



## QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

### G.U.I.C. Insurance Company

NAIC Group Code 0127 0127 NAIC Company Code 38652 Employer's ID Number 38-2342976  
 (Current Period) (Prior Period)

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

Country of Domicile \_\_\_\_\_

Incorporated August 15, 1980 Commenced Business October 1, 1980

Statutory Home Office 7000 Midland Blvd., Amelia, Ohio 45102-2607  
 (Street and Number. City or Town. State and Zip Code)

Main Administrative Office 7000 Midland Blvd., Amelia, Ohio 45102-2607 800-543-2644 -5289  
 (Street and Number. City or Town. State and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 5323, Cincinnati, Ohio 45201-5323  
 (Street and Number. City or Town. State and Zip Code)

Primary Location of Books and Records 7000 Midland Blvd., Amelia, Ohio 45102-2607  
 (Street and Number. City or Town. State and Zip Code)  
800-543-2644 -5289  
 (Area Code) (Telephone Number)

Internet Website Address www.amig.com

Statement Contact James Paul Tierney 800-543-2644 -5289  
jim\_tierney@amig.com (Name) (Area Code) (Telephone Number) (Extension)  
513-947-4127 (E-Mail Address) (Fax Number)

Policyowner Relations Contact 7000 Midland Blvd., Amelia, Ohio 45102-2607  
800-543-2644 -6682  
 (Street and Number. City or Town. State and Zip Code)  
 (Area Code) (Telephone Number) (Extension)

### OFFICERS

Exec. V.P. & CFO	Kenneth Gerald Boberg
V. Pres. & Secretary	Michael Lynn Flowers
Senior V. President	John Ignatius Von Lehman
President & CEO	John Weber Hayden
SVP & Treasurer	James Paul Tierney
Exec. V. President	Robert Eugene Hilliard
Sr. Vice President	Elisabeth Evenson Baldock

### VICE PRESIDENTS

Douglas Alan Detrick, SVP	Gerald William McGuire, SVP	Gary Andrew Cobb, SVP
John Gilbert Campbell, SVP	Robert William Fulcher, SVP	David Clark McNutt, SVP
Andre John Pecqueur, SVP	Floyd Ray Carr, SVP	David Joseph Brick, SVP
Mark Louis Gatto, SVP	Paul Frederick Gelter, SVP	Michael Ray Bowen, SVP
Daniel John Gilene, SVP	Robert James O'Boyle, SVP	Robert Michael Doepeke, SVP
Frederick Carl Wagner, SVP	Kevin Morrissey Morreale, SVP	Kevin Earl Randall, SVP
Edward James Woolwine	William Joseph Lagano	Donald Eugene Stetler
Curtis Howard Baker	Richard Van Crouch	Clifton Lee Gentry
William George Fawcett	Ray Rushton Johnston	Patrick Wing Law
Joseph George David	Robert Paul Crowley	Christy Ann Schuld
Sandra Lee Wagner	Laura Hatfield Harris	Kody King Newland
William Cleary Horan, III		

### DIRECTORS OR TRUSTEES

John Weber Hayden, Chairman	Joseph Page Hayden, III	John Ignatius Von Lehman
Paul Thomas Brizzolara	Kenneth Gerald Boberg	Joseph Page Hayden, Jr.
Michael Joseph Conaton		

State of Ohio

SS

County of Clermont

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.

Kenneth Gerald Boberg  
 Executive VP & CFO

Michael Lynn Flowers  
 V. Pres. & Secretary

James Paul Tierney  
 SVP & Treasurer

Subscribed and sworn to before me this  
 8th 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 .....	15,484,207		15,484,207	15,465,281
2. Stocks:				
2.1 Preferred stocks .....	61,438		61,438	4,798
2.2 Common stocks .....	2,911,348		2,911,348	3,910,510
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 (\$ ..... 5,823 ) and short-term investments (\$ ..... 982,094 ) .....	987,917		987,917	452,404
6. Other invested assets .....				
7. Receivable for securities .....	926,148		926,148	100,000
8. Aggregate write-ins for invested assets .....				
9. Subtotals, cash and invested assets (Lines 1 to 8) .....	20,371,058		20,371,058	19,932,993
10. Agents' balances or uncollected premiums :				
10.1 Premiums and agents' balances in course of collection .....	1,130	608	522	308,921
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....				
10.3 Accrued retrospective premiums .....				
11. Funds held by or deposited with reinsured companies .....	6,561,509		6,561,509	6,082,483
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 .....	565,785		565,785	
15. Federal and foreign income tax recoverable and interest thereon (including \$ ..... 596,282 net deferred tax asset) .....	596,282		596,282	
16. Guaranty funds receivable or on deposit .....				
17. Electronic data processing equipment and software .....				
18. Interest, dividends and real estate income due and accrued .....	227,661		227,661	254,858
19. Net adjustments in assets and liabilities due to foreign exchange rates .....				
20. Receivable from parent, subsidiaries and affiliates .....				
21. Amounts due from/to protected cells .....				
22. Equities and deposits in pools and associations .....				
23. Amounts receivable relating to uninsured accident and health plans .....				
24. Other assets nonadmitted .....				
25. Aggregate write-ins for other than invested assets .....				
26. Total assets excluding protected cell assets (Lines 9 through 25) .....	28,323,425	608	28,322,817	26,579,255
27. Protected cell assets .....				
28. TOTALS (Lines 26 and 27) .....	28,323,425	608	28,322,817	26,579,255
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. ....				
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) .....				

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 1,340,000 )	1,767,297	1,639,437
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	527,894	417,730
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	139,983	21,984
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	71,554	70,368
7. Federal and foreign income taxes, including \$ 86,594 on realized capital gains (losses) (including \$ 57,620 net deferred tax liability)	300,142	36,922
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 74,699 and including warranty reserves of \$ )	6,911,255	6,618,140
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	557,543	199,415
13. Funds held by company under reinsurance treaties	926,042	967,574
14. Amounts withheld or retained by company for account of others		
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	3,760	3,760
19. Payable to parent, subsidiaries and affiliates		
20. Payable for securities	700,674	
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ and interest thereon \$		
23. Aggregate write-ins for liabilities		
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	11,906,144	9,975,330
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	11,906,144	9,975,330
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	2,350,000	2,350,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	5,175,000	5,175,000
33. Unassigned funds (surplus)	8,891,673	9,078,925
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)	16,416,673	16,603,925
36. TOTALS	28,322,817	26,579,255
DETAILS OF WRITE-INS		
2301.		
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)		
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		

## STATEMENT OF INCOME

	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 \$ 150,016 )	142,220	90,938	126,517
1.2 Assumed (written \$ 16,326,647 )	16,033,481	14,713,656	19,963,128
1.3 Ceded (written \$ 7,841,918 )	7,834,071	7,511,531	10,145,264
1.4 Net (written \$ 8,634,745 )	8,341,630	7,293,063	9,944,381
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 4,698,000 ):			
2.1 Direct	33,512	271,158	(94,479)
2.2 Assumed	8,189,859	8,416,073	11,182,856
2.3 Ceded	3,933,351	4,942,296	6,009,737
2.4 Net	4,290,020	3,744,935	5,078,640
3. Loss expenses incurred	635,315	551,115	676,036
4. Other underwriting expenses incurred	3,526,983	5,039,042	6,067,047
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	8,452,318	9,335,092	11,821,723
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(110,688)	(2,042,029)	(1,877,342)
INVESTMENT INCOME			
9. Net investment income earned	735,832	700,312	924,886
10. Net realized capital gains (losses)	249,905	864,667	887,248
11. Net investment gain (loss) (Lines 9 plus 10)	985,737	1,564,979	1,812,134
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)			
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 plus 11 plus 15)	875,049	(477,050)	(65,208)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	875,049	(477,050)	(65,208)
19. Federal and foreign income taxes incurred	307,227	287,600	392,700
20. Net income (Line 18 minus Line 19) (to Line 22)	567,822	(764,650)	(457,908)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	16,603,926	19,244,507	19,244,508
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	567,822	(764,650)	(457,908)
23. Net unrealized capital gains or losses	(789,792)	(1,526,577)	(1,312,444)
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	28,245	1,019,776	919,008
26. Change in nonadmitted assets			(608)
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	6,472	(938,630)	(938,630)
31. Capital changes:			
31.1 Paid in			
31.2 Transferred from surplus (Stock Dividend)			
31.3 Transferred to surplus			
32. Surplus adjustments:			
32.1 Paid in			
32.2 Transferred to capital (Stock Dividend)			
32.3 Transferred from capital			
33. Net remittances from or (to) Home Office			
34. Dividends to stockholders			(850,000)
35. Change in treasury stock			
36. Aggregate write-ins for gains and losses in surplus			
37. Change in surplus as regards policyholders (Lines 22 through 36)	(187,253)	(2,210,081)	(2,640,582)
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	16,416,673	17,034,426	16,603,926
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.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
3601. Change in excess statutory reserves over statement reserves			
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)			

## CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	9,301,271	16,867,473
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	5,253,096	4,781,559
3. Underwriting expenses paid	3,411,993	5,928,374
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	636,182	6,157,540
6. Net investment income	777,519	859,276
7. Other income (expenses):		
7.1 Agents' balances charged off		
7.2 Net funds held under reinsurance treaties	(520,558)	(4,526,630)
7.3 Net amount withheld or retained for account of others		
7.4 Aggregate write-ins for miscellaneous items		
7.5 Total other income (Lines 7.1 to 7.4)	(520,558)	(4,526,630)
8. Dividends to policyholders on direct business, less \$ dividends on reinsurance assumed or ceded (net)		
9. Federal and foreign income taxes (paid) recovered	(180,300)	(367,100)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	712,843	2,123,086
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	6,411,049	1,724,591
11.2 Stocks	1,048,725	1,369,393
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)	7,459,774	3,093,984
12. Cost of investments acquired (long-term only):		
12.1 Bonds	6,437,777	3,293,482
12.2 Stocks	1,073,854	1,581,131
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications	125,474	100,000
12.7 Total investments acquired (Lines 12.1 to 12.6)	7,637,105	4,974,613
13. Net cash from investments (Line 11.8 minus Line 12.7)	(177,331)	(1,880,629)
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		
14.4 Borrowed funds received		
14.5 Other cash provided		3
14.6 Total (Lines 14.1 to 14.5)		3
15. Cash applied:		
15.1 Dividends to stockholders paid		850,000
15.2 Net transfers to affiliates		
15.3 Borrowed funds repaid		
15.4 Other applications		
15.5 Total (Lines 15.1 to 15.4)		850,000
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)		(849,997)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	535,512	(607,540)
18. Cash and short-term investments:		
18.1 Beginning of year	452,405	1,059,945
18.2 End of period (Line 17 plus Line 18.1)	987,917	452,405
DETAILS OF WRITE-INS		
7.401		
7.402		
7.403		
7.498 Summary of remaining write-ins for Line 7.4 from overflow page		
7.499 Totals (Lines 7.401 through 7.403 plus 7.498) (Line 7.4 above)		

## NOTES TO FINANCIAL STATEMENTS

Please refer to the latest filed Annual Statement for Notes to the Financial Statement. Shown below are the Notes that have changed since this latest Annual Statement.

### 1. Summary of Significant Accounting Policies

A.) The company has completed the statement in accordance with the NAIC Accounting Practices and Procedures manual.

B.) 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 revenue and expense during the period. Actual results could differ from those estimates.

C.) Premiums are earned over the terms of the related insurance policies using the pro-rata method. Expenses incurred in the acquisition of new business are charged to operations as incurred.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common Stocks are stated at market.
- (4) Preferred Stocks with NAIC designation of 1 or 2 are stated at market, 3 or lower are stated at lower of cost or market.
- (5) The company has no Mortgage loans.
- (6) Loan-backed bonds are stated at amortized cost using the interest method including anticipated prepayments at the date of purchase.
- (7) The company has no Investments in subsidiaries.
- (8) The company has no investments in joint ventures, partnerships and limited liability companies.
- (9) The company does not own derivatives.
- (10) The company does not carry a premium deficiency reserve.
- (11) The company establishes reserves for losses on a case basis. In addition, the company makes estimates for losses incurred but not reported. These reserves are based on historical data and management assumptions. The ultimate liability may be less than or greater than the estimates established. The estimation methods and ultimate results of estimates are continually reviewed by management and independent actuaries.

### 2. Accounting Changes

Unassigned Funds was changed as a result of the company's implementation of codification. The change in surplus was an increase of \$6,472 due mainly to the recognition of deferred federal income tax related to prior periods.

### 9. Income Taxes

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

	2002	2001
(1) Total of all deferred tax assets (admitted and non-admitted)	596,282	489,091
(2) Total of all deferred tax liabilities	57,620	407,946
(3) Total deferred tax assets non-admitted	0	0
(4) Increase (decrease) in deferred tax assets non-admitted	0	0

(B) All deferred tax liabilities are recognized

(C) The main components of deferred tax amounts are as follows:

DTA's	Statutory	Tax	Difference	Tax Effect
Unearned Premium	6,911,255	5,529,004	1,382,251	483,788
Miscellaneous Items	321,412	0	321,412	112,494

DTL's				
Unrealized Loss-Common Stock	164,629	0	164,629	57,620

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

	Amount	Tax Effect
1. Income before taxes	875,050	314,008
2. Book over tax reserves	58,623	20,518
3. Net DAC Adjustment		
4. Depreciation		
5. Accrued Market Discount		
6. Tax Exempt Interest	(49,291)	(17,252)
7. Dividends received deduction	(28,704)	(10,046)
8. Accrued Dividends		
9. Key-person life insurance premiums		
10. Accrued deferred compensation		
11. Taxable income	855,677	307,227

## 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 (X) N/A ( )

If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1996

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. 12/31/1996

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). 10/31/1997

7.4 By what department or departments?

State of Pennsylvania

.....

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:

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

14.1 Does the reporting entity have any hedging transactions reported on schedule DB? Yes ( ) No (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
US Bancorp .....	425 Walnut Street, Cinti., OH 45202 .....
.....	.....
.....	.....

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

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

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

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

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

15.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of 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
Fayez Sarofim .....	.....	2 Houston Ctr., Ste. 2907, Houston, TX 77010 .....
INVESCO .....	.....	1315 Peachtree St., NE Ste. 500, Atlanta, GA 30309 .....
Midland Company .....	.....	7000 Midland Blvd., Amelia, OH 45102 .....

## **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? Yes ( ) No (X) N/A ( )  
If yes, attach an explanation.

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? Yes ( ) No (X)  
If yes, attach an explanation.

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 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 .....	14,300,231	1,753,638	2,173,193	(1,674)	14,518,075	14,300,231	13,879,001	15,018,749
2. Class 2 .....	2,587,300				2,022,623	2,587,300	2,587,300	891,356
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds .....	16,887,531	1,753,638	2,173,193	(1,674)	16,540,698	16,887,531	16,466,301	15,910,105
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....	4,798	56,640			4,798	4,798	4,798	4,798
15. Total Bonds and Preferred Stock .....	16,892,329	1,810,278	2,173,193	(1,674)	16,545,496	16,892,329	16,527,739	15,914,903

**SCHEDULE DA - PART 1**

Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
8099999 Totals .....	982,094	X X X	982,094	3,092	

**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 .....	444,824	680,303	943,752	1,052,642
2. Cost of short-term investments acquired .....	2,748,400	1,466,223	1,375,262	5,201,582
3. Increase (decrease) by adjustment .....				
4. Increase (decrease) by foreign exchange adjustment .....				
5. Total profit (loss) on disposal of short-term investments .....				
6. Consideration received on disposal of short-term investments .....	2,512,921	1,202,773	1,336,920	5,809,400
7. Book / adjusted carrying value, current period .....	680,303	943,753	982,094	444,824
8. Total valuation allowance .....				
9. Subtotal (Line 7 plus Line 8) .....	680,303	943,753	982,094	444,824
10. Total nonadmitted amounts .....				
11. Statement value (Line 9 minus Line 10) .....	680,303	943,753	982,094	444,824
12. Income collected during period .....	2,787	2,864	3,092	55,917
13. Income earned during period .....	2,871	2,750	2,176	54,645

**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**

**Page 15**

Schedule F - Ceded Reinsurance  
**NONE**

**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	No					
2. Alaska	AK	No					
3. Arizona	AZ	No					
4. Arkansas	AR	No					
5. California	CA	No					
6. Colorado	CO	No					
7. Connecticut	CT	No					
8. Delaware	DE	No					
9. District of Columbia	DC	No					
10. Florida	FL	No					
11. Georgia	GA	No					
12. Hawaii	HI	No					
13. Idaho	ID	No					
14. Illinois	IL	No					
15. Indiana	IN	No					
16. Iowa	IA	No					
17. Kansas	KS	No					
18. Kentucky	KY	No					
19. Louisiana	LA	No		(725)		9,262	123,602
20. Maine	ME	No					
21. Maryland	MD	No					
22. Massachusetts	MA	No					
23. Michigan	MI	No					
24. Minnesota	MN	No					
25. Mississippi	MS	No					
26. Missouri	MO	No					
27. Montana	MT	No					
28. Nebraska	NE	No					
29. Nevada	NV	No					
30. New Hampshire	NH	No					
31. New Jersey	NJ	No					
32. New Mexico	NM	No					
33. New York	NY	No					
34. North Carolina	NC	No					
35. North Dakota	ND	No					
36. Ohio	OH	Yes					
37. Oklahoma	OK	No	150,016	114,211	42,904	2,689	33,765
38. Oregon	OR	No					301,643
39. Pennsylvania	PA	Yes			(2,154)		13,732
40. Rhode Island	RI	No					
41. South Carolina	SC	No					
42. South Dakota	SD	No					
43. Tennessee	TN	No					
44. Texas	TX	No					
45. Utah	UT	No					
46. Vermont	VT	No					
47. Virginia	VA	No					
48. Washington	WA	No					
49. West Virginia	WV	No					
50. Wisconsin	WI	No					
51. Wyoming	WY	No					
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	(a) 2	150,016	114,211	40,025	11,951
58. Totals						47,497	425,245
DETAILS OF WRITE-INS		X X X					
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 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire .....	72,959	33,649	46.1	30.1
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 .....				
17.1 Other liability-occurrence .....	69,261	3,559	5.1	608.3
17.2 Other liability-claims made .....				
18.1 Products liability-occurrence .....				
18.2 Products liability-claims made .....				
19.1, 19.2 Private passenger auto liability .....				
19.3, 19.4 Commercial auto liability .....		(3,695)		
21. Auto physical damage .....				
22. Aircraft (all perils) .....				
23. Fidelity .....				
24. Surety .....				
26. Burglary and theft .....				
27. Boiler and machinery .....				
28. Credit .....				
29. International .....				
30. Reinsurance-Nonproportional Assumed Property .....	X X X	X X X	X X X	X X X
31. Reinsurance-Nonproportional Assumed Liability .....	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X	X X X	X X X	X X X
33. Aggregate write-ins for other lines of business .....				
34. TOTALS .....	142,220	33,513	23.6	298.2
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 .....	6,629	73,231	56,231
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 .....			
17.1 Other liability-occurrence .....	(758)	76,785	57,980
17.2 Other liability-claims made .....			
18.1 Products liability-occurrence .....			
18.2 Products liability-claims made .....			
19.1, 19.2 Private passenger auto liability .....			
19.3, 19.4 Commercial auto liability .....			
21. Auto physical damage .....			
22. Aircraft (all perils) .....			
23. Fidelity .....			
24. Surety .....			
26. Burglary and theft .....			
27. Boiler and machinery .....			
28. Credit .....			
29. International .....			
30. Reinsurance-Nonproportional Assumed Property .....	X X X	X X X	X X X
31. Reinsurance-Nonproportional Assumed Liability .....	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X	X X X	X X X
33. Aggregate write-ins for other lines of business .....			
34. TOTALS .....	5,871	150,016	114,211
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

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	383	87	470	125	11	136	218	48	12	278	(40)	(16)	(56)
2. 2000	229	66	295	87	6	93	116	33	17	166	(26)	(10)	(36)
3. Subtotals 2000 + prior	612	153	765	212	17	229	334	81	29	444	(66)	(26)	(92)
4. 2001	888	404	1,292	605	202	807	250	92	52	394	(33)	(58)	(91)
5. Subtotals 2001 + prior	1,500	557	2,057	817	219	1,036	584	173	81	838	(99)	(84)	(183)
6. 2002	X X X	X X X	X X X	X X X	3,650	3,650	X X X	960	497	1,457	X X X	X X X	X X X
7. Totals	1,500	557	2,057	817	3,869	4,686	584	1,133	578	2,295	(99)	(84)	(183)
8. Prior Year-End's Surplus As Regards Policy-holders	16,604										1. .... (6.6)%	2. .... (15.1)%	3. .... (8.9)%
											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. .... (6.6)%	2. .... (15.1)%	3. .... (8.9)%
											Col. 13 , Line 7 Line 8		
											4. .... (1.1)%		

(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 8 6 5 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:	 3 8 6 5 2 2 0 0 2 4 5 0 0 0 0 0 0 3

**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>								
912827-6J-6	U.S. TREASURY NOTES	08/21/2002	SALOMON SMITH BARNEY	196,246	175,000		164	1PE
0399999	Subtotal - Bonds - U.S. Governments			196,246	175,000		164	
<b>Bonds - Industrial and Miscellaneous</b>								
33738M-AE-1	FIRST UNION CORP	09/26/2002	SPEAR, LEEDS & KELLOGG	182,130	150,000		1,235	1PE
4599999	Subtotal - Bonds - Industrial and Miscellaneous			182,130	150,000		1,235	
6099997	Subtotal - Bonds - Part 3			378,376	325,000		1,399	
6099999	Subtotal - Bonds			378,376	325,000		1,399	
<b>Preferred Stock - Industrial and Miscellaneous</b>								
345395-20-6	FORD MTR CO CAP TR II	07/01/2002	RECLASS	1,000.000	56,640			2PE
6399999	Subtotal - Preferred Stock - Industrial and Miscellaneous			56,640				
6599997	Subtotal - Preferred Stock - Part 3			56,640				
6599999	Subtotal - Preferred Stock			56,640				
<b>Common Stock - Banks, Trust and Insurance Companies</b>								
867914-10-3	SUNTRUST BANK	09/04/2002	SALOMON SMITH BARNEY	200.000	13,570			L
6799999	Subtotal - Common Stock - Banks, Trust and Insurance Companies			13,570				
<b>Common Stock - Industrial and Miscellaneous</b>								
002824-10-0	ABBOTT LABORATORIES	09/27/2002	SALOMON SMITH BARNEY	1,000,000	41,125			L
035229-10-3	ANHEUSER BUSCH COMPANIES INC.	09/27/2002	SALOMON SMITH BARNEY	500,000	26,235			L
191216-10-0	COCA-COLA CORP.	09/27/2002	SALOMON SMITH BARNEY	1,500,000	73,200			L
302316-10-2	EXXON MOBIL CORP.	09/27/2002	SALOMON SMITH BARNEY	4,000,000	136,160			L
313586-10-9	FEDERAL NATIONAL MORTGAGE ASSOCIATION	09/04/2002	SALOMON SMITH BARNEY	200,000	15,312			L
345395-20-6	FORD MTR CO CAP TR II	07/01/2002	RECLASS	(1,000,000)	(56,640)			2PE
478160-10-4	JOHNSON & JOHNSON	09/27/2002	SALOMON SMITH BARNEY	1,000,000	55,750			L
50075N-10-4	KRAFT FOODS INC CL A	09/04/2002	SALOMON SMITH BARNEY	300,000	12,075			L
571748-10-2	MARSH & MCLENNAN COMPANIES INC.	09/27/2002	SALOMON SMITH BARNEY	1,000,000	43,530			L
571748-10-2	MARSH & MCLENNAN COMPANIES INC.	07/10/2002	STOCK SPLIT	1,200,000				L
580135-10-1	MCDONALDS CORP.	09/04/2002	SALOMON SMITH BARNEY	1,500,000	36,135			L
580645-10-9	McGRAW HILL INC.	09/27/2002	SALOMON SMITH BARNEY	500,000	31,765			L
713448-10-8	PEPSICO INC.	09/27/2002	SALOMON SMITH BARNEY	1,400,000	52,531			L
717081-10-3	PFIZER INCORPORATED	09/27/2002	SALOMON SMITH BARNEY	3,000,000	89,743			L
742718-10-9	PROCTER & GAMBLE	09/27/2002	SALOMON SMITH BARNEY	500,000	45,085			L
87612E-10-6	TARGET CORPORATION	09/04/2002	SALOMON SMITH BARNEY	1,200,000	40,860			L
894206-10-9	TRAVELERS PROPERTY CASUALTY - A	08/26/2002	STOCK SPINOFF	137,000	428			L
894206-40-6	TRAVELERS PROPERTY CASUALTY CORP	08/26/2002	STOCK SPINOFF	281,000	950			L
931142-10-3	WAL MART STORES INC.	09/27/2002	SALOMON SMITH BARNEY	1,000,000	53,050			L
931422-10-9	WALGREEN COMPANY	09/27/2002	SALOMON SMITH BARNEY	1,500,000	52,500			L
6899999	Subtotal - Common Stock - Industrial and Miscellaneous			749,794				
7099997	Subtotal - Common Stock - Part 3			763,364				
7099999	Subtotal - Common Stock			763,364				

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

**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)
7199999	Subtotal - Preferred and Common Stock .....				820,004			
7299999	TOTALS .....				1,198,380	1,399		

## 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>																
36206P-UR-9	GNMA P/T POOL 417392	09/15/2002 PAYDOWN			8,204	8,204.00	8,416	8,204								1
36207F-LH-2	GNMA P/T POOL 430628	09/15/2002 PAYDOWN			22,100	22,100.00	22,107	22,100								1
912827-3J-9	U.S. TREASURY NOTES	09/30/2002 MATURITY		500,000	500,000.00	511,484	500,000								29,375	1PE
912827-6L-1	U.S. TREASURY NOTES	09/30/2002 MATURITY		285,000	285,000.00	290,767	285,000								17,100	1PE
0399999	Subtotal - Bonds - U.S. Governments			815,304	815,304.00	832,774	815,304								46,475	
<b>Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																
31371G-U3-2	FNMA P/T POOL 251802	09/15/2002 PAYDOWN			13,038	13,038.00	12,541	13,038								1
31374F-YB-9	FNMA P/T POOL 313106	09/25/2002 PAYDOWN			7,932	7,932.00	7,582	7,932								1
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions			20,970	20,970.00	20,123	20,970									
6099997	Subtotal - Bonds - Part 4			836,274	836,274.00	852,897	836,274								46,475	
6099999	Subtotal - Bonds			836,274	836,274.00	852,897	836,274								46,475	
<b>Common Stock - Banks, Trust and Insurance Companies</b>																
172967-10-1	CITIGROUP	08/26/2002 STOCK SPINOFF		1,378		1,378	1,378									L
6799999	Subtotal - Common Stock - Banks, Trust and Insurance Companies			1,378		1,378	1,378									
<b>Common Stock - Industrial and Miscellaneous</b>																
002824-10-0	ABBOTT LABORATORIES	09/27/2002 SALOMON SMITH BARNEY		1,000,000	41,019	13,047	13,047								27,972	27,972
035229-10-3	ANHEUSER BUSCH COMPANIES INC.	09/27/2002 SALOMON SMITH BARNEY		800,000	41,839	9,686	9,686								32,152	32,152
191216-10-0	COCA-COLA CORP.	09/27/2002 SALOMON SMITH BARNEY		2,000,000	97,397	88,225	88,225								9,173	9,173
302316-10-2	EXXON MOBIL CORP.	09/27/2002 SALOMON SMITH BARNEY		4,000,000	135,756	142,293	142,293								(6,537)	(6,537)
478160-10-4	JOHNSON & JOHNSON	09/27/2002 SALOMON SMITH BARNEY		2,000,000	111,137	81,009	81,009								30,128	30,128
571748-10-2	MARSH & McCLENNAN COMPANIES INC.	09/27/2002 SALOMON SMITH BARNEY		1,400,000	60,797	31,478	31,478								29,319	29,319
580645-10-9	McGRAW HILL INC.	09/27/2002 SALOMON SMITH BARNEY		800,000	50,738	41,215	41,215								9,523	9,523
713448-10-8	PEPSICO INC.	09/27/2002 SALOMON SMITH BARNEY		1,400,000	52,372	56,545	56,545								(4,173)	(4,173)
717081-10-3	PFIZER INCORPORATED	09/27/2002 SALOMON SMITH BARNEY		3,000,000	89,433	127,290	127,290								(37,857)	(37,857)
742718-10-9	PROCTER & GAMBLE	09/27/2002 SALOMON SMITH BARNEY		800,000	72,025	48,044	48,044								23,981	23,981
832696-40-5	JM SMUCKER CO/THE-NEW COM WI	09/04/2002 SALOMON SMITH BARNEY		28,000	1,039	250	250								790	790
882508-10-4	TEXAS INSTRUMENTS	09/27/2002 SALOMON SMITH BARNEY		1,500,000	24,429	6,170	6,170								18,260	18,260
894206-10-9	TRAVELERS PROPERTY CASUALT - A	09/17/2002 CASH IN LIEU OF FRACTIONS		1,000	12	2	2								9	9
931142-10-3	WAL MART STORES INC.	09/27/2002 SALOMON SMITH BARNEY		1,500,000	79,408	17,229	17,229								62,179	62,179
931422-10-9	WALGREEN COMPANY	09/27/2002 SALOMON SMITH BARNEY		2,000,000	69,798	8,124	8,124								61,674	61,674
983024-10-0	WYETH	09/04/2002 SALOMON SMITH BARNEY		600,000	26,447	9,009	9,009								17,438	17,438
6899999	Subtotal - Common Stock - Industrial and Miscellaneous			953,646		679,616	679,616								274,031	274,031
7099997	Subtotal - Common Stock - Part 4			955,024		680,994	680,994								274,031	274,031
7099999	Subtotal - Common Stock			955,024		680,994	680,994								274,031	274,031
7199999	Subtotal - Preferred and Common Stock			955,024		680,994	680,994								274,031	274,031
7299999	TOTALS			1,791,298		1,533,891	1,517,268								274,031	274,031
<b>(a) For all common stock bearing the NAIC designation 'U' provide: the number of such issues .....</b>																

(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 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							
Open Depositories								
US Bank .....	Cincinnati, OH Commercial Account .....				6,364 .....	10,029 .....	8,300 .....	
US Bank .....	Cincinnati, OH Outstanding A/P Checks .....				(25) .....			
US Bank .....	Cincinnati, OH Claim Check Payable Account .....				(7,677) .....	(8,885) .....	(2,477) .....	
0199999	TOTAL - Open Depositories .....				(1,313) .....	1,119 .....	5,823 .....	
0399999	TOTAL Cash on Deposit .....				(1,313) .....	1,119 .....	5,823 .....	
0599999	TOTALS .....				(1,313) .....	1,119 .....	5,823 .....	