



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2002
OF THE CONDITION AND AFFAIRS OF THE
LIGHTNING ROD MUTUAL INSURANCE COMPANY

NAIC Group Code 0207 (Current Period) 0207 (Prior Period) NAIC Company Code 26123 Employer's ID Number 34-0359380

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

Country of Domicile United States of America

Incorporated 01/01/1906 Commenced Business 03/01/1906

Statutory Home Office 1685 Cleveland Road (Street and Number), Wooster, OH 44691-0036 (City or Town, State and Zip Code)

Main Administrative Office 1685 Cleveland Road (Street and Number), Wooster, OH 44691-0036 (City or Town, State and Zip Code), 330-262-9060 (Area Code) (Telephone Number)

Mail Address 1685 Cleveland Road (Street and Number or P.O. Box), Wooster, OH 44691-0036 (City or Town, State and Zip Code)

Primary Location of Books and Records 1685 Cleveland Road (Street and Number), Wooster, OH 44691-0036 (City or Town, State and Zip Code), 330-262-9060-2437 (Area Code) (Telephone Number)

Internet Website Address www.wrg-ins.com

Statement Contact Joseph E. Wilford (Name), 330-262-9060-2437 (Area Code) (Telephone Number) (Extension), Joe.Wilford@wrg-ins.com (E-mail Address), 330-264-7822 (Fax Number)

Policyowner Relations Contact 1685 Cleveland Rd. (Street and Number), Wooster, OH 44691 (City or Town, State and Zip Code), (Area Code) (Telephone Number) (Extension)

OFFICERS

PRESIDENT JOHN P. MURPHY SECRETARY JOHN P. MURPHY

VP FINANCE/CFO/TREASURER KENNETH B. STOCKMAN

VICE PRESIDENTS

KENNETH B. STOCKMAN WILLIAM J. BLINCOE KEVIN W. DAY
F. EMERSON LOGEE TIMOTHY A. PADDOCK DANIEL J. PITCHER

DIRECTORS OR TRUSTEES

ROBERT P. BOGNER F. EMERSON LOGEE JOHN P. MURPHY
C. MICHAEL REARDON KENNETH G. RHODE

State of OHIO
County of WAYNE } ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

JOHN P. MURPHY PRESIDENT JOHN P. MURPHY VICE PRESIDENT KENNETH B. STOCKMAN VP FINANCE/CFO/TREASURER

Subscribed and sworn to before me this day of , 2003
a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

NOTARY PUBLIC

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE A - PART 1

Showing all Real Estate OWNED December 31 of Current Year

1 Description of Property	Location		4 Date Acquired	5 Date of Last Appraisal	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Fair Value Less Encumbrances	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Amounts Received During Year	13 Expended for Additions, Permanent Improvements and Changes in Encumbrances During Year	14 Gross Income Earned Less Interest Incurred on Encumbrances	15 Taxes, Repairs and Expenses Incurred
	2 City	3 State												
Two Story Office Building 1685 Cleveland Road.....	Wooster.....	OH.....		12/31/1990.....	3,442,805.....		1,848,160.....	1,848,160.....	(124,398).....			8,107.....	185,394.....	390,134.....
Beall Ave. Parking Lot.....	Wooster.....	OH.....		12/31/1990.....	35,168.....		29,035.....	29,035.....	(988).....				1,515.....	4,929.....
Cleveland Rd. Parking Lot.....	Wooster.....	OH.....		12/31/1991.....	242,299.....		180,466.....	180,466.....	(4,599).....				8,237.....	10,492.....
One Story Office Building 1402 West Main Street.....	Lebanon.....	IN.....		12/31/1994.....	667,534.....		540,196.....	540,196.....	(16,566).....				41,746.....	40,615.....
One Story Frame Building 1680 Beall Avenue.....	Wooster.....	OH.....		12/31/1998.....	225,000.....		198,798.....	198,798.....	(5,769).....				9,108.....	7,162.....
Two Story Brick Office Building 2148 Eagle Pass Drive.....	Wooster.....	OH.....		03/15/1996.....	34,016.....		28,002.....	28,002.....	(898).....					40,627.....
0299999 - Property occupied by the reporting entity - Administrative					4,646,822		2,824,657	2,824,657	(153,218)			8,107	246,000	493,959
0399999 - Total property occupied by the reporting entity					4,646,822		2,824,657	2,824,657	(153,218)			8,107	246,000	493,959
9999999 Totals					4,646,822		2,824,657	2,824,657	(153,218)			8,107	246,000	493,959

E01

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE A - PART 3

Showing all Real Estate SOLD during the Year , including Payments during the Final Year on "Sales under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) By Adjustment	8 Increase (Decrease) By Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/ Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													
NONE															
9999999 Totals															

E03

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE BA - PART 2

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

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 1

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

1	2	3	4		5	6	7	8	9	10	11	12	13	14		15	16	17	18	19	20	21
			Rate of Interest	How Paid										Amount Due and Accrued Dec. 31 of Current Year not in Default	Gross Amount Received During Year							
MINNESOTA																						
604128-W-0	Minnesota St Var Purp		5.000	WN	11/01/2015	11/01/2008	100.000	504.782	500.000	0.0000	504.782	504.782	505.300	4.167	25.000	(518)	0	0	0	1PE	04/04/2002	4.810
STATE TOTAL																						
NEW HAMPSHIRE																						
644681-ZB-7	New Hampshire		5.750	WN	05/01/2004			49.881	50.000	0.0000	49.881	48.391	48.391	479	2.875	84	0	0	0	1PE	05/24/1979	5.939
STATE TOTAL																						
NEW JERSEY																						
646030-CG-9	New Jersey Sport & Expo		6.200	JJ	01/01/2003			100.000	100.000	100.0000	100.000	96.377	96.377	3.100	6.200	217	0	0	0	1	12/28/1978	6.427
646038-SM-7	New Jersey St Rdg Ser F		5.250	FA	08/01/2009			303.015	300.000	0.0000	303.015	304.146	304.146	6.563	15.750	(378)	0	0	0	1PE	10/28/1999	5.069
646039-CZ-8	New Jersey St Var Purp		5.000	FA	08/01/2005			536.763	500.000	0.0000	536.763	542.355	542.355	10.417	0	(5.582)	0	0	0	1PE	08/05/2002	2.063
STATE TOTAL																						
OHIO																						
677518-AS-1	Ohio St Impl		4.700	FA	08/01/2006			200.000	200.000	0.0000	200.000	186.369	186.369	3.917	9.400	0	0	0	0	1PE	05/09/1995	4.700
STATE TOTAL																						
OREGON																						
686071-FN-6	Oregon		6.750	WN	05/01/2004			50.000	50.000	0.0000	50.000	50.000	50.000	563	3.375	0	0	0	0	1PE	11/12/1979	6.750
686074-FQ-9	Oregon		6.750	WN	05/01/2005			100.000	100.000	0.0000	100.000	100.000	100.000	1.125	6.750	0	0	0	0	1PE	11/12/1979	6.750
686074-FX-4	Oregon		7.100	JJ	07/01/2003			94.940	95.000	0.0000	94.940	93.122	93.122	3.373	6.745	114	0	0	0	1PE	02/13/1980	7.231
STATE TOTAL																						
PENNSYLVANIA																						
709141-HR-9	Pennsylvania St		5.000	FA	08/01/2012			487.810	500.000	0.0000	487.810	485.300	485.300	10.417	25.000	956	0	0	0	1PE	03/24/2000	5.328
STATE TOTAL																						
TEXAS																						
882719-3B-1	Texas St Rdg Ser B		5.125	AO	10/01/2011			495.961	500.000	0.0000	495.961	495.025	495.025	6.406	25.625	356	0	0	0	1PE	03/27/2000	5.241
STATE TOTAL																						
UTAH																						
917542-JY-9	Utah St Ser B		4.500	JJ	07/01/2012			499.656	500.000	0.0000	499.656	499.635	499.635	11.250	11.250	21	0	0	0	1PE	04/08/2002	4.509
STATE TOTAL																						
VERMONT																						
924257-8G-6	Vermont St Ser C		5.500	JJ	01/15/2013			297.230	300.000	0.0000	297.230	296.631	296.631	7.608	16.500	201	0	0	0	1PE	10/28/1999	5.622
STATE TOTAL																						
VIRGINIA																						
928108-K7-3	Virginia St Construction Ser A		5.000	JD	06/01/2005			250.000	250.000	0.0000	250.000	250.000	250.000	1.042	12.500	0	0	0	0	1PE	05/20/1993	5.000
928108-V5-5	Virginia St		4.750	JD	06/01/2006			298.549	300.000	0.0000	298.549	297.540	297.540	1.188	14.250	382	0	0	0	1PE	03/22/2000	4.905
STATE TOTAL																						
WEST VIRGINIA																						
956553-CK-5	West Virginia		6.100	JD	06/01/2004			49.975	50.000	0.0000	49.975	49.682	49.682	254	3.050	17	0	0	0	1PE	06/12/1979	6.138
STATE TOTAL																						
WISCONSIN																						
977056-DW-7	Wisconsin St		5.000	WN	05/01/2011			244.671	250.000	0.0000	244.671	243.413	243.413	2.083	12.500	497	0	0	0	1PE	05/03/2000	5.320
STATE TOTAL																						
COUNTRY TOTAL - U.S.																						
1199999 - Total - States, Territories and Possessions - Issuer Obligations																						
1799999 - Total - States, Territories and Possessions																						
POLITICAL SUBDIVISIONS																						
ISSUER OBLIGATIONS																						
ARKANSAS																						
587219-TU-4	Maricopa Cnty SD No 41 Gilbert		4.600	JJ	07/01/2014	07/01/2012	100.000	503.107	500.000	0.0000	503.107	503.280	503.280	11.500	3.833	(173)	0	0	0	1PE	04/17/2002	4.519
STATE TOTAL																						
INDIANA																						
270023-BZ-6	Eagle Union Middle Sch Bldg Corp		4.850	JJ	07/05/2014	07/05/2011	100.000	500.973	500.000	0.0000	500.973	501.040	501.040	11.856	12.125	(67)	0	0	0	1PE	04/08/2002	4.822

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 1

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

1	2	3	4		5	6	7	8	9	10	11	12	13	14		15	16	17	18	19	20	21	
			Rate of Interest	How Paid										Amount Due and Accrued Dec. 31 of Current Year not in Default	Gross Amount Received During Year								Increase (Decrease) by Adjustment
MASSACHUSETTS																							
306297-WL-2	Fall River	5.000	JD		06/01/2018	06/01/2013	100.000	506.401	500.000	500.000	0.0000	506.401	506.715	2.083	2.083	25.000	(314)	0	0	0	0	0	4.842
STATE TOTAL																							
NORTH CAROLINA																							
975700-BH-7	Winston-Salem NC Wtr & Svr Sys	5.600	JD		06/01/2014	06/01/2005	102.000	550.893	500.000	500.000	0.0000	550.893	554.325	2.333	2.333	14.000	(3,432)	0	0	0	0	0	2.072
STATE TOTAL																							
OHIO																							
010032-U9-9	Akron	7.125	JD		12/01/2005			49.739	50.000	50.000	0.0000	49.739	48.422	297	3.563	0	.78	0	0	0	0	0	7.327
044465-JD-1	Ashland CSD	8.750	JD		12/01/2004			49.677	50.000	50.000	0.0000	49.677	47.974	365	4.375	0	148	0	0	0	0	0	9.124
044465-DE-9	Ashland CSD	8.750	JD		12/01/2005			49.528	50.000	50.000	0.0000	49.528	47.937	365	4.375	0	135	0	0	0	0	0	9.125
072671-GH-7	Bay Village SD	9.500	JD		12/01/2004			29.880	100.000	100.000	0.0000	29.880	29.196	238	2.850	0	55	0	0	0	0	0	9.734
157447-FA-6	Chagrin Falls VLG	7.500	JD		12/01/2004			100.000	100.000	100.000	0.0000	100.000	95.000	625	7.500	0	0	0	0	0	0	0	7.500
199489-GM-1	Columbus G.O.	8.125	MN		05/01/2005			99.286	100.000	100.000	0.0000	99.286	105.148	1,354	8.125	0	266	0	0	0	0	0	8.468
290029-AT-3	Elmwood LSD	9.500	JD		12/01/2006			74.084	75.000	75.000	0.0000	74.084	71.605	1,594	7.125	0	184	0	0	0	0	0	9.883
313369-BP-4	Federal Hooking LSD	8.375	JD		12/01/2003			50.029	50.000	50.000	0.0000	50.029	50.328	349	4.188	0	(29)	0	0	0	0	0	8.309
313369-BQ-2	Federal Hooking LSD	8.375	JD		12/01/2004			54.978	55.000	55.000	0.0000	54.978	54.870	384	4.006	0	10	0	0	0	0	0	8.309
313369-BR-0	Federal Hooking LSD	8.375	JD		12/01/2005			49.857	50.000	50.000	0.0000	49.857	49.418	349	4.188	0	42	0	0	0	0	0	8.488
313369-BS-8	Federal Hooking LSD	8.375	JD		12/01/2006			84.439	85.000	85.000	0.0000	84.439	83.201	593	7.119	0	116	0	0	0	0	0	8.577
439578-BN-4	Hopewell Loudon LSD	8.250	JD		12/01/2005			49.833	50.000	50.000	0.0000	49.833	49.281	344	4.125	0	49	0	0	0	0	0	8.381
509426-NB-4	Lake City	5.875	JD		12/01/2003			69.722	70.000	70.000	0.0000	69.722	64.607	343	4.113	0	286	0	0	0	0	0	6.328
564375-AT-0	Mansfield Richland Cnty	7.375	JD		12/01/2005			149.215	150.000	150.000	0.0000	149.215	146.670	922	11.063	0	232	0	0	0	0	0	7.578
564375-AU-7	Mansfield Richland Cnty	7.375	JD		12/01/2006			148.981	150.000	150.000	0.0000	148.981	146.589	922	11.063	0	216	0	0	0	0	0	7.578
564375-AV-5	Mansfield Richland Cnty	7.375	JD		12/01/2007			123.970	125.000	125.000	0.0000	123.970	122.095	768	9.219	0	167	0	0	0	0	0	7.579
613520-HF-5	Montgomery Cnty Oh Hosp Facs	5.500	AO		04/01/2010			296.462	300.000	300.000	0.0000	296.462	294.276	4125	16.500	0	385	0	0	0	0	0	5.701
668197-BG-0	Northwestern LSD	5.500	JD		12/01/2004			130.000	130.000	130.000	0.0000	130.000	130.000	596	7.150	0	18	0	0	0	0	0	5.500
775677-AT-4	Rolling Hills LSD	9.000	JD		12/01/2003			49.982	50.000	50.000	0.0000	49.982	49.774	375	4.500	0	33	0	0	0	0	0	9.042
775677-AU-1	Rolling Hills LSD	9.000	JD		12/01/2004			49.928	50.000	50.000	0.0000	49.928	49.543	375	4.500	0	45	0	0	0	0	0	9.083
775677-AV-9	Rolling Hills LSD	9.000	JD		12/01/2005			49.843	50.000	50.000	0.0000	49.843	49.307	375	4.500	0	45	0	0	0	0	0	9.125
921662-FF-4	Vandalia Butler	9.750	JD		12/01/2003			49.915	50.000	50.000	0.0000	49.915	48.919	406	4.875	0	84	0	0	0	0	0	9.948
981700-ES-5	Wooster Oh CSD Constr & Imprvmt	5.050	JD		12/01/2004			140.000	140.000	140.000	0.0000	140.000	140.000	589	7.070	0	0	0	0	0	0	0	5.050
STATE TOTAL																							
TEXAS																							
463777-JW-3	Irving Tex Dallas Cnty	5.000	MS		09/15/2015	09/15/2012	100.000	500.000	500.000	500.000	0.0000	500.000	505.535	7.361	11.389	0	(5,535)	0	0	0	0	0	5.000
473502-HV-7	Jefferson Cnty Tex F61C	4.750	FA		08/01/2013			496.888	500.000	500.000	0.0000	496.888	496.740	9.896	5.938	0	148	0	0	0	0	0	4.826
894339-HK-5	Travis Cnty Tex	4.700	MS		03/01/2013		100.000	502.063	500.000	500.000	0.0000	502.063	502.265	7.833	11.750	0	(202)	0	0	0	0	0	4.622
STATE TOTAL																							
WASHINGTON																							
812642-6L-5	Seattle WA Mun Lt & Pwr Rev	4.000	JD		12/01/2005			524.342	500.000	500.000	0.0000	524.342	525.000	1.667	0	(658)	0	0	0	0	0	0	2.265
STATE TOTAL																							
COUNTRY TOTAL - U.S.																							
1899999 - Total - Political Subdivisions - Issuer Obligations																							
2499999 - Total - Political Subdivisions Bonds																							
INDUSTRIAL & MISCELLANEOUS ISSUER OBLIGATIONS																							
001957-BE-8	AT&T Corp Notes	6.375	MS		03/15/2004			998.739	1,000.000	1,000.000	102.5000	1,025.000	998.608	18.771	0	130	0	0	0	0	0	0	6.485
028224-AH-3	Abbott Laboratories	6.400	JD		12/01/2006			560.184	500.000	500.000	111.9700	569.850	560.793	2.667	0	(610)	0	0	0	0	0	0	3.111
026609-AK-3	American Home Products	5.875	MS		03/15/2004			611.670	600.000	600.000	103.9550	623.730	619.027	10.379	0	(7.357)	0	0	0	0	0	0	4.205
053015-AC-7	Automatic Data Processing	0.000	MATR		02/20/2012			311.411	50.000	50.000	92.0000	460.000	177.355	0	17.625	0	15,759	0	0	0	0	0	5.250
060505-AD-6	Bank Of America Corp	7.800	FA		02/15/2010			594.755	500.000	500.000	118.9510	494.855	494.755	14.733	39.000	418	0	0	0	0	0	0	7.954
064209-AA-7	Bank One Cleveland N.A	6.625	FA		04/15/2003			500.431	500.000	500.000	104.2900	506.880	506.880	6.993	33.125	0	(1,427)	0	0	0	0	0	6.321
191219-BE-0	Coca Cola Entreprises	5.750	MN		11/01/2008			474.064	500.000	500.000	110.4210	552.105	463.187	4.792	28.750	0	3,517	0	0	0	0	0	6.843
345402-ZS-9	Ford Motor Cdt Co	6.240	MFLY		12/22/2004			500.000	500.000	500.000	0.0000	500.000	500.000	1.367	31.200	0	0	0	0	0	0	0	6.240

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 1

Showing all PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identification	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	10 Dividends		12 Increase (Decrease) by Adjustment	13 Increase (Decrease) by Foreign Exchange Adjustment	14 NAIC Designation	15 Date Acquired
									Declared but Unpaid	Amount Received During Year				
PUBLIC UTILITIES - U.S.														
010392-59-5	Alabama Power Company	12,000,000	100.00	21.500	258,000	21.500	258,000	300,005	3,900	15,600	(3,000)	0	P2A	05/11/1999
451380-30-7	Idaho Power 7.68	400,000	100.00	97.600	39,040	97.600	39,040	31,200	0	3,072	(700)	0	P2U	08/01/1988
	COUNTRY TOTAL - U.S.				297,040	XXX	297,040	331,205	3,900	18,672	(3,700)	0	XXX	XXX
6199999	Total - Preferred Stock - Public Utility				297,040	XXX	297,040	331,205	3,900	18,672	(3,700)	0	XXX	XXX
BANKS, TRUST AND INSURANCE COMPANIES - U.S.														
08738C-83-6	Barclays Plc ADS	10,000,000	25.00	25.600	256,000	25.600	256,000	249,165	0	20,000	(6,400)	0	P1L	11/08/1995
780097-70-5	Royal Bank Scotland	12,000,000	25.00	27.390	328,680	27.390	328,680	300,000	0	27,000	1,280	0	P1L	09/18/1996
780097-85-3	Royal Bank of Scotland Serris J.	12,000,000	25.00	26.650	319,800	26.650	319,800	300,000	0	28,333	(5,040)	0	P1L	09/29/1999
	COUNTRY TOTAL - U.S.				904,480	XXX	904,480	849,165	0	75,333	(160)	0	XXX	XXX
6299999	Total - Preferred Stock - Banks, Trust, Insurance				904,480	XXX	904,480	849,165	0	75,333	(160)	0	XXX	XXX
6599999 Total - Preferred Stocks														
					1,201,520	XXX	1,201,520	1,180,370	3,900	94,005	(3,860)	0	XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	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	8 Dividends		9 Amount Received During Year	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 NAIC Designation (a)	13 Date Acquired
							Declared but Unpaid						
PUBLIC UTILITIES - U.S.													
0557E-10-1	BT Group	1,350,000	42,296	31,330	42,296	48,717	467	0	0	(7,317)	0	L	12/28/2001
079660-10-2	Bel South Corp.	25,800,000	667,446	25,870	667,446	384,357	0	0	20,124	(316,824)	0	L	01/03/2000
28336-10-9	EI Paso Energy Corporation	0	0	0	0	0	0	0	3,358	0	0	L	01/30/2001
29258N-10-7	Endesa S.A.	9,168,000	103,610	11,300	103,610	188,587	0	0	5,182	(36,433)	0	L	07/29/2002
48268K-10-1	KT Corp.	3,325,000	71,654	21,550	71,654	95,800	0	0	0	(24,147)	0	L	10/10/2002
49337W-10-0	Keyspan Corp.	27,000,000	951,480	35,240	951,480	712,125	0	0	48,060	15,930	0	L	03/28/2000
500631-10-6	Korea Elec Power ADR	4,900,000	41,650	8,500	41,650	73,497	935	0	0	(4,745)	0	L	08/21/2002
636780-10-1	Natl Fuel Gas	24,600,000	509,958	20,730	509,958	529,549	6,396	0	25,215	(97,662)	0	L	01/03/2000
783876-10-3	SBC Communications	22,633,000	613,581	27,110	613,581	299,204	0	0	24,132	(272,954)	0	L	03/16/2000
810131-70-5	Scottish Pwr	4,825,000	110,589	22,920	110,589	148,255	0	0	7,809	7,199	0	L	11/05/2002
879403-78-0	Telefonos De Mexico L	2,071,000	66,231	31,980	66,231	59,596	0	0	2,264	(6,654)	0	L	05/15/2002
92343V-10-4	Verizon Communications	19,136,000	741,520	38,750	741,520	492,872	0	0	29,469	(166,675)	0	L	07/07/2000
COUNTRY TOTAL - U.S.													
6699999	- Total - Common Stock - Public Utility		3,920,013	XXX	3,920,013	3,032,559	7,808	0	166,869	(910,281)	0	XXX	XXX
BANKS, TRUST AND INSURANCE COMPANIES - U.S.													
026874-70-7	Amer Intl Group	16,954,000	980,789	57,850	980,789	490,229	0	0	2,455	(301,877)	0	L	11/11/2002
060505-10-4	Bank of America	7,800,000	542,646	69,570	542,646	548,730	0	0	0	(6,084)	0	L	12/26/2002
084670-20-7	Berkshire Hathaway Inc.	262,000	634,826	2,423,000	634,826	374,970	0	0	0	(26,724)	0	L	01/12/1999
172967-10-1	Citigroup Inc.	11,150,000	392,369	35,190	392,369	366,779	0	0	7,805	(145,530)	0	L	01/25/2000
337915-10-2	FirstMerit	72,108,000	1,561,859	21,660	1,561,859	1,333,959	0	0	70,666	(391,546)	0	L	02/17/1999
58551A-10-8	Wellton Financial Corp.	17,200,000	449,092	26,110	449,092	461,681	0	0	0	(12,589)	0	L	12/26/2002
62989-10-5	NAMIC Ins Company Inc.	806,000	128,896	159,920	128,896	40,300	0	0	0	(7,489)	0	L	11/01/1994
632525-40-8	Natl Australia Bk	640,000	57,440	89,750	57,440	52,574	0	0	6,223	3,756	0	L	05/15/2002
635405-10-3	Natl City Corp.	5,500,000	150,260	27,320	150,260	90,851	0	0	6,600	(10,560)	0	L	01/03/2000
799175-10-4	San Paolo - IMI SPS	2,975,000	38,229	12,850	38,229	68,479	0	0	3,113	(25,355)	0	L	05/15/2002
939322-70-3	Washington Mutual Inc.	49,050,000	1,693,697	34,530	1,693,697	899,306	0	0	51,993	89,762	0	L	06/15/2000
944293-10-9	Wayne Bancorp.	51,042,000	1,239,351	24,281	1,239,351	81,829	0	0	18,040	145,594	0	L	06/01/1982
949746-10-1	Wells Fargo & Company	22,300,000	1,045,201	46,870	1,045,201	768,954	0	0	18,040	51,365	0	L	12/26/2002
98982W-10-7	ZURICH FINL SVCS SPN	3,100,000	28,923	9,330	28,923	8,731	0	0	1,522	75,431	0	L	03/29/2001
D18190-89-8	Deutsche Bank Ag.	1,275,000	57,923	45,430	57,923	81,781	0	0	1,530	(31,585)	0	L	05/15/2002
COUNTRY TOTAL - U.S.													
6799999	- Total - Common Stock - Banks, Trust, Insurance		9,001,500	XXX	9,001,500	4,408,344	0	0	201,346	(593,411)	0	XXX	XXX
INDUSTRIAL & MISCELLANEOUS - U.S.													
000937-70-2	Abn Amro Hldg	3,100,000	50,158	16,180	50,158	61,866	0	0	2,515	(2,259)	0	L	05/15/2002
002920-10-6	Abbey Natl Adr	2,300,000	38,362	16,679	38,362	61,238	0	0	3,792	(7,181)	0	L	05/16/2000
023139-10-8	AMBAC Fincl Grp	10,600,000	596,144	56,240	596,144	559,402	0	0	2,128	(9,962)	0	L	11/15/2002
025816-10-9	Amer Express	21,000,000	742,350	35,350	742,350	781,866	1,680	0	0	(39,516)	0	L	12/26/2002
039663-10-9	Archstone-Smith Trust	33,600,000	790,944	23,540	790,944	667,977	0	0	57,120	(92,736)	0	L	11/01/2001
055262-50-5	BASF A G New	2,100,000	80,262	38,220	80,262	89,787	0	0	2,310	(196)	0	L	05/15/2002
055622-10-4	BP Amoco	17,753,000	721,659	40,650	721,659	285,900	0	0	27,756	(104,424)	0	L	05/15/2002
072730-30-2	Bayer AG	1,495,000	32,367	21,650	32,367	59,435	393	0	1,125	(10,448)	0	L	05/15/2002
097023-10-5	Boeing Company	21,325,000	703,512	32,980	703,512	825,182	0	0	12,351	(153,176)	0	L	05/31/2002
101121-10-1	Boston Properties	15,300,000	563,958	36,860	563,958	517,992	9,333	0	36,414	(17,442)	0	L	02/19/1999
125670-10-9	CMA Money Fund	693,575,000	693,575	1,000	693,575	693,575	0	0	165	0	0	L	12/31/2002
127209-30-2	Cadbury Schweppes ADR	4,400,000	112,684	25,610	112,684	123,163	0	0	1,767	(11,068)	0	L	11/05/2002
138006-30-9	Canon Inc.	2,700,000	99,485	36,850	99,485	79,708	393	0	512	3,138	0	L	08/21/2002
166764-10-0	ChevronTexaco Corporation	7,100,000	472,008	66,480	472,008	308,854	0	0	19,880	(164,223)	0	L	10/12/2001
17275R-10-2	Cisco Systems	32,040,000	419,724	13,100	419,724	190,328	0	0	0	(160,520)	0	L	05/05/1998
191216-10-0	Coca-Cola Co.	12,400,000	543,616	43,840	543,616	558,000	0	0	2,480	(14,384)	0	L	11/12/2002
204412-20-9	Companhia Vale Do Rio	1,375,000	39,751	28,910	39,751	35,922	0	0	965	3,829	0	L	05/15/2002
208256-10-4	ConocoPhillips	4,300,000	208,077	48,390	208,077	275,415	0	0	6,364	(51,041)	0	L	05/16/2001
225430-20-5	Diageo Plc	1,950,000	85,410	43,800	85,410	64,396	0	0	3,058	(5,344)	0	L	05/15/2002
252787-10-6	Diamonds Trust Seires I	6,400,000	534,464	83,510	534,464	553,984	1,345	0	0	(19,520)	0	L	12/06/2002
263534-10-9	DuPont (E1) Delenours	22,250,000	943,400	42,400	943,400	630,826	0	0	31,150	(8,635)	0	L	01/10/2002
26874R-10-8	Eni S P A	1,475,000	115,773	78,490	115,773	93,058	0	0	5,426	23,106	0	L	05/15/2002
282579-30-9	Eni Sa Co.	2,040,000	45,812	22,457	45,812	47,724	0	0	536	(4,931)	0	L	08/28/2001
291011-10-4	Emerson Electric	5,500,000	279,675	50,850	279,675	274,935	0	0	2,159	4,740	0	L	11/11/2002
294741-10-3	Equity Office Pkys	10,116,000	252,698	24,960	252,698	238,907	0	0	22,646	(51,592)	0	L	08/04/1999
294761-10-7	Equity Residential Prop Tr	22,600,000	555,508	24,580	555,508	386,502	9,775	0	39,098	(93,338)	0	L	01/23/1997

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13
CUSIP Identification	Description	Number of Shares	Book/Adjusted Carrying Value	Rate Per Share Used to Obtain Fair Value	Fair Value	Actual Cost	Declared but Unpaid	Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	NAIC Designation (a)	Date Acquired
302316-10-2	Exxon Mobil Corp.	53,002,000	1,851,890	34.940	1,851,890	983,012	0	37,722	(195,732)	0	L	07/11/2002
359586-30-2	Fuji Photo Film	3,335,000	106,953	32.072	106,953	125,625	0	0	(12,906)	602	L	07/22/1999
364730-10-1	Gannett Co.	6,000,000	430,800	71.800	430,800	30,038	1,440	5,580	27,420	0	L	06/01/1980
369550-10-8	Genl Dynamics Corp.	10,200,000	809,574	79.370	809,574	822,615	0	4,140	(13,041)	0	L	09/04/2002
369604-10-3	Genl Electric	55,800,000	1,358,730	24.350	1,358,730	326,512	10,602	33,318	(701,222)	0	L	11/11/2002
375766-10-2	Gillette Co.	19,000,000	576,840	30.360	576,840	545,680	0	0	31,160	0	L	11/12/2002
377339-10-5	Glaxo SmithKline	2,791,000	104,551	37.460	104,551	155,346	774	3,266	(33,678)	0	L	05/15/2002
404280-40-6	HSBC Hldgs "New"	1,905,000	104,737	54.980	104,737	103,588	0	5,070	(9,604)	0	L	05/15/2002
433578-50-7	Hilachi, Ltd.	1,385,000	51,591	37.250	51,591	102,802	0	1,199	(31,355)	0	L	12/05/2002
437076-10-2	Home Depot Inc.	19,700,000	473,194	24.020	473,194	557,835	0	1,677	(84,641)	0	L	11/15/2002
438128-30-8	Honda Motor	2,600,000	46,956	18.060	46,956	55,969	319	0	(6,556)	0	L	05/15/2002
456837-10-3	Ing GP NV Spds.	4,904,000	82,583	16.840	82,583	129,574	0	4,370	(42,323)	0	L	05/15/2002
458140-10-0	Intel Corp.	29,200,000	454,644	15.570	454,644	91,852	0	2,336	(463,696)	0	L	03/16/1995
459200-10-1	Intl Bus. Machines.	7,200,000	558,000	77.500	558,000	184,678	0	3,755	(221,316)	0	L	07/23/2002
465714-30-1	ITO Yokado Ltd.	1,100,000	31,185	28.350	31,185	28,350	0	3,304	37,598	0	L	02/17/2000
478160-10-4	Johnson & Johnson	19,098,000	1,025,754	53.710	1,025,754	463,334	0	15,957	(102,938)	0	L	06/26/2001
487836-10-8	Keilogg Company	35,100,000	1,202,877	34.270	1,202,877	1,066,696	0	22,271	96,181	0	L	11/06/2002
500472-30-3	Koninklijke "New"	4,423,000	78,199	17.680	78,199	116,602	0	1,189	(51,322)	0	L	05/15/2002
501556-20-3	Kyocera Corp.	7,792,000	45,263	57.150	45,263	62,339	0	390	(7,587)	0	L	07/25/2001
548661-10-7	Lowe's Companies Inc.	14,700,000	551,250	37.500	551,250	557,843	0	162	(6,393)	0	L	11/15/2002
570912-10-5	Marks And Spencer GP.	1,376,000	41,868	30.427	41,868	52,385	522	0	(10,517)	0	L	04/03/2002
571748-10-2	Marsh & McLennan	9,000,000	415,890	46.210	415,890	173,610	0	9,810	(67,635)	0	L	02/13/1997
580135-10-1	McDonalds Corp.	31,000,000	498,480	16.080	498,480	826,360	0	7,285	(327,880)	0	L	09/04/2002
580646-10-9	McDow-Hill	12,000,000	725,280	60.440	725,280	217,257	0	12,240	(6,480)	0	L	06/21/1995
585055-10-6	Medtronic Inc.	6,400,000	291,840	45.600	291,840	275,136	400	1,536	(35,904)	0	L	04/05/2001
589331-10-7	Merck & Co.	19,300,000	1,092,573	56.610	1,092,573	141,615	0	27,633	(43,787)	0	L	03/18/2002
594918-10-4	Microsoft Corp.	20,000,000	1,034,000	51.700	1,034,000	404,601	0	0	(230,055)	0	L	11/11/2002
595635-10-3	Midcap SPDR Trst Ser 1.	6,800,000	534,820	78.650	534,820	549,440	0	0	(14,620)	0	L	12/06/2002
641069-10-6	Nestle SA-Spns	2,360,000	123,964	52.976	123,964	103,162	0	2,252	(641)	0	L	07/22/1999
654445-30-3	Nintendo Ltd	2,040,000	23,976	11.639	23,976	35,545	0	267	(20,623)	0	L	07/22/1999
654624-10-5	Nippon Tel & Tel.	4,925,000	86,976	17.660	86,976	99,933	0	848	4,416	0	L	11/05/2002
666807-10-2	Northrop Grumman Corp.	1,700,000	164,900	97.000	164,900	171,700	0	1,360	(6,800)	0	L	07/23/2002
669807-10-9	Novartis.	16,009,000	588,011	36.730	588,011	657,065	0	8,462	2,343	0	L	05/15/2002
713448-10-8	PepsiCo Inc.	28,500,000	1,203,270	42.220	1,203,270	814,237	0	16,815	(184,385)	0	L	08/02/2001
716549-40-8	Petrio Bras.	3,075,000	45,941	14.940	45,941	75,851	0	2,503	(22,638)	0	L	05/15/2002
717081-10-3	Pfizer, Inc.	48,400,000	1,479,588	30.570	1,479,588	1,125,616	0	19,884	(284,244)	0	L	07/11/2002
724479-10-3	Pitney Bowes Inc.	21,800,000	711,988	32.660	711,988	807,702	0	18,821	(87,855)	0	L	09/04/2002
737273-10-2	Portugal Telecom.	12,381,000	84,562	6.830	84,562	104,559	0	1,135	(9,237)	0	L	05/15/2002
742718-10-9	Procter Gamble.	6,300,000	541,422	85.940	541,422	547,946	0	0	(6,524)	0	L	11/12/2002
743410-10-2	Prologis Trust.	19,400,000	487,910	25.150	487,910	428,741	0	27,548	70,616	0	L	07/02/1998
760261-20-5	Repsol S.A.	4,015,000	52,516	13.080	52,516	79,215	0	712	(5,404)	0	L	05/15/2002
771195-10-4	Roche Hldg Ltd.	625,000	43,552	69.683	43,552	38,718	0	483	(1,056)	0	L	09/21/2001
780257-80-4	Royal Dutch Pete Co NIG 1,25.	14,000,000	616,280	44.020	616,280	619,200	0	0	(2,940)	0	L	12/26/2002
78462F-10-3	Standard & Poor's Dep Ropls.	6,000,000	529,380	88.230	529,380	949,769	0	2,615	(20,389)	0	L	12/06/2002
806857-10-8	Schlumberger LTD.	16,200,000	681,858	42.090	681,858	376,137	0	12,150	(208,332)	0	L	01/17/1995
822703-60-9	Shell Transport & Trading	2,815,000	109,560	38.920	109,560	124,782	0	3,826	(7,859)	0	L	08/21/2002
83364L-10-9	Societe General SPN	8,445,000	98,367	11.648	98,367	73,277	0	3,190	3,851	0	L	07/22/1999
835699-30-7	Sony Corp.	2,050,000	84,686	41.310	84,686	124,850	0	449	(9,132)	0	L	05/15/2002
86771P-10-2	Statonl ASK Adr	7,850,000	64,920	8.270	64,920	54,652	0	2,560	12,428	0	L	05/15/2002
86210M-10-6	Stora Enso OYJ.	4,425,000	46,286	10.460	46,286	48,746	0	0	(2,460)	0	L	12/19/2002
866710-10-4	Sun Microsystems.	71,600,000	222,676	3.110	222,676	308,511	0	0	(658,004)	0	L	07/07/1998
86764P-10-9	Sunoco Inc.	6,700,000	222,306	33.180	222,306	271,216	0	6,700	(27,872)	0	L	05/16/2001
87160A-10-0	Syngenta.	5,356,000	61,701	11.520	61,701	53,565	0	489	4,278	0	L	05/15/2002
872351-40-8	TDK Corp.	1,375,000	53,969	39.250	53,969	109,142	0	495	(13,168)	0	L	05/15/2002
87612E-10-6	Target Corp.	8,900,000	267,000	30.000	267,000	287,323	0	534	(20,323)	0	L	11/14/2002
87927W-10-6	Telecom Italia SPA.	575,000	43,689	75.980	43,689	58,313	0	2,448	(5,414)	0	L	05/15/2002
88579V-10-1	3M Company.	2,700,000	332,910	123.300	332,910	300,710	0	0	13,743	0	L	12/05/2000
89151E-10-9	Total Fina SA.	1,794,000	128,271	71.500	128,271	111,953	0	2,802	1,282	0	L	05/15/2002
892331-30-7	Toyota Mtrr Corp.	1,075,000	56,975	53.000	56,975	78,876	0	525	1,759	0	L	05/15/2002
904784-70-9	Unilever NV "New"	1,008,000	62,204	61.710	62,204	48,051	0	1,419	3,398	0	L	05/15/2002
913017-10-9	United Technologies.	11,700,000	724,698	61.940	724,698	854,466	0	11,466	(31,473)	0	L	03/20/2001

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	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	8 Dividends		10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 NAIC Designation (a)	13 Date Acquired
							Declared but Unpaid	Amount Received During Year				
925524-30-8	ViaCom Inc. - CI B	13,484,000	549,608	40.760	549,608	535,887	0	0	(45,711)	0	L	05/05/2000
948741-10-3	Weingarten Rtlv Invs SBI	7,600,000	280,136	36.860	280,136	272,080	0	4,218	8,056	0	L	08/09/2002
950590-10-9	Wendys Intl Inc	16,400,000	443,948	27.070	443,948	554,187	0	2,472	(110,239)	0	L	07/23/2002
690078-10-9	Transocean Secco	3,136,000	72,755	23.200	72,755	44,160	0	188	(33,304)	0	L	01/05/2000
	COUNTRY TOTAL - U.S.		35,694,463	XXX	35,694,463	28,609,127	48,217	647,398	(5,234,804)	0	XXX	XXX
6999999 - Total - Common Stock - Industrial, Misc.			35,694,463	XXX	35,694,463	28,609,127	48,217	647,398	(5,234,804)	0	XXX	XXX
PARENTS, SUBSIDIARIES AND AFFILIATES - U.S.												
34986#-10-3	Forward Agencies Inc	280,000	183,093	653.905	183,093	56,000	0	0	(31,070)	0	A	02/01/1983
900047-00-2	Western Reserve Financial Corp	55,000	32,580	592.370	32,580	27,500	0	0	487	0	A	07/18/1997
6999999 - Total - Common Stock - Parent, Subsidiaries, Affiliates			215,674	XXX	215,674	83,500	0	0	(30,582)	0	XXX	XXX
7099999 Total - Common Stocks												
7199999 Total - Preferred and Common Stocks			48,831,649	XXX	48,831,649	36,133,530	56,024	1,015,613	(6,789,079)	0	XXX	XXX
			50,033,169	XXX	50,033,169	37,313,900	59,924	1,109,618	(6,772,939)	0	XXX	XXX

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD 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
US GOVERNMENT OBLIGATIONS - U.S.							
912827-W-2	U S Treasury Note	12/12/2002	Merrill Lynch	5,000,000	5,086,719	5,000,000	55,027
912827-W-8	U S Treasury Note	12/12/2002	Merrill Lynch	5,000,000	5,090,625	5,000,000	43,094
912828-A-8	U S Treasury Note	12/12/2002	Merrill Lynch	5,000,000	5,133,594	5,000,000	36,848
	COUNTRY TOTAL - U.S.			15,000,000	15,310,938	15,000,000	134,969
	COUNTRY TOTAL - U.S.			15,000,000	15,310,938	15,000,000	134,969
STATES, TERRITORIES, POSSESSIONS - U.S.							
LOUISIANA							
546415-KJ-8	Louisiana St FSA	11/06/2002	Merrill Lynch	500,000	527,200	500,000	2,063
	STATE TOTAL			500,000	527,200	500,000	2,063
MINNESOTA							
604128-M7-0	Minnesota St Var Purp	04/04/2002	Merrill Lynch	500,000	505,300	500,000	10,972
	STATE TOTAL			500,000	505,300	500,000	10,972
NEW JERSEY							
646039-CZ-8	New Jersey St Var Purp	08/05/2002	Merrill Lynch	500,000	542,355	500,000	486
	STATE TOTAL			500,000	542,355	500,000	486
UTAH							
917542-JV-9	Utah St Ser B	04/08/2002	Merrill Lynch	500,000	499,635	500,000	6,250
	STATE TOTAL			500,000	499,635	500,000	6,250
	COUNTRY TOTAL - U.S.			2,074,490	2,074,490	2,000,000	19,771
1799999	Total - Bonds - States, Territories and Possessions			2,074,490	2,074,490	2,000,000	19,771
POLITICAL SUBDIVISIONS - U.S.							
ARKANSAS							
567219-TJ-4	Maricopa Only SD No 41 Gilbert	04/17/2002	Merrill Lynch	500,000	503,280	500,000	0
	STATE TOTAL			500,000	503,280	500,000	0
INDIANA							
270023-BZ-6	Eagle Union Middle Sch Bldg Corp	04/08/2002	Merrill Lynch	500,000	501,040	500,000	6,467
	STATE TOTAL			500,000	501,040	500,000	6,467
MASSACHUSETTS							
306297-W-2	Fall River	04/29/2002	Merrill Lynch	500,000	506,715	500,000	10,486
	STATE TOTAL			500,000	506,715	500,000	10,486
NORTH CAROLINA							
975700-BH-7	Winston-Salem No Wtr & Swr Sys	10/16/2002	Unclined	500,000	554,325	500,000	10,889
	STATE TOTAL			500,000	554,325	500,000	10,889
TEXAS							
463777-W-3	Irving Tex Dallas Cnty	04/04/2002	Merrill Lynch	500,000	505,535	500,000	2,014
475502-HV-7	Jefferson Cnty Tex FGI	04/03/2002	Merrill Lynch	500,000	496,740	500,000	132
894381-HK-5	Travis Cnty Tex	04/16/2002	Merrill Lynch	500,000	502,265	500,000	3,133
	STATE TOTAL			1,500,000	1,504,540	1,500,000	5,279
WASHINGTON							
812642-6L-5	Seattle WA Mun Lt & Pwr Rev	12/02/2002	Merrill Lynch	500,000	525,000	500,000	222
	STATE TOTAL			500,000	525,000	500,000	222
	COUNTRY TOTAL - U.S.			4,094,900	4,094,900	4,000,000	33,343
2499999	Total - Bonds - Political Subdivisions			4,094,900	4,094,900	4,000,000	33,343
INDUSTRIAL & MISCELLANEOUS - U.S.							
001957-BE-8	AET Corp Notes	11/14/2002	Bond Surrender / Exchange	1,000,000	998,608	1,000,000	0
002824-H-8	Abbott Laboratories	12/16/2002	Merrill Lynch	500,000	560,793	500,000	1,600
026609-AK-3	American Home Products	03/15/2002	Merrill Lynch	600,000	619,027	600,000	490
37042W-F9-7	General Mtrs Acqpt	12/09/2002	Merrill Lynch	1,000,000	1,000,000	1,000,000	0
44181E-FH-6	Household Finance Corp	03/04/2002	Merrill Lynch	500,000	500,000	500,000	0
931142-BQ-5	Wal-Mart Stores	03/15/2002	Merrill Lynch	493,916	493,916	500,000	519
	COUNTRY TOTAL - U.S.			4,100,000	4,172,345	4,100,000	2,608
4599999	Total - Bonds - Industrial, Misc			4,100,000	4,172,345	4,100,000	2,608
6099997	Total - Bonds - Part 3			25,100,000	25,652,672	25,100,000	190,691
6099998	Total - Bonds - Part 5			0	0	0	0
6099999	Total - Bonds			25,100,000	25,652,672	25,100,000	190,691
6599998	Total - Preferred Stocks - Part 5			0	0	0	0
6599999	Total - Preferred Stocks			0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD 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
PUBLIC UTILITIES - U.S.							
29258N-10-7	Endesa S.A.	07/29/2002	Merrill Lynch	1,434,000	18,835		0
48268K-10-1	KT Corp.	10/10/2002	VARIOUS	3,325,000	95,800		0
500631-10-6	Korea Elec Power ADR	08/21/2002	Merrill Lynch	1,100,000	11,625		0
810131-70-5	Scottish Pwr	11/05/2002	Merrill Lynch	1,125,000	24,782		0
879403-78-0	Telefonos De Mexico L	05/15/2002	Merrill Lynch	150,000	5,612		0
COUNTRY TOTAL - U.S.							
6699999	Total - Common Stocks - Public Utilities				156,654	XXX	0
BANKS, TRUST AND INSURANCE COMPANIES - U.S.							
026874-10-7	Amer Intl Group	11/11/2002	Merrill Lynch	4,300,000	277,938		0
060505-10-4	Bank of America	12/26/2002	Merrill Lynch	7,800,000	548,730		0
58551A-10-8	Melion Financial Corp.	12/26/2002	Merrill Lynch	17,200,000	461,681		0
632525-40-8	Natl Australia Bk	05/15/2002	Merrill Lynch	100,000	9,674		0
799175-10-4	San Paolo-IMI SPS	05/15/2002	Merrill Lynch	825,000	16,500		0
944293-10-9	Wayne Bancorp	12/06/2002	Stock Split / Dividend	2,430,610	0		0
949746-10-1	Wells Fargo & Company	12/26/2002	Merrill Lynch	5,900,000	280,928		0
D18190-89-8	Deutsche Bank Ag	05/15/2002	Merrill Lynch	75,000	5,328	XXX	0
COUNTRY TOTAL - U.S.							
6799999	Total - Common Stocks - Banks, Trusts, Insurance				1,600,778	XXX	0
INDUSTRIAL & MISCELLANEOUS - U.S.							
000937-10-2	Am Amro Hldg	05/15/2002	Merrill Lynch	325,000	6,240		0
023139-10-8	AMBAC Fincl Grp	11/15/2002	Merrill Lynch	5,000,000	282,090		0
028816-10-9	Amer Express	12/26/2002	Merrill Lynch	21,000,000	781,866		0
055262-50-5	BASF A G New	05/15/2002	Merrill Lynch	525,000	20,750		0
055622-10-4	BP Amoco	05/15/2002	Merrill Lynch	75,000	3,880		0
072730-30-2	Bayer AG	05/15/2002	Merrill Lynch	100,000	3,304		0
097023-10-5	Boeing Company	05/31/2002	Merrill Lynch	6,325,000	274,988		0
125670-10-9	CMA Money Fund	12/31/2002	Merrill Lynch	2,633,706,000	2,633,706		0
127209-30-2	Cadbury Schweppes ADR	11/05/2002	Merrill Lynch	2,500,000	74,884		0
138006-30-9	Canon Inc.	08/21/2002	Merrill Lynch	450,000	17,473		0
191216-10-0	Coca-Cola Co.	11/12/2002	Merrill Lynch	12,400,000	558,000		0
204412-20-9	Companhia Vale Do Rio	05/15/2002	Merrill Lynch	1,950,000	50,882		0
252430-20-5	Diageo Plc	05/15/2002	Merrill Lynch	100,000	5,154		0
252787-10-6	Diamonds Trust Seirres I	12/06/2002	Merrill Lynch	6,400,000	553,984		0
263534-10-9	DuPont (Ei) DeNemours	01/10/2002	Merrill Lynch	6,250,000	271,875		0
26874R-10-8	Eni S P A	05/15/2002	Merrill Lynch	175,000	12,119		0
291011-10-4	Emerson Electric	11/11/2002	Merrill Lynch	5,500,000	274,935		0
302316-10-2	Exxon Mobil Corp.	07/11/2002	Merrill Lynch	24,000,000	907,843		0
369550-10-8	Genl Dynamics Corp.	09/04/2002	Merrill Lynch	10,200,000	822,615		0
369604-10-3	Genl Electric	11/11/2002	Undelined	11,200,000	272,384		0
375766-10-2	Gillette Co.	11/12/2002	Merrill Lynch	19,000,000	545,680		0
37739L-10-5	Glaxo SmitKline	05/15/2002	Merrill Lynch	400,000	19,109		0
404280-40-6	HSC Hlgs "New"	05/15/2002	Merrill Lynch	825,000	8,058		0
433578-50-7	Hitachi, Ltd.	12/05/2002	Merrill Lynch	625,000	27,302		0
437076-10-2	Home Depot Inc.	11/15/2002	Merrill Lynch	19,700,000	557,835		0
438128-30-8	Honda Motor	05/15/2002	VARIOUS	2,000,000	4,606		0
456837-10-3	Ing GP NV Spcd	05/15/2002	Merrill Lynch	200,000	5,190		0
459200-10-1	Intl Bus Machines	07/23/2002	Merrill Lynch	1,700,000	114,036		0
487836-10-8	Kei Logg Company	11/05/2002	Merrill Lynch	35,100,000	1,106,696		0
500472-30-3	Koninklike "New"	05/15/2002	Merrill Lynch	275,000	8,773		0
548661-10-7	Lowe's Companies Inc.	11/15/2002	Merrill Lynch	14,700,000	557,643		0
570912-10-5	Marks And Spencer GP	04/03/2002	Stock Exchange	1,376,190	52,392		0
571748-10-2	Marsh & McLennan	07/01/2002	Stock Split / Dividend	4,500,000	0		0
580135-10-1	McDonalds Corp.	09/04/2002	Merrill Lynch	31,000,000	826,360		0
589331-10-7	Merck & Co.	03/18/2002	Merrill Lynch	1,900,000	113,240		0
594918-10-4	Microsoft Corp.	11/11/2002	Merrill Lynch	5,100,000	276,930		0
595635-10-3	Midcap SPDR Trst Ser 1	12/06/2002	Merrill Lynch	6,800,000	549,440		0
654624-10-5	Nippon Tel & Tel	11/05/2002	Merrill Lynch	800,000	15,734		0
666807-10-2	Northrop Grumman Corp.	07/23/2002	Merrill Lynch	1,700,000	171,700		0
66987V-10-9	Novartis	05/15/2002	Merrill Lynch	1,075,000	9,551		0
71654V-40-8	Petleo Bras	05/15/2002	Merrill Lynch	21,978	21,978		0
717081-10-3	Pfizer Inc.	07/11/2002	Merrill Lynch	23,400,000	767,582		0
724479-10-0	Pitney Bowes Inc.	09/04/2002	Merrill Lynch	7,800,000	273,303		0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD 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	
US GOVERNMENT OBLIGATIONS - U.S.																
313443-K5-4	Federal Home Ln Mtg Corp.	09/09/2002	CALLED @ 100,000,000.00		500,000	500,000	501,725	500,000	(461)	0	0	0	0	38,125		
313443-MH-5	Federal Home Ln Mtg Corp.	04/29/2002	CALLED @ 100,000,000.00		500,000	500,000	497,508	497,508	82	0	0	2,203	2,203	16,125		
313646-6K-0	Federal Natl Mtg Assn.	09/09/2002	CALLED @ 100,000,000.00		500,000	500,000	500,000	500,000	0	0	0	0	0	26,475		
313646-ZD-4	Federal Natl Mtg Assn.	05/09/2002	CALLED @ 100,000,000.00		500,000	500,000	500,000	500,000	0	0	0	0	0	11,483		
31364K-CS-7	Federal Natl Mtg.	11/12/2002	CALLED @ 100,000,000.00		500,000	500,000	500,000	500,000	0	0	0	0	0	32,313		
31364K-T5-9	Federal Natl Mtg Assoc.	02/12/2002	CALLED @ 100,000,000.00		1,000,000	1,000,000	1,000,000	1,000,000	0	0	0	0	0	10,000		
36217A-HH-5	GNMA PR187536	12/15/2002	PRINCIPAL RECEIPT		6,963	6,963	6,906	6,963	50	0	0	0	0	397		
76116E-EN-6	Resolution Funding Corp.	09/26/2002	Merrill Lynch		481,730	500,000	295,235	446,209	20,338	0	0	35,521	35,521	0		
912810-DW-5	U S Treasury Bond	09/26/2002	Merrill Lynch		1,279,063	1,000,000	1,046,495	1,039,318	(1,277)	0	0	239,745	239,745	62,846		
912827-26-6	U S Treasury Note	09/26/2002	Merrill Lynch		650,547	500,000	548,442	541,467	(745)	0	0	109,080	109,080	40,880		
912827-21-7	U S Treasury Note	01/31/2002	MATURITY		500,000	500,000	499,763	500,000	4	0	0	0	0	15,625		
912827-56-3	U S Treasury Note	06/30/2002	MATURITY		500,000	500,000	517,215	500,000	(2,789)	0	0	0	0	15,625		
912827-F4-9	U S Treasury Note	09/26/2002	Merrill Lynch		564,460	500,000	481,100	485,730	1,266	0	0	78,730	78,730	24,137		
912827-65-5	U S Treasury Note	05/15/2002	MATURITY		2,000,000	2,000,000	1,054,072	2,000,000	(2,843)	0	0	0	0	37,500		
912827-V8-2	U S Treasury Note	08/15/2002	MATURITY		2,000,000	2,000,000	2,045,691	2,000,000	(3,982)	0	0	0	0	127,500		
912827-W8-1	U S Treasury Note	09/26/2002	Merrill Lynch		2,099,500	1,900,000	1,880,717	1,882,278	1,593	0	0	207,222	207,222	96,762		
912827-W8-1	U S Treasury Note	09/26/2002	Merrill Lynch		1,654,219	1,500,000	1,491,315	1,496,476	581	0	0	157,742	157,742	94,234		
	COUNTRY TOTAL - U.S.				14,236,481	13,406,963	13,366,205	13,406,238	11,916	0	0	830,243	830,243	650,027	XXX	
	0399999 - Bonds - U.S. Governments				14,236,481	13,406,963	13,366,205	13,406,238	11,916	0	0	830,243	830,243	650,027	XXX	
STATES, TERRITORIES, POSSESSIONS - U.S.																
762222-BX-4	Rhode Island	08/01/2002	CALLED @ 100,000,000.00		5,000	5,000	5,000	5,000	0	0	0	0	0	232		
	STATE TOTAL				5,000	5,000	5,000	5,000	0	0	0	0	0	232	XXX	
WEST VIRGINIA																
956553-BL-4	West Virginia G O	06/01/2002	MATURITY		150,000	150,000	144,317	150,000	135	0	0	0	0	4,275		
	STATE TOTAL				150,000	150,000	144,317	150,000	135	0	0	0	0	4,275	XXX	
COUNTRY TOTAL - U.S.																
	1799999 - Bonds - States, Territories and Possessions				155,000	155,000	149,317	155,000	135	0	0	0	0	4,507	XXX	
POLITICAL SUBDIVISIONS - U.S.																
OHIO																
010032-K3-3	Akron Highway	12/01/2002	MATURITY		50,000	50,000	47,610	50,000	121	0	0	0	0	2,813		
199489-6F-6	Columbus G O	05/01/2002	MATURITY		50,000	50,000	47,909	50,000	49	0	0	0	0	2,031		
244703-6W-8	Defiance	12/01/2002	MATURITY		60,000	60,000	56,794	60,000	156	0	0	0	0	3,150		
483548-BV-2	Keystone LSD	12/01/2002	MATURITY		40,000	40,000	39,302	40,000	57	0	0	0	0	5,400		
584836-LI-5	Medina G O	12/01/2002	MATURITY		50,000	50,000	48,402	50,000	124	0	0	0	0	4,813		
661853-OR-0	North Ridgeville	12/01/2002	MATURITY		50,000	50,000	50,562	50,000	(46)	0	0	0	0	4,063		
921662-FE-7	Vandalia Butler	12/01/2002	MATURITY		60,000	50,000	58,171	50,000	84	0	0	0	0	4,875		
960028-6O-5	Westville OSD	12/01/2002	MATURITY		50,000	60,000	43,701	50,000	542	0	0	0	0	3,600		
960028-HF-8	Westville OSD	12/01/2002	MATURITY		460,000	460,000	441,387	460,000	1,188	0	0	0	0	33,869	XXX	
	STATE TOTAL				460,000	460,000	441,387	460,000	1,188	0	0	0	0	33,869	XXX	
	2499999 - Bonds - Political Subdivisions				460,000	460,000	441,387	460,000	1,188	0	0	0	0	33,869	XXX	
INDUSTRIAL & MISCELLANEOUS - U.S.																
001957-AU-3	AT&T Corp	11/14/2002	Bond Surrender / Exchange		998,608	1,000,000	995,320	998,608	851	0	0	0	0	56,250		
37042W-WD-9	General Motors Acct Corp	02/19/2002	MATURITY		500,000	500,000	500,000	500,000	0	0	0	0	0	4,667		
812400-HU-9	Sears Roebok ACP BE	06/26/2002	MATURITY		300,000	300,000	300,000	300,000	0	0	0	0	0	11,971		
911310-BU-7	United Parcel Serv.	10/15/2002	CALLED @ 100,000,000.00		500,000	500,000	500,000	500,000	0	0	0	0	0	31,250		
	COUNTRY TOTAL - U.S.				2,298,608	2,300,000	2,295,320	2,298,608	851	0	0	0	0	104,137	XXX	
4599999 - Bonds - Industrial and Miscellaneous					2,298,608	2,300,000	2,295,320	2,298,608	851	0	0	0	0	104,137	XXX	
6099997 - Bonds - Part 4					17,150,090	16,321,963	16,252,229	16,319,846	14,090	0	0	830,243	830,243	792,541	XXX	
6099998 - Bonds - Part 5					0	0	0	0	0	0	0	0	0	0	XXX	
6099999 - Total - Bonds					17,150,090	16,321,963	16,252,229	16,319,846	14,090	0	0	830,243	830,243	792,541	XXX	
6599998 - Preferred Stocks - Part 5					0	XXX	0	0	0	0	0	0	0	XXX	0	

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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
6599999 - Total - Preferred Stocks					0	XXX		0	0	0	0	0	0	XXX	0
PUBLIC UTILITIES - U.S.															
05577E-10-1	BT Group	11/29/2002	Merrill Lynch	1,850,000	60,005		161,439	161,439	93,452	0	0	(101,434)	(101,434)		639
264399-10-6	Duke Energy Corp.	06/10/2002	Merrill Lynch	30,613,000	894,179		557,737	557,737	(644,129)	0	0	336,442	336,442		16,837
28336L-10-9	El Paso Energy Corporation	05/30/2002	Merrill Lynch	16,036,000	426,115		412,500	412,500	(302,866)	0	0	13,615	13,615		6,938
65473P-10-5	NiSource Inc.	09/04/2002	Merrill Lynch	14,400,000	274,087		331,200	331,200	(864)	0	0	(57,113)	(57,113)		12,528
810131-70-5	Scottish Pwr.	05/01/2002	ROC	0	1,682		0	1,682	0	0	0	0	0		0
873168-10-8	TXD Corp.	10/04/2002	Merrill Lynch	12,000,000	318,230		551,860	551,860	(13,940)	0	0	(233,629)	(233,629)		28,800
879403-78-0	Telefonos De Mexico L.	11/05/2002	Merrill Lynch	439,000	13,676		5,126	5,126	(10,248)	0	0	8,550	8,550		368
COUNTRY TOTAL - U.S.															
6699999 - Common Stocks - Public Utilities					1,987,974	XXX	2,021,544	2,021,544	(878,595)	0	0	(33,570)	(33,570)	XXX	66,111
BANKS, TRUST AND INSURANCE COMPANIES - U.S.															
054536-10-7	AAA Amern Dep Svs SPD	10/31/2002	Merrill Lynch	2,600,000	35,574		86,822	86,822	32,170	0	0	(51,248)	(51,248)		1,315
172967-10-1	Citigroup Inc.	09/03/2002	VARIOUS	11,150,000	389,661		515,415	515,415	(72,390)	0	0	(131,754)	(131,754)		5,798
58551A-10-8	Mellon Financial Corp.	12/23/2002	Merrill Lynch	17,200,000	454,300		166,341	166,341	(480,729)	0	0	287,959	287,959		8,428
632525-40-8	Natl Australia Bk	09/23/2002	Merrill Lynch	850,000	76,373		64,783	64,783	(4,492)	0	0	13,590	13,590		1,695
635405-10-3	Natl City Corp.	04/01/2002	Merrill Lynch	11,452,000	347,103		32,081	32,081	(302,776)	0	0	315,023	315,023		3,378
693475-10-5	PNC Financial Services	07/19/2002	Merrill Lynch	10,000,000	379,989		5,299	5,299	(556,701)	0	0	374,690	374,690		14,400
939322-10-3	Washington Mutual Inc.	04/18/2002	Merrill Lynch	14,700,000	551,980		296,306	296,306	(184,384)	0	0	255,674	255,674		3,675
944293-10-9	Wayne Bancorp.	12/31/2002	CASH IN LIEU - FRAC'L SHR.	0	1,450		4	4	(28)	0	0	28	28		0
98982M-10-7	ZURICH FINL SVCS SPN	10/31/2002	ROC	0	6,610		0	6,610	0	0	0	0	0		0
98982M-10-7	ZURICH FINL SVCS SPN	12/31/2002	Write Down	0	0		112,624	112,624	0	0	0	(112,624)	(112,624)		0
COUNTRY TOTAL - U.S.															
6799999 - Common Stocks - Banks, Trust and Insurance Companies					2,237,622	XXX	1,286,284	1,286,284	(1,569,324)	0	0	951,338	951,338	XXX	38,690
INDUSTRIAL & MISCELLANEOUS - U.S.															
000937-10-2	Abn Amro Hldg.	10/21/2002	Merrill Lynch	2,975,000	41,524		70,620	70,620	22,187	0	0	(29,097)	(29,097)		2,543
00184A-10-5	AOL Time Warner Inc.	02/21/2002	Merrill Lynch	20,750,000	483,468		818,540	818,540	152,465	0	0	(335,072)	(335,072)		0
001957-50-5	AT&T Corp.	12/19/2002	VARIOUS	1,140,000	176,097		233,940	233,940	130,542	0	0	(57,843)	(57,843)		855
02009A-10-6	AT&T Worldw Service	07/10/2002	Merrill Lynch	11,334,000	58,229		366,049	366,049	(56,054)	0	0	(307,820)	(307,820)		0
023139-10-8	AMBAC Fincl Grp.	03/05/2002	Merrill Lynch	7,720,000	440,489		360,288	360,288	(56,304)	0	0	80,202	80,202		648
025816-10-9	Amer Express	12/23/2002	Merrill Lynch	21,000,000	783,092		249,435	249,435	(500,050)	0	0	533,657	533,657		6,720
038222-10-5	Applied Material Inc.	03/05/2002	Merrill Lynch	4,300,000	214,997		179,794	179,794	7,364	0	0	35,203	35,203		0
072730-30-2	Bayar AG	03/22/2002	Merrill Lynch	550,000	18,802		23,459	23,459	(7,881)	0	0	(4,657)	(4,657)		4
073325-10-2	BEA Sys tems.	03/01/2002	Merrill Lynch	9,000,000	118,548		162,804	162,804	24,204	0	0	(44,257)	(44,257)		0
090597-10-5	Brogen Inc.	07/10/2002	Merrill Lynch	3,200,000	115,904		306,200	306,200	122,680	0	0	(190,296)	(190,296)		0
110122-10-8	Bristol-Myers Squibb	03/26/2002	Merrill Lynch	23,500,000	954,451		481,519	481,519	(716,981)	0	0	472,932	472,932		6,560
11320-10-7	Broadcom Corp Calif	07/10/2002	Merrill Lynch	6,200,000	104,907		354,675	354,675	101,281	0	0	(249,768)	(249,768)		0
125670-10-9	CMA Money Fund	12/31/2002	Merrill Lynch	2,369,441	2,369,441		2,369,441	2,369,441	0	0	0	0	0		1,000
133131-10-2	Camden Property Trust	08/05/2002	Merrill Lynch	13,300,000	446,079		356,709	356,709	(131,404)	0	0	89,371	89,371		25,004
138006-30-9	Canon Inc.	11/05/2002	Merrill Lynch	1,075,000	36,743		27,236	27,236	(10,454)	0	0	9,507	9,507		0
14149V-10-8	Cardinal Health Inc	07/02/2002	Merrill Lynch	20,350,000	1,029,005		729,370	729,370	(586,461)	0	0	299,636	299,636		1,526
195872-10-6	Colonial Properties Tr.	08/05/2002	Merrill Lynch	11,600,000	390,908		359,924	359,924	(1,416)	0	0	30,984	30,984		22,968
204412-20-9	Companhia Vale Do Rio	11/07/2002	Merrill Lynch	575,000	14,990		14,960	14,960	0	0	0	(370)	(370)		0
219350-10-5	Corning Inc.	12/19/2002	Merrill Lynch	15,900,000	55,868		141,828	141,828	0	0	0	(85,960)	(85,960)		0
252430-20-5	Diageo Plc.	05/02/2002	Merrill Lynch	550,000	29,025		16,830	16,830	(8,619)	0	0	12,195	12,195		329
264411-50-5	Duke-Weeks Realty	08/05/2002	Merrill Lynch	22,000,000	533,713		467,161	467,161	(66,099)	0	0	66,551	66,551		19,800
268648-10-2	EMC Corp.	12/19/2002	Merrill Lynch	40,600,000	246,435		545,664	545,664	0	0	0	(299,229)	(299,229)		0
284131-20-8	Elan Corp Plc.	01/31/2002	Merrill Lynch	18,200,000	511,412		850,447	850,447	30,355	0	0	(339,035)	(339,035)		0
291011-10-4	Emerson Electric	07/19/2002	Merrill Lynch	7,700,000	378,655		555,552	555,552	115,882	0	0	(176,697)	(176,697)		5,968
294741-10-3	Equity Office Polys	04/23/2002	Merrill Lynch	10,000,000	288,649		255,141	255,141	(48,667)	0	0	33,508	33,508		2,636
294821-40-3	Ericsson L M Tel.	01/08/2002	Merrill Lynch	23,350,000	127,489		272,903	272,903	151,016	0	0	(145,414)	(145,414)		0
302316-10-2	Exxon Mobil Corp.	07/10/2002	Merrill Lynch	24,000,000	922,988		41,724	41,724	(901,476)	0	0	881,265	881,265		11,040
314211-10-3	Federated Investors B	11/14/2002	Merrill Lynch	10,700,000	338,203		338,203	338,203	(2,913)	0	0	(67,507)	(67,507)		2,322
337738-10-8	Fiserv Inc.	10/04/2002	Merrill Lynch	22,612,000	520,463		242,366	242,366	(714,544)	0	0	278,067	278,067		0
368710-40-6	Genentech Inc.	04/15/2002	Merrill Lynch	10,200,000	386,811		553,866	553,866	516	0	0	(167,055)	(167,055)		0
369604-10-3	Genl Electric	03/26/2002	Merrill Lynch	24,000,000	905,986		720,915	720,915	(931,438)	0	0	875,504	875,504		7,434
370442-88-2	Genl Motors Cl H	07/19/2002	Merrill Lynch	40,500,000	405,644		720,915	720,915	95,190	0	0	(315,271)	(315,271)		0
404280-40-6	HSBC Hldgs "New"	09/13/2002	Merrill Lynch	9,000,000	21,054		26,117	26,117	(3,738)	0	0	937	937		1,375
438516-10-6	Honeywell Int'l Inc.	09/13/2002	Merrill Lynch	9,000,000	211,944		330,300	330,300	25,920	0	0	(118,356)	(118,356)		5,063
452471-10-4	Imagistics International Inc.	03/08/2002	Merrill Lynch	1,120,000	16,688		12,301	12,301	(1,531)	0	0	4,387	4,387		0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD 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
458140-10-0	Intel Corp.	01/07/2002	Merrill Lynch	7,700,000	274,963		199,220	199,220	(42,945)	0	0	75,742	75,742		0
465714-30-1	TO Yokado LTD.	12/31/2002	Write Down				56,463	56,463	0	0	0	(56,463)	(56,463)		0
46612J-10-1	JDS Uniphase Corp.	12/19/2002	Merrill Lynch	6,900,000	18,748		59,882	59,882	0	0	0	(41,144)	(41,144)		0
478160-10-4	Johnson & Johnson	03/08/2002	Merrill Lynch	4,300,000	274,551		183,669	183,669	(70,461)	0	0	90,882	90,882		0
500472-30-3	Koninklijke "New"	01/30/2002	Merrill Lynch	6,000,000	12,546		12,546	12,546	0	0	0	3,656	3,656		0
50063P-10-3	Korea Telecom	04/05/2002	Stock Exchange	2,000,000	68,357		68,357	68,357	27,697	0	0	0	0		0
501556-20-3	Kyocera Corp.	09/24/2002	Merrill Lynch	633,000	41,458		40,172	40,172	(2,069)	0	0	1,287	1,287		158
532457-10-8	Lily (EI)	07/19/2002	Merrill Lynch	4,600,000	216,193		12,953	12,953	(348,331)	0	0	203,241	203,241		2,852
570697-60-7	Marks & Spencer Ltd Spns.	04/03/2002	Stock Exchange	1,700,000	62,194		62,194	62,194	8,010	0	0	0	0		603
570912-10-5	Marks And Spencer GP	04/17/2002	CASH IN LIEU - FRAC'L SHR.	0.190	7		7	7	0	0	0	0	0		0
580031-20-1	Mchata Corp.	07/10/2002	Merrill Lynch	1,494,000	13,955		34,128	34,128	(2,475)	0	0	(20,173)	(20,173)		0
589978-10-5	Merrill Lynch Premier Inst'l Fund	01/31/2002	Merrill Lynch	29,402,480	29,402		29,402	29,402	0	0	0	0	0		0
590901-10-4	Merrill Lynch Inst'l Fd Inc.	12/31/2002	Merrill Lynch	1,061,209,010	1,061,209		1,061,209	1,061,209	0	0	0	0	0		4,052
617446-44-8	Morgan Stanley Dean Witr & Co.	04/17/2002	Merrill Lynch	9,400,000	520,936		520,188	520,188	(5,648)	0	0	748	748		4,324
641069-40-6	Nestle SA Spns.	06/05/2002	Merrill Lynch	4,000,000	23,823		11,290	11,290	(10,010)	0	0	12,533	12,533		385
64120L-10-4	Network Appliance Inc.	12/19/2002	Merrill Lynch	2,200,000	24,771		48,114	48,114	0	0	0	(23,343)	(23,343)		0
654624-10-5	Nippon Tel & Tel.	08/23/2002	Merrill Lynch	3,100,000	63,646		194,326	194,326	144,106	0	0	(130,681)	(130,681)		324
654602-20-4	Nokia Corp.	07/10/2002	Merrill Lynch	7,600,000	106,492		362,761	362,761	176,353	0	0	(256,289)	(256,289)		1,798
655658-10-2	Nortel Networks Corp "New"	12/19/2002	Merrill Lynch	21,500,000	35,259		160,390	160,390	0	0	0	(125,131)	(125,131)		0
66987V-10-9	Novartis	08/06/2002	Merrill Lynch	49,963	49,166		49,963	49,963	3,608	0	0	(797)	(797)		681
681919-10-6	Omnicom Group	06/13/2002	Merrill Lynch	22,020,000	1,592,629		864,713	864,713	(1,102,774)	0	0	727,916	727,916		10,148
717081-10-3	Pfizer Inc.	07/10/2002	Merrill Lynch	17,400,000	536,894		12,222	12,222	(681,168)	0	0	524,672	524,672		4,524
76026T-20-5	Repsol S.A.	01/30/2002	Merrill Lynch	925,000	10,960		19,325	19,325	5,888	0	0	(8,375)	(8,375)		173
767202-10-4	Rio Tinto Ltd Spnsd Adr.	04/10/2002	Merrill Lynch	710,000	56,022		45,580	45,580	(8,509)	0	0	12,442	12,442		1,108
780257-80-4	Royal Dutch Pete Co NLG 1, 25	12/23/2002	Merrill Lynch	14,000,000	615,421		268,213	268,213	(418,067)	0	0	347,209	347,209		22,125
803054-20-4	SAP Aktiengesellschaft	11/07/2002	Merrill Lynch	1,400,000	28,087		55,090	55,090	10,388	0	0	(27,003)	(27,003)		183
826170-10-2	Stiebel Sys Inc.	07/10/2002	Merrill Lynch	2,200,000	27,347		179,300	179,300	117,744	0	0	(151,953)	(151,953)		0
83364L-10-9	Societe general SPN	05/22/2002	Merrill Lynch	2,775,000	38,395		23,686	23,686	(7,362)	0	0	14,699	14,699		1,042
835699-30-7	Sony Corp.	11/05/2002	Merrill Lynch	450,000	20,262		28,055	28,055	7,760	0	0	(7,793)	(7,793)		45
87612E-10-6	Target Corp.	03/18/2002	Merrill Lynch	14,700,000	654,875		548,009	548,009	(55,426)	0	0	106,866	106,866		882
87927W-10-6	Telecom Italia SPA	11/05/2002	Merrill Lynch	600,000	46,490		51,434	51,434	134	0	0	(4,945)	(4,945)		1,721
882508-10-6	Texas Instruments	12/19/2002	Merrill Lynch	15,100,000	245,670		943,669	943,669	520,869	0	0	(697,999)	(697,999)		1,284
88579V-10-1	3M Company	03/12/2002	Merrill Lynch	4,800,000	572,871		545,914	545,914	(21,494)	0	0	26,957	26,957		2,976
89151E-10-9	Total Fina SA	01/30/2002	Merrill Lynch	325,000	22,322		12,550	12,550	(10,278)	0	0	9,772	9,772		52
900008-00-4	Tyco International LTD "New"	01/31/2002	Merrill Lynch	4,069,780	4,070		4,070	4,070	0	0	0	0	0		0
902124-10-6	Unilever NV "New"	01/22/2002	Merrill Lynch	37,348,000	1,747,758		1,443,978	1,443,978	(755,820)	0	0	303,780	303,780		467
904784-70-9	Unilever NV "New"	07/24/2002	Merrill Lynch	1,263,000	72,825		73,970	73,970	1,209	0	0	(1,145)	(1,145)		639
925624-30-8	Viacom Inc. Cl B.	05/16/2002	Merrill Lynch	12,230,000	596,858		555,037	555,037	15,083	0	0	(41,821)	(41,821)		0
92857S-20-4	Vivendi Universal	07/03/2002	Merrill Lynch	1,845,000	26,252		142,936	142,936	43,694	0	0	(116,684)	(116,684)		1,681
92857W-10-0	Vodafone Grp Pic Spn.	07/10/2002	Merrill Lynch	7,900,000	108,466		358,956	358,956	156,084	0	0	(250,490)	(250,490)		1,896
969457-10-0	Williams Cos.	01/29/2002	Merrill Lynch	18,050,000	343,306		345,465	345,465	(115,171)	0	0	(2,159)	(2,159)		0
98157D-10-6	World Com Inc "New" GA Com.	05/02/2002	Merrill Lynch	12,150,000	27,592		171,072	171,072	0	0	0	(143,480)	(143,480)		0
	COUNTRY TOTAL - U.S.				23,938,687	XXX	22,727,310	22,727,310	(5,914,863)	0	0	1,208,377	1,208,377	XXX	190,834
6899999	Common Stocks - Industrial and Miscellaneous				23,938,687	XXX	22,727,310	22,727,310	(5,914,863)	0	0	1,208,377	1,208,377	XXX	190,834
7099997	Common Stocks - Part 4				28,161,284	XXX	26,035,139	26,035,139	(8,362,783)	0	0	2,126,145	2,126,145	XXX	295,635
7099998	Common Stocks - Part 5				35,016,319	XXX	35,482,779	35,482,779	0	0	0	(476,459)	(476,459)	XXX	34,069
7099999	Total - Common Stocks				63,177,603	XXX	61,527,918	61,527,918	(8,362,783)	0	0	1,649,686	1,649,686	XXX	329,705
7199999	Total - Preferred and Common Stocks				63,177,603	XXX	61,527,918	61,527,918	(8,362,783)	0	0	1,649,686	1,649,686	XXX	329,705
7299999	Totals				80,327,693	XXX	77,780,147	77,780,147	(8,348,693)	0	0	2,479,929	2,479,929	792,541	329,705

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD 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 (Stock)	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	
BANKS, TRUST AND INSURANCE COMPANIES - U.S.																	
054536-10-7	AAA Amern Dep Shs SPD	05/15/2002	Merrill Lynch	10/31/2002	Merrill Lynch	175,000	3,680	2,394	3,680	0	0	0	(1,286)	(1,286)	0	0	
894206-10-9	Travelers Property Casualty Corp	08/20/2002	Stock Distribution	11/14/2002	VARIOUS	963,460	17,467	14,105	17,467	0	0	0	(3,363)	(3,363)	0	0	
894206-10-6	Travelers Property Casualty Corp	08/20/2002	Stock Distribution	11/14/2002	VARIOUS	1,979,470	38,728	29,454	38,728	0	0	0	(9,274)	(9,274)	0	0	
COUNTRY TOTAL - U.S.																	
6799999	Common Stocks - Banks, Trust and Insurance Companies					XXX	59,876	45,953	59,876	0	0	0	(13,923)	(13,923)	0	0	
INDUSTRIAL & MISCELLANEOUS - U.S.																	
125670-10-9	OMA Money Fund	12/01/2002	Merrill Lynch	12/31/2002	Merrill Lynch	20,252,458.970	20,252,459	20,252,459	20,252,459	0	0	0	0	0	0	0	0
141497-10-8	Cardinal Health Inc.	01/08/2002	Merrill Lynch	07/02/2002	Merrill Lynch	4,400,000	276,076	240,013	276,076	0	0	0	(36,063)	(36,063)	4,391	0	
20030N-10-1	Comcast Corp	11/15/2002	Stock Spin Off / Merger	12/19/2002	VARIOUS	1,843,950	146,446	44,880	146,446	0	0	0	(101,566)	(101,566)	220	0	
252430-20-5	Diageo Plc	07/23/2002	Merrill Lynch	11/18/2002	Merrill Lynch	17,400,000	829,425	749,305	829,425	0	0	0	(80,120)	(80,120)	17,417	0	
337738-10-8	Fiserv Inc.	01/07/2002	Merrill Lynch	10/04/2002	Merrill Lynch	6,500,000	274,521	149,611	274,521	0	0	0	(124,910)	(124,910)	0	0	
438516-10-6	Honeywell Int'l Inc.	07/23/2002	Merrill Lynch	09/17/2002	Merrill Lynch	16,550,000	549,888	399,784	549,888	0	0	0	(160,103)	(160,103)	3,103	0	
465917-10-2	JDN Realty Corporation	07/26/2002	JDN Realty Corporation	11/14/2002	Merrill Lynch	1,602,000	6,255	0	6,255	0	0	0	17,605	17,605	433	0	
50063P-10-3	Korea Telecom	01/30/2002	Merrill Lynch	04/05/2002	Stock Exchange	325,000	273,393	195,195	273,393	0	0	0	(78,198)	(78,198)	0	0	
501044-10-1	Kroger Co.	03/18/2002	Merrill Lynch	09/17/2002	Merrill Lynch	12,300,000	11,009,962	11,009,962	11,009,962	0	0	0	0	0	6,754	0	
589978-10-5	Merrill Lynch Premier Inst'l Fund	01/31/2002	Merrill Lynch	01/31/2002	Merrill Lynch	11,100,962.220	4,288	4,288	11,100,962	0	0	0	0	0	0	0	
590901-10-4	Merrill Lynch Inst'l Fd Inc.	12/31/2002	Merrill Lynch	12/31/2002	Merrill Lynch	4,287,850	4,288	4,288	4,288	0	0	0	0	0	0	0	
666807-10-2	Northrop Grumman Corp	05/31/2002	Merrill Lynch	09/12/2002	Merrill Lynch	2,200,000	282,371	282,371	282,371	0	0	0	13,941	13,941	880	0	
71713U-10-2	Pharmacia Corp	04/18/2002	Merrill Lynch	08/01/2002	Merrill Lynch	6,300,000	281,862	279,403	281,862	0	0	0	(2,459)	(2,459)	851	0	
78462F-10-3	Standard & Poors Dep Rpts	09/26/2002	Merrill Lynch	11/07/2002	Merrill Lynch	13,000,000	1,107,730	1,198,304	1,107,730	0	0	0	90,574	90,574	0	0	
900008-00-4	Merrill Lynch Institutional Fund	01/31/2002	Merrill Lynch	01/31/2002	Merrill Lynch	48,351,570	48,352	48,352	48,352	0	0	0	0	0	21	0	
900049-00-8	Marks & Spencer 'B' Shares	04/03/2002	Stock Exchange	04/03/2002	Merrill Lynch	1,700,000	9,802	10,155	9,802	0	0	0	353	353	0	0	
92851S-20-4	Vivendi Universal	05/15/2002	Merrill Lynch	07/03/2002	Merrill Lynch	100,000	3,014	1,423	3,014	0	0	0	(1,591)	(1,591)	0	0	
COUNTRY TOTAL - U.S.																	
6899999	Common Stocks - Industrial and Miscellaneous					XXX	35,432,903	34,970,366	35,432,903	0	0	0	(462,536)	(462,536)	34,069	0	
7099998	Total - Common Stocks					XXX	35,492,779	35,016,319	35,492,779	0	0	0	(476,459)	(476,459)	34,069	0	
7199999	Total - Preferred and Common Stocks						35,492,779	35,016,319	35,492,779	0	0	0	(476,459)	(476,459)	34,069	0	
7299999 Totals																	
							35,492,779	35,016,319	35,492,779	0	0	0	(476,459)	(476,459)	34,069	0	

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps and Floors and Insurance Futures Options Owned December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index	Date of Acquisition	Exchange or Counterparty	Cost/Option Premium	Book Value	*	Statement Value	Fair Value	Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income
2599999 - Subtotal - Hedging Transactions													
2799999 - Subtotal - Other Derivative Transactions													
99999999 - Totals													

SCHEDULE DB - PART A - SECTION 2

Showing all Options, Caps and Floors and Insurance Futures Options Acquired During Current Year

1	2	3	4	5	6	7
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index	Date of Acquisition	Exchange or Counterparty	Cost/Option Premium
2599999 - Subtotal - Hedging Transactions						
2799999 - Subtotal - Other Derivative Transactions						
99999999 - Totals						

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE DB - PART A - SECTION 3

Showing all Owned Options, Caps, Floors and Insurance Futures Options Terminated During Current Year

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Acquisition	6 Exchange or Counterparty	7 Cost/Option Premium	8 Indicate Exercise, Expiration, Maturity or Sale	9 Termination Date	10 Book Value	11 *	12 Consideration Received on Terminations	13 Increase/ (Decrease) by Adjustment	Gain/Loss on Termination			17 Other Investment/ Miscellaneous Income
													14 Recognized	15 Used to Adjust Basis of Hedged Item	16 Deferred	
2599999 - Subtotal - Hedging Transactions							XXX	XXX								
2799999 - Subtotal - Other Derivative Transactions							XXX	XXX								
9999999 - Totals							XXX	XXX								

SCHEDULE DB - PART B - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force December 31 of Current Year

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Issuance/ Purchase	6 Exchange or Counterparty	7 Consideration Received	8 Book Value	9 *	10 Statement Value	11 Fair Value	12 Increase/ (Decrease) by Adjustment	13 Used to Adjust Basis	14 Other Investment/ Miscellaneous Income
ATG (AIG)	43	02/22/2003	70.00	11/11/2002	International Security Exchange	12,040	12,040		12,040	248,755			
Ambac (ABK)	56	02/23/2003	70.00	10/15/2002	Pacific Stock Exchange	20,719	20,719		20,719	314,944			
Ambac (ABK)	50	02/22/2003	65.00	11/15/2002	Pacific Stock Exchange	12,650	12,650		12,650	281,200			
American Express (AXP)	210	02/22/2003	40.00	12/26/2002	American Stock Exchange	20,999	20,999		20,999	742,350			
Bank America (BAC)	78	02/22/2003	75.00	12/26/2002	Chicago Board of Options Exchg.	10,140	10,140		10,140	542,646			
BellSouth Corp (BLS)	130	01/18/2003	25.00	10/15/2002	American Stock Exchange	23,399	23,399		23,399	336,310			
BellSouth Corp (BLS) *	128	01/18/2003	30.00	11/01/2002	American Stock Exchange	13,440	13,440		13,440	331,136			
Coca-Cola (KO)	124	01/18/2003	47.50	11/12/2002	Chicago Board of Options Exchg.	16,119	16,119		16,119	543,616			
Emerson Electric (EMR)	55	03/22/2003	55.00	11/11/2002	Chicago Board of Options Exchg.	9,370	9,370		9,370	279,675			
Gannett (GCI)	60	01/18/2003	80.00	10/15/2002	Pacific Stock Exchange	15,099	15,099		15,099	430,800			
General Dynamics	14	01/18/2003	90.00	10/24/2002	Chicago Board of Options Exchg.	3,780	3,780		3,780	111,118			
General Dynamics (GD)	20	01/18/2003	90.00	10/15/2002	Chicago Board of Options Exchg.	5,400	5,400		5,400	158,740			
General Electric (GE)	112	03/22/2003	27.50	11/11/2002	Pacific Stock Exchange	12,880	12,880		12,880	272,720			
Gillette (G)	190	01/18/2003	30.00	11/12/2002	American Stock Exchange	18,999	18,999		18,999	576,840			
Home Depot (HD)	99	01/18/2003	32.50	10/15/2002	Chicago Board of Options Exchg.	15,444	15,444		15,444	237,798			
Home Depot (HD)	98	02/22/2003	32.50	11/15/2002	Chicago Board of Options Exchg.	10,780	10,780		10,780	235,396			
Int'l Business Mach (IBM)	33	01/18/2003	80.00	10/18/2002	American Stock Exchange	9,240	9,240		9,240	255,750			
Kellogg Co (K)	174	02/22/2003	35.00	11/05/2002	American Stock Exchange	15,659	15,659		15,659	596,298			
Keyspan Corp (KSE)	72	03/22/2003	40.00	11/01/2002	Chicago Board of Options Exchg.	3,240	3,240		3,240	253,728			
Lowe's (LOW)	66	04/19/2003	47.50	11/15/2002	Philadelphia SE	16,699	16,699		16,699	247,500			
Lowe's Corp (LOW)	81	01/18/2003	47.50	10/15/2002	Philadelphia SE	14,580	14,580		14,580	303,750			
MetLife Financial (MEL)	172	03/22/2003	30.00	12/26/2002	American Stock Exchange	10,790	10,790		10,790	449,092			

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE DB - PART B - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index	Date of Issuance/Purchase	Exchange or Counterparty	Consideration Received	Book Value	*	Statement Value	Fair Value	Increase/ (Decrease) by Adjustment	Used to Adjust Basis	Other Investment/ Miscellaneous Income
Merck (MRK)	19	01/18/2003	55.00	10/28/2002	Chicago Board of Options Exchg.	5,700	5,700		5,700	107,559			
Microsoft (MSFT)	51	04/19/2003	60.00	11/11/2002	Chicago Board of Options Exchg.	17,339	17,339		17,339	258,621			
Northrup Grumman (NOC)	17	01/18/2003	110.00	10/21/2002	Chicago Board of Options Exchg.	10,540	10,540		10,540	164,900			
PepsiCo Inc (PEP)	47	01/18/2003	47.50	10/18/2002	Chicago Board of Options Exchg.	6,345	6,345		6,345	198,434			
Proctor & Gamble (PG)	63	01/18/2003	90.00	11/12/2002	American Stock Exchange	18,899	18,899		18,899	541,422			
Royal Dutch (RD)	140	04/19/2003	50.00	12/26/2002	American Stock Exchange	12,600	12,600		12,600	616,280			
SBC Com. (SBC) *	116	01/18/2003	30.00	11/01/2002	Pacific Stock Exchange	14,500	14,500		14,500	314,476			
SBC Corp (SBC)	110	01/18/2003	25.00	10/15/2002	Pacific Stock Exchange	17,599	17,599		17,599	298,210			
Schlumberger (SLB)	162	01/18/2003	45.00	10/18/2002	Chicago Board of Options Exchg.	32,399	32,399		32,399	681,858			
Target (TGT)	89	04/19/2003	37.50	11/14/2002	Pacific Stock Exchange	13,350	13,350		13,350	267,000			
Verizon (VZ)	95	01/18/2003	40.00	10/15/2002	Chicago Board of Options Exchg.	14,724	14,724		14,724	368,125			
Viacom Class B (VIA)	134	02/22/2003	50.00	11/11/2002	Chicago Board of Options Exchg.	24,369	24,369		24,369	546,184			
Washington Mutual (WM)	150	01/18/2003	37.50	10/18/2002	Philadelphia SE	20,249	20,249		20,249	517,950			
Wells Fargo (WFC)	78	02/22/2003	50.00	12/26/2002	American Stock Exchange	6,630	6,630		6,630	365,586			
0299999 - Subtotal - Call Options - Income Transactions						518,859	518,859	XXX	518,859	13,329,677			
0499999 - Subtotal - Call Options						518,859	518,859	XXX	518,859	13,329,677			
2599999 - Subtotal - Hedging Transactions								XXX					
2699999 - Subtotal - Income Generation Transactions						518,859	518,859	XXX	518,859	13,329,677			
2799999 - Subtotal - Other Derivative Transactions								XXX					
9999999 - Totals						518,859	518,859	XXX	518,859	13,329,677			

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE DB - PART B- SECTION 2

Showing all Options, Caps, Floors and Insurance Futures and Insurance Options Written During Current Year

1	2	3	4	5	6	7
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index	Date of Issuance/Purchase	Exchange or Counterparty	Consideration Received
3M (MM)	27	01/18/2003	135,000	10/18/2002		
AIG (AIG)	43	02/22/2003	70,000	11/11/2002	Chicago Board of Options Exchg.	12,150
Ambac (ABK)	56	02/23/2003	70,000	10/15/2002	International Security Exchange	12,040
Ambac (ABK)	50	02/22/2003	65,000	11/15/2002	Pacific Stock Exchange	20,719
American Express (AMP)	210	02/22/2003	40,000	12/26/2002	Pacific Stock Exchange	12,650
Bank America (BAC)	78	02/22/2003	75,000	12/26/2002	American Stock Exchange	20,999
BellSouth Corp (BLS)	130	01/18/2003	25,000	10/15/2002	Chicago Board of Options Exchg.	10,140
BellSouth Corp (BLS) *	128	01/18/2003	30,000	11/01/2002	American Stock Exchange	23,399
Coca-Cola (KO)	124	01/18/2003	47,500	11/12/2002	American Stock Exchange	13,440
Coca-Cola (KO)	35	01/18/2003	55,000	11/12/2002	Chicago Board of Options Exchg.	16,119
Diageo (DEO)	55	03/22/2003	55,000	11/11/2002	American Stock Exchange	4,900
Emerson Electric (EMR)	60	01/18/2003	80,000	10/15/2002	Chicago Board of Options Exchg.	9,370
Gannett (GCI)	14	01/18/2003	90,000	10/24/2002	Pacific Stock Exchange	15,099
General Dynamics	20	01/18/2003	90,000	10/15/2002	Chicago Board of Options Exchg.	3,780
General Dynamics (GD)	112	03/22/2003	27,500	11/11/2002	Chicago Board of Options Exchg.	5,400
General Electric (GE)	190	01/18/2003	30,000	11/12/2002	Chicago Board of Options Exchg.	12,880
Gillette (G)	99	01/18/2003	32,500	10/15/2002	Pacific Stock Exchange	18,999
Home Depot (HD)	98	02/22/2003	32,500	11/15/2002	American Stock Exchange	15,444
Home Depot (HD)	33	01/18/2003	80,000	10/18/2002	Chicago Board of Options Exchg.	10,780
Intl Business Mach (IBM)	174	03/22/2003	35,000	11/05/2002	Chicago Board of Options Exchg.	9,240
KeLogg Co (K)	72	02/22/2003	40,000	11/01/2002	American Stock Exchange	15,659
Keyspan Corp (KSE)	66	04/19/2003	47,500	11/01/2002	American Stock Exchange	3,240
Lowe's (LOW)	81	01/18/2003	47,500	11/15/2002	Chicago Board of Options Exchg.	16,699
Lowe's Corp (LOW)	172	03/22/2003	47,500	10/15/2002	Philadelphia SE	14,580
Mellon Financial (MEL)	19	01/18/2003	55,000	12/26/2002	Philadelphia SE	10,790
Merck (MRK)	51	04/19/2003	60,000	10/28/2002	American Stock Exchange	5,700
Microsoft (MSFT)	17	01/18/2003	110,000	11/11/2002	Chicago Board of Options Exchg.	17,339
Northrup Grumman (NOC)	47	01/18/2003	47,500	10/21/2002	Chicago Board of Options Exchg.	10,540
Pepsico Inc (PEP)	63	01/18/2003	90,000	10/18/2002	Chicago Board of Options Exchg.	6,345
Proctor & Gamble (PG)	140	04/19/2003	50,000	10/18/2002	Chicago Board of Options Exchg.	18,899
Royal Dutch (RD)	116	01/18/2003	30,000	12/26/2002	American Stock Exchange	12,600
SBC Com. (SBC) *	110	01/18/2003	25,000	11/01/2002	American Stock Exchange	14,500
SBC Corp (SBC)	162	01/18/2003	45,000	10/15/2002	Pacific Stock Exchange	17,599
Schlumberger (SLB)	89	04/19/2003	37,500	10/18/2002	Pacific Stock Exchange	32,399
Target (TGT)	95	01/18/2003	40,000	10/14/2002	Chicago Board of Options Exchg.	13,350
Verizon (VZ)	134	02/22/2003	50,000	10/15/2002	Pacific Stock Exchange	14,724
Viacom Class B (VIA)	150	01/18/2003	37,500	11/11/2002	Chicago Board of Options Exchg.	24,369
Washington Mutual (WM)	78	02/22/2003	50,000	10/18/2002	Chicago Board of Options Exchg.	20,249
Wells Fargo (WFC)	164	12/22/2002	35,000	12/26/2002	Philadelphia SE	6,630
Wendy's (WEN)		12/20/2002		10/21/2002	American Stock Exchange	28,699
0299999 - Subtotal - Call Options - Income Transactions						552,458
0499999 - Subtotal - Call Options						552,458
2599999 - Subtotal - Hedging Transactions						
2699999 - Subtotal - Income Generation Transactions						552,458
2799999 - Subtotal - Other Derivative Transactions						
9999999 - Totals						552,458

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE DB - PART B - SECTION 3

Showing all Written Options, Caps, Floors and Insurance Futures Options Terminated During Current Year

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Issuance/Purchase	6 Exchange or Counterparty	7 Consideration Received	8 Indicate Exercise, Expiration, Maturity or Closing Purchase Transaction	9 Termination Date	10 Book Value	11 *	12 Consideration Paid on Terminations	13 Increase/ (Decrease) by Adjustment	14 Gain/(Loss) on Termination		17 Other Investment/ Miscellaneous Income
													14 Recognized	15 Used to Adjust Basis	
Diageo (DEI)	35	01/18/2003	55.000	10/15/2002	American Stock Exchange	4,900	Closing Purchase Transaction	11/18/2002	4,900		350		4,550		
Wendy's (WEN)	164	12/20/2002	35.000	10/21/2002	Pacific Stock Exchange	28,699	Expiration	12/20/2002	28,699		350		28,699		
0299999 - Subtotal - Call Options - Income Generation Transactions						33,599	XXX	XXX	33,599	XXX	350		33,249		
0499999 - Subtotal - Call Options						33,599	XXX	XXX	33,599	XXX	350		33,249		
2599999 - Subtotal - Hedging Transactions															
2699999 - Subtotal - Income Generation Transactions						33,599	XXX	XXX	33,599	XXX	350		33,249		
2799999 - Subtotal - Other Derivative Transactions															
9999999 - Totals						33,599	XXX	XXX	33,599	XXX	350		33,249		

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE DB - PART C - SECTION 1

Showing all Collar, Swap and Forwards Open December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
2599999 - Subtotal - Hedging Transactions								XX						
2799999 - Subtotal - Other Derivative Transactions								XX						
9999999 - Totals								XX						

SCHEDULE DB - PART C - SECTION 2

Showing all Collar, Swap and Forwards Opened During Current Year

1	2	3	4	5	6	7
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)
2599999 - Subtotal - Hedging Transactions						
2799999 - Subtotal - Other Derivative Transactions						
9999999 - Totals						

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE DB - PART D - SECTION 2

Showing all Futures Contracts and Insurance Futures Contracts Opened During Current Year

1	2	3	4	5	6	7
Description	Number of Contracts	Maturity Date	Original Value	Date of Opening Position	Exchange or Counterparty	Net Additions to Cash Deposits
2599999 - Subtotal - Hedging Transactions				XXX	XXX	
2799999 - Subtotal - Other Derivative Transactions				XXX	XXX	
9999999 - Totals				XXX	XXX	

SCHEDULE DB - PART D - SECTION 3

Showing all Futures Contracts and Insurance Futures Contracts Terminated During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13
Description	Number of Contracts	Maturity Date	Original Value	Termination Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Net Reduction to Cash Deposits	Termination Date	Gain/(Loss) Recognized	Gain/(Loss) Used to Adjust Basis of Hedged Item	Gain/(Loss) Deferred
2599999 - Subtotal - Hedging Transactions						XXX			XXX			
2799999 - Subtotal - Other Derivative Transactions						XXX			XXX			
9999999 - Totals						XXX			XXX			

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	86,842,304	90,698,419	3,856,115
2. Preferred Stocks	1,201,520	1,201,520	0
3. Totals	88,043,824	91,899,939	3,856,115

(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 obtained through an automated pricing service FT Interactive Data.....

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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	*
Bank One.....	Wooster, Ohio.....			5,938,942	
First Merit.....	Akron, Ohio.....			99	
Merrill Lynch.....	Columbus, Ohio.....			17,511	
The Savings Bank & Trust Company.....	Orrville, Ohio.....	3,470	238	100,000	
Wayne Savings & Loan.....	Wooster, Ohio.....	4,250	431	100,000	
Wayne Savings & Loan.....	Wooster, Ohio.....	6,650	1,130		
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories	XXX				XXX
0199999 Totals - Open Depositories	XXX	8,286	669	6,156,552	XXX
0399999 Total Cash on Deposit	XXX	8,286	669	6,156,552	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX		XXX
0599999 Total Cash	XXX	8,286	669	6,156,552	XXX

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

1. January	4,957,695	4. April	3,198,775	7. July	2,916,259	10. October	(1,959,274)
2. February	4,009,360	5. May	4,363,377	8. August	3,811,513	11. November	(1,498,215)
3. March	3,702,948	6. June	2,207,611	9. September	6,018,022	12. December	6,156,552

