

**QUARTERLY STATEMENT**

**OF THE**

**DEALERS ASSURANCE**

**COMPANY**

**of** **UPPER ARLINGTON**

**in the state of** **OH**

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF**

**FOR THE QUARTER ENDED**  
**September 30, 2002**

**PROPERTY AND CASUALTY**

**2002**



16705200220100103

QUARTERLY STATEMENT  
AS OF September 30, 2002  
OF THE CONDITION AND AFFAIRS OF THE  
Dealers Assurance Company

NAIC Group Code

0000

(Current Period)

0000

(Prior Period)

NAIC Company Code

16705

Employer's ID Number

34-6513705

Organized under the Laws of

Ohio

, State of Domicile or Port of Entry

Ohio

Country of Domicile

US

Incorporated:

August 2, 1935

Commenced Business:

August 2, 1935

Statutory Home Office:

3518 Riverside Drive

Upper Arlington,

OH

43221

Main Administrative Office:

3518 Riverside Drive

Upper Arlington,

OH

43221

800-282-8913

Mail Address:

3518 Riverside Drive

Upper Arlington,

OH

43221

Primary Location of Books and Records:

3518 Riverside Drive

Upper Arlington,

OH

43221

800-282-8913

Internet Website Address:

www.dealersassurance.com

Statement Contact:

Kelly Hixon

800-282-8913

206

khixon@earthlink.net

614-459-2665

(E-Mail Address)

(Fax Number)

Policyowner Relations Contact:

3518 Riverside Drive

Upper Arlington,

OH

43221

800-282-8913

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OFFICERS

President	Robert Lee Ratchford, Jr.
Secretary	George Watt Hairston
Treasurer	Sharon Mae Spohn

Vice-Presidents


DIRECTORS OR TRUSTEES

Jeffrey Owen Hardy	Richard Hall Moore	Sharon Mae Spohn	George Watt Hairston
Robert Lee Ratchford, Jr.			

State of OH  
County of Franklin ss

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

(Signature)	(Signature)	(Signature)
Robert Lee Ratchford, Jr.	George Watt Hairston	Sharon Mae Spohn
(Printed Name)	(Printed Name)	(Printed Name)
President	Secretary	Treasurer

Subscribed and sworn to before me this  
8th day of November, 2002

Notary Public (seal)

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2 )	
1. Bonds	16,070,865		16,070,865	16,822,779
2. Stocks:				
2.1 Preferred stocks	134,861		134,861	138,705
2.2 Common stocks	2,584,860		2,584,860	3,273,177
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 145,230 ) and short-term investments ( \$ 1,874,445 )	2,019,675		2,019,675	2,445,321
6. Other invested assets				
7. Receivable for securities				
8. Aggregate write-ins for invested assets				
9. Subtotals, cash and invested assets (Lines 1 to 8)	20,810,261		20,810,261	22,679,982
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection	1,330,358		1,330,358	846,884
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums )	8,917		8,917	49,892
10.3 Accrued retrospective premiums				
11. Funds held by or deposited with reinsured companies				
12. Bills receivable, taken for premiums				
13. Amounts receivable under high deductible policies				
14. Reinsurance recoverables on loss and loss adjustment expense payments				
15. Federal and foreign income tax recoverable and interest thereon (including \$ 141,433 net deferred tax asset)	141,433		141,433	105,623
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software				
18. Interest, dividends and real estate income due and accrued	261,566		261,566	256,832
19. Net adjustments in assets and liabilities due in foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates				
21. Amounts due from / to protected cells				
22. Equities and deposits in pools and associations				
23. Amounts receivable relating to uninsured accident and health plans				
24. Other assets nonadmitted				
25. Aggregate write-ins for other than invested assets	51,308	51,308		3,588
26. Total assets excluding protected cell assets (Lines 9 through 25)	22,603,843	51,308	22,552,535	23,942,801
27. Protected cell assets				
28. TOTALS (Lines 26 and 27)	22,603,843	51,308	22,552,535	23,942,801

DETAILS OF WRITE-INS				
0801.				
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page				
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)				
2501. Accounts Receivable				3,588
2502. Prepaid Expenses	51,308	51,308		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	51,308	51,308		3,588

LIABILITIES, SURPLUS AND OTHER FUNDS	1	2
	Current Statement Date	December 31, Prior Year
1. Losses (current accident year \$ 131,332 )	137,382	128,665
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	15,101	13,066
4. Commissions payable, contingent commissions and other similar charges	293,285	1,101,313
5. Other expenses (excluding taxes, licenses and fees)	60,528	101,942
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	20,886	39,831
7. Federal and foreign income taxes (including \$ (12,507) on realized capital gains (losses) (including \$ 0 net deferred tax liability)	47,483	36,941
8. Borrowed money \$ 0 and interest thereon \$ 0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 468,929 and including warranty reserves of \$ 11,736,638 )	11,736,638	11,534,480
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	4,536	(1,733)
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	20,390	14,308
15. Remittances and items not allocated		
16. Provision for reinsurance	73,629	104,000
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Payable for securities		47,981
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ 0 and interest thereon \$ 0		
23. Aggregate write-ins for liabilities		
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	12,409,858	13,120,794
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	12,409,858	13,120,794
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	3,035,500	3,035,500
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	1,404,800	2,081,950
33. Unassigned funds (surplus)	5,702,377	5,704,557
34. Less treasury stock, at cost:		
34.1 0 shares common (value included in Line 28 \$ 0 )		
34.2 0 shares preferred (value included in Line 29 \$ 0 )		
35. Surplus as regards policyholders (Lines 27 to 33, less 34)	10,142,677	10,822,007
36. TOTALS	22,552,535	23,942,801

DETAILS OF WRITE-INS		
2301.		
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)		
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		

STATEMENT OF INCOME UNDERWRITING INCOME			
	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums earned:			
1.1 Direct (written \$ 4,204,991 )	4,026,692	4,501,700	5,540,432
1.2 Assumed (written \$ 1,429,756 )	1,089,230	566,848	854,501
1.3 Ceded (written \$ 623,102 )	306,435	21,970	(342,284)
1.4 Net (written \$ 5,011,645 )	4,809,487	5,046,578	6,737,217
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 1,838,849 ):			
2.1 Direct	2,009,062	2,256,118	3,108,001
2.2 Assumed	130,569	64,819	103,254
2.3 Ceded	36,925	(399,905)	28,645
2.4 Net	2,102,706	2,720,842	3,182,610
3. Loss expenses incurred	369,165	253,395	328,599
4. Other underwriting expenses incurred	2,558,089	2,237,628	3,323,273
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	5,029,960	5,211,865	6,834,482
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(220,473)	(165,287)	(97,265)
INVESTMENT INCOME			
9. Net investment income earned	610,444	696,830	816,911
10. Net realized capital gains (losses)	(36,785)	9,301	(37,954)
11. Net investment gain (loss) (Lines 9 + 10)	573,659	706,131	778,957
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0 )			
13. Finance and service charges not included in premiums	1,564		
14. Aggregate write-ins for miscellaneous income	64,323	26,714	65,341
15. Total other income (Lines 12 through 14)	65,887	26,714	65,341
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)	419,073	567,558	747,033
17. Dividends to policyholders			
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	419,073	567,558	747,033
19. Federal and foreign income taxes incurred	133,726	121,733	208,674
20. Net income (Line 18 minus Line 19) (to Line 22)	285,347	445,825	538,359
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	10,822,007	10,078,186	10,078,186
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	285,347	445,825	538,359
23. Net unrealized capital gains or losses	(1,006,656)	(739,478)	(378,630)
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	35,810	167,348	105,623
26. Change in nonadmitted assets	(24,202)	(33,216)	(20,835)
27. Change in provision for reinsurance	30,371	396,043	458,000
28. Change in surplus notes			
29. Surplus (contributed to) withdrawn from protected cells			
30. Cumulative effect of changes in accounting principles		41,304	41,304
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	(677,150)		
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	677,150		
37. Change in surplus as regards policyholders (Lines 22 through 36)	(679,330)	277,826	743,821
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	10,142,677	10,356,012	10,822,007
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401. Roadside Fee	55,052		
1402. Misc. Income	7,441	25,229	63,486
1403. Transfer Fee Income	1,830	1,310	1,610
1498. Summary of remaining write-ins for Line 14 from overflow page		175	245
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	64,323	26,714	65,341
3601. Prior Year Correction of Increase in Common Stk Par Value	677,150		
3602.			
3603.			
3698. Summary of remaining write-ins for Line 36 from overflow page			
3699. TOTALS (Lines 3601 through 3603 plus 3698) (Line 36 above)	677,150		

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	4,569,146	8,445,015
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	2,461,119	3,649,475
3. Underwriting expenses paid	3,426,476	3,077,901
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(1,318,449)	1,717,639
6. Net investment income	621,741	803,091
7. Other income (expenses):		
7.1 Agents' balances charged off		
7.2 Net funds held under reinsurance treaties		
7.3 Net amount withheld or retained for account of others	6,082	(79,188)
7.4 Aggregate write-ins for miscellaneous items	65,888	65,341
7.5 Total other income (Lines 7.1 to 7.4)	71,970	(13,847)
8. Dividends to policyholders on direct business, less \$ 0 dividends on reinsurance assumed or ceded (net)		
9. Federal and foreign income taxes (paid) recovered	(123,184)	(243,923)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	(747,922)	2,262,960
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	1,850,000	2,500,000
11.2 Stocks	1,628,203	2,463,321
11.3 Mortgage loans		
11.4 Real estate		
11.5 Other invested assets		
11.6 Net gains or (losses) on cash and short-term investments		(1,246)
11.7 Miscellaneous proceeds		
11.8 Total investment proceeds (Lines 11.1 to 11.7)	3,478,203	4,962,075
12. Cost of investments acquired (long-term only):		
12.1 Bonds	1,114,117	4,343,895
12.2 Stocks	1,979,486	3,505,733
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications		
12.7 Total investments acquired (Lines 12.1 to 12.6)	3,093,603	7,849,628
13. Net cash from investments (Line 11.8 minus Line 12.7)	384,600	(2,887,553)
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		
14.4 Borrowed funds received		
14.5 Other cash provided		65,542
14.6 Total (Lines 14.1 to 14.5)		65,542
15. Cash applied:		
15.1 Dividends to stockholders paid		
15.2 Net transfers to affiliates		
15.3 Borrowed funds repaid		
15.4 Other applications	62,326	
15.5 Total (Lines 15.1 to 15.4)	62,326	
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	(62,326)	65,542
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	(425,648)	(559,051)
18. Cash and short-term investments:		
18.1 Beginning of year	2,445,321	3,004,372
18.2 End of period (Line 17 plus Line 18.1)	2,019,673	2,445,321

DETAILS OF WRITE-INS		
7.401 Roadside Fee	55,052	
7.402 Misc. Income	7,441	63,486
7.403 Transfer Fee Income	1,830	1,610
7.498 Summary of remaining write-ins for Line 7.4 from overflow page	1,565	245
7.499 Totals (Lines 07.401 through 07.403 + 07.498) (Line 07.4 above)	65,888	65,341

NOTES TO FINANCIAL STATEMENTS

1– 8. No material changes.

9. Income Taxes

A. The components of the net deferred tax assets/(liability) at September 30, 2002 are as follows:

	09/30/02	12/31/01
1. Total of all deferred tax assets (admitted & nonadmitted)	\$813,374	\$799,627
2. Total of all deferred tax liabilities	10,726	35,241
3. Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	671,941	658,763
4. Increase (decrease) in deferred tax assets nonadmitted	13,178	658,763

B. Deferred tax liabilities are not recognized for the following amounts:

The Company did not have any deferred tax liabilities that were not recognized.

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

Current year expense	\$133,726
Tax credits	
Current year equity tax	
Prior year overaccrual of tax reserves	
0199. Current income taxes incurred	\$133,726

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

DTA's	Statutory	Tax	Difference	Tax Effect
Reserves	11,736,640	2,347,328	9,389,312	638,473
Reserve Discount	24,405	24,405	0	8,298
Acc'd Vacation	20,543	20,543	0	6,985
0299. Total DTA's	141,433	813,374		813,374
0399. DTA's nonadmitted				671,941
DTL's				
Unrealized Capital Gains	(865,557)	(10,625)	(854,932)	0
Disc't Bonds	31,546	31,546	0	10,726
0499. Total DTL's				10,726

The changes in main components of DTA's and DTL's are as follows:

	2002	2001	Change
DTA's resulting from book/tax differences in			
Reserves	798,091	784,345	13,746
Reserve Disc't	8,298	8,298	0
Accd Vacation	6,985	6,985	0
0599. Total DTA's	813,374	799,627	13,746
0699. DTA's nonadmitted	671,941	658,763	13,178

DTL's resulting from book/tax differences in

Unrealized Capital Gains	0	24,515	(24,515)
Disc't on Bonds	10,726	10,726	0
0799. Total DTL's	10,726	35,241	(24,515)

D. Among the more significant book to tax adjustments were the following:

	Amount	Tax Effect
01. Income Before Taxes	419,073	142,485
02. Book over tax reserves	40,432	13,747
03. Tax exempt interest	(137,109)	(46,617)
04. Dividends Received Deduction	(25,776)	( 8,764)
05. Accd vacation	0	0
06. Other	96,692	32,875
0399. Total Adjustments	(25,761)	(8,759)
0499. Taxable Income	393,312	133,726

E. At December 31, 2001, the company had \$0 of operating loss carry forwards.

F. Dealers Assurance Company's federal income tax return is consolidated with Dealers Alliance Corporation and DAC Insurance Agency, Inc.

A written agreement exists setting forth the manner in which the federal income tax is to be allocated to each entity. The federal income tax allocated to this company is based on its portion of the net consolidated income.

10. – 31. No material changes.

NOTES TO FINANCIAL STATEMENTS



GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes [ ☐ ] No [ X ]
- 1.2

If yes, explain:
- 2.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [ ☐ ] No [ X ]
- 2.2

If yes, has the report been filed with the domiciliary state?

Yes [ ☐ ] No [ X ]
- 3.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [ ☐ ] No [ X ]
- 3.2

If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.
4.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [ ☐ ] No [ X ]

If yes, attach an organizational chart.
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [ ☐ ] No [ X ]
- 5.2

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

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

6.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes [ ☐ ] No [ ☐ ] N/A [ X ]

If yes, attach an explanation.
- 7.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/1998
- 7.2

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

12/31/1998
- 7.3

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

01/28/2000
- 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)

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

INVESTMENT

9.1

Has there been any change in the reporting entity's own preferred or common stock?

Yes [ ☐ ] No [ ☒ ]

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 [ ☒ ]

10.2

If yes, give full and complete information relating thereto:

11.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$

12.

Amount of real estate and mortgages held in short-term investments:

\$

13.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [ ☐ ] No [ ☒ ]

13.2

If yes, please complete the following:

	1	2
	Prior Year-End Statement Value	Current Quarter Statement Value
13.21 Bonds	\$	\$
13.22 Preferred Stock	\$	\$
13.23 Common Stock	\$	\$
13.24 Short-Term Investments	\$	\$
13.25 Mortgages, Loans or Real Estate	\$	\$
13.26 All Other	\$	\$
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	\$	\$
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$	\$
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$	\$

14.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [ ☐ ] No [ ☒ ]

14.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [ ☐ ] No [ ☒ ]

If no, attach a description with this statement.

15.

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

Yes [ ☒ ] No [ ☐ ]

15.1

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

1	2
Name of Custodian(s)	Custodian Address
Key Bank National Association	Columbus, OH
Wachovia Bank	Wachovia, GA
Sun Trust	Richmond, VA
Arkansas Bankers' Bank	Little Rock, AR
Bank of Oklahoma , NA	Tulsa, Oklahoma

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	2	3
Name(s)	Location(s)	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 [ ☒ ]

15.4

If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	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	2	3
Central Registration Depository	Name(s)	Address
	Key Bank National Association	Columbus, OH

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?  
If yes, attach an explanation.

Yes ☐ No ☐ N/A ☒
2.

Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?  
If yes, attach an explanation.

Yes ☐ No ☒
- 3.1

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

Yes ☐ No ☒
- 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 ☒
- 4.2

If yes, complete the following schedule:

1  Line of Business	2  Maximum Interest	3  Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4  Unpaid Losses	5  Unpaid LAE	6  IBNR	7  TOTAL	8  Unpaid Losses	9  Unpaid LAE	10  IBNR	11  TOTAL
TOTAL										

**NONE**                      **Schedule A, B, and BA Verification**

SCHEDULE D - PART 1B

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

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1	16,885,261	1,425,077	1,744,872	344,206	17,600,899	16,885,261	16,909,672	17,750,840
2. Class 2	1,635,358		250,000	(349,721)	1,384,950	1,635,358	1,035,637	1,384,617
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	18,520,619	1,425,077	1,994,872	(5,515)	18,985,849	18,520,619	17,945,309	19,135,457
<b>PREFERRED STOCK</b>								
8. Class 1	61,622			264	62,260	61,622	61,886	63,910
9. Class 2								
10. Class 3	71,970			(11,595)	75,730	71,970	60,375	74,795
11. Class 4				12,600			12,600	
12. Class 5								
13. Class 6								
14. Total Preferred Stock	133,592			1,269	137,990	133,592	134,861	138,705
15. Total Bonds & Preferred Stock	18,654,211	1,425,077	1,994,872	(4,246)	19,123,839	18,654,211	18,080,170	19,274,162

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999Totals	1,874,445	X X X	1,874,445	3,327	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period .....	2,312,680	1,910,411	1,444,689	2,484,086
2. Cost of short-term investments acquired .....	1,129,833	241,529	1,324,628	5,099,143
3. Increase (decrease) by adjustment .....				
4. Increase (decrease) by foreign exchange adjustment .....				
5. Total profit (loss) on disposal of short-term investments .....				
6. Consideration received on disposal of short-term investments .....	1,532,101	707,251	894,872	5,270,550
7. Book/adjusted carrying value, current period .....	1,910,412	1,444,689	1,874,445	2,312,679
8. Total valuation allowance .....				
9. Subtotal (Lines 7 plus 8) .....	1,910,412	1,444,689	1,874,445	2,312,679
10. Total nonadmitted amounts .....				
11. Statement value (Lines 9 minus 10) .....	1,910,412	1,444,689	1,874,445	2,312,679
12. Income collected during period .....	6,457	5,336	3,327	85,313
13. Income earned during period .....	3,654	5,336	3,327	76,476

NONE                      Schedule DB Part F Section 1

NONE                      Schedule DB Part F Section 2





SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN  
Current Year to Date - Allocated by States and Territories

		1  Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid  (Deducting Salvage)		Direct Losses Unpaid	
			2  Current Year To Date	3  Prior Year To Date	4  Current Year To Date	5  Prior Year To Date	6  Current Year To Date	7  Prior Year To Date
States, etc.								
1. Alabama	AL	YES						
2. Alaska	AK	NO						
3. Arizona	AZ	YES	27,132					
4. Arkansas	AR	YES						
5. California	CA	NO						
6. Colorado	CO	YES						
7. Connecticut	CT	YES						
8. Delaware	DE	YES	1,192	2,673	2,245	4,245		435
9. Dist. Columbia	DC	YES						
10. Florida	FL	YES	287,971	345,242	189,878	452,291	(4,014)	32,755
11. Georgia	GA	YES	(269)	(219,844)		2,585	(1,344)	(1,309)
12. Hawaii	HI	NO						
13. Idaho	ID	YES						
14. Illinois	IL	YES	255,877	545,047	152,819	210,659	(11,000)	1,934
15. Indiana	IN	YES	612,520	1,257,430	501,094	450,302	(20,758)	(2,785)
16. Iowa	IA	YES						
17. Kansas	KS	YES						
18. Kentucky	KY	YES	2,727		479	1,733	(365)	(165)
19. Louisiana	LA	YES						
20. Maine	ME	NO						
21. Maryland	MD	YES	(237)	(53)	6,028	16,513		269
22. Massachusetts	MA	NO						
23. Michigan	MI	YES	403,462	2,072	23,985	42,247	3,546	(467)
24. Minnesota	MN	YES	25,406		4,618			
25. Mississippi	MS	YES	355					
26. Missouri	MO	YES	334	(5,671)	16,182	40,274	118	2,340
27. Montana	MT	YES						
28. Nebraska	NE	YES						
29. Nevada	NV	YES						
30. New Hampshire	NH	NO						
31. New Jersey	NJ	NO						
32. New Mexico	NM	NO						
33. New York	NY	NO						
34. No. Carolina	NC	YES	63,785	1,525				
35. N. Dakota	ND	YES						
36. Ohio	OH	YES	2,236,507	2,067,403	1,001,772	1,435,846	172,148	165,696
37. Oklahoma	OK	YES						
38. Oregon	OR	YES	9,110					
39. Pennsylvania	PA	YES	160,738	114,504	47,681	53,460	215	3,022
40. Rhode Island	RI	NO						
41. So. Carolina	SC	YES	2,025	100				
42. So. Dakota	SD	YES						
43. Tennessee	TN	YES	1,013	(1,740)	5,404	9,584	(63)	(63)
44. Texas	TX	YES	95,837					
45. Utah	UT	YES						
46. Vermont	VT	NO						
47. Virginia	VA	YES	13,023	(15,197)	1,126	480	(1,414)	(1,135)
48. Washington	WA	YES						
49. West Virginia	WV	YES	(214)	(2,639)	612	6,934	324	324
50. Wisconsin	WI	YES	6,697	(3,751)	15,590	7,988	(11)	(325)
51. Wyoming	WY	YES						
52. American Samoa	AS	NO						
53. Guam	GU	NO						
54. Puerto Rico	PR	NO						
55. U.S. Virgin Islands	VI	NO						
56. Canada	CN	NO						
57. Aggregate Other Alien	OT	X X X						
58. Totals	(a)	40	4,204,991	4,087,101	1,969,513	2,735,141	137,382	200,526

DETAILS OF WRITE-INS							
5701.	X X X						
5702.	X X X						
5703.	X X X						
5798. Summary of remaining write-ins for Line 57 from overflow page	X X X						
5799. TOTALS (Lines 5701 thru 5703 plus 5798) (Line 57 above)	X X X						

(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

Dealers Assurance Company	16705	OH	34-6513705	Dealers Assurance Company
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PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril	175,345	30,832	17.6	
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical malpractice-occurrence				
11.2 Medical malpractice-claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability-occurrence	93,916			
17.2 Other liability-claims made				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
31. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
33. Aggregate write-ins for other lines of business	3,757,431	1,978,230	52.6	59.5
34. TOTALS	4,026,692	2,009,062	49.9	50.1

DETAILS OF WRITE-INS				
3301. Extended Warranties	3,757,431	1,978,230	52.6	59.5
3302.				
3303.				
3398. Sum. of remaining write-ins for Line 33 from overflow page				59.5
3399. Totals (Lines 3301 through 3303 plus 3398) (Line 33)	3,757,431	1,978,230	52.6	59.5

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril	(4,500)	298,281	
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical malpractice-occurrence			
11.2 Medical malpractice-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence	115,343	281,870	
17.2 Other liability-claims made			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability			
19.3, 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
31. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
33. Aggregate write-ins for other lines of business	1,334,050	3,624,840	4,087,101
34. TOTALS	1,444,893	4,204,991	4,087,101

DETAILS OF WRITE-INS			
3301. Extended Warranties	1,334,050	3,624,840	4,087,101
3302.			
3303.			
3398. Sum. of remaining write-ins for Line 33 from overflow page			
3399. Totals (Lines 3301 through 3303 plus 3398) (Line 33)	1,334,050	3,624,840	4,087,101

PART 3 (000 omitted)  
LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (a) (Cols. 1 + 2)	2002 Loss and LAE Payments on Claims Reported as of Prior Year-End	2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2002 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (b) (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/Deficiency (c) (Cols. 11 + 12)
1. 1999 + Prior													
2. 2000													
3. Subtotals 2000 + prior													
4. 2001	112	30	142	112	41	153	3		1	4	3	12	15
5. Subtotals 2001 + prior	112	30	142	112	41	153	3		1	4	3	12	15
6. 2002	X X X	X X X	X X X	X X X			XXX	118	30	148	X X X	X X X	X X X
7. Totals	112	30	142	112	41	153	3	118	31	152	3	12	15

8. Prior Year-End's Surplus As  
Regards Policyholders 10,822

Col. 11, Line 7  
As % of Col. 1  
Line 7

Col. 12, Line 7  
As % of Col. 2  
Line 7

Col. 13, Line 7  
As % of Col. 3  
Line 7

(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 A through E only.

1. 2.679

2. 40.000

3. 10.563

Col. 13, Line 7  
Line 8

4. 0.139

SUPPLEMENTAL EXHIBITS AND SCHEDULES

INTERROGATORIES

RESPONSES

1.

Will the SVO Compliance Certification be filed with this statement?

YES
2.

Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?

NO
3.

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

NO

EXPLANATIONS:

BAR CODE:



16705200249000003



16705200245000003

OVERFLOW PAGE FOR WRITE-INS

OVERFLOW PAGE FOR WRITE-INS

Page 4 - Continuation  
STATEMENT OF INCOME

	1	2	3
	Current Year to Date	Prior Year to Date	Prior Year Ended December 31

REMAINING WRITE-INS AGGREGATED AT LINE 5 FOR UNDERWRITING DEDUCTIONS

0504.			
0505.			
0506.			
0507.			
0508.			
0509.			
0510.			
0511.			
0512.			
0513.			
0514.			
0515.			
0516.			
0517.			
0518.			
0519.			
0520.			
0521.			
0522.			
0523.			
0524.			
0525.			
0597. Totals (Lines 0504 through 0525) (Page 4, Line 0598)			

REMAINING WRITE-INS AGGREGATED AT LINE 14 FOR MISCELLANEOUS INCOME

1404. Administrative Income		175	245
1405.			
1406.			
1407.			
1408.			
1409.			
1410.			
1411.			
1412.			
1413.			
1414.			
1415.			
1416.			
1417.			
1418.			
1419.			
1420.			
1421.			
1422.			
1423.			
1424.			
1425.			
1497. Totals (Lines 1404 through 1425) (Page 4, Line 1498)		175	245

REMAINING WRITE-INS AGGREGATED AT LINE 36 FOR GAINS AND LOSSES IN SURPLUS

3604.			
3605.			
3606.			
3607.			
3608.			
3609.			
3610.			
3611.			
3612.			
3613.			
3614.			
3615.			
3616.			
3617.			
3618.			
3619.			
3620.			
3621.			
3622.			
3623.			
3624.			
3625.			
3697. Totals (Lines 3604 through 3625) (Page 4, Line 3698)			

OVERFLOW PAGE FOR WRITE-INS

Page 5 - Continuation  
CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
REMAINING WRITE-INS AGGREGATED AT LINE 7.4 FOR MISCELLANEOUS ITEMS		
7.404 Service Fees	1,565	
7.405 Adminstration Fees		245
7.406		
7.407		
7.408		
7.409		
7.410		
7.411		
7.412		
7.413		
7.414		
7.415		
7.416		
7.417		
7.418		
7.419		
7.420		
7.421		
7.422		
7.423		
7.424		
7.425		
7.497 Totals (Lines 7.404 through 7.425) (Page 5, Line 7.498)	1,565	245



**NONE                      Schedule A Part 2 and 3**

**NONE                      Schedule B Part 1 and 2**

**NONE                      Schedule BA Part 1 and 2**

SCHEDULE D - PART 3

Showing all Long-term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)
3133MQ-UV-4	Federal Home Loan Bk	08/27/2002	SunTrust		100,449	100,000.00	135	1PE
3157996	Bonds - Special Revenue and Special Assessment Obligations - US			X X X	100,449	100,000.00	135	X X X
3199999	Total Bonds Special Revenue and Special Assessment Obligations			X X X	100,449	100,000.00	135	X X X
6099997	Total Bonds Part 3			X X X	100,449	100,000.00	135	X X X
6099999	Total Bonds			X X X	100,449	100,000.00	135	X X X
949746-10-1	Wells Fargo Company	09/12/2002	Key Trust Co of Ohio NA	300.000	14,934			L
6799999	Total Common Stock Banks, Trust and Insurance Companies			X X X	14,934	X X X		X X X
013817-10-1	Alcoa Inc	08/13/2002	Key Trust Co of Ohio NA	300.000	7,755			L
17275R-10-2	Cisco Sys Inc	08/13/2002	Key Trust Co of Ohio NA	300.000	4,170			L
20825C-10-4	ConocoPhillips	09/12/2002	Key Trust Co of Ohio NA	1,100.000	28,875			LZ
264399-10-6	Duke Energy Corp	09/12/2002	Key Trust Co of Ohio NA	200.000	4,546			L
369604-10-3	General Electric Company	09/12/2002	Key Trust Co of Ohio NA	400.000	11,148			L
428236-10-3	Hewlett Packard Co	08/13/2002	Key Trust Co of Ohio NA	200.000	2,810			L
458140-10-0	Intel Corp	08/13/2002	Key Trust Co of Ohio NA	200.000	3,572			L
494368-103	Kimberly Clark Corp	09/12/2002	Key Trust Co of Ohio NA	300.000	18,009			L
500255-10-4	Kohls Corp	09/12/2002	Key Trust Co of Ohio NA	800.000	55,449			L
534187-10-9	Lincoln Natl Corp Ind	09/12/2002	Key Trust Co of Ohio NA	300.000	10,381			L
583334-10-7	Meadwestvaco Corp	08/29/2002	Key Trust Co of Ohio NA	1,000.000	23,940			L
792860-10-8	St Paul Cos Inc	09/12/2002	Key Trust Co of Ohio NA	700.000	21,893			L
844730-10-1	Southtrust Corp	08/29/2002	Key Trust Co of Ohio NA	1,000.000	25,910			L
925524-10-0	Viacom Inc Com Cl A	08/13/2002	Key Trust Co of Ohio NA	100.000	3,664			L
G4776G-10-1	Ingersoll Rand Co Com Cl A	08/13/2002	Key Trust Co of Ohio NA	100.000	3,655			L
6899999	Total Common Stock Industrial and Miscellaneous			X X X	225,777	X X X		X X X
7099997	Total Common Stock Part 3			X X X	240,711	X X X		X X X
7099998	Summary Item for Common Stock Bought and Sold this Quarter			X X X	37,290	X X X		X X X
7099999	Total Common Stock			X X X	278,001	X X X		X X X
7199999	Total Preferred and Common Stock			X X X	278,001	X X X		X X X
7299999	Totals				378,450	X X X	135	X X X

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Design- nation (a)
912827-G5-5	U.S. Treasury Nt	08/15/2002	Matured		500,000	500,000.00	498,114	500,000	158					31,875		1PE
0399999	Subtotal - Bonds - U.S. Governments			X X X	500,000	500,000.00	498,114	500,000	158					31,875	X X X	X X X
199489-W4-3	Columbus Ohio	07/01/2002	Matured		250,000	250,000.00	251,798	250,000	(152)					11,563		1PE
2436996	Bonds - Political Subdivisions of States, Territories and Possessions - OH			X X X	250,000	250,000.00	251,798	250,000	(152)					11,563	X X X	X X X
2499999	Total - Bonds - Political Subdivisions of States, Territories and Possessions			X X X	250,000	250,000.00	251,798	250,000	(152)					11,563	X X X	X X X
345397-R5-4 718154-BV-8	Ford Motor Credit Corp Senior	09/10/2002	Matured		250,000	250,000.00	251,273	250,000	(293)					16,375		2
	Philip Morris Cos Inc	08/15/2002	Matured		100,000	100,000.00	99,687	100,000	27					7,125		1PE
4599999	Subtotal - Bonds - Industrial and Miscellaneous			X X X	350,000	350,000.00	350,960	350,000	(266)					23,500	X X X	X X X
6099997	Subtotal - Bonds - Part 4			X X X	1,100,000	1,100,000.00	1,100,872	1,100,000	(260)					66,938	X X X	X X X
6099998	Summary Item for Bonds Bought and Sold this Quarter			X X X			3,199,999								X X X	X X X
6099999	Total Bonds			X X X	1,100,000	1,100,000.00	4,300,871	1,100,000	(260)					66,938	X X X	X X X
6599998	Summary Item for Preferred Stock Bought and Sold this Quarter			X X X		X X X	3,899,999							X X X		X X X
6599999	Total Preferred Stock			X X X		X X X	3,899,999							X X X		X X X
872375-10-0	TECO Energy Inc	09/12/2002	Key Trust Co of Ohio NA	1,000,000	16,180		31,250	31,250	5,010			(15,070)	(15,070)		2,171	L
6699999	Subtotal - Common Stock - Public Utilities			X X X	16,180	X X X	31,250	31,250	5,010			(15,070)	(15,070)	X X X	2,171	X X X
172967-10-1	Citigroup Inc	08/14/2002	Key Trust Co of Ohio NA		6,224		6,224	6,224								L
693475-10-5	PNC Financial Services Group	09/12/2002	Key Trust Co of Ohio NA	100,000	4,556		6,048	6,048				(1,492)	(1,492)		480	L
949746-10-1	Wells Fargo Company	07/30/2002	Key Trust Co of Ohio NA	600,000	29,675		24,172	24,172	(1,910)			5,503	5,503			L
6799999	Subtotal - Common Stock - Banks, Trust and Insurance Companies			X X X	40,455	X X X	36,444	36,444	(1,910)			4,011	4,011	X X X	480	X X X
002824-10-0	Abbott Labs	08/13/2002	Key Trust Co of Ohio NA	500,000	20,221		19,087	19,087				1,134	1,134		235	L
090613-10-0	Biomet Inc	07/02/2002	Key Trust Co of Ohio NA	1,000,000	24,479		30,050	30,050				(5,571)	(5,571)			L
30231G-10-2	Exxon Mobil Corp	07/30/2002	Key Trust Co of Ohio NA	1,000,000	35,499		21,962	21,962	(17,338)			13,536	13,536			L
438516-10-6	Honeywell Intl Inc	09/12/2002	Key Trust Co of Ohio NA	1,000,000	28,779		29,206	29,206	(4,614)			(427)	(427)		281	L
459200-10-1	IBM	08/20/2002	Key Trust Co of Ohio NA	200,000	16,390		13,610	13,610				2,780	2,780			L
460146-10-3	Intl Paper Co	08/20/2002	Key Trust Co of Ohio NA	200,000	7,650		6,208	6,208	(1,862)			1,442	1,442		200	L
71713U-10-2	Pharmacia Corp	08/27/2002	Key Trust Co of Ohio NA	2,000,000	93,705		95,873	95,873	7,693			(2,168)	(2,168)		432	L
74005P-10-4	Praxair Inc	08/13/2002	Key Trust Co of Ohio NA	800,000	43,623		34,298	34,298	(9,902)			9,325	9,325		380	L

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

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## SCHEDULE D - PART 4

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

[illegible]

(a)	For all common stock bearing the NAIC designation "U" provide: the number of such issues	0
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**NONE                      Schedule DB Part A and B Section 1**

**NONE                      Schedule DB Part C and D Section 1**

