |
| 458372-10-9...          | Inter-Tel Incorporated.....  | 07/25/2002       | Investment Technology Group.....   | 800.000                         | 14,320        |           | 12,593      | 13,568                                                 | (975)                                   |                                                                |                                                   | 1,726                                  | 1,726                               |                                                 | 16                                                | L.....                     |
| 460690-10-0...          | Interpublic Group.....       | 08/01/2002       | SEI Financial Services Inc.....    | 13,250.000                      | 278,503       |           | 333,876     | 328,070                                                | 5,806                                   |                                                                |                                                   | (55,373)                               | (55,373)                            |                                                 |                                                   | L.....                     |
| 466210-10-1...          | JLG Industries Inc.....      | 09/30/2002       | Various.....                       | 5,200.000                       | 53,830        |           | 74,196      | 72,956                                                 | 1,240                                   |                                                                |                                                   | (20,365)                               | (20,365)                            |                                                 | 26                                                | L.....                     |
| 482686-10-2...          | K-Swiss Inc.....             | 09/12/2002       | Davidson DA & Company Inc.....     | 3,400.000                       | 62,455        |           | 70,200      | 88,332                                                 | (18,132)                                |                                                                |                                                   | (7,746)                                | (7,746)                             |                                                 | 34                                                | L.....                     |
| 483548-10-3...          | Kaman Corporation.....       | 09/24/2002       | Various.....                       | 400.000                         | 5,266         |           | 6,606       | 6,704                                                  | (98)                                    |                                                                |                                                   | (1,340)                                | (1,340)                             |                                                 | 44                                                | L.....                     |
| 494274-10-3...          | Kimball International.....   | 07/25/2002       | Investment Technology Group.....   | 500.000                         | 6,670         |           | 9,692       | 8,195                                                  | 1,497                                   |                                                                |                                                   | (3,022)                                | (3,022)                             |                                                 | 80                                                | L.....                     |
| 532716-10-7...          | The Limited Incorporate..... | 07/11/2002       | Various.....                       | 11,000.000                      | 217,189       |           | 161,661     | 234,300                                                | (72,640)                                |                                                                |                                                   | 55,528                                 | 55,528                              |                                                 |                                                   | L.....                     |
| 533900-10-6...          | Lincoln Electric Holdin..... | 07/25/2002       | Investment Technology Group.....   | 900.000                         | 20,762        |           | 17,034      | 24,210                                                 | (7,176)                                 |                                                                |                                                   | 3,729                                  | 3,729                               |                                                 | 135                                               | L.....                     |
| 542307-10-3...          | Lone Star Steakhouse &.....  | 07/25/2002       | Investment Technology Group.....   | 1,100.000                       | 21,933        |           | 13,198      | 25,949                                                 | (12,751)                                |                                                                |                                                   | 8,735                                  | 8,735                               |                                                 | 165                                               | L.....                     |
| 548661-10-7...          | Lowe's Companies Inc.....    | 08/27/2002       | Standard & Poor's Securities.....  | 2,400.000                       | 101,047       |           | 44,591      | 108,960                                                | (64,369)                                |                                                                |                                                   | 56,456                                 | 56,456                              |                                                 | 48                                                | L.....                     |
| 552676-10-8...          | MDC Holdings Inc.....        | 07/25/2002       | Investment Technology Group.....   | 1,370.000                       | 54,413        |           | 19,130      | 71,240                                                 | (52,110)                                |                                                                |                                                   | 35,283                                 | 35,283                              |                                                 |                                                   | L.....                     |
| 55305B-10-1...          | M/I Schottenstein Homes..... | 07/25/2002       | Investment Technology Group.....   | 2,100.000                       | 65,167        |           | 41,904      | 39,564                                                 | 2,340                                   |                                                                |                                                   | 23,263                                 | 23,263                              |                                                 | 53                                                | L.....                     |
| 572901-10-6...          | Martek Biosciences Corp..... | 07/05/2002       | J P Morgan.....                    | 1,500.000                       | 24,257        |           | 38,869      | 31,380                                                 | 7,489                                   |                                                                |                                                   | (14,612)                               | (14,612)                            |                                                 |                                                   | L.....                     |
| 574599-10-6...          | Masco Corporation.....       | 07/25/2002       | Merrill Lynch.....                 | 4,000.000                       | 91,037        |           | 103,708     | 108,440                                                | (4,732)                                 |                                                                |                                                   | (12,671)                               | (12,671)                            |                                                 | 540                                               | L.....                     |
| 59514P-10-9...          | Microtune Inc.....           | 07/23/2002       | Banc/America Secur LLC.....        | 5,800.000                       | 22,950        |           | 93,287      | 51,678                                                 | 41,609                                  |                                                                |                                                   | (70,337)                               | (70,337)                            |                                                 |                                                   | L.....                     |
| 598148-10-4...          | Midway Games Inc.....        | 07/08/2002       | Various.....                       | 9,500.000                       | 39,972        |           | 139,974     | 80,750                                                 | 59,224                                  |                                                                |                                                   | (100,002)                              | (100,002)                           |                                                 |                                                   | L.....                     |
| 637657-20-6...          | Natl Service Ind.....        | 07/10/2002       | Various.....                       | 875.000                         | 7,992         |           | 12,477      | 7,875                                                  | 4,602                                   |                                                                |                                                   | (4,486)                                | (4,486)                             |                                                 |                                                   | L.....                     |
| 651229-10-6...          | Newell Rubbermaid Inc.....   | 09/19/2002       | Various.....                       | 11,100.000                      | 366,422       |           | 264,687     | 389,166                                                | (124,479)                               |                                                                |                                                   | 101,736                                | 101,736                             |                                                 | 1,512                                             | L.....                     |
| 671802-10-6...          | Oak Technology Inc.....      | 08/07/2002       | Prudential Securities Inc.....     | 3,300.000                       | 13,052        |           | 44,984      | 14,949                                                 | 30,035                                  |                                                                |                                                   | (31,932)                               | (31,932)                            |                                                 |                                                   | L.....                     |
| 683948-10-3...          | Option Care Inc.....         | 09/25/2002       | J P Morgan.....                    | 2,000.000                       | 19,532        |           | 28,838      | 27,480                                                 | 1,358                                   |                                                                |                                                   | (9,306)                                | (9,306)                             |                                                 |                                                   | L.....                     |
| 703224-10-5...          | Patina Oil & Gas Corpor..... | 07/25/2002       | Investment Technology Group.....   | 2,375.000                       | 53,365        |           | 16,139      | 65,146                                                 | (49,007)                                |                                                                |                                                   | 37,225                                 | 37,225                              |                                                 |                                                   | L.....                     |
| 718592-10-8...          | Phillips Van-Heusen.....     | 07/25/2002       | Investment Technology Group.....   | 1,600.000                       | 18,983        |           | 10,632      | 24,960                                                 | (14,328)                                |                                                                |                                                   | 8,351                                  | 8,351                               |                                                 |                                                   | L.....                     |

E05.2

SCHEDULE D - PART 4

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

E05.3

| 1                       | 2                                                                                        | 3                | 4                                 | 5                               | 6             | 7         | 8           | 9                                                      | 10                                      | 11                                                             | 12                                                | 13                                     | 14                                  | 15                                              | 16                                                | 17                         |
|-------------------------|------------------------------------------------------------------------------------------|------------------|-----------------------------------|---------------------------------|---------------|-----------|-------------|--------------------------------------------------------|-----------------------------------------|----------------------------------------------------------------|---------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------------------|---------------------------------------------------|----------------------------|
| CUSIP<br>Identification | Description                                                                              | Disposal<br>Date | Name of Purchaser                 | Number of<br>Shares of<br>Stock | Consideration | Par Value | Actual Cost | Book/Adjusted<br>Carrying<br>Value At<br>Disposal Date | Increase<br>(Decrease)<br>by Adjustment | Increase<br>(Decrease)<br>by Foreign<br>Exchange<br>Adjustment | Foreign<br>Exchange<br>Gain (Loss)<br>on Disposal | Realized<br>Gain (Loss)<br>on Disposal | Total<br>Gain (Loss)<br>on Disposal | Interest<br>on Bonds<br>Received<br>During Year | Dividends<br>on Stocks<br>Received<br>During Year | NAIC<br>Designation<br>(a) |
| 739363-10-9...          | Powerwave Technologies.....                                                              | 09/25/2002       | Various.....                      | 3,600,000                       | 13,262        |           | 53,912      | 32,976                                                 | 20,936                                  |                                                                |                                                   | (40,650)                               | (40,650)                            |                                                 |                                                   | L.....                     |
| 739419-10-9...          | PracticeWorks Inc.....                                                                   | 07/23/2002       | Frank Russell Securities Inc..... | 100,000                         | 1,559         |           | 1,550       | 1,845                                                  | (295)                                   |                                                                |                                                   | 9                                      | 9                                   |                                                 |                                                   | L.....                     |
| 740884-10-1...          | Presidential Life Corpo.....                                                             | 07/25/2002       | Investment Technology Group.....  | 400,000                         | 6,804         |           | 8,835       | 8,108                                                  | 727                                     |                                                                |                                                   | (2,031)                                | (2,031)                             |                                                 | 40                                                | L.....                     |
| 741917-10-8...          | Prime Hospitality Corpo.....                                                             | 09/05/2002       | Various.....                      | 10,900,000                      | 111,122       |           | 112,301     | 141,591                                                | (29,290)                                |                                                                |                                                   | (1,178)                                | (1,178)                             |                                                 |                                                   | L.....                     |
| 742674-10-4...          | ProBusiness Services In.....                                                             | 08/22/2002       | William Blair.....                | 3,400,000                       | 29,069        |           | 65,935      | 49,535                                                 | 16,400                                  |                                                                |                                                   | (36,866)                               | (36,866)                            |                                                 |                                                   | L.....                     |
| 755111-50-7...          | Raytheon Company.....                                                                    | 07/02/2002       | Lehman Brothers.....              | 3,600,000                       | 133,963       |           | 97,457      | 146,700                                                | (49,243)                                |                                                                |                                                   | 36,506                                 | 36,506                              |                                                 |                                                   | L.....                     |
| 76009N-10-0...          | Rent-A-Center Inc.....                                                                   | 07/25/2002       | Investment Technology Group.....  | 1,200,000                       | 57,898        |           | 34,263      | 69,612                                                 | (35,349)                                |                                                                |                                                   | 23,635                                 | 23,635                              |                                                 |                                                   | L.....                     |
| 775381-10-6...          | ROHN Industries Inc.....                                                                 | 09/24/2002       | B-Trade Services.....             | 4,400,000                       | 610           |           | 21,426      | 1,148                                                  | 20,277                                  |                                                                |                                                   | (20,816)                               | (20,816)                            |                                                 |                                                   | L.....                     |
| 783519-10-1...          | Ryan's Family Steak Hou.....                                                             | 07/25/2002       | Investment Technology Group.....  | 3,000,000                       | 36,449        |           | 21,746      | 39,630                                                 | (17,884)                                |                                                                |                                                   | 14,703                                 | 14,703                              |                                                 |                                                   | L.....                     |
| 783549-10-8...          | Ryder System Incorporat.....                                                             | 07/25/2002       | Investment Technology Group.....  | 1,500,000                       | 35,491        |           | 30,291      | 40,635                                                 | (10,344)                                |                                                                |                                                   | 5,200                                  | 5,200                               |                                                 |                                                   | L.....                     |
| 783764-10-3...          | Ryland Group Inc.....                                                                    | 07/25/2002       | Investment Technology Group.....  | 800,000                         | 31,303        |           | 8,752       | 39,800                                                 | (31,048)                                |                                                                |                                                   | 22,551                                 | 22,551                              |                                                 | 16                                                | L.....                     |
| 786514-20-8...          | Safeway Incorporated.....                                                                | 07/25/2002       | Lehman Brothers.....              | 9,500,000                       | 246,709       |           | 407,450     | 277,305                                                | 130,145                                 |                                                                |                                                   | (160,742)                              | (160,742)                           |                                                 |                                                   | L.....                     |
| 795757-10-3...          | Salton Inc.....                                                                          | 07/25/2002       | Investment Technology Group.....  | 3,000,000                       | 28,850        |           | 89,949      | 43,050                                                 | 46,899                                  |                                                                |                                                   | (61,099)                               | (61,099)                            |                                                 |                                                   | L.....                     |
| 800907-10-7...          | Sanmina Corp.....                                                                        | 07/24/2002       | Merrill Lynch.....                | 28,864,000                      | 119,274       |           | 475,684     | 182,132                                                | 293,552                                 |                                                                |                                                   | (356,410)                              | (356,410)                           |                                                 |                                                   | L.....                     |
| 808541-10-6...          | Schweitzer-Mauduit Intl.....                                                             | 07/25/2002       | Investment Technology Group.....  | 200,000                         | 4,306         |           | 3,628       | 4,920                                                  | (1,292)                                 |                                                                |                                                   | 678                                    | 678                                 |                                                 |                                                   | L.....                     |
| 825549-10-8...          | Shuffle Master Inc.....                                                                  | 08/19/2002       | Van Kasper & Co.....              | 4,200,000                       | 67,893        |           | 21,460      | 77,154                                                 | (55,694)                                |                                                                |                                                   | 46,433                                 | 46,433                              |                                                 |                                                   | L.....                     |
| 831865-20-9...          | A O Smith Corporation.....                                                               | 07/25/2002       | Investment Technology Group.....  | 200,000                         | 5,738         |           | 7,124       | 6,242                                                  | 882                                     |                                                                |                                                   | (1,386)                                | (1,386)                             |                                                 |                                                   | L.....                     |
| 83545G-10-2...          | Sonic Automotive Inc.....                                                                | 07/25/2002       | Investment Technology Group.....  | 300,000                         | 6,249         |           | 5,326       | 7,725                                                  | (2,399)                                 |                                                                |                                                   | 922                                    | 922                                 |                                                 |                                                   | L.....                     |
| 85375C-10-1...          | Standard Pacific Corpor.....                                                             | 08/15/2002       | Jefferies & Co.....               | 2,500,000                       | 73,052        |           | 37,969      | 87,700                                                 | (49,731)                                |                                                                |                                                   | 35,083                                 | 35,083                              |                                                 | 40                                                | L.....                     |
| 853887-10-7...          | Standard Register Compa.....                                                             | 07/25/2002       | Investment Technology Group.....  | 400,000                         | 9,044         |           | 14,022      | 13,676                                                 | 346                                     |                                                                |                                                   | (4,978)                                | (4,978)                             |                                                 |                                                   | L.....                     |
| 862111-20-0...          | Storage Technology Corp.....                                                             | 07/25/2002       | Investment Technology Group.....  | 900,000                         | 11,430        |           | 12,371      | 14,373                                                 | (2,002)                                 |                                                                |                                                   | (942)                                  | (942)                               |                                                 |                                                   | L.....                     |
| 871607-10-7...          | Synopsys Inc.....                                                                        | 07/19/2002       | B-Trade Services.....             | 2,077,000                       | 101,116       |           | 80,289      | 113,840                                                | (33,551)                                |                                                                |                                                   | 20,827                                 | 20,827                              |                                                 |                                                   | L.....                     |
| 891092-10-8...          | The Toro Company.....                                                                    | 07/25/2002       | Investment Technology Group.....  | 200,000                         | 9,496         |           | 11,406      | 11,368                                                 | 38                                      |                                                                |                                                   | (1,910)                                | (1,910)                             |                                                 | 24                                                | L.....                     |
| 902681-10-5...          | UGI Corporation.....                                                                     | 07/25/2002       | Investment Technology Group.....  | 700,000                         | 19,865        |           | 14,422      | 22,358                                                 | (7,936)                                 |                                                                |                                                   | 5,443                                  | 5,443                               |                                                 | 289                                               | L.....                     |
| 90338W-10-3...          | US Oncology Inc.....                                                                     | 07/25/2002       | Investment Technology Group.....  | 1,500,000                       | 10,350        |           | 7,375       | 12,495                                                 | (5,120)                                 |                                                                |                                                   | 2,975                                  | 2,975                               |                                                 |                                                   | L.....                     |
| 913456-10-9...          | Universal Corporation.....                                                               | 07/25/2002       | Investment Technology Group.....  | 600,000                         | 20,009        |           | 22,915      | 22,020                                                 | 895                                     |                                                                |                                                   | (2,906)                                | (2,906)                             |                                                 | 204                                               | L.....                     |
| 916906-10-0...          | US Freightways Corporat.....                                                             | 07/25/2002       | Investment Technology Group.....  | 100,000                         | 3,122         |           | 3,050       | 3,787                                                  | (737)                                   |                                                                |                                                   | 72                                     | 72                                  |                                                 | 9                                                 | L.....                     |
| 92342R-20-3...          | Veridian Corporation.....                                                                | 07/03/2002       | SG Cowen.....                     | 2,300,000                       | 47,031        |           | 38,440      | 52,210                                                 | (13,770)                                |                                                                |                                                   | 8,591                                  | 8,591                               |                                                 |                                                   | L.....                     |
| 928497-10-6...          | Vitesse Semiconductor C.....                                                             | 08/27/2002       | Standard & Poor's Securities..... | 17,000,000                      | 23,517        |           | 368,684     | 52,870                                                 | 315,814                                 |                                                                |                                                   | (345,167)                              | (345,167)                           |                                                 |                                                   | L.....                     |
| 949702-10-4...          | Wellman Inc.....                                                                         | 07/25/2002       | Investment Technology Group.....  | 1,400,000                       | 19,559        |           | 29,579      | 23,450                                                 | 6,129                                   |                                                                |                                                   | (10,020)                               | (10,020)                            |                                                 |                                                   | L.....                     |
| 981475-10-6...          | World Fuel Services Cor.....                                                             | 07/25/2002       | Investment Technology Group.....  | 900,000                         | 17,486        |           | 16,676      | 21,960                                                 | (5,284)                                 |                                                                |                                                   | 810                                    | 810                                 |                                                 | 68                                                | L.....                     |
| 986670-10-7...          | York International Corp.....                                                             | 07/25/2002       | Investment Technology Group.....  | 800,000                         | 23,655        |           | 19,687      | 27,032                                                 | (7,345)                                 |                                                                |                                                   | 3,968                                  | 3,968                               |                                                 |                                                   | L.....                     |
|                         | United States.....                                                                       |                  |                                   |                                 | 5,105,837     | XXX       | 6,620,147   | 6,183,170                                              | 436,972                                 | 0                                                              | 0                                                 | (1,514,307)                            | (1,514,307)                         | 0                                               | 11,089                                            | XXX                        |
| Canada                  |                                                                                          |                  |                                   |                                 |               |           |             |                                                        |                                         |                                                                |                                                   |                                        |                                     |                                                 |                                                   |                            |
| 559211-10-7....         | Magna Entertainment Cor.....                                                             | 08/09/2002       | Lehman Brothers.....              | 8,500,000                       | 30,439        |           | 60,263      | 59,415                                                 | 848                                     |                                                                |                                                   | (29,823)                               | (29,823)                            |                                                 |                                                   | L....XXX                   |
|                         | Canada.....                                                                              |                  |                                   |                                 | 30,439        | XXX       | 60,263      | 59,415                                                 | 848                                     | 0                                                              | 0                                                 | (29,823)                               | (29,823)                            | 0                                               | 0                                                 | XXX                        |
| 6899999                 | Total - Common Stocks - Industrial & Miscellaneous.....                                  |                  |                                   |                                 | 5,136,276     | XXX       | 6,680,410   | 6,242,585                                              | 437,820                                 | 0                                                              | 0                                                 | (1,544,130)                            | (1,544,130)                         | 0                                               | 11,089                                            | XXX                        |
| 7099997                 | Total - Common Stocks - Part 4.....                                                      |                  |                                   |                                 | 6,788,315     | XXX       | 8,758,790   | 8,092,161                                              | 666,624                                 | 0                                                              | 0                                                 | (1,970,468)                            | (1,970,468)                         | 0                                               | 16,258                                            | XXX                        |
| 7099998                 | Total - Common Stocks - Summary Item for Common Stocks Bought and Sold This Quarter..... |                  |                                   |                                 | 345,772       | XXX       | 452,626     | 452,626                                                |                                         |                                                                |                                                   | (106,854)                              | (106,854)                           |                                                 | 24                                                | XXX                        |
| 7099999                 | Total - Common Stocks.....                                                               |                  |                                   |                                 | 7,134,087     | XXX       | 9,211,416   | 8,544,787                                              | 666,624                                 | 0                                                              | 0                                                 | (2,077,322)                            | (2,077,322)                         | 0                                               | 16,282                                            | XXX                        |
| 7199999                 | Total - Preferred and Common Stocks.....                                                 |                  |                                   |                                 | 7,134,087     | XXX       | 9,211,416   | 8,544,787                                              | 666,624                                 | 0                                                              | 0                                                 | (2,077,322)                            | (2,077,322)                         | 0                                               | 16,282                                            | XXX                        |
| 7299999                 | Total - Bonds, Preferred and Common Stocks.....                                          |                  |                                   |                                 | 10,936,173    | XXX       | 12,965,061  | 12,301,396                                             | 655,525                                 | 0                                                              | 0                                                 | (2,020,753)                            | (2,020,753)                         | 165,328                                         | 16,282                                            | 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<br><br>Depository                                                                                                                                 | 2<br><br>Rate<br>of<br>Interest | 3<br><br>Amount of<br>Interest<br>Received During<br>Current Quarter | 4<br><br>Amount of<br>Interest Accrued<br>at Current<br>Statement Date | Book Balance at End of Each<br>Month During Current Quarter |                 |                 | 8<br><br>* |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------|-----------------|-----------------|------------|
|                                                                                                                                                     |                                 |                                                                      |                                                                        | 5                                                           | 6               | 7               |            |
|                                                                                                                                                     |                                 |                                                                      |                                                                        | First Month                                                 | Second Month    | Third Month     |            |
| <b>Open Depositories</b>                                                                                                                            |                                 |                                                                      |                                                                        |                                                             |                 |                 |            |
| National City Bank.....                                                                                                                             | Columbus, OH.....               | .....                                                                | .....                                                                  | .....81,940                                                 | .....(803,164)  | .....552,869    | .....      |
| Huntington National Bank.....                                                                                                                       | Columbus, OH.....               | .....                                                                | .....                                                                  | .....135,652                                                | .....128,956    | .....88,956     | .....      |
| Assurance Partners Bank.....                                                                                                                        | Carmel, IN.....                 | .....                                                                | .....                                                                  | .....                                                       | .....           | .....500,035    | .....      |
| The One Group Prime Money Market Fund.....                                                                                                          | Chicago, IL.....                | .....                                                                | .....                                                                  | .....7,424,612                                              | .....2,008,124  | .....1,776,354  | .....      |
| Fidelity Instl Cash Portfolio Class I.....                                                                                                          | Boston, MA.....                 | .....                                                                | .....                                                                  | .....15,897,614                                             | .....15,271,561 | .....16,596,293 | .....      |
| 0199998. Deposits in.....2 depositories that do not exceed the allowable limit<br>in any one depository (see Instructions) - Open Depositories..... | XXX.....                        | .....                                                                | .....                                                                  | .....113,784                                                | .....(16,766)   | .....(15,544)   | .....      |
| 0199999. Total Open Depositories.....                                                                                                               | XXX.....                        | .....0                                                               | .....0                                                                 | .....23,653,602                                             | .....16,588,711 | .....19,498,962 | XXX        |
| 0399999. Total Cash on Deposit.....                                                                                                                 | XXX.....                        | .....0                                                               | .....0                                                                 | .....23,653,602                                             | .....16,588,711 | .....19,498,962 | XXX        |
| 0499999. Cash in Company's Office.....                                                                                                              | XXX.....                        | .....XXX                                                             | .....XXX                                                               | .....615                                                    | .....615        | .....615        | XXX        |
| 0599999. Total Cash.....                                                                                                                            | XXX.....                        | .....0                                                               | .....0                                                                 | .....23,654,217                                             | .....16,589,326 | .....19,499,577 | XXX        |



