



QUARTERLY STATEMENT  
AS OF SEPTEMBER 30, 2002  
OF THE CONDITION AND AFFAIRS OF THE

SCOTTSDALE INSURANCE COMPANY

NAIC Group Code	0140 <small>(Current Period)</small>	0140 <small>(Prior Period)</small>	NAIC Company Code	41297	Employer's ID Number	31-1024978
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	Ohio	
Country of Domicile	United States of America					
Incorporated	January 4, 1982		Commenced Business	July 1, 1982		
Statutory Home Office	One Nationwide Plaza <small>(Street and Number)</small>			Columbus, OH 43215 <small>(City or Town, State and Zip Code)</small>		
Main Administrative Office	8877 N. Gainey Center Drive <small>(Street and Number)</small>					
	Scottsdale, AZ 85258-2108 <small>(City or Town, State and Zip Code)</small>			480-365-4000 <small>(Area Code) (Telephone Number)</small>		
Mail Address	P.O. Box 4110 <small>(Street and Number or P.O. Box)</small>			Scottsdale, AZ 85261-4110 <small>(City or Town, State and Zip Code)</small>		
Primary Location of Books and Records	8877 N. Gainey Center Drive <small>(Street and Number)</small>					
	Scottsdale, AZ 85258-2108 <small>(City or Town, State and Zip Code)</small>			480-365-4000 <small>(Area Code) (Telephone Number)</small>		
Internet Website Address	www.scottsdaleins.com					
Statement Contact	Marilyn S. Sheedy <small>(Name)</small>			480-365-2324 <small>(Area Code) (Telephone Number) (Extension)</small>		
	sheedym@scottsdaleins.com <small>(E-mail Address)</small>			480-368-5856 <small>(FAX Number)</small>		
Policyowner Relations Contact	Gary L. Tiepelman <small>(Street and Number)</small>			8877 N. Gainey Center Drive <small>(Street and Number)</small>		
	Scottsdale,AZ 85258-2108 <small>(City or Town, State and Zip Code)</small>			480-365-4000 <small>(Area Code) (Telephone Number)</small>		

OFFICERS

President	Roger Max Williamson	Secretary	Glenn Warren Soden
Treasurer	Judy Lee Howard		

VICE PRESIDENTS

James William Carney	John Roscoe Cook, Jr.	David Samuel Dale
Dennis Arthur Faggioni	Patricia Ruth Hatler	Michael Stevens Helfer
Terri Lynn Hill	Michael Lee Horsman	Donna Anita James
Edwin Pugh McCausland, Jr.	Robert Alan Oakley	Randall Lee Orr
Mark David Phelan	Doreen Katherine Reinke	Richard John Schmitzer
Harry George Surprenant	Gary Lynn Tiepelman	Alan Anthony Todryk
Susan Feola Wain	John David Zicarelli	

ASSOCIATE VICE PRESIDENTS

Thomas Edward Barnes	Carol Lynn Dove	David James Kauchek
Kenneth Ari Levine	Joseph Albert Lughes, Jr.	Jean Marie Nelson
Arlan Gene Oliva	Vijay Anand Ramachandran	

DIRECTORS OR TRUSTEES

Galen Ross Barnes	Judy Lee Howard	William Gerald Jurgensen
Lydia Micheaux Marshall	David Owen Miller	Michael Dean Miller
Ralph McDaniel Paige	Roger Max Williamson	

State of Arizona }  
County of Maricopa } 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.

Roger Max Williamson President	Randall Lee Orr Assistant Secretary	Judy Lee Howard Treasurer
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Subscribed and sworn to before me this  
4th day of November, 2002

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

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 .....	600,761,850		600,761,850	559,256,316
2. Stocks:				
2.1 Preferred stocks .....	3,276,971		3,276,971	1,794,583
2.2 Common stocks .....	75,567,630		75,567,630	72,541,182
3. Mortgage loans on real estate:				
3.1 First liens .....	2,220,268		2,220,268	
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ .....0   encumbrances) .....	235,000		235,000	241,609
4.2 Properties held for the production of income (less \$ .....0   encumbrances) .....				
4.3 Properties held for sale (less \$ .....0 encumbrances) .....				
5. Cash (\$ .....9,398,818   and short-term investments \$ .....47,395,993   ) .....	56,794,811		56,794,811	25,463,146
6. Other invested assets .....				
7. Receivable for securities .....				56,411
8. Aggregate write-ins for invested assets .....				
9. Subtotals, cash and invested assets (Lines 1 to 8) .....	738,856,530		738,856,530	659,353,247
10. Agents' balances or uncollected premiums				
10.1 Premiums and agents' balances in course of collection .....	16,530,217	1,518,771	15,011,446	12,512,606
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....0   earned but unbilled premiums) .....	66,976,134	490,173	66,485,961	57,189,612
10.3 Accrued retrospective premiums .....				
11. Funds held by or deposited with reinsured companies .....				
12. Bills receivable, taken for premiums .....				
13. Amounts billed and receivable under high deductible policies .....				
14. Reinsurance recoverables on loss and loss adjustment expense payments .....	101,395,900		101,395,900	60,685,912
15. Federal and foreign income tax recoverable and interest thereon (including \$ .....16,087,703   net deferred tax asset) .....	8,452,477		8,452,477	23,885,096
16. Guaranty funds receivable or on deposit .....	914,723		914,723	901,118
17. Electronic data processing equipment and software .....	5,300,732		5,300,732	3,097,108
18. Interest, dividends and real estate income due and accrued .....	7,286,223		7,286,223	7,574,731
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 .....	12,180,589	12,180,589		
25. Aggregate write-ins for other than invested assets .....	13,957,565	320,906	13,636,659	10,878,980
26. Total assets excluding protected cell assets (Lines 9 through 25) .....	971,851,090	14,510,439	957,340,651	836,078,410
27. Protected cell assets .....				
28. TOTALS (Lines 26 and 27)	971,851,090	14,510,439	957,340,651	836,078,410
DETAILS OF WRITE-INS				
0801. ....				
0802. ....				
0803. ....				
0898. Summary of remaining write-ins for Line 8 from overflow page .....				
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)				
2501. Fair Plan Receivable .....	223,297		223,297	477,104
2502. Deposits .....	320,645	320,645		
2503. Premium Escrow Fund .....	8,436,414		8,436,414	7,483,142
2598. Summary of remaining write-ins for Line 25 from overflow page .....	4,977,209	261	4,976,948	2,918,734
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	13,957,565	320,906	13,636,659	10,878,980

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....85,223,299 ) .....	242,951,853	244,237,635
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....	51,286,687	52,920,437
4. Commissions payable, contingent commissions and other similar charges .....	6,002,446	6,152,225
5. Other expenses (excluding taxes, licenses and fees) .....	5,849,479	4,736,809
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	3,218,767	4,602,892
7. Federal and foreign income taxes [including \$ .....0 on realized capital gains (losses)] (including \$ .....0 net deferred tax liability) .....		
8. Borrowed money \$ .....0 and interest thereon \$ .....0 .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....616,224,736 and including warranty reserves of \$ .....454,878 ) .....	162,878,800	144,844,870
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....	126,056	96,137
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	87,126,423	43,663,779
13. Funds held by company under reinsurance treaties .....		
14. Amounts withheld or retained by company for account of others .....	4,419,523	6,768,160
15. Remittances and items not allocated .....		
16. Provision for reinsurance .....	5,840,921	5,840,921
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....	42,020,374	46,379,209
19. Payable to parent, subsidiaries and affiliates .....	49,668,736	10,891,239
20. Payable for securities .....	5,145,756	
21. Liability for amounts held under uninsured accident and health plans .....		
22. Capital notes \$ .....0 and interest thereon \$ .....0 .....		
23. Aggregate write-ins for liabilities .....	7,255,899	7,709,252
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23) .....	673,791,720	578,843,565
25. Protected cell liabilities .....		
26. Total liabilities (Lines 24 and 25) .....	673,791,720	578,843,565
27. Aggregate write-ins for special surplus funds .....		
28. Common capital stock .....	6,027,200	6,027,200
29. Preferred capital stock .....		
30. Aggregate write-ins for other than special surplus funds .....		
31. Surplus notes .....		
32. Gross paid in and contributed surplus .....	143,973,300	143,973,300
33. Unassigned funds (surplus) .....	133,548,431	107,234,345
34. Less treasury stock, at cost		
34.1 .....0 shares common (value included in Line 28 \$ .....0 ) .....		
34.2 .....0 shares preferred (value included in Line 29 \$ .....0 ) .....		
35. Surplus as regards policyholders (Lines 27 to 33, less 34) .....	283,548,931	257,234,845
36. TOTALS	957,340,651	836,078,410
DETAILS OF WRITE-INS		
2301. Loss Based Assessment.....	233,890	175,480
2302. Contingent Suits.....	6,221,600	6,580,152
2303. Premium Escrow Fund Reserve.....	800,409	953,620
2398. Summary of remaining write-ins for Line 23 from overflow page .....		
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	7,255,899	7,709,252
2701. ....		
2702. ....		
2703. ....		
2798. Summary of remaining write-ins for Line 27 from overflow page .....		
2799. Totals (Lines 2701 thru 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 thru 3003 plus 3098) (Line 30 above)		

The Company is a party to various reinsurance agreements including a pooling agreement with several affiliated companies. Under this pooling agreement, the total pooled policyholder surplus is \$6.581 billion.

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 \$ .....641,016,364 )	553,769,393	435,492,294	594,850,749
1.2 Assumed (written \$ .....821,425,609 )	775,715,724	646,869,668	890,789,811
1.3 Ceded (written \$ .....1,117,363,772 )	1,002,440,844	783,211,184	1,078,546,400
1.4 Net (written \$ .....345,078,201 )	327,044,273	299,150,778	407,094,160
DEDUCTIONS:			
2. Losses incurred (current accident year \$ .....200,541,126 ):			
2.1 Direct .....	248,662,951	206,897,390	262,157,240
2.2 Assumed .....	490,322,295	478,802,873	638,093,202
2.3 Ceded .....	541,786,959	476,411,619	623,862,695
2.4 Net .....	197,198,287	209,288,644	276,387,747
3. Loss expenses incurred .....	35,828,900	35,738,497	48,253,302
4. Other underwriting expenses incurred .....	95,074,924	83,235,581	116,014,744
5. Aggregate write-ins for underwriting deductions .....	58,410	(527,279)	(527,279)
6. Total underwriting deductions (Lines 2.4 thru 5) .....	328,160,521	327,735,443	440,128,514
7. Net income of protected cells .....			
8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7) .....	(1,116,248)	(28,584,665)	(33,034,354)
INVESTMENT INCOME			
9. Net investment income earned .....	28,121,216	26,029,712	35,012,074
10. Net realized capital gains or (losses) .....	785,436	498,903	(9,568,728)
11. Net investment gain (loss) (Lines 9 + 10) .....	28,906,652	26,528,615	25,443,346
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ .....164,469 amount charged off \$ .....242,654 )	(78,185)	(63,466)	(137,855)
13. Finance and service charges not included in premiums .....	3,246,544	2,773,445	3,809,270
14. Aggregate write-ins for miscellaneous income .....	(911,970)	(721,811)	547,067
15. Total other income (Lines 12 through 14) .....	2,256,389	1,988,168	4,218,482
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15) .....	30,046,793	(67,882)	(3,372,526)
17. Dividends to policyholders .....	164,387	125,495	146,955
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17) .....	29,882,406	(193,377)	(3,519,481)
19. Federal and foreign income taxes incurred .....	8,733,002	0	(7,161,151)
20. Net income (Line 18 minus Line 19)(to Line 22) .....	21,149,404	(193,377)	3,641,670
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year .....	257,234,845	231,265,554	231,265,554
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20) .....	21,149,404	(193,377)	3,641,670
23. Net unrealized capital gains or losses .....	3,701,108	(7,581,861)	5,029,964
24. Change in net unrealized foreign exchange capital gain (loss) .....			
25. Change in net deferred income tax .....	(1,332,161)	2,090,680	4,159,864
26. Change in nonadmitted assets .....	2,795,735	2,957,587	1,885,148
27. Change in provision for reinsurance .....			(1,346,264)
28. Change in surplus notes .....			
29. Surplus (contributed to) withdrawn from protected cells .....			
30. Cumulative effect of changes in accounting principles .....		13,458,995	13,458,995
31. Capital changes:			
31.1 Paid in .....			
31.2 Transferred from surplus (Stock Dividend) .....			
31.3 Transferred to surplus .....			
32. Surplus adjustments:			
32.1 Paid in .....			
32.2 Transferred to capital (Stock Dividend) .....			
32.3 Transferred from capital .....			
33. Net remittances from or (to) Home Office .....			
34. Dividends to stockholders .....			
35. Change in treasury stock .....			
36. Aggregate write-ins for gains and losses in surplus .....		(403,229)	(860,086)
37. Change in surplus as regards policyholders (Lines 22 through 36) .....	26,314,086	10,328,795	25,969,291
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37) .....	283,548,931	241,594,349	257,234,845
DETAILS OF WRITE-INS			
0501. Loss Based Assessment .....	58,410	(527,279)	(527,279)
0502. ....			
0503. ....			
0598. Summary of remaining write-ins for Line 5 from overflow page .....			
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) .....	58,410	(527,279)	(527,279)
1401. Other Income .....	(911,970)	(721,811)	547,067
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....			
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) .....	(911,970)	(721,811)	547,067
3601. Prior Period Adjustments .....		(403,229)	(860,086)
3602. ....			
3603. ....			
3698. Summary of remaining write-ins for Line 36 from overflow page .....			
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above) .....		(403,229)	(860,086)

The Company is a party to various reinsurance agreements including a pooling agreement with several affiliated companies. Under this pooling agreement, the total pooled policyholder surplus is \$6.581 billion.

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	376,960,180	352,857,400
2. Loss and loss adjustment expenses paid (net of salvage and subrogation) .....	281,015,543	331,865,978
3. Underwriting expenses paid .....	95,509,764	113,777,960
4. Other underwriting income (expenses) .....		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) .....	434,873	(92,786,538)
6. Net investment income .....	28,903,583	35,983,669
7. Other income (expenses):		
7.1 Agents' balances charged off .....	(78,185)	(137,855)
7.2 Net funds held under reinsurance treaties .....		43,663,779
7.3 Net amount withheld or retained for account of others .....	(2,348,637)	2,552,771
7.4 Aggregate write-ins for miscellaneous items .....	1,976,022	4,797,936
7.5 Total other income (Lines 7.1 to 7.4) .....	(450,800)	50,876,631
8. Dividends to policyholders on direct business , less \$ .....0   dividends on reinsurance assumed or ceded (net) .....	134,468	161,960
9. Federal and foreign income taxes (paid) recovered .....	5,367,456	3,809,437
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9) .....	34,120,644	(2,278,761)
<b>Cash from Investments</b>		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds .....	78,354,569	113,308,480
11.2 Stocks .....		
11.3 Mortgage loans .....	5,132	
11.4 Real estate .....		
11.5 Other invested assets .....		
11.6 Net gains or (losses) on cash and short-term investments .....		2,315
11.7 Miscellaneous proceeds .....	5,202,167	
11.8 Total investment proceeds (Lines 11.1 to 11.7) .....	83,561,868	113,310,795
12. Cost of investments acquired (long-term only):		
12.1 Bonds .....	120,376,250	144,047,066
12.2 Stocks .....		
12.3 Mortgage loans .....	2,225,400	
12.4 Real estate .....		
12.5 Other invested assets .....		
12.6 Miscellaneous applications .....		
12.7 Total investments acquired (Lines 12.1 to 12.6) .....	122,601,650	144,047,066
13. Net Cash from investments (Line 11.8 minus Line 12.7) .....	(39,039,782)	(30,736,271)
<b>Cash from Financing and Miscellaneous Sources</b>		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in .....		
14.2 Capital notes \$ .....0   less amounts repaid \$ .....0 .....		
14.3 Net transfers from affiliates .....	38,777,497	54,365,070
14.4 Borrowed funds received .....		
14.5 Other cash provided .....	3,626,386	23,900,290
14.6 Total (Lines 14.1 to 14.5) .....	42,403,883	78,265,360
15. Cash applied:		
15.1 Dividends to stockholders paid .....		
15.2 Net transfers to affiliates .....		
15.3 Borrowed funds repaid .....		
15.4 Other applications .....	6,153,080	31,691,351
15.5 Total (Lines 15.1 to 15.4) .....	6,153,080	31,691,351
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5) .....	36,250,803	46,574,009
<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) .....	31,331,665	13,558,977
18. Cash and short-term investments:		
18.1 Beginning of year .....	25,463,146	11,904,169
18.2 End of year (Line 17 plus Line 18.1) .....	56,794,811	25,463,146
<b>DETAILS OF WRITE-INS</b>		
07.401 Finance And Service Charges Not Included In Premiums.....	3,246,544	3,809,270
07.402 Other.....	(1,270,522)	988,666
07.403 .....		
07.498 Summary of remaining write-ins for Line 7.4 from overflow page .....		
07.499 Totals (Lines 07.401 thru 07.403 plus 07.498) (Line 7.4 above) .....	1,976,022	4,797,936

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

#### A. Basis of Presentation

The accompanying statutory financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio.

Throughout this statement, the failure of items to add to the totals shown is due to the dropping of amounts less than one dollar.

- B. Use of Estimates In preparing the statutory financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the statutory financial statements and revenues and expenses for the reporting period. Actual results could differ from those estimates.

#### C. Basis of Valuation of Invested Assets

Invested asset values are valued in accordance with the law of the State of Ohio or the valuations prescribed by the Securities Valuation Office of the National Association of Insurance Commissioners. Bonds not backed by loans are stated at amortized cost using the modified scientific method; loan-backed bonds and structured securities at amortized cost using the scientific method; common and preferred stocks at market except for redeemable preferred stocks at cost; investments in stocks of subsidiaries and affiliates are carried at the pro rate share of underlying equity; investment in real estate or property acquired in satisfaction of debt at depreciated cost less any encumbrances; other investments on the equity basis; and mortgage loans on real estate are stated at the aggregate unpaid balance. The Company does not own any derivative instruments.

The Company uses straight-line depreciation for all real estate holdings with the lives varying based upon the type of building.

The Company has the following directly owned subsidiaries: Scottsdale Surplus Lines Insurance Company and Western Heritage Insurance Company; both 100% ownership by the Company; valuation method per NAIC VOS manual Part 8, Section C.

Investment income is considered as a factor in the premium deficiency calculation.

The liability for losses is provided based upon formula and case basis estimates for losses reported with respect to direct business, estimates of unreported losses based upon past experience, estimates based on information received relating to assumed reinsurance, and deduction for ceded reinsurance, including amounts placed with affiliates. The Company reflects its liability for losses net of anticipated salvage and subrogation recoverables. The liability for loss adjustment expenses is provided by estimating future expenses to be incurred in settlement of claims provided for in the liability for losses, and is stated after deduction for amounts to be recovered from reinsurers, including affiliates.

### 2. Accounting Changes and Corrections of Errors

#### A. Accounting Change or Correction of Error - None

- B. Effect of Codification - The Company prepares its statutory financial statements in conformity with accounting practices prescribed by the Department. Effective January 1, 2001, the Department 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 January 1, 2001.

Accounting changes adopted to conform to the provisions are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. As a result of these changes, the Company reported a change of accounting principle, as an adjustment that increased (decreased) unassigned funds (surplus), of \$13,458,995 as of January 1, 2001.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes:

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

	9/30/2002	12/31/2001
(1) Total of all deferred tax assets (admitted and nonadmitted)	39,296,926	40,684,547
(2) Total of all deferred tax liabilities	(5,427,512)	(5,601,689)
(3) Total deferred tax assets nonadmitted	(17,781,711)	(17,662,994)
(4) Increase(decrease) in deferred tax assets non admitted	118,717	(9,954,006)

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

N/A

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

	9/30/2002	12/31/2001
1. Current year expense	8,780,216	(7,109,166)
2. Tax credits	-	-
3. Prior year over/under accrual	(47,214)	(51,985)
4. Current income tax incurred	8,733,002	(7,161,151)

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

<u>DTAs</u>	<u>Statutory</u>	<u>Tax</u>	<u>Difference</u>	<u>Tax Effect</u>
6. Reserves	294,238,540	255,558,376	38,680,164	13,538,057
7. Accts Payable&Other Liabilities	216,548,325	212,654,529	3,893,796	1,362,829
8. Unearned Premium	162,878,800	129,273,094	33,605,706	11,761,997
9. Total DTAs	552,417,652	440,140,720	112,276,932	39,296,926
10. DTAs nonadmitted	17,781,711	N/A	17,781,711	17,781,711

<u>DTLs</u>	<u>Statutory</u>	<u>Tax</u>	<u>Difference</u>	<u>Tax Effect</u>
11. Bonds	600,761,850	591,615,095	(9,146,755)	(3,201,364)
12. Other Invested Assets	-	-	-	-
13. Accts Payable&Other Liabilities	-	-	-	-
14. Accrued dividends	-	-	-	-
15. Total DTLs	600,761,850	585,254,673	(15,507,177)	(5,427,512)

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

<u>DTAs</u>	9/30/2002	12/31/2001	Change
16. Reserves	13,538,057	13,681,572	(143,515)
17. Accts Payable&Other Liabilities	1,362,829	3,394,082	(2,031,253)
18. Unearned Premium	11,761,997	10,402,930	1,359,067
19. Total DTAs	39,296,926	40,684,547	(1,387,621)
20. DTAs nonadmitted	17,781,711	17,662,994	118,717

<u>DTLs</u>	9/30/2002	12/31/2001	Change
21. Bonds	(3,201,364)	(3,487,569)	286,205
22. Other Invested Assets	-	(2,114,120)	2,114,120
23. Accts Payable&Other Liabilities	-	-	-
24. Accrued dividends	-	-	-
25. Total DTLs	(5,427,512)	(5,601,689)	174,177

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes (continued):

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

	Amount	Tax Effect
1. Income before taxes	29,882,408	10,458,843
2. Tax-exempt interest, net	(3,615,943)	(1,265,580)
3. Dividends received deduction, net	-	-
4. Dividends received deduction, 100% owned subs	-	-
5. Loss reserve discounting	(367,903)	(128,766)
6. Unearned premium adjustment	3,883,050	1,359,068
7. Agents security compensation	-	-
8. Investment related transactions	169,124	59,193
9.	-	-
10. All other	46,251	16,188
11. Separate company taxable income	29,996,987	10,498,945
12. Consolidation		-
13. Reclass to deferred taxes		(1,718,729)
14. Prior year over/under accrual		(47,214)
15. Other		-
16. Tax		8,733,002

E.	Amount	Origination	Expiration
(1) Amount of operating loss carryforwards	-		
Amount of AMT tax credits	-		
Business credits	-		

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

Current year	10,498,945
2001	-
2000	-

- F.
- (1) The company’s federal income tax return is consolidated with the following entities:
- (2) The method of allocation among the companies is subject to the resolution approved by the Board of Directors. Allocation is based upon separate return or sub-group aggregated separate return calculations with the company being reimbursed for the actual Federal income tax benefit of its net operating losses which are actually used to reduce the taxable income of other companies in the consolidated return.

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

C. Wash Sales: None

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the 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 [X] No [ ]  
If yes, attach an organizational chart.

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

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

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

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [X] NA [ ]  
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. .... 12/31/2001

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). .... 09/30/1998

7.4 By what department or departments?  
State of Ohio Insurance Department.....

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

(Responses to these interrogatories should be based on changes that have occurred since the 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 [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 .....	\$ .....1,794,583	\$ .....3,276,971
13.23 Common Stock .....	\$ .....72,541,182	\$ .....75,567,630
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).....	\$ .....74,335,765	\$ .....78,844,601
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 [ ] No [X]

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
Bank of New York.....	One Wall St., 14th Floor, New York, New York.....

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)
Collins & Aikman Products Co.....	Credit Suisse First Boston.....	Term Loan.....
International Multifoods.....	CIBC World Markets.....	Term Loan.....
Headwaters, Inc.....	Morgan Stanley...(Secd Loans).....	Term Loan.....

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 broker/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 & 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] NA [ ]  
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... Yes [ ] No [X]  
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes [ ] No [X]  
3.2 If yes, give full and complete information thereto.  
.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? ..... Yes [ ] No [X]

4.2 If yes, complete the following schedule:

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

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 .....	241,609	239,406	237,203	250,422
2. Increase (decrease) by adjustment .....	(2,203)	(2,203)	(2,203)	(8,813)
3. Cost of acquired .....				
4. Cost of additions to and permanent improvements .....				
5. Total profit (loss) on sales .....				
6. Increase (decrease) by foreign exchange adjustment .....				
7. Amount received on sales .....				
8. Book/adjusted carrying value at end of current period .....	239,406	237,203	235,000	241,609
9. Total valuation allowance .....				
10. Subtotal (Lines 8 plus 9) .....	239,406	237,203	235,000	241,609
11. Total nonadmitted amounts .....				
12. Statement value, current period (Page 2, real estate lines, current period)	239,406	237,203	235,000	241,609

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, beginning of period .....			998,728	
2. Amount loaned during period:				
2.1. Actual cost at time of acquisitions .....		1,000,000	1,225,400	
2.2. Additional investment made after acquisitions .....				
3. Accrual of discount and mortgage interest points and committment fees.....				
4. Increase (decrease) by adjustment .....				
5. Total profit (loss) on sale .....				
6. Amounts paid on account or in full during the period .....		1,272	3,860	
7. Amortization of premium .....				
8. Increase (decrease) by foreign exchange adjustment.....				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....		998,728	2,220,268	
10. Total valuation allowance .....				
11. Subtotal (Lines 9 plus 10) .....		998,728	2,220,268	
12. Total nonadmitted amounts .....				
13. Statement value of mortgages owned at end of current period		998,728	2,220,268	

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	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 .....				
2. Cost of acquisitions during period:				
2.1. Actual cost at time of acquisitions .....				
2.2. Additional investment made after acquisitions .....				
3. Accrual of discount .....				
4. Increase (decrease) by adjustment .....				
5. Total profit (loss) on sale .....				
6. Amounts paid on account or in full during the period .....				
7. Amortization of premium .....				
8. Increase (decrease) by foreign exchange adjustment.....				
9. Book/adjusted carrying value of long-term invested assets at end of current period .....				
10. Total valuation allowance .....				
11. Subtotal (Lines 9 plus 10) .....				
12. Total nonadmitted amounts .....				
13. Statement value of long-term invested assets at end of current period				

NONE

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

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 .....	519,355,172	327,763,117	274,342,058	(1,268,834)	546,056,648	519,355,172	571,507,397	518,623,354
2. Class 2 .....	64,280,423	4,994,978	2,128,844	(2,957,938)	63,275,252	64,280,423	64,188,619	58,871,728
3. Class 3 .....	8,707,256	10,171,600	11,280,086	1,247,580	6,733,590	8,707,256	8,846,350	6,373,538
4. Class 4 .....	1,886,811	1,994,913	2,137,498	1,871,250	1,995,000	1,886,811	3,615,476	1,980,000
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds	594,229,662	344,924,608	289,888,486	(1,107,942)	618,060,490	594,229,662	648,157,842	585,848,620
<b>PREFERRED STOCK</b>								
8. Class 1 .....					1,794,583			1,794,583
9. Class 2 .....	2,349,680			927,291		2,349,680	3,276,971	
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock	2,349,680			927,291	1,794,583	2,349,680	3,276,971	1,794,583
15. Total Bonds and Preferred Stock	596,579,342	344,924,608	289,888,486	(180,651)	619,855,073	596,579,342	651,434,813	587,643,203

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999 Totals	47,395,993	XXX	47,600,223	57,736	

SCHEDULE DA - PART 2- Verification

Short-Term Investments Owned				
	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period .....	26,592,304	56,521,628	56,885,563	2,434,712
2. Cost of short-term investments acquired .....	245,207,101	201,121,059	261,517,181	847,287,994
3. Increase (decrease) by adjustment .....	32,974	929	(199,138)	(40,857)
4. Increase (decrease) by foreign exchange adjustment .....				
5. Total profit (loss) on disposal of short-term investments .....	4,975			2,315
6. Consideration received on disposal of short-term investments .....	215,315,726	200,758,053	270,807,613	823,091,860
7. Book/adjusted carrying value, current period .....	56,521,628	56,885,563	47,395,993	26,592,304
8. Total valuation allowance .....				
9. Subtotal (Lines 7 plus 8) .....	56,521,628	56,885,563	47,395,993	26,592,304
10. Total nonadmitted amounts .....				
11. Statement value (Lines 9 minus 10) .....	56,521,628	56,885,563	47,395,993	26,592,304
12. Income collected during period .....	233,584	241,769	368,491	1,538,482
13. Income earned during period .....	193,377	248,820	372,230	1,597,778

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

**STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY**

## SCHEDULE F—CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

[illegible]

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	10,114,699	9,622,991	5,815,677	15,743,114	20,231,080
2. Alaska	AK	No	2,096,779	1,176,708	71,659	2,055,656	1,628,729
3. Arizona	AZ	Yes	6,927,701	6,516,872	5,898,133	3,631,082	7,008,598
4. Arkansas	AR	No	4,594,450	2,851,057	707,017	2,502,126	3,006,923
5. California	CA	No	107,684,208	77,840,877	43,139,532	55,962,355	138,687,528
6. Colorado	CO	No	8,456,828	5,801,220	1,921,518	1,637,871	4,922,909
7. Connecticut	CT	No	5,757,942	3,702,036	1,851,044	1,780,615	6,728,757
8. Delaware	DE	Yes	401,611	270,301	18,216	12,992	13,180
9. District of Columbia	DC	No	1,668,398	1,007,182	404,381	933,682	4,292,029
10. Florida	FL	No	83,176,123	52,265,306	21,134,106	29,242,405	76,414,068
11. Georgia	GA	No	15,718,963	13,282,223	5,562,833	5,238,903	16,163,983
12. Hawaii	HI	No	5,163,095	3,141,229	438,255	1,044,654	4,737,722
13. Idaho	ID	No	2,184,116	1,843,876	334,565	594,460	1,956,850
14. Illinois	IL	No	19,826,210	13,168,334	10,012,136	6,843,648	22,712,651
15. Indiana	IN	No	11,904,754	4,892,703	2,772,807	2,455,382	7,352,492
16. Iowa	IA	No	3,986,975	2,780,369	667,837	1,965,772	2,201,422
17. Kansas	KS	No	4,450,886	4,258,056	937,675	1,884,767	3,714,981
18. Kentucky	KY	No	3,909,654	3,308,371	1,457,232	1,605,042	4,206,718
19. Louisiana	LA	No	30,594,940	21,050,738	11,287,225	14,096,409	49,490,293
20. Maine	ME	No	1,294,452	802,347	265,799	735,244	717,943
21. Maryland	MD	No	7,505,076	4,234,110	2,413,428	1,477,576	7,197,704
22. Massachusetts	MA	No	12,312,108	7,700,763	3,265,768	4,910,234	12,422,171
23. Michigan	MI	No	8,447,296	5,430,313	5,841,252	3,388,916	10,235,272
24. Minnesota	MN	No	8,506,940	4,931,557	1,723,708	1,249,961	6,349,178
25. Mississippi	MS	No	7,904,208	5,704,703	4,480,693	6,522,836	11,477,756
26. Missouri	MO	No	11,184,789	9,032,598	6,771,035	5,247,647	9,748,506
27. Montana	MT	No	2,194,140	1,465,788	780,961	701,146	1,327,461
28. Nebraska	NE	No	3,048,899	1,859,046	1,104,279	1,000,105	2,450,446
29. Nevada	NV	No	4,496,098	1,718,212	3,583,571	3,145,969	5,563,840
30. New Hampshire	NH	No	1,163,270	540,917	176,593	240,210	505,424
31. New Jersey	NJ	No	34,691,877	24,420,276	20,564,483	20,477,206	52,076,791
32. New Mexico	NM	No	3,757,236	2,135,866	2,457,753	1,405,978	3,509,169
33. New York	NY	No	30,854,106	18,033,178	6,763,380	10,009,244	28,041,448
34. North Carolina	NC	No	12,057,320	10,194,010	3,782,475	5,205,052	10,242,663
35. North Dakota	ND	No	775,865	539,534	13,469	54,456	615,887
36. Ohio	OH	Yes	5,354,185	4,769,982	2,741,637	3,591,596	7,576,413
37. Oklahoma	OK	No	7,144,787	5,766,962	14,136,651	4,123,811	8,930,391
38. Oregon	OR	No	7,317,463	4,427,657	1,287,101	1,753,814	5,466,026
39. Pennsylvania	PA	No	13,988,941	10,015,053	7,721,841	7,389,580	31,126,462
40. Rhode Island	RI	No	2,349,071	1,680,194	730,926	284,188	1,836,328
41. South Carolina	SC	No	8,470,035	7,628,263	2,982,705	5,801,284	7,362,944
42. South Dakota	SD	No	903,533	511,115	75,618	338,923	280,315
43. Tennessee	TN	No	7,277,470	6,158,578	2,478,824	2,769,768	8,358,044
44. Texas	TX	No	73,369,805	48,442,232	32,800,969	28,376,759	90,974,288
45. Utah	UT	No	2,681,323	2,001,440	859,125	293,518	2,577,741
46. Vermont	VT	No	560,094	1,062,886	11,654	79,434	2,335,534
47. Virginia	VA	No	7,236,099	7,002,190	1,950,010	4,566,158	7,891,779
48. Washington	WA	No	18,913,449	12,068,288	4,414,954	4,363,318	13,207,561
49. West Virginia	WV	No	2,482,860	2,306,609	1,061,742	1,450,279	3,115,825
50. Wisconsin	WI	No	3,607,958	2,274,241	508,383	(1,099,909)	3,311,240
51. Wyoming	WY	No	500,059	343,122	81,344	31,861	243,040
52. American Samoa	AS	No					
53. Guam	GU	No					
54. Puerto Rico	PR	No	5,220		0	708	(223)
55. U.S. Virgin Islands	VI	No					
56. Canada	CN	No					
57. Aggregate Other Aliens	OT	XXX					
58. Totals	(a) 3	641,016,364	443,982,479	252,263,979	279,117,097	732,547,211	759,541,304
DETAILS OF WRITE-INS							
5701.	XXX						
5702.	XXX						
5703.	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page.	XXX						
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)	XXX						

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

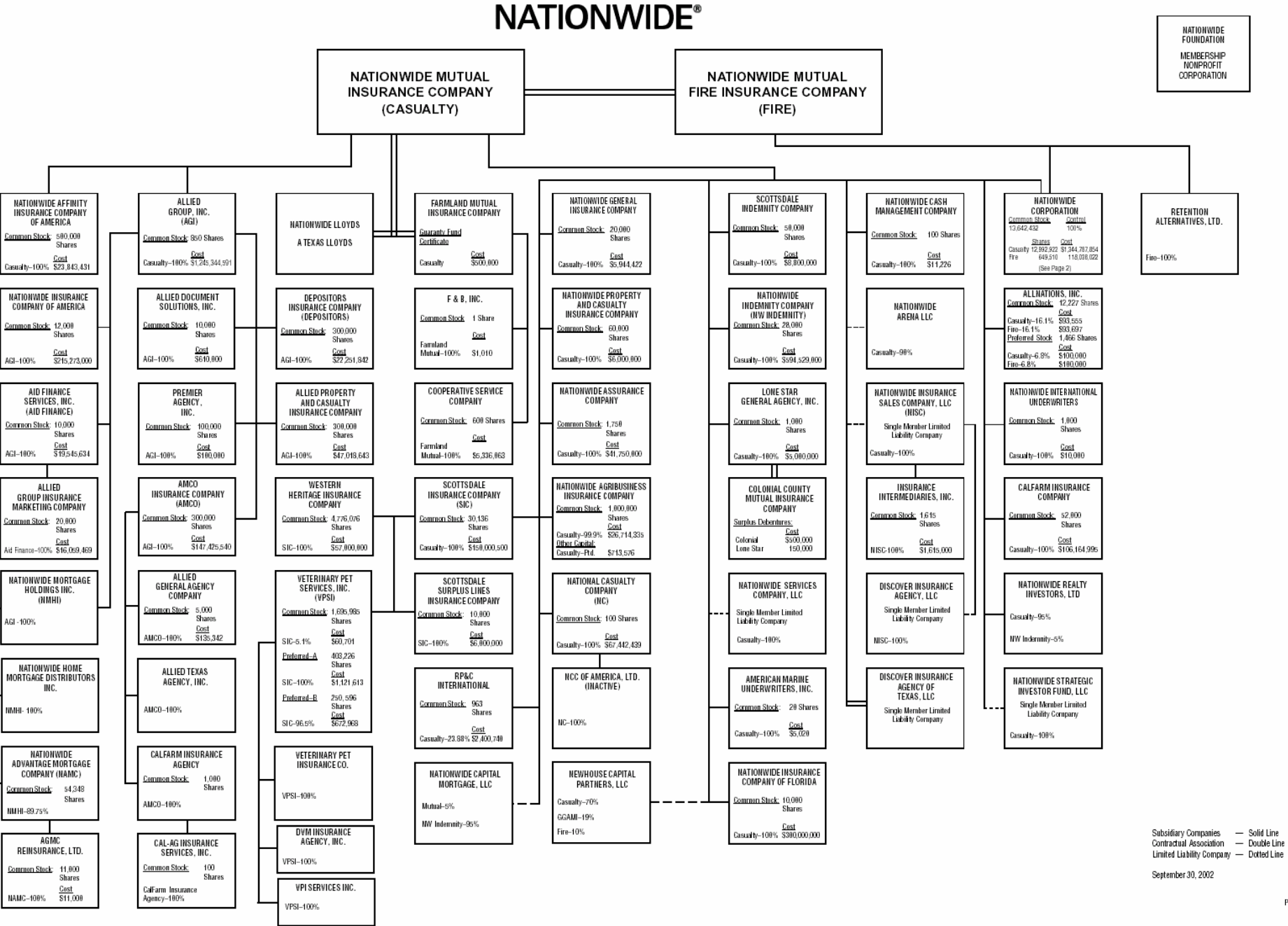
# SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 - ORGANIZATIONAL CHART

<u>Company</u>	<u>NAIC Number</u>	<u>State of Domicile</u>	<u>F.E.I.D. #</u>
Allied Property and Casualty Insurance Company	42579	IA	42-1201931
AMCO Insurance Company	19100	IA	42-6054959
CalFarm Insurance Company	18961	CA	68-0066866
Colonial County Mutual Insurance Company	29262	TX	74-1061659
Depositors Insurance Company	42587	IA	42-1207150
Farmland Mutual Insurance Company	13838	IA	42-0618271
National Casualty Company	11991	WI	38-0865250
Nationwide Affinity Insurance Company of America	26093	KS	48-0470690
Nationwide Agribusiness Insurance Company	28223	IA	42-1015537
Nationwide Assurance Company	10723	WI	95-0639970
Nationwide General Insurance Company	23760	OH	31-4425763
Nationwide Health Plans Inc	95194	OH	31-1125592
Nationwide Indemnity Company	10070	OH	31-1399201
Nationwide Insurance Company of America	25453	WI	95-2130882
Nationwide Insurance Company of Florida	10948	OH	31-1613686
Nationwide Life and Annuity Insurance Company	92657	OH	31-1000740
Nationwide Life Insurance Company	66869	OH	31-4156830
Nationwide Lloyds	42110	TX	75-1780981
Nationwide Mutual Fire Insurance Company	23779	OH	31-4177110
Nationwide Mutual Insurance Company	23787	OH	31-4177100
Nationwide Property & Casualty Insurance Company	37877	OH	31-0970750
Scottsdale Indemnity Company	15580	OH	31-1117969
Scottsdale Insurance Company	41297	OH	31-1024978
Scottsdale Surplus Lines Insurance Company	10672	AZ	86-0835870
Western Heritage Insurance Company	37150	AZ	86-0561941

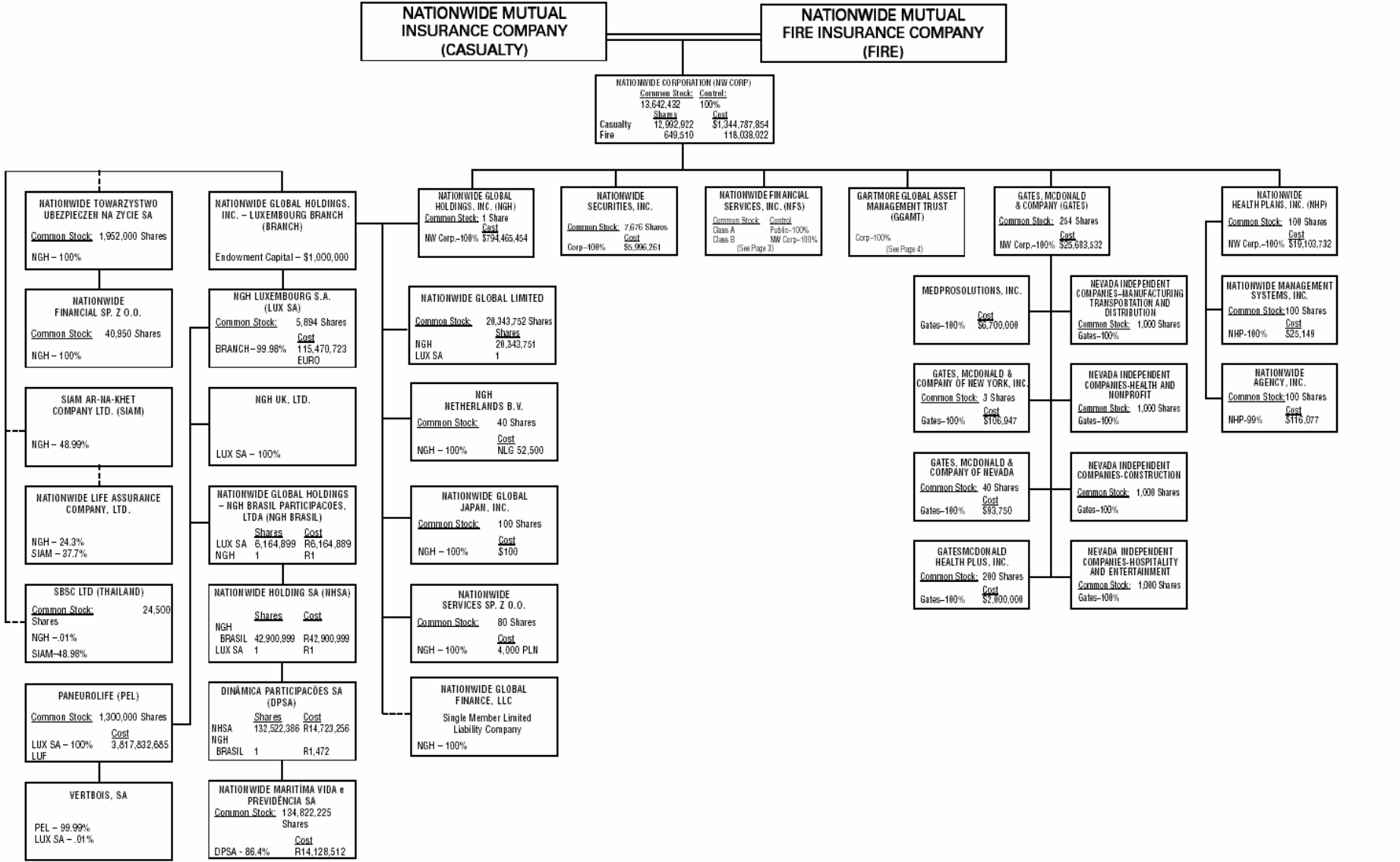
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

17.1



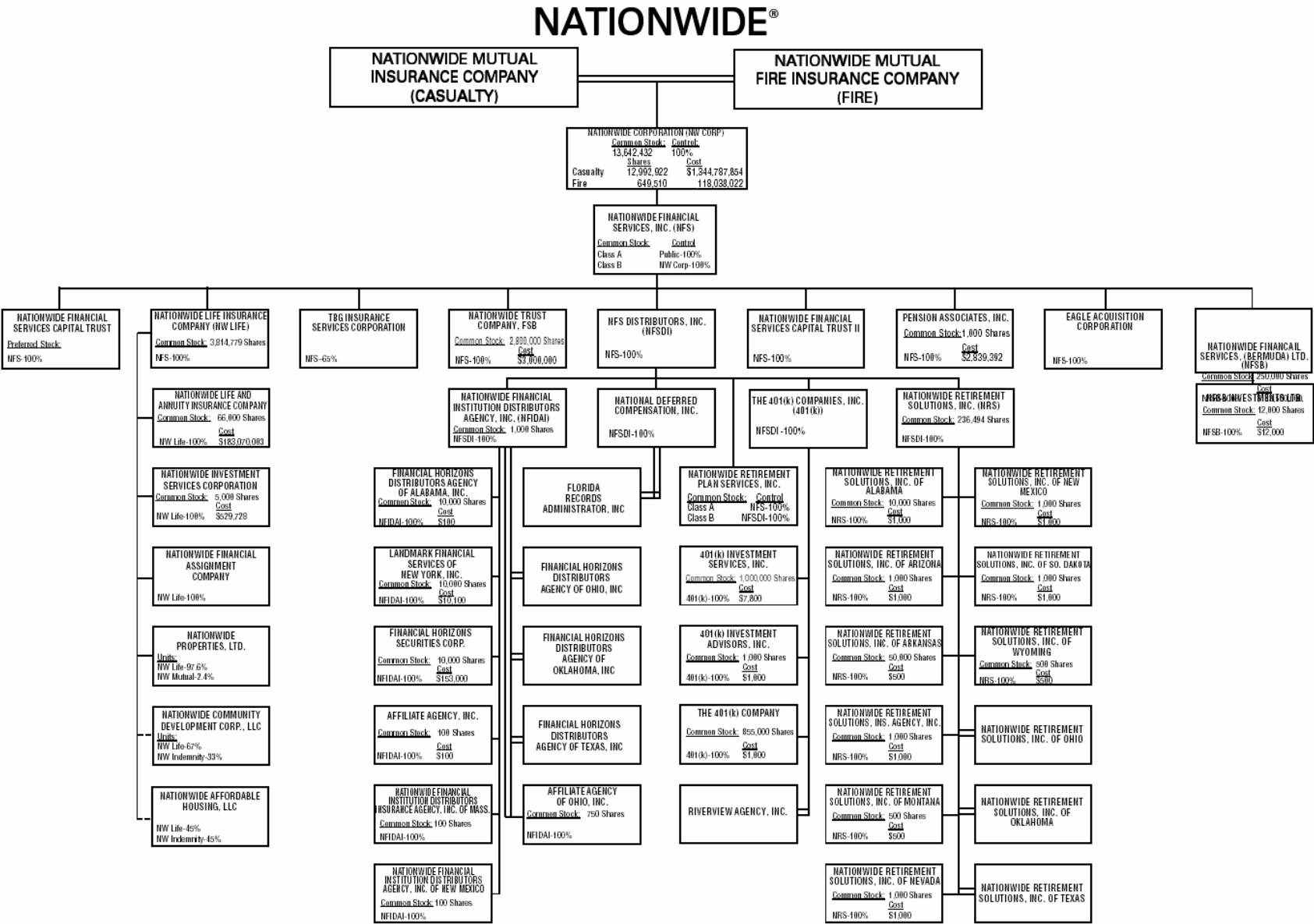
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

NATIONWIDE®



Subsidiary Companies — Solid Line  
Contractual Association — Double Line  
Limited Liability Company — Dotted Line

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART



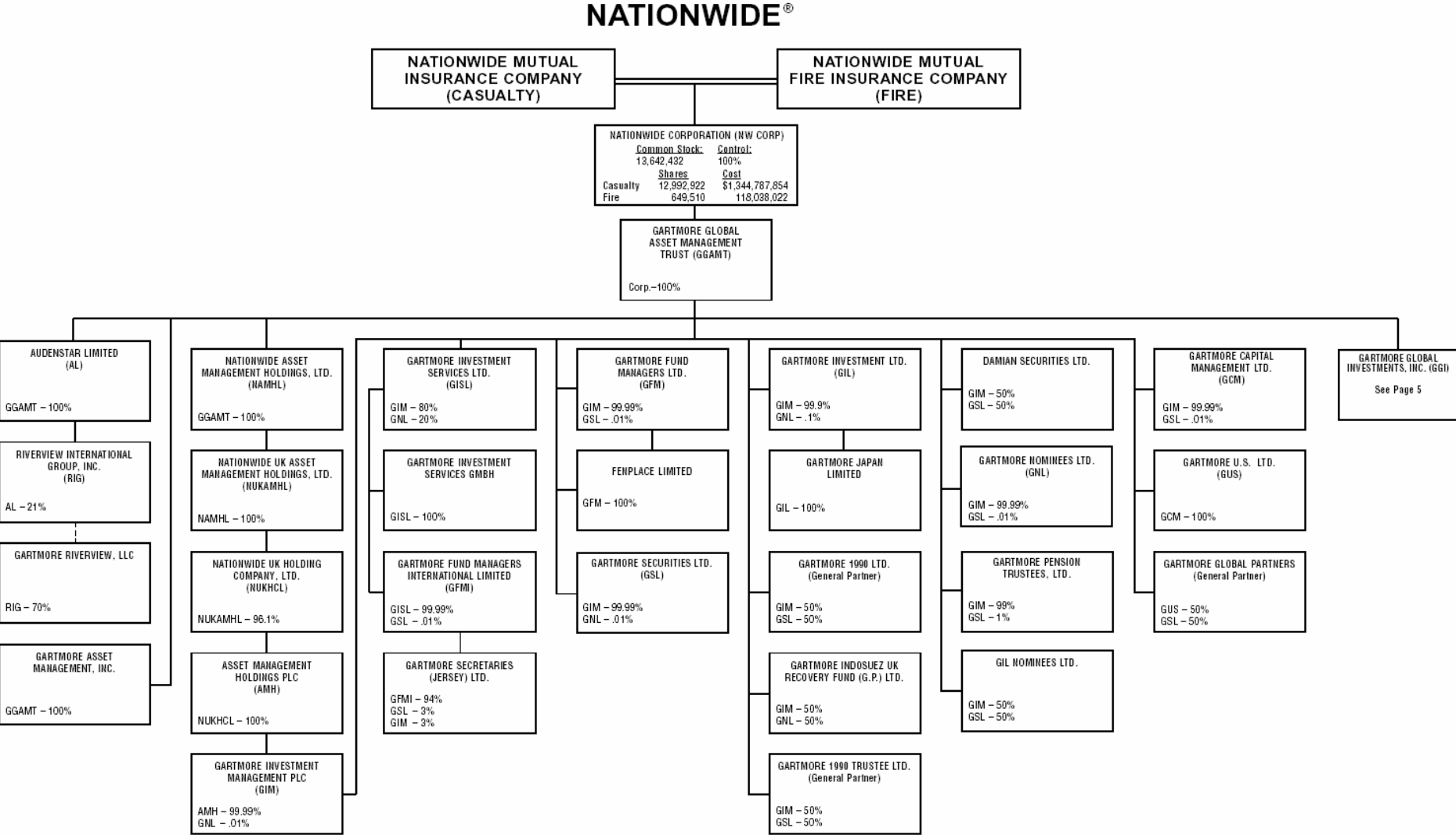
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Subsidiary Companies — Solid Line  
Contractual Association — Double Line  
Limited Liability Company — Dotted Line

September 30, 2002

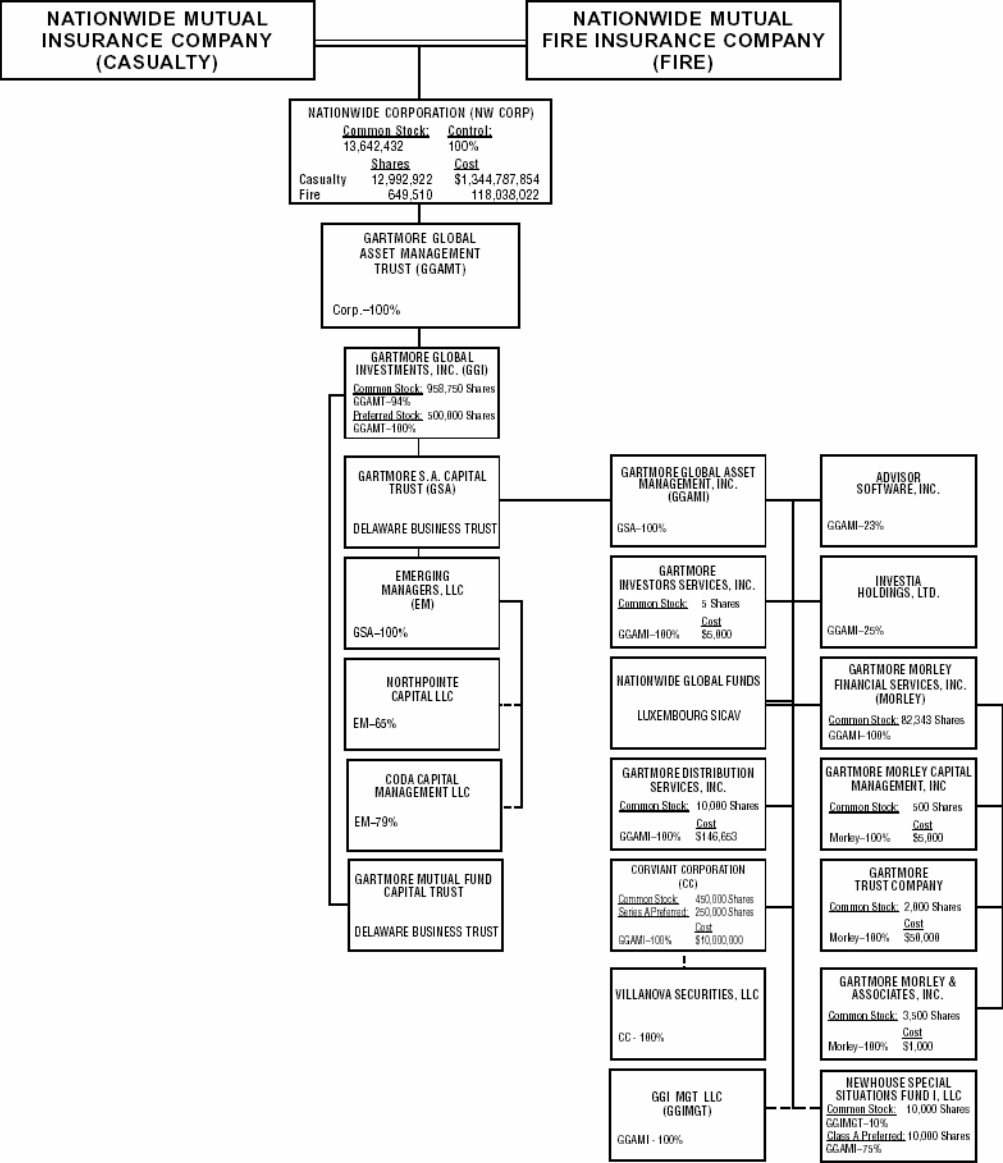
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

17.4



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

NATIONWIDE®



Subsidiary Companies — Solid Line  
Contractual Association — Double Line  
Limited Liability Company — Dotted Line

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 .....	34,874,986	17,613,487	50.5	57.1
2.	Allied Lines .....	30,221,681	11,861,120	39.2	86.0
3.	Farmowners multiple peril .....	1,535,576	1,016,464	66.2	50.0
4.	Homeowners multiple peril .....	14,160,348	19,616,400	138.5	85.0
5.	Commercial multiple peril .....	127,421,493	68,471,272	53.7	56.7
6.	Mortgage guaranty .....				
8.	Ocean marine .....	1,209,585	(3,483,154)	(288.0)	935.0
9.	Inland marine .....	13,665,577	(10,257,514)	(75.1)	(246.5)
10.	Financial guaranty .....				
11.1	Medical malpractice - occurrence .....		2,700,234		(2.8)
11.2	Medical malpractice - claims-made .....	922,139	2,495,100	270.6	300.3
12.	Earthquake .....	52,161			
13.	Group accident and health .....				
14.	Credit accident and health .....				
15.	Other accident and health .....				
16.	Workers' compensation .....				
17.1	Other liability - occurrence .....	247,551,251	89,711,975	36.2	52.0
17.2	Other liability - claims-made .....	21,561,364	12,035,577	55.8	81.0
18.1	Products liability - occurrence .....	16,691,279	12,322,710	73.8	27.2
18.2	Products liability - claims-made .....				
19.1,19.2	Private passenger auto liability .....				
19.3,19.4	Commercial auto liability .....	33,620,777	26,998,023	80.3	52.8
21.	Auto physical damage .....	7,331,729	4,240,989	57.8	60.4
22.	Aircraft (all perils) .....				
23.	Fidelity .....	7,217	20,066	278.0	(482.3)
24.	Surety .....				
26.	Burglary and theft .....	85,263	(76)	(0.1)	38.9
27.	Boiler and machinery .....	274,924	76,324	27.8	8.4
28.	Credit .....				
29.	International .....				
30.	Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX	XXX
31.	Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX	XXX
33.	Aggregate write-ins for other lines of business .....	2,582,043	(6,776,046)	(262.4)	56.8
34.	Totals .....	553,769,393	248,662,951	44.9	47.5
DETAILS OF WRITE-INS					
3301.	Auto Warranty.....	2,582,043	(6,776,046)	(262.4)	56.8
3302.	.....				
3303.	.....				
3398.	Summary of remaining write-ins for Line 33 from overflow page .....				
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above) .....	2,582,043	(6,776,046)	(262.4)	56.8

PART 2 - DIRECT PREMIUMS WRITTEN

		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire .....	16,197,031	42,647,307	25,389,156
2.	Allied Lines .....	13,528,119	36,521,993	21,586,027
3.	Farmowners multiple peril .....	517,710	1,479,895	1,556,556
4.	Homeowners multiple peril .....	6,337,183	15,309,897	14,778,504
5.	Commercial multiple peril .....	50,221,250	137,895,995	111,726,953
6.	Mortgage guaranty .....			
8.	Ocean marine .....	487,850	1,372,064	139,030
9.	Inland marine .....	6,484,674	15,130,098	15,637,371
10.	Financial guaranty .....			
11.1	Medical malpractice - occurrence .....			11,707
11.2	Medical malpractice - claims-made .....	355,066	419,830	1,374,650
12.	Earthquake .....	17,792	68,001	57,807
13.	Group accident and health .....			
14.	Credit accident and health .....			
15.	Other accident and health .....			
16.	Workers' compensation .....			
17.1	Other liability - occurrence .....	112,118,932	295,981,850	189,029,960
17.2	Other liability - claims-made .....	11,243,154	23,446,054	19,607,389
18.1	Products liability - occurrence .....	7,504,008	19,827,327	14,710,886
18.2	Products liability - claims-made .....			
19.1,19.2	Private passenger auto liability .....			
19.3,19.4	Commercial auto liability .....	17,595,904	40,382,118	20,316,476
21.	Auto physical damage .....	2,211,932	6,974,639	5,767,325
22.	Aircraft (all perils) .....			
23.	Fidelity .....	6,000	7,957	5,170
24.	Surety .....			
26.	Burglary and theft .....	34,298	96,486	70,373
27.	Boiler and machinery .....	94,739	244,212	276,957
28.	Credit .....			
29.	International .....			
30.	Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX
31.	Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX
33.	Aggregate write-ins for other lines of business .....	779,269	3,210,641	1,940,182
34.	Totals .....	245,734,911	641,016,364	443,982,479
DETAILS OF WRITE-INS				
3301.	Auto Warranty.....	779,269	3,210,641	1,940,182
3302.	.....			
3303.	.....			
3398.	Summary of remaining write-ins for Line 33 from overflow page .....			
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above) .....	779,269	3,210,641	1,940,182

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (a) (Cols. 1 + 2)	2002 Loss and LAE Payments on Claims Reported as of Prior Year-End	2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2002 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (b) (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (c) (Cols. 11 + 12)
1. 1999 + Prior .....	62,140	41,658	103,798	23,991	2,921	26,912	42,834	3,760	29,294	75,888	4,685	(5,683)	(998)
2. 2000 .....	33,641	31,799	65,440	15,768	2,597	18,365	22,314	2,746	20,905	45,965	4,441	(5,552)	(1,110)
3. Subtotals 2000 + Prior .....	95,781	73,458	169,238	39,759	5,518	45,277	65,148	6,505	50,199	121,852	9,127	(11,235)	(2,109)
4. 2001 .....	55,958	71,962	127,920	32,514	22,752	55,266	29,802	7,519	35,131	72,452	6,358	(6,560)	(202)
5. Subtotals 2001 + Prior .....	151,739	145,420	297,158	72,273	28,270	100,543	94,950	14,024	85,330	194,304	15,484	(17,795)	(2,311)
6. 2002 .....	XXX	XXX	XXX	XXX	135,404	135,404	XXX	44,503	55,431	99,934	XXX	XXX	XXX
7. Totals .....	151,739	145,420	297,158	72,273	163,674	235,947	94,950	58,527	140,761	294,239	15,484	(17,795)	(2,311)
8. Prior Year-End's Surplus As Regards Policyholders	257,235										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. 10.2	2. (12.2)	3. (0.8)
											Col. 13, Line 7 As a % of Col. 1 Line 8		
											4. (0.9)		

(a) Should Equal Prior Year-End Annual Statement; Page 3, Col. 1, Lines 1 + 3

(b) Should Equal Q.S. Page 3, Col. 1, Lines 1 and 3.

(c) Should Also Equal Cols. 6 + 10 less Col. 3 for Lines 1 through 5 only.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

RESPONSES

1.

Will the SVO Compliance Certification be filed with this statement?

.....Yes.....
2.

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

.....No.....
3.

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

.....Yes.....

Explanations:

Trusteed Surplus Statement is not applicable for this Company.

Bar Codes:

Trusteed Surplus Statement (Document Identifier 490) here:



OVERFLOW PAGE FOR WRITE-INS

PQ002 Additional Aggregate Lines for Page 02 Line 25.  
\*ASSETS

2504. Advances On Travel And Entertainment.....	.....261	.....261	.....0	.....0
2505. Receivable From Non-Affiliate.....	.....32,160		.....32,160	.....30,601
2506. Refund On Reinsurers Contingent Suits.....	.....207,594		.....207,594	.....2,888,133
2507. Other Receivable.....	.....4,737,194		.....4,737,194	.....0
2597. Summary of remaining write-ins for Line 25 from Page 02	.....4,977,209	.....261	.....4,976,948	.....2,918,734

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Current Quarter								
1  Description of Property	Location		4  Date Acquired	5  Name of Vendor	6  Actual Cost	7  Amount of Encumbrances	8  Book/Adjusted Carrying Value Less Encumbrances	9  Expended for Additions and Permanent Improvements
	2  City	3  State						
				NONE				
9999999 - Totals								

SCHEDULE A - PART 3

Showing all Real Estate SOLD during the Current Quarter, including Payments during the Final Year on "Sales under Contract"															
1	Location		4	5	6	7	8	9	10	11	12	13	14	15	16
Description of Property	2	3	Disposal Date	Name of Purchaser	Actual Cost	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/ Adjusted Carrying Value Less Encumbrances	Amounts Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs and Expenses Incurred
	City	State													

## STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

## SCHEDULE B - PART 1

Showing all Mortgage Loans ACQUIRED during the Current Quarter

[illegible]

## SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD, transferred or paid in full during the Current Quarter

[illegible]

EO2

SCHEDULE BA - PART 1

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

1  Number of Units and Description	Location		4  Name of Vendor	5  Date Acquired	6  Actual Cost	7  Amount of Encumbrances	8  Book/Adjusted Carrying Value Less Encumbrances	9  Increase (Decrease) by Adjustment	10  Increase (Decrease) by Foreign Exchange Adjustment
	2  City	3  State							
			NONE						
9999999 Totals									

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, transferred or paid in full during the Current Quarter

1	Location		4	5	6 Book/ Adjusted Carrying Value Less Encum- brances, Prior Year	7  Increase (Decrease) by Adjustment	8  Increase (Decrease) by Foreign Exchange Adjustment	9 Book/ Adjusted Carrying Value Less Encum- brances at Disposition	10  Consideration Received	11  Foreign Exchange Profit (Loss) on Sale	12  Realized Profit (Loss) on Sale	13  Total Profit (Loss) on Sale
	2	3										
Number of Units and Description	City	State	Name of Purchaser or Nature of Disposition	Date Acquired								
			NONE									
9999999 Totals												

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

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 <sup>(a)</sup>
BONDS Special Revenue & Assessment United States Illinois								
592247-X6-2	Metropolitan P&E IL St 5.550% 12/15/11 Tax Rev Ser A 2002	09/11/2002	Tax Free Exchange		513,341	505,000	6,695	1PE
592247-X7-0	Metropolitan P&E IL St 5.700% 12/15/13 Tax Rev Ser A 2002	09/11/2002	Tax Free Exchange		376,337	370,000	5,038	1PE
592247-Y2-0	Metropolitan P&E IL St 5.550% 12/15/11 Tax Rev Ser A 2002	09/11/2002	Tax Free Exchange		1,011,435	995,000	13,192	1PE
592247-Y3-8	Metropolitan P&E IL St 5.700% 12/15/13 Tax Rev Ser A 2002	09/11/2002	Tax Free Exchange		640,790	630,000	8,579	1PE
Total Illinois					2,541,903	2,500,000	33,504	XXX
United States								
312915-PK-1	FHLMC REMIC Ser 7.500% 04/15/23 1494-PZ	09/01/2002	Interest Capitalization		56,163	56,163		1
3133T3-Q2-7	FHLMC REMIC Ser 1674-Z 6.750% 02/15/24	09/01/2002	Interest Capitalization		36,256	36,256		1Z
31358N-5B-4	FNMA REMIC Ser 7.000% 07/25/22 1992-124 PZ	09/01/2002	Interest Capitalization		52,754	52,754		1
31358R-G5-6	FNMA REMIC Ser 6.850% 06/25/22 1992-214 Z	09/01/2002	Interest Capitalization		25,507	25,507		1
31359V-BH-5	FNMA Ser 1998-73 CI MZ 6.300% 10/17/38	09/25/2002	Greenwich Capital Markets Inc.		3,249,793	3,149,815	14,060	1Z
31392A-F5-2	FNMA Ser 2001-73 CI PG 6.000% 09/25/31	09/25/2002	Bank of America-CMO		2,817,031	2,750,000	13,292	1Z
31392M-TS-1	FHLMC REMIC Ser 2463 6.500% 08/15/19 VH	07/23/2002	Morgan/JP/Securities - Bonds		1,040,938	1,000,000	4,514	1Z
31392P-6N-0	FHLMC REMIC Ser 2458 6.500% 04/15/18 VL	07/17/2002	UBS Warburg-CMO		2,629,408	2,550,502	9,671	1Z
31392P-F6-7	FHLMC REMIC Ser 2456 6.500% 04/15/18 VB	07/17/2002	Bank of America-CMO		2,064,609	2,000,000	7,583	1Z
31392P-T7-0	FHLMC REMIC Ser 2476 6.000% 07/15/31 PD	07/25/2002	Morgan/JP/Securities - Bonds		2,018,750	2,000,000	9,667	1Z
31392P-VF-9	FHLMC REMIC Ser 2473 6.500% 10/15/18 VK	07/17/2002	Various		4,105,625	4,000,000	20,944	1Z
31392R-4A-6	FHLMC REMIC Ser 2471 6.000% 02/15/31 EH	07/25/2002	Bank of America-CMO		5,049,609	5,000,000	24,167	1Z
31392R-JJ-1	FHLMC REMIC Ser 2470 6.000% 10/15/30 QE	07/25/2002	UBS Warburg-CMO		1,185,006	1,174,000	5,674	1Z
31392T-WT-0	FHLMC REMIC Ser 2478 6.000% 08/15/22 JF	09/24/2002	Bank of America-CMO		1,384,237	1,329,000	5,759	1Z
31392T-XB-8	FHLMC REMIC Ser 2478 6.000% 03/15/31 EH	08/20/2002	Direct		3,058,125	3,000,000	14,500	1Z
31392U-MQ-4	FHLMC REMIC Ser 2503 5.500% 09/15/17 BH	09/24/2002	Bank of America-CMO		1,031,719	1,000,000	4,431	1Z
31392V-2F-8	FHLMC REMIC Ser 2494 J 5.500% 09/15/17	09/20/2002	Bank of America-CMO		2,057,803	2,019,000	8,945	1Z
31392V-7G-1	FHLMC REMIC Ser 2498 5.500% 09/15/17 BM	09/23/2002	CS First Boston Corporation		3,049,143	2,966,183	13,142	1Z
31392V-SN-3	FHLMC REMIC Ser 2496 5.500% 09/15/17 BK	09/24/2002	UBS Warburg, Dillon Read		1,311,407	1,271,667	5,634	1Z
38373V-HZ-6	GNMA Ser 2002-60 CI PE 6.000% 07/20/31	08/29/2002	Salomon Smith Barney		7,128,125	7,000,000	16,500	1
38373X-VQ-6	GNMA Ser 2002-49 CI VB 6.500% 06/20/32	07/23/2002	Bear Stearns Securities Corp		2,505,623	2,406,000	12,598	1Z
3837HO-NF-6	Government Natl Mtg 7.000% 05/16/26 Assn REMIC Ser 1996-5 CI Z	09/01/2002	Interest Capitalization		26,913	26,913		1
911760-GT-7	Vendee Mtg Tr REMIC 7.250% 09/15/25 Ser 1995-3 1Z	09/01/2002	Interest Capitalization		59,240	59,240		1
911760-HH-2	Vendee Mtg Tr REMIC 6.750% 06/15/26 Ser 1996-2 1Z	09/01/2002	Interest Capitalization		71,160	71,160		1
000000-00-0	FHLMC REMIC Ser 2512 5.500% 08/15/22 PG	09/24/2002	Greenwich Capital Markets Inc.		1,995,938	2,000,000	8,861	1Z
Total United States					48,010,882	46,944,160	199,942	XXX
3199996 - Bonds - Special Revenues - United States					50,552,785	49,444,160	233,446	XXX

E04.1

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

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 <sup>(a)</sup>
3199999 - Total - Bonds - Special Revenue					50,552,785	49,444,160	233,446	XXX
Public Utilities (unaffiliated) United States								
02003X-AA-8	Alltel OH Ltd Ptrship 8.000% 08/15/10 Sr Nt	08/23/2002	Bank of America-CMO		1,092,650	1,000,000	2,889	1
86765B-AB-5	Sunoco Logistics Ptnrs 7.250% 02/15/12 Op LP Nt	08/12/2002	Tax Free Exchange		1,000,260	1,000,000	37,056	2PE
Total United States					2,092,910	2,000,000	39,945	XXX
3899996 - Bonds - Public Utilities - United States					2,092,910	2,000,000	39,945	XXX
3899999 - Total - Bonds - Public Utilities					2,092,910	2,000,000	39,945	XXX
Industrial & Miscellaneous United States								
003723-AA-1	ABN Amro NA Holding Co 6.523% 12/01/49 Bd	09/17/2002	Lehman Brothers Inc.		2,000,000	2,000,000		1PE
12669C-E4-8	CWMB5 Inc Ser 2002-8 6.500% 07/25/32 CI A4	08/29/2002	Greenwich Capital Markets Inc.		2,072,500	2,000,000	1,083	1PE
149123-BH-3	Caterpillar Inc Nt 6.550% 05/01/11 Coca-Cola Enterprises 8.500% 02/01/22	07/22/2002	CS First Boston Corporation		1,078,350	1,000,000	15,283	1PE
191219-AP-9	Deb Nt FPL Virginia Funding 7.520% 06/30/19	07/12/2002	Nationwide Indemnity		1,215,170	1,000,000	39,194	1PE
302569-AA-6	Corp Sr Nt Federal Express Corp 6.845% 01/15/19	07/26/2002	Lehman Brothers Inc.		1,023,808	1,002,770	6,284	2
31331F-AY-7	EETC Ser 98-1 B	07/11/2002	Piper Jaffray Inc.		566,175	547,039	104	1PE
494553-AA-8	Kinder Morgan Inc Nt 6.500% 09/01/12 Shelby Creek LLC Cr 7.600% 12/15/22	08/22/2002	Salomon Smith Barney		997,160	1,000,000		2PE
50026*-AA-3	Tenant Lease	09/11/2002	Blair William & Company		2,112,939	2,000,000		1Z
61166W-AA-9	Monsanto Co Nt 7.375% 08/15/12 NRRC-D Facilities Corp 6.500% 11/07/23	08/09/2002	Salomon Smith Barney		994,150	1,000,000		2PE
67020B-AA-8	CTL Lease Rental Rev Bonds Old Dominion Elec 1st 6.250% 06/01/11	09/19/2002	Direct		2,000,000	2,000,000		1
679574-AF-0	Mtg Bd Proctor & Gamble ESOP 9.360% 01/01/21	08/09/2002	Morgan/JP/Securities - Bonds		1,071,820	1,000,000	12,674	1PE
742741-AA-9	Deb Ser A Prudential Holdings Sr 8.695% 12/18/23	09/10/2002	McDonald & Co Sec Inc.		2,719,820	2,000,000	37,440	1
74438G-AE-1	Nt	07/16/2002	Lehman Brothers Inc.		2,192,980	2,000,000	14,975	1
835495-AA-0	Sonoco Products Co Nt 9.200% 08/01/21 Wells Fargo Bank 6.650% 08/01/27	08/27/2002	Bank of America BISD Dealer		2,502,980	2,000,000	14,822	1PE
94978#-AT-4	Northwest NA Cr Tenant Lease Ser 2002 CI 20 Wells Fargo Bank 7.380% 05/15/32	07/28/2002	Legg Mason Wood Walker Inc.		998,696	998,696		1Z
94978#-AU-1	Northwest NA MWRA Lease Backed Loan	07/30/2002	Direct		2,090,747	1,996,908	6,140	1Z
Total United States					25,637,295	23,545,413	147,999	XXX
4599996 - Bonds - Industrial and Misc - United States					25,637,295	23,545,413	147,999	XXX
4599999 - Total - Bonds - Industrial, Misc.					25,637,295	23,545,413	147,999	XXX
Credit Tenant Loans United States								
01082#-AA-3	Alameda Cnty CA Cr 7.500% 06/15/21 Tenant Lease Ser 2002-A	08/15/2002	Blair William & Company		2,118,265	1,998,363		1Z
653240-AA-9	Newtown Cr Tenant 6.082% 12/15/23 Lease Ser 2002-CTL	08/08/2002	Lehman Brothers Inc.		2,997,974	2,998,080		1Z
Total United States					5,116,239	4,996,443	0	XXX
4699999 - Total - Bonds - Credit Tenant Loans					5,116,239	4,996,443	0	XXX
6099997 - Total - Bonds - Part 3					83,399,229	79,986,016	421,390	XXX
6099998 - Total - Bonds - Part 5					8,198	7,954	10	XXX
6099999 - Total - Bonds					83,407,427	79,993,970	421,400	XXX
6599999 - Total - Preferred Stocks						XXX		XXX
7099999 - Total - Common Stocks						XXX		XXX
7199999 - Total - Preferred and Common Stocks						XXX		XXX
7299999 - Totals					83,407,427	XXX	421,400	XXX

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

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identi- fication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Desig- nation (a)
BONDS State, Territories and Possessions United States Washington																
939740-5F-9	Washington St GO Ref 6.000% 09/01/04 Ser R-92C	09/01/2002	Call 101.0000		1,908,900	1,890,000	1,871,667	1,885,644	23,256				0	56,700		1PE
Total Washington					1,908,900	1,890,000	1,871,667	1,885,644	23,256	0	0	0	0	56,700	XXX	XXX
Total United States					1,908,900	1,890,000	1,871,667	1,885,644	23,256	0	0	0	0	56,700	XXX	XXX
1799996 - Bonds - States, Territory, Poss - United States					1,908,900	1,890,000	1,871,667	1,885,644	23,256	0	0	0	0	56,700	XXX	XXX
1799999 - Bonds - States, Territories and Possessions					1,908,900	1,890,000	1,871,667	1,885,644	23,256	0	0	0	0	56,700	XXX	XXX
Political Subdivisions of States United States North Carolina																
346622-TZ-6	Forsyth Cnty NC GO Pub 5.700% 08/01/10 Imp Ser 93	08/01/2002	Call 102.0000		1,020,000	1,000,000	1,019,470	1,019,993	7				0	28,500		1
Total North Carolina					1,020,000	1,000,000	1,019,470	1,019,993	7	0	0	0	0	28,500	XXX	XXX
Total United States					1,020,000	1,000,000	1,019,470	1,019,993	7	0	0	0	0	28,500	XXX	XXX
2499996 - Bonds - Political Subdivisions - United States					1,020,000	1,000,000	1,019,470	1,019,993	7	0	0	0	0	28,500	XXX	XXX
2499999 - Bonds - Political Subdivisions					1,020,000	1,000,000	1,019,470	1,019,993	7	0	0	0	0	28,500	XXX	XXX
Special Revenue & Assessment United States Illinois																
592247-XS-4	Metropolitan P&E IL St 5.550% 12/15/11 Tax Rev Ser A	09/11/2002	Tax Free Exchange		1,524,776	1,500,000	1,530,630	1,525,185	(409)				0	19,888		1PE
592247-XT-2	Metropolitan P&E IL St 5.700% 12/15/13 Tax Rev Ser A	09/11/2002	Tax Free Exchange		1,017,127	1,000,000	1,021,140	1,017,408	(281)				0	13,617		1PE
Total Illinois					2,541,903	2,500,000	2,551,770	2,542,593	(690)	0	0	0	0	33,505	XXX	XXX
Minnesota																
60415M-MC-5	Minnesota St Hsg Fin 5.450% 02/01/07 Agy Rev Rent-D	09/16/2002	Call 100.0000		50,000	50,000	50,000	50,000					0	1,582		1PE
Total Minnesota					50,000	50,000	50,000	50,000	0	0	0	0	0	1,582	XXX	XXX
South Carolina																
837147-FN-2	Sth CarolinaStPubSvc 6.500% 07/01/24 Auth Rev Aut EI 1991D	07/01/2002	Call 102.0000		1,020,000	1,000,000	1,093,690	1,020,000					0	32,500		1PE
Total South Carolina					1,020,000	1,000,000	1,093,690	1,020,000	0	0	0	0	0	32,500	XXX	XXX
United States																
3128HJ-AH-9	FHLMC Gold PC FGW 7.645% 05/01/25 30008	09/01/2002	Paydown		7,430	7,430	8,011	8,006	(575)				0	95		1
312903-8G-5	FHLMC REMIC Ser 179-A 9.300% 07/15/21	08/15/2002	Paydown		34,509	34,509	37,290	35,155	(646)				0	468		1Z
312905-YJ-5	FHLMC REMIC Ser 1077-E 9.000% 05/15/21	09/01/2002	Paydown		214,956	214,956	217,810	215,696	(740)				0	3,376		1Z
312911-JP-6	FHLMC REMIC Ser 1340-G 7.500% 05/15/07	09/01/2002	Paydown		90,196	90,196	84,390	89,313	883				0	1,127		1
312915-2U-4	FHLMC REMIC Ser 1519-G 6.750% 05/15/08	09/01/2002	Paydown		378,594	378,594	384,864	379,994	(1,401)				0	4,230		1
312915-V4-0	FHLMC REMIC Ser 7.000% 05/15/03 1503-VB	09/01/2002	Paydown		336,582	336,582	352,359	336,913	(331)				0	3,934		1

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identi- fication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Desig- nation (a)
3133T2-QX-1	FHLMC REMIC Ser 6.500% 02/15/22 1609-FA	09/01/2002	Paydown		182,718	182,718	187,337	183,728	(1,010)				.0	1,977		1
3133T4-KH-8	FHLMC REMIC Ser 1688-U 6.000% 03/15/04	09/01/2002	Paydown		753,744	753,744	684,376	742,246	11,498				.0	7,597		1
3133T6-UR-0	FHLMC REMIC Ser 1817-H 6.500% 10/15/06	09/01/2002	Paydown		281,350	281,350	277,305	279,761	1,588				.0	3,053		1
3133T8-XB-8	FHLMC REMIC Ser 1931-W 7.125% 11/15/07	09/01/2002	Paydown		171,163	171,163	170,147	170,584	579				.0	2,037		1
3133T9-UD-5	FHLMC CMO Ser 1956-D 7.000% 03/20/17	09/01/2002	Paydown		19,441	19,441	19,842	19,752	(311)				.0	227		1
3133TA-TV-4	FHLMC REMIC Ser T-6 A7 6.860% 09/25/28 PT Ctf	09/01/2002	Paydown		239,140	239,140	241,516	240,172	(1,032)				.0	2,888		1
3133TC-AU-2	FHLMC Structured Ser 6.564% 03/25/29	09/01/2002	Paydown													
3133TC-AU-2	FSPC T-9 A6	09/01/2002	Paydown		112,989	112,989	108,717	109,469	3,520				.0	1,324		1
31340Y-2E-8	FHLMC REMIC Ser 87-D 8.650% 11/15/20	08/15/2002	Paydown		28,076	28,076	30,867	28,590	(514)				.0	364		1
31340Y-DB-2	FHLMC REMIC Ser 12-A 9.250% 11/15/19	08/15/2002	Paydown		21,453	21,453	22,512	22,293	(840)				.0	272		1
31340Y-GR-4	FHLMC REMIC Ser 22-C 9.500% 04/15/20	08/15/2002	Paydown		67,288	67,288	69,727	68,496	(1,208)				.0	1,152		1
31358E-XG-2	FNMA REMIC Ser 9.250% 07/25/20 1990-83A	09/01/2002	Paydown		60,582	60,582	60,393	60,289	294				.0	949		1
31358G-X4-4	FNMA REMIC Ser 8.600% 06/25/21 1991-56G	09/01/2002	Paydown		250,067	250,067	250,453	250,402	(335)				.0	3,556		1
31358L-VM-5	FNMA REMIC Ser G92-14Z 7.000% 02/25/22	09/01/2002	Paydown		313,887	313,887	318,830	316,560	(2,673)				.0	3,199		1
31358N-RT-1	FNMA REMIC Ser G 7.000% 06/25/22 1992-30Z	09/01/2002	Paydown		140,007	140,007	142,268	141,782	(1,775)				.0	1,746		1
31359B-MT-1	FNMA REMIC Ser 7.000% 02/25/04 1993-121PM	09/01/2002	Paydown		242,588	242,588	252,594	242,933	(346)				.0	2,836		1
313602-EK-6	FNMA REMIC Ser 9.400% 07/25/03 1988-18B	09/01/2002	Paydown		5,412	5,412	5,443	5,383	30				.0	78		1
313603-GW-6	FNMA REMIC Ser 8.750% 11/25/19 1989-86E	09/01/2002	Paydown		58,635	58,635	57,423	57,907	728				.0	815		1
313603-YL-0	FNMA REMIC Ser 9.000% 03/25/20 1990-16E	09/01/2002	Paydown		255,283	255,283	277,847	266,091	(10,809)				.0	3,959		1Z
31381G-SY-5	FNMA Pool #460535 6.500% 11/01/13	09/01/2002	Paydown		4,530	4,530	4,553	4,551	(21)				.0	49		1
Total United States					4,270,620	4,270,620	4,266,874	4,276,066	(5,447)	0	0	0	0	51,308	XXX	XXX
3199996 - Bonds - Special Revenues - United States					7,882,523	7,820,620	7,962,334	7,888,659	(6,137)	0	0	0	0	118,895	XXX	XXX
3199999 - Bonds - Special Revenues					7,882,523	7,820,620	7,962,334	7,888,659	(6,137)	0	0	0	0	118,895	XXX	XXX
Public Utilities (unaffiliated) United States																
86765B-AA-7	Sunoco Logistics Ptnrs 7.250% 02/15/12 Op LP Nt	08/12/2002	Tax Free Exchange		1,000,260	1,000,000	1,000,260	1,000,254	.6				.0	37,056		2PE
882850-CM-0	Texas Utils Elec Co 7.460% 01/01/15 Sec Facility Bd	07/01/2002	Redemption	100.0000	47,937	47,937	46,260	46,484	1,453				.0	1,788		2
Total United States					1,048,197	1,047,937	1,046,520	1,046,738	1,459	0	0	0	0	38,844	XXX	XXX
3899996 - Bonds - Public Utilities - United States					1,048,197	1,047,937	1,046,520	1,046,738	1,459	0	0	0	0	38,844	XXX	XXX
3899999 - Bonds - Public Utilities					1,048,197	1,047,937	1,046,520	1,046,738	1,459	0	0	0	0	38,844	XXX	XXX
Industrial & Miscellaneous United States																
02635P-KW-2	American General Fin 6.630% 07/17/02 MT Nt Ser D	07/17/2002	Maturity		1,000,000	1,000,000	974,610	999,473	527				.0	22,468		1PE

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identi- fication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Design- ation (a)
038777-AA-6	Arby's Franchise Tr 7.440% 12/20/20 Ser 1A Cl 1	09/20/2002	Paydown		66,560	66,560	66,552	66,552	.8				.0	.0		1
060506-W6-5	Bank of America Mtg 6.750% 09/25/31 Sec Ser 2001-9 Cl 1A5	09/01/2002	Paydown		11,568	11,568	11,667	11,659	(.92)				.0	130		1PE
121899-EB-0	Burlington Northern RR 6.960% 03/22/09	09/22/2002	Redemption	100.0000	118,344	118,344	119,088	118,796	(452)				.0	4,118		1PE
126671-GJ-9	CWABS Inc 1999-3 AF7 7.580% 10/25/30	09/01/2002	Paydown		66,573	66,573	66,540	66,477	.96				.0	1,262		1PE
151895-A*-0	CenterPoint Properties 7.530% 10/31/14	09/01/2002	Redemption	100.0000	11,105	11,105	11,105	11,105					.0	140		1
172953-Q3-8	Tr Credit Tenant Lease Citicorp Mtg Sec Corp 6.500% 09/25/31	09/01/2002	Paydown		54,032	54,032	54,860	54,769	(737)				.0	583		1PE
24763L-ES-5	Ser 2001-10 Cl 1A2	09/01/2002	Paydown		121,748	121,748	121,060	121,103	.645				.0	1,205		1PE
254067-AD-3	Delta Funding Home Eq 6.190% 02/15/31	08/01/2002	Call	100.0000	2,000,000	2,000,000	1,999,800	1,999,100	.900				.0	63,100		3
31331F-AX-9	Ln Tr Ser 1998-4 Cl A4F	07/15/2002	Paydown		19,127	19,127	20,140	20,140	(1,013)				.0	643		1
36157L-L7-1	Dillard's Inc Nt 6.310% 08/01/12	09/01/2002	Paydown		154,916	154,916	155,037	154,967	(50)				.0	1,876		1PE
36157R-3W-3	Federal Express Corp 6.720% 01/15/22	09/01/2002	Paydown		121,325	121,325	121,325	121,325					.0	1,424		1PE
393505-XV-9	PTC Ser 98-1A	09/15/2002	Paydown		86,487	86,487	86,453	86,471	.16				.0	941		1PE
41161P-AD-5	GE Cap Mtg Serv Inc 6.500% 04/25/24	09/01/2002	Paydown		103,431	103,431	106,534	106,148	(2,717)				.0	1,471		1PE
667294-AA-0	Ser 1994-6 Cl M	07/02/2002	Paydown		18,422	18,422	17,850	17,936	.485				.0	706		2
674135-CT-3	GE Cap Mtg Serv Inc 7.295% 05/25/14	09/01/2002	Paydown		380,586	380,586	383,500	380,428	.157				.0	4,114		1PE
69348L-VG-1	Ser 1999-HE2 Cl A6	09/01/2002	Paydown		7,588	7,588	7,626	7,628	(40)				.0	0		1PE
73763H-AH-9	Green Tree Finl Corp 6.670% 06/15/27	09/20/2002	Goldman Sachs & Company		1,154,230	1,000,000	1,127,200	1,064,169	(3,500)			93,561	93,561	29,608		2
74046R-FC-0	Mfg Hsg Ser 1997-7 A10	09/08/2002	Paydown		569,789	569,789	569,658	569,785	.4				.0	5,672		1PE
743947-AK-9	Harborview Mtg Loan Tr 7.316% 08/19/30	09/01/2002	Paydown		111,376	111,376	106,347	104,868	6,508				.0	1,700		1PE
761042-BF-6	Ser 2000-1 Cl IIIA	09/01/2002	Paydown		40,567	40,567	39,528	39,688	.880				.0	457		1PE
76110Y-N3-2	Northwest Airlines 7.670% 01/02/15	09/01/2002	Paydown		41,108	41,108	42,341	42,161	(1,053)				.0	461		1PE
79548K-UH-9	Enhanced ETC Ser 1996-1 Cl A	09/01/2002	Paydown		26,282	26,282	24,335	24,442	1,840				.0	332		1PE
844741-AG-3	Oakwood Mtg Inv Inc 6.500% 02/15/28	09/24/2002	Redemption	100.0000	29,586	29,586	27,577	27,925	1,661				.0	926		1PE
912912-AM-4	Sr/Sub PT Ctf 1997-D A3	07/15/2002	Maturity		1,000,000	1,000,000	967,780	975,000	25,000				.0	30,625		3
	PNC Mtg Sec Corp Ser 6.625% 03/25/28															
	1998-2 Cl 5B1	09/01/2002	Paydown		7,588	7,588	7,626	7,628	(40)				.0	0		1PE
	Potlatch Corp Nt 9.350% 04/12/06	09/20/2002	Goldman Sachs & Company		1,154,230	1,000,000	1,127,200	1,064,169	(3,500)			93,561	93,561	29,608		2
	Premier Auto Tr Ser 5.780% 04/08/03	09/08/2002	Paydown		569,789	569,789	569,658	569,785	.4				.0	5,672		1PE
	1998-4 Cl A4	09/01/2002	Paydown		111,376	111,376	106,347	104,868	6,508				.0	1,700		1PE
	Prudential Home Mtg 7.094% 06/28/23	09/01/2002	Paydown		40,567	40,567	39,528	39,688	.880				.0	457		1PE
	Secs Ser 1993-D Cl 1B1	09/01/2002	Paydown		41,108	41,108	42,341	42,161	(1,053)				.0	461		1PE
	Resecuritization Mtg 6.750% 06/19/28	09/01/2002	Paydown		26,282	26,282	24,335	24,442	1,840				.0	332		1PE
	Tr Ser 1999-B Cl A3	09/01/2002	Paydown		40,567	40,567	39,528	39,688	.880				.0	457		1PE
	Residential Funding 6.750% 03/25/16	09/01/2002	Paydown		41,108	41,108	42,341	42,161	(1,053)				.0	461		1PE
	Mtg Sec I Ser 2001-S7 Cl A7	09/01/2002	Paydown		26,282	26,282	24,335	24,442	1,840				.0	332		1PE
	Salomon Bros Mtg Sec 7.250% 04/25/27	09/01/2002	Paydown		26,282	26,282	24,335	24,442	1,840				.0	332		1PE
	VII Inc Ser 1997-LB2 Cl B2	09/01/2002	Paydown		26,282	26,282	24,335	24,442	1,840				.0	332		1PE
	Southwest Airlines Co 6.260% 09/24/12	09/24/2002	Redemption	100.0000	29,586	29,586	27,577	27,925	1,661				.0	926		1PE
	PTC Ser 1993-B	09/24/2002	Redemption	100.0000	29,586	29,586	27,577	27,925	1,661				.0	926		1PE
	U S West Cap Funding 6.125% 07/15/02	07/15/2002	Maturity		1,000,000	1,000,000	967,780	975,000	25,000				.0	30,625		3
	Inc Nt	07/15/2002	Maturity		1,000,000	1,000,000	967,780	975,000	25,000				.0	30,625		3

## SCHEDULE D - PART 4

[illegible]

### E05.3

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

**STATEMENT AS OF SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY**

## SCHEDULE E - PART 1 - CASH

[illegible]



SUPPLEMENT FOR SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

Designate the type of health care providers reported on this page  
Physicians

SUPPLEMENT “A” TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

1  States, Etc.		2  Direct Premiums Written	3  Direct Premiums Earned	Direct Losses Paid		6  Direct Losses Incurred	Direct Losses Unpaid		9  Direct Losses Incurred But Not Reported
				4  Amount	5  Number of Claims		7  Amount Reported	8  Number of Claims	
1. Alabama	AL								
2. Alaska	AK								
3. Arizona	AZ					(1,254)			(74)
4. Arkansas	AR								
5. California	CA	322,673	807,269	178,295	6	1,661,560	2,007,000	13	2,881,562
6. Colorado	CO					(388)			(48)
7. Connecticut	CT								
8. Delaware	DE								
9. District of Columbia	DC					2,688,829	1,010,000	4	538,128
10. Florida	FL	76,232	87,972	2,860,500	12	1,198,785	5,219,002	37	2,012,919
11. Georgia	GA					90,557	200,000	2	136,503
12. Hawaii	HI					(7)			97
13. Idaho	ID					(26)			(26)
14. Illinois	IL					(105,484)			439,361
15. Indiana	IN								
16. Iowa	IA								
17. Kansas	KS								
18. Kentucky	KY			125,000	1	106,530	55,000	2	18,695
19. Louisiana	LA					42,225	115,000	2	(5,330)
20. Maine	ME								
21. Maryland	MD					(87,460)			16,945
22. Massachusetts	MA								
23. Michigan	MI			640,000	4	(315,456)	90,000	4	130,896
24. Minnesota	MN								
25. Mississippi	MS					(452)			(92)
26. Missouri	MO					(12,506)			896
27. Montana	MT								
28. Nebraska	NE								
29. Nevada	NV								
30. New Hampshire	NH								
31. New Jersey	NJ								
32. New Mexico	NM								
33. New York	NY								
34. North Carolina	NC					(108)			(39)
35. North Dakota	ND								
36. Ohio	OH								
37. Oklahoma	OK								
38. Oregon	OR					(78)			(74)
39. Pennsylvania	PA					50,741			4,849
40. Rhode Island	RI					(140)			(140)
41. South Carolina	SC					(263)			23
42. South Dakota	SD								
43. Tennessee	TN					(183)			(74)
44. Texas	TX		5,974			(47,334)			41,284
45. Utah	UT								
46. Vermont	VT								
47. Virginia	VA			162,500	2	144,353	135,000	2	352,908
48. Washington	WA					(31)			(31)
49. West Virginia	WV			30,000	1	(246,610)			325,646
50. Wisconsin	WI								
51. Wyoming	WY								
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. U.S. Virgin Islands	VI								
56. Canada	CN								
57. Aggregate Other Aliens	OT								
58. Totals		398,905	901,215	3,996,295	26	5,165,800	8,831,002	66	6,894,784
DETAILS OF WRITE-INS									
5701.									
5702.									
5703.									
5798. Summary of remaining write-ins for Line 57 from overflow page									
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)									



SUPPLEMENT FOR SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

Designate the type of health care providers reported on this page  
Hospitals

SUPPLEMENT “A” TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

1  States, Etc.	2  Direct Premiums Written	3  Direct Premiums Earned	Direct Losses Paid		6  Direct Losses Incurred	Direct Losses Unpaid		9  Direct Losses Incurred But Not Reported
			4  Amount	5  Number of Claims		7  Amount Reported	8  Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Aliens OT								
58. Totals								
DETAILS OF WRITE-INS								
5701. ....								
5702. ....								
5703. ....								
5798. Summary of remaining write-ins for Line 57 from overflow page								
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)								



SUPPLEMENT FOR SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

Designate the type of health care providers reported on this page  
Other Health Care Professionals

SUPPLEMENT “A” TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

1  States, Etc.	2  Direct Premiums Written	3  Direct Premiums Earned	Direct Losses Paid		6  Direct Losses Incurred	Direct Losses Unpaid		9  Direct Losses Incurred But Not Reported
			4  Amount	5  Number of Claims		7  Amount Reported	8  Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC					10,173			
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ	20,925	20,925			33,072	70,000	4	45,767
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH			21,750	1	(10,531)	31,000	2	28,912
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT					(3,181)			1,919
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Aliens OT								
58. Totals	20,925	20,925	21,750	1	29,533	101,000	6	76,598
DETAILS OF WRITE-INS								
5701.								
5702.								
5703.								
5798. Summary of remaining write-ins for Line 57 from overflow page								
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)								



SUPPLEMENT FOR SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

Designate the type of health care providers reported on this page  
Other Health Care Facilities

SUPPLEMENT “A” TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

1  States, Etc.	2  Direct Premiums Written	3  Direct Premiums Earned	Direct Losses Paid		6  Direct Losses Incurred	Direct Losses Unpaid		9  Direct Losses Incurred But Not Reported
			4  Amount	5  Number of Claims		7  Amount Reported	8  Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Aliens OT								
58. Totals								
DETAILS OF WRITE-INS								
5701. ....								
5702. ....								
5703. ....								
5798. Summary of remaining write-ins for Line 57 from overflow page								
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)								



SUPPLEMENT FOR SEPTEMBER 30, 2002 OF THE SCOTTSDALE INSURANCE COMPANY

Designate the type of health care providers reported on this page  
Medical Malpractice Policies

SUPPLEMENT “A” TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

1  States, Etc.	2  Direct Premiums Written	3  Direct Premiums Earned	Direct Losses Paid		6  Direct Losses Incurred	Direct Losses Unpaid		9  Direct Losses Incurred But Not Reported
			4  Amount	5  Number of Claims		7  Amount Reported	8  Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Aliens OT								
58. Totals								
DETAILS OF WRITE-INS								
5701. ....								
5702. ....								
5703. ....								
5798. Summary of remaining write-ins for Line 57 from overflow page								
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)								