



## QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

### Westfield Insurance Company

NAIC Group Code 0228  
(Current Period)0228  
(Prior Period)NAIC Company Code 24112Employer's ID Number 34-6516838Organized under the Laws of Ohio, State of Domicile or Port of Entry OhioCountry of Domicile USIncorporated July 12, 1929 Commenced Business July 19, 1929Statutory Home Office One Park Circle, Westfield Center, Ohio 44251-5001  
(Street and Number. City or Town. State and Zip Code)Main Administrative Office One Park Circle, Westfield Center, Ohio 44251-5001  
(Street and Number. City or Town. State and Zip Code) 330-887-0101  
(Area Code) (Telephone Number)Mail Address P. O. Box 5001, Westfield Center, Ohio 44251-5001  
(Street and Number. City or Town. State and Zip Code)Primary Location of Books and Records One Park Circle, Westfield Center, Ohio 44251-5001  
(Street and Number. City or Town. State and Zip Code) 330-887-0101  
(Area Code) (Telephone Number)Internet Website Address www.westfieldgrp.comStatement Contact Bambi Ann Beshire 330-887-0101  
(Name) 330-887-0840  
(E-Mail Address) (Fax Number)Policyowner Relations Contact One Park Circle, Westfield Center, Ohio 44251  
330-887-0980  
(Street and Number. City or Town. State and Zip Code)  
(Area Code) (Telephone Number) (Extension)

### OFFICERS

Chairman & CEO .....	John J Adornetto	Robert Cary Blair
COO .....	Robert Steven Madden	Robert Joseph Joyce
President .....	Debra Lynn Cummings	Roger William McManus
Sr Ex Spec Mkts .....	Edward Albert Schaefer, Jr	Robert Krisowaty
Chief Solu Officer .....	Richard Leo Kinnaird, Jr	John Martin Haney
Chief HR Officer .....	Bambi Ann Beshire	Alyn Kent Daugherty
Sr Ex Claims .....	David Milton Critchfield	Douglas Philip Carpenter
Sr Ex F & S Oper .....	Thomas Lee Kranstuber	Richard Dayton Orr
Controller .....	Robert Daniel Sondles, III	James Robert Clay
Sr Ex Bus Dev .....	John J Adornetto	Thomas Victor Grimm
Sr Ex Spec Mkts .....	Debra Lynn Cummings	Mary Lou Solsman
Sr Ex Govt Rel .....	Edward Albert Schaefer, Jr	Michael Brooks Rorapaugh
	Chief Actuary .....	Stephen Edward Lehecka

### VICE PRESIDENTS

### DIRECTORS OR TRUSTEES

Robert Cary Blair  
David Brantner Jones  
Martin James MurphyGary Dean Hallman  
Robert Joseph Joyce  
John Alan RootSusan Jane Insley  
Richard Harper LeSourd, Jr  
Thomas Eldon WorkmanState of Ohio  
County of Medina

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.

Robert Krisowaty  
CFO & TreasurerBambi Ann Beshire  
ControllerJeffrey Scott Gillentine  
Financial Reporting ExecutiveSubscribed and sworn to before me this  
31 day of October, 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 .....	802,680,574	0	802,680,574	795,122,855
2. Stocks:				
2.1 Preferred stocks .....	26,312,550	0	26,312,550	16,889,850
2.2 Common stocks .....	220,853,284	0	220,853,284	266,659,424
3. Mortgage loans on real estate:				
3.1 First liens .....	0	0	0	0
3.2 Other than first liens .....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances) .....	0	0	0	0
4.2 Properties held for the production of income (less \$ encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$ 0 encumbrances) .....	0	0	0	0
5. Cash (\$ 0 ) and short-term investments (\$ 4,805,591 ) .....	4,805,591	0	4,805,591	8,170,756
6. Other invested assets .....	1,995,144	0	1,995,144	1,161,449
7. Receivable for securities .....	1,723,268	0	1,723,268	3,360,222
8. Aggregate write-ins for invested assets .....	0	0	0	0
9. Subtotals, cash and invested assets (Lines 1 to 8) .....	1,058,370,411	0	1,058,370,411	1,091,364,556
10. Agents' balances or uncollected premiums :				
10.1 Premiums and agents' balances in course of collection .....	47,616,797	8,596,416	39,020,381	32,406,750
10.2 Premiums, agents' balances and instalments booked but deferred and not yet due (including \$ 1,388,047 earned but unbilled premiums) .....	211,513,927	0	211,513,927	179,732,793
10.3 Accrued retrospective premiums .....	0	0	0	0
11. Funds held by or deposited with reinsured companies .....	0	0	0	0
12. Bills receivable, taken for premiums .....	0	0	0	0
13. Amounts billed and receivable under high deductible policies .....	0	0	0	0
14. Reinsurance recoverables on loss and loss adjustment expense payments .....	0	0	0	0
15. Federal and foreign income tax recoverable and interest thereon (including \$ 35,294,586 net deferred tax asset) .....	33,192,331	0	33,192,331	1,414,844
16. Guaranty funds receivable or on deposit .....	409	0	409	409
17. Electronic data processing equipment and software .....	1,590,198	0	1,590,198	3,510,415
18. Interest, dividends and real estate income due and accrued .....	10,074,577	0	10,074,577	11,533,498
19. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0	0	0
20. Receivable from parent, subsidiaries and affiliates .....	20,534,778	0	20,534,778	2,532,324
21. Amounts due from/to protected cells .....	0	0	0	0
22. Equities and deposits in pools and associations .....	0	0	0	0
23. Amounts receivable relating to uninsured accident and health plans .....	0	0	0	0
24. Other assets nonadmitted .....	0	0	0	0
25. Aggregate write-ins for other than invested assets .....	134,824	134,824	0	0
26. Total assets excluding protected cell assets (Lines 9 through 25) .....	1,383,028,252	8,731,240	1,374,297,012	1,322,495,589
27. Protected cell assets .....	0	0	0	0
28. TOTALS (Lines 26 and 27) .....	1,383,028,252	8,731,240	1,374,297,012	1,322,495,589
DETAILS OF WRITE-INS				
0801. ....	0	0	0	0
0802. ....	0	0	0	0
0803. ....	0	0	0	0
0898. Summary of remaining write-ins for Line 8 from overflow page .....	0	0	0	0
0899. Totals (Lines 0801 through 0803 plus 0898) (Line 8 above) .....	0	0	0	0
2501. Advance on Contract .....	134,824	134,824	0	0
2502. ....	0	0	0	0
2503. ....	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	134,824	134,824	0	0

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 495,998,783 )	437,681,381	429,253,178
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	117,124,597	110,945,340
4. Commissions payable, contingent commissions and other similar charges	50,653,852	43,923,198
5. Other expenses (excluding taxes, licenses and fees)	23,994,076	23,139,766
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	13,330,239	14,475,302
7. Federal and foreign income taxes, including \$ 0 on realized capital gains (losses) (including \$ 0 net deferred tax liability)	0	0
8. Borrowed money \$ 56,812,445 and interest thereon \$ 292,305	57,104,750	49,284,545
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 356,095,992 and including warranty reserves of \$ 0 )	374,487,233	333,007,405
10. Advance premium	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,026,595	3,119,559
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	44,322	44,322
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	0	0
20. Payable for securities	5,695,892	2,250,021
21. Liability for amounts held under uninsured accident and health plans	0	0
22. Capital notes \$ 0 and interest thereon \$ 0	0	0
23. Aggregate write-ins for liabilities	1,906,249	0
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	1,083,049,186	1,009,442,636
25. Protected cell liabilities	0	0
26. Total liabilities (Lines 24 and 25)	1,083,049,186	1,009,442,636
27. Aggregate write-ins for special surplus funds	36,875,978	96,431,654
28. Common capital stock	4,700,000	4,700,000
29. Preferred capital stock	0	0
30. Aggregate write-ins for other than special surplus funds	0	0
31. Surplus notes	0	0
32. Gross paid in and contributed surplus	1,395,000	1,395,000
33. Unassigned funds (surplus)	248,276,848	210,526,299
34. Less treasury stock, at cost:		
34.1 0 shares common (value included in Line 28 \$ 0 )	0	0
34.2 0 shares preferred (value included in Line 29 \$ 0 )	0	0
35. Surplus as regards policyholders (Lines 27 to 33, less 34)	291,247,826	313,052,953
36. TOTALS	1,374,297,012	1,322,495,589
DETAILS OF WRITE-INS		
2301. Reserve for Employees Profit Sharing	1,906,249	0
2302.	0	0
2303.	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	1,906,249	0
2701. General Voluntary Reserve	36,875,978	96,431,654
2702.	0	0
2703.	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	36,875,978	96,431,654
3001.	0	0
3002.	0	0
3003.	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	0	0

## 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 \$ 576,978,456 )	502,022,610	439,179,944	594,698,433
1.2 Assumed (written \$ 597,505,266 )	556,025,439	513,419,352	696,959,726
1.3 Ceded (written \$ 577,280,794 )	502,324,949	439,415,160	594,906,145
1.4 Net (written \$ 597,202,928 )	555,723,100	513,184,136	696,752,014
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 324,045,986 ):			
2.1 Direct	282,172,531	274,137,269	364,949,187
2.2 Assumed	334,960,339	341,547,779	459,747,121
2.3 Ceded	282,193,120	274,077,492	364,970,341
2.4 Net	334,939,750	341,607,556	459,725,967
3. Loss expenses incurred	61,196,736	52,137,942	75,610,703
4. Other underwriting expenses incurred	185,585,316	196,359,005	257,006,978
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	581,721,802	590,104,503	792,343,648
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(25,998,702)	(76,920,367)	(95,591,634)
INVESTMENT INCOME			
9. Net investment income earned	43,809,211	40,639,881	56,993,207
10. Net realized capital gains (losses)	(3,748,425)	12,224,129	9,234,680
11. Net investment gain (loss) (Lines 9 plus 10)	40,060,786	52,864,010	66,227,887
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 2,336,592 amount charged off \$ 4,172,983 )	(1,836,391)	(2,252,468)	(2,337,389)
13. Finance and service charges not included in premiums	2,758,010	2,758,662	3,667,434
14. Aggregate write-ins for miscellaneous income	(1,969,485)	(59,452)	(102,405)
15. Total other income (Lines 12 through 14)	(1,047,866)	446,742	1,227,640
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 plus 11 plus 15)	13,014,218	(23,609,615)	(28,136,107)
17. Dividends to policyholders	573,837	428,878	609,780
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	12,440,381	(24,038,493)	(28,745,887)
19. Federal and foreign income taxes incurred	8,747,936	(6,683,716)	(6,438,261)
20. Net income (Line 18 minus Line 19) (to Line 22)	3,692,445	(17,354,777)	(22,307,626)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	313,052,953	360,897,847	360,897,847
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	3,692,445	(17,354,777)	(22,307,626)
23. Net unrealized capital gains or losses	(38,725,234)	(48,635,800)	(14,653,583)
24. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
25. Change in net deferred income tax	13,197,429	16,621,455	5,125,615
26. Change in nonadmitted assets	30,233	(2,315,289)	(1,511,685)
27. Change in provision for reinsurance	0	(43,297)	116,037
28. Change in surplus notes	0	0	0
29. Surplus (contributed to) withdrawn from protected cells	0	0	0
30. Cumulative effect of changes in accounting principles	0	(12,740,757)	(14,613,652)
31. Capital changes:			
31.1 Paid in	0	0	0
31.2 Transferred from surplus (Stock Dividend)	0	0	0
31.3 Transferred to surplus	0	0	0
32. Surplus adjustments:			
32.1 Paid in	0	0	0
32.2 Transferred to capital (Stock Dividend)	0	0	0
32.3 Transferred from capital	0	0	0
33. Net remittances from or (to) Home Office	0	0	0
34. Dividends to stockholders	0	0	0
35. Change in treasury stock	0	0	0
36. Aggregate write-ins for gains and losses in surplus	0	0	0
37. Change in surplus as regards policyholders (Lines 22 through 36)	(21,805,127)	(64,468,465)	(47,844,894)
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	291,247,826	296,429,382	313,052,953
DETAILS OF WRITE-INS			
0501.	0	0	0
0502.	0	0	0
0503.	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Net Gain or (Loss) on Sale of Electronic Data Processing Equipment	(63,236)	(59,657)	(102,610)
1402. Reserve for Employees Profit Sharing	(1,906,249)	0	0
1403. Other Interest Income	0	205	205
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(1,969,485)	(59,452)	(102,405)
3601.	0	0	0
3602.	0	0	0
3603.	0	0	0
3698. Summary of remaining write-ins for Line 36 from overflow page	0	0	0
3699. TOTALS (Lines 3601 through 3603 plus 3698) (Line 36 above)	0	0	0

## CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	556,546,512	748,517,349
2. Loss and loss adjustment expenses paid (net of salvage and subrogation) .....	381,529,021	360,796,028
3. Underwriting expenses paid .....	179,135,835	230,009,886
4. Other underwriting income (expenses) .....	0	0
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) .....	(4,118,344)	157,711,435
6. Net investment income .....	41,219,214	49,687,146
7. Other income (expenses):		
7.1 Agents' balances charged off .....	(1,836,391)	(2,337,389)
7.2 Net funds held under reinsurance treaties .....	0	0
7.3 Net amount withheld or retained for account of others .....	0	0
7.4 Aggregate write-ins for miscellaneous items .....	788,521	3,179,477
7.5 Total other income (Lines 7.1 to 7.4) .....	(1,047,870)	842,088
8. Dividends to policyholders on direct business, less \$ 0 dividends on reinsurance assumed or ceded (net) .....	573,837	609,780
9. Federal and foreign income taxes (paid) recovered .....	(6,497,553)	10,552,687
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9) .....	28,981,610	218,183,576
<b>Cash from Investments</b>		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds .....	126,724,938	122,045,146
11.2 Stocks .....	16,356,241	67,918,191
11.3 Mortgage loans .....	0	0
11.4 Real estate .....	0	0
11.5 Other invested assets .....	0	3,333,918
11.6 Net gains or (losses) on cash and short-term investments .....	0	0
11.7 Miscellaneous proceeds .....	7,046,497	0
11.8 Total investment proceeds (Lines 11.1 to 11.7) .....	150,127,676	193,297,255
12. Cost of investments acquired (long-term only):		
12.1 Bonds .....	130,686,333	341,863,475
12.2 Stocks .....	42,667,581	139,486,271
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	1,000,000	0
12.6 Miscellaneous applications .....	0	1,334,057
12.7 Total investments acquired (Lines 12.1 to 12.6) .....	174,353,914	482,683,803
13. Net cash from investments (Line 11.8 minus Line 12.7) .....	(24,226,238)	(289,386,548)
<b>Cash from Financing and Miscellaneous Sources</b>		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in .....	0	0
14.2 Capital notes \$ 0 less amounts repaid \$ 0 .....	0	0
14.3 Net transfers from affiliates .....	0	10,605,227
14.4 Borrowed funds received .....	7,776,749	49,035,697
14.5 Other cash provided .....	2,105,168	0
14.6 Total (Lines 14.1 to 14.5) .....	9,881,917	59,640,924
15. Cash applied:		
15.1 Dividends to stockholders paid .....	0	0
15.2 Net transfers to affiliates .....	18,002,454	0
15.3 Borrowed funds repaid .....	0	0
15.4 Other applications .....	0	0
15.5 Total (Lines 15.1 to 15.4) .....	18,002,454	0
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5) .....	(8,120,537)	59,640,924
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16) .....	(3,365,165)	(11,562,048)
18. Cash and short-term investments:		
18.1 Beginning of year .....	8,170,756	19,732,804
18.2 End of period (Line 17 plus Line 18.1) .....	4,805,591	8,170,756
<b>DETAILS OF WRITE-INS</b>		
7.401 Finance and Service Charges .....	2,758,010	3,667,428
7.402 Net Gain or Loss on Sale of Electronic Data Processing Equipment .....	(63,240)	(102,609)
7.403 Employees Profit Sharing .....	(1,906,249)	0
7.498 Summary of remaining write-ins for Line 7.4 from overflow page .....	0	(385,342)
7.499 Totals (Lines 7.401 through 7.403 plus 7.498) (Line 7.4 above) .....	788,521	3,179,477

**NOTES TO FINANCIAL STATEMENTS**

2.

B. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. Effective January 1, 2001, the State of Ohio required that insurance companies domiciled in the State of Ohio prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual - Version effective March 1, 2002 subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner.

9.

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

	9/30/02	12/31/01
1 Total of all deferred tax assets (admitted and nonadmitted)	52,102,124	38,303,605
2 Total of all deferred tax liabilities	16,310,245	37,036,889
3 Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	497,293	0
4 Increase (decrease) in deferred tax assets nonadmitted	497,293	0

B. As of September 30, the company had no unrecognized deferred income tax liabilities.

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

	9/30/02	12/31/01
1 Current year income tax expense	8,712,161	(6,763,423)
2 Tax credits	0	(60,411)
3 Other adjustment: FIT Receivable	(6,609,906)	6,723,514
4 Prior year (over)/under accrual of tax	0	0
5 Current income taxes incurred	2,102,255	(100,320)

The main components of the September 30, 2002 deferred tax amounts are as follows:

DTAs	Statutory	Tax	Difference	Tax Effect
6 Unpaid Losses & LAE	537,025,799	474,947,068	62,078,731	21,727,556
7 Unearned Premiums	364,724,184	296,097,420	68,626,764	24,019,367
8 Investments - Preferred Stock	(21,518,500)	(21,999,829)	481,329	168,465
9 Other Investments - Partnerships	(2,293,084)	(3,442,259)	1,149,175	402,211
10 Other Expenses	19,178,570	4,152,157	15,026,413	5,259,245
11 Insolvency Reserve	0	(1,131,176)	1,131,176	395,912
12 Accrued Dividends	(11,435,284)	(11,804,908)	369,624	129,368
13 Total DTAs	885,681,685	736,818,473	148,863,212	52,102,124
14 DTAs nonadmitted			1,420,837	497,293

DTLs	Statutory	Tax	Difference	Tax Effect
15 Investments - Bonds	(792,054,053)	(787,834,653)	4,219,400	1,476,790
16 Investments - Common Stock	(249,911,610)	(210,394,299)	39,517,311	13,831,059
17 Properties	0	1,169,884	1,169,884	409,459
18 Salvage & Subrogation	0	567,594	567,594	198,658
19 Other Liabilities	4,412,431	5,538,942	1,126,511	394,279
20 Total DTLs	(1,037,553,232)	(990,952,532)	46,600,700	16,310,245

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

DTAs resulting from book/tax differences in:	9/30/02	12/31/01	Change
21 Unpaid Losses & LAE	21,727,556	17,151,793	4,575,763
22 Unearned Premiums	24,019,367	15,741,728	8,277,639
23 Investments - Preferred Stock	168,465	0	168,465
24 Other Investments - Partnerships	402,211	0	402,211
25 Other Expenses	5,259,245	4,267,299	991,946
26 Insolvency Reserve	395,912	568,101	(172,189)
27 Salvage & Subrogation	0	169,219	(169,219)
28 Depreciation - Software	0	218,378	(218,378)
29 Accrued Dividends	129,368	126,676	2,692
30 Total DTAs	52,102,124	38,243,194	13,858,930
31 DTAs nonadmitted	497,293	0	497,293

**NOTES TO FINANCIAL STATEMENTS**

DTLs resulting from book/tax differences in:	9/30/02	12/31/01	Change
32 Investments - Bonds	1,476,790	1,354,226	122,564
33 Investments - Common Stock	13,831,059	34,420,444	(20,589,385)
34 Investments - Preferred Stock	0	77,653	(77,653)
35 Other Investments - Partnerships	0	796,635	(796,635)
36 Properties	409,459	0	409,459
37 Salvage & Subrogation	198,658	0	198,658
38 Other Liabilities	394,279	387,931	6,348
39 Total DTLs	16,310,245	37,036,889	(20,726,644)

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

	Amount	Tax Effect at 35%
1 Income before taxes	20,781,259	7,273,440
2 Book over tax reserves	5,770,294	2,019,603
3 Unearned premiums	9,922,988	3,473,046
4 Salvage and subrogation	1,097,945	384,281
5 Depreciation	(728,241)	(254,884)
6 Accrued market discount	(2,940,113)	(1,029,040)
7 Dividends received deduction, net of proration	(1,722,117)	(602,741)
8 Accrued dividends	(573,837)	(200,843)
9 Travel and entertainment	440,954	154,334
10 Capital gains (losses)	(3,197,861)	(1,119,251)
11 Balances charged off	(584,810)	(204,683)
12 Other	(3,374,571)	(1,181,100)
13 Taxable income	24,891,890	8,712,161

E. 1 At December 31, 2001, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

2 The following are income taxes incurred in the current and prior years which will be available for recoupment in the event of future net losses:

Year Incurred	Amount
2001	\$0
2000	0
1999	814,000

F. Consolidated Federal Income Tax Return

1 The Company's Federal Income Tax return is consolidated with its parent, Ohio Farmers Insurance Company, FEIN 34-0438190; NAIC 24104.

2 Each Company in the consolidation has agreed to share any tax or recovery of tax based on their individual taxable income or loss. Each Company's current taxable income or loss will be adjusted by any prior taxable income or loss which can be carried forward to the current year.

17.

C. The Company has no wash sales for the quarter ended September 30, 2002.

## 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? Yes ( ) No (X)

If yes, attach an organizational chart.

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

5.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that 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. 12/31/1997

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. 12/31/1997

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). 07/13/1999

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 (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: \$ ..... 0

12. Amount of real estate and mortgages held in short-term investments: \$ ..... 0

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes ( ) No (X)

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds .....	\$ ..... 0	\$ ..... 0
13.22 Preferred Stock .....	\$ ..... 0	\$ ..... 0
13.23 Common Stock .....	\$ ..... 0	\$ ..... 0
13.24 Short-Term Investments .....	\$ ..... 0	\$ ..... 0
13.25 Mortgages, Loans or Real Estate .....	\$ ..... 0	\$ ..... 0
13.26 All Other .....	\$ ..... 0	\$ ..... 0
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26) .....	\$ ..... 0	\$ ..... 0
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above .....	\$ ..... 0	\$ ..... 0
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....	\$ ..... 0	\$ ..... 0

14.1 Does the reporting entity have any hedging transactions reported on schedule DB? Yes ( ) No (X)

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

If no, attach a description with this statement.

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

Yes (X) No ( )

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

1 Name of Custodian(s)	2 Custodian Address
JP Morgan Chase .....	4 New York Plaza .....
.....	New York, NY .....
.....	10004 .....

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....
.....	.....	.....
.....	.....	.....

15.3 Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year? Yes ( ) No (X)

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

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

1 Central Registration Depository	2 Name(s)	3 Address
.....	.....	.....
.....	.....	.....
.....	.....	.....

## **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.

**SCHEDULE A - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period				
2. Increase (decrease) by adjustment	0	0	0	0
3. Cost of acquired	0	0	0	0
4. Cost of additions to and permanent improvement	0	0	0	0
5. Total profit (loss) on sales	0	0	0	0
6. Increase (decrease) by foreign exchange adjustment	0	0	0	0
7. Amount received on sales	0	0	0	0
8. Book/adjusted carrying value at end of current period	0	0	0	0
9. Total valuation allowance	0	0	0	0
10. Subtotal (Line 8 plus Line 9)	0	0	0	0
11. Total nonadmitted amounts	0	0	0	0
12. Statement value, current period (Page 2, real estate lines, current period)	0	0	0	0

**SCHEDULE B - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned at end of current period				
2. Amount loaned during period:				
2.1 Actual cost at time of acquisitions	0	0	0	0
2.2 Additional investment made after acquisition	0	0	0	0
3. Accrual of discount and mortgage interest paid	0	0	0	0
4. Increase (decrease) by adjustment	0	0	0	0
5. Total profit (loss) on sale	0	0	0	0
6. Amounts paid on account or in full during the period	0	0	0	0
7. Amortization of premium	0	0	0	0
8. Increase (decrease) by foreign exchange adjustment	0	0	0	0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	0	0	0	0
10. Total valuation allowance	0	0	0	0
11. Subtotal (Line 9 plus Line 10)	0	0	0	0
12. Total nonadmitted amounts	0	0	0	0
13. Statement value of mortgages owned at end of current period	0	0	0	0

**SCHEDULE BA - VERIFICATION**

Other Invested Assets Included in Schedule BA

Description	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period	1,161,449	2,165,970	2,293,084	5,015,250
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions	1,000,000	0	0	0
2.2 Additional investment made after acquisitions	0	0	0	0
3. Accrual of discount	0	0	0	0
4. Increase (decrease) by adjustment	4,521	127,114	(297,940)	(2,447,251)
5. Total profit (loss) on sale	0	0	0	1,927,368
6. Amounts paid on account or in full during the period	0	0	0	3,333,918
7. Amortization of premium	0	0	0	0
8. Increase (decrease) by foreign exchange adjustment	0	0	0	0
9. Book/adjusted carrying value of long-term invested assets at end of current period	2,165,970	2,293,084	1,995,144	1,161,449
10. Total valuation allowance	0	0	0	0
11. Subtotal (Line 9 plus Line 10)	2,165,970	2,293,084	1,995,144	1,161,449
12. Total nonadmitted amounts	0	0	0	0
13. Statement value of long term invested assets at end of current period	2,165,970	2,293,084	1,995,144	1,161,449

**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 .....	729,079,105	59,076,303	56,320,292	3,322,900	730,526,132	729,079,105	735,158,016	719,864,854
2. Class 2 .....	75,164,433	0	4,610,461	(2,293,633)	80,787,824	75,164,433	68,260,339	78,280,873
3. Class 3 .....	6,001,971	0	2,559,390	(114,771)	5,686,931	6,001,971	3,327,810	4,022,944
4. Class 4 .....	840,000	0	0	(100,000)	1,144,840	840,000	740,000	1,124,940
5. Class 5 .....	0	0	0	0	0	0	0	0
6. Class 6 .....	0	0	0	0	0	0	0	0
7. Total Bonds .....	811,085,509	59,076,303	63,490,143	814,496	818,145,727	811,085,509	807,486,165	803,293,611
<b>PREFERRED STOCK</b>								
8. Class 1 .....	6,485,400	5,000,000	0	(349,500)	6,135,100	6,485,400	11,135,900	5,974,100
9. Class 2 .....	9,996,600	1,442,795	0	(1,269,245)	9,914,150	9,996,600	10,170,150	5,879,250
10. Class 3 .....	5,036,500	0	0	(30,000)	5,036,500	5,036,500	5,006,500	1,930,000
11. Class 4 .....	0	0	0	0	0	0	0	3,106,500
12. Class 5 .....	0	0	0	0	0	0	0	0
13. Class 6 .....	0	0	0	0	0	0	0	0
14. Total Preferred Stock .....	21,518,500	6,442,795	0	(1,648,745)	21,085,750	21,518,500	26,312,550	16,889,850
15. Total Bonds and Preferred Stock .....	832,604,009	65,519,098	63,490,143	(834,249)	839,231,477	832,604,009	833,798,715	820,183,461

**SCHEDULE DA - PART 1**

Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
80999999 Totals .....	4,805,591	X X X	4,805,591	15,040	0

**SCHEDULE DA - PART 2 - VERIFICATION**

Short-Term Investments Owned

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book / adjusted carrying value, beginning of period .....	8,170,756	15,402,268	19,031,456	19,732,804
2. Cost of short-term investments acquired .....	13,004,992	9,254,937	9,797,084	23,883,707
3. Increase (decrease) by adjustment .....	944	0	0	4,481
4. Increase (decrease) by foreign exchange adjustment .....	0	0	0	0
5. Total profit (loss) on disposal of short-term investments .....	0	0	0	0
6. Consideration received on disposal of short-term investments .....	5,774,424	5,625,750	24,022,949	35,450,236
7. Book / adjusted carrying value, current period .....	15,402,268	19,031,456	4,805,591	8,170,756
8. Total valuation allowance .....	0	0	0	0
9. Subtotal (Line 7 plus Line 8) .....	15,402,268	19,031,456	4,805,591	8,170,756
10. Total nonadmitted amounts .....	0	0	0	0
11. Statement value (Line 9 minus Line 10) .....	15,402,268	19,031,456	4,805,591	8,170,756
12. Income collected during period .....	128,284	73,632	44,434	199,862
13. Income earned during period .....	63,701	73,632	44,434	262,439

**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 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
U. S. Insurers 25364	13-1675535	Swiss Re American Corp	New York	Yes
0299999	U. S. Insurers			
All Other Insurers 00000	AA-3194128	Allied World Assurance Company (AWAC)	Bermuda	No
00000	AA-3194139	AXIS Specialty Re, Inc.	Bermuda	No
00000	AA-3190060	Hannover Re (Bermuda)	Bermuda	No
0499999	All Other Insurers			

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

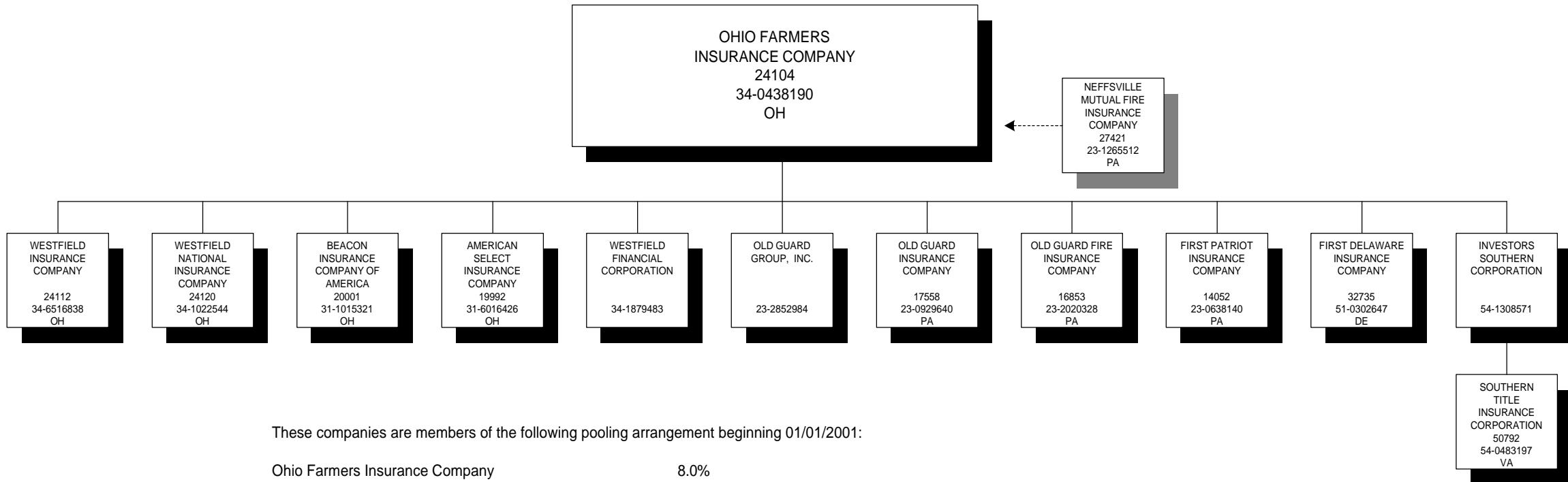
Current Year to Date - Allocated by States and Territories

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	114,103	70,142	5,379	1,844	30,850	25,335
2. Alaska	AK No	0	0	0	0	0	0
3. Arizona	AZ Yes	4,500,906	2,526,933	1,373,646	240,658	1,408,392	387,818
4. Arkansas	AR Yes	498,124	208,697	0	0	10,788	16
5. California	CA No	0	0	(233)	20,431	205,100	285,100
6. Colorado	CO Yes	23,481	35,929	1,616	0	3,820	1,935
7. Connecticut	CT No	0	0	0	0	0	0
8. Delaware	DE Yes	23,452	5,971	0	0	446	0
9. District of Columbia	DC Yes	0	0	0	0	0	0
10. Florida	FL Yes	33,631,511	27,575,733	11,177,368	11,894,212	20,822,008	17,675,574
11. Georgia	GA Yes	26,675,671	20,315,461	8,548,509	7,791,285	18,183,436	14,477,089
12. Hawaii	HI No	0	0	0	0	0	0
13. Idaho	ID Yes	4,762	3,699	509	0	81	59
14. Illinois	IL Yes	57,673,395	33,191,424	14,808,198	15,990,124	33,765,721	26,485,340
15. Indiana	IN Yes	49,609,395	39,953,102	20,363,710	22,421,127	29,518,050	28,426,370
16. Iowa	IA Yes	5,450,723	4,934,243	2,547,998	4,505,350	3,791,673	4,510,974
17. Kansas	KS Yes	151,126	47,070	0	0	2,111	950,015
18. Kentucky	KY Yes	23,021,728	19,663,601	16,461,518	12,666,763	13,949,900	13,429,051
19. Louisiana	LA Yes	12,002	2,828	0	0	69	0
20. Maine	ME No	0	0	0	0	0	0
21. Maryland	MD Yes	6,554	113,059	325	0	5,412	2,660
22. Massachusetts	MA Yes	0	0	0	0	0	0
23. Michigan	MI Yes	53,030,350	47,726,385	26,600,471	30,713,258	57,066,265	55,493,980
24. Minnesota	MN Yes	22,036,504	20,321,611	7,766,249	11,608,712	13,681,365	15,856,317
25. Mississippi	MS Yes	51,573	4,956	0	0	431	176
26. Missouri	MO Yes	94,632	92,549	1,595	15,491	17,360	19,976
27. Montana	MT Yes	797	538	0	0	602	564
28. Nebraska	NE Yes	39,076	32,738	0	0	4,170	10,705
29. Nevada	NV Yes	25,222	8,625	0	0	1,151	121
30. New Hampshire	NH No	0	0	0	0	0	0
31. New Jersey	NJ Yes	700	18,522	0	0	592	0
32. New Mexico	NM Yes	521,580	286,623	83,852	5,370	103,290	401
33. New York	NY Yes	9,273	0	0	0	0	0
34. North Carolina	NC Yes	74,179	72,325	(145)	7,880	17,596	15,349
35. North Dakota	ND Yes	2,954,825	3,925,016	1,465,356	3,509,240	1,706,284	2,093,105
36. Ohio	OH Yes	182,470,985	162,239,027	105,446,058	96,064,485	170,941,281	175,973,366
37. Oklahoma	OK Yes	118,769	55,440	0	0	3,112	1,305
38. Oregon	OR No	0	0	0	0	0	0
39. Pennsylvania	PA Yes	38,015,356	14,426,349	8,721,192	6,280,977	10,059,525	9,924,924
40. Rhode Island	RI Yes	0	0	0	0	(4)	1
41. South Carolina	SC Yes	133,309	52,022	43,094	4,214	30,392	47,724
42. South Dakota	SD Yes	1,683,151	4,566,530	1,950,532	2,546,918	3,033,370	2,623,770
43. Tennessee	TN Yes	25,661,841	21,504,378	17,081,730	10,558,744	19,234,246	14,699,845
44. Texas	TX Yes	1,496,802	684,401	0	0	31,642	25
45. Utah	UT Yes	152	152	0	0	(78)	264
46. Vermont	VT Yes	0	0	0	0	0	0
47. Virginia	VA Yes	157,906	131,677	23,167	6,508	50,877	22,739
48. Washington	WA Yes	1,537	1,062	92	328	6	7
49. West Virginia	WV Yes	43,429,670	38,081,426	22,387,258	19,407,203	21,555,599	20,214,953
50. Wisconsin	WI Yes	3,571,320	10,016,260	4,436,914	6,460,247	5,805,292	10,099,148
51. Wyoming	WY Yes	2,014	18,685	0	0	5,114	3,043
52. American Samoa	AS No	0	0	0	0	0	0
53. Guam	GU No	0	0	0	0	0	0
54. Puerto Rico	PR No	0	0	0	0	0	0
55. U.S. Virgin Islands	VI No	0	0	0	0	0	0
56. Canada	CN No	0	0	0	0	0	0
57. Aggregate Other Alien	OT X X X	0	0	0	0	0	0
58. Totals	(a) 44	576,978,456	472,915,189	271,295,958	262,721,369	425,047,337	413,759,144

(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



These companies are members of the following pooling arrangement beginning 01/01/2001:

Ohio Farmers Insurance Company	8.0%
Westfield Insurance Company	63.5%
Westfield National Insurance Company	13.0%
Old Guard Insurance Company	7.0%
American Select Insurance Company	5.0%
Beacon Insurance Company of America	1.0%
First Patriot Insurance Company	1.0%
Old Guard Fire Insurance Company	1.0%
First Delaware Insurance Company	0.5%

Total 100.0%

**PART 1 - LOSS EXPERIENCE**

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire .....	6,056,627	2,417,956	39.9	61.7
2. Allied lines .....	3,924,032	2,980,709	76.0	67.7
3. Farmowners multiple peril .....	0	0	0.0	0.0
4. Homeowners multiple peril .....	33,633,699	31,115,242	92.5	85.2
5. Commercial multiple peril .....	144,140,175	70,511,313	48.9	57.2
6. Mortgage guaranty .....	0	0	0.0	0.0
8. Ocean marine .....	0	0	0.0	0.0
9. Inland marine .....	30,804,106	18,909,904	61.4	68.8
10. Financial guaranty .....	0	0	0.0	0.0
11.1 Medical malpractice-occurrence .....	0	0	0.0	0.0
11.2 Medical malpractice-claims made .....	0	0	0.0	0.0
12. Earthquake .....	1,114,671	1,914	0.2	0.0
13. Group accident and health .....	0	0	0.0	0.0
14. Credit accident and health .....	0	0	0.0	0.0
15. Other accident and health .....	0	0	0.0	0.0
16. Workers' compensation .....	38,322,483	23,555,104	61.5	89.3
17.1 Other liability-occurrence .....	29,685,410	14,350,233	48.3	44.3
17.2 Other liability-claims made .....	422,295	451	0.1	19.7
18.1 Products liability-occurrence .....	546,842	2,387,037	436.5	164.4
18.2 Products liability-claims made .....	0	0	0.0	0.0
19.1, 19.2 Private passenger auto liability .....	48,471,674	34,531,741	71.2	65.1
19.3, 19.4 Commercial auto liability .....	84,425,126	38,051,889	45.1	59.0
21. Auto physical damage .....	74,411,996	42,675,175	57.3	60.2
22. Aircraft (all perils) .....	0	0	0.0	0.0
23. Fidelity .....	1,512,249	437,795	28.9	10.3
24. Surety .....	3,336,619	1,075	0.0	0.0
26. Burglary and theft .....	494,097	90,428	18.3	20.9
27. Boiler and machinery .....	720,509	154,565	21.5	23.1
28. Credit .....	0	0	0.0	0.0
29. International .....	0	0	0.0	0.0
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 .....	0	0	0.0	0.0
34. TOTALS .....	502,022,610	282,172,531	56.2	62.4
DETAILS OF WRITE-INS				
3301. ....	0	0	0.0	0.0
3302. ....	0	0	0.0	0.0
3303. ....	0	0	0.0	0.0
3398. Summary of remaining write-ins for Line 33 from overflow page .....	0	0	0.0	0.0
3399. Totals (Lines 3301 through 3303 plus Line 3398) (Line 33) .....	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire .....	2,546,655	6,537,675	5,628,979
2. Allied lines .....	1,698,260	4,255,611	3,627,221
3. Farmowners multiple peril .....	0	0	0
4. Homeowners multiple peril .....	13,879,436	35,189,382	34,232,507
5. Commercial multiple peril .....	54,730,058	161,692,249	135,618,764
6. Mortgage guaranty .....	0	0	0
8. Ocean marine .....	0	0	0
9. Inland marine .....	11,412,812	34,495,071	29,610,673
10. Financial guaranty .....	0	0	0
11.1 Medical malpractice-occurrence .....	0	0	0
11.2 Medical malpractice-claims made .....	0	0	0
12. Earthquake .....	425,020	1,111,314	1,099,528
13. Group accident and health .....	0	0	0
14. Credit accident and health .....	0	0	0
15. Other accident and health .....	0	0	0
16. Workers' compensation .....	19,434,006	61,074,627	25,263,106
17.1 Other liability-occurrence .....	12,131,107	34,988,102	27,199,479
17.2 Other liability-claims made .....	140,295	450,667	403,037
18.1 Products liability-occurrence .....	344,959	778,828	485,809
18.2 Products liability-claims made .....	0	0	0
19.1, 19.2 Private passenger auto liability .....	20,512,840	54,356,873	48,219,701
19.3, 19.4 Commercial auto liability .....	30,099,982	92,988,156	83,438,320
21. Auto physical damage .....	29,160,589	82,054,602	73,266,271
22. Aircraft (all perils) .....	0	0	0
23. Fidelity .....	480,750	1,449,283	1,573,868
24. Surety .....	1,854,593	4,302,343	2,030,671
26. Burglary and theft .....	186,398	521,588	495,465
27. Boiler and machinery .....	248,953	732,085	721,790
28. Credit .....	0	0	0
29. International .....	0	0	0
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 .....	0	0	0
34. TOTALS .....	199,286,713	576,978,456	472,915,189
DETAILS OF WRITE-INS			
3301. ....	0	0	0
3302. ....	0	0	0
3303. ....	0	0	0
3398. Summary of remaining write-ins for Line 33 from overflow page .....	0	0	0
3399. Totals (Lines 3301 through 3303 plus Line 3398) (Line 33) .....	0	0	0

## STATEMENT AS OF SEPTEMBER 30, 2002 OF THE Westfield Insurance Company

## PART 3 (000 Omitted)

## LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves(a) (Col. 1 plus 2)	4 2002 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2002 Loss and LAE Payments (Col. 4 plus 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves(b) (Col. 7 plus 8 plus 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Col. 4 plus 7 minus Col. 1)	12 Prior Year-End IBNR and LAE Reserves Developed (Savings)/ Deficiency (Col. 5 plus 8 plus 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Col. 11 plus 12)
1. 1999 + Prior	125,550	64,182	189,732	47,613	4,187	51,800	78,154	7,246	54,403	139,803	217	1,654	1,871
2. 2000	84,668	27,997	112,665	33,669	3,196	36,865	48,506	8,339	20,271	77,116	(2,493)	3,809	1,316
3. Subtotals 2000 + prior	210,218	92,179	302,397	81,282	7,383	88,665	126,660	15,585	74,674	216,919	(2,276)	5,463	3,187
4. 2001	153,886	83,916	237,802	69,373	24,169	93,542	82,399	23,629	34,181	140,209	(2,114)	(1,937)	(4,051)
5. Subtotals 2001 + prior	364,104	176,095	540,199	150,655	31,552	182,207	209,059	39,214	108,855	357,128	(4,390)	3,526	(864)
6. 2002	X X X	X X X	X X X	X X X	199,299	199,299	X X X	118,524	79,158	197,682	X X X	X X X	X X X
7. Totals	364,104	176,095	540,199	150,655	230,851	381,506	209,059	157,738	188,013	554,810	(4,390)	3,526	(864)
8. Prior Year-End's Surplus As Regards Policy-holders											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
	313,053										1. .... (1.2)%.	2. .... 2.0 %.	3. .... (0.2)%.
											Col. 13 , Line 7 Line 8		
											4. .... (0.3)%.		

(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:	 2 4 1 1 2 2 0 0 2 4 9 0 0 0 0 0 0 3
3. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?	No
EXPLANATION:	.....
BARCODE:	
3. Document Identifier 450:	 2 4 1 1 2 2 0 0 2 4 5 0 0 0 0 0 0 3

**OVERFLOW PAGE FOR WRITE-INS**

OVERFLOW WRITE-INS FOR Page 5, Cash Flow

	1 Current Year To Date	2 Prior Year Ended December 31
AGGREGATED AT Line 7.4, Miscellaneous Items		
Guaranty Funds Receivable or on Deposit .....	0 .....	26 .....
Other Interest Income .....	0 .....	(385,368) .....
07.498   Line 7.4, Miscellaneous Items .....	0 .....	(385,342) .....

**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 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
<b>Bonds - U.S. Governments</b>								
BONDS								
US Governments								
United States								
912827-2M-3	UNITED STATES TREAS .... 3.375% 01/15/07	09/09/2002 Merrill Lynch		2,432,714	1,990,000		11,608	1
912828-AF-7	UNITED STATES TREAS .... 3.000% 07/15/12	08/09/2002 Merrill Lynch		3,125,202	3,015,000		6,146	1
	Subtotal United States			5,557,916	5,005,000		17,754	
0399999	Subtotal - Bonds - U.S. Governments			5,557,916	5,005,000		17,754	
<b>Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>								
Special Revenue & Assessment								
United States								
31339D-HQ-4	FHLMC REMIC SER 2422 ... 6.500% 11/15/22	09/20/2002 Deutsche Bk Securities Inc.		1,129,975	0		58,685	1
31339N-PT-7	FHLMC REMIC SER .... 6.500% 12/15/23	08/28/2002 Amherst Securities Grp		5,718,858	5,419,113		1,957	1
31392V-F6-4	FHLMC CMO SER 2497 QU .. 5.500% 03/15/21	08/22/2002 Amherst Securities Grp		5,000,000	5,000,000		22,153	1
	Subtotal United States			11,848,833	10,419,113		82,795	
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions			11,848,833	10,419,113		82,795	
<b>Bonds - Public Utilities</b>								
Public Utilities (unaffiliated)								
United States								
806860-AA-0	SCHLUMBERGER NTS 144A .. 6.500% 04/15/12	08/16/2002 Deutsche Bk Securities Inc.		5,387,550	5,000,000		117,361	1PE
	Subtotal United States			5,387,550	5,000,000		117,361	
3899999	Subtotal - Bonds - Public Utilities			5,387,550	5,000,000		117,361	
<b>Bonds - Industrial and Miscellaneous</b>								
Industrial & Miscellaneous								
United States								
013716-AP-0	ALCAN ALUM LTD DEB .... 6.450% 03/15/11	09/30/2002 Constitution Capital		1,699,170	1,500,000		4,838	1
017475-AC-8	ALLEGIANCE CORP DEB .... 7.000% 10/15/26	08/12/2002 BB&T		4,327,737	3,970,000		92,633	1PE
039483-AS-1	ARCHER DANIELS MIDLAND .. 7.000% 02/01/31	08/06/2002 Constitution Capital		4,420,374	4,100,000		6,378	1
057224-AK-3	BAKER HUGHES INC .... 6.875% 01/15/29	08/06/2002 First Union Securities		2,547,345	2,430,000		11,138	1PE
12490Y-BZ-9	CBO HLDGS LTD SER .... 0.000% 10/15/32	06/27/2002 Bear Stearns & Co		5,100,000	5,100,000		0	1
141781-AP-9	CARGILL INC NT .... 6.375% 06/01/12	09/20/2002 Constitution Capital		2,795,825	2,500,000		61,094	1
369626-VS-0	GENERAL ELEC CAP CORP .. 6.875% 11/15/10	07/18/2002 Constitution Capital		3,243,630	3,000,000		38,958	1PE
913017-BA-6	UNITED TECHNOLOGIES .... 7.500% 09/15/29	08/06/2002 Constitution Capital		2,350,840	2,000,000		60,000	1PE
	Subtotal United States			26,484,921	24,600,000		275,039	
4599999	Subtotal - Bonds - Industrial and Miscellaneous			26,484,921	24,600,000		275,039	
6099997	Subtotal - Bonds - Part 3			49,279,220	45,024,113		492,949	
6099999	Subtotal - Bonds			49,279,220	45,024,113		492,949	
<b>Preferred Stock - Industrial and Miscellaneous</b>								
PREFERRED STOCK								
US Governments								
United States								
742543-AA-9	PREFERRED TERM SEC VII LTD PRINC PROT NT	09/18/2002 First Tennessee Securities		5,000,000.00	5,000,000		0	0 RP1
	Subtotal United States			5,000,000.00	5,000,000		0	
Industrial & Miscellaneous								

(continues)

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

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
Preferred Stock - Industrial and Miscellaneous (continued)								
United States								
345395-20-6	FORD CAP TRST II 6.5% 1/15/32 SERIES	09/26/2002	Jeffries & Co Inc	35,000.000	1,442,795	0	0	P2L
	Subtotal United States			35,000.000	1,442,795	0	0	
6399999	Subtotal - Preferred Stock - Industrial and Miscellaneous				6,442,795			
6599997	Subtotal - Preferred Stock - Part 3				6,442,795		0	
6599999	Subtotal - Preferred Stock				6,442,795		0	
Common Stock - Public Utilities								
COMMON STOCK								
Public Utilities (unaffiliated)								
United States								
025537-10-1	AMERICAN ELECTRIC PWR INC	09/26/2002	Paine Webber	35,000.000	1,017,237	0	L	
78387G-10-3	SBC COMMUNICATIONS INC	07/19/2002	Deutsche Bk Securities Inc.	60,000.000	1,631,064	0	L	
872375-10-0	TECO ENERGY INC	09/26/2002	Various	134,000.000	2,791,333	0	L	
	Subtotal United States			229,000.000	5,439,634	0		
6699999	Subtotal - Common Stock - Public Utilities				5,439,634			
Common Stock - Banks, Trust and Insurance Companies								
United States								
55262L-10-0	MBNA CORP	07/16/2002	Stock Split	46,800.000	0	0	L	
	Subtotal United States			46,800.000	0	0		
6799999	Subtotal - Common Stock - Banks, Trust and Insurance Companies				0	0		
Common Stock - Industrial and Miscellaneous								
United States								
294741-10-3	EQUITY OFFICE PROPERTIES TRUST COM	07/19/2002	Green Street Broker	24,000.000	596,786	0	L	
29476L-10-7	EQUITY RESIDENTIAL SH BEN INT	07/19/2002	Green Street Broker	66,000.000	1,616,050	0	L	
428236-10-3	HEWLETT PACKARD CO	09/27/2002	Deutsche Bk Securities Inc.	41,000.000	514,960	0	L	
478160-10-4	JOHNSON & JOHNSON	07/15/2002	Salomon Smith Barney	31,000.000	1,496,221	0	L	
535678-10-6	LINEAR TECHNOLOGY CORP	09/10/2002	Various	90,000.000	2,137,900	0	L	
779562-10-7	T ROWE PRICE NEW HORIZONS FUND	07/15/2002	Direct	119,331.740	2,000,000	0	L	
78462F-10-3	SPDR TR UNIT SER 1 STANDARD & POORS	08/06/2002	Salomon Smith Barney	30,000.000	2,622,933	0	L	
803111-10-3	SARA LEE CORP	07/19/2002	Jeffries & Co Inc	81,000.000	1,404,143	0	L	
	Subtotal United States			482,331.740	12,388,993	0		
Other Country								
138006-30-9	CANON INC ADR REPSTG 5 SHS	07/16/2002	Jeffries & Co Inc	44,500.000	1,547,056	0	L	
37733W-10-5	GLAXOSMITHKLINE PLC SPS ADR	07/15/2002	Jeffries & Co Inc	27,000.000	989,618	0	L	
	Subtotal Other Country			71,500.000	2,536,674	0		
6899999	Subtotal - Common Stock - Industrial and Miscellaneous				14,925,667			
7099997	Subtotal - Common Stock - Part 3				20,365,301		0	
7099999	Subtotal - Common Stock				20,365,301		0	
7199999	Subtotal - Preferred and Common Stock				26,808,096		0	
7299999	TOTALS				76,087,316		492,949	

## SCHEDULE D - PART 4

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

1 CUSIP Identifi- cation	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value at Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Designa- tion (a)
<b>Bonds - U.S. Governments</b>																
BONDS																
US Governments																
United States																
31359M-EV-1	FEDERAL NATL MTG ASSN	6.375% 06/15/09	08/16/2002 Deutsche Bk Securities Inc.	3,194,048	2,879,103.00	2,861,523	2,865,373	(8)	0	0	328,675	328,675	32,630		1	
36200R-YA-4	GNMA GTD PASS THRU	6.500% 12/15/31	09/01/2002 Paydown	542,414	542,414.00	553,263	542,414	(10,869)	0	0	0	0	0	7,354		1
36200S-TX-8	GNMA GTD PASS THRU	6.500% 10/15/31	09/01/2002 Paydown	375,795	375,795.00	375,795	375,795	0	0	0	0	0	0	4,687		1
36202D-LF-6	GNMA GTD PASS THRU	7.000% 01/20/31	09/01/2002 Paydown	646,826	646,826.00	655,619	646,826	(9,057)	0	0	0	0	0	8,186		1
36204D-QL-6	GNMA GTD PASS THRU	8.000% 08/15/24	09/01/2002 Paydown	143,926	143,926.00	142,127	143,926	1,834	0	0	0	0	0	1,192		1
36205G-06-9	GNMA GTD PASS THRU	8.000% 06/15/24	09/01/2002 Paydown	118,842	118,842.00	117,888	118,842	959	0	0	0	0	0	1,268		1
36213D-2W-7	GNMA GTD PASS THRU	7.000% 02/15/32	09/01/2002 Paydown	569,514	569,514.00	581,438	569,514	(12,083)	0	0	0	0	0	6,608		1
36224K-LH-0	GNMA GTD PASS THRU	7.500% 03/15/23	09/01/2002 Paydown	69,126	69,126.00	64,546	69,126	4,614	0	0	0	0	0	752		1
912810-CG-1	UNITED STATES TREAS	9.125% 05/15/09	08/15/2002 Old Guard Fire Ins. Co.	100,287	100,000.00	101,516	100,287	(26)	0	0	0	0	0	2,281		1
912810-DW-5	UNITED STATES TREAS	7.250% 05/15/16	09/30/2002 Various	5,150,328	4,000,000.00	3,990,609	3,991,601	71	0	0	0	1,158,727	1,158,727	106,859		1
912810-EV-6	UNITED STATES TREAS	6.875% 08/15/25	08/06/2002 Constitution Capital	8,362,813	7,000,000.00	7,136,250	7,125,730	336	0	0	0	1,237,083	1,237,083	229,990		1
	Subtotal United States			19,273,918	16,445,545.00	16,580,574	16,549,433	(24,229)	0	0	0	2,724,484	2,724,484	401,807		
0399999	Subtotal - Bonds - U.S. Governments			19,273,918	16,445,545.00	16,580,574	16,549,433	(24,229)	0	0	0	2,724,484	2,724,484	401,807		
<b>E05</b>																
<b>Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																
Special Revenue & Assessment																
United States																
31292H-MU-5	FHLMC GOLD PC GROUP	6.500% 12/01/31	09/01/2002 Paydown	140,806	140,806.00	143,028	140,806	(2,222)	0	0	0	0	0	1,795		1
31337S-R6-2	FHLMC REMIC SER 1759-E	8.250% 08/15/23	09/01/2002 Paydown	227,165	227,165.00	227,343	227,165	684	0	0	0	0	0	3,176		1
31337T-ZE-2	FHLMC REMIC SER 1897-H	6.500% 05/15/26	07/24/2002 Bear Stearns & Co	3,437,156	3,300,000.00	3,286,594	3,287,933	86	0	0	0	149,223	149,223	34,558		
31337L-US-5	FHLMC REMIC SER 2178	9.000% 05/15/07	09/15/2002 Paydown	941,031	941,031.00	949,265	941,031	(4,830)	0	0	0	0	0	15,234		1
31358P-UA-3	FNMA-92 REMIC SER 137	11.667% 08/25/22	09/25/2002 Paydown	304,051	304,051.00	295,880	304,051	4,819	0	0	0	0	0	6,285		1
31359N-AU-5	FNMA-96 REMIC SER	6.500% 01/18/12	09/01/2002 Paydown	435,753	435,753.00	431,395	435,753	2,202	0	0	0	0	0	5,951		1
31392D-NU-2	FNMA-02 REMIC SER	6.500% 06/25/32	09/01/2002 Paydown	273,852	273,852.00	274,194	273,852	(296)	0	0	0	0	0	3,083		1
	Subtotal United States			5,759,814	5,622,658.00	5,607,698	5,610,591	444	0	0	0	149,223	149,223	70,082		
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions			5,759,814	5,622,658.00	5,607,698	5,610,591	444	0	0	0	149,223	149,223	70,082		
<b>Bonds - Public Utilities</b>																
Public Utilities (unaffiliated)																
United States																
144141-CM-8	CAROLINA PWR & LT CO	8.200% 07/01/22	09/04/2002 Call	103,550	2,071,000	2,000,000.00	2,031,600	2,028,282	(701)	0	0	42,718	42,718	110,700		1PE
665772-BN-8	NORTHERN STS PWR MN	7.125% 07/01/25	08/29/2002 Bear Stearns & Co	1,880,000	2,000,000.00	1,866,820	1,875,746	47	0	0	0	4,254	4,254	96,188		2PE
	Subtotal United States			3,951,000	4,000,000.00	3,898,420	3,904,028	(654)	0	0	0	46,972	46,972	206,888		
3899999	Subtotal - Bonds - Public Utilities			3,951,000	4,000,000.00	3,898,420	3,904,028	(654)	0	0	0	46,972	46,972	206,888		
<b>Bonds - Industrial and Miscellaneous</b>																
Industrial & Miscellaneous																
United States																
032479-AC-1	ANADARKO FINANCE CO	6.750% 05/01/11	07/24/2002 Constitution Capital	2,123,540	2,000,000.00	2,062,660	2,058,250	(420)	0	0	0	65,290	65,290	33,000		2
191219-BJ-2	COCA COLA ENTERPRISES	6.125% 08/15/11	07/18/2002 Constitution Capital	3,133,140	3,000,000.00	2,985,000	2,985,986	178	0	0	0	147,154	147,154	80,646		1
219350-AJ-4	CORNING INC DEB CONV	0.000% 11/08/15	07/02/2002 Jeffries & Co Inc	490,000	1,000,000.00	635,000	662,539	398	0	0	0	(172,539)	(172,539)	0		2
23321P-C6-3	DLJ MTG ACCTR CORP MTG	7.290% 11/12/21	09/01/2002 Paydown	268,351	268,351.00	274,221	268,351	(2,026)	0	0	0	0	0	4,987		1
24763L-FK-1	DELTA FDG HOME EQUITY	6.830% 08/15/26	07/30/2002 Bear Stearns & Co	4,070,000	4,000,000.00	4,097,500	4,054,699	(2,947)	0	0	0	15,301	15,301	46,292		1PE
590188-69-4	MERRILL LYNCH & CO INC	0.000% 08/30/02	08/30/2002 Redemption	100,0000	80,000.00	800,000	800,000	0	0	0	0	0	0	0		1
74040K-AC-6	PREFERRED TERM SEC LTD	9.550% 03/01/31	09/03/2002 Redemption	100,0000	14,111.00	13,925	13,926	7	0	0	0	185	185	674		2
(continues)																

(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 CUSIP Identifi- cation	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value at Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Designa- tion (a)
Bonds - Industrial and Miscellaneous (continued)																
834182-AL-1	SOLECTRON CORP CONV	0.000%	11/20/20	09/25/2002	Jeffries & Co Inc	975,000	2,500,000.00	1,206,250	1,006,250	281,315	0	0	(312,565)	(312,565)	0	3
	Subtotal United States					11,874,142	12,862,462.00	12,074,556	11,850,001	276,505			(257,174)	(257,174)	165,598	
	Other Country															
902118-AY-4	TYCO INTL GROUP S A	6.750%	02/15/11	07/30/2002	Bear Stearns & Co	1,455,000	2,000,000.00	1,986,360	1,553,140	434,652	0	0	(532,792)	(532,792)	62,625	3
	Subtotal Other Country					1,455,000	2,000,000.00	1,986,360	1,553,140	434,652			(532,792)	(532,792)	62,625	
4599999	Subtotal - Bonds - Industrial and Miscellaneous					13,329,142	14,862,462.00	14,060,916	13,403,141	711,157	0	0	(789,966)	(789,966)	228,223	
6099997	Subtotal - Bonds - Part 4					42,313,873	40,930,665.00	40,147,608	39,467,194	686,718	0	0	2,130,713	2,130,713	907,000	
6099999	Subtotal - Bonds					42,313,873	40,930,665.00	40,147,608	39,467,194	686,718	0	0	2,130,713	2,130,713	907,000	
Common Stock - Industrial and Miscellaneous																
	COMMON STOCK															
	Industrial & Miscellaneous															
	United States															
49427F-10-8	KILROY RLTY CORP		08/28/2002	Green Street Broker		40,200.000	973,699	761,783	761,783	0	0	0	211,916	211,916	19,899	L
535678-10-6	LINEAR TECHNOLOGY CORP		08/06/2002	Jeffries & Co Inc		110,000.000	2,849,838	5,124,278	3,457,300	1,666,978	0	0	(2,274,440)	(2,274,440)	5,500	L
590188-10-8	MERRILL LYNCH & CO INC		08/06/2002	Keefe Bruyette		26,000.000	855,213	1,154,468	1,053,000	101,468	0	0	(299,255)	(299,255)	4,160	L
	Subtotal United States					176,200.000	4,678,750	7,040,528	5,272,083	1,768,446			(2,361,779)	(2,361,779)	29,559	
	Canada															
559222-40-1	MAGNA INTL INC CL A		07/09/2002	Fractional Shares		0.950	64	68	65	3	0	0	(4)	(4)	0	L
	Subtotal Canada					0.950	64	68	65	3			(4)	(4)		
6899999	Subtotal - Common Stock - Industrial and Miscellaneous					4,678,813		7,040,596	5,272,148	1,768,448	0	0	(2,361,783)	(2,361,783)	29,559	
7099997	Subtotal - Common Stock - Part 4					4,678,813		7,040,596	5,272,148	1,768,448	0	0	(2,361,783)	(2,361,783)	29,559	
7099999	Subtotal - Common Stock					4,678,813		7,040,596	5,272,148	1,768,448	0	0	(2,361,783)	(2,361,783)	29,559	
7199999	Subtotal - Preferred and Common Stock					4,678,813		7,040,596	5,272,148	1,768,448	0	0	(2,361,783)	(2,361,783)	29,559	
7299999	TOTALS					46,992,687		47,188,205	44,739,342	2,455,166	0	0	(231,070)	(231,070)	907,000	29,559

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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 Depository	2 Rate of Interest	3 Amount of Interest Received During Current Quarter	4 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			8 * 
				5 First Month	6 Second Month	7 Third Month	
Name	Location and Supplemental Information						
<b>Open Depositories</b>							
JP Morgan Chase .....	New York, NY .....	0.000	0	0	(23,369)	0	0
0199999 TOTAL - Open Depositories .....			0	0	(23,369)	0	0
0399999 TOTAL Cash on Deposit .....			0	0	(23,369)	0	0
0599999 TOTALS .....			0	0	(23,369)	0	0