



# ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2002

OF THE CONDITION AND AFFAIRS OF THE

## Victoria Select Insurance Company

NAIC Group Code 0304 0304 NAIC Company Code 10105 Employer's ID Number 34-1777972  
(Current Period) (Prior Period)

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

Country of Domicile United States of America

Incorporated May 25, 1994 Commenced Business September 1, 1995

Statutory Home Office 5915 Landerbrook Drive, Cleveland, OH 44124-4058  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 5915 Landerbrook Drive  
(Street and Number)  
Cleveland, OH 44124-4058 440-461-3461  
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 5915 Landerbrook Drive, Cleveland, OH 44124-4058  
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 5915 Landerbrook Drive  
(Street and Number)  
Cleveland, OH 44124-4058 440-461-3461-321  
(City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

Internet Website Address www.victoriainsurance.com

Statement Contact Raymond Karl Mueller 440-461-3461-321  
(Name) (Area Code) (Telephone Number) (Extension)  
ray.mueller@victoriainsurance.com 440-461-0492  
(E-mail Address) (Fax Number)

Policyowner Relations Contact 5915 Landerbrook Drive  
(Street and Number)  
Cleveland, OH 44124-4058 440-461-3461-441  
(City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

### OFFICERS

President	<u>Robert William Mueller</u>	Secretary	<u>Carl Arthur Peterson</u>
Chief Financial Officer	<u>Joseph William Metz</u>	Treasurer	<u>Nicholas Adam Hencoski</u>
Vice President	<u>Howard Veail Dempster</u>	Assistant Secretary	<u>Assunta Rossi</u>
Vice President	<u>David Alan Nachman</u>	Assistant Treasurer	<u>Raymond Karl Mueller</u>

### VICE PRESIDENTS

<u>Howard Veail Dempster</u>	<u>Joseph William Metz</u>	<u>David Alan Nachman</u>
<u>Thomas Owen Ramsbacher</u>		

### DIRECTORS OR TRUSTEES

<u>James Thomas Byron</u>	<u>Howard Veail Dempster</u>	<u>Roger Louis Desjadon</u>
<u>Sharon Leslie Helldorfer</u>	<u>Brendan Patrick Houlihan</u>	<u>Robert William Mueller</u>
<u>Joseph John Pecoraro</u>	<u>James Andrew Tignanelli</u>	

State of Ohio }  
County of Cuyahoga } 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.

<u>Robert William Mueller</u> President	<u>Assunta Rossi, Assistant Secretary</u> Secretary	<u>Raymond Karl Mueller, Assistant Treasurer</u> Treasurer
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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003

a. Is this an original filing? Yes [ X ] No [ ]

b. If no,

1. State the amendment number \_\_\_\_\_

2. Date filed \_\_\_\_\_

3. Number of pages attached \_\_\_\_\_

Schedule A - Part 1

**NONE**

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**

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Select Insurance Company**

**SCHEDULE D - PART 1**

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21	
			4	5									14	15							
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest	
US Governments																					
Issuer Obligations (10)																					
United States																					
912810-DX-3	UNITED STATES TREASURY DTD 11/17/1986		7.500	MN	11/15/2016			317,040	250,000	130.7800	326,953	318,281	2,434	9,375	(1,241)			1	08/16/2002	4.830	
	UNITED STATES TREASURY 8.50000 02/15/2020																				
912810-EE-4	TSY/TSY		8.500	FA	02/15/2020			350,148	250,000	144.1600	360,390	351,523	8,026		(1,375)			1	08/16/2002	4.990	
912810-EL-8	UNITED STATES TREASURY BONDS		8.000	MN	11/15/2021			339,017	250,000	139.3400	348,360	340,049	2,597	10,000	(1,032)			1	08/16/2002	5.050	
912810-FP-8	UNITED STATES TREASURY		5.375	FA	02/15/2031			297,480	300,000	109.0300	327,093	297,469	6,091	8,063	.11			1	07/18/2002	5.430	
	UNITED STATES TREASURY 6.75000 05/15/2005																				
912827-6D-9	TSY/TSY		6.750	MN	05/15/2005			1,992,337	1,900,000	111.5000	2,118,500	2,043,836	16,651	128,250	(36,148)			1	07/23/2001	4.560	
	UNITED STATES TREASURY 5.75000 08/15/2010																				
912827-6J-6	TSY/TSY		5.750	FA	08/15/2010			618,525	600,000	114.9700	689,814	619,969	13,031	17,250	(1,444)			1	04/04/2002	5.250	
912827-7F-3	UNITED STATES TREASURY		3.500	MN	11/15/2006			96,720	100,000	104.0600	104,063	95,922	454	3,500	760			1	12/10/2001	4.430	
912827-L8-3	UNITED STATES TREASURY NT		5.750	FA	08/15/2003			698,820	700,000	102.7800	719,467	693,937	15,203	40,250	1,723			1	12/31/1999	6.020	
Total United States								4,710,087	4,350,000	XXX	4,994,640	4,760,986	64,487	216,688	(38,746)	0	0	XXX	XXX	XXX	
0199999 - Total Bonds - U.S. Government - Issuer Obligations								4,710,087	4,350,000	XXX	4,994,640	4,760,986	64,487	216,688	(38,746)				XXX	XXX	XXX
Single Class Mortgage (SC)																					
United States																					
36208P-S9-0	GNMA1 SINGLE FAMILY 6.5000 06/15/2028 MBS/MBS		6.500	MTLY	06/15/2028			1,159,315	1,160,395	105.0600	1,219,140	1,159,307	6,285	75,426	(8)			1	06/18/2001	6.550	
36225B-EV-6	GNMA1 SF 30 YR PLATI 6.5000 06/15/2029 MBS/MBS		6.500	MTLY	06/15/2029			922,721	918,687	105.0000	964,622	922,707	4,976	59,715	(11)			1	07/20/2001	6.420	
Total United States								2,082,036	2,079,082	XXX	2,183,762	2,082,014	11,261	135,141	(19)	0	0	XXX	XXX	XXX	
0299999 - Total Bonds - U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities								2,082,036	2,079,082	XXX	2,183,762	2,082,014	11,261	135,141	(19)				XXX	XXX	XXX
0399996 - Bonds - U.S. Government								6,792,123	6,429,082	XXX	7,178,402	6,843,000	75,748	351,829	(38,765)				XXX	XXX	XXX
0399999 - Total - U.S. Government Bonds								6,792,123	6,429,082	XXX	7,178,402	6,843,000	75,748	351,829	(38,765)				XXX	XXX	XXX
5499999 - Total - Issuer Obligations								4,710,087	4,350,000	XXX	4,994,640	4,760,986	64,487	216,688	(38,746)				XXX	XXX	XXX
5599999 - Total - Single Class Mortgage-Backed/Asset-Backed Securities								2,082,036	2,079,082	XXX	2,183,762	2,082,014	11,261	135,141	(19)				XXX	XXX	XXX
6099999 Totals								6,792,123	6,429,082	XXX	7,178,402	6,843,000	75,748	351,829	(38,765)				XXX	XXX	XXX

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Schedule D - Part 2 - Section 1

**NONE**

Schedule D - Part 2 - Section 2

**NONE**



**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Select Insurance Company**

**SCHEDULE D - PART 4**

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	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
BONDS															
US Governments															
United States															
36208P-S9-0...	GNMA1 SINGLE FAMILY 6.500 06/15/28 6.5000 06/15/2028 MBS/MBS.....	12/01/2002	Paydown.....		.638,242	.638,242	.637,644	.637,652	.590				.0	28,828	
36225B-EV-6...	GNMA1 SF 30 YR PLAT1 6.500 06/15/29 6.5000 06/15/2029 MBS/MBS.....	12/01/2002	Paydown.....		.440,650	.440,650	.442,578	.442,590	(1,940)				.0	17,481	
912827-65-5...	UNITED STATES TREASURY 6.375 08/15/02 TREASURY NOTES WI.....	08/15/2002	Maturity.....		.800,000	.800,000	.792,568	.798,061	1,939				.0	51,000	
Total United States					1,878,892	1,878,892	1,872,790	1,878,303	589	0	0	0	0	97,309	XXX
0399996 - Bonds - U.S. Government					1,878,892	1,878,892	1,872,790	1,878,303	589					97,309	XXX
0399999 - Bonds - U.S. Governments					1,878,892	1,878,892	1,872,790	1,878,303	589					97,309	XXX
6099997 - Bonds - Part 4					1,878,892	1,878,892	1,872,790	1,878,303	589					97,309	XXX
6099998 - Bonds - Part 5					0	0	0	0	0	0	0	0	0	0	XXX
6099999 - Total - Bonds					1,878,892	1,878,892	1,872,790	1,878,303	589	0	0	0	0	97,309	XXX
6599998 - Preferred Stocks - Part 5					0	XXX	0	0	0	0	0	0	0	XXX	0
6599999 - Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	XXX	0
7099998 - Common Stocks - Part 5					0	XXX	0	0	0	0	0	0	0	XXX	0
7099999 - Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	XXX	0
7199999 - Total - Preferred and Common Stocks					0	XXX	0	0	0	0	0	0	0	XXX	0
7299999 Totals					1,878,892	XXX	1,872,790	1,878,303	589	0	0	0	0	97,309	0

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Schedule D - Part 5

**NONE**

Schedule D - Part 6 - Section 1

**NONE**

Schedule D - Part 6 - Section 2

**NONE**

Schedule DA - Part 1

**NONE**

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part A - Section 2

**NONE**

Schedule DB - Part A - Section 3

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part B - Section 2

**NONE**

Schedule DB - Part B - Section 3

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Part C - Section 3

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DB - Part D - Section 3

**NONE**

Schedule DB - Part E - Section 1

**NONE**

## SCHEDULE DM

For bonds and preferred stocks owned as of December 31, state the aggregate statement (admitted) value, the aggregate fair value, and the aggregate difference, if any, between them.

	1	2	3
	Statement (Admitted) Value	Fair Value (a)	Excess of Statement over Fair Value(-), or Fair Value over Statement (+)
1. Bonds .....	6,792,123	7,178,402	386,279
2. Preferred Stocks .....	0		0
3. Totals	6,792,123	7,178,402	386,279

(a) Amortized or book values shall not be substituted for fair values. Describe the sources or methods utilized in determining the fair values.

The factors used to produce the bond portfolio market valuation calculation were prevailing market rates, average life, and bond quality and market characteristics.....

Public issue bond prices were derived from commercial bond pricing services. The value of public issues portfolios were combined with the direct placement market values to form a total market value for the Company as of December 31, 2002.....



