



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

Central Reserve Life Insurance Company

NAIC Group Code	1337 <small>(Current Period)</small>	1337 <small>(Prior Period)</small>	NAIC Company Code	61727	Employer's ID Number	34-0970995
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	Ohio	
Country of Domicile	United States of America					
Incorporated	07/02/1963			Commenced Business	05/12/1965	
Statutory Home Office	17800 Royalton Road <small>(Street and Number)</small>			,	Strongsville, OH 44136-5197 <small>(City or Town, State and Zip Code)</small>	
Main Administrative Office	17800 Royalton Rd <small>(Street and Number)</small>			440-572-2400 <small>(Area Code) (Telephone Number)</small>		
	Strongsville, OH 44136 <small>(City or Town, State and Zip Code)</small>					
Mail Address	17800 Royalton Rd <small>(Street and Number or P.O. Box)</small>			,	Strongsville, OH 44136 <small>(City or Town, State and Zip Code)</small>	
Primary Location of Books and Records	17800 Royalton Rd <small>(Street and Number)</small>			440-572-8843 <small>(Area Code) (Telephone Number)</small>		
	Strongsville, OH 44136 <small>(City or Town, State and Zip Code)</small>					
Internet Website Address	www.ceresgp.com					
Statement Contact	Richard Allan Kusnic <small>(Name)</small>			440-572-8843 <small>(Area Code) (Telephone Number) (Extension)</small>		
	rkusnic@centralreserve.com <small>(E-mail Address)</small>			440-572-8850 <small>(FAX Number)</small>		
Policyowner Relations Contact	17800 Royalton Rd <small>(Street and Number)</small>			440-572-2400 <small>(Area Code) (Telephone Number) (Extension)</small>		
	Strongsville, OH 44136 <small>(City or Town, State and Zip Code)</small>					

OFFICERS

President	Anthony John Pino	Secretary	Arthur Lewis Hastings
Treasurer	Larry Eugene Wharton	Actuary	Mark Edward Billingsley

VICE PRESIDENTS

Mary Ellen Larkin	Richard Allan Kusnic	Charles Edward Miller Jr
Joseph Anthony Parente	Thomas Joseph Reisch, Jr.	Henry Jude Reitingner
David Alan Canzone	Gayle Mary Vixler	Celeste Ann Kloth
George Anthony Gerhinger	Susan M Hahn	Amy Marian McFadden
Larry Eugene Wharton	Arthur Lewis Hastings	Lincoln Taylor Lafayette
Jeffrey Allen Johnson	Jeffrey Allen Young	Elizabeth Catharine Tenner
Judith A Murphy #		

DIRECTORS OR TRUSTEES

Anthony John Pino	Andrew Anthony Boemi	Michael Angelo Cavataio
George Anthony Gehringer		

State of .....Ohio.....  
County of .....Cuyahoga.....

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.

Anthony John Pino President	Arthur Lewis Hastings Secretary	Larry Eugene Wharton Treasurer
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Subscribed and sworn to before me this  
\_\_\_\_\_ day of \_\_\_\_\_ November, 2002  
\_\_\_\_\_

ASSETS

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	77,392,954		77,392,954	84,153,045
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	5,777,449		5,777,449	6,950,870
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Policy loans .....	65,086		65,086	71,365
6. Premium notes, including \$ ..... for first year premiums .....				
7. Cash (\$ .....3,121,190 ) and short-term investments (\$ .....1,849,290 ) .....	4,970,480		4,970,480	16,576,756
8. Other invested assets .....				
9. Receivable for securities .....	1,043,070		1,043,070	26,979
10. Aggregate write-ins for invested assets .....				
11. Subtotals, cash and invested assets (Lines 1 to 10) .....	89,249,038		89,249,038	107,779,016
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers .....	7,353		7,353	231,199
12.2 Commissions and expense allowances due .....				
12.3 Experience rating and other refunds due .....	0			270,034
12.4 Other amounts receivable under reinsurance contracts .....	(1,066,055)	250,192	(1,316,247)	3,330,498
13. Electronic data processing equipment and software .....	12,753		12,753	17,209
14. Federal and foreign income tax recoverable and interest thereon (including \$ .....1,937,675 net deferred tax asset) .....	4,794,500		4,794,500	3,801,647
15. Guaranty funds receivable or on deposit .....	171,977		171,977	171,977
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$ .....57,764 loading) .....	61,519		61,519	73,742
17. Accident and health premiums due and unpaid .....	275,592		275,592	577,132
18. Investment income due and accrued .....	897,410		897,410	1,082,272
19. Net adjustment in assets and liabilities due to foreign exchange rates .....				
20. Receivable from parent, subsidiaries and affiliates .....	1,470,313	108,305	1,362,008	
21. Amounts receivable relating to uninsured accident and health plans .....				
22. Amounts due from agents .....				
23. Other assets nonadmitted .....	384,089	384,089		
24. Aggregate write-ins for other than invested assets .....	761,654		761,654	1,240,187
25. Total assets excluding Separate Accounts business (Lines 11 to 24) .....	97,020,142	742,586	96,277,556	118,574,913
26. From Separate Accounts Statement .....				
27. Total (Lines 25 and 26) .....	97,020,142	742,586	96,277,556	118,574,913
DETAILS OF WRITE-INS				
1001. ....				
1002. ....				
1003. ....				
1098. Summary of remaining write-ins for Line 10 from overflow page .....				
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)				
2401. Amount Receivable, other .....	761,654		761,654	1,240,187
2402. ....			0	0
2403. ....				
2498. Summary of remaining write-ins for Line 24 from overflow page .....				
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	761,654		761,654	1,240,187

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for Life contracts \$ .....10,461,916 less \$ .....0 included in Line 6.3 (including \$ .....1,875,925 Modco Reserve) .....	10,461,916	10,748,819
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....	1,104,774	1,176,925
3. Liability for deposit-type contracts (including \$ ..... Modco Reserve) .....	11,101	21,506
4. Contract claims:		
4.1 Life .....	682,204	972,797
4.2 Accident and health .....	46,855,998	55,050,176
5. Policyholders' dividends \$ ..... and coupons \$ ..... due and unpaid .....		
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment to ..... (including \$ ..... Modco Reserve) .....		
6.2 Dividends not yet apportioned (including \$ ..... Modco Reserve) .....		
6.3 Coupons and similar benefits (including \$ ..... Modco Reserve) .....		
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... discount; including \$ .....4,007,341 accident and health premiums .....	4,082,132	4,888,090
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....		
9.2 Provision for experience rating refunds, including \$ ..... accident and health experience rating refunds .....		
9.3 Other amounts payable on reinsurance including \$ ..... assumed and \$ .....394,886 ceded .....	394,886	237,654
9.4 Interest Maintenance Reserve .....	1,507,600	1,274,460
10. Commissions to agents due or accrued—life and annuity contracts \$ .....42,686 accident and health \$ .....1,350,787 and deposit-type contract funds \$ .....	1,393,473	2,473,196
11. Commissions and expense allowances payable on reinsurance assumed .....		
12. General expenses due or accrued .....	0	
13. Transfers to Separate Accounts due or accrued (net) (Including \$ ..... accrued for expense allowances recognized in reserves) .....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes .....	503,366	975,580
15. Federal and foreign income taxes, including \$ ..... on realized capital gains (losses) (including \$ ..... net deferred tax liability) .....		
16. Unearned investment income .....		
17. Amounts withheld or retained by company as agent or trustee .....	384,772	971,960
18. Amounts held for agents' account, including \$ ..... agents' credit balances .....		
19. Remittances and items not allocated .....		
20. Net adjustment in assets and liabilities due to foreign exchange rates .....		
21. Liability for benefits for employees and agents if not included above .....		
22. Borrowed money \$ ..... and interest thereon \$ .....		
23. Dividends to stockholders declared and unpaid .....		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve .....	186,759	165,027
24.2 Reinsurance in unauthorized companies .....		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers .....		2,194,220
24.4 Payable to parent, subsidiaries and affiliates .....		
24.5 Drafts outstanding .....		
24.6 Liability for amounts held under uninsured accident and health plans .....		
24.7 Funds held under coinsurance .....	0	9,337,856
24.8 Payable for securities .....	0	
24.9 Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....	548,000	687,200
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25) .....	68,116,981	91,175,466
27. From Separate Accounts Statement .....		
28. Total Liabilities (Lines 26 and 27) .....	68,116,981	91,175,466
29. Common capital stock .....	2,500,000	2,500,000
30. Preferred capital stock .....		
31. Aggregate write-ins for other than special surplus funds .....		
32. Surplus notes .....		
33. Gross paid in and contributed surplus .....	51,862,110	51,862,110
34. Aggregate write-ins for special surplus funds .....		
35. Unassigned funds (surplus) .....	(26,201,535)	(26,962,662)
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....		
37. Surplus (total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including \$ ..... in Separate Accounts Statement) .....	25,660,575	24,899,447
38. Totals of Lines 29, 30 and 37 .....	28,160,575	27,399,447
39. Totals of Lines 28 and 38 .....	96,277,556	118,574,913
DETAILS OF WRITE-INS		
2501. Claim Interest Payable.....	25,000	164,200
2502. Guaranty Fund Payable.....	523,000	523,000
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	548,000	687,200
3101. ....		
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....		
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above) .....		
3401. ....		
3402. ....		
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page .....		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....		

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year To Date	2 Prior Year Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health policies and contracts .....	148,313,036	188,008,473	245,264,383
2. Considerations for supplementary contracts with life contingencies .....			
3. Net investment income .....	4,040,298	4,651,487	5,967,788
4. Amortization of Interest Maintenance Reserve (IMR) .....	300,808	235,907	313,311
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....			
6. Commissions and expense allowances on reinsurance ceded .....	16,564,311	25,151,276	31,121,656
7. Reserve adjustments on reinsurance ceded .....	(3,693,376)	(14,705)	210,428
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....			
8.2 Charges and fees for deposit-type contracts .....			
8.3 Aggregate write-ins for miscellaneous income .....	312,424	854,184	1,403,118
9. Totals (Lines 1 to 8.3) .....	165,837,501	218,886,622	284,280,684
10. Death benefits .....	614,157	786,981	926,669
11. Matured endowments (excluding guaranteed annual pure endowments) .....			
12. Annuity benefits .....	1,222,631	1,594,703	2,121,885
13. Disability benefits and benefits under accident and health contracts .....	103,665,404	144,778,075	189,745,535
14. Coupons, guaranteed annual pure endowments and similar benefits .....			
15. Surrender benefits and withdrawals for life contracts .....			
16. Group conversions .....			
17. Interest and adjustments on contract or deposit-type contract funds .....	(10,405)	(697,230)	(701,592)
18. Payments on supplementary contracts with life contingencies .....			
19. Increase in aggregate reserves for life and accident and health contracts .....	(998,456)	738,949	(685,321)
20. Totals (Lines 10 to 19) .....	104,493,332	147,201,477	191,407,175
21. Commissions on premiums, annuity considerations, and deposit-type contract funds(direct business only) .....	22,113,167	33,784,702	43,316,313
22. Commissions and expense allowances on reinsurance assumed .....	950,731	9,217,882	10,679,215
23. General insurance expenses .....	27,720,425	33,142,233	44,169,263
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	5,341,767	6,334,187	8,270,216
25. Increase in loading on deferred and uncollected premiums .....	(10,852)	(4,735)	(6,161)
26. Net transfers to or (from) Separate Accounts .....			
27. Aggregate write-ins for deductions .....	219,827	83,357	89,957
28. Totals (Lines 20 to 27) .....	160,828,397	229,759,102	297,925,978
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	5,009,104	(10,872,480)	(13,645,294)
30. Dividends to policyholders .....			3,486
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	5,009,104	(10,872,480)	(13,648,780)
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	(1,254,603)	(3,171,235)	(3,156,602)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	6,263,707	(7,701,245)	(10,492,178)
34. Net realized capital gains or (losses) less capital gains tax of \$ ..... (excluding taxes of \$ ..... transferred to the IMR) .....	600		
35. Net income (Line 33 plus Line 34) .....	6,264,307	(7,701,245)	(10,492,178)
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year .....	27,399,447	26,163,813	26,163,813
37. Net income (Line 35) .....	6,264,307	(7,701,245)	(10,492,178)
38. Change in net unrealized capital gains (losses) .....	(1,173,422)	(3,612,102)	(6,917,021)
39. Change in net unrealized foreign exchange capital gain (loss) .....			
40. Change in net deferred income tax .....			
41. Change in non-admitted assets and related items .....	(216,141)	123,085	170,737
42. Change in liability for reinsurance in unauthorized companies .....			
43. Change in reserve on account of change in valuation basis, (increase) or decrease .....			
44. Change in asset valuation reserve .....	(92,602)	(63,746)	(102,217)
45. Change in treasury stock .....			
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....			
47. Other changes in surplus in Separate Accounts Statement .....			
48. Change in surplus notes .....			
49. Cumulative effect of changes in accounting principles .....	0	1,054,210	1,144,794
50. Capital changes:			
50.1 Paid in .....			
50.2 Transferred from surplus (Stock Dividend) .....			
50.3 Transferred to surplus .....			
51. Surplus adjustment:			
51.1 Paid in .....	0	6,500,000	21,500,000
51.2 Transferred to capital (Stock Dividend) .....			
51.3 Transferred from capital .....			
51.4 Change in surplus as a result of reinsurance .....	(4,021,013)	(3,562,316)	(4,068,481)
52. Dividends to stockholders .....			
53. Aggregate write-ins for gains and losses in surplus .....			
54. Net change in capital and surplus for the year (Lines 37 through 53) .....	761,129	(7,262,115)	1,235,634
55. Capital and surplus, as of statement date (Lines 36 + 54) .....	28,160,575	18,901,698	27,399,447
DETAILS OF WRITE-INS			
08.301. Miscellaneous Income.....	312,424	854,184	1,403,118
08.302. ....			
08.303. ....			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....			
08.399. TOTALS (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	312,424	854,184	1,403,118
2701. Regulatory Authority assessments.....	219,827	83,357	89,957
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)	219,827	83,357	89,957
5301. ....			
5302. ....			
5303. ....			
5398. Summary of remaining write-ins for Line 53 from overflow page .....			
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums and annuity considerations for life and accident and health contracts .....	148,101,727	247,639,392
2. Charges and fees for deposit-type contracts .....		
3. Considerations for supplementary contracts with life contingencies .....		
4. Net investment income .....	4,225,160	6,416,363
5. Commissions and expense allowances on reinsurance ceded .....	12,827,182	31,243,122
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts .....		
7. Aggregate write-ins for miscellaneous income .....	527,424	1,398,546
8. Total (Lines 1 to 7) .....	165,681,494	286,697,423
9. Death Benefits .....	904,750	677,456
10. Matured endowments .....		
11. Annuity Benefits .....	1,222,631	2,121,885
12. Disability benefits and benefits under accident and health contracts .....	120,410,805	186,952,591
13. Coupons, guaranteed annual pure endowments and similar benefits .....		
14. Surrender benefits and withdrawals for life contracts .....		
15. Group conversions .....		
16. Interest and adjustments on contract or deposit-type contract funds .....	0	
17. Payments on supplementary contracts with life contingencies .....		
18. Total (Lines 9 to 17) .....	122,538,187	189,751,932
19. Commissions on premiums, annuity considerations and deposit-type contract funds .....	23,192,890	44,169,171
20. Commissions and expense allowances on reinsurance assumed .....	950,731	10,679,215
21. General insurance expenses .....	27,720,425	44,202,754
22. Insurance taxes, licenses and fees, excluding federal income taxes .....	5,813,981	8,497,748
23. Net transfers to or (from) Separate Accounts .....		
24. Aggregate write-ins for deductions .....	219,827	89,957
25. Total (Lines 18 to 24) .....	180,436,041	297,390,776
26. Dividends paid to policyholders .....	(23,195)	3,227
27. Federal income taxes (excluding tax on capital gains) .....		
28. Total (Lines 25 to 27) .....	180,412,846	297,394,003
29. Net cash from operations (Line 8 minus Line 28) .....	(14,731,351)	(10,696,579)
<b>Cash from Investments</b>		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds .....	43,472,587	79,973,398
30.2 Stocks .....		
30.3 Mortgage loans .....		
30.4 Real estate .....		
30.5 Other invested assets .....		
30.6 Net gains or (losses) on cash and short-term investments .....		
30.7 Miscellaneous proceeds .....	0	
30.8 Total investment proceeds (Lines 30.1 to 30.7) .....	43,472,587	79,973,398
31. Net tax on capital gains (losses) .....		
32. Total (Line 30.8 minus Line 31) .....	43,472,587	79,973,398
33. Cost of investments acquired (long-term only):		
33.1 Bonds .....	36,224,120	75,292,876
33.2 Stocks .....		
33.3 Mortgage loans .....		
33.4 Real estate .....		
33.5 Other invested assets .....		
33.6 Miscellaneous applications .....		
33.7 Total investments acquired (Lines 33.1 to 33.6) .....	36,224,120	75,292,876
34. Net increase (or decrease) in policy loans and premium notes .....	(6,279)	(5,456)
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34) .....	7,254,746	4,685,978
<b>Cash from Financing and Miscellaneous Sources</b>		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in .....		21,500,000
36.2 Borrowed money \$ ..... less amounts repaid \$ .....		
36.3 Capital notes \$ ..... less amounts repaid \$ .....		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies .....		
36.5 Other cash provided .....	0	2,939,399
36.6 Total (Lines 36.1 to 36.5) .....	0	24,439,399
37. Cash applied:		
37.1 Dividends to stockholders paid .....		
37.2 Interest on indebtedness .....		
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies .....		
37.4 Other applications (net) .....	4,129,671	
37.5 Total (Lines 37.1 to 37.4) .....	4,129,671	
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5) .....	(4,129,671)	24,439,399
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38) .....	(11,606,276)	18,428,798
40. Cash and short-term investments:		
40.1 Beginning of year .....	16,576,756	(1,852,042)
40.2 End of period (Line 39 plus Line 40.1) .....	4,970,480	16,576,756
<b>DETAILS OF WRITE-INS</b>		
0701. Miscellaneous Income .....	527,424	1,398,546
0702. ....		
0703. ....		
0798. Summary of remaining write-ins for Line 7 from overflow page .....		
0799. TOTALS (Lines 0701 thru 0703 plus 0798) (Line 7 above) .....	527,424	1,398,546
2401. Fines and penalties of regulatory authorities .....	219,827	89,957
2402. ....		
2403. ....		
2498. Summary of remaining write-ins for Line 24 from overflow page .....		
2499. TOTALS (Lines 2401 thru 2403 plus 2498) (Line 24 above) .....	219,827	89,957

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS			
	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Industrial Life .....			
2. Ordinary Life Insurance .....	337,916	365,660	467,501
3. Ordinary Individual Annuities .....	251,767	460,043	668,730
4. Credit Life (Group & Individual) .....			
5. Group Life Insurance .....	3,382,100	4,897,497	6,237,556
6. Group Annuities .....			
7. A & H - Group .....	189,379,668	247,090,808	318,339,195
8. A & H - Credit (Group & Individual) .....			
9. A & H - Other .....	3,439,828	1,883,887	2,675,226
10. Aggregate of All Other Lines of Business .....			
11. Subtotal .....	196,791,279	254,697,894	328,388,208
12. Deposit-Type Contracts .....			
13. Total	196,791,279	254,697,894	328,388,208
DETAILS OF WRITE-INS			
1001. ....			
1002. ....			
1003. ....			
1098. Summary of remaining write-ins for Line 10 from overflow page .....			
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)			

NOTES TO FINANCIAL STATEMENTS

10. Information Concerning Parent, Subsidiaries and Affiliates

- A.,B,  
& C.

All outstanding shares of The Company are owned by Ceres Group, Inc., an insurance holding company domiciled in the State of Delaware.
- D.

The Company paid salary and benefit expense to Ceres Administrators, an affiliate, in the amount of \$ 32,241,387. The Company paid marketing expenses to Ceres Sales, an affiliate, in the amount of \$ 1,110,393. The Company paid Managed Care and PPO expenses to Ceres Health, an affiliate, in the amount of \$7,665,701.
- E.

At September 30, 2002 The Company reports amounts due from affiliates in the amount of \$ 1,362,007.95.
- F.

The Company has agreements with several non-life affiliates who provide certain services to the Company and are reimbursed as described in 10-d. The Company also has cost sharing agreements with its life subsidiaries Provident American Life and Health Insurance Company and United Benefit Life Company, as well as with affiliates Continental General Life and Pyramid Life for reimbursement and sharing of costs for services provided by the Company.
- G.

All outstanding shares of the Company are owned by the Parent Company, Ceres Croup Inc., an insurance holding company domiciled in the State of Delaware.
- H.

Not applicable
- I.

Not applicable
- J.

Not applicable

17. The Company has no wash sales.

19. Direct Premium Written by Third Party Administration

Continental General Life Insurance Company, 8901 Indian Hills Drive, Omaha, Nebraska, is a third party administrator for The Company's ordinary life and annuity business (FIN 47-0463747). Continental holds an exclusive contract for underwriting, issue, and collection of premium and payment of claims for Central Reserve Life. The contract was effective 7/1/99 and Continental collected \$ 1,305,289.56 in premium at 9/30/2002.

28. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by withdrawal Characteristics

The amount of Annuity Reserves from Exhibit 8, Section B & C, Line 029999 is \$8,960,185. The total deposit liability from Page 3, Line 3 is \$ 9,330. The Annuity Reserves are not subject to discretion of any type. A surrender charge not exceeding 5% is assessed to any withdrawal within the first five years of the Annuity.

		<u>Amount</u>	<u>% of Total</u>
A.	Subject to discretionary withdrawal:		
	(1) With market value adjustment	\$ 0	0%
	(2) At book value less current surrender charge of 5% or more	0	0
	(3) At fair value	0	0
	(4) Total with adjustment or at market value (Total of 1 through 3)	0	0
	(5) At book value without adjustment (minimal or no charge or adjustment)	0	0
B	Not subject to discretionary withdrawal	11,399,916	100
A.	Total (gross)	11,399,916	100%
D	Reinsurance ceded	2,439,731	
E	Total (net)*(C)-(D)	\$ 8,960,185	

\*Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

F.	Life & Accident & Health Annual Statement:	<u>Amount</u>
1.	Exhibit 8, Annuities Section, Total (net)	\$ 8,364,764
2.	Exhibit 8, Supplementary Contracts with Life Contingencies Section, total (net)	\$ 595,421
3.	Exhibit Of Deposit-Type Contracts, Line 14, column 1	\$ 9,330
4.	Subtotal	\$ 8,969,515

Separate Accounts Annual Statement:

5.	Exhibit 6, Line 0299999, Column 2	<u>N/A</u>
6.	Exhibit 6, Line 0399999, Column 2	<u>N/A</u>
7.	Page 3, , Line 2, Column 3	<u>N/A</u>
8.	Page 3, , Line 3.1, Column 3	<u>N/A</u>
9.	Page 3, , Line 3.2, Column 3	<u>N/A</u>
10.	Page 3, , Line 3.3, Column 3	<u>N/A</u>
11.	Subtotal	<u>N/A</u>
12.	Combined Total	\$ 8,969,515

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 [ ] No [X]  
If yes, attach an organizational chart.

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

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

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

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [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. .... 06/01/2000

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/1999

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 01/31/2001

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

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: .....\$ .....

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

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [X] No [ ]

13.2 If yes, please complete the following:

	1	2
	Prior Year-End Statement Value	Current Quarter Statement Value
13.21 Bonds .....	\$ .....	\$ .....
13.22 Preferred Stock .....	\$ .....	\$ .....
13.23 Common Stock .....	\$ .....6,950,870	\$ .....5,777,449
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).....	\$ .....6,950,870	\$ .....5,777,449
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above .....	\$ .....	\$ .....
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....	\$ .....	\$ .....

14.1 Does the reporting entity have any hedging transactions reported on Schedule DB? ..... Yes [ ] No [X]

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

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [X] No [ ]

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

1	2
Name of Custodian(s)	Custodian Address
KeyBank National Association.....	127 Public Sq. Cleveland, Oh 44114.....
State Department of Insurance.....	various.....

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

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

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

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

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

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

1	2	3
Central Registration Depository	Name(s)	Address
110497.....	Hyperion Capital Management, Inc.....	One Liberty Plaza, 36th Fl, NY, NY 10006.....

GENERAL INTERROGATORIES (continued)

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

PART 2 - LIFE & HEALTH

1.			1
	Report the statement value of mortgage loans at the end of this reporting period for the following categories:		Amount
1.1	Long-Term Mortgages In Good Standing		
	1.11 Farm Mortgages .....	\$ .....	0
	1.12 Residential Mortgages .....	\$ .....	0
	1.13 Commercial Mortgages .....	\$ .....	0
	1.14 Total Mortgages in Good Standing .....	\$ .....	
1.2	Long-Term Mortgages In Good Standing with Restructured Terms		
	1.21 Total Mortgages in Good Standing .....	\$ .....	0
1.3	Long-Term Mortgages Loans Upon which Interest is Overdue more than Three Months		
	1.31 Farm Mortgages .....	\$ .....	0
	1.32 Residential Mortgages .....	\$ .....	0
	1.33 Commercial Mortgages .....	\$ .....	0
	1.34 Total Mortgages with Interest Overdue more than Three Months.....	\$ .....	
1.4	Long-Term Mortgages Loans in Process of Foreclosure		
	1.41 Farm Mortgages .....	\$ .....	0
	1.42 Residential Mortgages .....	\$ .....	0
	1.43 Commercial Mortgages .....	\$ .....	0
	1.44 Total Mortgages in Process of Foreclosure.....	\$ .....	
1.5	Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Col. 3, Lines 3.1 plus 3.2).....	\$ .....	
1.6	Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter		
	1.61 Farm Mortgages .....	\$ .....	0
	1.62 Residential Mortgages .....	\$ .....	0
	1.63 Commercial Mortgages .....	\$ .....	0
	1.64 Total Mortgages Foreclosed and Transferred to Real Estate .....	\$ .....	

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 .....	NONE			
2. Increase (decrease) by adjustment .....				
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 .....				
9. Total valuation allowance .....				
10. Subtotal (Lines 8 plus 9) .....				
11. Total nonadmitted amounts .....				
12. Statement value, current period (Page 2, real estate lines, current period)				

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 .....	NONE			
2. Amount loaned during period:				
2.1. Actual cost at time of acquisitions .....				
2.2. Additional investment made after acquisitions .....				
3. Accrual of discount and mortgage interest points and commitment fees .....				
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 value/recorded investment excluding accrued interest on mortgages owned at end of current period .....				
10. Total valuation allowance .....				
11. Subtotal (Lines 9 plus 10) .....				
12. Total nonadmitted amounts .....				
13. Statement value of mortgages owned at end of current period				

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 .....	NONE			
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				

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE CENTRAL RESERVE LIFE 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 .....	60,146,924	44,531,965	42,694,724	406,590	66,155,767	60,146,924	62,390,755	78,646,570
2. Class 2 .....	15,782,775		3,393,486	1,434,726	21,696,663	15,782,775	13,824,015	20,123,993
3. Class 3 .....	5,975,686		1,017,563	(1,930,660)	5,457,281	5,975,686	3,027,463	1,792,206
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds	81,905,385	44,531,965	47,105,773	(89,344)	93,309,711	81,905,385	79,242,233	100,562,769
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	81,905,385	44,531,965	47,105,773	(89,344)	93,309,711	81,905,385	79,242,233	100,562,769

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	1,849,290	XXX	1,849,290	25,162	

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 .....	16,409,728	527,565	3,662,837	5,750,378
2. Cost of short-term investments acquired .....	54,766,043	50,194,804	28,698,521	814,838,022
3. Increase (decrease) by adjustment .....				
4. Increase (decrease) by foreign exchange adjustment .....				
5. Total profit (loss) on disposal of short-term investments .....				
6. Consideration received on disposal of short-term investments .....	70,648,206	47,059,532	30,512,067	804,178,672
7. Book/adjusted carrying value, current period .....	527,565	3,662,837	1,849,291	16,409,728
8. Total valuation allowance .....				
9. Subtotal (Lines 7 plus 8) .....	527,565	3,662,837	1,849,291	16,409,728
10. Total nonadmitted amounts .....				
11. Statement value (Lines 9 minus 10) .....	527,565	3,662,837	1,849,291	16,409,728
12. Income collected during period .....	21,855	21,333	25,162	394,615
13. Income earned during period .....	21,855	21,333	25,162	394,615

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

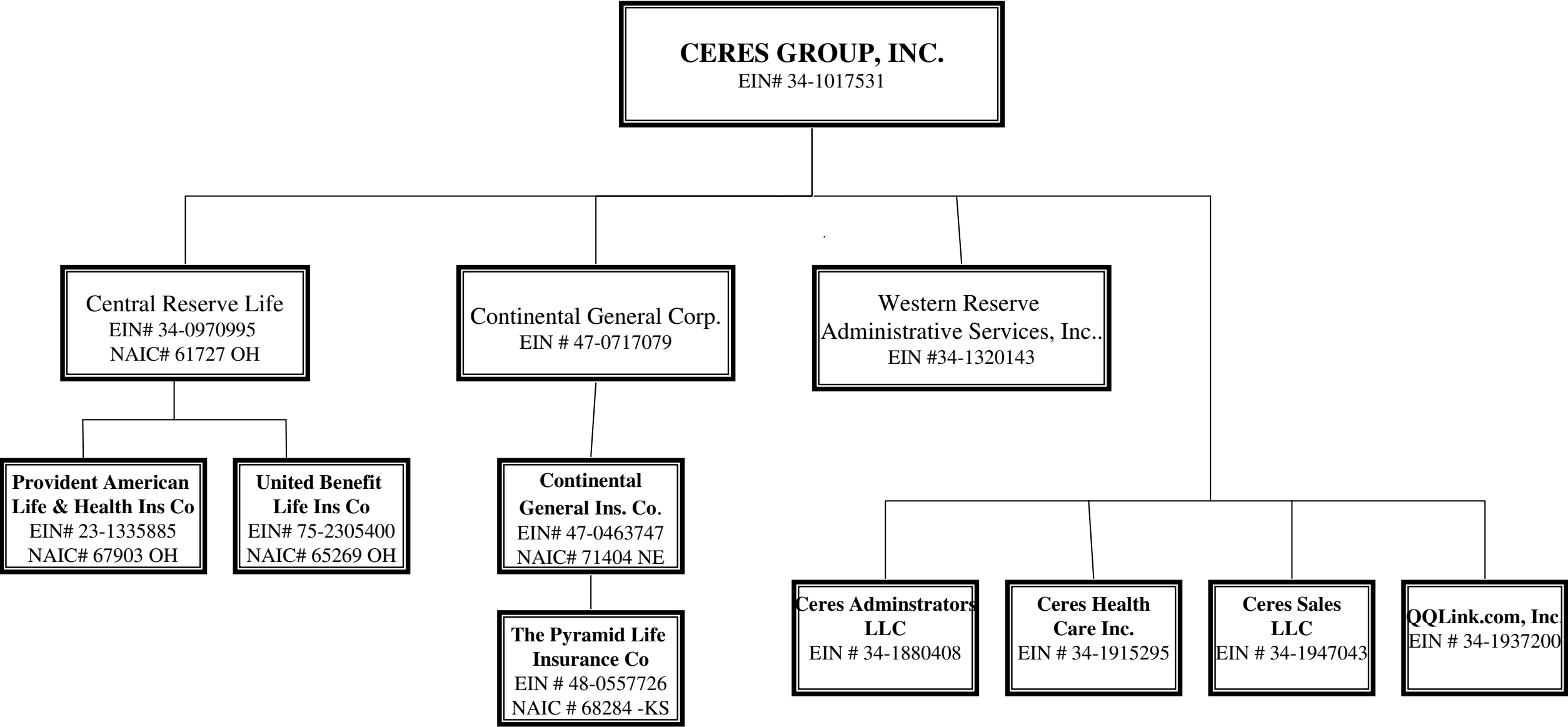
SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS

During Current Year to Date - Allocated by States and Territories

			Direct Business Only				
			Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations
			2 Life Insurance Premiums	3 Annuity Considerations			
States, Etc.		1 Is Insurer Licensed? (Yes or No)					
1. Alabama	AL	Yes	76,741	11,700	6,077,816		
2. Alaska	AK	No	.0	.0	.0		
3. Arizona	AZ	Yes	273,439	1,900	13,713,824		
4. Arkansas	AR	Yes	.91	.0	.697		
5. California	CA	No	.0	.0	.0		
6. Colorado	CO	Yes	6,750	9,600	2,145		
7. Connecticut	CT	No	.0	.0	.0		
8. Delaware	DE	Yes	1,278	.0	107,999		
9. District of Columbia	DC	No	.0	.0	.0		
10. Florida	FL	Yes	4,404	.0	7,135		
11. Georgia	GA	Yes	6,083	.0	887,207		
12. Hawaii	HI	No	.0	.0	.0		
13. Idaho	ID	No	.0	.0	.0		
14. Illinois	IL	Yes	67,300	.0	4,438,029		
15. Indiana	IN	Yes	494,463	54,990	23,491,777		
16. Iowa	IA	Yes	.0	.0	.0		
17. Kansas	KS	Yes	105,870	3,400	8,696,509		
18. Kentucky	KY	Yes	3,378	1,770	2,396		
19. Louisiana	LA	Yes	122	.0	10,164		
20. Maine	ME	No	.0	.0	.0		
21. Maryland	MD	No	.0	.0	.0		
22. Massachusetts	MA	Yes	.98	.0	2,135		
23. Michigan	MI	No	62,896	5,600	3,923,837		
24. Minnesota	MN	No	.0	.0	.0		
25. Mississippi	MS	Yes	1,549	.0	15,081		
26. Missouri	MO	Yes	187,550	4,058	11,446,871		
27. Montana	MT	Yes	.0	.0	512		
28. Nebraska	NE	Yes	111,009	.0	1,583,017		
29. Nevada	NV	Yes	48,684	.0	3,405,643		
30. New Hampshire	NH	No	.0	.0	.0		
31. New Jersey	NJ	No	.0	.0	372		
32. New Mexico	NM	Yes	1,100	.0	91,483		
33. New York	NY	No	.0	.0	.0		
34. North Carolina	NC	Yes	15,320	225	(5,738)		
35. North Dakota	ND	Yes	.0	.0	.0		
36. Ohio	OH	Yes	1,424,049	126,090	55,874,342		
37. Oklahoma	OK	Yes	45,155	.0	3,062,596		
38. Oregon	OR	Yes	.0	.0	.55		
39. Pennsylvania	PA	Yes	45,117	27,588	14,355,899		
40. Rhode Island	RI	No	.0	.0	.0		
41. South Carolina	SC	Yes	16,163	.0	2,553,128		
42. South Dakota	SD	Yes	.0	.0	218		
43. Tennessee	TN	Yes	95,368	.0	6,961,713		
44. Texas	TX	Yes	274,908	.0	13,121,043		
45. Utah	UT	Yes	640	.0	517		
46. Vermont	VT	No	.0	.0	.0		
47. Virginia	VA	Yes	98,966	3,296	4,745,530		
48. Washington	WA	No	.0	.0	.0		
49. West Virginia	WV	Yes	196,513	1,550	9,888,550		
50. Wisconsin	WI	Yes	36,084	.0	3,997,322		
51. Wyoming	WY	Yes					
52. American Samoa	AS	No					
53. Guam	GU	No					
54. Puerto Rico	PR	No					
55. US Virgin Islands	VI	No					
56. Canada	CN	No					
57. Aggregate Other Alien	OT	XXX					
58. Subtotal	(a)	35	3,701,087	251,767	192,459,827		
90. Reporting entity contributions for employee benefit plans		XXX	18,930		359,669		
91. Dividends or refunds applied to purchase paid-up additions and annuities		XXX					
92. Dividends or refunds applied to shorten endowment or premium paying period		XXX					
93. Premium or annuity considerations waived under disability or other contract provisions		XXX					
94. Aggregate of other amounts not allocable by State		XXX					
95. Totals (Direct Business)		XXX	3,720,017	251,767	192,819,496		
96. Plus Reinsurance Assumed		XXX			10,187,399		
97. Totals (All Business)		XXX	3,720,017	251,767	203,006,895		
98. Less Reinsurance Ceded		XXX	2,626,044	.88,118	56,162,789		
99. Totals (All Business) less Reinsurance Ceded		XXX	1,093,973	163,649	146,844,106		
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					
9401.		XXX					
9402.		XXX					
9403.		XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX					
9499. Totals (Lines 9401 thru 9403 plus 9498)(Line 94 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





SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

RESPONSES

1.

Will the SVO Compliance Certification be filed with this statement?

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

Will the Trusteed Surplus Statement be filed with the State of Domicile and the NAIC with this statement?

.....No.....

Explanations:

Bar Codes:

Trusteed Surplus Statement (Document Identifier 490) here:



OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE CENTRAL RESERVE LIFE 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>
US Governments								
United States								
312925-JK-7	FHLMC CALL 4/29/04 @ 5.750% 04/29/09	07/30/2002	FIRST TENNESSEE BANK		1,540,050	1,500,000	22,281	1PE
31364C-6E-3	FNMA CALL 8/27/07@100 6.800% 08/27/12	09/09/2002	FIRST TENNESSEE BANK		1,656,315	1,500,000	3,683	1PE
3136F1-YB-0	FNMA CALL 4/24/07 @100 6.500% 04/24/17	08/19/2002	BERGEN CAPITAL		2,093,438	2,000,000	41,889	1PE
36213E-5N-2	GNMA I POOL # 552653 6.500% 07/15/32	08/15/2002	NOMURA SECURITIES INTL INC		1,032,629	993,808	3,589	1
Total United States					6,322,431	5,993,808	71,442	XXX
0399999 - Total - Bonds - U.S. Government					6,322,431	5,993,808	71,442	XXX
Industrial & Miscellaneous								
United States								
00077B-T3-7	ABN AMRO MORTGAGE CORP 6.500% 08/25/32	08/20/2002	LEHMAN BROTHERS		1,035,977	1,000,000	5,236	1Z*
03072S-CP-8	2002-6 A9							
	AMERIQUEST MTG SEC 4.640% 08/25/32	08/08/2002	UBS (Paine Webber)		999,632	1,000,000	387	1Z*
	2002-3 AF4							
065912-AA-5	BANKAMERICA INST BAC 7.700% 12/31/26	08/07/2002	SALOMON SMITH BARNEY		1,157,024	1,100,000	9,882	1
172967-BA-8	CALLABLE 12/31/06	07/29/2002	CS FIRST BOSTON		1,073,840	1,000,000	11,250	1
22541L-AC-7	CITIGROUP INC 6.750% 12/01/05	09/09/2002	CS FIRST BOSTON		1,046,610	1,000,000	10,292	1
38141G-CG-7	CS FIRST BOSTON USA 6.500% 01/15/12	09/04/2002	GOLDMAN SACHS & CO		1,009,510	1,000,000	1,900	1
	GOLDMAN SACHS 5.700% 09/01/12							
459745-EY-7	INTL LEASE FINANCE 5.750% 02/15/07	09/06/2002	BANK OF AMERICA		1,035,010	1,000,000	3,993	1
590188-JP-4	CORP	08/27/2002	BEAR STEARNS & CO INC		1,033,060	1,000,000	2,167	1PE
90331V-AZ-5	MERRILL LYNCH & CO INC 6.000% 02/17/09	09/27/2002	LEHMAN BROTHERS		1,114,950	1,000,000	13,475	1
	US BANK NA MINNESOTA 6.300% 07/15/08							
Total United States					9,505,613	9,100,000	58,581	XXX
4599999 - Total - Bonds - Industrial, Misc.					9,505,613	9,100,000	58,581	XXX
6099997 - Total - Bonds - Part 3					15,828,044	15,093,808	130,023	XXX
6099998 - Total - Bonds - Part 5					5,400	5,197	19	XXX
6099999 - Total - Bonds					15,833,444	15,099,005	130,042	XXX
6599999 - Total - Preferred Stocks						XXX		XXX
7099999 - Total - Common Stocks						XXX		XXX
7199999 - Total - Preferred and Common Stocks						XXX		XXX
7299999 - Totals					15,833,444	XXX	130,042	XXX

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

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE CENTRAL RESERVE LIFE 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)
US Governments United States																
3133MB-JA-6	FEDERAL HOME LOAN BANK 7.625% 05/14/10	09/23/2002	LEHMAN BROTHERS		2,450,120	2,000,000	2,187,000	2,165,413	(3,905)			284,707	284,707	54,646		1PE
Total United States					2,450,120	2,000,000	2,187,000	2,165,413	(3,905)	0	0	284,707	284,707	54,646	XXX	XXX
0399999 - Bonds - U.S. Governments					2,450,120	2,000,000	2,187,000	2,165,413	(3,905)	0	0	284,707	284,707	54,646	XXX	XXX
Special Revenue & Assessment United States																
31298W-FC-4	FHLMC 30 YR GOLD 7.000% 10/01/31 #C59163	07/01/2002	Paydown		27,274	27,274	27,896	27,274	(616)			0	0	159		1
31298W-FC-4	FHLMC 30 YR GOLD 7.000% 10/01/31 #C59163	08/01/2002	Paydown		60,638	60,638	62,022	60,638	(1,370)			0	0	707		1
31298W-FC-4	FHLMC 30 YR GOLD 7.000% 10/01/31 #C59163	09/01/2002	Paydown		10,668	10,668	10,912	10,668	(241)			0	0	187		1
313311-LX-8	FHLMC 1590 FA 5.500% 01/15/19	07/01/2002	Paydown		72,512	72,512	69,521	72,512	364			0	0	332		1
313311-LX-8	FHLMC 1590 FA 5.500% 01/15/19	08/01/2002	Paydown		72,202	72,202	69,223	72,202	363			0	0	662		1
313311-LX-8	FHLMC 1590 FA 5.500% 01/15/19	09/01/2002	Paydown		71,893	71,893	68,928	71,893	361			0	0	989		1
313314-WD-4	FHLMC 1711 E 7.000% 03/15/23	07/01/2002	Paydown		13,884	13,884	13,762	13,884	53			0	0	81		1
313314-WD-4	FHLMC 1711 E 7.000% 03/15/23	08/01/2002	Paydown		15,053	15,053	14,921	15,053	58			0	0	176		1
313314-WD-4	FHLMC 1711 E 7.000% 03/15/23	09/01/2002	Paydown		16,004	16,004	15,863	16,004	61			0	0	280		1
31371K-LU-3	FNMA 30 YR POOL # 6.500% 03/01/32 254239	07/01/2002	Paydown		8,199	8,199	8,257	8,199	(58)			0	0	44		1
31371K-LU-3	FNMA 30 YR POOL # 6.500% 03/01/32 254239	08/01/2002	Paydown		15,450	15,450	15,558	15,450	(108)			0	0	167		1
31371K-LU-3	FNMA 30 YR POOL # 6.500% 03/01/32 254239	09/01/2002	Paydown		24,666	24,666	24,839	24,666	(173)			0	0	401		1
31388K-K6-8	FNMA 15 YR POOL 6.500% 10/01/16 #607017	07/01/2002	Paydown		11,707	11,707	12,018	11,707	(297)			0	0	63		1
31388K-K6-8	FNMA 15 YR POOL 6.500% 10/01/16 #607017	08/01/2002	Paydown		11,773	11,773	12,086	11,773	(299)			0	0	128		1
31388K-K6-8	FNMA 15 YR POOL 6.500% 10/01/16 #607017	09/01/2002	Paydown		59,255	59,255	60,829	59,255	(1,505)			0	0	963		1
31388Q-CM-9	FNMA 30 YR POOL # 6.500% 10/01/31 611276	07/01/2002	Paydown		38,989	38,989	39,415	38,989	(418)			0	0	211		1
31388Q-CM-9	FNMA 30 YR POOL # 6.500% 10/01/31 611276	08/01/2002	Paydown		38,849	38,849	39,274	38,849	(417)			0	0	421		1
31388Q-CM-9	FNMA 30 YR POOL # 6.500% 10/01/31 611276	09/01/2002	Paydown		279,753	279,753	282,813	279,753	(3,002)			0	0	4,546		1
31388T-QZ-9	FNMA 30YR POOL# 7.000% 01/01/32 C614372	07/01/2002	Paydown		67,032	67,032	68,582	67,032	(1,537)			0	0	391		1
31388T-QZ-9	FNMA 30YR POOL# 7.000% 01/01/32 C614372	08/01/2002	Paydown		84,869	84,869	86,832	84,869	(1,947)			0	0	990		1
31388T-QZ-9	FNMA 30YR POOL# 7.000% 01/01/32 C614372	09/01/2002	Paydown		34,284	34,284	35,077	34,284	(786)			0	0	600		1
31389D-QS-9	FNMA 15 YR POOL 5.500% 12/01/16 #622465	07/01/2002	Paydown		10,892	10,892	10,798	10,892	92			0	0	50		1
31389D-QS-9	FNMA 15 YR POOL 5.500% 12/01/16 #622465	08/01/2002	Paydown		17,243	17,243	17,095	17,243	146			0	0	158		1
31389D-QS-9	FNMA 15 YR POOL 5.500% 12/01/16 #622465	09/01/2002	Paydown		13,875	13,875	13,756	13,875	117			0	0	191		1
Total United States					1,076,963	1,076,963	1,080,277	1,076,963	(11,161)	0	0	0	0	12,897	XXX	XXX
3199999 - Bonds - Special Revenues					1,076,963	1,076,963	1,080,277	1,076,963	(11,161)	0	0	0	0	12,897	XXX	XXX

STATEMENT AS OF SEPTEMBER 30, 2002 OF THE CENTRAL RESERVE LIFE 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)
Public Utilities (unaffiliated) United States																
902118-BA-5	TYCO INTL GROUP 4.950% 08/01/03	08/16/2002	JP MORGAN CHASE		902,500	1,000,000	1,018,010	1,009,880	(1,417)			(107,380)	(107,380)	27,500		3
Total United States					902,500	1,000,000	1,018,010	1,009,880	(1,417)	0	0	(107,380)	(107,380)	27,500	XXX	XXX
3899999 - Bonds - Public Utilities					902,500	1,000,000	1,018,010	1,009,880	(1,417)	0	0	(107,380)	(107,380)	27,500	XXX	XXX
Industrial & Miscellaneous United States																
00077B-UD-3	ABN AMRO MORTGAGE CORP 6.750% 07/25/31 2001-3 B3	07/01/2002	Paydown		596	596	453	596	140				.0	.3		3
00077B-UD-3	ABN AMRO MORTGAGE CORP 6.750% 07/25/31 2001-3 B3	08/01/2002	Paydown		591	591	450	591	139				.0	.7		3
00077B-UD-3	ABN AMRO MORTGAGE CORP 6.750% 07/25/31 2001-3 B3	09/01/2002	Paydown		582	582	443	582	137				.0	.10		3
059438-AF-8	BANC ONE CORP 7.000% 07/15/05	08/15/2002	BANK OF AMERICA		1,090,910	1,000,000	1,061,420	1,048,153	(2,128)			42,757	42,757	41,806		1PE
060505-AD-6	BANK OF AMERICA CORP 7.800% 02/15/10	08/07/2002	MERRILL LYNCH PIERCE FNNR & SM		1,719,510	1,500,000	1,657,455	1,649,224	(1,634)			70,286	70,286	57,525		1
060506-T5-1	BANK OF AMERICA MTG 6.750% 08/25/31 SEC 2001-8 1B4	07/01/2002	Paydown		701	701	541	701	145				.0	.4		3
060506-T5-1	BANK OF AMERICA MTG 6.750% 08/25/31 SEC 2001-8 1B4	08/01/2002	Paydown		709	709	547	709	146				.0	.8		3
060506-T5-1	BANK OF AMERICA MTG 6.750% 08/25/31 SEC 2001-8 1B4	09/01/2002	Paydown		709	709	547	709	146				.0	.12		3
07383F-DB-1	BEAR STEARNS COMM MTG 0.452% 11/15/19 2000 WF1 X	07/01/2002	Paydown				612		(597)				.0	.7		1
07383F-DB-1	BEAR STEARNS COMM MTG 0.452% 11/15/19 2000 WF1 X	08/01/2002	Paydown				524		(511)				.0	.16		1
07383F-DB-1	BEAR STEARNS COMM MTG 0.452% 11/15/19 2000 WF1 X	08/21/2002	DEUTSCHE BANK		445,502		484,810	471,621	(1,444)			(26,119)	(26,119)	23,075		1
126690-DK-9	CWMBS INC 1993-3 B1 7.000% 10/25/23	07/01/2002	Paydown		8,344	8,344	8,209	8,344	110				.0	.49		2
126690-DK-9	CWMBS INC 1993-3 B1 7.000% 10/25/23	08/01/2002	Paydown		4,892	4,892	4,813	4,892	64				.0	.57		2
126690-DK-9	CWMBS INC 1993-3 B1 7.000% 10/25/23	09/01/2002	Paydown		14,899	14,899	14,658	14,899	196				.0	.261		2
126690-NB-8	CWMBS INC 1993-13 B1 6.375% 02/25/24	07/01/2002	Paydown		4,999	4,999	4,535	4,999	379				.0	.27		2
126690-NB-8	CWMBS INC 1993-13 B1 6.375% 02/25/24	08/01/2002	Paydown		3,418	3,418	3,101	3,418	259				.0	.36		2
126690-NB-8	CWMBS INC 1993-13 B1 6.375% 02/25/24	09/01/2002	Paydown		8,342	8,342	7,568	8,342	633				.0	.133		2
126690-ZP-4	CWMBS INC 1994-11 B1 6.500% 05/25/24	07/01/2002	Paydown		3,191	3,191	2,866	3,191	273				.0	.17		2
126690-ZP-4	CWMBS INC 1994-11 B1 6.500% 05/25/24	08/01/2002	Paydown		13,923	13,923	12,505	13,923	1,193				.0	.151		2
126690-ZP-4	CWMBS INC 1994-11 B1 6.500% 05/25/24	09/01/2002	Paydown		11,379	11,379	10,220	11,379	975				.0	.185		2
233835-AS-6	DAIMLERCHRYSLER 6.400% 05/15/06	08/15/2002	JP MORGAN CHASE		1,047,980	1,000,000	991,830	993,508	173			54,472	54,472	16,889		2PE
36157L-UP-1	GECMS 1993-17 B1 6.500% 12/25/23	07/01/2002	Paydown		10,097	10,097	9,721	10,097	316				.0	.55		1
36157L-UP-1	GECMS 1993-17 B1 6.500% 12/25/23	08/01/2002	Paydown		15,226	15,226	14,660	15,226	476				.0	.165		1
36157L-UP-1	GECMS 1993-17 B1 6.500% 12/25/23	09/01/2002	Paydown		27,500	27,500	26,478	27,500	860				.0	.447		1
36157R-N7-6	GECMS 1999-10 A2 6.250% 04/25/14	07/01/2002	Paydown		43,176	43,176	44,343	43,176	(1,115)				.0	.225		1

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SCHEDULE D - PART 4

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

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)
36157R-N7-6	GECMS 1999-10 A2 6.250% 04/25/14	08/01/2002	Paydown		56,178	56,178	57,697	56,178	(1,451)				.0	585		1
36157R-N7-6	GECMS 1999-10 A2 6.250% 04/25/14	09/01/2002	Paydown		100,716	100,716	103,438	100,716	(2,602)				.0	1,574		1
36157R-V7-7	GECMS 1999-9 B3 6.750% 04/25/29	07/01/2002	Paydown		746	746	594	746	147				.0	4		2
36157R-V7-7	GECMS 1999-9 B3 6.750% 04/25/29	08/01/2002	Paydown		738	738	587	738	145				.0	8		2
36157R-V7-7	GECMS 1999-9 B3 6.750% 04/25/29	09/01/2002	Paydown		744	744	592	744	147				.0	13		2
38141G-BU-7	GOLDMAN SACHS 6.600% 01/15/12	09/04/2002	GOLDMAN SACHS & CO.		1,346,138	1,250,000	1,250,000	1,250,000				96,138	96,138	54,771		1
	HOUSING SECURITIES INC 7.000% 09/25/23															
44182D-HG-7	1993-F F9M3	07/01/2002	Paydown		6,490	6,490	6,438	6,490	48				.0	38		2
	HOUSING SECURITIES INC 7.000% 09/25/23															
44182D-HG-7	1993-F F9M3	08/01/2002	Paydown		7,396	7,396	7,337	7,396	55				.0	86		2
	HOUSING SECURITIES INC 7.000% 09/25/23															
44182D-HG-7	1993-F F9M3	09/01/2002	Paydown		17,606	17,606	17,466	17,606	130				.0	308		2
	MORGAN STANLEY CAPITAL 0.386% 12/15/31															
61745M-LE-1	1 1999-RM1 X	07/01/2002	Paydown				666		(645)				.0	9		1
	MORGAN STANLEY CAPITAL 0.386% 12/15/31															
61745M-LE-1	1 1999-RM1 X	08/01/2002	Paydown				588		(569)				.0	19		1
	MORGAN STANLEY CAPITAL 0.386% 12/15/31															
61745M-LE-1	1 1999-RM1 X	09/01/2002	Paydown				591		(572)				.0	31		1
635405-AL-7	NATIONAL CITY CORP 5.750% 02/01/09	09/27/2002	LEHMAN BROTHERS		1,063,150	1,000,000	973,150	981,031	578			82,119	82,119	38,493		??
65473M-AC-6	NISSAN AUTO LEASE TR 7.800%	05/20/03	Paydown		290,313	290,313	289,757	290,313	177				.0	1,887		1PE
	NISSAN AUTO LEASE TR 7.800% 05/20/03															
65473M-AC-6	NISSAN AUTO LEASE TR 7.800%	08/20/2002	Paydown		282,529	282,529	281,988	282,529	172				.0	3,673		1PE
	NISSAN AUTO LEASE TR 7.800% 05/20/03															
65473M-AC-6	NISSAN AUTO LEASE TR 7.800%	09/20/2002	Paydown		247,412	247,412	246,938	247,412	151				.0	4,825		1PE
655492-AH-9	NORCEN ENERGY RES 6.800% 07/02/02	07/02/2002	Maturity		500,000	500,000	504,960	500,000	(1)				.0	17,000		2PE
	NORWEST ASSET 6.500% 02/25/29															
66937R-LR-8	SECURITIES CORP 1999-1 B4	07/01/2002	Paydown		522	522	413	522	107				.0	3		2
	NORWEST ASSET 6.500% 02/25/29															
66937R-LR-8	SECURITIES CORP 1999-1 B4	08/01/2002	Paydown		528	528	418	528	108				.0	6		2
	NORWEST ASSET 6.500% 02/25/29															
66937R-LR-8	SECURITIES CORP 1999-1 B4	09/01/2002	Paydown		518	518	409	518	106				.0	8		2
	NORWEST ASSET 6.000% 03/25/14															
66937R-MS-5	SECURITIES CORP 1999-5 A7	07/01/2002	Paydown		69,875	69,875	71,076	69,875	(1,116)				.0	349		1
	NORWEST ASSET 6.000% 03/25/14															
66937R-MS-5	SECURITIES CORP 1999-5 A7	08/01/2002	Paydown		75,787	75,787	77,090	75,787	(1,210)				.0	758		1
	NORWEST ASSET 6.000% 03/25/14															
66937R-MS-5	SECURITIES CORP 1999-5 A7	09/01/2002	Paydown		116,763	116,763	118,770	116,763	(1,864)				.0	1,751		1
	PNC MORTGAGE 1.607% 03/12/34															
69348H-DL-9	ACCEPTANCE CORP 2001-C1 X	07/01/2002	Paydown				372		(361)				.0	5		1
	PNC MORTGAGE 1.607% 03/12/34															
69348H-DL-9	ACCEPTANCE CORP 2001-C1 X	08/01/2002	Paydown				291		(282)				.0	8		1
	PNC MORTGAGE 1.607% 03/12/34															
69348H-DL-9	ACCEPTANCE CORP 2001-C1 X	08/21/2002	MORGAN STANLEY & CO INC		473,014		491,965	475,111	(1,775)			(2,096)	(2,096)	20,317		1
	PAINE WEBBER MTG ACCEP 6.875% 06/25/08															
695927-CM-3	CORP 1993-5 M1	07/01/2002	Paydown		3,271	3,271	3,240	3,271	22				.0	19		1PE
	PAINE WEBBER MTG ACCEP 6.875% 06/25/08															
695927-CM-3	CORP 1993-5 M1	08/01/2002	Paydown		5,434	5,434	5,383	5,434	37				.0	62		1PE
	PAINE WEBBER MTG ACCEP 6.875% 06/25/08															
695927-CM-3	CORP 1993-5 M1	09/01/2002	Paydown		8,153	8,153	8,077	8,153	55				.0	140		1PE

## SCHEDULE D - PART 4

### E05.3

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



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

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## SCHEDULE E - PART 1 - CASH

[illegible]