



QUARTERLY STATEMENT  
AS OF SEPTEMBER 30, 2002  
OF THE CONDITION AND AFFAIRS OF THE  
OHIO SECURITY INSURANCE COMPANY

NAIC Group Code 0148 0148 NAIC Company Code 24082 Employer's ID Number 31-0541777  
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated November 1, 1950 Commenced Business February 11, 1951

Statutory Home Office 9350 Seward Road, Fairfield, Ohio 45014  
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 9450 Seward Road, Fairfield, Ohio 45014 513-603-2400  
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 9450 Seward Road, Fairfield, Ohio 45014  
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 9450 Seward Road, Fairfield, Ohio 45014  
(Street and Number, City or Town, State and Zip Code)  
513-603-2245  
(Area Code) (Telephone Number)

Internet Website Address http://www.ocas.com

Statement Contact Dennis E. McDaniel 513-603-2245  
(Name) (Area Code) (Telephone Number) (Extension)  
finance@ocas.com 513-603-3179  
(E-Mail Address) (Fax Number)

Policyowner Relations Contact \_\_\_\_\_  
(Street and Number, City or Town, State and Zip Code)  
\_\_\_\_\_  
(Area Code) (Telephone Number) (Extension)

OFFICERS

Chairman .....	Stanley Neal Pontius
President/CEO .....	Dan Roy Carmichael
Exec. VP/COO .....	John Stanley Busby
Exec. VP/COO .....	Jeffery Linn Haniewicz
Sr. Vice President .....	John Edward Bade, Jr.
Sr. Vice President .....	Ralph Glass Goode
Sr. Vice President .....	Howard Leslie Stoneker III
VP/Treasurer .....	#Arthur Larry Sisk
Exec. VP/COO .....	Elizabeth Margaret Riczko
Sr. VP/Secretary .....	#Debra Kay Crane
Sr. Vice President .....	Richard Brendan Kelly
Chief Finl Officer .....	Donald Floyd McKee
VP/Controller .....	Dennis Eugene McDaniel

VICE PRESIDENTS

Michael Len Akin	Daniel Fred Henke	Jerry Wilson Phillips
Phillip Michael Boyd	Harry Elvin Hunter	Bruce Arthur Rutherford
Michael Joseph Brennan	Russell Francis Kelly	Derrick Dwayne Shannon
Betsy Torrans Douglass	George Richard Kesi	Michael Eugene Sullivan
Harold Michael Good	Kurt Frederick Krueger	Jane Cochran White
David Jary Hasler	Judith Mildred Kuschill	Stephen Thomas Williams
George Herbert Henehan 2	Philip Russell Lucca	

DIRECTORS OR TRUSTEES

Terrence James Baehr	#Philip George Heasley	Edward Theodore Roeding
Jack Elliott Brown	Stephen Stoneker Marcum	Howard Leslie Stoneker III
Dan Roy Carmichael	#Ralph Seefred Michael III	#Jan Henry Suwinski
Catherine Elizabeth Dolan	Stanley Neal Pontius	

State of Ohio SS  
County of Butler

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.

Donald F. McKee Chief Financial Officer	Dennis E. McDaniel Vice President and Controller	Howard L. Stoneker III Sr. Vice President
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Subscribed and sworn to before me this  
day of November, 2002

ASSETS

	Current Statement Date			4  December 31, Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2 )	
1. Bonds .....	52,864,245	315,561	52,548,684	56,159,197
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	565,344		565,344	661,338
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ ..... 2,765,304 ) and short-term investments (\$ ..... ) .....	2,765,304		2,765,304	474,894
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) .....	56,194,893	315,561	55,879,332	57,295,429
10. Agents' balances or uncollected premiums :				
10.1 Premiums and agents' balances in course of collection .....	3,457,817	135,674	3,322,143	2,843,663
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	18,480		18,480	20,038
10.3 Accrued retrospective premiums .....				
11. Funds held by or deposited with reinsured companies .....				
12. Bills receivable, taken for premiums .....				
13. Amounts billed and receivable under high deductible policies .....				
14. Reinsurance recoverables on loss and loss adjustment expense payments .....				
15. Federal and foreign income tax recoverable and interest thereon (including \$ ..... 2,946,782 net deferred tax asset) .....	3,361,873	9,098	3,352,775	3,050,019
16. Guaranty funds receivable or on deposit .....	10,148		10,148	10,148
17. Electronic data processing equipment and software .....				
18. Interest, dividends and real estate income due and accrued .....	738,549		738,549	822,527
19. Net adjustments in assets and liabilities due to foreign exchange rates .....				
20. Receivable from parent, subsidiaries and affiliates .....	1,243,701		1,243,701	
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 .....	67,028	67,028		
26. Total assets excluding protected cell assets (Lines 9 through 25) .....	65,092,490	527,361	64,565,129	64,041,824
27. Protected cell assets .....				
28. TOTALS (Lines 26 and 27) .....	65,092,490	527,361	64,565,129	64,041,824
DETAILS OF WRITE-INS				
0801. ....				
0802. ....				
0803. ....				
0898. Summary of remaining write-ins for Line 8 from overflow page .....				
0899. Totals (Lines 0801 through 0803 plus 0898) (Line 8 above) .....				
2501. Other Assets .....	67,028	67,028		
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	67,028	67,028		

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ ..... 3,729,824 ) .....	13,185,433	12,501,729
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....	3,318,619	2,895,959
4. Commissions payable, contingent commissions and other similar charges .....	218,609	225,657
5. Other expenses (excluding taxes, licenses and fees) .....	452,512	407,609
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	212,338	257,625
7. Federal and foreign income taxes, including \$ ..... (325,313) on realized capital gains (losses) (including \$ ..... net deferred tax liability) .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ ..... 9,817,047 and including warranty reserves of \$ ..... ) .....	6,352,612	5,765,491
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....	76,877	127,611
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	1,173,272	151,907
13. Funds held by company under reinsurance treaties .....	24,687	1,466,919
14. Amounts withheld or retained by company for account of others .....	402,071	341,962
15. Remittances and items not allocated .....		
16. Provision for reinsurance .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....	393,196	462,416
19. Payable to parent, subsidiaries and affiliates .....		648,662
20. Payable for securities .....		
21. Liability for amounts held under uninsured accident and health plans .....		
22. Capital notes \$ ..... and interest thereon \$ .....		
23. Aggregate write-ins for liabilities .....	2,023,902	2,264,522
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23) .....	27,834,128	27,518,069
25. Protected cell liabilities .....		
26. Total liabilities (Lines 24 and 25) .....	27,834,128	27,518,069
27. Aggregate write-ins for special surplus funds .....		
28. Common capital stock .....	3,500,430	3,500,430
29. Preferred capital stock .....		
30. Aggregate write-ins for other than special surplus funds .....		
31. Surplus notes .....		
32. Gross paid in and contributed surplus .....	1,499,570	969,441
33. Unassigned funds (surplus) .....	31,731,001	32,053,883
34. Less treasury stock, at cost:		
34.1 ..... shares common (value included in Line 28 \$ ..... ) .....		
34.2 ..... shares preferred (value included in Line 29 \$ ..... ) .....		
35. Surplus as regards policyholders (Lines 27 to 33, less 34) .....	36,731,001	36,523,754
36. TOTALS .....	64,565,129	64,041,823
DETAILS OF WRITE-INS		
2301. Reserve for California Proposition 103 .....	77,745	78,161
2302. Retroactive Loss Reserves .....	1,588,157	1,813,861
2303. Retroactive LAE Reserves .....	357,500	372,000
2398. Summary of remaining write-ins for Line 23 from overflow page .....	500	500
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	2,023,902	2,264,522
2701. ....		
2702. ....		
2703. ....		
2798. Summary of remaining write-ins for Line 27 from overflow page .....		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above) .....		
3001. ....		
3002. ....		
3003. ....		
3098. Summary of remaining write-ins for Line 30 from overflow page .....		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above) .....		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 16,879,985 )	15,118,233	10,870,098	15,044,047
1.2 Assumed (written \$ 10,759,382 )	10,172,260	10,504,688	13,887,295
1.3 Ceded (written \$ 16,879,985 )	15,118,233	10,870,098	15,044,047
1.4 Net (written \$ 10,759,382 )	10,172,260	10,504,688	13,887,295
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 6,078,835 ):			
2.1 Direct	10,812,453	8,163,667	10,561,625
2.2 Assumed	6,145,258	6,984,563	9,227,980
2.3 Ceded	10,812,453	8,137,047	10,955,865
2.4 Net	6,145,258	7,011,183	8,833,740
3. Loss expenses incurred	1,604,570	1,270,569	1,757,900
4. Other underwriting expenses incurred	3,657,829	3,355,048	4,491,879
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	11,407,657	11,636,800	15,083,519
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(1,235,397)	(1,132,112)	(1,196,224)
INVESTMENT INCOME			
9. Net investment income earned	2,866,771	3,124,624	4,161,241
10. Net realized capital gains (losses)	(953,570)	406,848	(146,997)
11. Net investment gain (loss) (Lines 9 plus 10)	1,913,201	3,531,472	4,014,244
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 1,072 amount charged off \$ 82,979 )	(81,907)	(51,631)	(65,040)
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	(96,031)	(166,786)	(287,768)
15. Total other income (Lines 12 through 14)	(177,938)	(218,417)	(352,808)
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 plus 11 plus 15)	499,866	2,180,943	2,465,212
17. Dividends to policyholders	(8,590)	3,541	(7,163)
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	508,456	2,177,402	2,472,375
19. Federal and foreign income taxes incurred	133,570	1,711,346	2,401,594
20. Net income (Line 18 minus Line 19) (to Line 22)	374,886	466,056	70,781
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	36,523,754	37,026,710	37,026,710
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	374,886	466,056	70,781
23. Net unrealized capital gains or losses	(383,496)	17,882	154,904
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	154,541	(255,109)	1,972,686
26. Change in nonadmitted assets	61,316	356,037	418,087
27. Change in provision for reinsurance			
28. Change in surplus notes			
29. Surplus (contributed to) withdrawn from protected cells			
30. Cumulative effect of changes in accounting principles		608,398	608,398
31. Capital changes:			
31.1 Paid in			
31.2 Transferred from surplus (Stock Dividend)	(530,129)		
31.3 Transferred to surplus			
32. Surplus adjustments:			
32.1 Paid in	530,129		
32.2 Transferred to capital (Stock Dividend)			
32.3 Transferred from capital			
33. Net remittances from or (to) Home Office			
34. Dividends to stockholders			(3,702,426)
35. Change in treasury stock			
36. Aggregate write-ins for gains and losses in surplus		(25,386)	(25,386)
37. Change in surplus as regards policyholders (Lines 22 through 36)	207,247	1,167,878	(502,956)
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	36,731,001	38,194,588	36,523,754
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. Retroactive Losses Incurred	(54,942)	(139,176)	(193,443)
1402. Retroactive LAE Incurred	(41,051)	(27,549)	(93,863)
1403. Other Interest Expense		(25)	(376)
1498. Summary of remaining write-ins for Line 14 from overflow page	(38)	(36)	(86)
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(96,031)	(166,786)	(287,768)
3601. Acquisition Expenses for Block of Business Purchased		(25,386)	(25,386)
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)		(25,386)	(25,386)

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	11,385,815	14,038,048
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	6,712,683	9,617,008
3. Underwriting expenses paid	3,677,254	4,473,187
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	995,878	(52,147)
6. Net investment income	2,886,813	3,889,661
7. Other income (expenses):		
7.1 Agents' balances charged off	(81,907)	(65,040)
7.2 Net funds held under reinsurance treaties	(1,442,232)	(1,179,744)
7.3 Net amount withheld or retained for account of others	60,108	277,899
7.4 Aggregate write-ins for miscellaneous items	(336,236)	(583,752)
7.5 Total other income (Lines 7.1 to 7.4)	(1,800,267)	(1,550,637)
8. Dividends to policyholders on direct business, less \$ (23,790)dividends on reinsurance assumed or ceded (net)	42,144	87,926
9. Federal and foreign income taxes (paid) recovered	(290,883)	(3,434,061)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	1,749,397	(1,235,110)
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	15,131,520	31,775,116
11.2 Stocks		
11.3 Mortgage loans		
11.4 Real estate		
11.5 Other invested assets		
11.6 Net gains or (losses) on cash and short-term investments		
11.7 Miscellaneous proceeds		
11.8 Total investment proceeds (Lines 11.1 to 11.7)	15,131,520	31,775,116
12. Cost of investments acquired (long-term only):		
12.1 Bonds	12,698,143	37,347,986
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications		300,650
12.7 Total investments acquired (Lines 12.1 to 12.6)	12,698,143	37,648,636
13. Net cash from investments (Line 11.8 minus Line 12.7)	2,433,377	(5,873,520)
Cash from Financing and Miscellaneous Sources		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in		
14.2 Capital notes \$ less amounts repaid \$		
14.3 Net transfers from affiliates		1,846,884
14.4 Borrowed funds received		
14.5 Other cash provided		
14.6 Total (Lines 14.1 to 14.5)		1,846,884
15. Cash applied:		
15.1 Dividends to stockholders paid		3,702,426
15.2 Net transfers to affiliates	1,892,363	
15.3 Borrowed funds repaid		
15.4 Other applications		12,866
15.5 Total (Lines 15.1 to 15.4)	1,892,363	3,715,292
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	(1,892,363)	(1,868,408)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	2,290,411	(8,977,038)
18. Cash and short-term investments:		
18.1 Beginning of year	474,894	9,451,932
18.2 End of period (Line 17 plus Line 18.1)	2,765,305	474,894
DETAILS OF WRITE-INS		
7.401 Other Interest		(376)
7.402 Retroactive Losses Paid	(280,647)	(453,036)
7.403 Retroactive LAE Paid	(55,551)	(130,254)
7.498 Summary of remaining write-ins for Line 7.4 from overflow page	(38)	(86)
7.499 Totals (Lines 7.401 through 7.403 plus 7.498) (Line 7.4 above)	(336,236)	(583,752)

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE OHIO SECURITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

The Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under Ohio Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by 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 requires management to 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 revenues and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

Property and casualty insurance premiums are earned principally on a monthly pro rata basis over the term of the policy; the premiums applicable to the unexpired terms of the policies are included in the unearned premium reserve.

Acquisition costs incurred at policy issuance, such as commissions, are charged to operations in the year in which they are incurred.

In addition, Ohio Security uses the following accounting policies:

- (1) Not applicable
- (2) Bonds are generally carried at amortized cost or prescribed NAIC values. Bonds are amortized using the effective interest method.
- (3) Common stocks are stated at market value as prescribed by the NAIC.
- (4) Redeemable preferred stocks, having qualified sinking funds, are carried at cost or amortized cost; all other preferred stocks are carried at fair values as prescribed by the NAIC.
- (5) Not applicable.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. The retrospective adjustment method is used to value all securities.
- (7) Not applicable.
- (8) Not applicable.
- (9) Not applicable.
- (10) Ohio Security anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property - Casualty Contracts - Premiums.
- (11) Reserves for unpaid losses and loss adjustment expenses are based on estimates of ultimate claim costs without discounting, including claims incurred but not reported, salvage and subrogation and inflation. Such liabilities are based on assumptions and estimates which management believes are adequate, but the ultimate liability may differ from the amount provided. The methods of making such estimates are continually reviewed and updated, any resulting adjustments are reflected in current earnings.

2. Accounting Changes and Corrections of Errors

Certain prior year amounts have been reclassified to conform to the current year presentation.

9. Income Taxes

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

	9/30/2002	12/31/2001
(1) Total of all deferred tax assets (admitted and nonadmitted)	\$3,218,123	\$3,025,673
(2) Total of all deferred tax liabilities	(271,341)	(340,586)
(3) Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	\$9,097	\$ 0
(4) Increase (decrease) in deferred tax assets nonadmitted	\$9,097	\$ 0

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

- (1) As of September 30, Ohio Security had a balance of \$N/A in its Policyholder Surplus account under the provisions of the Internal Revenue Code. This amount could become taxable to the extent that future shareholder dividends are paid from this account.
- (2) As of September 30, Ohio Security had investments in certain foreign subsidiaries whose reporting basis exceeded tax basis by \$N/A. This amount could become taxable in the event of a sale or dissolution of one or more subsidiaries.

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

	9/30/2002	12/31/2001
1. Current year tax expense	\$ 240,387	\$ 676,022
2. Tax credits	0	0
3. Current year equity tax	0	0
4. Prior Year overaccrual of tax reserves	(106,817)	1,725,572
5. Current income taxes incurred	133,570	2,401,594

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE OHIO SECURITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

The changes in main components of DTAs and DTLs are as follows:

	9/30/2002	12/31/2001	Change
DTAs resulting from book/tax differences in			
15. Reserves-Loss Res., UPR,S&S	\$ 356,748	\$ 315,650	\$ 41,099
16. Employee Benefits	60,054	44,790	15,263
17. VEBA	0	0	0
18. Tax Credits	2,515,800	2,515,800	0
20. Basis Difference on InvestedAssets	192,475	89,253	103,222
21. Other Non-deductible Accruals	21,158	17,728	3,430
22. State Assessments	0	0	0
23. Basis Difference on DepreciableAssets	4,259	1,589	2,670
24. Replacement Carrier Fee	0	0	0
25. Tax Benefit on NOLC/F	0	0	0
26. Other DTAs	67,629	40,864	26,765
27. Total DTAs	3,218,123	3,025,673	192,450
28. DTAs nonadmitted	9,097	0	9,097

DTLs resulting from book/tax differences in			
29. Bonds & Stocks-Unrealized Gain/Loss	13,586	147,810	(134,224)
30. Amortization	22,519	0	22,519
31. Basis Difference on InvestedAssets	34	436	(402)
34. Other Deductible Accruals	88,376	65,650	22,726
35. Other DTLs	146,825	126,690	20,136
36. Total DTLs	271,341	340,586	(69,244)

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

	Amount	Tax Effect
1. Income before taxes	\$508,456	\$177,960
2. Tax exempt interest	(65,928)	(23,075)
3. Dividends received deduction	(D4,830)	(1,691)
4. Proration	11,835	4,142
5. Goodwill Amortization	(165,628)	(57,970)
6. Capital Loss on Subsidiary Stock	0	0
7. Book over Tax Reserves	210,379	73,633
8. Tax over Book Capital Gain	24,105	8,437
9. Basis Difference in Invested Assets	176,807	61,882
10. Workers' Compensation Dividends	(51,379)	(17,983)
11. Employee Benefits	43,609	15,263
12. Depreciation/Amortization	(173,680)	(60,788)
13. Replacement Carrier Fee	0	0
14. Non-deductible Accruals	(5,159)	(1,806)
15. Other Deductions/Income	178,234	62,382
16. AMT Credit Generated	0	0
17. NOL Carryforward	0	0
18. Other	0	(106,817)
19. Taxable Income	868,820	133,570

- E. (1) At September 30, 2001, Ohio Security has \$0 of operating loss carry forwards originating in 2001 which expire, if unused, in years 2001 through 2020.
- (2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

2002	\$240,387
2001	\$569,212
2000	\$0
1999	\$2,432,432
1998	\$83,368
1997	\$560,124

F. (1) Ohio Security's Federal income tax return is consolidated with the following entities:

Ohio Casualty Corporation  
Hamilton Graphics  
Ocasco Budget, Inc.  
Ocasco Securities Corporation  
Ohio Life Brokerage Services, Inc.  
Ohio Casualty Insurance Company  
West American Insurance Company  
Ohio Security Insurance Company  
American Fire and Casualty Company  
Avomark Insurance Company  
Ohio Casualty of New Jersey, Inc.

- (2) The method of allocation between the companies is subject to written agreement approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses providing those losses are utilized on consolidated basis. Intercompany tax balances are settled within 90 days after the payment of each estimated deposit of consolidated tax liability (or Alternative Minimum Tax).

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

C. Wash Sales

None

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

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

Yes ( ) No (X)
- 1.2

If yes, explain:
- 2.1

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

Yes ( ) No (X)
- 2.2

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

Yes ( ) No ( )
- 3.1

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

Yes ( ) No (X)
- 3.2

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

Have there been any substantial changes in the organizational chart since the prior quarter end?  
  
If yes, attach an organizational chart.

Yes ( ) No (X)
- 5.1

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

Yes ( ) No (X)
- 5.2

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

<div>1</div> <div>Name of Entity</div>	<div>2</div> <div>NAIC Company Code</div>	<div>3</div> <div>State of Domicile</div>

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?  
  
If yes, attach an explanation.

Yes ( ) No ( ) N/A (X)
- 7.1

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

12/31/2000
- 7.2

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

12/31/2000
- 7.3

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

03/15/2002
- 7.4

By what department or departments?  
  
Indiana and 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 (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:

	<sup>1</sup> Prior Year-End Statement Value	<sup>2</sup> 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 .....	\$ .....	\$ ..... 1,243,701

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:

<sup>1</sup> Name of Custodian(s)	<sup>2</sup> Custodian Address
J. P. Morgan Chase .....	4 New York Plaza New York, NY 10004 .....
Wachovia .....	21 South Street Morristown, NJ 07960 .....
U. S. Bank .....	425 Walnut Street Cincinnati, OH 45202 .....

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

<sup>1</sup> Name(s)	<sup>2</sup> Location(s)	<sup>3</sup> 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 (X) No ( )

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

<sup>1</sup> Old Custodian	<sup>2</sup> New Custodian	<sup>3</sup> Date of Change	<sup>4</sup> Reason
First Union .....	Wachovia .....	06/30/2002	Name change .....
Firststar .....	U. S. Bank .....	02/28/2002	Name change .....
.....	.....	.....	.....

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

<sup>1</sup> Central Registration Depository	<sup>2</sup> Name(s)	<sup>3</sup> Address
.....	.....	.....
.....	.....	.....
.....	.....	.....

GENERAL INTERROGATORIES  
(continued)

PART 2  
PROPERTY AND CASUALTY INTERROGATORIES

1.

If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?  
If yes, attach an explanation.

Yes ( ) No (X) 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 (X)
- 3.1

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

Yes ( ) No (X)
- 3.2

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

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

Yes ( ) No (X)
- 4.2

If yes, complete the Discount Schedule.

**Page 10**

Schedule A. Verification  
**NONE**

Schedule B. Verification  
**NONE**

Schedule BA. Verification  
**NONE**

SCHEDULE D - PART 1B

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

	1	2	3	4	5	6	7	8
	Statement Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Statement Value End of First Quarter	Statement Value End of Second Quarter	Statement Value End of Third Quarter	Statement Value December 31 Prior Year
BONDS								
1. Class 1 .....	42,641,936	2,986,160	1,648,342	(912,265)	41,999,163	42,641,936	43,067,489	43,230,777
2. Class 2 .....	6,930,274	998,360	1,416,417	(6,623)	10,026,282	6,930,274	6,505,594	11,163,434
3. Class 3 .....	3,131,859			(156,259)	1,817,840	3,131,859	2,975,600	1,764,980
4. Class 4 .....								
5. Class 5 .....			998,125	998,125				
6. Class 6 .....								
7. Total Bonds .....	52,704,069	3,984,520	4,062,884	(77,022)	53,843,285	52,704,069	52,548,683	56,159,191
PREFERRED STOCK								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds and Preferred Stock .....	52,704,069	3,984,520	4,062,884	(77,022)	53,843,285	52,704,069	52,548,683	56,159,191

**Page 12**

Schedule DA, Part 1

**NONE**

Schedule DA, Part 2

**NONE**

**Page 13**

Sch. DB, Pt. F, Sn. 1, Summary Replicated (Syn.) Assets Open

**NONE**

**Page 14**

Sch. DB, Pt. F, Sn. 2, Reconciliation Replicated (Syn.) Assets

**NONE**

SCHEDULE F - CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

1	2	3	4	5
NAIC Company Code	Federal ID Number	Name of Reinsurer	Location	Is Insurer Authorized? (Yes or No)
All Other Insurers				
00000	AA-3190002	Ace Tempest Re	Bermuda	No
0499999	All Other Insurers			

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.		1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
			2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	Yes	96,218	45,639	862	50,542	15,198	129,546
2. Alaska	AK	Yes	7					
3. Arizona	AZ	Yes	31,588	49,344	88,466	76,182	14,032	98,050
4. Arkansas	AR	Yes						
5. California	CA	No						
6. Colorado	CO	Yes	2,214	5,664	(875)	(450)	220	778
7. Connecticut	CT	Yes	1,061,930	1,315,674	835,496	915,540	1,741,787	1,904,547
8. Delaware	DE	Yes	134,996	95,352	84,394	176,473	406,344	131,820
9. District of Columbia	DC	Yes	181,172	28,664	7,019	1,501	49,634	1,641
10. Florida	FL	Yes						
11. Georgia	GA	Yes	292,054	195,138	31,451	20,332	105,467	35,669
12. Hawaii	HI	No						
13. Idaho	ID	Yes	316				10	
14. Illinois	IL	Yes	1,825,520	1,038,339	289,965	255,165	735,277	486,424
15. Indiana	IN	Yes	(90,003)	53,608	28,257	148,266	11,970	27,736
16. Iowa	IA	Yes	18,913	(1,311)	40,968	22,877	1,096	58,877
17. Kansas	KS	Yes	5,189	6,320		331	304	739
18. Kentucky	KY	Yes	416,377	422,550	102,601	291,320	349,247	385,214
19. Louisiana	LA	Yes						
20. Maine	ME	No						
21. Maryland	MD	Yes	2,849,859	1,486,549	477,835	236,601	2,273,665	1,470,605
22. Massachusetts	MA	Yes	54,614	1,947	61	199	1,817	7,670
23. Michigan	MI	Yes	350,773	314,627	77,939	165,069	306,517	274,977
24. Minnesota	MN	Yes	73,572	93,292	21,076	17,272	29,715	22,050
25. Mississippi	MS	Yes	11,228	211	97		2,026	11
26. Missouri	MO	Yes	132,533	40,637	10,167	31,797	181,115	153,607
27. Montana	MT	Yes						
28. Nebraska	NE	Yes	124,147	126,977	18,288	75,335	63,973	72,194
29. Nevada	NV	Yes	18,102	17,680	53,252	1,266	6,716	44,243
30. New Hampshire	NH	No						
31. New Jersey	NJ	Yes	993,411	2,046,721	374,567	173,599	2,058,378	1,187,442
32. New Mexico	NM	Yes	9,209	9,697	(193)	47	3,991	8,453
33. New York	NY	Yes	419,772	109,905	37,269	95	268,118	13,478
34. North Carolina	NC	Yes	916,182	856,778	142,544	39,006	654,092	180,457
35. North Dakota	ND	Yes						
36. Ohio	OH	Yes	187,237	203,275	56,386	61,868	153,024	21,644
37. Oklahoma	OK	Yes	26,335	30,640	30,471	34,181	32,071	34,234
38. Oregon	OR	Yes		(2,037)	181,318	869,306	130,307	455,562
39. Pennsylvania	PA	Yes	4,789,264	3,122,400	569,475	103,282	4,334,865	717,826
40. Rhode Island	RI	Yes						
41. South Carolina	SC	Yes	169,326	182,851	92,087	14,197	247,467	178,699
42. South Dakota	SD	Yes						
43. Tennessee	TN	Yes	221,842	282,395	179,708	69,811	538,221	115,362
44. Texas	TX	Yes	607,707	104,345	28,509	34,557	235,941	67,557
45. Utah	UT	Yes	165,122	403,676	201,536	296,905	258,439	276,851
46. Vermont	VT	No						
47. Virginia	VA	Yes	640,814	232,711	111,481	159,911	986,162	81,254
48. Washington	WA	Yes	24,771	83,196	39,909	107,678	178,380	277,023
49. West Virginia	WV	Yes	6	2				
50. Wisconsin	WI	Yes	117,664	6,921	(710)	17,000	2,482	1,361
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)	46	16,879,985	13,010,376	4,211,674	4,467,062	16,378,068	8,923,601
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 through 5703 plus Line 5798)(Line 57 above)		X X X						

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

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	Prior Year to Date Direct Loss Percentage
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical malpractice-occurrence				
11.2 Medical malpractice-claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation	13,803,653	9,933,315	72.0	74.5
17.1 Other liability-occurrence				
17.2 Other liability-claims made				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability	781,077	615,750	78.8	93.5
19.3, 19.4 Commercial auto liability				
21. Auto physical damage	533,503	263,394	49.4	55.3
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				
34. TOTALS	15,118,233	10,812,458	71.5	75.1
DETAILS OF WRITE-INS				
3301.				
3302.				
3303.				
3398. Summary of remaining write-ins for Line 33 from overflow page				
3399. Totals (Lines 3301 through 3303 plus Line 3398) (Line 33)				

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical malpractice-occurrence			
11.2 Medical malpractice-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation	5,439,192	16,090,450	11,016,259
17.1 Other liability-occurrence			
17.2 Other liability-claims made			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability	129,406	487,141	1,129,997
19.3, 19.4 Commercial auto liability			
21. Auto physical damage	73,007	302,394	864,120
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			
34. TOTALS	5,641,606	16,879,985	13,010,376
DETAILS OF WRITE-INS			
3301.			
3302.			
3303.			
3398. Summary of remaining write-ins for Line 33 from overflow page			
3399. Totals (Lines 3301 through 3303 plus Line 3398) (Line 33)			



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

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Prior Year- End Known Case Loss and LAE Reserves	Prior Year- End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves(a) (Cols. 1 plus 2)	2002 Loss and LAE Payments on Claims Reported as of Prior Year-End	2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2002 Loss and LAE Payments (Cols. 4 plus 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves(b) (Cols. 7 plus 8 plus 9)	Prior Year- End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 plus 7 minus Col. 1)	Prior-Year- End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 plus 8 plus 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency(c) (Cols. 11 plus 12)
1. 1999 + Prior	3,904	2,260	6,164	1,425	28	1,453	2,980	75	2,331	5,386	501	174	675
2. 2000	1,924	1,815	3,739	798	37	835	1,355	88	1,429	2,872	229	(261)	(32)
3. Subtotals 2000 + prior	5,828	4,075	9,903	2,223	65	2,288	4,335	163	3,760	8,258	730	(87)	643
4. 2001	2,411	3,088	5,499	1,429	164	1,593	1,586	12	2,172	3,770	604	(740)	(136)
5. Subtotals 2001 + prior	8,239	7,163	15,402	3,652	229	3,881	5,921	175	5,932	12,028	1,334	(827)	507
6. 2002	X X X	X X X	X X X	X X X	2,766	2,766	X X X	1,653	2,823	4,476	X X X	X X X	X X X
7. Totals	8,239	7,163	15,402	3,652	2,995	6,647	5,921	1,828	8,755	16,504	1,334	(827)	507
8. Prior Year- End's Surplus As Regards Policy- holders	36,524										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. 16.2 %	2. (11.5)%	3. 3.3 %
													Col. 13 , Line 7 Line 8
													4. 1.4 %

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

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

RESPONSES

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

Yes

EXPLANATION:

.....

BARCODE:

Document Identifier 470:

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

No

EXPLANATION:

.....

BARCODE:

2. Document Identifier 490:



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

No

EXPLANATION:

.....

BARCODE:

3. Document Identifier 450:



OVERFLOW PAGE FOR WRITE-INS

OVERFLOW WRITE-INS FOR Page 3, Liabilities

		1	2
		Current	December 31,
		Statement Date	Prior Year
AGGREGATED AT Line 23, Liabilities			
Payable to Shareholder	500	500	
2398 Line 23, Liabilities	500	500	

OVERFLOW WRITE-INS FOR Page 4, Statement of Income

		1	2	3
		Current Year	Prior Year	Prior Year Ended
		to Date	to Date	December 31
AGGREGATED AT Line 14, Miscellaneous Income				
Fines and Penalties	(38)	(36)	(86)	
1498 Line 14, Miscellaneous Income	(38)	(36)	(86)	

OVERFLOW WRITE-INS FOR Page 5, Cash Flow

		1	2
		Current Year	Prior Year
		To Date	Ended December 31
AGGREGATED AT Line 7.4, Miscellaneous Items			
Fines and Penalties	(38)	(86)	
07.498 Line 7.4, Miscellaneous Items	(38)	(86)	

**Page E01**

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

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

**Page E02**

Schedule B, Part 1, Mortgage Loans Acquired  
**NONE**

Schedule B, Part 2, Mortgage Loans Sold  
**NONE**

**Page E03**

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

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

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)
Bonds - Industrial and Miscellaneous								
02635P-RT-2	AMER GENL FIN	09/27/2002	CHEMICAL SECURITIES		991,840	1,000,000		1
653922-AD-6	NIKE INC MTN	07/01/2002	MERRILL LYNCH		999,000	1,000,000		1PE
902911-AK-2	UST INC	07/10/2002	GOLDMAN, SACHS & CO.		995,320	1,000,000		1
4599999	Subtotal - Bonds - Industrial and Miscellaneous				2,986,160	3,000,000		
6099997	Subtotal - Bonds - Part 3				2,986,160	3,000,000		
6099998	Summary Item - Bonds Acquired and fully Disposed this quarter				998,360	1,000,000		
6099999	Subtotal - Bonds				3,984,520	4,000,000		
7299999	TOTALS				3,984,520			

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identif- ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designa- tion (a)
Bonds - U.S. Governments																
912827-65-5	US TREASURY NT	08/15/2002	MATURITY		750,000	750,000.00	771,328	750,000	(1,817)					47,813		1PE
0399999	Subtotal - Bonds - U.S. Governments				750,000	750,000.00	771,328	750,000	(1,817)					47,813		
Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																
31359U-M8-5	FNR 1998-62 DC		PRINCIPAL PAYDOWN		43,010	43,010.26	46,989	43,010	(2,252)							1PE
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions				43,010	43,010.26	46,989	43,010	(2,252)							
Bonds - Public Utilities																
202795-FB-1	COMMONWLTH ED FMB SER 86	09/16/2002	CALLED		258,563	250,000.00	268,750	258,575	(1,854)			(13)	(13)	20,996		2
74913E-AE-0	QWEST CAP FDG INC GTD NT	07/18/2002	BANK OF AMERICA		505,000	1,000,000.00	997,850	998,125	92			(493,125)	(493,125)	74,172		5
3899999	Subtotal - Bonds - Public Utilities				763,563	1,250,000.00	1,266,600	1,256,700	(1,762)			(493,137)	(493,137)	95,168		
Bonds - Industrial and Miscellaneous																
00077B-PV-9	AMAC 2000-3 1A8		PRINCIPAL PAYDOWN		121,111	121,111.17	121,300	121,111	(74)							1PE
301965-BL-2	FFCA 1999-2 A1A		PRINCIPAL PAYDOWN		46,144	46,143.61	46,156	46,144	(13)							1
670670-AJ-7	NYCTL 99-R B	08/10/2002	PRINCIPAL PAYDOWN		159,482	159,482.01	159,482	159,482								2
69348R-LW-4	PNCMS 1999-5 2A6		PRINCIPAL PAYDOWN		330,851	330,851.28	320,305	330,851	3,648					3,571		1PE
76110Y-TC-6	RFMSI 2000-S2 A5		PRINCIPAL PAYDOWN		357,226	357,225.64	357,226	357,226						4,689		1PE
4599999	Subtotal - Bonds - Industrial and Miscellaneous				1,014,814	1,014,813.71	1,004,469	1,014,814	3,561					8,260		
6099997	Subtotal - Bonds - Part 4				2,571,386	3,057,823.97	3,089,386	3,064,524	(2,270)			(493,137)	(493,137)	151,241		
6099998	Summary Item - Bonds Acquired and fully Disposed this quarter				1,007,200	1,000,000.00	998,360	998,360				8,840	8,840			
6099999	Subtotal - Bonds				3,578,586	4,057,823.97	4,087,746	4,062,884	(2,270)			(484,297)	(484,297)	151,241		
7299999	TOTALS				3,578,586		4,087,746	4,062,884	(2,270)			(484,297)	(484,297)	151,241		

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

**Page E06**

Schedule DB, Part A, Section 1  
**NONE**

Schedule DB, Part B, Section 1  
**NONE**

**Page E07**

Schedule DB, Part C, Section 1  
**NONE**

Schedule DB, Part D, Section 1  
**NONE**

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1		2	3	4	Book Balance at End of Each Month During Current Quarter			8
Depository					5	6	7	
Name	Location and Supplemental Information							
Open Depositories								
1st National Bank		Hamilton, OH			(6,047)	(6,047)	(6,047)	
Bank of America		Los Angeles, CA			46,125	13,406	2,089	
Bank One		Columbus, OH	9,668		138		2,769,261	
0199999 TOTAL - Open Depositories			9,668		40,217	7,360	2,765,304	
0399999 TOTAL Cash on Deposit			9,668		40,217	7,360	2,765,304	
0599999 TOTALS			9,668		40,217	7,360	2,765,304	