



ANNUAL STATEMENT

For the Year Ended December 31, 2002
of the Condition and Affairs of the

AMERICAN HARDWARE MUTUAL INSURANCE COMPANY

NAIC Group Code..... 291, 291 (Current Period) (Prior Period) NAIC Company Code..... 13331 Employer's ID Number..... 41-0299900

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

Country of Domicile US

Incorporated..... May 25, 1899

Commenced Business..... January 3, 1900

| | | |
|---------------------------------------|---|--|
| Statutory Home Office | 471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i> | |
| Main Administrative Office | 471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i> | 614-225-8211 <i>(Area Code) (Telephone Number)</i> |
| Mail Address | 471 East Broad Street Columbus OH 43215 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i> | |
| Primary Location of Books and Records | 471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i> | 614-225-8211 <i>(Area Code) (Telephone Number)</i> |
| Internet Website Address | MotoristsGroup.com | |
| Statement Contact | James E. Vermillion <i>(Name)</i> MIC-AHIG.Accounting@MotoristsGroup.com <i>(E-Mail Address)</i> | 614-225-8331 <i>(Area Code) (Telephone Number) (Extension)</i> 614-225-8330 <i>(Fax Number)</i> |
| Policyowner Relations Contact | 471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i> | 1-800-876-6642 <i>(Area Code) (Telephone Number) (Extension)</i> |

OFFICERS

President John Jacob Bishop Treasurer Michael Lee Wiseman Secretary Thomas Charles Ogg

VICE PRESIDENTS

David William Lemon

DIRECTORS OR TRUSTEES

| | | | |
|----------------------------|-----------------------|---------------------|---------------------|
| John Jacob Bishop | Alan Nicholas Dekker | David William Lemon | Thomas Charles Ogg |
| Robert Elvin Herman Rabold | Burtis Gilbert Taylor | Garry Lee Wharton | Michael Lee Wiseman |

State of Ohio
County of Franklin

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.

John J. Bishop
President

Thomas C. Ogg
Secretary

Michael L. Wiseman
Treasurer

Subscribed and sworn to before me this

14th day of February, 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.....

Sch. A-Pt. 1
NONE

Sch. A-Pt. 2
NONE

Sch. A-Pt. 3
NONE

Sch. B-Pt. 1
NONE

Sch. B-Pt. 2
NONE

Sch. BA-Pt. 1
NONE

Sch. BA-Pt. 2
NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF THAMERICAN HARDWARE MUTUAL 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 Identifi- cation | 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 December 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 December 31, Current Year, on Bonds in Default as to Principal or Interest | NAIC Desig- nation | Date Acquired | Effective Rate of Interest |
| U.S. Government - Issuer Obligations | | | | | | | | | | | | | | | | | | | | |
| 3128X0-BD-0 | Federal Home Loan Mtg Corp | | 4.750 | AO | 10/11/2012 | 10/11/2005 | 100.000 | 7,996,067 | 8,000,000 | 101.0310 | 8,082,480 | 7,996,875 | 84,444 | | (808) | | | 1 | 12/16/2002 | 4.696 |
| 312925-QA-1 | Federal Home Loan Mtg Corp LS | | 6.000 | MN | 05/25/2012 | 05/25/2004 | 100.000 | 1,035,298 | 1,000,000 | 104.4380 | 1,044,380 | 1,038,000 | 6,000 | 29,333 | (2,702) | | | 1PE | 11/21/2002 | 3.394 |
| 312925-ZV-5 | Federal Home Loan Mtg Corp LS | | 5.000 | JJ | 07/30/2009 | 07/30/2004 | 100.000 | 4,122,482 | 4,000,000 | | 4,122,482 | 4,132,480 | 83,889 | | (9,998) | | | 1PE | 11/07/2002 | 3.000 |
| 31331Q-JG-3 | Fed Farm Credit Bank LS | | 4.875 | MN | 11/15/2012 | 11/15/2005 | 100.000 | 5,036,342 | 5,000,000 | | 5,036,342 | 5,038,125 | 31,146 | | (1,783) | | | 1PE | 11/13/2002 | 4.600 |
| 3133MT-B9-8 | Federal Home Loan Bank LS | | 6.125 | MN | 11/13/2017 | 11/03/2003 | 100.000 | 5,088,910 | 5,000,000 | | 5,088,910 | 5,103,100 | 40,833 | | (14,190) | | | 1PE | 11/07/2002 | 3.944 |
| 3133MT-FS-2 | Federal Home Loan Bank | | 5.950 | MN | 11/20/2017 | 11/20/2003 | 100.000 | 2,022,197 | 2,000,000 | | 2,022,197 | 2,025,120 | 13,553 | | (2,923) | | | 1PE | 11/01/2002 | 4.650 |
| 3134A4-HE-7 | Federal Home Loan Mtg Corp LS | | 6.375 | FA | 08/01/2011 | 08/01/2006 | 100.000 | 1,072,238 | 1,000,000 | 109.8130 | 1,098,130 | 1,075,000 | 26,563 | | (2,762) | | | 1 | 11/06/2002 | 4.182 |
| 31359M-LD-3 | Federal National Mortgage Assn LS | | 5.500 | AO | 10/18/2011 | 10/18/2004 | 100.000 | 5,207,930 | 5,000,000 | 104.6560 | 5,232,800 | 5,223,050 | 55,764 | | (15,120) | | | 1PE | 11/12/2002 | 3.100 |
| 3136F2-QH-4 | Federal National Mortgage Assn | | 5.750 | MN | 11/07/2017 | 11/07/2005 | 100.000 | 5,098,676 | 5,000,000 | | 5,098,676 | 5,100,000 | 43,125 | | (1,324) | | | 1PE | 12/12/2002 | 4.996 |
| 3136F2-RD-2 | Federal National Mortgage Assn LS | | 6.040 | MN | 11/13/2017 | 11/13/2004 | 100.000 | 3,925,952 | 3,835,000 | | 3,925,952 | 3,927,960 | 30,885 | | (2,009) | | | 1PE | 12/12/2002 | 4.694 |
| 912810-DU-9 | U S Treasury Notes LS | | 9.375 | FA | 02/15/2006 | | | 9,300,002 | 8,600,000 | 122.0000 | 10,492,000 | 10,236,188 | 304,535 | 806,250 | (196,817) | | | 1 | 08/30/2000 | 6.450 |
| 912827-4F-6 | U S Treasury Notes | | 5.625 | MN | 05/15/2008 | | | 2,591,648 | 2,500,000 | 113.4690 | 2,647,656 | 2,836,725 | 18,258 | 140,625 | (14,642) | | | 1 | 11/23/1998 | 4.840 |
| 912827-N8-1 | U S Treasury Notes | | 5.875 | FA | 02/15/2004 | | | 1,500,152 | 1,500,000 | 105.1560 | 1,577,340 | 1,501,875 | 33,286 | 88,125 | (226) | | | 1 | 02/16/1994 | 5.858 |
| 912827-W8-1 | U S Treasury Notes LS | | 5.625 | FA | 02/15/2006 | | | 504,567 | 500,000 | 110.7500 | 553,750 | 509,219 | 10,623 | 28,125 | (1,322) | | | 1 | 03/23/1999 | 5.301 |
| 0199999 | U.S. Government - Issuer Obligations | | | | | | | 54,502,461 | 52,935,000 | XXX | 56,212,164 | 55,554,648 | 782,904 | 1,092,458 | (266,626) | | | 0 | XXX | XXX |
| U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities | | | | | | | | | | | | | | | | | | | | |
| 36209H-RH-0 | GNMA Pool #472188 | | 6.740 | MTLY | 04/15/2034 | | | 335,519 | 328,617 | | 335,519 | 336,011 | 1,846 | 22,149 | (144) | | | 1 | 04/23/1999 | 6.609 |
| 36209P-FC-6 | GNMA Pool #477263 | | 6.750 | MTLY | 06/15/2039 | | | 1,553,540 | 1,525,327 | | 1,553,540 | 1,555,075 | 8,580 | 102,960 | (445) | | | 1 | 05/01/1999 | 6.659 |
| 36210K-PS-8 | GNMA Pool #494633 | | 6.850 | MTLY | 05/15/2034 | | | 2,113,892 | 2,052,005 | | 2,113,892 | 2,118,054 | 11,714 | 140,562 | (1,232) | | | 1 | 05/01/1999 | 6.636 |
| 36213N-GC-4 | GNMA Pool #559195 | | 7.600 | MTLY | 08/15/2031 | | | 4,184,806 | 3,953,493 | | 4,184,806 | 4,190,702 | 25,039 | 300,465 | (4,946) | | | 1 | 07/19/2001 | 7.089 |
| 36223J-LG-6 | GNMA Pool #309127 | | 8.500 | MTLY | 05/15/2031 | | | 999,539 | 944,941 | | 999,539 | 998,094 | 6,693 | 80,320 | 7,335 | | | 1 | 12/13/1993 | 4.821 |
| 36223L-AT-5 | GNMA Pool #310618 | | 9.500 | MTLY | 10/15/2021 | | | 100,546 | 94,965 | | 100,546 | 100,781 | 752 | 9,022 | (116) | | | 1 | 03/09/1992 | 7.138 |
| 0299999 | U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities | | | | | | | 9,287,842 | 8,899,348 | XXX | 9,287,842 | 9,298,717 | 54,624 | 655,478 | 452 | | | 0 | XXX | XXX |
| 0399999 | Total - U.S. Government | | | | | | | 63,790,303 | 61,834,348 | XXX | 65,500,006 | 64,853,365 | 837,528 | 1,747,936 | (266,174) | | | 0 | XXX | XXX |
| States, Territories & Possessions (Direct and Guaranteed) - Issuer Obligations | | | | | | | | | | | | | | | | | | | | |
| Connecticut | | | | | | | | | | | | | | | | | | | | |
| 20772F-RQ-5 | Connecticut State Ser D | | 5.125 | MN | 11/15/2013 | 11/15/2011 | 100.000 | 1,059,512 | 1,000,000 | | 1,059,512 | 1,063,080 | 6,549 | 51,250 | (3,568) | | | 1PE | 05/03/2002 | 4.310 |
| | Connecticut | | | | | | | 1,059,512 | 1,000,000 | XXX | 1,059,512 | 1,063,080 | 6,549 | 51,250 | (3,568) | | | 0 | XXX | XXX |
| Georgia | | | | | | | | | | | | | | | | | | | | |
| 373382-X2-1 | Georgia State Ser B | | 4.800 | AO | 04/01/2015 | | | 1,530,569 | 1,500,000 | | 1,530,569 | 1,531,665 | 18,000 | 36,000 | (1,096) | | | 1PE | 05/28/2002 | 4.580 |
| | Georgia | | | | | | | 1,530,569 | 1,500,000 | XXX | 1,530,569 | 1,531,665 | 18,000 | 36,000 | (1,096) | | | 0 | XXX | XXX |
| Illinois | | | | | | | | | | | | | | | | | | | | |
| 452150-M8-5 | Illinois State | | 5.500 | JD | 12/01/2010 | | | 2,218,964 | 2,000,000 | | 2,218,964 | 2,246,460 | 9,167 | 110,000 | (23,223) | | | 1PE | 10/18/2001 | 3.880 |
| | Illinois | | | | | | | 2,218,964 | 2,000,000 | XXX | 2,218,964 | 2,246,460 | 9,167 | 110,000 | (23,223) | | | 0 | XXX | XXX |
| New Jersey | | | | | | | | | | | | | | | | | | | | |
| 646039-AQ-0 | New Jersey State | | 5.250 | JJ | 07/01/2011 | | | 1,096,030 | 1,000,000 | | 1,096,030 | 1,107,150 | 26,250 | 39,375 | (9,357) | | | 1PE | 10/18/2001 | 3.911 |
| | New Jersey | | | | | | | 1,096,030 | 1,000,000 | XXX | 1,096,030 | 1,107,150 | 26,250 | 39,375 | (9,357) | | | 0 | XXX | XXX |
| South Carolina | | | | | | | | | | | | | | | | | | | | |
| 837107-H4-6 | South Carolina State | | 4.500 | AO | 04/01/2015 | 04/01/2012 | 100.000 | 2,010,615 | 2,000,000 | | 2,010,615 | 2,011,640 | 22,500 | 90,000 | (921) | | | 1PE | 08/28/2001 | 4.429 |
| 837107-UX-7 | South Carolina State | | 4.600 | MN | 05/01/2014 | 05/01/2011 | 100.000 | 1,015,862 | 1,000,000 | | 1,015,862 | 1,017,760 | 7,667 | 46,000 | (1,553) | | | 1PE | 10/15/2001 | 4.370 |
| | South Carolina | | | | | | | 3,026,477 | 3,000,000 | XXX | 3,026,477 | 3,029,400 | 30,167 | 136,000 | (2,474) | | | 0 | XXX | XXX |
| Utah | | | | | | | | | | | | | | | | | | | | |
| 917542-JX-1 | State of Utah | | 4.500 | JJ | 07/01/2011 | 07/01/2009 | 100.000 | 5,070,557 | 5,000,000 | | 5,070,557 | 5,082,550 | 112,500 | 243,750 | (9,243) | | | 1PE | 08/15/2001 | 4.249 |
| | Utah | | | | | | | 5,070,557 | 5,000,000 | XXX | 5,070,557 | 5,082,550 | 112,500 | 243,750 | (9,243) | | | 0 | XXX | XXX |
| | Total States and US | | | | | | | 14,002,109 | 13,500,000 | XXX | 14,002,109 | 14,060,305 | 202,633 | 616,375 | (48,961) | | | 0 | XXX | XXX |
| 1199999 | States, Territories & Possessions - Issuer Obligations | | | | | | | 14,002,109 | 13,500,000 | XXX | 14,002,109 | 14,060,305 | 202,633 | 616,375 | (48,961) | | | 0 | XXX | XXX |
| 1799999 | Total - States, Territories & Possessions (Direct and Guaranteed) | | | | | | | 14,002,109 | 13,500,000 | XXX | 14,002,109 | 14,060,305 | 202,633 | 616,375 | (48,961) | | | 0 | XXX | XXX |
| Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations | | | | | | | | | | | | | | | | | | | | |
| Pennsylvania | | | | | | | | | | | | | | | | | | | | |
| 07487T-AB-9 | Beaver Cnty Indust Dev Auth | | | MN | 11/20/2024 | | | 2,559,156 | 11,610,000 | | 2,559,156 | 1,985,658 | | | 170,851 | | | 1PE | 04/14/1999 | 7.030 |
| | Pennsylvania | | | | | | | 2,559,156 | 11,610,000 | XXX | 2,559,156 | 1,985,658 | | | 170,851 | | | 0 | XXX | XXX |
| | Total States and US | | | | | | | 2,559,156 | 11,610,000 | XXX | 2,559,156 | 1,985,658 | | | 170,851 | | | 0 | XXX | XXX |

E08

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL 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 December 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 December 31, Current Year, on Bonds in Default as to Principal or Interest | NAIC Designation | Date Acquired | Effective Rate of Interest |
| 2599999 | Special Revenue & Assessment Obligations - Issuer Obligations..... | | | | | | | 2,559,156 | 11,610,000 | XXX | 2,559,156 | 1,985,658 | 0 | 0 | 170,851 | 0 | 0 | XXX | XXX | XXX |
| 3199999 | Total - Special Revenue & Special Assessment Obligations..... | | | | | | | 2,559,156 | 11,610,000 | XXX | 2,559,156 | 1,985,658 | 0 | 0 | 170,851 | 0 | 0 | XXX | XXX | XXX |
| Public Utilities (Unaffiliated) - Issuer Obligations | | | | | | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | | | | | | |
| 079867-AG-2 | BellSouth Telecommuncations..... | | 7.500 | JD | 06/15/2033 | 06/15/2007 | 103.800 | 4,189,114 | 4,000,000 | 105.2500 | 4,210,000 | 4,215,600 | 13,333 | 300,000 | (6,920) | | | 1 | 08/24/1998 | 6.987 |
| 906548-BT-8.. | Union Electric..... | | 7.690 | JD | 12/15/2036 | 12/15/2012 | 101.520 | 522,122 | 500,000 | 105.0230 | 525,115 | 525,350 | 1,709 | 38,450 | (974) | | | 1PE | 04/23/1999 | 7.167 |
| | United States..... | | | | | | | 4,711,236 | 4,500,000 | XXX | 4,735,115 | 4,740,950 | 15,042 | 338,450 | (7,894) | 0 | 0 | XXX | XXX | XXX |
| 3299999 | Public Utilities (Unaffiliated) - Issuer Obligations..... | | | | | | | 4,711,236 | 4,500,000 | XXX | 4,735,115 | 4,740,950 | 15,042 | 338,450 | (7,894) | 0 | 0 | XXX | XXX | XXX |
| 3899999 | Total - Public Utilities (Unaffiliated)..... | | | | | | | 4,711,236 | 4,500,000 | XXX | 4,735,115 | 4,740,950 | 15,042 | 338,450 | (7,894) | 0 | 0 | XXX | XXX | XXX |
| Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations | | | | | | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | | | | | | |
| 020014-AA-4.. | Allstate Financing II..... | | 7.830 | JD | 12/01/2045 | 12/01/2010 | 102.350 | 1,571,561 | 1,500,000 | 107.0810 | 1,606,215 | 1,584,075 | 9,788 | 117,450 | (3,309) | | | 1PE | 09/22/1998 | 7.251 |
| 02770A-F1-4.. | American Mutual Reins Co Surplus Drafts..... | | 0.500 | J | 01/01/2018 | | | 517,960 | 2,182,341 | 27.4000 | 517,960 | 683,837 | 10,912 | 7,634 | 35,815 | | | 6 | 11/15/2002 | 6.320 |
| 126117-AF-7.. | CNA Financial..... | | 6.750 | MN | 11/15/2006 | | | 1,006,639 | 1,000,000 | 99.8030 | 998,030 | 1,011,860 | 8,625 | 67,500 | (1,485) | | | 2 | 02/11/1999 | 6.550 |
| 126168-AB-9.. | CRA Financial..... | | 7.125 | JD | 12/01/2013 | | | 2,636,606 | 2,500,000 | 108.9000 | 2,722,500 | 2,666,725 | 14,844 | 178,125 | (8,433) | | | 1PE | 01/26/1999 | 6.420 |
| 459200-AG-6.. | IBM Corporation LS..... | | 8.375 | MN | 11/01/2019 | | | 4,923,916 | 4,000,000 | 122.6250 | 4,905,000 | 4,932,770 | 55,833 | 167,500 | (8,854) | | | 1PE | 10/01/2002 | 6.149 |
| 46623M-AA-9.. | JPM Capital Trust II..... | | 7.950 | FA | 02/01/2027 | 02/01/2007 | 103.980 | 3,189,582 | 3,000,000 | 105.6880 | 3,170,640 | 3,240,510 | 99,375 | 238,500 | (14,444) | | | 1PE | 02/11/1999 | 7.000 |
| 617446-AL-3.. | Morgan Stanley Group Inc..... | | 8.330 | JJ | 01/15/2007 | | | 1,040,364 | 1,000,000 | 117.3210 | 1,173,210 | 1,064,300 | 38,411 | 83,300 | (8,355) | | | 1PE | 11/24/1999 | 7.160 |
| 708160-BE-5.. | J C Penney Incorporated..... | | 7.125 | MN | 11/15/2023 | | | 420,000 | 500,000 | 84.0000 | 420,000 | 492,215 | 4,552 | 35,625 | 10,145 | | | 3 | 03/05/1999 | 7.260 |
| 870836-AC-7.. | Swiss Bank..... | | 7.500 | JJ | 07/15/2025 | | | 1,086,181 | 1,000,000 | 113.7380 | 1,137,380 | 1,091,980 | 34,583 | 75,000 | (1,598) | | | 1PE | 01/11/1999 | 6.750 |
| 881685-BE-0.. | Texaco Capital Inc..... | | 6.875 | FA | 08/15/2023 | | | 2,005,250 | 2,000,000 | 104.8030 | 2,096,060 | 2,005,720 | 51,944 | 137,500 | (1,118) | | | 1PE | 01/08/1999 | 6.850 |
| 931142-AY-9.. | Wal-Mart Stores Inc..... | | 8.500 | MS | 09/15/2024 | 09/15/2004 | 103.770 | 1,715,492 | 1,600,000 | 112.7050 | 1,803,280 | 1,764,000 | 40,044 | 136,000 | (29,948) | | | 1PE | 05/02/2001 | 6.101 |
| 989819-AA-5.. | Zurich Cap Trust 144A..... | | 8.376 | JD | 06/01/2037 | 06/01/2007 | 104.190 | 5,467,152 | 5,000,000 | 92.0320 | 4,601,600 | 5,638,150 | 34,900 | 418,800 | (48,696) | | | 1PE | 02/17/1999 | 6.724 |
| | United States..... | | | | | | | 25,580,703 | 25,282,341 | XXX | 25,151,875 | 26,176,142 | 403,811 | 1,662,934 | (79,280) | 0 | 0 | XXX | XXX | XXX |
| Canada | | | | | | | | | | | | | | | | | | | | |
| 303901-AF-9.. | Fairfax Financial Holdings..... | | 6.875 | AO | 04/15/2008 | | | 1,472,180 | 2,000,000 | 73.6090 | 1,472,180 | 1,954,860 | 29,028 | 137,500 | 55,920 | | | 3 | 04/07/1999 | 7.220 |
| | Canada..... | | | | | | | 1,472,180 | 2,000,000 | XXX | 1,472,180 | 1,954,860 | 29,028 | 137,500 | 55,920 | 0 | 0 | XXX | XXX | XXX |
| Foreign | | | | | | | | | | | | | | | | | | | | |
| 753035-AC-8.. | Rank Group Fin..... | | 7.125 | JJ | 01/15/2018 | | | 4,682,930 | 5,000,000 | 95.4330 | 4,771,650 | 4,647,851 | 164,271 | 356,250 | 10,292 | | | 2PE | 03/11/1999 | 7.841 |
| 78004V-AB-9.. | Royal & Sun Alliance Ins LS..... | | 8.950 | AO | 10/15/2029 | | | 3,430,450 | 5,000,000 | 68.6090 | 3,430,450 | 5,559,900 | 94,472 | 447,500 | (2,125,358) | | | 3 | 05/04/2001 | 7.950 |
| | Foreign..... | | | | | | | 8,113,380 | 10,000,000 | XXX | 8,202,100 | 10,207,751 | 258,743 | 803,750 | (2,115,066) | 0 | 0 | XXX | XXX | XXX |
| 3999999 | Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations..... | | | | | | | 35,166,263 | 37,282,341 | XXX | 34,826,155 | 38,338,753 | 691,582 | 2,604,184 | (2,138,426) | 0 | 0 | XXX | XXX | XXX |
| Industrial & Miscellaneous (Unaffiliated) - Single Class Mortgage-Backed/Asset-Backed Securities | | | | | | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | | | | | | |
| 210805-BD-8.. | Continental Airlines..... | | 7.461 | AO | 04/01/2015 | | | 901,996 | 852,523 | XXX | 901,996 | 914,408 | 15,902 | 63,607 | (3,387) | | | 2 | 02/11/1999 | 6.391 |
| | United States..... | | | | | | | 901,996 | 852,523 | XXX | 901,996 | 914,408 | 15,902 | 63,607 | (3,387) | 0 | 0 | XXX | XXX | XXX |
| 4099999 | Industrial & Miscellaneous (Unaffiliated) - Single Class Mortgage-Backed/Asset Backed Securities..... | | | | | | | 901,996 | 852,523 | XXX | 901,996 | 914,408 | 15,902 | 63,607 | (3,387) | 0 | 0 | XXX | XXX | XXX |
| 4599999 | Total - Industrial & Miscellaneous (Unaffiliated)..... | | | | | | | 36,068,259 | 38,134,864 | XXX | 35,728,151 | 39,253,161 | 707,484 | 2,667,791 | (2,141,813) | 0 | 0 | XXX | XXX | XXX |
| Totals | | | | | | | | | | | | | | | | | | | | |
| 5499999 | Total - Issuer Obligations..... | | | | | | | 110,941,225 | 119,827,341 | XXX | 112,334,699 | 114,680,314 | 1,692,161 | 4,651,467 | (2,291,056) | 0 | 0 | XXX | XXX | XXX |
| 5599999 | Total - Single Class Mortgage-Backed/Asset-Backed Securities..... | | | | | | | 10,189,838 | 9,751,871 | XXX | 10,189,838 | 10,213,125 | 70,526 | 719,085 | (2,935) | 0 | 0 | XXX | XXX | XXX |
| 6099999 | Grand Total - Bonds..... | | | | | | | 121,131,063 | 129,579,212 | XXX | 122,524,537 | 124,893,439 | 1,762,687 | 5,370,552 | (2,293,991) | 0 | 0 | XXX | XXX | XXX |

E08.1

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 1

Showing all PREFERRED STOCKS Owned December 31 of Current Year

| 1 CUSIP Identifi- cation | 2 Description | 3 Number of Shares | 4 Par Value per Share | 5 Rate per Share | 6 Book/Adjusted Carrying Value | 7 Rate per Share Used to Obtain Fair Value | 8 Fair Value | 9 Actual Cost | Dividends | | 12 Increase (Decrease) by Adjustment | 13 Increase (Decrease) by Foreign Exchange Adjustment | 14 NAIC Desig- nation | 15 Date Acquired |
|---|---|-----------------------------|-----------------------------------|---------------------------|---|---|--------------------|---------------------|------------------------------|---|--|--|--------------------------------|------------------------|
| | | | | | | | | | 10 Declared but Unpaid | 11 Amount Received During Year | | | | |
| Preferred Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | |
| 02638N-10-5 | American General Cap I..... | 20,000,000 | 1.00 | 26.750 | 535,000 | 26.750 | 535,000 | 500,000 | | 39,374 | | | P1A | 09/07/1999 |
| | United States..... | | | XXX | 535,000 | XXX | 535,000 | 500,000 | 0 | 39,374 | 0 | 0 | XXX | XXX |
| 6399999 | Total - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)..... | | | XXX | 535,000 | XXX | 535,000 | 500,000 | 0 | 39,374 | 0 | 0 | XXX | XXX |
| 6599999 | Total - Preferred Stocks..... | | | | 535,000 | XXX | 535,000 | 500,000 | 0 | 39,374 | 0 | 0 | XXX | XXX |

ANNUAL STATEMENT FOR THE YEAR 2002 OF THAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

| 1 CUSIP Identifi- cation | 2 Description | 3 Number of Shares | 4 Book/Adjusted Carrying Value | 5 Rate per Share Used to Obtain Fair Value | 6 Fair Value | 7 Actual Cost | Dividends | | 10 Increase (Decrease) by Adjustment | 11 Increase (Decrease) by Foreign Exchange Adjustment | 12 NAIC Designation (a) | 13 Date Acquired |
|--|---|-----------------------------|---|---|--------------------|---------------------|-----------------------------|--|--|--|----------------------------------|------------------------|
| | | | | | | | 8 Declared but Unpaid | 9 Amount Received During Year | | | | |
| Common Stocks - Public Utilities (Unaffiliated) | | | | | | | | | | | | |
| United States | | | | | | | | | | | | |
| 30231G-10-2 | Exxon Mobil Corporation | 7,212,000 | 251,987 | 34.940 | 251,987 | 260,164 | | 6,566 | (32,644) | | L | 04/08/2002 |
| | United States | | 251,987 | XXX | 251,987 | 260,164 | 0 | 6,566 | (32,644) | 0 | XXX | XXX |
| 6699999 | Total - Common Stocks - Public Utilities (Unaffiliated) | | 251,987 | XXX | 251,987 | 260,164 | 0 | 6,566 | (32,644) | 0 | XXX | XXX |
| Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated) | | | | | | | | | | | | |
| United States | | | | | | | | | | | | |
| 001055-10-2 | AFLAC Incorporated | 4,100,000 | 123,492 | 30.120 | 123,492 | 119,936 | | | 3,556 | | L | 12/20/2002 |
| 026874-10-7 | American Intl Group Inc | 2,400,000 | 138,840 | 57.850 | 138,840 | 99,967 | | 392 | (44,778) | | L | 12/26/2002 |
| 032165-10-2 | AmSouth Bancorporation | 5,900,000 | 113,280 | 19.200 | 113,280 | 117,003 | 1,357 | 5,148 | 1,430 | | L | 04/10/2002 |
| 060505-10-4 | Bank Amer Corporation | 2,000,000 | 139,140 | 69.570 | 139,140 | 100,157 | | 4,880 | 13,240 | | L | 04/20/2001 |
| 172967-10-1 | Citigroup Inc | 2,200,000 | 77,418 | 35.190 | 77,418 | 80,679 | | 792 | (3,261) | | L | 07/29/2002 |
| 316773-10-0 | Fifth Third Bancorp | 1,880,000 | 110,074 | 58.550 | 110,074 | 118,218 | 489 | 155 | (8,144) | | L | 12/26/2002 |
| 339030-10-8 | FleetBoston Finl Corporation | 5,700,000 | 138,510 | 24.300 | 138,510 | 174,556 | 1,995 | 4,585 | (37,468) | | L | 10/01/2002 |
| 416515-10-4 | The Hartford Finl Services Grp | | | | 0 | | | 312 | | | L | 08/10/2001 |
| 46625H-10-0 | J P Morgan Chase & Co | 5,875,000 | 141,000 | 24.000 | 141,000 | 219,295 | | 6,086 | (53,733) | | L | 07/24/2002 |
| 475070-10-8 | Jefferson-Pilot Corporation | 1,100,000 | 41,921 | 38.110 | 41,921 | 44,581 | | 333 | (2,660) | | L | 11/05/2002 |
| 493267-10-8 | KeyCorp | 3,800,000 | 95,532 | 25.140 | 95,532 | 94,537 | | 4,560 | 5,620 | | L | 02/08/2002 |
| 534187-10-9 | Lincoln National Corporation | 2,400,000 | 75,792 | 31.580 | 75,792 | 92,419 | | 1,184 | (16,627) | | L | 08/15/2002 |
| 58551A-10-8 | Mellon Financial Corporation | 2,500,000 | 65,275 | 26.110 | 65,275 | 66,790 | | | (1,515) | | L | 12/26/2002 |
| 635405-10-3 | National City Corporation | 4,000,000 | 109,280 | 27.320 | 109,280 | 113,576 | | 4,446 | (8,307) | | L | 03/04/2002 |
| 665859-10-4 | Northern Trust Corporation | | | | 0 | | 221 | | | | L | 09/18/2001 |
| 693475-10-5 | PNC Bank Corporation | 3,000,000 | 125,700 | 41.900 | 125,700 | 164,829 | | 3,504 | (39,129) | | L | 10/18/2002 |
| 808513-10-5 | Charles Schwab Corporation | 6,300,000 | 68,355 | 10.850 | 68,355 | 115,438 | | 210 | (22,037) | | L | 12/30/2002 |
| 867914-10-3 | Suntrust Banks Incorporated | 2,100,000 | 119,532 | 56.920 | 119,532 | 141,391 | | 3,311 | (13,918) | | L | 03/04/2002 |
| 902973-30-4 | US Bancorp | 5,500,000 | 116,710 | 21.220 | 116,710 | 122,637 | 1,073 | 2,379 | (5,927) | | L | 07/24/2002 |
| 929903-10-2 | Wachovia Corp 2nd New | 5,300,000 | 193,132 | 36.440 | 193,132 | 188,063 | | 5,300 | 26,924 | | L | 11/05/2001 |
| | United States | | 1,992,983 | XXX | 1,992,983 | 2,174,072 | 5,135 | 47,577 | (206,734) | 0 | XXX | XXX |
| 6799999 | Total - Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated) | | 1,992,983 | XXX | 1,992,983 | 2,174,072 | 5,135 | 47,577 | (206,734) | 0 | XXX | XXX |
| Common Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | |
| United States | | | | | | | | | | | | |
| 002824-10-0 | Abbott Laboratories | 2,000,000 | 80,000 | 40.000 | 80,000 | 69,489 | | 470 | 10,511 | | L | 08/06/2002 |
| 013104-10-4 | Albertson's Incorporated | 1,700,000 | 37,842 | 22.260 | 37,842 | 58,222 | | 1,292 | (15,691) | | L | 12/19/2001 |
| 013817-10-1 | Alcoa Inc | 4,000,000 | 91,120 | 22.780 | 91,120 | 135,231 | | 1,425 | (44,111) | | L | 11/04/2002 |
| 038222-10-5 | Applied Materials Inc | 4,300,000 | 56,029 | 13.030 | 56,029 | 77,770 | | | (21,741) | | L | 10/18/2002 |
| 053015-10-3 | Automatic Data Process | 2,000,000 | 78,500 | 39.250 | 78,500 | 76,771 | 444 | 196 | 1,729 | | L | 09/25/2002 |
| 071813-10-9 | Baxter International Inc | 3,500,000 | 98,000 | 28.000 | 98,000 | 117,245 | 1,979 | | (19,245) | | L | 12/17/2002 |
| 075887-10-9 | Becton Dickinson | 3,900,000 | 119,691 | 30.690 | 119,691 | 126,262 | | 390 | 1,082 | | L | 07/25/2002 |
| 093671-10-5 | H&R Block Incorporated | 2,900,000 | 116,580 | 40.200 | 116,580 | 119,776 | | 288 | 544 | (3,196) | L | 12/30/2002 |
| 110122-10-8 | Bristol-Myers Squibb | 6,100,000 | 141,215 | 23.150 | 141,215 | 239,357 | 1,708 | 4,788 | (106,140) | | L | 12/17/2002 |
| 12189T-10-4 | Burlington Northern Santa Fe | 2,200,000 | 57,222 | 26.010 | 57,222 | 59,692 | 264 | 984 | (5,240) | | L | 01/23/2002 |
| 14149Y-10-8 | Cardinal Health Inc | 3,802,000 | 225,040 | 59.190 | 225,040 | 182,836 | 70 | 130 | (4,262) | | L | 12/30/2002 |
| 166764-10-0 | Chevron Texaco Corporation | 2,100,000 | 139,608 | 66.480 | 139,608 | 185,984 | | 5,460 | (43,774) | | L | 03/04/2002 |
| 17275R-10-2 | Cisco Systems Inc | 9,400,000 | 123,140 | 13.100 | 123,140 | 81,755 | | | (47,094) | | L | 09/25/2001 |
| 172908-10-5 | Cintas Corp | 3,670,000 | 167,903 | 45.750 | 167,903 | 174,502 | | | (6,599) | | L | 12/26/2002 |
| 205887-10-2 | ConAgra Incorporated | 2,000,000 | 50,020 | 25.010 | 50,020 | 43,458 | | 1,905 | 2,480 | | L | 09/18/2001 |
| 20825C-10-4 | ConocoPhillips | 3,000,000 | 145,170 | 48.390 | 145,170 | 183,770 | | 3,828 | (33,484) | | L | 06/05/2002 |
| 235811-10-6 | Dana Corporation | 7,300,000 | 85,848 | 11.760 | 85,848 | 116,714 | | 199 | (14,257) | | L | 11/06/2002 |
| 247025-10-9 | Dell Computer Corporation | 5,830,000 | 155,894 | 26.740 | 155,894 | 161,768 | | | (3,636) | | L | 12/26/2002 |
| 253651-10-3 | Diebold Inc | 4,300,000 | 177,246 | 41.220 | 177,246 | 150,567 | | 2,838 | 4,078 | | L | 02/11/2002 |
| 260003-10-8 | Dover Corporation | 3,100,000 | 90,396 | 29.160 | 90,396 | 90,486 | | | (90) | | L | 12/20/2002 |
| 260543-10-3 | Dow Chemical Company | 5,700,000 | 169,290 | 29.700 | 169,290 | 176,356 | 1,910 | 6,030 | (16,903) | | L | 06/05/2002 |

E10

ANNUAL STATEMENT FOR THE YEAR 2002 OF THAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

| 1 CUSIP Identifi- cation | 2 Description | 3 Number of Shares | 4 Book/Adjusted Carrying Value | 5 Rate per Share Used to Obtain Fair Value | 6 Fair Value | 7 Actual Cost | Dividends | | 10 Increase (Decrease) by Adjustment | 11 Increase (Decrease) by Foreign Exchange Adjustment | 12 NAIC Designation (a) | 13 Date Acquired |
|-----------------------------------|-----------------------------------|-----------------------------|---|---|--------------------|---------------------|-----------------------------|--|--|--|----------------------------------|------------------------|
| | | | | | | | 8 Declared but Unpaid | 9 Amount Received During Year | | | | |
| 268648-10-2 | EMC Corporation | 15,100,000 | 92,714 | 6.140 | 92,714 | 135,953 | | | (43,357) | | L | 12/30/2002 |
| 278865-10-0 | Ecolab Inc | 3,700,000 | 183,150 | 49.500 | 183,150 | 159,582 | 268 | 999 | 17,146 | | L | 12/30/2002 |
| 285661-10-4 | Electronic Data Systems Corp | 920,000 | 16,956 | 18.430 | 16,956 | 37,580 | | 138 | (20,625) | | L | 08/27/2002 |
| 291011-10-4 | Emerson Electric Company | 3,200,000 | 162,720 | 50.850 | 162,720 | 162,574 | | 4,085 | (12,015) | | L | 09/05/2002 |
| 313400-30-1 | Federal Home Loan Mtg Corp | 6,600,000 | 389,730 | 59.050 | 389,730 | 424,951 | | 2,464 | (23,518) | | L | 12/26/2002 |
| 313586-10-9 | Federal National Mortgage Assn | 2,550,000 | 164,042 | 64.330 | 164,042 | 184,567 | | 3,366 | (38,684) | | L | 08/15/2001 |
| 369604-10-3 | General Electric | 8,600,000 | 209,410 | 24.350 | 209,410 | 293,692 | 2,584 | 2,556 | (89,282) | | L | 11/04/2002 |
| 412822-10-8 | Harley Davidson Incorporated | 4,700,000 | 217,140 | 46.200 | 217,140 | 165,755 | | 243 | (17,001) | | L | 12/20/2002 |
| 428236-10-3 | Hewlett Packard Company | | | | 0 | | | 408 | | | L | 03/28/2002 |
| 428236-10-3 | Hewlett Packard Company | 11,345,000 | 196,949 | 17.360 | 196,949 | 293,426 | 908 | 2,239 | (96,479) | | L | 05/06/2002 |
| 437076-10-2 | Home Depot Inc | 3,600,000 | 86,472 | 24.020 | 86,472 | 111,022 | | 315 | (39,099) | | L | 12/30/2002 |
| 438516-10-6 | Honeywell International Inc | 4,300,000 | 103,200 | 24.000 | 103,200 | 152,255 | | 3,150 | (40,911) | | L | 12/17/2002 |
| 452308-10-9 | Illinois Tool Works | 2,200,000 | 142,692 | 64.860 | 142,692 | 140,952 | 368 | 1,424 | (4,602) | | L | 12/30/2002 |
| 458140-10-0 | Intel Corporation | 14,800,000 | 230,436 | 15.570 | 230,436 | 468,429 | | 1,010 | (196,574) | | L | 12/30/2002 |
| 459200-10-1 | IBM Corporation | 2,250,000 | 174,375 | 77.500 | 174,375 | 196,112 | | 1,152 | (79,237) | | L | 10/21/2002 |
| 478366-10-7 | Johnson Controls Incorporated | 2,300,000 | 184,391 | 80.170 | 184,391 | 188,485 | | | (4,094) | | L | 12/26/2002 |
| 494368-10-3 | Kimberly Clark | | | | 0 | | 450 | | | | L | 08/09/2001 |
| 500255-10-4 | Kohl's Corporation | 2,500,000 | 139,875 | 55.950 | 139,875 | 152,612 | | | (12,737) | | L | 12/30/2002 |
| 532716-10-7 | The Limited Incorporated | 4,700,000 | 65,471 | 13.930 | 65,471 | 76,086 | | 705 | (10,615) | | L | 08/16/2002 |
| 55262L-10-0 | MBNA Corporation | 4,300,000 | 81,786 | 19.020 | 81,786 | 84,900 | | | (3,114) | | L | 12/20/2002 |
| 571748-10-2 | Marsh & McLennan Cos Inc | 2,200,000 | 101,662 | 46.210 | 101,662 | 104,291 | | | (2,629) | | L | 12/26/2002 |
| 577778-10-3 | May Department Stores | 2,600,000 | 59,748 | 22.980 | 59,748 | 85,944 | | 2,470 | (36,400) | | L | 11/05/2001 |
| 580135-10-1 | McDonalds Corporation | 6,200,000 | 99,696 | 16.080 | 99,696 | 176,720 | | 1,457 | (64,944) | | L | 04/18/2002 |
| 585055-10-6 | Medtronic Inc | 4,000,000 | 182,400 | 45.600 | 182,400 | 107,304 | 250 | 576 | (13,398) | | L | 12/30/2002 |
| 589331-10-7 | Merck & Company Incorporated | 6,300,000 | 356,643 | 56.610 | 356,643 | 421,539 | 2,268 | 7,938 | (14,005) | | L | 04/08/2002 |
| 594918-10-4 | Microsoft Corporation | 3,500,000 | 180,950 | 51.700 | 180,950 | 135,852 | | | (50,925) | | L | 02/17/2000 |
| 655664-10-0 | Nordstrom Incorporated | 3,000,000 | 56,910 | 18.970 | 56,910 | 60,517 | | 1,140 | (3,780) | | L | 11/13/2001 |
| 681919-10-6 | Omnicom Group Incorporated | 2,100,000 | 135,660 | 64.600 | 135,660 | 121,247 | 200 | 200 | 14,413 | | L | 12/30/2002 |
| 68389X-10-5 | Oracle Corporation | 3,800,000 | 41,040 | 10.800 | 41,040 | 30,367 | | | (11,438) | | L | 03/15/1999 |
| 717081-10-3 | Pfizer Incorporated | 4,200,000 | 128,394 | 30.570 | 128,394 | 106,042 | | 2,184 | (38,976) | | L | 06/20/2000 |
| 724479-10-0 | Pitney Bowes Inc | 3,200,000 | 104,512 | 32.660 | 104,512 | 132,301 | | 3,776 | (15,840) | | L | 12/21/2001 |
| 737464-10-7 | Post Properties Inc | 4,500,000 | 107,550 | 23.900 | 107,550 | 156,854 | 3,510 | 11,466 | (49,356) | | L | 04/26/2002 |
| 74005P-10-4 | Praxair Inc | 1,900,000 | 109,763 | 57.770 | 109,763 | 109,964 | | | (201) | | L | 12/20/2002 |
| 740189-10-5 | Precision Castparts Corp | | | | 0 | | 54 | | | | L | 07/01/2002 |
| 755111-50-7 | Raytheon Company | 2,000,000 | 61,500 | 30.750 | 61,500 | 58,316 | 400 | 1,000 | (2,215) | | L | 10/02/2002 |
| 803111-10-3 | Sara Lee | 3,000,000 | 67,530 | 22.510 | 67,530 | 59,733 | 899 | 1,635 | 1,419 | | L | 03/18/2002 |
| 812387-10-8 | Sears Roebuck & Company | 3,200,000 | 76,640 | 23.950 | 76,640 | 118,090 | 736 | 161 | (41,454) | | L | 10/22/2002 |
| 835495-10-2 | Sonoco Products | 7,200,000 | 165,096 | 22.930 | 165,096 | 184,243 | | 5,976 | (26,284) | | L | 08/17/2001 |
| 844741-10-8 | Southwest Airlines Company | 6,600,000 | 91,740 | 13.900 | 91,740 | 98,189 | | | (6,449) | | L | 12/20/2002 |
| 855244-10-9 | Starbucks Corporation | 6,000,000 | 122,280 | 20.380 | 122,280 | 89,643 | | | 5,225 | | L | 12/30/2002 |
| 871829-10-7 | Sysco Corporation | 7,900,000 | 235,341 | 29.790 | 235,341 | 220,155 | 869 | 1,044 | 9,724 | | L | 12/20/2002 |
| 872540-10-9 | TJX Companies Inc | 3,500,000 | 68,320 | 19.520 | 68,320 | 71,919 | | | (3,599) | | L | 12/20/2002 |
| 87612E-10-6 | Target Corporation | 1,000,000 | 30,000 | 30.000 | 30,000 | 33,040 | | 60 | (3,040) | | L | 11/14/2002 |
| 882508-10-4 | Texas Instruments Incorporated | 3,900,000 | 58,539 | 15.010 | 58,539 | 62,400 | | | (3,861) | | L | 12/20/2002 |
| 883203-10-1 | Textron Incorporated | 2,400,000 | 103,176 | 42.990 | 103,176 | 110,031 | 780 | 1,820 | (6,855) | | L | 06/07/2002 |
| 913017-10-9 | United Technologies | 1,400,000 | 86,716 | 61.940 | 86,716 | 79,716 | | 343 | 7,000 | | L | 10/17/2002 |
| 931142-10-3 | Wal-Mart Stores Inc | | | | 0 | | 285 | | | | L | 02/16/2000 |
| 931422-10-9 | Walgreen Company | 3,400,000 | 99,246 | 29.190 | 99,246 | 99,042 | | | 204 | | L | 12/26/2002 |
| 934648-30-4 | Warrantech Corporation Restricted | 10,000,000 | 12,500 | 1.250 | 12,500 | 12,500 | | | 7,000 | | L | 04/08/1994 |
| 941848-10-3 | Waters Corporation | 3,600,000 | 78,408 | 21.780 | 78,408 | 97,099 | | | (18,691) | | L | 08/13/2002 |
| 983024-10-0 | Wyeth | 1,700,000 | 63,580 | 37.400 | 63,580 | 59,370 | | 391 | 4,210 | | L | 11/05/2002 |

E10.1

ANNUAL STATEMENT FOR THE YEAR 2002 OF THAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

| 1 CUSIP Identifi- cation | 2 Description | 3 Number of Shares | 4 Book/Adjusted Carrying Value | 5 Rate per Share Used to Obtain Fair Value | 6 Fair Value | 7 Actual Cost | Dividends | | 10 Increase (Decrease) by Adjustment | 11 Increase (Decrease) by Foreign Exchange Adjustment | 12 NAIC Designation (a) | 13 Date Acquired |
|--|--|-----------------------------|---|---|--------------------|---------------------|-----------------------------|--|--|--|----------------------------------|------------------------|
| | | | | | | | 8 Declared but Unpaid | 9 Amount Received During Year | | | | |
| | United States..... | | 8,332,803 | XXX | 8,332,802 | 9,259,372 | 21,882 | 99,062 | (1,445,824) | 0 | XXX | XXX |
| Foreign | | | | | | | | | | | | |
| 055622-10-4..... | BP Amoco PLC Sponsored ADR..... | 4,000,000 | 162,600 | 40.650 | 162,600 | 196,722 | | 5,640 | (23,427) | | L | 01/31/2002... |
| 459462-10-7..... | International Equity Fund Meeder Advisor..... | 209,763,080 | 1,785,084 | 8.510 | 1,785,084 | 2,455,355 | | | (371,281) | | A | 05/01/2002... |
| 500472-30-3..... | Koninklijke Philips Electronic..... | | | | | | | 13 | | | L | 08/02/2001... |
| 904784-70-9..... | Unilever NV - NY Shares..... | | | | | | | 51 | | | L | 08/15/2001... |
| | Foreign..... | | 1,947,684 | XXX | 1,947,684 | 2,652,077 | 0 | 5,704 | (394,708) | 0 | XXX | XXX |
| 6899999 | Total - Common Stocks - Industrial and Miscellaneous (Unaffiliated)..... | | 10,280,487 | XXX | 10,280,486 | 11,911,449 | 21,882 | 104,766 | (1,840,532) | 0 | XXX | XXX |
| Common Stocks - Parent, Subsidiaries and Affiliates | | | | | | | | | | | | |
| United States | | | | | | | | | | | | |
| 00131@-10-0..... | AHM Insurance Agency Inc..... | 200,000 | 1,053,206 | 5,266.032 | 1,053,206 | 400,000 | | | 107,621 | | U | 10/01/1986... |
| 02745@-10-4..... | American Merchants Casualty Co..... | 10,000,010 | 10,514,252 | 1,051.424 | 10,514,252 | 8,949,403 | | | (41,215) | | UZ | 11/30/1993... |
| 61944@-10-9..... | Motorists Life Insurance Company..... | 82,515,000 | 15,034,482 | 182.203 | 15,034,482 | 11,189,359 | | | (768,889) | | U | 12/31/1993... |
| 62007#-10-9..... | Motorists Reinsurance Corporation..... | 480,000 | 258,954 | 539.487 | 258,954 | 264,000 | | | (5,046) | | U | 12/26/2002... |
| | United States..... | | 26,860,894 | XXX | 26,860,895 | 20,802,762 | 0 | 0 | (707,529) | 0 | XXX | XXX |
| 6999999 | Total - Common Stocks - Parent, Subsidiaries and Affiliates..... | | 26,860,894 | XXX | 26,860,895 | 20,802,762 | 0 | 0 | (707,529) | 0 | XXX | XXX |
| 7099999 | Total - Common Stock..... | | 39,386,351 | XXX | 39,386,351 | 35,148,447 | 27,017 | 158,909 | (2,787,439) | 0 | XXX | XXX |
| | Total - Preferred Stock from Section 1..... | | 535,000 | XXX | 535,000 | 500,000 | | 39,374 | | | XXX | XXX |
| 7199999 | Total - Preferred and Common Stock..... | | 39,921,351 | XXX | 39,921,351 | 35,648,447 | 27,017 | 198,283 | (2,787,439) | 0 | XXX | XXX |

(a) For all common stocks bearing the NAIC designation "U" provide: the number of such issues....4, the total \$ value (included in Column 6) of all such issues \$.....26,860,895.

ANNUAL STATEMENT FOR THE YEAR 2002 OF THAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

| 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 |
|---|---|-----------------------|--------------------------------|--------------------------------------|------------------|----------------|--|
| Bonds - U.S. Government | | | | | | | |
| 3128X0-BD-0 | Federal Home Loan Mtg C 4.750% 10/11/12 | 12/16/2002 | Morgan Keegan & Company Inc. | | 7,996,875 | 8,000,000 | 57,000 |
| 312925-QA-1 | Federal Home Loan Mtg C 6.000% 05/25/12 | 11/21/2002 | Kiley Bloemers Inc. | | 1,038,000 | 1,000,000 | 28,833 |
| 312925-ZV-5 | Federal Home Loan Mtg C 5.000% 07/30/09 | 11/07/2002 | Morgan Keegan & Company Inc. | | 4,132,480 | 4,000,000 | 57,222 |
| 31331Q-JG-3 | Fed Farm Credit Bank 4.875% 11/15/12 | 11/13/2002 | Morgan Keegan & Company Inc. | | 5,038,125 | 5,000,000 | |
| 3133MT-B9-8 | Federal Home Loan Bank 6.125% 11/13/17 | 11/07/2002 | Morgan Keegan & Company Inc. | | 5,103,100 | 5,000,000 | |
| 3133MT-FS-2 | Federal Home Loan Bank 5.950% 11/20/17 | 11/01/2002 | Morgan Keegan & Company Inc. | | 2,025,120 | 2,000,000 | |
| 3134A4-HE-7 | Federal Home Loan Mtg C 6.375% 08/01/11 | 11/06/2002 | Mesirov & Co. | | 1,075,000 | 1,000,000 | 17,000 |
| 31359M-LD-3 | Federal National Mortga 5.500% 10/18/11 | 11/12/2002 | Morgan Keegan & Company Inc. | | 5,223,050 | 5,000,000 | 19,097 |
| | Assn | | | | | | |
| 3136F2-QH-4 | Federal National Mortga 5.750% 11/07/17 | 12/12/2002 | Morgan Keegan & Company Inc. | | 5,100,000 | 5,000,000 | 31,944 |
| | Assn | | | | | | |
| 3136F2-RD-2 | Federal National Mortga 6.040% 11/13/17 | 12/12/2002 | Morgan Keegan & Company Inc. | | 3,927,960 | 3,835,000 | 21,233 |
| | Assn | | | | | | |
| 0399999 | Total - Bonds - U.S. Government | | | | 40,659,710 | 39,835,000 | 232,329 |
| Bonds - States, Territories and Possessions | | | | | | | |
| Connecticut | | | | | | | |
| 20772F-RQ-5 | Connecticut State Ser D 5.125% 11/15/13 | 05/03/2002 | Raymond James Assoc. | | 1,063,080 | 1,000,000 | 24,628 |
| | Connecticut | | | | 1,063,080 | 1,000,000 | 24,628 |
| Georgia | | | | | | | |
| 373382-X2-1 | Georgia State Ser B 4.800% 04/01/15 | 05/28/2002 | Raymond James Assoc. | | 1,531,665 | 1,500,000 | 12,000 |
| | Georgia | | | | 1,531,665 | 1,500,000 | 12,000 |
| | Total States and US | | | | 2,594,745 | 2,500,000 | 36,628 |
| 1799999 | Total - Bonds - States, Territories & Possessions | | | | 2,594,745 | 2,500,000 | 36,628 |
| Bonds - Industrial and Miscellaneous | | | | | | | |
| United States | | | | | | | |
| 02770A-F1-4 | American Mutual Reins C 0.500% 01/01/18 | 11/15/2002 | American Hardware Group | | 150,733 | 638,700 | |
| | Surplus Drafts | | | | | | |
| 459200-AG-6 | IBM Corporation 8.375% 11/01/19 | 10/01/2002 | Various | | 4,932,770 | 4,000,000 | 126,090 |
| | United States | | | | 5,083,503 | 4,638,700 | 126,090 |
| 4599999 | Total - Bonds - Industrial & Miscellaneous | | | | 5,083,503 | 4,638,700 | 126,090 |
| 6099997 | Total - Bonds - Part 3 | | | | 48,337,958 | 46,973,700 | 395,047 |
| 6099999 | Total - Bonds | | | | 48,337,958 | 46,973,700 | 395,047 |
| Common Stocks - Public Utilities | | | | | | | |
| United States | | | | | | | |
| 30231G-10-2 | Exxon Mobil Corporation | 04/08/2002 | Legg Masson Wood & Walker Inc. | 300.000 | 12,990 | | |
| | United States | | | | 12,990 | .XXX | 0 |
| 6699999 | Total - Common Stocks - Public Utilities | | | | 12,990 | .XXX | 0 |
| Common Stocks - Banks, Trust and Insurance Companies | | | | | | | |
| United States | | | | | | | |
| 001055-10-2 | AFLAC Incorporated | 12/20/2002 | Salomon Smith Barney | 4,100.000 | 119,936 | | |
| 026874-10-7 | American Intl Group Inc. | 12/26/2002 | Merrill Lynch | 626.000 | 42,763 | | |
| 032165-10-2 | AmSouth Bancorporation | 04/10/2002 | J P Morgan | 100.000 | 2,230 | | |
| 172967-10-1 | Citigroup Inc. | 07/29/2002 | Various | 2,200.000 | 80,679 | | |
| 316773-10-0 | Fifth Third Bancorp | 12/26/2002 | Various | 1,880.000 | 118,218 | | |
| 339030-10-8 | FleetBoston Finl Corpor | 10/01/2002 | Various | 4,000.000 | 113,928 | | |
| 46625H-10-0 | J P Morgan Chase & Co. | 07/24/2002 | Various | 2,700.000 | 79,322 | | |
| 475070-10-8 | Jefferson-Pilot Corpora | 11/05/2002 | Various | 1,100.000 | 44,581 | | |
| 493267-10-8 | KeyCorp. | 02/08/2002 | Goldman Sachs | 2,000.000 | 46,100 | | |
| 534187-10-9 | Lincoln National Corpor | 08/15/2002 | Various | 2,400.000 | 92,419 | | |
| 58551A-10-8 | Mellon Financial Corpor | 12/26/2002 | Merrill Lynch | 2,500.000 | 66,790 | | |
| 635405-10-3 | National City Corporati | 03/04/2002 | Lehman Brothers | 1,200.000 | 35,715 | | |
| 693475-10-5 | PNC Bank Corporation | 10/18/2002 | Various | 3,000.000 | 164,829 | | |
| 808513-10-5 | Charles Schwab Corporat | 12/30/2002 | Merrill Lynch | 1,525.000 | 16,522 | | |

E11

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

| 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 |
|---|--|-----------------------|------------------------------------|--------------------------------------|------------------|----------------|--|
| 867914-10-3..... | Suntrust Banks Incorpor..... | 03/04/2002... | Credit Suisse 1st Boston Corp..... | 700.000 | 45,670 | | |
| 902973-30-4..... | US Bancorp..... | 07/24/2002... | Various..... | 5,500.000 | 122,637 | | |
| | United States..... | | | | 1,192,339 | XXX | 0 |
| 6799999 | Total - Common Stocks - Banks, Trust & Ins. Cos..... | | | | 1,192,339 | XXX | 0 |
| Common Stocks - Industrial and Miscellaneous | | | | | | | |
| United States | | | | | | | |
| 002824-10-0..... | Abbott Laboratories..... | 08/06/2002... | Various..... | 2,000.000 | 69,489 | | |
| 013817-10-1..... | Alcoa Inc..... | 11/04/2002... | Various..... | 4,000.000 | 135,231 | | |
| 038222-10-5..... | Applied Materials Inc..... | 10/18/2002... | Various..... | 4,300.000 | 77,770 | | |
| 053015-10-3..... | Automatic Data Process..... | 09/25/2002... | Various..... | 2,000.000 | 76,771 | | |
| 071813-10-9..... | Baxter International In..... | 12/17/2002... | Various..... | 3,500.000 | 117,245 | | |
| 075887-10-9..... | Becton Dickinson..... | 07/25/2002... | Various..... | 1,500.000 | 39,347 | | |
| 093671-10-5..... | H&R Block Incorporated..... | 12/30/2002... | Various..... | 2,900.000 | 119,776 | | |
| 110122-10-8..... | Bristol-Myers Squibb..... | 12/17/2002... | Various..... | 2,800.000 | 79,055 | | |
| 12189T-10-4..... | Burlington Northern San..... | 01/23/2002... | CIBC World Markets Corp..... | 400.000 | 11,108 | | |
| 14149Y-10-8..... | Cardinal Health Inc..... | 12/30/2002... | Various..... | 2,500.000 | 145,115 | | |
| 166764-10-0..... | Chevron Texaco Corpora..... | 03/04/2002... | CIBC World Markets Corp..... | 1,000.000 | 84,811 | | |
| 172908-10-5..... | Cintas Corp..... | 12/26/2002... | Merrill Lynch..... | 3,670.000 | 174,502 | | |
| 20825C-10-4..... | ConocoPhillips..... | 06/05/2002... | Various..... | 1,300.000 | 76,212 | | |
| 235811-10-6..... | Dana Corporation..... | 11/06/2002... | Various..... | 3,500.000 | 47,361 | | |
| 247025-10-9..... | Dell Computer Corporati..... | 12/26/2002... | Merrill Lynch..... | 1,730.000 | 48,092 | | |
| 253651-10-3..... | Diebold Inc..... | 02/11/2002... | Investment Technology Group..... | 200.000 | 7,364 | | |
| 260003-10-8..... | Dover Corporation..... | 12/20/2002... | William Blair..... | 3,100.000 | 90,486 | | |
| 260543-10-3..... | Dow Chemical Company..... | 06/05/2002... | Various..... | 3,300.000 | 105,121 | | |
| 268648-10-2..... | EMC Corporation..... | 12/30/2002... | Various..... | 9,600.000 | 62,151 | | |
| 278865-10-0..... | Ecolab Inc..... | 12/30/2002... | Merrill Lynch..... | 1,850.000 | 91,541 | | |
| 285661-10-4..... | Electronic Data Systems..... | 08/27/2002... | Standard & Poor's Securities..... | 920.000 | 37,580 | | |
| 291011-10-4..... | Emerson Electric Compan..... | 09/05/2002... | Various..... | 1,800.000 | 94,795 | | |
| 313400-30-1..... | Federal Home Loan Mtg C..... | 12/26/2002... | SG Cowen..... | 3,800.000 | 230,128 | | |
| 369604-10-3..... | General Electric..... | 11/04/2002... | Various..... | 7,100.000 | 238,572 | | |
| 412822-10-8..... | Harley Davidson Incorpo..... | 12/20/2002... | William Blair..... | 2,900.000 | 136,383 | | |
| 428236-10-3..... | Hewlett Packard Company..... | 03/28/2002... | Various..... | 5,400.000 | 116,274 | | |
| 428236-10-3..... | Hewlett Packard Company..... | 05/06/2002... | Tax Free Exchange..... | 5,946.000 | 177,154 | | |
| 437076-10-2..... | Home Depot Inc..... | 12/30/2002... | Merrill Lynch..... | 2,100.000 | 49,056 | | |
| 438516-10-6..... | Honeywell International..... | 12/17/2002... | Various..... | 800.000 | 25,741 | | |
| 452308-10-9..... | Illinois Tool Works..... | 12/30/2002... | Merrill Lynch..... | 600.000 | 38,942 | | |
| 458140-10-0..... | Intel Corporation..... | 12/30/2002... | Various..... | 3,200.000 | 62,190 | | |
| 459200-10-1..... | IBM Corporation..... | 10/21/2002... | ISI Group Inc..... | 400.000 | 29,836 | | |
| 478366-10-7..... | Johnson Controls Incorp..... | 12/26/2002... | SG Cowen..... | 2,300.000 | 188,485 | | |
| 500255-10-4..... | Kohl's Corporation..... | 12/30/2002... | Various..... | 2,500.000 | 152,612 | | |
| 532716-10-7..... | The Limited Incorporate..... | 08/16/2002... | Various..... | 4,700.000 | 76,086 | | |
| 55262L-10-0..... | MBNA Corporation..... | 12/20/2002... | William Blair..... | 4,300.000 | 84,900 | | |
| 571748-10-2..... | Marsh & McLennan Cos In..... | 12/26/2002... | Merrill Lynch..... | 2,200.000 | 104,291 | | |
| 580135-10-1..... | McDonalds Corporation..... | 04/18/2002... | Various..... | 400.000 | 11,114 | | |
| 585055-10-6..... | Medtronic Inc..... | 12/30/2002... | Merrill Lynch..... | 1,600.000 | 72,894 | | |
| 589331-10-7..... | Merck & Company Incorpo..... | 04/08/2002... | Various..... | 2,100.000 | 123,688 | | |
| 681919-10-6..... | Omnicom Group Incorpora..... | 12/30/2002... | Various..... | 2,100.000 | 121,247 | | |
| 737464-10-7..... | Post Properties Inc..... | 04/26/2002... | Various..... | 1,800.000 | 61,025 | | |
| 74005P-10-4..... | Praxair Inc..... | 12/20/2002... | Gordon Haskett & Company..... | 1,900.000 | 109,964 | | |
| 755111-50-7..... | Raytheon Company..... | 10/02/2002... | Various..... | 1,000.000 | 31,245 | | |
| 803111-10-3..... | Sara Lee..... | 03/18/2002... | Various..... | 800.000 | 17,205 | | |
| 812387-10-8..... | Sears Roebuck & Company..... | 10/22/2002... | Various..... | 3,200.000 | 118,090 | | |
| 844741-10-8..... | Southwest Airlines Comp..... | 12/20/2002... | William Blair..... | 6,600.000 | 98,189 | | |

E11.1

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

| 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 |
|--|--|-----------------------|-------------------------------|--------------------------------------|------------------|----------------|--|
| 855244-10-9..... | Starbucks Corporation..... | 12/30/2002.... | Merrill Lynch..... | 2,000,000 | 40,855 | | |
| 871829-10-7..... | Sysco Corporation..... | 12/20/2002.... | Gordon Haskett & Company..... | 5,000,000 | 149,579 | | |
| 872540-10-9..... | TJX Companies Inc..... | 12/20/2002.... | Merrill Lynch..... | 3,500,000 | 71,919 | | |
| 87612E-10-6..... | Target Corporation..... | 11/14/2002.... | Lehman Brothers..... | 1,000,000 | 33,040 | | |
| 882508-10-4..... | Texas Instruments Incor..... | 12/20/2002.... | Merrill Lynch..... | 3,900,000 | 62,400 | | |
| 883203-10-1..... | Textron Incorporated..... | 06/07/2002.... | Various..... | 2,400,000 | 110,031 | | |
| 913017-10-9..... | United Technologies..... | 10/17/2002.... | Various..... | 1,400,000 | 79,716 | | |
| 931422-10-9..... | Walgreen Company..... | 12/26/2002.... | Merrill Lynch..... | 3,400,000 | 99,042 | | |
| 941848-10-3..... | Waters Corporation..... | 08/13/2002.... | Various..... | 3,600,000 | 97,099 | | |
| 983024-10-0..... | Wyeth..... | 11/05/2002.... | Various..... | 1,700,000 | 59,370 | | |
| | United States..... | | | | 5,069,285 | XXX | 0 |
| Foreign | | | | | | | |
| 055622-10-4..... | BP Amoco PLC Sponsored..... | 01/31/2002.... | Lehman Brothers..... | 200,000 | 9,289 | | |
| 459462-10-7..... | International Equity Fu..... | 05/01/2002.... | R Meeder & Assoc..... | 70,000 | 715 | | |
| | Foreign..... | | | | 10,004 | XXX | 0 |
| 6899999 | Total - Common Stocks - Industrial & Miscellaneous..... | | | | 5,079,289 | XXX | 0 |
| Common Stocks - Parent, Subsidiaries and Affiliates | | | | | | | |
| United States | | | | | | | |
| 62007#-10-9..... | Motorists Reinsurance C..... | 12/26/2002.... | Motorists..... | 480,000 | 264,000 | | |
| | United States..... | | | | 264,000 | XXX | 0 |
| 6999999 | Total - Common Stocks - Parent, Subsidiaries and Affiliates..... | | | | 264,000 | XXX | 0 |
| 7099997 | Total - Common Stocks - Part 3..... | | | | 6,548,618 | XXX | 0 |
| 7099998 | Total - Common Stocks - Summary Item from Part 5..... | | | | 968,690 | XXX | |
| 7099999 | Total - Common Stocks..... | | | | 7,517,308 | XXX | 0 |
| 7199999 | Total - Preferred and Common Stocks..... | | | | 7,517,308 | XXX | 0 |
| 7299999 | Total - Bonds, Preferred and Common Stocks..... | | | | 55,855,266 | XXX | 395,047 |

E11.2

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL 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 - U.S. Government | | | | | | | | | | | | | | | |
| 36209H-RH-0 | GNMA Pool #472188 6.740% 04/15/34 | 12/01/2002 | Paydown | | 2,801 | 2,801 | 2,865 | 2,862 | (60) | | | | 0 | 103 | |
| 36209P-FC-6 | GNMA Pool #477263 6.750% 06/15/39 | 12/01/2002 | Paydown | | 8,732 | 8,732 | 8,903 | 8,896 | (164) | | | | 0 | 323 | |
| 36210K-PS-8 | GNMA Pool #494633 6.850% 05/15/34 | 12/01/2002 | Paydown | | 16,790 | 16,790 | 17,330 | 17,306 | (516) | | | | 0 | 630 | |
| 36213N-GC-4 | GNMA Pool #559195 7.600% 08/15/31 | 12/01/2002 | Paydown | | 35,331 | 35,331 | 37,451 | 37,443 | (2,111) | | | | 0 | 1,472 | |
| 36219C-UP-7 | GNMA Pool #245490 8.250% 05/15/32 | 09/01/2002 | Paydown | | 1,912,486 | 1,912,486 | 1,993,767 | 1,985,197 | (72,711) | | | | 0 | 118,054 | |
| 36223J-LG-6 | GNMA Pool #309127 8.500% 05/15/31 | 12/01/2002 | Paydown | | 7,231 | 7,231 | 7,638 | 7,593 | (362) | | | | 0 | 337 | |
| 36223L-AT-5 | GNMA Pool #310618 9.500% 10/15/21 | 12/01/2002 | Paydown | | 91,701 | 91,701 | 97,318 | 97,202 | (5,501) | | | | 0 | 5,209 | |
| 0399999 | Total - Bonds - U.S. Government | | | | 2,075,072 | 2,075,072 | 2,165,272 | 2,156,499 | (81,425) | 0 | 0 | 0 | 0 | 126,128 | XXX |
| Bonds - Special Revenue and Special Assessment | | | | | | | | | | | | | | | |
| Pennsylvania | | | | | | | | | | | | | | | |
| 07487T-AB-9 | Beaver Cnty Indust Dev 0.000% 11/20/24 | 11/20/2002 | Call | 21.4985 | 2,150 | 10,000 | 1,710 | 2,057 | 93 | | | | 0 | | |
| | Pennsylvania | | | | 2,150 | 10,000 | 1,710 | 2,057 | 93 | 0 | 0 | 0 | 0 | 0 | XXX |
| | Total States and US | | | | 2,150 | 10,000 | 1,710 | 2,057 | 93 | 0 | 0 | 0 | 0 | 0 | XXX |
| 3199999 | Total - Bonds - Special Revenue & Assessment | | | | 2,150 | 10,000 | 1,710 | 2,057 | 93 | 0 | 0 | 0 | 0 | 0 | XXX |
| Bonds - Public Utilities | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | |
| 079867-AB-3 | BellSouth Telecommuncat 7.875% 08/01/32 | 08/01/2002 | Call | 104.2900 | 2,346,525 | 2,250,000 | 2,308,770 | 2,307,588 | (481) | | | 39,418 | 39,418 | 177,188 | |
| 362320-AW-3 | GTE-Verison Corporation 7.900% 02/01/27 | 12/11/2002 | Morgan Keegan & Company Inc. | | 4,691,250 | 4,500,000 | 4,664,065 | 4,658,540 | (5,868) | | | 38,578 | 38,578 | 488,813 | |
| 679574-AC-7 | Old Dominion Elec Coop 8.760% 12/01/22 | 12/01/2002 | Call | 108.7600 | 4,894,200 | 4,500,000 | 5,247,675 | 4,975,642 | (81,442) | | | | | 394,200 | |
| | United States | | | | 11,931,975 | 11,250,000 | 12,220,510 | 11,941,770 | (87,791) | 0 | 0 | 77,996 | 77,996 | 1,060,201 | XXX |
| 3899999 | Total - Bonds - Public Utilities | | | | 11,931,975 | 11,250,000 | 12,220,510 | 11,941,770 | (87,791) | 0 | 0 | 77,996 | 77,996 | 1,060,201 | XXX |
| Bonds - Industrial and Miscellaneous | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | |
| 00077D-AF-6 | ABN-AMRO Bank 8.250% 08/01/09 | 11/12/2002 | Morgan Keegan & Company Inc. | | 3,365,775 | 3,150,000 | 3,462,795 | 3,382,920 | (21,310) | | | 4,166 | 4,166 | 334,950 | |
| 071813-AN-9 | Baxter International In 7.125% 02/01/07 | 11/06/2002 | Morgan Keegan & Company Inc. | | 1,080,210 | 1,000,000 | 1,040,990 | 1,037,535 | (5,650) | | | 48,325 | 48,325 | 91,240 | |
| 073902-BR-8 | Bear Stearns Companies 7.625% 12/07/09 | 11/06/2002 | Morgan Keegan & Company Inc. | | 1,123,320 | 1,000,000 | 992,490 | 993,188 | 548 | | | 129,583 | 129,583 | 70,955 | |
| 125563-AC-0 | CIT Capital Trust I 7.700% 02/15/27 | 10/31/2002 | Morgan Keegan & Company Inc. | | 1,897,500 | 2,300,000 | 1,874,201 | 1,878,417 | 3,480 | | | 15,603 | 15,603 | 216,456 | |
| 152312-AA-2 | Centex Corporation 8.750% 03/01/07 | 11/05/2002 | Morgan Keegan & Company Inc. | | 573,925 | 550,000 | 593,555 | 576,975 | (3,784) | | | 734 | 734 | 57,165 | |
| 20449Q-AA-7 | Compass Trust I 8.230% 01/15/27 | 11/12/2002 | Morgan Keegan & Company Inc. | | 2,647,500 | 2,500,000 | 2,672,125 | 2,652,032 | (7,551) | | | 3,020 | 3,020 | 274,333 | |
| 210805-BD-8 | Continental Airlines 7.461% 04/01/15 | 10/01/2002 | Paydown | | 41,399 | 41,399 | 44,405 | 43,966 | (2,567) | | | | 0 | 1,767 | |
| 458182-BU-5 | Interamerican Developme 7.125% 03/15/23 | 11/13/2002 | Morgan Keegan & Company Inc. | | 5,160,713 | 4,967,000 | 5,199,181 | 5,141,728 | (17,995) | | | 36,980 | 36,980 | 415,831 | |
| | Bank | | | | | | | | | | | | 0 | | |
| 524908-BF-6 | Lehman Brothers Holding 8.500% 08/01/15 | 03/14/2002 | RW Baird | | 2,209,600 | 2,000,000 | 2,186,600 | 2,168,346 | (1,664) | | | 42,918 | 42,918 | 107,667 | |
| | Inc | | | | | | | | | | | | 0 | | |
| 55262C-AC-4 | MBA Incorporated 8.200% 10/01/22 | 10/01/2002 | Call | 103.9880 | 519,940 | 500,000 | 525,130 | 522,652 | (2,702) | | | (10) | (10) | 41,000 | |
| 577778-BA-0 | May Department Stores 8.300% 07/15/26 | 11/06/2002 | Morgan Keegan & Company Inc. | | 2,700,000 | 2,500,000 | 2,637,850 | 2,634,298 | (5,746) | | | 71,448 | 71,448 | 274,938 | |
| 62874H-AA-3 | Bankamerica Cap Trst IV 8.250% 04/15/27 | 12/11/2002 | Morgan Keegan & Company Inc. | | 6,675,000 | 6,000,000 | 6,311,730 | 6,301,978 | (14,034) | | | 387,056 | 387,056 | 578,875 | |
| 699216-AH-0 | Paramount Communication 8.250% 08/01/22 | 08/01/2002 | Call | 103.4670 | 2,172,807 | 2,100,000 | 2,210,124 | 2,190,830 | (17,960) | | | (63) | (63) | 173,250 | |
| | Viacom Inc. | | | | | | | | | | | | 0 | | |
| 718507-AX-4 | Phillips Petroleum Comp 7.920% 04/15/23 | 11/06/2002 | Morgan Keegan & Company Inc. | | 3,135,000 | 3,000,000 | 3,176,490 | 3,138,640 | (13,432) | | | 9,792 | 9,792 | 255,420 | |
| 743674-AB-9 | Protective Life Corp 8.000% 07/01/10 | 11/06/2002 | Morgan Keegan & Company Inc. | | 2,010,000 | 2,000,000 | 2,000,000 | 2,000,000 | | | | 10,000 | 10,000 | 218,222 | |
| | United States | | | | 35,312,689 | 33,608,399 | 34,927,666 | 34,663,505 | (110,367) | 0 | 0 | 759,552 | 759,552 | 3,112,069 | XXX |
| Canada | | | | | | | | | | | | | | | |
| 031678-AD-7 | Amoco Canada Petro Comp 7.950% 10/01/22 | 11/22/2002 | Call | 103.2940 | 1,549,410 | 1,500,000 | 1,560,000 | 1,557,480 | (3,209) | | | (4,861) | (4,861) | 136,144 | |
| | Canada | | | | 1,549,410 | 1,500,000 | 1,560,000 | 1,557,480 | (3,209) | 0 | 0 | (4,861) | (4,861) | 136,144 | XXX |
| 4599999 | Total - Bonds - Industrial & Miscellaneous | | | | 36,862,099 | 35,108,399 | 36,487,666 | 36,220,985 | (113,576) | 0 | 0 | 754,691 | 754,691 | 3,248,213 | XXX |
| 6099997 | Total - Bonds - Part 4 | | | | 50,871,296 | 48,443,471 | 50,875,158 | 50,321,311 | (282,699) | 0 | 0 | 832,687 | 832,687 | 4,434,542 | XXX |
| 6099999 | Total - Bonds | | | | 50,871,296 | 48,443,471 | 50,875,158 | 50,321,311 | (282,699) | 0 | 0 | 832,687 | 832,687 | 4,434,542 | XXX |
| Common Stocks - Public Utilities | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | |
| 00130H-10-5 | AES Corporation | 03/28/2002 | SEI Financial Services Inc. | | 2,300,000 | 20,645 | | 44,331 | 37,605 | 6,726 | | (23,686) | (23,686) | | |

E12

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL 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 |
| 131347-10-6 | Calpine Corporation | 12/20/2002 | Salomon Smith Barney | 2,500.000 | 7,923 | | 97,678 | 41,975 | 55,703 | | | (89,755) | (89,755) | | |
| 92343V-10-4 | Verizon Communications | 12/20/2002 | Merrill Lynch | 3,200.000 | 138,291 | | 176,068 | 151,872 | 24,196 | | | (37,777) | (37,777) | | 3,196 |
| 98157D-10-6 | WorldCom Inc | 07/01/2002 | Various | 13,675.000 | 18,051 | | 305,012 | 192,544 | 112,468 | | | (286,961) | (286,961) | | |
| | United States | | | | 184,910 | XXX | 623,089 | 423,996 | 199,093 | 0 | 0 | (438,179) | (438,179) | XXX | 3,196 |
| 6699999 | Total - Common Stocks - Public Utilities | | | | 184,910 | XXX | 623,089 | 423,996 | 199,093 | 0 | 0 | (438,179) | (438,179) | XXX | 3,196 |

Common Stocks - Banks, Trust and Insurance Companies

United States

| | | | | | | | | | | | | | | | |
|-------------|--|------------|----------------------------|-----------|-----------|-----|-----------|-----------|-----------|---|---|----------|----------|-----|--------|
| 032165-10-2 | AmSouth Bancorporation | 09/17/2002 | Goldman Sachs | 2,000.000 | 42,592 | | 39,872 | 37,800 | 2,072 | | | 2,720 | 2,720 | | 1,760 |
| 060505-10-4 | Bank Amer Corporation | 08/20/2002 | Warburg Dillon Read LLC | 900.000 | 61,836 | | 62,316 | 56,655 | 5,661 | | | (480) | (480) | | 1,080 |
| 172967-10-1 | Citigroup Inc | 10/15/2002 | SEI Financial Services Inc | 3,700.000 | 116,576 | | 63,818 | 174,880 | (111,062) | | | 52,757 | 52,757 | | 1,924 |
| 172967-10-1 | Citigroup Inc | 08/21/2002 | Spin Off | | 4,341 | | 4,341 | 11,896 | (7,555) | | | | | | |
| 339030-10-8 | FleetBoston Finl Corpor | 04/16/2002 | Various | 2,600.000 | 90,159 | | 103,177 | 94,900 | 8,277 | | | (13,017) | (13,017) | | 1,435 |
| 441815-10-7 | Household International | 12/26/2002 | Merrill Lynch | 1,300.000 | 36,391 | | 84,416 | 75,322 | 9,094 | | | (48,025) | (48,025) | | 1,222 |
| 493267-10-8 | KeyCorp | 10/30/2002 | Various | 3,900.000 | 96,191 | | 104,947 | 94,926 | 10,021 | | | (8,756) | (8,756) | | 3,510 |
| 552848-10-3 | MGIC Investment Corpora | 12/05/2002 | Various | 900.000 | 34,383 | | 52,535 | 55,548 | (3,013) | | | (18,152) | (18,152) | | 73 |
| 590188-10-8 | Merrill Lynch & Company | 12/26/2002 | SG Cowen | 1,800.000 | 71,812 | | 95,508 | 93,816 | 1,692 | | | (23,696) | (23,696) | | 1,152 |
| 665859-10-4 | Northern Trust Corporat | 12/26/2002 | SG Cowen | 1,300.000 | 46,110 | | 66,418 | 78,286 | (11,868) | | | (20,308) | (20,308) | | 884 |
| 81369Y-80-3 | Technology Select Secto | 01/18/2002 | Morgan Stanley | 4,500.000 | 108,631 | | 111,594 | 108,000 | 3,594 | | | (2,963) | (2,963) | | |
| 857477-10-3 | State Street Corporatio | 12/26/2002 | SG Cowen | 1,600.000 | 63,823 | | 69,909 | 83,600 | (13,691) | | | (6,086) | (6,086) | | 736 |
| 902973-30-4 | US Bancorp | 12/26/2002 | SG Cowen | 4,600.000 | 99,771 | | 100,307 | 96,278 | 4,029 | | | (536) | (536) | | 3,554 |
| 929903-10-2 | Wachovia Corp 2nd New | 07/02/2002 | Lehman Brothers | 2,100.000 | 76,774 | | 74,602 | 65,856 | 8,746 | | | 2,172 | 2,172 | | 1,008 |
| 949746-10-1 | Wells Fargo & Co New | 12/26/2002 | SG Cowen | 3,050.000 | 144,535 | | 98,448 | 132,584 | (34,135) | | | 46,087 | 46,087 | | 3,355 |
| | United States | | | | 1,093,925 | XXX | 1,132,208 | 1,260,347 | (128,138) | 0 | 0 | (38,283) | (38,283) | XXX | 21,693 |
| 6799999 | Total - Common Stocks - Banks, Trust & Insurance Companies | | | | 1,093,925 | XXX | 1,132,208 | 1,260,347 | (128,138) | 0 | 0 | (38,283) | (38,283) | XXX | 21,693 |

Common Stocks - Industrial and Miscellaneous

United States

| | | | | | | | | | | | | | | | |
|-------------|--------------------------|------------|-------------------------------|-----------|---------|--|---------|---------|----------|--|--|----------|----------|--|-------|
| 00184A-10-5 | AOL Time Warner | 12/30/2002 | Merrill Lynch | 2,800.000 | 34,186 | | 112,911 | 89,880 | 23,031 | | | (78,725) | (78,725) | | |
| 002824-10-0 | Abbott Laboratories | 12/20/2002 | Salomon Smith Barney | 2,600.000 | 102,390 | | 105,225 | 144,950 | (39,725) | | | (2,834) | (2,834) | | 2,379 |
| 00724F-10-1 | Adobe Systems In corpora | 04/03/2002 | Various | 2,400.000 | 84,408 | | 73,973 | 74,520 | (547) | | | 10,435 | 10,435 | | 36 |
| 013104-10-4 | Albertson's Incorporate | 06/24/2002 | Goldman Sachs | 1,800.000 | 54,113 | | 62,533 | 56,682 | 5,851 | | | (8,420) | (8,420) | | 684 |
| 031162-10-0 | Amgen Incorporated | 12/20/2002 | Salomon Smith Barney | 1,700.000 | 86,876 | | 100,621 | 95,948 | 4,673 | | | (13,745) | (13,745) | | |
| 032654-10-5 | Analog Devices In corpor | 12/26/2002 | SG Cowen | 1,600.000 | 41,464 | | 72,331 | 71,024 | 1,307 | | | (30,867) | (30,867) | | |
| 037411-10-5 | Apache Corporation | 12/20/2002 | Various | 1,300.000 | 82,176 | | 77,586 | 64,844 | 12,742 | | | 4,590 | 4,590 | | 485 |
| 038222-10-5 | Applied Materials Inc | 03/12/2002 | Various | 2,900.000 | 131,074 | | 125,017 | 116,290 | 8,727 | | | 6,057 | 6,057 | | |
| 053015-10-3 | Automatic Data Process | 12/26/2002 | SG Cowen | 1,700.000 | 67,506 | | 95,044 | 100,130 | (5,086) | | | (27,538) | (27,538) | | 782 |
| 053611-10-9 | Avery Dennison Corporat | 05/31/2002 | Various | 1,400.000 | 87,737 | | 69,891 | 79,142 | (9,251) | | | 17,845 | 17,845 | | 462 |
| 075887-10-9 | Becton Dickinson | 03/12/2002 | Morgan Stanley | 1,200.000 | 43,140 | | 43,457 | 39,780 | 3,677 | | | (317) | (317) | | 234 |
| 090613-10-0 | Biomet Incorporated | 12/20/2002 | Salomon Smith Barney | 2,500.000 | 72,252 | | 69,012 | 77,250 | (8,238) | | | 3,240 | 3,240 | | 250 |
| 12189T-10-4 | Burlington Northern San | 07/24/2002 | Various | 1,800.000 | 48,119 | | 48,301 | 51,354 | (3,053) | | | (182) | (182) | | 648 |
| 126650-10-0 | CVS Corporation | 12/26/2002 | SG Cowen | 2,100.000 | 51,217 | | 94,690 | 62,160 | 32,530 | | | (43,472) | (43,472) | | 483 |
| 134429-10-9 | Campbell Soup | 08/20/2002 | Credit Suisse 1st Boston Corp | 2,400.000 | 50,807 | | 69,449 | 71,688 | (2,239) | | | (18,641) | (18,641) | | 1,134 |
| 166764-10-0 | Chevron Texaco Corpora | 12/20/2002 | William Blair | 1,386.000 | 92,603 | | 126,686 | 124,199 | 2,487 | | | (34,083) | (34,083) | | 3,881 |
| 204493-10-0 | Compaq Computer Corpora | 05/06/2002 | Tax Free Exchange | 9,400.000 | 177,154 | | 177,154 | 91,744 | 85,410 | | | | | | 425 |
| 205887-10-2 | ConAgra Incorporated | 09/04/2002 | Various | 3,900.000 | 96,652 | | 83,772 | 92,703 | (8,931) | | | 12,880 | 12,880 | | 1,857 |
| 235811-10-6 | Dana Corporation | 03/20/2002 | J P Morgan | 1,900.000 | 39,117 | | 33,829 | 26,372 | 7,457 | | | 5,288 | 5,288 | | 19 |
| 247025-10-9 | Dell Computer Corporati | 01/15/2002 | Warburg Dillon Read LLC | 1,900.000 | 53,720 | | 48,559 | 51,642 | (3,083) | | | 5,161 | 5,161 | | |
| 251893-10-3 | DeVry Inc | 12/20/2002 | William Blair | 2,500.000 | 39,849 | | 68,085 | 71,125 | (3,040) | | | (28,236) | (28,236) | | |
| 28336L-10-9 | El Paso Corporation | 09/25/2002 | SEI Financial Services Inc | 1,400.000 | 9,050 | | 95,227 | 62,454 | 32,773 | | | (86,176) | (86,176) | | 1,211 |
| 291011-10-4 | Emerson Electric Compan | 12/20/2002 | William Blair | 1,400.000 | 69,348 | | 90,926 | 79,940 | 10,986 | | | (21,579) | (21,579) | | 2,177 |
| 294429-10-5 | Equifax Incorporated | 08/08/2002 | Various | 7,100.000 | 169,123 | | 176,239 | 171,465 | 4,774 | | | (7,116) | (7,116) | | 232 |
| 313586-10-9 | Federal National Mortga | 12/26/2002 | SG Cowen | 1,600.000 | 106,469 | | 127,020 | 127,200 | (180) | | | (20,550) | (20,550) | | 2,112 |

E12.1

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL 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 |
| 31410H-10-1 | Federated Dept Stores I | 01/16/2002 | Warburg Dillon Read LLC | 1,100,000 | 45,415 | | 35,168 | 44,990 | (9,822) | | | 10,247 | 10,247 | | |
| 31428X-10-6 | FedEx Corporation | 01/17/2002 | Various | 3,100,000 | 155,153 | | 125,920 | 160,828 | (34,908) | | | 29,233 | 29,233 | | |
| 364730-10-1 | Gannett Company Incorpo | 06/19/2002 | Various | 1,900,000 | 142,206 | | 123,331 | 127,737 | (4,406) | | | 18,875 | 18,875 | | 989 |
| 369604-10-3 | General Electric | 12/30/2002 | Merrill Lynch | 5,000,000 | 121,996 | | 107,599 | 200,400 | (92,801) | | | 14,397 | 14,397 | | 3,600 |
| 371901-10-9 | GenTex Corporation | 12/26/2002 | Merrill Lynch | 1,300,000 | 42,605 | | 32,923 | 34,749 | (1,826) | | | 9,682 | 9,682 | | |
| 423074-10-3 | H J Heinz Company | 10/23/2002 | Various | 1,800,000 | 56,816 | | 79,593 | 74,016 | 5,577 | | | (22,777) | (22,777) | | 2,916 |
| 460690-10-0 | Interpublic Group | 08/01/2002 | SEI Financial Services Inc. | 3,650,000 | 76,848 | | 95,547 | 107,821 | (12,274) | | | (18,699) | (18,699) | | 694 |
| 478160-10-4 | Johnson & Johnson | 12/30/2002 | Merrill Lynch | 3,200,000 | 171,323 | | 123,596 | 189,120 | (65,524) | | | 47,727 | 47,727 | | 2,544 |
| 494368-10-3 | Kimberly Clark | 12/26/2002 | Merrill Lynch | 1,500,000 | 70,189 | | 89,540 | 89,700 | (160) | | | (19,352) | (19,352) | | 1,770 |
| 532716-10-7 | The Limited Incorporate | 07/11/2002 | Various | 8,800,000 | 157,151 | | 138,907 | 129,536 | 9,371 | | | 18,244 | 18,244 | | 908 |
| 548661-10-7 | Lowe's Companies Inc. | 12/30/2002 | Various | 4,300,000 | 177,859 | | 84,444 | 199,563 | (115,119) | | | 93,415 | 93,415 | | 192 |
| 574599-10-6 | Masco Corporation | 07/25/2002 | Various | 6,300,000 | 159,641 | | 163,340 | 154,350 | 8,990 | | | (3,699) | (3,699) | | 1,418 |
| 580135-10-1 | McDonalds Corporation | 12/17/2002 | Bear Stearns | 2,500,000 | 39,383 | | 70,608 | 66,175 | 4,433 | | | (31,226) | (31,226) | | 588 |
| 651229-10-6 | Newell Rubbermaid Inc. | 09/19/2002 | Various | 4,300,000 | 143,024 | | 102,550 | 118,551 | (16,001) | | | 40,474 | 40,474 | | 2,247 |
| 655664-10-0 | Nordstrom Incorporated | 02/19/2002 | Various | 3,600,000 | 86,687 | | 77,272 | 72,828 | 4,444 | | | 9,415 | 9,415 | | |
| 718154-10-7 | Phillip Morris | 06/25/2002 | J P Morgan | 1,300,000 | 63,016 | | 57,070 | 59,605 | (2,535) | | | 5,946 | 5,946 | | 1,508 |
| 724479-10-0 | Pitney Bowes Inc. | 03/13/2002 | Credit Suisse 1st Boston Corp. | 1,800,000 | 74,522 | | 74,648 | 67,698 | 6,950 | | | (125) | (125) | | 531 |
| 742718-10-9 | Procter & Gamble Compan | 05/30/2002 | Various | 2,100,000 | 184,181 | | 149,947 | 166,173 | (16,226) | | | 34,234 | 34,234 | | 1,140 |
| 747525-10-3 | QUALCOMM Inc. | 12/30/2002 | Merrill Lynch | 1,100,000 | 40,118 | | 82,846 | 55,550 | 27,296 | | | (42,728) | (42,728) | | |
| 755111-50-7 | Raytheon Company | 07/02/2002 | Lehman Brothers | 1,100,000 | 40,933 | | 29,779 | 35,717 | (5,938) | | | 11,155 | 11,155 | | 440 |
| 786514-20-8 | Safeway Incorporated | 12/26/2002 | SG Cowen | 1,700,000 | 40,085 | | 55,649 | 70,975 | (15,326) | | | (15,564) | (15,564) | | |
| 800907-10-7 | Sanmina Corp. | 07/24/2002 | Merrill Lynch | 4,484,000 | 18,529 | | 89,109 | 89,232 | (122) | | | (70,580) | (70,580) | | |
| 803111-10-3 | Sara Lee | 12/12/2002 | Various | 5,700,000 | 126,270 | | 110,185 | 126,711 | (16,526) | | | 16,085 | 16,085 | | 3,420 |
| 806605-10-1 | Schering Plough | 12/20/2002 | Gordon Haskett & Company | 2,800,000 | 62,827 | | 127,362 | 100,268 | 27,094 | | | (64,535) | (64,535) | | 1,876 |
| 872941-10-9 | TMP Worldwide Inc. | 12/20/2002 | Merrill Lynch | 1,500,000 | 15,744 | | 68,150 | 64,350 | 3,800 | | | (52,405) | (52,405) | | |
| 87612E-10-6 | Target Corporation | 12/30/2002 | Merrill Lynch | 2,600,000 | 76,412 | | 82,929 | 106,730 | (23,801) | | | (6,518) | (6,518) | | 624 |
| 902124-10-6 | Tyco International Ltd. | 12/20/2002 | Merrill Lynch | 2,500,000 | 62,659 | | 85,340 | 147,250 | (61,910) | | | (22,682) | (22,682) | | 80 |
| 913017-10-9 | United Technologies | 01/14/2002 | Lehman Brothers | 1,100,000 | 68,763 | | 52,202 | 71,093 | (18,891) | | | 16,561 | 16,561 | | |
| 918204-10-8 | V F Corporation | 04/04/2002 | Various | 1,900,000 | 79,189 | | 69,478 | 74,119 | (4,641) | | | 9,710 | 9,710 | | 312 |
| 923436-10-9 | VERITAS Software Corpor | 12/26/2002 | Various | 2,900,000 | 80,985 | | 63,373 | 130,007 | (66,634) | | | 17,612 | 17,612 | | |
| 928497-10-6 | Vitesse Semiconductor C. | 08/27/2002 | Standard & Poor's Securities | 4,700,000 | 6,502 | | 101,215 | 58,421 | 42,794 | | | (94,713) | (94,713) | | |
| 931142-10-3 | Wal-Mart Stores Inc. | 12/30/2002 | Merrill Lynch | 3,800,000 | 189,073 | | 134,748 | 218,690 | (83,942) | | | 54,325 | 54,325 | | 1,121 |
| 942683-10-3 | Watson Pharmaceuticals | 12/20/2002 | Merrill Lynch | 1,600,000 | 43,327 | | 72,967 | 50,224 | 22,743 | | | (29,641) | (29,641) | | |
| 983919-10-1 | Xilinx Incorporated | 12/20/2002 | Merrill Lynch | 2,100,000 | 63,912 | | 64,922 | 82,005 | (17,083) | | | (1,011) | (1,011) | | |
| | United States | | | | 4,873,893 | XXX | 5,269,795 | 5,639,668 | (369,872) | 0 | 0 | (395,903) | (395,903) | XXX | 48,409 |
| Foreign | | | | | | | | | | | | | | | |
| 20257#-10-4 | Commercial Union Emergi | 05/01/2002 | Commercial Union | 123,000 | 715 | | 888 | 710 | 178 | | | (173) | (173) | | |
| 904784-70-9 | Unilever NV - NY Shares | 01/04/2002 | Lehman Brothers | 1,200,000 | 67,750 | | 72,791 | 69,132 | 3,659 | | | (5,042) | (5,042) | | |
| | Foreign | | | | 68,465 | XXX | 73,679 | 69,842 | 3,837 | 0 | 0 | (5,215) | (5,215) | XXX | 0 |
| 6899999 | Total - Common Stocks - Industrial & Miscellaneous | | | | 4,942,358 | XXX | 5,343,474 | 5,709,510 | (366,035) | 0 | 0 | (401,118) | (401,118) | XXX | 48,409 |
| 7099997 | Total - Common Stocks - Part 4 | | | | 6,221,193 | XXX | 7,098,771 | 7,393,853 | (295,080) | 0 | 0 | (877,580) | (877,580) | XXX | 73,298 |
| 7099998 | Total - Common Stocks - Summary Item from Part 5 | | | | 692,996 | XXX | 968,690 | 968,690 | | 0 | 0 | (275,694) | (275,694) | XXX | 4,609 |
| 7099999 | Total - Common Stocks | | | | 6,914,189 | XXX | 8,067,461 | 8,362,543 | (295,080) | 0 | 0 | (1,153,274) | (1,153,274) | XXX | 77,907 |
| 7199999 | Total - Preferred and Common Stocks | | | | 6,914,189 | XXX | 8,067,461 | 8,362,543 | (295,080) | 0 | 0 | (1,153,274) | (1,153,274) | XXX | 77,907 |
| 7299999 | Total - Bonds, Preferred and Common Stocks | | | | 57,785,485 | XXX | 58,942,619 | 58,683,854 | (577,779) | 0 | 0 | (320,587) | (320,587) | 4,434,542 | 77,907 |

E12.2

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year and Fully DISPOSED OF During Current Year

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 |
|---|--|---------------|------------------------------|---------------|-------------------------------|--|-------------|---------------|---|-----------------------------------|--|--|----------------------------------|-------------------------------|---|---|
| CUSIP Identification | Description | Date Acquired | Name of Vendor | Disposal Date | Name of Purchaser | Par Value (Bonds) or Number of Shares (Stocks) | Actual Cost | Consideration | 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 and Dividends Received During Year | Paid for Accrued Interest and Dividends |
| Common Stocks - Public Utilities | | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | | |
| 131347-10-6 | Calpine Corporation | 03/28/2002 | SEI Financial Services Inc. | 12/20/2002 | Salomon Smith Barney | 2,500,000 | 32,890 | 7,923 | 32,890 | | | | (24,967) | (24,967) | | |
| 264399-10-6 | Duke Power Company | 04/08/2002 | Morgan Stanley | 05/17/2002 | Goldman Sachs | 1,000,000 | 39,000 | 33,279 | 39,000 | | | | (5,721) | (5,721) | 275 | |
| 98157D-10-6 | WorldCom Inc. | 03/28/2002 | Various | 04/30/2002 | B-Trade Services | 4,700,000 | 38,040 | 10,487 | 38,040 | | | | (27,553) | (27,553) | | |
| | United States | | | | | XXX | 109,930 | 51,689 | 109,930 | 0 | 0 | 0 | (58,241) | (58,241) | 275 | 0 |
| 6699999 | Total - Common Stocks - Public Utilities | | | | | XXX | 109,930 | 51,689 | 109,930 | 0 | 0 | 0 | (58,241) | (58,241) | 275 | 0 |
| Common Stocks - Banks, Trust and Insurance Companies | | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | | |
| 020002-10-1 | Allstate Corporation | 02/08/2002 | Merrill Lynch | 11/04/2002 | Various | 2,100,000 | 71,031 | 82,592 | 71,031 | | | | 11,561 | 11,561 | 1,323 | |
| 14040H-10-5 | Capital One Financial C | 02/27/2002 | Merrill Lynch | 12/20/2002 | Salomon Smith Barney | 1,400,000 | 69,049 | 44,365 | 69,049 | | | | (24,684) | (24,684) | 112 | |
| 172967-10-1 | Citigroup Inc. | 06/18/2002 | Morgan Stanley | 09/18/2002 | Factset Data Systems | 800,000 | 32,191 | 22,919 | 32,191 | | | | (9,272) | (9,272) | 144 | |
| 172967-10-1 | Citigroup Inc. | 07/29/2002 | Various | 08/21/2002 | Spin Off | | 7,678 | 7,678 | 7,678 | | | | 0 | 0 | | |
| 552848-10-3 | MGIC Investment Corpora | 07/26/2002 | Various | 12/05/2002 | Lehman Brothers | 600,000 | 39,922 | 26,082 | 39,922 | | | | (13,840) | (13,840) | 43 | |
| 857477-10-3 | State Street Corporatio | 10/15/2002 | Standard & Poor's Securities | 12/26/2002 | SG Cowen | 500,000 | 20,030 | 19,945 | 20,030 | | | | (85) | (85) | | |
| 89420G-10-9 | Travelers P & C Corp Cl | 08/21/2002 | Spin Off | 08/26/2002 | Various | 289,000 | 3,729 | 4,021 | 3,729 | | | | 292 | 292 | | |
| 89420G-10-9 | Travelers P & C Corp Cl | 08/21/2002 | Spin Off | 08/21/2002 | Cash Adjustment | | 7 | 21 | 7 | | | | 14 | 14 | | |
| 89420G-40-6 | Travelers P & C Corp Cl | 08/21/2002 | Spin Off | 08/26/2002 | Various | 594,000 | 8,271 | 8,527 | 8,271 | | | | 256 | 256 | | |
| 89420G-40-6 | Travelers P & C Corp Cl | 08/21/2002 | Spin Off | 08/21/2002 | Cash Adjustment | 1,000 | 12 | 11 | 12 | | | | (1) | (1) | | |
| | United States | | | | | XXX | 251,920 | 216,161 | 251,920 | 0 | 0 | 0 | (35,759) | (35,759) | 1,622 | 0 |
| 6799999 | Total - Common Stocks - Banks, Trust & Insurance Companies | | | | | XXX | 251,920 | 216,161 | 251,920 | 0 | 0 | 0 | (35,759) | (35,759) | 1,622 | 0 |
| Common Stocks - Industrial and Miscellaneous | | | | | | | | | | | | | | | | |
| United States | | | | | | | | | | | | | | | | |
| 00724F-10-1 | Adobe Systems Incorpora | 07/29/2002 | Various | 08/01/2002 | Various | 2,600,000 | 69,639 | 57,166 | 69,639 | | | | (12,473) | (12,473) | 8 | |
| 032511-10-7 | Anadarko Petroleum Corp | 07/17/2002 | Various | 12/12/2002 | First Albany Corp | 800,000 | 43,119 | 39,274 | 43,119 | | | | (3,844) | (3,844) | 193 | |
| 037411-10-5 | Apache Corporation | 12/27/2001 | Stock Dividend | 12/20/2002 | Various | 130,000 | | | | | | | 0 | 0 | 48 | |
| 134429-10-9 | Campbell Soup | 04/08/2002 | Various | 08/21/2002 | Credit Suisse 1st Boston Corp | 1,900,000 | 53,268 | 41,105 | 53,268 | | | | (12,164) | (12,164) | 599 | |
| 28336L-10-9 | El Paso Corporation | 02/12/2002 | Merrill Lynch | 09/25/2002 | SEI Financial Services Inc. | 700,000 | 25,927 | 4,525 | 25,927 | | | | (21,402) | (21,402) | 457 | |
| 364730-10-1 | Gannett Company Incomo | 07/23/2002 | Morgan Stanley | 08/26/2002 | Warburg Dillon Read LLC | 500,000 | 32,483 | 38,432 | 32,483 | | | | 5,949 | 5,949 | | |
| 369550-10-8 | General Dynamics Corpor | 03/08/2002 | SEI Financial Services Inc. | 12/20/2002 | William Blair | 930,000 | 81,806 | 73,040 | 81,806 | | | | (8,766) | (8,766) | 837 | |
| 423074-10-3 | H J Heinz Company | 04/08/2002 | Morgan Stanley | 10/23/2002 | Merrill Lynch | 600,000 | 25,131 | 18,657 | 25,131 | | | | (6,474) | (6,474) | 486 | |
| 428236-10-3 | Hewlett Packard Company | 02/01/2002 | B-Trade Services | 05/20/2002 | Corporate Reorg/Merger | 1,000 | 11 | 10 | 11 | | | | (1) | (1) | | |
| 594972-10-1 | MicroStrategy Incompora | 08/01/2002 | From class action law suit | 08/02/2002 | Tax Free Exchange | 51,000 | 1 | 1 | 1 | | | | 0 | 0 | | |
| 594972-40-8 | MicroStrategy Incompora | 08/02/2002 | Tax Free Exchange | 11/22/2002 | Merrill Lynch | 5,000 | 1 | .92 | 1 | | | | 91 | 91 | | |
| 594972-40-8 | MicroStrategy Incompora | 08/02/2002 | Tax Free Exchange | 08/02/2002 | Cash Adjustment | | | | | | | | 0 | 0 | | |
| 740189-10-5 | Precision Castparts Cor | 07/01/2002 | SEI Financial Services Inc. | 12/20/2002 | Gordon Haskett & Company | 1,800,000 | 59,621 | 43,001 | 59,621 | | | | (16,620) | (16,620) | 84 | |
| 786514-20-8 | Safeway Incorporated | 06/05/2002 | Various | 07/25/2002 | Various | 3,300,000 | 140,952 | 84,504 | 140,952 | | | | (56,448) | (56,448) | | |
| 800907-10-7 | Sanmina Corp | 05/13/2002 | Various | 07/24/2002 | Merrill Lynch | 4,100,000 | 52,550 | 16,942 | 52,550 | | | | (35,608) | (35,608) | | |
| 872941-10-9 | TMP Worldwide Inc | 02/26/2002 | Merrill Lynch | 12/20/2002 | Merrill Lynch | 800,000 | 22,331 | 8,397 | 22,331 | | | | (13,934) | (13,934) | | |
| | United States | | | | | XXX | 606,840 | 425,146 | 606,840 | 0 | 0 | 0 | (181,694) | (181,694) | 2,712 | 0 |
| 6899999 | Total - Common Stocks - Industrial & Miscellaneous | | | | | XXX | 606,840 | 425,146 | 606,840 | 0 | 0 | 0 | (181,694) | (181,694) | 2,712 | 0 |
| 7099998 | Total - Common Stocks | | | | | XXX | 968,690 | 692,996 | 968,690 | 0 | 0 | 0 | (275,694) | (275,694) | 4,609 | 0 |
| 7199999 | Total - Preferred and Common Stocks | | | | | XXX | 968,690 | 692,996 | 968,690 | 0 | 0 | 0 | (275,694) | (275,694) | 4,609 | 0 |
| 7299999 | Total - Bonds, Preferred and Common Stocks | | | | | XXX | 968,690 | 692,996 | 968,690 | 0 | 0 | 0 | (275,694) | (275,694) | 4,609 | 0 |

ES

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

| 1 CUSIP Identifi- cation | 2 Description Name of Subsidiary, Controlled or Affiliated Company | 3 NAIC Company Code or Alien Insurer Identification Number | 4 NAIC Valuation Method (See SVO Purposes and Procedures manual) | 5 Do Insurer's Assets Include Intangible Assets Connected with Holding of Such Company's Stock? | 6 Total Amount of Such Intangible Assets | 7 Book/Adjusted Carrying Value | 8 Stock of Such Company Owned by Insurer on Statement Date | |
|---|---|--|--|--|--|---|---|--------------------------|
| | | | | | | | 8 Number of Shares | 9 % of Outstanding |
| Common Stocks | | | | | | | | |
| U.S. Property and Casualty Insurer | | | | | | | | |
| 02745@ 10 4... | American Merchants Casualty Company..... |43630..... | 8 3 b ii A..... | No..... | |10,514,252 |10,000,010 |100.0 |
| 1099999 | Total - Common Stocks - U.S. Property and Casualty Insurer..... | | | |0 |10,514,252 |XXX..... |XXX..... |
| U.S. Life Insurer | | | | | | | | |
| 61944@ 10 9... | Motorists Life Insurance Company..... |66311..... | 8 3 b ii A..... | No..... | |15,034,482 |82,515,000 |30.0 |
| 1199999 | Total - Common Stocks - U.S. Life Insurer..... | | | |0 |15,034,482 |XXX..... |XXX..... |
| Other Affiliates | | | | | | | | |
| 00131@ 10 0... | AHM Insurance Agency Inc..... | ...None..... | 8 3 b ii B..... | No..... | |1,053,206 |200,000 |100.0 |
| 62007#-10-9... | Motorists Reinsurance Corporation..... | ...None..... | 8 3 b ii B..... | No..... | |258,954 |480,000 |48.0 |
| 1599999 | Total - Common Stocks - Other Affiliates..... | | | |0 |1,312,160 |XXX..... |XXX..... |
| 1699999 | Total - Common Stocks..... | | | |0 |26,860,895 |XXX..... |XXX..... |
| 1799999 | Total - Preferred and Common Stock..... | | | |0 |26,860,895 |XXX..... |XXX..... |

1. Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$.25,723,910.
2. Total amount of intangible assets nonadmitted \$.0.

SCHEDULE D - PART 6 - SECTION 2

| 1 CUSIP Identifi- cation | 2 Name of Lower-tier Company | 3 Name of Company Listed in Section 1 Which Controls Lower-tier Company | 4 Total Amount of Intangible Assets Included in Amount Shown in Column 6, Section 1 | 5 Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date | |
|-----------------------------------|------------------------------------|---|--|---|-----------------------|
| | | | | 5 Number of Shares | 6 % of Outstanding |
| NONE | | | | | |

Sch. DA-Pt. 1

NONE

Sch. DB-Pt. A-Sn. 1

NONE

Sch. DB-Pt. A-Sn. 2

NONE

Sch. DB-Pt. A-Sn. 3

NONE

Sch. DB-Pt. B-Sn. 1

NONE

Sch. DB-Pt. B-Sn. 2

NONE

Sch. DB-Pt. B-Sn. 3

NONE

Sch. DB-Pt. C-Sn. 1

NONE

Sch. DB-Pt. C-Sn. 2

NONE

Sch. DB-Pt. C-Sn. 3

NONE

Sch. DB-Pt. D-Sn. 1

NONE

Sch. DB-Pt. D-Sn. 2

NONE

Sch. DB-Pt. D-Sn. 3

NONE

Sch. DB-Pt. E-Sn. 1

NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF TIAMERICAN HARDWARE MUTUAL INSURANCE COMPANY
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..... | 121,131,063 | 124,596,430 | 3,465,367 |
| 2. Preferred stocks..... | 535,000 | 535,000 | 0 |
| 3. Totals..... | 121,666,063 | 125,131,430 | 3,465,367 |

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

Fair market values are obtained by using an external pricing service, HubData Inc; using an external investment service,

Bloomberg Inc; or by contacting individual brokers.

ANNUAL STATEMENT FOR THE YEAR 2002 OF TIAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE E - PART 1 - CASH

| 1 | 2 | 3 | 4 | 5 | 6 |
|---|----------------------|---|--|-----------|-----|
| Depository | Rate of Interest | Amount of Interest Received During Year | Amount of Interest Accrued December 31 of Current Year | Balance | * |
| Open Depositories | | | | | |
| Goldman Sachs Financial Square Money Market..... | Minneapolis, MN..... | 2,458 | | 384,362 | XXX |
| Fidelity Instl Cash Portfolio Class I..... | Boston, MA..... | 133,028 | | 5,916,860 | XXX |
| National City Bank..... | Columbus, OH..... | | | 1,215,799 | XXX |
| The One Group Prime Money Market Fund..... | Chicago, IL..... | 2,936 | | 1,062,296 | XXX |
| The One Group Treasury Money Market Fund..... | Chicago, IL..... | 17,594 | | | XXX |
| 0199998. Deposits in.....6 depositories that do not exceed allowable limits in any one depository (see Instructions) - Open Depositories..... | XXX | | | 224,006 | XXX |
| 0199999. Total - Open Depositories..... | XXX | 156,015 | .0 | 8,803,322 | XXX |
| 0399999. Total Cash on Deposit..... | XXX | 156,015 | .0 | 8,803,322 | XXX |
| 0499999. Cash in Company's Office..... | XXX | XXX | XXX | 500 | XXX |
| 0599999. Total Cash..... | XXX | 156,015 | .0 | 8,803,822 | XXX |

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

| | | | | | | | |
|------------------|-----------|---------------|-----------|-------------------|------------|-------------------|------------|
| 1. January..... | 7,134,542 | 4. April..... | 8,370,023 | 7. July..... | 7,888,218 | 10. October..... | 15,339,921 |
| 2. February..... | 6,503,186 | 5. May..... | 9,738,906 | 8. August..... | 12,843,653 | 11. November..... | 15,077,934 |
| 3. March..... | 6,634,964 | 6. June..... | 7,214,890 | 9. September..... | 16,548,893 | 12. December..... | 8,803,822 |

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE E - PART 2 - SPECIAL DEPOSITS

| 1 Line Number | 2 Type | 3 Description of Deposit | 4 Where Deposited and Purpose of Deposit | 5 Par or Book Value | 6 Statement Value (a) | 7 Fair Value |
|--|--|--|--|---------------------------|-----------------------------|--------------------|
| SPECIAL DEPOSITS WHICH ARE NOT FOR THE BENEFIT OF ALL POLICYHOLDERS | | | | | | |
| Arizona | | | | | | |
| AZ00001 | B | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 Arizona, Arizona Insurance Department, Licensing Laws - State | 183,000 | 197,895 | 223,260 |
| AZ00002 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 Arizona, Arizona Insurance Department, Licensing Laws - State | 100,000 | 100,010 | 105,156 |
| AZ99999 | Arizona | | | 283,000 | 297,905 | 328,416 |
| Arkansas | | | | | | |
| AR00001 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 Arkansas, Arkansas Insurance Department, Licensing Laws - State | 125,000 | 125,013 | 131,445 |
| AR99999 | Arkansas | | | 125,000 | 125,013 | 131,445 |
| California | | | | | | |
| CA00001 | B | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 California, California Insurance Dept, Licensing Laws - State | 2,100,000 | 2,270,931 | 2,562,000 |
| CA99999 | California | | | 2,100,000 | 2,270,931 | 2,562,000 |
| Delaware | | | | | | |
| DE00001 | B | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 Delaware, Delaware Insurance Department, Licensing Laws - State | 15,000 | 16,221 | 18,300 |
| DE00002 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 Delaware, Delaware Insurance Department, Licensing Laws - State | 125,000 | 125,013 | 131,445 |
| DE99999 | Delaware | | | 140,000 | 141,234 | 149,745 |
| Georgia | | | | | | |
| GA00001 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 Georgia, Georgia Insurance Department, Licensing Laws - State | 130,000 | 130,013 | 136,703 |
| GA99999 | Georgia | | | 130,000 | 130,013 | 136,703 |
| Idaho | | | | | | |
| ID00001 | B | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 Idaho, Idaho Insurance Department, Licensing Laws - State | 15,000 | 16,221 | 18,300 |
| ID00002 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 Idaho, Idaho Insurance Department, Licensing Laws - State | 160,000 | 160,016 | 168,250 |
| ID99999 | Idaho | | | 175,000 | 176,237 | 186,550 |
| Louisiana | | | | | | |
| LA00001 | B | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 Louisiana, Louisiana Insurance Department, Licensing Laws - State | 20,000 | 21,628 | 24,400 |
| LA00002 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 Louisiana, Louisiana Insurance Department, Licensing Laws - State | 95,000 | 95,010 | 99,898 |
| LA99999 | Louisiana | | | 115,000 | 116,638 | 124,298 |
| Massachusetts | | | | | | |
| MA00001 | B | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 Massachusetts, Massachusetts Insurance Dept, Licensing Laws - State | 2,305,000 | 2,492,617 | 2,812,100 |
| MA99999 | Massachusetts | | | 2,305,000 | 2,492,617 | 2,812,100 |
| Nevada | | | | | | |
| NV00001 | B | U S Treasury Notes 5 5/8% Due 2/15/2006 FA15 | 5.625% 02/14 Nevada, Nevada Department of Insurance, Licensing Laws - State | 100,000 | 100,913 | 110,750 |
| NV99999 | Nevada | | | 100,000 | 100,913 | 110,750 |
| New Jersey | | | | | | |
| NJ00001 | B | U S Treasury Notes 5 5/8% Due 5/15/2008 MN15 | 5.625% 05/1 New Jersey, New Jersey Insurance Dept, Licensing Laws - State | 2,500,000 | 2,591,648 | 2,836,725 |
| NJ99999 | New Jersey | | | 2,500,000 | 2,591,648 | 2,836,725 |
| New Mexico | | | | | | |
| NM00001 | B | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 New Mexico, New Mexico Insurance Dept, Licensing Laws - State | 205,000 | 221,686 | 250,100 |
| NM00002 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 New Mexico, New Mexico Insurance Dept, Licensing Laws - State | 170,000 | 170,017 | 178,765 |
| NM99999 | New Mexico | | | 375,000 | 391,703 | 428,865 |
| North Carolina | | | | | | |
| NC00001 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 North Carolina, North Carolina Insurance Dept, Licensing Laws - State | 95,000 | 95,010 | 99,898 |
| NC99999 | North Carolina | | | 95,000 | 95,010 | 99,898 |
| Oklahoma | | | | | | |
| OK00001 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 Oklahoma, Oklahoma Insurance Department, Licensing Laws - State | 335,000 | 335,034 | 352,273 |
| OK99999 | Oklahoma | | | 335,000 | 335,034 | 352,273 |
| Oregon | | | | | | |
| OR00001 | B | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 Oregon, Oregon Insurance Department, Licensing Laws - State | 1,540,000 | 1,665,349 | 1,878,800 |
| OR00002 | B | U S Treasury Notes 5 7/8% Due 2/15/2004 FA15 | 5.875% 02/14 Oregon, Oregon Insurance Department, Licensing Laws - State | 115,000 | 115,012 | 120,929 |
| OR00003 | B | U S Treasury Notes 5 5/8% Due 2/15/2006 FA15 | 5.625% 02/14 Oregon, Oregon Insurance Department, Licensing Laws - State | 253,000 | 255,311 | 280,198 |
| OR99999 | Oregon | | | 1,908,000 | 2,035,672 | 2,279,927 |
| XX99999 | Total - All Special Deposits NOT Held for Benefit of all Policyholders, Claimants, & Creditors of the Company... | | | 10,686,000 | 11,300,568 | 12,539,695 |
| SPECIAL DEPOSITS WHICH ARE FOR THE BENEFIT OF ALL POLICYHOLDERS | | | | | | |
| Ohio | | | | | | |

E25

ANNUAL STATEMENT FOR THE YEAR 2002 OF TRAMERICAN HARDWARE MUTUAL INSURANCE COMPANY

SCHEDULE E - PART 2 - SPECIAL DEPOSITS

| 1 Line Number | 2 Type | 3 Description of Deposit | 4 Where Deposited and Purpose of Deposit | 5 Par or Book Value | 6 Statement Value (a) | 7 Fair Value |
|---------------------|--|--|---|---------------------------|-----------------------------|--------------------|
| OH00001. |B..... | U S Treasury Notes 9 3/8% Due 2/15/2006 FA15 | 9.375% 02/14 Ohio, Ohio Insurance Department, Licensing Laws - All..... |2,200,000 |2,379,070 |2,684,000 |
| OH99999. | Ohio..... | | |2,200,000 |2,379,070 |2,684,000 |
| ZZ99999. | Total - All Special Deposits Held for Benefit of all Policyholders, Claimants, & Creditors of the Company..... | | |2,200,000 |2,379,070 |2,684,000 |
| 9999999. | Totals..... | | |12,886,000 |13,679,638 |15,223,695 |

(a) Includes \$.00 cash and short-term investments as defined in SSAP No. 2 of the NAIC Accounting Practices and Procedures Manual.