



ANNUAL STATEMENT

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

PROGRESSIVE SPECIALTY INSURANCE COMPANY

NAIC Group Code..... 155, (Current Period) (Prior Period)	155	NAIC Company Code..... 32786	Employer's ID Number..... 34-1172685
Organized under the Laws of OHIO Incorporated..... August 4, 1975		State of Domicile or Port of Entry OHIO	Country of Domicile US Commenced Business..... May 26, 1976
Statutory Home Office	6300 WILSON MILLS ROAD, W33 MAYFIELD VILLAGE OH 44143-2182 <i>(Street and Number) (City or Town, State and Zip Code)</i>		
Main Administrative Office	6300 WILSON MILLS ROAD, W33 MAYFIELD VILLAGE OH 44143-2182 440-461-5000 <i>(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)</i>		
Mail Address	6300 WILSON MILLS ROAD, W33 MAYFIELD VILLAGE OH 44143-2182 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>		
Primary Location of Books and Records	6300 WILSON MILLS ROAD, W33 MAYFIELD VILLAGE OH 44143-2182 440-461-5000 <i>(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)</i>		
Internet Website Address	PROGRESSIVE.COM		
Statement Contact	ROBERT WILLIAM HEIN <i>(Name)</i> Financial_Reporting@Progressive.com <i>(E-Mail Address)</i>		440-395-4460 <i>(Area Code) (Telephone Number) (Extension)</i> 440-446-7168 <i>(Fax Number)</i>
POLICYOWNER RELATIONS AND CLAIMS REPORTING CONTACT	6300 WILSON MILLS ROAD, E61 MAYFIELD VILLAGE OH 44143-2182 1-800-776-4737 <i>(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)</i>		

OFFICERS

President GLENN MORRIS RENWICK Treasurer STEPHEN DAVID PETERSON Secretary DANE ALLEN SHRALLOW

VICE PRESIDENTS

JEFFREY WAYNE BASCH (VICE PRESIDENT)	TIMOTHY FRANCIS CERCELLE (ASST. VICE PRESIDENT) #
KATHLEEN MARY CERNY (ASST. SECRETARY)	WILLIAM THOMAS FORRESTER, II (VICE PRESIDENT)
CHARLES ELWOOD JARRETT (VICE PRESIDENT)	TIMOTHY FRANCIS KASELONIS (ASST. VICE PRESIDENT)
THOMAS ALFRED KING (VICE PRESIDENT)	JAMES LEE KUSMER (VP/ASST. TREASURER)
DANE ALLEN SHRALLOW (VICE PRESIDENT)	

DIRECTORS OR TRUSTEES

JEFFREY WAYNE BASCH	WILLIAM THOMAS FORRESTER, II	CHARLES ELWOOD JARRETT	THOMAS ALFRED KING
MOIRA GAMBRILL LARDAKIS	GLENN MORRIS RENWICK	MICHAEL ROBERT UTH	RICHARD HENRY WATTS
ROBERT THOMAS WILLIAMS, JR.			

State of..... OHIO
County of..... CUYAHOGA

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

_____ (Signature) GLENN MORRIS RENWICK (Printed Name) President	_____ (Signature) KATHLEEN MARY CERNY (Printed Name) Assistant Secretary	_____ (Signature) JAMES LEE KUSMER (Printed Name) VP/ Assistant Treasurer
---	--	---

Subscribed and sworn to before me this
.....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**

PROGRESSIVE SPECIALTY 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 Design- ation	Date Acquired	Effective Rate of Interest
U.S. Government - Issuer Obligations																				
912827-6T-4..	US TREASURY NOTE.....		5.000	FA...	02/15/2011			1,476,427	1,500,000	109.8750	1,648,125	1,474,980	28,329	37,500	1,446			1	05/17/2002	5.239
912827-7G-1..	US TREASURY NOTE.....		3.000	MN...	11/30/2003			599,700	600,000	101.5940	609,564	599,391	1,582	18,000	309			1	12/28/2001	3.054
912828-AM-2..	US TREASURY NOTE.....		2.125	AO...	10/31/2004			43,245,299	43,000,000	101.0940	43,470,420	43,263,750	155,639	(18,451)	(18,451)			1	11/15/2002	1.800
0199999	U.S. Government - Issuer Obligations.....							45,321,426	45,100,000	XXX	45,728,109	45,338,121	185,550	55,500	(16,696)	0	0	XXX	XXX	XXX
0399999	Total - U.S. Government.....							45,321,426	45,100,000	XXX	45,728,109	45,338,121	185,550	55,500	(16,696)	0	0	XXX	XXX	XXX
States, Territories & Possessions (Direct and Guaranteed) - Issuer Obligations																				
Alabama																				
258489-ME-0..	DOTHAN ALA.....		6.250	MS...	09/01/2007			1,858,585	1,900,000	100.6370	1,912,103	1,782,884	39,583	118,750	7,109			1PE	03/21/1986	6.800
	Alabama.....							1,858,585	1,900,000	XXX	1,912,103	1,782,884	39,583	118,750	7,109			XXX	XXX	XXX
Arizona																				
898711-SY-3..	TUCSON ARIZ.....		6.500	JJ.....	07/01/2009			2,886,508	2,470,000		2,886,508	2,895,976	80,275		(9,469)			1PE	10/25/2002	3.570
	Arizona.....							2,886,508	2,470,000	XXX	2,886,508	2,895,976	80,275		(9,469)			XXX	XXX	XXX
Illinois																				
452150-7W-9..	ILLINOIS ST.....		5.500	AO...	04/01/2012			5,893,682	5,495,000		5,893,682	5,917,346	75,556	151,113	(23,663)			1PE	04/10/2002	4.530
	Illinois.....							5,893,682	5,495,000	XXX	5,893,682	5,917,346	75,556	151,113	(23,663)			XXX	XXX	XXX
Maryland																				
613340-XP-8..	MONTGOMERY CNTY MD.....		5.000	MN...	11/01/2008			3,334,033	3,000,000		3,334,033	3,336,840	19,167		(2,807)			1PE	11/21/2002	2.910
	Maryland.....							3,334,033	3,000,000	XXX	3,334,033	3,336,840	19,167		(2,807)			XXX	XXX	XXX
Massachusetts																				
57582N-DD-4..	MASSACHUSETTS ST.....		5.500	FA...	02/01/2009			5,610,052	5,000,000		5,610,052	5,623,850	42,778		(13,798)			1PE	11/04/2002	3.272
	Massachusetts.....							5,610,052	5,000,000	XXX	5,610,052	5,623,850	42,778		(13,798)			XXX	XXX	XXX
Minnesota																				
604128-4A-3..	MINNESOTA ST.....		5.000	MN...	11/01/2007			4,344,120	4,000,000		4,344,120	4,355,280	33,333		(11,161)			1PE	10/22/2002	3.070
	Minnesota.....							4,344,120	4,000,000	XXX	4,344,120	4,355,280	33,333		(11,161)			XXX	XXX	XXX
New Jersey																				
646039-AV-9..	NEW JERSEY ST.....		5.250	JJ.....	07/01/2014			5,518,190	5,000,000		5,518,190	5,532,200	131,250		(14,010)			1PE	07/31/2002	4.110
646039-EY-9..	NEW JERSEY ST.....		5.000	JJ.....	07/15/2008			10,869,188	10,000,000		10,869,188	10,885,800	63,889		(16,612)			1PE	10/28/2002	3.272
	New Jersey.....							16,387,378	15,000,000	XXX	16,387,378	16,418,000	195,139		(30,622)			XXX	XXX	XXX
New York																				
649668-7L-8..	NEW YORK N Y.....		5.500	FA...	08/01/2004			685,170	675,000		685,170	710,249	15,469	45,375	(6,113)			1PE	07/10/1998	4.501
	New York.....							685,170	675,000	XXX	685,170	710,249	15,469	45,375	(6,113)			XXX	XXX	XXX
Ohio																				
199491-PB-1..	COLUMBUS OHIO.....		5.000	MN...	11/15/2007			3,876,893	3,500,000		3,876,893	3,883,810	22,361		(6,917)			1PE	11/19/2002	2.630
677519-KD-1..	OHIO ST.....		5.250	MN...	11/01/2012			5,229,301	4,725,000		5,229,301	5,235,017	32,386		(5,716)			1PE	10/30/2002	3.930
	Ohio.....							9,106,194	8,225,000	XXX	9,106,194	9,118,827	54,747		(12,633)			XXX	XXX	XXX
Pennsylvania																				
709141-XA-8..	PENNSYLVANIA ST.....		5.000	AO...	10/01/2007			7,778,928	7,000,000		7,778,928	7,808,640	87,500		(29,712)			1PE	10/09/2002	2.500
	Pennsylvania.....							7,778,928	7,000,000	XXX	7,778,928	7,808,640	87,500		(29,712)			XXX	XXX	XXX
Tennessee																				
880540-6N-4..	TENNESSEE ST.....		4.875	MS...	03/01/2005			3,228,911	3,200,000		3,228,911	3,257,280	52,000	156,000	(12,698)			1PE	08/24/2000	4.430
	Tennessee.....							3,228,911	3,200,000	XXX	3,228,911	3,257,280	52,000	156,000	(12,698)			XXX	XXX	XXX
Virginia																				
928109-GV-3..	VIRGINIA ST.....		4.000	JD...	06/01/2007			4,264,766	4,000,000		4,264,766	4,275,560	40,000		(10,794)			1PE	10/09/2002	2.409
928109-GX-9..	VIRGINIA ST.....		4.000	JD...	06/01/2009			10,497,402	10,230,000		10,497,402	10,504,471	102,300		(7,069)			1PE	10/22/2002	3.539
	Virginia.....							14,762,168	14,230,000	XXX	14,762,168	14,780,031	142,300		(17,863)			XXX	XXX	XXX
Washington																				
49474E-JZ-7..	KING CNTY WASH.....		5.500	JD...	12/01/2012			5,582,768	5,000,000		5,582,768	5,590,850	22,917	135,208	(8,082)			1PE	10/25/2002	4.060
	Washington.....							5,582,768	5,000,000	XXX	5,582,768	5,590,850	22,917	135,208	(8,082)			XXX	XXX	XXX
	Total States and US.....							81,458,497	75,195,000	XXX	81,512,015	81,596,053	860,764	606,446	(171,512)			XXX	XXX	XXX
1199999	States, Territories & Possessions - Issuer Obligations.....							81,458,497	75,195,000	XXX	81,512,015	81,596,053	860,764	606,446	(171,512)			XXX	XXX	XXX
1799999	Total - States, Territories & Possessions (Direct and Guaranteed).....							81,458,497	75,195,000	XXX	81,512,015	81,596,053	860,764	606,446	(171,512)			XXX	XXX	XXX
Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations																				

E08

PROGRESSIVE SPECIALTY INSURANCE COMPANY

SCHEDULE D - PART 1

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

1 CUSIP Identifi- cation	2 Description	3 *	Interest		6 Maturity Date	7 Option Date	8 Option Call Price	9 Book/Adjusted Carrying Value	10 Par Value	11 Rate Used to Obtain Fair Value	12 Fair Value	13 Actual Cost	Interest		16 Increase (Decrease) by Adjustment	17 Increase (Decrease) by Foreign Exchange Adjustment	18 Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	19 NAIC Design- ation	20 Date Acquired	21 Effective Rate of Interest
			4 Rate of	5 How Paid									14 Amount Due and Accrued December 31 of Current Year on Bonds not in Default	15 Gross Amount Received During Year						
Arizona																				
79575D-QF-0	SALT RIVER PROJ ARIZ AGRIC IMP		5.000	JJ	01/01/2012			5,477,240	5,000,000		5,477,240	5,482,400	27,778		(5,160)			1PE	10/18/2002	3.740
	Arizona							5,477,240	5,000,000	XXX	5,477,240	5,482,400	27,778	0	(5,160)	0	0	XXX	XXX	XXX
California																				
13033E-KG-7	CALIFORNIA HSG FIN AGY REV		5.650	FA	08/01/2025	02/01/2004	100.000	1,535,000	1,535,000		1,535,000	1,535,000	36,136	86,728				1PE	06/01/1995	5.650
13033E-T5-2	CALIFORNIA HSG FIN AGY REV		4.550	FA	02/01/2027	02/01/2004	100.000	110,000	110,000		110,000	110,000	2,085	5,005				1PE	01/20/1998	4.550
13066Y-DF-3	CALIFORNIA ST DEPT WTR RES PWR		5.250	MN	05/01/2010			13,607,448	12,385,000		13,607,448	13,626,844	108,369		(19,396)			1PE	11/07/2002	3.700
21221M-AM-2	CONTRA COSTA CALIF TRANSN AUTH		6.875	MS	03/01/2007			4,161,032	4,000,000	114.3800	4,575,200	4,397,600	91,667	275,000	81,032			1PE	01/07/1997	5.480
	California							19,413,480	18,030,000	XXX	19,827,648	19,669,444	238,257	366,733	61,636	0	0	XXX	XXX	XXX
Connecticut																				
207757-T8-8	CONNECTICUT ST		5.000	AO	10/01/2007			9,874,479	9,100,000		9,874,479	9,902,438	113,750		(27,959)			1PE	10/22/2002	3.060
	Connecticut							9,874,479	9,100,000	XXX	9,874,479	9,902,438	113,750	0	(27,959)	0	0	XXX	XXX	XXX
Florida																				
340736-JN-8	FLORIDA HSG FIN AGY		5.625	JJ	07/01/2020	01/01/2005	100.000	640,000	640,000		640,000	640,000	18,000	36,000				1PE	10/26/1995	5.626
	Florida							640,000	640,000	XXX	640,000	640,000	18,000	36,000	0	0	0	XXX	XXX	XXX
Kentucky																				
491308-4R-0	KENTUCKY HSG CORP HSG REV		4.850	JJ	07/01/2022	04/01/2009	100.000	3,210,000	3,210,000		3,210,000	3,210,000	77,843	155,685				1PE	04/30/2001	4.853
	Kentucky							3,210,000	3,210,000	XXX	3,210,000	3,210,000	77,843	155,685	0	0	0	XXX	XXX	XXX
Massachusetts																				
575566-3P-7	MASSACHUSETTS BAY TRANSN AUTH		5.800	MS	03/01/2012			4,618,601	4,080,000		4,618,601	4,627,087	78,880		(8,486)			1PE	10/23/2002	4.060
	Massachusetts							4,618,601	4,080,000	XXX	4,618,601	4,627,087	78,880	0	(8,486)	0	0	XXX	XXX	XXX
Michigan																				
594653-XL-6	MICHIGAN ST HSG DEV AUTH		5.500	JD	12/01/2026	12/01/2004	100.000	2,125,000	2,125,000		2,125,000	2,125,000	9,740	116,875				1PE	04/29/1996	5.500
	Michigan							2,125,000	2,125,000	XXX	2,125,000	2,125,000	9,740	116,875	0	0	0	XXX	XXX	XXX
New Jersey																				
646135-XP-3	NEW JERSEY ST TRANSN TR FD		5.750	JD	12/15/2014			5,763,199	5,000,000		5,763,199	5,782,950	12,778	143,750	(19,751)			1PE	07/31/2002	4.120
	New Jersey							5,763,199	5,000,000	XXX	5,763,199	5,782,950	12,778	143,750	(19,751)	0	0	XXX	XXX	XXX
New York																				
649836-BW-2	NEW YORK ST DORM AUTH REVS		5.500	FA	08/01/2014	08/01/2004	100.000	1,865,543	1,870,000		1,865,543	1,832,557	42,854	102,850	17,201			1PE	04/09/1996	5.859
	New York							1,865,543	1,870,000	XXX	1,865,543	1,832,557	42,854	102,850	17,201	0	0	XXX	XXX	XXX
Ohio																				
676901-ZV-6	OHIO HSG FIN AGY MTG REV		5.300	MS	09/01/2026	03/01/2005	100.000	2,295,000	2,295,000		2,295,000	2,295,000	40,545	121,635				1PE	05/01/1997	5.298
	Ohio							2,295,000	2,295,000	XXX	2,295,000	2,295,000	40,545	121,635	0	0	0	XXX	XXX	XXX
Tennessee																				
586111-GS-9	MEMPHIS-SHELBY CNTY TENN ARPT		5.500	MS	03/01/2011			1,332,149	1,265,000		1,332,149	1,341,381	23,192	81,171	(6,487)			1PE	07/19/2001	4.708
586111-GU-4	MEMPHIS-SHELBY CNTY TENN ARPT		5.500	MS	03/01/2012	03/01/2011	100.000	856,747	820,000		856,747	861,754	15,033	52,617	(3,516)			1PE	07/19/2001	4.828
	Tennessee							2,188,896	2,085,000	XXX	2,188,896	2,203,135	38,225	133,788	(10,003)	0	0	XXX	XXX	XXX
Wisconsin																				
976900-6C-9	WISCONSIN HSG & ECONOMIC DEV		6.100	JJ	07/01/2024	07/01/2004	100.000	395,000	395,000		395,000	395,000	12,048	24,095				1PE	08/05/1994	6.100
	Wisconsin							395,000	395,000	XXX	395,000	395,000	12,048	24,095	0	0	0	XXX	XXX	XXX
	Total States and US							57,866,438	53,830,000	XXX	58,280,606	58,165,011	710,698	1,201,411	7,478	0	0	XXX	XXX	XXX
2599999	Special Revenue & Assessment Obligations - Issuer Obligations							57,866,438	53,830,000	XXX	58,280,606	58,165,011	710,698	1,201,411	7,478	0	0	XXX	XXX	XXX
3199999	Total - Special Revenue & Special Assessment Obligations							57,866,438	53,830,000	XXX	58,280,606	58,165,011	710,698	1,201,411	7,478	0	0	XXX	XXX	XXX
Public Utilities (Unaffiliated) - Issuer Obligations																				
United States																				
677730-AA-1	OHIO VALLEY ELECTRIC CRP		5.940	FA	02/12/2006			3,201,772	3,000,000	108.8510	3,265,530	3,206,820	68,805		(5,048)			1PE	12/01/2002	3.634
	United States							3,201,772	3,000,000	XXX	3,265,530	3,206,820	68,805	0	(5,048)	0	0	XXX	XXX	XXX
3299999	Public Utilities (Unaffiliated) - Issuer Obligations							3,201,772	3,000,000	XXX	3,265,530	3,206,820	68,805	0	(5,048)	0	0	XXX	XXX	XXX
3899999	Total - Public Utilities (Unaffiliated)							3,201,772	3,000,000	XXX	3,265,530	3,206,820	68,805	0	(5,048)	0	0	XXX	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																				
United States																				
008739-AA-2	AIG SUNAMER GLOB FIN		5.850	FA	08/01/2008			2,293,194	2,150,000	110.9000	2,384,350	2,295,018	52,406		(1,823)			1PE	12/01/2002	4.487

E08.1

PROGRESSIVE SPECIALTY 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
026351-BC-9..	AMERICAN GENERAL CORP.....		7.500	FA..	08/11/2010			6,607,915	5,750,000	118.4420	6,810,415	6,615,433	167,708		(7,518)			..1PE	12/01/2002	5.108
071813-AS-8..	BAXTER INTERNATIONAL INC.....		5.250	MN..	05/01/2007			9,956,052	10,000,000	103.9820	10,398,200	9,950,800	87,500	269,792	5,252			..1PE	04/23/2002	5.363
097014-AG-9..	BOEING CAPITAL CORP.....		6.500	FA..	02/15/2012			1,697,066	1,600,000	106.6210	1,705,936	1,699,212	39,289		(2,146)			..1PE	09/24/2002	5.639
172967-AZ-4..	CITIGROUP INC.....		7.250	AO..	10/01/2010			3,349,157	3,000,000	116.0870	3,482,610	3,355,470	54,375		(6,313)			..1PE	10/25/2002	5.391
22541L-AD-5..	CREDIT SUISSE FB USA INC.....		5.750	AO..	04/15/2007			8,314,997	8,000,000	107.0480	8,563,840	8,338,480	97,111	238,944	(23,483)			..1PE	08/20/2002	4.723
345397-SM-6..	FORD MOTOR CREDIT CO.....		7.375	AO..	10/28/2009			20,508,441	20,000,000	99.0860	19,817,200	20,601,000	258,125	1,475,000	(58,790)			..2PE	05/10/2001	6.899
345397-TY-9..	FORD MOTOR CREDIT CO.....		7.250	AO..	10/25/2011			7,048,746	7,000,000	97.1680	6,801,760	7,050,750	93,042	253,750	(2,004)			..2PE	06/26/2002	7.140
617446-HC-6..	MORGAN STANLEY.....		6.600	AO..	04/01/2012			9,705,937	9,000,000	110.8320	9,974,880	9,723,240	148,500	293,700	(17,303)			..1PE	09/16/2002	5.505
62625P-AD-1..	KOCH FINANCIAL TRUST.....		4.350	MTLY	03/06/2006			2,647,271	2,647,271		2,647,271	2,647,271	9,990	122,028				..1PE	10/01/1998	4.380
666807-AD-4..	NORTHROP GRUMMAN CORP.....		8.625	AO..	10/15/2004			4,471,194	4,200,000	108.6630	4,563,846	4,640,244	76,475	362,250	(141,279)			..2PE	10/16/2001	4.808
69332H-GX-8..	PHH CORP.....		8.125	FA..	02/03/2003			2,499,363	2,500,000		2,499,363	2,499,200	83,507	203,125	(188)			..2PE	01/26/2001	8.142
852060-AB-8..	SPRINT CAPITAL CORP.....		5.700	MN..	11/15/2003			5,005,931	5,000,000	99.5000	4,975,000	5,031,800	36,417	285,000	(7,152)			..2PE	12/03/1998	5.550
852060-AE-2..	SPRINT CAPITAL CORP.....		5.875	MN..	05/01/2004			4,992,125	5,000,000	99.0000	4,950,000	4,975,150	48,958	293,750	(13,999)			..2PE	04/29/1999	5.992
	United States.....							89,097,389	85,847,271	XXX	89,574,671	89,423,068	1,253,403	3,797,339	(248,748)	0	0	XXX	XXX	XXX
Foreign																				
902118-AX-6..	TYCO INTL GROUP SA.....		6.375	FA..	02/15/2006			2,799,283	3,000,000	97.0000	2,910,000	2,755,000	72,250	95,625	44,283			..3	02/27/2002	8.870
902118-BC-1..	TYCO INTL GROUP SA.....		6.375	AO..	10/15/2011			4,675,000	5,000,000	93.5000	4,675,000	4,792,850	67,292	309,010	(117,850)			..3	01/29/2002	6.968
	Foreign.....							7,474,283	8,000,000	XXX	7,585,000	7,547,850	139,542	404,635	(73,567)	0	0	XXX	XXX	XXX
3999999..	Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations.....							96,571,672	93,847,271	XXX	97,159,671	96,970,918	1,392,945	4,201,974	(322,315)	0	0	XXX	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Single Class Mortgage-Backed/Asset-Backed Securities																				
United States																				
36229R-EM-7..	GSR 2002-5 A1C.....		5.472	MTLY	01/25/2032	07/01/2030	100.000	2,508,595	2,500,000		2,508,595	2,512,550	11,400	68,400	(3,955)			..1PE	06/19/2002	5.177
	United States.....							2,508,595	2,500,000	XXX	2,508,595	2,512,550	11,400	68,400	(3,955)	0	0	XXX	XXX	XXX
4099999..	Industrial & Miscellaneous (Unaffiliated) - Single Class Mortgage-Backed/Asset Backed Securities.....							2,508,595	2,500,000	XXX	2,508,595	2,512,550	11,400	68,400	(3,955)	0	0	XXX	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Defined Multi-Class Residential Mortgage-Backed Securities																				
United States																				
31339D-4B-1..	FHR 2421 PB.....		6.000	MTLY	08/15/2023	10/01/2004	100.000	5,072,360	5,000,000		5,072,360	5,114,844	25,000	250,000	(42,484)			..1PE	01/17/2002	4.969
3133TR-SG-1..	FHR 2297 AB.....		6.000	MTLY	11/15/2028	08/01/2006	100.000	5,927,906	5,899,992		5,927,906	5,935,254	29,500	236,000	(7,348)			..1PE	04/09/2002	5.545
31359E-5N-7..	FNR 1993-210 PL.....		6.500	MTLY	04/01/2023	06/01/2007	100.000	8,051,076	8,000,000		8,051,076	8,080,000	43,333	520,000	(24,617)			..1PE	06/28/2001	6.261
313921-6F-0..	FNW 2001-W3 A.....		7.000	MTLY	09/01/2041	09/01/2031	100.000	8,629,027	8,264,936		8,629,027	8,647,190	48,212	578,545	(1,661)			..1PE	10/24/2001	5.817
31392B-QU-3..	FNR 2001-81 AB.....		6.000	MTLY	02/25/2028	07/01/2006	100.000	6,806,730	6,802,367		6,806,730	6,814,058	34,012	272,095	(7,328)			..1PE	04/09/2002	5.771
31392C-MS-0..	FNW 2002-W1 2A.....		7.500	MTLY	02/25/2042	01/01/2032	100.000	2,566,020	2,444,442		2,566,020	2,568,956	15,278	137,500	(2,936)			..1PE	03/07/2002	6.188
911760-MZ-6..	VENDE 1999-3 B.....		6.500	MTLY	02/01/2020	03/01/2004	100.000	2,544,953	2,565,281		2,544,953	2,481,509	13,895	166,743	24,857			..1PE	10/26/1999	7.553
	United States.....							39,598,072	38,977,018	XXX	39,598,072	39,641,811	209,230	2,160,883	(61,517)	0	0	XXX	XXX	XXX
4199999..	Industrial & Miscellaneous - Defined Multi-Class Residential Mtg.-Backed Securities.....							39,598,072	38,977,018	XXX	39,598,072	39,641,811	209,230	2,160,883	(61,517)	0	0	XXX	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Other Multi-Class Residential Mortgage-Backed Securities																				
United States																				
597706-AJ-9..	MIDL 1996-C1 AEC IO.....		1.170	MTLY	08/01/2028	06/01/2007	100.000	783,003	0		783,003	2,046,811	28,791	527,151	(265,027)			..1PE	10/17/1996	6.385
	United States.....							783,003	0	XXX	783,003	2,046,811	28,791	527,151	(265,027)	0	0	XXX	XXX	XXX
4299999..	Industrial & Miscellaneous - Other Multi-Class Residential Mtg.-Backed Securities.....							783,003	0	XXX	783,003	2,046,811	28,791	527,151	(265,027)	0	0	XXX	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Defined Multi-Class Commercial Mortgage-Backed Securities																				
United States																				
22540V-G6-3..	CSFB 2002-9 A1.....		7.000	MTLY	03/25/2032	02/01/2032	100.000	3,278,070	3,235,489		3,278,070	3,280,483	18,874	150,989	(2,413)			..1PE	04/02/2002	6.319
393505-QX-3..	GT 1996-9 A5.....		7.200	MTLY	01/15/2028	06/15/2003	100.000	1,186,939	1,185,153		1,186,939	1,214,458	3,792	85,331	(3,854)			..1PE	11/04/1997	6.672
52108H-NU-4..	LBUBS 2002-C7 XCP IO.....		1.190	MTLY	01/15/2036	12/11/2009	100.000	3,293,830	0		3,293,830	3,300,002	39,024		(6,172)			..1PE	12/18/2002	4.460
617059-CE-8..	JPMC 1997-C4 X IO.....		1.275	MTLY	12/01/2028	05/01/2010	100.000	1,513,526	0		1,513,526	3,360,283	44,620	686,801	(533,552)			..1PE	01/24/1997	7.471
61745M-CG-2..	MSC 1998-XL1 A1.....		6.220	MTLY	06/01/2030	05/01/2005	100.000	6,254,676	6,239,655		6,254,676	6,284,524	32,342	400,364	(10,359)			..1PE	06/02/1998	6.146
61746W-CX-6..	MSDWC 2000-PRIN A2.....		7.180	MTLY	02/01/2034	05/01/2009	100.000	5,251,020	5,256,226		5,251,020	5,256,715	31,450	377,397	(5,206)			..1PE	09/15/2000	7.187
61746W-GM-6..	MSDWC 2001-PGMA A1.....		6.269	MTLY	03/07/2016	03/07/2011	100.000	2,115,269	2,115,038		2,115,269	2,115,580	8,839	132,592	(272)			..1PE	04/20/2001	6.330
	United States.....							22,893,330	18,031,561	XXX	22,893,330	24,812,045	178,941	1,833,474	(561,828)	0	0	XXX	XXX	XXX
4399999..	Industrial & Miscellaneous - Defined Multi-Class Commercial Mtg.-Backed Securities.....							22,893,330	18,031,561	XXX	22,893,330	24,812,045	178,941	1,833,474	(561,828)	0	0	XXX	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities																				
United States																				

E08.2

PROGRESSIVE SPECIALTY 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
008098-AE-5..	ACMT 1995-C5 D.....		7.100	MTLY	12/01/2030	01/01/2005	100.000	3,650,619	3,664,189		3,650,619	3,661,990	21,680	260,157	(12,623)			..1PE	09/01/1997	7.115
126671-KS-4..	CWL 2001-BC1 A4.....		6.602	MTLY	03/01/2029	06/01/2004	100.000	6,979,095	7,000,000		6,979,095	6,999,716	38,512	462,140	(20,670)			..1PE	01/19/2001	6.516
126671-LD-6..	CWL 2001-1 AF4.....		6.517	MTLY	01/01/2029	11/01/2004	100.000	3,989,870	4,000,000		3,989,870	3,999,999	21,723	260,680	(10,129)			..1PE	02/02/2001	6.445
161505-AA-0..	CCMSC 1996-1 A1.....		7.600	MTLY	07/01/2028	12/01/2003	100.000	1,042,755	1,043,668		1,042,755	1,044,273	6,610	140,155	(18,640)			..1PE	08/28/1997	6.582
17305E-AC-9..	CCCIT 2000-C1 C1.....		7.450	MS...	09/15/2007	09/15/2005	100.000	7,990,382	8,000,000		7,990,382	7,986,240	175,489	596,000	1,111			..2PE	09/18/2000	7.493
22540V-GE-6..	CSFB 2001-CKN5 A4.....		5.435	MTLY	09/01/2034	07/01/2011	100.000	5,021,647	5,000,000		5,021,647	5,025,000	22,646	271,750	(3,103)			..1PE	11/01/2001	5.399
22540V-P2-2..	CSFB 2002-CKN2 A3.....		6.133	MTLY	04/15/2037	03/01/2012	100.000	7,032,523	7,000,000		7,032,523	7,035,000	35,776	250,431	(2,477)			..1PE	05/02/2002	6.108
32051D-GH-9..	FHASI 2001-5 A1.....		6.750	MTLY	08/01/2031	08/01/2003	100.000	1,789,331	1,782,671		1,789,331	1,820,553	10,028	120,222	(31,921)			..1PE	10/25/2001	3.767
33736L-AF-2..	FULB 1997-C1 C.....		7.440	MTLY	04/01/2029	04/01/2007	100.000	6,180,804	6,000,000		6,180,804	6,327,888	37,200	446,400	(45,443)			..1PE	11/13/1998	6.629
33736X-BN-8..	FUNBC 2000-C2 IO.....		1.191	MTLY	10/01/2032	02/01/2012	100.000	4,457,091			4,457,091	5,388,278	69,808	931,438	(503,739)			..1PE	11/16/2000	8.650
33736X-CR-8..	FUNBC 2001-C2 IO.....		0.979	MTLY	01/01/2043	03/01/2011	100.000	874,154			874,154	985,403	12,975	172,069	(92,218)			..1PE	05/31/2001	9.041
339083-AE-7..	FCCGT 1997-A A.....		6.640	MTLY	09/01/2012	04/01/2006	100.000	722,793	723,744		722,793	723,518	4,005	48,057	(826)			..1PE	03/06/1997	6.637
36228C-KH-5..	GSMS 2001-ROCK C.....		6.878	MTLY	05/01/2018	05/01/2011	100.000	4,987,697	5,000,000		4,987,697	4,986,324	28,658	343,900	820			..1PE	05/22/2001	7.011
46625M-MZ-9..	JPMCC 2002-CIB5 X2.....		1.631	MTLY	10/12/2037	11/01/2009	100.000	5,468,206			5,468,206	5,625,380	103,658	103,658	(157,174)			..1PE	10/25/2002	4.519
52108H-BZ-6..	LBUBS 2000-C4 X IO.....		0.991	MTLY	07/11/2032	04/11/2015	100.000	3,284,540			3,284,540	3,930,738	32,336	649,805	(262,161)			..1PE	09/21/2000	9.179
585525-FA-1..	MRFC 2001-HEIL A4.....		6.615	MTLY	02/01/2021	08/01/2012	100.000	12,000,000	12,000,000		12,000,000	12,000,000	66,150	793,800				..1PE	06/01/2001	6.645
589929-KN-7..	MLMI 1995-C2 A1.....		6.985	MTLY	06/01/2021	08/01/2005	100.000	781,145	782,137		781,145	793,992	4,433	53,967	(8,967)			..1PE	10/12/1995	6.714
589929-MK-1..	MLMI 1996-C2 IO.....		1.939	MTLY	11/21/2028	08/01/2016	100.000	2,581,864			2,581,864	3,563,391	62,713	819,648	(39,582)			..1PE	11/15/1996	7.861
61745M-KF-9..	MSC 1999-WF1 A1.....		5.910	MTLY	11/01/2031	04/01/2008	100.000	1,504,031	1,501,559		1,504,031	1,509,243	7,395	90,464	(2,585)			..1PE	02/16/1999	5.815
638925-AD-9..	NGGT 1997-2 A2.....		6.250	MTLY	11/15/2013	02/15/2006	100.000	874,052	874,278		874,052	873,870	2,429	54,642	(15)			..1PE	10/16/1997	6.353
74438U-AC-4..	PMCC2 2000-C1 X IO.....		0.462	MTLY	10/01/2015	07/01/2010	100.000	830,483			830,483	987,151	10,524	156,517	(74,331)			..1PE	11/22/2000	8.133
749930-AR-4..	RMF PASS-THROUGH 1997-1 X2 IO.....		2.058	MTLY	01/01/2019	09/01/2010	100.000	2,356,759			2,356,759	2,229,285	72,483	1,068,334	(896,421)			..1PE	07/23/1997	13.659
76110W-ED-4..	RASC 1998-KS3 A15.....		6.160	MTLY	04/01/2026	09/01/2004	100.000	8,966,665	9,000,000		8,966,665	8,982,070	46,200	554,385	(24,505)			..1PE	09/25/1998	6.190
76110W-KR-6..	RASC 2000-KS5 A14.....		7.250	MTLY	01/01/2029	07/01/2004	100.000	4,983,661	5,000,000		4,983,661	4,999,467	30,208	362,379	(15,912)			..1PE	11/30/2000	7.188
76110W-LA-2..	RASC 2001-KS1 A14.....		6.374	MTLY	03/25/2029	12/01/2004	100.000	10,000,000	10,000,000		10,000,000	10,000,000	53,117	637,349				..1PE	03/14/2001	6.298
76110W-LK-0..	RASC 2001-KS2 A14.....		6.417	MTLY	02/01/2029	02/01/2005	100.000	4,989,805	5,000,000		4,989,805	4,999,907	26,738	320,931	(10,110)			..1PE	06/07/2001	6.344
79548C-AR-7..	SBM7 2000-C3 X IO.....		1.435	MTLY	12/01/2033	04/01/2020	100.000	3,242,847			3,242,847	3,870,629	51,982	671,895	(332,868)			..1PE	12/12/2000	9.189
83081X-AA-3..	SKY 2002-A A1.....		5.398	MTLY	07/16/2018	01/15/2007	100.000	4,930,070	4,930,070		4,930,070	4,930,070	11,828	156,593				..1PE	05/09/2002	5.470
84603W-AA-2..	SOVEREIGN BANK A-1.....		10.200	JD....	06/30/2005			1,084,386	1,084,386		1,084,386	1,084,386	307	165,911				..2PE	06/23/2000	10.200
	United States.....							122,597,275	99,386,702	...XXX...	122,597,275	126,403,761	1,067,611	10,963,677	(2,564,489)	0	0	XXX	XXX	XXX
4499999..	Industrial & Miscellaneous - Other Multi-Class Commercial Mtg.-Backed/Asset Backed Securities.....							122,597,275	99,386,702	...XXX...	122,597,275	126,403,761	1,067,611	10,963,677	(2,564,489)	0	0	XXX	XXX	XXX
4599999..	Total - Industrial & Miscellaneous (Unaffiliated).....							284,951,947	252,742,552	...XXX...	284,951,947	292,387,896	2,888,918	19,755,559	(3,779,131)	0	0	XXX	XXX	XXX
Totals																				
5499999..	Total - Issuer Obligations.....							284,419,805	270,972,271	...XXX...	284,419,805	285,276,923	3,218,762	6,065,331	(508,093)	0	0	XXX	XXX	XXX
5599999..	Total - Single Class Mortgage-Backed/Asset-Backed Securities.....							2,508,595	2,500,000	...XXX...	2,508,595	2,512,550	11,400	68,400	(3,955)	0	0	XXX	XXX	XXX
5699999..	Total - Defined Multi-Class Residential Mortgage-Backed Securities.....							39,598,072	38,977,018	...XXX...	39,598,072	39,641,811	209,230	2,160,883	(61,517)	0	0	XXX	XXX	XXX
5799999..	Total - Other Multi-Class Residential Mortgage-Backed Securities.....							783,003	0	...XXX...	783,003	2,046,811	28,791	527,151	(265,027)	0	0	XXX	XXX	XXX
5899999..	Total - Defined Multi-Class Commercial Mortgage-Backed Securities.....							22,893,330	18,031,561	...XXX...	22,893,330	24,812,045	178,941	1,833,474	(561,828)	0	0	XXX	XXX	XXX
5999999..	Total - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities.....							122,597,275	99,386,702	...XXX...	122,597,275	126,403,761	1,067,611	10,963,677	(2,564,489)	0	0	XXX	XXX	XXX
6099999..	Grand Total - Bonds.....							472,800,080	429,867,552	...XXX...	472,800,080	480,693,901	4,714,735	21,618,916	(3,964,909)	0	0	XXX	XXX	XXX

E08.3

PROGRESSIVE SPECIALTY 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 - Banks, Trust and Insurance Companies (Unaffiliated)														
United States														
225386-10-1..	CREDIT LYON CAPITAL SCA SERIES DTC.....	280,000.000	25.00	30.764	8,613,920	30.764	8,613,920	7,201,600	166,250		1,412,320		P1L.....	10/01/2002
	United States.....			XXX	8,613,920	XXX	8,613,920	7,201,600	166,250		1,412,320		XXX	XXX
Foreign														
638539-88-2..	NATL WESTMINSTER BK PLC SERIES C.....	318,000.000	25.00	26.450	8,411,100	26.450	8,411,100	7,453,920	171,434	685,735	292,560		P1L.....	07/20/2000
	Foreign.....			XXX	8,411,100	XXX	8,411,100	7,453,920	171,434	685,735	292,560		XXX	XXX
6299999.	Total - Preferred Stocks - Banks, Trust and Insurance Companies (Unaffiliated).....			XXX	17,025,020	XXX	17,025,020	14,655,520	337,684	685,735	1,704,880		XXX	XXX
6599999.	Total - Preferred Stocks.....			XXX	17,025,020	XXX	17,025,020	14,655,520	337,684	685,735	1,704,880		XXX	XXX

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												
233331-10-7	DTE ENERGY COMPANY	2,000,000	92,800	46.400	92,800	84,940	1,030	4,120	8,920		L	07/26/2001
264399-10-6	DUKE ENERGY CORP	3,000,000	58,620	19.540	58,620	58,620		3,300	(59,160)		L	07/30/2001
670837-10-3	OGE ENERGY CORP	500,000	8,800	17.600	8,800	10,590		665	(2,740)		L	08/07/2001
69331C-10-8	PG&E CORP	67,700,000	941,030	13.900	941,030	835,973			105,057		L	09/10/2002
	United States		1,101,250	XXX	1,101,250	990,123	1,030	8,085	52,077	0	XXX	XXX
6699999	Total - Common Stocks - Public Utilities (Unaffiliated)		1,101,250	XXX	1,101,250	990,123	1,030	8,085	52,077	0	XXX	XXX
Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)												
United States												
025932-10-4	AMERICAN FINANCIAL GROUP INC	12,700,000	292,989	23.070	292,989	296,163		6,350	(18,796)		L	08/07/2001
060505-10-4	BANK OF AMERICA CORP	10,000,000	695,700	69.570	695,700	633,032		24,400	66,200		L	07/30/2001
06423A-10-3	BANK ONE CORP	10,000,000	365,500	36.550	365,500	378,650	2,100	8,400	(25,000)		L	07/27/2001
14040H-10-5	CAPITAL ONE FINANCIAL CORP	1,400,000	41,608	29.720	41,608	41,608		112	(45,965)		L	03/20/2002
172967-10-1	CITIGROUP INC	10,000,000	351,900	35.190	351,900	471,923		7,000	(124,198)		L	07/30/2001
416515-10-4	HARTFORD FINANCIAL SVCS GRP	4,000,000	181,720	45.430	181,720	255,760	1,080	4,160	(69,600)		L	07/26/2001
46625H-10-0	JP MORGAN CHASE & CO	34,100,000	818,400	24.000	818,400	1,136,403		23,188	(318,003)		L	06/11/2002
570535-10-4	MARKEL CORP	3,100,000	637,050	205.500	637,050	641,417			24,784		L	06/11/2002
571834-10-0	MARSHALL & ILSLEY CORP	20,000,000	547,600	27.380	547,600	583,177		12,500	(85,200)		L	06/17/2002
590188-10-8	MERRILL LYNCH & CO INC	10,000,000	379,500	37.950	379,500	549,110		6,400	(141,700)		L	07/30/2001
59156R-10-8	METLIFE INC	10,000,000	270,400	27.040	270,400	288,000		2,100	(46,400)		L	07/26/2001
617446-44-8	MORGAN STANLEY	10,000,000	399,200	39.920	399,200	597,048		9,200	(160,200)		L	07/30/2001
665859-10-4	NORTHERN TRUST CORP	6,600,000	231,330	35.050	231,330	313,695	1,122	1,122	(82,365)		L	06/11/2002
680033-10-7	OLD NATIONAL BANCORP	551,250	13,395	24.300	13,395	13,198		378	770		L	12/31/2002
733174-10-6	POPULAR INC	20,700,000	699,660	33.800	699,660	701,359			(1,699)		L	12/18/2002
792860-10-8	ST PAUL COMPANIES	11,700,000	398,385	34.050	398,385	466,373	3,393	6,786	(67,988)		L	06/11/2002
867914-10-3	SUNTRUST BANKS INC	17,300,000	984,716	56.920	984,716	1,161,912		14,878	(177,196)		L	06/11/2002
902973-30-4	US BANCORP	74,000,000	1,570,280	21.220	1,570,280	1,556,463	14,430	14,430	13,817		L	09/10/2002
929903-10-2	WACHOVIA CORP	34,400,000	1,253,536	36.440	1,253,536	1,242,895		8,944	10,641		L	09/10/2002
949746-10-1	WELLS FARGO & CO	33,900,000	1,588,893	46.870	1,588,893	1,692,494		18,984	(103,601)		L	06/11/2002
	United States		11,721,762	XXX	11,721,762	13,020,680	22,125	169,332	(1,351,699)	0	XXX	XXX
6799999	Total - Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)		11,721,762	XXX	11,721,762	13,020,680	22,125	169,332	(1,351,699)	0	XXX	XXX
Common Stocks - Industrial and Miscellaneous (Unaffiliated)												
United States												
057224-10-7	BAKER HUGHES INC	12,700,000	408,813	32.190	408,813	412,587			(3,774)		L	12/18/2002
12189T-10-4	BURLINGTON NORTHERN SANTA FE	9,300,000	241,893	26.010	241,893	241,707			186		L	12/18/2002
156880-10-6	CERTEGY INC	9,500,000	233,225	24.550	233,225	234,881			(1,656)		L	12/18/2002
191216-10-0	COCA-COLA CO	49,000,000	2,148,160	43.840	2,148,160	2,609,506		30,200	(470,440)		L	06/11/2002
20030N-20-0	COMCAST CORP SPECIAL CLASS A	23,100,000	521,829	22.590	521,829	549,213			(27,384)		L	09/10/2002
203668-10-8	COMMUNITY HEALTH SYSTEMS INC	6,500,000	133,835	20.590	133,835	143,272			(9,437)		L	07/22/2002
20825C-10-4	CONOCOPHILLIPS	1,403,000	67,891	48.390	67,891	90,672		561	(22,780)		L	09/03/2002
22160K-10-5	COSTCO WHOLESALE CORP	7,000,000	196,420	28.060	196,420	294,132			(114,240)		L	07/30/2001
235811-10-6	DANA CORP	5,000,000	58,800	11.760	58,800	58,800		200	(10,600)		L	07/26/2001
244199-10-5	DEERE & CO	2,000,000	91,700	45.850	91,700	81,009	440	1,760	4,380		L	07/27/2001
24522P-10-3	DEL MONTE FOODS CO	1,786,400	13,755	7.700	13,755	16,872			(3,116)		L	12/23/2002
247126-10-5	DELPHI AUTOMOTIVE SYSTEMS	5,000,000	40,250	8.050	40,250	81,687	350	1,400	(28,050)		L	07/27/2001
25179M-10-3	DEVON ENERGY CORPORATION	4,000,000	183,600	45.900	183,600	214,740		800	29,000		L	07/27/2001
25271C-10-2	DIAMOND OFFSHORE DRILLING	5,000,000	109,250	21.850	109,250	154,423		2,500	(42,750)		L	07/27/2001
25746U-10-9	DOMINION RESOURCES INC	9,000,000	494,100	54.900	494,100	566,803		14,190	(73,459)		L	06/11/2002
260543-10-3	DOW CHEMICAL COMPANY	4,000,000	118,800	29.700	118,800	141,360	1,340	5,360	(16,320)		L	07/26/2001
260561-10-5	DOW JONES & CO INC	3,500,000	151,305	43.230	151,305	150,698			607		L	12/18/2002
263534-10-9	DU PONT (E.I.) DE NEMOURS & CO	4,000,000	169,600	42.400	169,600	168,932			(440)		L	07/30/2001

E10

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				
291011-10-4	EMERSON ELECTRIC CO.....	2,000,000	101,700	50.850	101,700	111,419		3,110	(12,500)	L	07/27/2001	
294549-10-0	EQUITABLE RESOURCES INC.....	5,000,000	175,200	35.040	175,200	181,338		3,350	4,850	L	07/27/2001	
30231G-10-2	EXXON MOBILE CORP.....	30,000,000	1,048,200	34.940	1,048,200	1,218,129		18,400	(136,110)	L	06/11/2002	
31428X-10-6	FEDEX CORPORATION.....	9,500,000	515,090	54.220	515,090	535,184	475	950	(20,094)	L	06/11/2002	
345370-86-0	FORD MOTOR CO.....	3,768,000	35,042	9.300	35,042	35,042		1,507	(24,191)	L	07/27/2001	
35138T-10-7	FOX ENTERTAINMENT GROUP INC CLASS A.....	5,000,000	129,650	25.930	129,650	133,350			(3,000)	L	07/26/2001	
364760-10-8	GAP INC/THE.....	5,000,000	77,600	15.520	77,600	135,451		444	7,900	L	07/30/2001	
369604-10-3	GENERAL ELECTRIC CO.....	20,000,000	487,000	24.350	487,000	487,000	3,800	14,400	(314,600)	L	07/30/2001	
370442-10-5	GENERAL MOTORS CORP.....	4,000,000	147,440	36.860	147,440	147,440		8,000	(46,960)	L	07/27/2001	
375766-10-2	GILLETTE COMPANY.....	4,000,000	121,440	30.360	121,440	112,752		2,600	(12,160)	L	07/30/2001	
406216-10-1	HALLIBURTON CO.....	5,000,000	93,550	18.710	93,550	79,700		2,500	28,050	L	07/27/2001	
423074-10-3	HEINZ (H.J.) CO.....	4,000,000	131,480	32.870	131,480	153,447		6,480	(16,707)	L	07/27/2001	
427056-10-6	HERCULES INC.....	5,000,000	44,000	8.800	44,000	54,651			(6,000)	L	07/27/2001	
437076-10-2	HOME DEPOT INC.....	4,000,000	96,080	24.020	96,080	96,080		840	(107,960)	L	07/30/2001	
458140-10-0	INTEL CORP.....	175,000,000	2,724,750	15.570	2,724,750	2,724,750		14,000	(2,779,000)	L	11/01/1999	
459200-10-1	INTL BUSINESS MACHINES CORP.....	85,000,000	6,587,500	77.500	6,587,500	8,330,009		50,150	(3,694,100)	L	10/29/1999	
459506-10-1	INTL FLAVORS & FRAGRANCE.....	15,000,000	526,500	35.100	526,500	502,318	2,250		24,182	L	12/18/2002	
459902-10-2	INTERNATIONAL GAME TECHNOLOGY.....	5,000,000	379,600	75.920	379,600	257,573			38,100	L	07/27/2001	
460146-10-3	INTERNATIONAL PAPER CO.....	4,000,000	139,880	34.970	139,880	159,120		4,000	(21,520)	L	07/26/2001	
478160-10-4	JOHNSON & JOHNSON.....	10,000,000	537,100	53.710	537,100	532,432		7,950	(53,900)	L	07/30/2001	
487836-10-8	KELLOGG CO.....	4,000,000	137,080	34.270	137,080	116,438		4,040	16,680	L	07/27/2001	
494368-10-3	KIMBERLY-CLARK CORP.....	10,000,000	474,700	47.470	474,700	591,632	3,000	11,800	(123,300)	L	07/27/2001	
500255-10-4	KOHL'S CORP.....	5,000,000	279,750	55.950	279,750	281,483			(72,450)	L	07/27/2001	
501014-10-4	KRISPY KREME DOUGHNUTS INC.....	7,500,000	253,275	33.770	253,275	237,185			(78,225)	L	07/30/2001	
501044-10-1	KROGER CO.....	4,300,000	66,435	15.450	66,435	111,244			(23,306)	L	07/30/2001	
512815-10-1	LAMAR ADVERTISING CO.....	2,000,000	67,300	33.650	67,300	89,353			(17,380)	L	07/27/2001	
518439-10-4	ESTEE LAUDER COMPANIES INC CLASS A.....	30,800,000	813,120	26.400	813,120	1,024,603	6,160	735	(173,888)	L	09/10/2002	
524660-10-7	LEGGETT & PLATT INC.....	5,000,000	112,200	22.440	112,200	117,041	650	2,450	(2,800)	L	07/27/2001	
526057-10-4	LENNAR CORP.....	8,100,000	417,960	51.600	417,960	425,386			(7,426)	L	12/18/2002	
532457-10-8	ELI LILLY & CO.....	20,000,000	1,270,000	63.500	1,270,000	1,570,814		24,800	(300,800)	L	07/30/2001	
532716-10-7	LIMITED BRANDS.....	5,000,000	69,650	13.930	69,650	83,389		1,500	(3,950)	L	07/27/2001	
552953-10-1	MGM MIRAGE.....	4,900,000	161,553	32.970	161,553	148,635			20,090	L	07/27/2001	
56418H-10-0	MANPOWER INC.....	2,000,000	63,800	31.900	63,800	64,528		400	(3,620)	L	07/27/2001	
580135-10-1	MCDONALD'S CORP.....	15,000,000	241,200	16.080	241,200	432,400		3,525	(155,850)	L	07/30/2001	
583334-10-7	MEADWESTVACO CORP.....	28,600,000	706,706	24.710	706,706	654,053		6,578	52,653	L	09/10/2002	
589331-10-7	MERCK & CO INC.....	50,000,000	2,830,500	56.610	2,830,500	2,736,467	18,000	28,500	156,396	L	06/11/2002	
594918-10-4	MICROSOFT CORP.....	40,000,000	2,068,000	51.700	2,068,000	2,569,376			(582,000)	L	09/26/2000	
608190-10-4	MOHAWK INDUSTRIES INC.....	9,900,000	563,805	56.950	563,805	637,389			(73,584)	L	06/11/2002	
615369-10-5	MOODY'S CORP.....	700,000	28,903	41.290	28,903	22,808		126	1,001	L	07/30/2001	
651639-10-6	NEWMONT MINING CORP HLDG CO.....	19,800,000	574,794	29.030	574,794	569,104		594	5,691	L	09/10/2002	
654106-10-3	NIKE INC CLASS B.....	11,700,000	520,299	44.470	520,299	589,680	1,638	2,808	(69,381)	L	06/11/2002	
655844-10-8	NORFOLK SOUTHERN CORP.....	2,000,000	39,980	19.990	39,980	41,066		520	3,320	L	07/30/2001	
667280-10-1	NORTHWEST AIRLINES CORP.....	8,200,000	60,188	7.340	60,188	63,550			(3,362)	L	12/18/2002	
681919-10-6	OMNICOM GROUP.....	9,100,000	587,860	64.600	587,860	708,320	2,220	1,820	(120,460)	L	06/11/2002	
704326-10-7	PAYCHEX INC.....	2,000,000	55,800	27.900	55,800	77,521		880	(13,900)	L	07/30/2001	
704379-10-6	PAYLESS SHOESOURCE INC.....	8,100,000	416,907	51.470	416,907	458,954			(42,047)	L	06/11/2002	
717081-10-3	PFIZER INC.....	10,000,000	305,700	30.570	305,700	400,596		5,200	(92,800)	L	07/30/2001	
71713U-10-2	PHARMACIA CORPORATION.....	32,400,000	1,354,320	41.800	1,354,320	1,335,001		4,374	19,319	L	09/10/2002	
74153Q-10-2	PRIDE INTERNATIONAL INC.....	15,300,000	227,970	14.900	227,970	233,721			(5,751)	L	12/18/2002	
778296-10-3	ROSS STORES INC.....	12,000,000	508,680	42.390	508,680	478,784	979		29,896	L	09/10/2002	
779273-10-1	ROUSE CO.....	25,200,000	798,840	31.700	798,840	804,225		19,656	(5,385)	L	09/10/2002	

E10.1

PROGRESSIVE SPECIALTY 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				
78387G-10-3	SBC COMMUNICATIONS INC	60,400.000	1,637,444	27.110	1,637,444	1,767,361		27,079	(81,976)		L	09/10/2002
790849-10-3	ST JUDE MEDICAL INC	21,200.000	842,064	39.720	842,064	818,430			23,634		L	09/10/2002
844741-10-8	SOUTHWEST AIRLINES	2,000.000	27,800	13.900	27,800	38,952	9	36	(9,160)		L	07/30/2001
867363-10-3	SUNGARD DATA SYSTEMS INC	33,800.000	796,328	23.560	796,328	798,691			(2,363)		L	09/10/2002
87612E-10-6	TARGET CORPORATION	18,300.000	549,000	30.000	549,000	726,058		2,196	(177,058)		L	06/11/2002
879868-10-7	TEMPLE-INLAND INC	10,400.000	466,024	44.810	466,024	589,576		6,656	(123,552)		L	06/11/2002
89579K-10-9	TRIAD HOSPITALS INC	7,800.000	232,674	29.830	232,674	232,674			(127,346)		L	06/11/2002
911905-10-7	US AIRWAYS GROUP INC	500.000	123	0.245	123	123			(3,048)		L	08/07/2001
92343V-10-4	VERIZON COMMUNICATIONS INC	10,000.000	387,500	38.750	387,500	562,431		15,400	(87,100)		L	07/30/2001
925524-30-8	VIACOM INC CLASS B	30,000.000	1,222,800	40.760	1,222,800	1,485,300			(262,500)		L	06/11/2002
94106L-10-9	WASTE MANAGEMENT INC	500.000	11,460	22.920	11,460	15,057		5	(4,495)		L	08/07/2001
942683-10-3	WATSON PHARMACEUTICALS INC	16,300.000	460,801	28.270	460,801	409,057			51,744		L	06/11/2002
983024-10-0	WYETH	22,300.000	834,020	37.400	834,020	1,173,121		10,258	(339,101)		L	06/11/2002
	United States		43,027,341	XXX	43,027,341	48,490,056	41,311	383,188	(10,744,933)	0	XXX	XXX
Canada												
067901-10-8	BARRICK GOLD CORP	2,120.000	32,669	15.410	32,669	31,769		466	(1,145)		L	12/17/2001
	Canada		32,669	XXX	32,669	31,769	0	466	(1,145)	0	XXX	XXX
6899999	Total - Common Stocks - Industrial and Miscellaneous (Unaffiliated)		43,060,010	XXX	43,060,011	48,521,825	41,311	383,654	(10,746,078)	0	XXX	XXX
7099999	Total - Common Stock		55,883,022	XXX	55,883,023	62,532,628	64,466	561,071	(12,045,700)	0	XXX	XXX
	Total - Preferred Stock from Section 1		17,025,020	XXX	17,025,020	14,655,520	337,684	685,735	1,704,880		XXX	XXX
7199999	Total - Preferred and Common Stock		72,908,042	XXX	72,908,043	77,188,148	402,150	1,246,806	(10,340,820)	0	XXX	XXX

(a) For all common stocks bearing the NAIC designation "U" provide: the number of such issues.....0, the total \$ value (included in Column 6) of all such issues \$.....0.

E10.2

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							
912827-6T-4	US TREASURY NOTE 5.000% 02/15/11	05/17/2002	Goldman Sachs		1,474,980	1,500,000	19,475
912828-AM-2	US TREASURY NOTE 2.125% 10/31/04	11/15/2002	Various		43,263,750	43,000,000	35,456
0399999	Total - Bonds - U.S. Government				44,738,730	44,500,000	54,931
Bonds - States, Territories and Possessions							
Arizona							
898711-SY-3	TUCSON ARIZ 6.500% 07/01/09	10/25/2002	Merrill Lynch		2,895,976	2,470,000	53,071
	Arizona				2,895,976	2,470,000	53,071
Illinois							
452150-7W-9	ILLINOIS ST 5.500% 04/01/12	04/10/2002	Morgan Stanley		5,917,346	5,495,000	20,148
	Illinois				5,917,346	5,495,000	20,148
Maryland							
613340-XP-8	MONTGOMERY CNTY MD 5.000% 11/01/08	11/21/2002	Lehman Brothers		3,336,840	3,000,000	11,250
	Maryland				3,336,840	3,000,000	11,250
Massachusetts							
57582N-DD-4	MASSACHUSETTS ST 5.500% 02/01/09	11/04/2002	Merrill Lynch		5,623,850	5,000,000	1,528
	Massachusetts				5,623,850	5,000,000	1,528
Minnesota							
604128-4A-3	MINNESOTA ST 5.000% 11/01/07	10/22/2002	Lehman Brothers		4,355,280	4,000,000	
	Minnesota				4,355,280	4,000,000	0
New Jersey							
646039-AV-9	NEW JERSEY ST 5.250% 07/01/14	07/31/2002	JP Morgan Securities		5,532,200	5,000,000	24,792
646039-EY-9	NEW JERSEY ST 5.000% 07/15/08	10/28/2002	Commerce Capital Markets		10,885,800	10,000,000	6,944
	New Jersey				16,418,000	15,000,000	31,736
Ohio							
199491-PB-1	COLUMBUS OHIO 5.000% 11/15/07	11/19/2002	Merrill Lynch		3,883,810	3,500,000	5,833
677519-KD-1	OHIO ST 5.250% 11/01/12	10/30/2002	JP Morgan Securities		5,235,017	4,725,000	
	Ohio				9,118,827	8,225,000	5,833
Pennsylvania							
709141-XA-8	PENNSYLVANIA ST 5.000% 10/01/07	10/09/2002	Goldman Sachs		7,808,640	7,000,000	20,417
	Pennsylvania				7,808,640	7,000,000	20,417
Virginia							
928109-GV-3	VIRGINIA ST 4.000% 06/01/07	10/09/2002	JP Morgan Securities		4,275,560	4,000,000	9,778
928109-GX-9	VIRGINIA ST 4.000% 06/01/09	10/22/2002	JP Morgan Securities		10,504,471	10,230,000	27,280
	Virginia				14,780,031	14,230,000	37,058
Washington							
49474E-JZ-7	KING CNTY WASH 5.500% 12/01/12	10/25/2002	Salomon Smith Barney		5,590,850	5,000,000	111,528
	Washington				5,590,850	5,000,000	111,528
	Total States and US				75,845,640	69,420,000	292,569
1799999	Total - Bonds - States, Territories & Possessions				75,845,640	69,420,000	292,569
Bonds - Special Revenue and Special Assessment							
Arizona							
79575D-QF-0	SALT RIVER PROJ ARIZ AG 5.000% 01/01/12	10/18/2002	Goldman Sachs		5,482,400	5,000,000	
	Arizona				5,482,400	5,000,000	0
California							
13066Y-DF-3	CALIFORNIA ST DEPT WTR 5.250% 05/01/10	11/07/2002	JP Morgan Securities		13,626,844	12,385,000	23,480
	California				13,626,844	12,385,000	23,480
Connecticut							
207757-T8-8	CONNECTICUT ST 5.000% 10/01/07	10/22/2002	Merrill Lynch		9,902,438	9,100,000	30,333
	Connecticut				9,902,438	9,100,000	30,333
Massachusetts							
575566-3P-7	MASSACHUSETTS BAY TRANS 5.800% 03/01/12	10/23/2002	Union Bank of Switzerland		4,627,087	4,080,000	37,468
	Massachusetts				4,627,087	4,080,000	37,468
New Jersey							

E-1

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
646135-XP-3	NEW JERSEY ST TRANSN TR 5.750% 12/15/14	07/31/2002	JP Morgan Securities		5,782,950	5,000,000	39,931
	New Jersey				5,782,950	5,000,000	39,931
	Total States and US				39,421,719	35,565,000	131,212
3199999	Total - Bonds - Special Revenue & Special Assessments				39,421,719	35,565,000	131,212
Bonds - Public Utilities							
United States							
677730-AA-1	OHIO VALLEY ELECTRIC CR 5.940% 02/12/06	12/01/2002	Casualty		3,206,820	3,000,000	53,955
	United States				3,206,820	3,000,000	53,955
3899999	Total - Bonds - Public Utilities				3,206,820	3,000,000	53,955
Bonds - Industrial and Miscellaneous							
United States							
008739-AA-2	AIG SUNAMER GLOB FIN 5.850% 08/01/08	12/01/2002	Casualty		2,295,018	2,150,000	41,925
026351-BC-9	AMERICAN GENERAL CORP 7.500% 08/11/10	12/01/2002	Casualty		6,615,433	5,750,000	131,771
071813-AS-8	BAXTER INTERNATIONAL IN 5.250% 05/01/07	04/23/2002	Deutsche Bank		9,950,800	10,000,000	
097014-AG-9	BOEING CAPITAL CORP 6.500% 02/15/12	09/24/2002	Various		1,699,212	1,600,000	11,917
172967-AZ-4	CITIGROUP INC 7.250% 10/01/10	10/25/2002	Salomon Smith Barney		3,355,470	3,000,000	17,521
22540V-G6-3	CSFB 2002-9 1A1 7.000% 03/25/32	04/02/2002	CSFBdirect		3,280,483	3,235,489	18,245
22540V-P2-2	CSFB 2002-CKN2 A3 6.133% 04/15/37	05/02/2002	CSFBdirect		7,035,000	7,000,000	22,658
22541L-AD-5	CREDIT SUISSE FB USA IN 5.750% 04/15/07	08/20/2002	CSFBdirect		8,338,480	8,000,000	172,500
31339D-4B-1	FHR 2421 PB 6.000% 08/15/23	01/17/2002	Nomura Securities Internl Inc		5,114,844	5,000,000	22,500
3133TR-SG-1	FHR 2297 AB 6.000% 11/15/28	04/09/2002	Merrill Lynch		5,935,254	5,899,992	10,817
31392B-QU-3	FNR 2001-81 AB 6.000% 02/25/28	04/09/2002	Goldman Sachs		6,814,058	6,802,367	12,471
31392C-MS-0	FNW 2002-W1 2A 7.500% 02/25/42	03/07/2002	Nomura Securities Internl Inc		2,568,956	2,444,442	13,241
345397-TY-9	FORD MOTOR CREDIT CO 7.250% 10/25/11	06/26/2002	Goldman Sachs		7,050,750	7,000,000	93,042
36229R-EM-7	GSR 2002-5 A1C 5.472% 01/25/32	06/19/2002	Goldman Sachs		2,512,550	2,500,000	9,880
46625M-MZ-9	JPMCC 2002-CIB5 X2 1.631% 10/12/37	10/25/2002	JP Morgan Securities		5,625,380		10,366
52108H-NU-4	LBUBS 2002-C7 XCP IO 1.190% 01/15/36	12/18/2002	Lehman Brothers		3,300,002		31,219
617446-HC-6	MORGAN STANLEY 6.600% 04/01/12	09/16/2002	Morgan Stanley		9,723,240	9,000,000	273,900
83081X-AA-3	SKY 2002-A A1 5.398% 07/16/18	05/09/2002	Red Capital Markets Inc		4,930,070	4,930,070	
	United States				96,145,000	84,312,360	893,973
Foreign							
902118-AX-6	TYCO INTL GROUP SA 6.375% 02/15/06	02/27/2002	Various		2,755,000	3,000,000	10,094
902118-BC-1	TYCO INTL GROUP SA 6.375% 10/15/11	01/29/2002	CSFBdirect		4,792,850	5,000,000	84,115
	Foreign				7,547,850	8,000,000	94,209
4599999	Total - Bonds - Industrial & Miscellaneous				103,692,850	92,312,360	988,182
6099997	Total - Bonds - Part 3				266,905,759	244,797,360	1,520,849
6099998	Total - Bonds - Summary Item from Part 5				195,155,570	193,507,836	1,052,745
6099999	Total - Bonds				462,061,329	438,305,196	2,573,594
Preferred Stocks - Banks, Trust and Insurance Companies							
United States							
225386-10-1	CREDIT LYON CAPITAL SCA	10/01/2002	Deutsche Bank	280,000.000	7,201,600		
	United States				7,201,600	0.00	0
6299999	Total - Preferred Stocks - Banks, Trust & Ins. Cos				7,201,600	0.00	0
6599997	Total - Preferred Stocks - Part 3				7,201,600	0.00	0
6599999	Total - Preferred Stocks				7,201,600	0.00	0
Common Stocks - Public Utilities							
United States							
69331C-10-8	PG&E CORP	09/10/2002	State Street Bank	67,700.000	835,973		
	United States				835,973	XXX	0
6699999	Total - Common Stocks - Public Utilities				835,973	XXX	0
Common Stocks - Banks, Trust and Insurance Companies							
United States							
14040H-10-5	CAPITAL ONE FINANCIAL C	03/20/2002	State Street Bank		1,400.000		

E11.1

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
46625H-10-0	JP MORGAN CHASE & CO	06/11/2002	State Street Bank	34,100.000	1,136,403		
570535-10-4	MARKEL CORP	06/11/2002	State Street Bank	1,800.000	378,721		
571834-10-0	MARSHALL & ILSLEY CORP	06/17/2002	Stock Split	10,000.000			
665859-10-4	NORTHERN TRUST CORP	06/11/2002	State Street Bank	6,600.000	313,695		
680033-10-7	OLD NATIONAL BANCORP	12/31/2002	Stock Dividend	.51.000			
733174-10-6	POPULAR INC	12/18/2002	State Street Bank	20,700.000	701,359		
792860-10-8	ST PAUL COMPANIES	06/11/2002	State Street Bank	11,700.000	466,373		
867914-10-3	SUNTRUST BANKS INC	06/11/2002	State Street Bank	17,300.000	1,161,912		
902973-30-4	US BANCORP	09/10/2002	State Street Bank	74,000.000	1,556,463		
929903-10-2	WACHOVIA CORP	09/10/2002	State Street Bank	34,400.000	1,242,895		
949746-10-1	WELLS FARGO & CO	06/11/2002	State Street Bank	33,900.000	1,692,494		
	United States				8,737,888	XXX	0
6799999	Total - Common Stocks - Banks, Trust & Ins. Cos.				8,737,888	XXX	0
Common Stocks - Industrial and Miscellaneous							
United States							
057224-10-7	BAKER HUGHES INC	12/18/2002	State Street Bank	12,700.000	412,587		
12189T-10-4	BURLINGTON NORTHERN SAN	12/18/2002	State Street Bank	9,300.000	241,707		
156880-10-6	CERTEGY INC	12/18/2002	State Street Bank	9,500.000	234,881		
191216-10-0	COCA-COLA CO	06/11/2002	State Street Bank	45,000.000	2,430,000		
20030N-20-0	COMCAST CORP SPECIAL CL	09/10/2002	State Street Bank	23,100.000	549,213		
203668-10-8	COMMUNITY HEALTH SYSTEM	07/22/2002	State Street Bank	6,500.000	143,272		
20825C-10-4	CONOCOPHILLIPS	09/03/2002	Tax Free Exchange	1,403.000	90,672		
24522P-10-3	DEL MONTE FOODS CO	12/23/2002	Spin Off	1,786.000	16,872		
25746U-10-9	DOMINION RESOURCES INC	06/11/2002	State Street Bank	7,000.000	447,359		
260561-10-5	DOW JONES & CO INC	12/18/2002	State Street Bank	3,500.000	150,698		
30231G-10-2	EXXON MOBILE CORP	06/11/2002	State Street Bank	20,000.000	791,310		
31428X-10-6	FEDEX CORPORATION	06/11/2002	State Street Bank	9,500.000	535,184		
459506-10-1	INTL FLAVORS & FRAGRANC	12/18/2002	State Street Bank	15,000.000	502,318		
518439-10-4	ESTEE LAUDER COMPANIES	09/10/2002	State Street Bank	25,900.000	829,914		
526057-10-4	LENNAR CORP	12/18/2002	State Street Bank	8,100.000	425,386		
583334-10-7	MEADWESTVACO CORP	09/10/2002	State Street Bank	28,600.000	654,053		
589331-10-7	MERCK & CO INC	06/11/2002	State Street Bank	40,000.000	2,086,104		
608190-10-4	MOHAWK INDUSTRIES INC	06/11/2002	State Street Bank	9,900.000	637,389		
651639-10-6	NEWMONT MINING CORP HLD	09/10/2002	State Street Bank	19,800.000	569,104		
654106-10-3	NIKE INC CLASS B	06/11/2002	State Street Bank	11,700.000	589,680		
667280-10-1	NORTHWEST AIRLINES CORP	12/18/2002	State Street Bank	8,200.000	63,550		
681919-10-6	OMNICOM GROUP	06/11/2002	State Street Bank	9,100.000	708,320		
704379-10-6	PAYLESS SHOESOURCE INC	06/11/2002	State Street Bank	8,100.000	458,954		
71713U-10-2	PHARMACIA CORPORATION	09/10/2002	State Street Bank	32,400.000	1,335,001		
74153Q-10-2	PRIDE INTERNATIONAL INC	12/18/2002	State Street Bank	15,300.000	233,721		
778296-10-3	ROSS STORES INC	09/10/2002	State Street Bank	12,000.000	478,784		
779273-10-1	ROUSE CO	09/10/2002	State Street Bank	25,200.000	804,225		
78387G-10-3	SBC COMMUNICATIONS INC	09/10/2002	State Street Bank	50,400.000	1,327,720		
790849-10-3	ST JUDE MEDICAL INC	09/10/2002	State Street Bank	21,200.000	818,430		
867363-10-3	SUNGARD DATA SYSTEMS IN	09/10/2002	State Street Bank	33,800.000	798,691		
87612E-10-6	TARGET CORPORATION	06/11/2002	State Street Bank	18,300.000	726,058		
879868-10-7	TEMPLE-INLAND INC	06/11/2002	State Street Bank	10,400.000	589,576		
89579K-10-9	TRIAD HOSPITALS INC	06/11/2002	State Street Bank	7,800.000	360,020		
925524-30-8	VIACOM INC CLASS B	06/11/2002	State Street Bank	30,000.000	1,485,300		
942683-10-3	WATSON PHARMACEUTICALS	06/11/2002	State Street Bank	16,300.000	409,057		
983024-10-0	WYETH	06/11/2002	State Street Bank	22,300.000	1,173,121		
	United States				24,108,231	XXX	0
6899999	Total - Common Stocks - Industrial & Miscellaneous				24,108,231	XXX	0
7099997	Total - Common Stocks - Part 3				33,682,092	XXX	0

E11.2

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
7099998	Total - Common Stocks - Summary Item from Part 5.....				2,026,312	XXX	
7099999	Total - Common Stocks.....				35,708,404	XXX	.0
7199999	Total - Preferred and Common Stocks.....				42,910,004	XXX	.0
7299999	Total - Bonds, Preferred and Common Stocks.....				504,971,333	XXX	2,573,594

E11.3

PROGRESSIVE SPECIALTY 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															
31359M-LZ-4	FANNIE MAE 5.000% 01/15/07	03/15/2002	Goldman Sachs		2,375,328	2,400,000	2,381,856	2,381,882	499			(7,053)	(7,053)	28,000	
912827-2Y-7	US TREASURY NOTE 6.250% 06/30/02	06/30/2002	Maturity		1,295,000	1,295,000	1,297,461	1,295,298	(298)					43,281	
912827-6J-6	US TREASURY NOTE 5.750% 08/15/10	09/20/2002	Goldman Sachs		459,125	400,000	421,250	419,745	(1,377)			40,757	40,757	25,438	
912827-6X-5	US TREASURY NOTE 4.625% 05/15/06	03/13/2002	Bear Stearns		401,313	400,000	414,969	414,194	(602)			(12,280)	(12,280)	6,081	
0399999	Total - Bonds - U.S. Government				4,530,766	4,495,000	4,515,536	4,511,119	(1,778)	0	0	21,424	21,424	102,800	XXX
Bonds - Political Subdivisions of States															
New York															
649785-A@-1	NEW YORK ST OFFICE OF T 5.150% 07/01/02	07/01/2002	Maturity		2,555,794	2,555,794	2,773,107	2,677,531	(121,737)					76,446	
649785-B@-0	NEW YORK ST OFFICE OF T 5.250% 07/01/02	07/01/2002	Maturity		2,764,303	2,764,303	2,933,598	2,862,138	(97,835)					72,248	
	New York				5,320,097	5,320,097	5,706,705	5,539,669	(219,572)	0	0	0	0	148,694	XXX
	Total States and US				5,320,097	5,320,097	5,706,705	5,539,669	(219,572)	0	0	0	0	148,694	XXX
2499999	Total - Bonds - Political Subdivisions				5,320,097	5,320,097	5,706,705	5,539,669	(219,572)	0	0	0	0	148,694	XXX
Bonds - Special Revenue and Special Assessment															
California															
13033E-KG-7	CALIFORNIA HSG FIN AGY 5.650% 08/01/25	08/01/2002	Call 100.0000		1,040,000	1,040,000	1,040,000	1,040,000					0	43,646	
13033E-T5-2	CALIFORNIA HSG FIN AGY 4.550% 02/01/27	08/01/2002	Call 100.0000		115,000	115,000	115,000	115,000					0	3,640	
798165-AR-7	SAN JOSE CALIF MULTIFAM 6.500% 04/01/12	04/01/2002	Call 100.0000		4,845,000	4,845,000	4,905,563	4,845,000					0	157,463	
	California				6,000,000	6,000,000	6,060,563	6,000,000	0	0	0	0	0	204,749	XXX
Connecticut															
207757-U9-4	CONNECTICUT ST SPL TAX 5.000% 10/01/06	01/15/2002	Goldman Sachs		5,387,550	5,000,000	5,396,300	5,379,915	(2,819)			10,453	10,453	85,417	
	Connecticut				5,387,550	5,000,000	5,396,300	5,379,915	(2,819)	0	0	10,453	10,453	85,417	XXX
Florida															
340736-JN-8	FLORIDA HSG FIN AGY 5.625% 07/01/20	07/01/2002	Call 100.0000		230,000	230,000	230,000	230,000					0	9,422	
	Florida				230,000	230,000	230,000	230,000	0	0	0	0	0	9,422	XXX
Kentucky															
491308-4R-0	KENTUCKY HSG CORP HSG R 4.850% 07/01/2	10/01/2002	Call 100.0000		1,505,000	1,505,000	1,505,000	1,505,000					0	57,533	
	Kentucky				1,505,000	1,505,000	1,505,000	1,505,000	0	0	0	0	0	57,533	XXX
Michigan															
594653-XL-6	MICHIGAN ST HSG DEV AUT 5.500% 12/01/26	12/01/2002	Call 100.0000		860,000	860,000	860,000	860,000					0	35,475	
	Michigan				860,000	860,000	860,000	860,000	0	0	0	0	0	35,475	XXX
Minnesota															
60415M-WE-0	MINNESOTA ST HSG FIN AG 5.300% 07/01/25	01/01/2002	Call 100.0000		202,000	202,000	207,359	205,654	(3,654)				0	5,353	
	Minnesota				202,000	202,000	207,359	205,654	(3,654)	0	0	0	0	5,353	XXX
New York															
649836-BW-2	NEW YORK ST DORM AUTH R 5.500% 08/01/14	08/01/2002	Call 100.0000		705,000	705,000	692,980	698,054	6,946				0	29,150	
	New York				705,000	705,000	692,980	698,054	6,946	0	0	0	0	29,150	XXX
Ohio															
676901-ZV-6	OHIO HSG FIN AGY MTG RE 5.300% 09/01/26	09/01/2002	Call 100.0000		800,000	800,000	800,000	800,000					0	32,065	
	Ohio				800,000	800,000	800,000	800,000	0	0	0	0	0	32,065	XXX
South Dakota															
83755G-BU-0	SOUTH DAKOTA HSG DEV AU 5.375% 05/01/14	12/16/2002	Call 100.0000		1,375,000	1,375,000	1,375,000	1,375,000					0	43,152	
	South Dakota				1,375,000	1,375,000	1,375,000	1,375,000	0	0	0	0	0	43,152	XXX
Wisconsin															
976900-6C-9	WISCONSIN HSG & ECONOMI 6.100% 07/01/24	07/01/2002	Call 100.0000		485,000	485,000	485,000	485,000					0	22,113	
	Wisconsin				485,000	485,000	485,000	485,000	0	0	0	0	0	22,113	XXX
	Total States and US				17,549,550	17,162,000	17,612,202	17,538,623	473	0	0	10,453	10,453	524,429	XXX
3199999	Total - Bonds - Special Revenue & Assessment				17,549,550	17,162,000	17,612,202	17,538,623	473	0	0	10,453	10,453	524,429	XXX
Bonds - Industrial and Miscellaneous															
United States															
008098-AE-5	ACMT 1995-C5 D 7.100% 12/01/30	12/01/2002	Paydown		538,196	538,196	537,873	538,057	139				0	21,003	
161505-AA-0	CCMSC 1996-1 A1 7.600% 07/01/28	12/01/2002	Paydown		1,985,022	1,985,022	2,062,252	2,018,737	(33,715)				0	117,985	

E12

PROGRESSIVE SPECIALTY 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
31359K-GF-8	FNW 1996-W2 A5 7.550% 06/01/26	03/01/2002	Paydown		125,827	125,827	125,673	125,827					.0	1,339	
313921-GF-0	FNW 2001-W3 A 7.000% 09/01/41	12/01/2002	Paydown		1,557,986	1,557,986	1,630,043	1,626,932	(68,946)				.0	64,652	
31947H-AA-1	FCLT 1997-CHL1 A 8.060% 04/01/39	06/01/2002	Paydown		1,785,023	1,785,023	1,814,587	1,800,331	(15,309)				.0	59,516	
32051D-GH-9	FHASI 2001-5 A1 6.750% 08/01/31	12/01/2002	Paydown		5,057,138	5,057,138	5,164,603	5,166,587	(109,449)				.0	229,457	
33736X-BN-8	FUNBC 2000-C2 IO 1.191% 10/01/32	12/01/2002	Paydown				81,045	74,616	(74,616)				.0	3,776	
33736X-CR-8	FUNBC 2001-C2 IO 0.979% 01/01/43	12/01/2002	Paydown				9,972	9,779	(9,779)				.0	933	
339083-AE-7	FCCGT 1997-A A 6.640% 09/01/12	12/01/2002	Paydown		324,804	324,804	324,702	324,748	.56				.0	11,111	
345397-SQ-7	FORD MOTOR CREDIT CO 7.500% 03/15/05	06/26/2002	Goldman Sachs		7,320,390	7,000,000	7,334,880	7,277,880	(40,266)			82,776	82,776	417,083	
393505-QX-3	GT 1996-9 A5 7.200% 01/15/28	12/15/2002	Paydown		3,655,944	3,655,944	3,746,343	3,673,343	(17,400)				.0	134,652	
52108H-BZ-6	LBUBS 2000-C4 X IO 0.991% 07/11/32	12/11/2002	Paydown				32,023	28,894	(28,894)				.0	2,818	
589929-KN-7	MLMI 1995-C2 A1 6.985% 06/01/21	12/01/2002	Paydown		269,340	269,340	273,422	272,086	(2,746)				.0	9,434	
589929-MK-1	MLMI 1996-C2 IO 1.939% 11/21/28	12/01/2002	Paydown				1,228,554	903,799	(903,799)				.0	145,840	
597706-AJ-9	MIDL 1996-C1 AEC IO 1.170% 08/01/28	12/01/2002	Paydown				1,113,533	570,163	(570,163)				.0	202,024	
617059-CE-8	JPMC 1997-C4 X IO 1.275% 12/01/28	12/01/2002	Paydown				269,389	164,111	(164,111)				.0	35,879	
617446-GL-7	MORGAN STANLEY 6.100% 04/15/06	04/26/2002	Merrill Lynch		5,144,500	5,000,000	4,995,200	4,995,782	.27			148,692	148,692	166,056	
617446-GM-5	MORGAN STANLEY 6.750% 04/15/11	04/25/2002	Morgan Stanley		5,088,100	5,000,000	4,947,000	4,949,611	.989			137,500	137,500	182,813	
61745M-GG-2	MSC 1998-XL1 A1 6.220% 06/01/30	12/01/2002	Paydown		970,373	970,373	977,351	974,320	(3,947)				.0	34,149	
61745M-KF-9	MSC 1999-WF1 A1 5.910% 11/01/31	12/01/2002	Paydown		153,438	153,438	154,223	153,955	(517)				.0	5,456	
61746W-CX-6	MSDWC 2000-PRIN A2 7.180% 02/01/34	12/01/2002	Paydown		349,771	349,771	349,803	349,771					.0	13,783	
61746W-GM-6	MSDWC 2001-PGMA A1 6.269% 03/07/16	12/07/2002	Paydown		176,963	176,963	177,009	177,005	(42)				.0	6,024	
62625P-AC-3	KOCH FINANCIAL TRUST 4.200% 10/07/02	01/06/2002	Redemption 100.0000		71,474	71,474	71,474	71,474					.0	135	
62625P-AD-1	KOCH FINANCIAL TRUST 4.350% 03/06/06	01/06/2002	BNY Capital Mrkts		44,804	44,804	44,804	44,804					.0	162	
62625P-AD-1	KOCH FINANCIAL TRUST 4.350% 03/06/06	12/01/2002	Redemption 100.0000		2,307,925	2,307,925	2,307,925	2,307,925					.0	38,316	
63252U-AB-2	NAF 1997-1 A 6.350% 11/21/03	05/21/2002	Paydown		147,230	147,230	147,218	147,230					.0	2,725	
638925-AD-9	NCGT 1997-2 A2 6.250% 11/15/13	12/15/2002	Paydown		494,761	494,761	494,531	494,642	.119				.0	15,613	
74438U-AC-4	PMCC2 2000-C1 X IO 0.462% 10/01/15	12/01/2002	Paydown				8,180	7,498	(7,498)				.0	679	
74913E-AC-4	QWEST CAPITAL FUNDING 7.750% 08/15/06	02/21/2002	Various		4,126,625	4,650,000	4,949,321	4,913,636	(7,116)			(779,896)	(779,896)	190,338	
749930-AR-4	RMF PASS-THROUGH 1997-1 2.058% 01/01/19	12/01/2002	Paydown				221,778	323,639	(323,639)				.0	72,204	
755111-AD-3	RAYTHEON COMPANY 6.450% 08/15/02	08/15/2002	Maturity		7,000,000	7,000,000	6,922,720	6,982,617	17,383				.0	451,500	
79548C-AR-7	SBM7 2000-C3 X IO 1.435% 12/01/33	12/01/2002	Paydown				42,911	39,641	(39,641)				.0	4,010	
84603W-AA-2	SOVEREIGN BANK A-1 10.200% 06/30/05	12/30/2002	Redemption 100.0000		191,509	191,509	191,509	191,509					.0	19,858	
876945-AP-1	KOCH FINANCIAL TRUST 4.550% 12/08/03	03/06/2002	Redemption 100.0000		3,054,269	3,054,269	3,054,269	3,054,269					.0	21,980	
911760-MZ-6	VENDE 1999-3 B 6.500% 02/01/20	12/01/2002	Paydown		434,719	434,719	420,523	427,062	7,657				.0	27,445	
93933W-AA-4	WASHINGTON MUTUAL BANK 6.875% 06/15/11	04/08/2002	Deutsche Bank		5,093,250	5,000,000	4,990,800	4,991,148	(554)			102,656	102,656	110,764	
949746-AA-9	WELLS FARGO & CO 6.625% 07/15/04	06/06/2002	Salomon Smith Barney		9,622,522	9,100,000	8,975,057	9,027,939	11,482			583,101	583,101	545,226	
	United States				67,091,903	66,446,516	70,192,500	69,201,367	(2,384,295)	0	0	274,829	274,829	3,366,738	XXX
Foreign															
835699-AA-7	SONY CORPORATION 6.125% 03/04/03	08/21/2002	Bank of America Corp		5,108,400	5,000,000	5,020,250	5,005,724	(3,186)			105,862	105,862	299,444	
902118-BC-1	TYCO INTL GROUP SA 6.375% 10/15/11	01/22/2002	Various		10,118,150	10,000,000	9,997,000	9,997,039	(1,227)			122,337	122,337	157,604	
	Foreign				15,226,550	15,000,000	15,017,250	15,002,763	(4,413)	0	0	228,199	228,199	457,048	XXX
4599999	Total - Bonds - Industrial & Miscellaneous				82,318,453	81,446,516	85,209,750	84,204,130	(2,388,708)	0	0	503,028	503,028	3,823,786	XXX
6099997	Total - Bonds - Part 4				109,718,866	108,423,613	113,044,193	111,793,541	(2,609,585)	0	0	534,905	534,905	4,599,709	XXX
6099998	Total - Bonds - Summary Item from Part 5				199,290,551	193,507,836	195,155,570	194,979,930	(175,641)			4,310,621	4,310,621	3,514,544	XXX
6099999	Total - Bonds				309,009,417	301,931,449	308,199,763	306,773,471	(2,785,226)	0	0	4,845,526	4,845,526	8,114,253	XXX
Preferred Stocks - Banks, Trust and Insurance Companies															
United States															
52519P-24-0	ZURICH CAPITAL MARKETS	07/02/2002	Lehman Brothers	80,000	8,196,680		8,000,000	8,316,000	(316,000)			196,680	196,680		251,461
	United States				8,196,680	0.00	8,000,000	8,316,000	(316,000)	0	0	196,680	196,680	XXX	251,461
Foreign															
06738C-AE-9	BARCLAYS BK PLC SERIES	04/05/2002	Merrill Lynch	60,000.000	6,746,244		6,551,700	6,686,340	(134,640)			194,544	194,544		163,875
	Foreign				6,746,244	0.00	6,551,700	6,686,340	(134,640)	0	0	194,544	194,544	XXX	163,875

E12.1

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
6299999	Total - Preferred Stocks - Banks, Trust & Insurance Companies				14,942,924	0.00	14,551,700	15,002,340	(450,640)	0	0	391,224	391,224	XXX	415,336
Preferred Stocks - Industrial and Miscellaneous															
United States															
873168-40-5	TXU CORPORATION SERIES	09/01/2002	Casualty	100.000	10,802,100		10,000,000	10,402,391	(402,391)			802,100	802,100		362,000
	United States				10,802,100	0.00	10,000,000	10,402,391	(402,391)	0	0	802,100	802,100	XXX	362,000
6399999	Total - Preferred Stocks - Industrial & Miscellaneous				10,802,100	0.00	10,000,000	10,402,391	(402,391)	0	0	802,100	802,100	XXX	362,000
6599997	Total - Preferred Stocks - Part 4				25,745,024	0.00	24,551,700	25,404,731	(853,031)	0	0	1,193,324	1,193,324	XXX	777,336
6599999	Total - Preferred Stocks				25,745,024	0.00	24,551,700	25,404,731	(853,031)	0	0	1,193,324	1,193,324	XXX	777,336
Common Stocks - Banks, Trust and Insurance Companies															
United States															
020002-10-1	ALLSTATE CORP	06/11/2002	State Street Bank	6,934.000	258,570		183,751	233,676	(49,925)			74,819	74,819		4,230
09247P-10-8	BLACKROCK STRATEGIC TER	12/31/2002	BNY Capital Mrkts	712,500.000	7,125,000		6,574,594	6,939,750	(365,156)			550,406	550,406		28,542
172967-10-1	CITIGROUP INC	08/20/2002	Spin Off		28,450		28,450	28,702	(252)			0	0		
58551A-10-8	MELLON FINANCIAL CORP	12/18/2002	State Street Bank	10,000.000	266,287		387,013	376,200	10,813			(120,726)	(120,726)		4,900
87234T-10-1	TCW/DW TERM TRUST 2002	12/23/2002	BNY Capital Mrkts	231,300.000	2,469,405		2,252,284	2,461,032	(208,748)			217,121	217,121		94,647
	United States				10,147,712	XXX	9,426,092	10,039,360	(613,268)	0	0	721,620	721,620	XXX	132,319
6799999	Total - Common Stocks - Banks, Trust & Insurance Companies				10,147,712	XXX	9,426,092	10,039,360	(613,268)	0	0	721,620	721,620	XXX	132,319
Common Stocks - Industrial and Miscellaneous															
United States															
208251-50-4	CONOCO INC	09/03/2002	Tax Free Exchange	3,000.000	90,678		90,678	84,900	5,778			0	0		1,710
26816Q-10-1	DYNEGY INC CLASS A	06/11/2002	State Street Bank	3,000.000	23,550		140,445	76,500	63,945			(116,895)	(116,895)		450
28336L-10-9	EL PASO CORP	06/11/2002	State Street Bank	3,000.000	63,207		155,143	133,830	21,313			(91,936)	(91,936)		1,943
345370-86-0	FORD MOTOR CO	12/18/2002	State Street Bank	1,232.000	11,952		30,961	19,367	11,594			(19,008)	(19,008)		493
423074-10-3	HEINZ (H.J.) CO	12/23/2002	Spin Off		16,872		16,872	16,293	578			0	0		
460690-10-0	INTERPUBLIC GROUP COS I	12/18/2002	State Street Bank	2,000.000	26,718		56,200	59,080	(2,880)			(29,482)	(29,482)		760
482584-10-9	K MART CORP	12/18/2002	State Street Bank	5,000.000	1,713		7,450	27,300	(19,850)			(5,737)	(5,737)		
501044-10-1	KROGER CO	12/18/2002	State Street Bank	5,700.000	86,416		145,717	118,959	26,758			(59,301)	(59,301)		
615369-10-5	MOODY'S CORP	06/11/2002	State Street Bank	1,300.000	62,791		41,952	51,818	(9,867)			20,839	20,839		117
681919-10-6	OMNICOM GROUP	12/18/2002	State Street Bank	2,000.000	129,888		175,634	178,700	(3,066)			(45,746)	(45,746)		1,600
696429-30-7	PALL CORPORATION	12/18/2002	State Street Bank	2,000.000	33,132		47,424	48,120	(696)			(14,292)	(14,292)		880
830879-10-2	SKYWEST INC	12/18/2002	State Street Bank	2,000.000	27,385		63,250	50,900	12,350			(35,865)	(35,865)		160
	United States				574,302	XXX	971,726	865,767	105,957	0	0	(397,423)	(397,423)	XXX	8,113
6899999	Total - Common Stocks - Industrial & Miscellaneous				574,302	XXX	971,726	865,767	105,957	0	0	(397,423)	(397,423)	XXX	8,113
7099997	Total - Common Stocks - Part 4				10,722,014	XXX	10,397,818	10,905,127	(507,311)	0	0	324,197	324,197	XXX	140,432
7099998	Total - Common Stocks - Summary Item from Part 5				1,885,884	XXX	2,026,312	1,904,301	(122,011)			(18,416)	(18,416)	XXX	27,710
7099999	Total - Common Stocks				12,607,898	XXX	12,424,130	12,809,428	(629,322)	0	0	305,781	305,781	XXX	168,142
7199999	Total - Preferred and Common Stocks				38,352,922	XXX	36,975,830	38,214,159	(1,482,353)	0	0	1,499,105	1,499,105	XXX	945,478
7299999	Total - Bonds, Preferred and Common Stocks				347,362,339	XXX	345,175,593	344,987,630	(4,267,579)	0	0	6,344,631	6,344,631	8,114,253	945,478

E12.2

PROGRESSIVE SPECIALTY 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
Bonds - U.S. Government																
31359M-LZ-4	FANNIE MAE 5.000% 01/15/07	01/15/2002	Goldman Sachs	03/15/2002	Goldman Sachs	5,000,000	5,080,000	4,948,600	5,077,322	(2,678)			(128,722)	(128,722)	58,333	15,278
31359M-NP-4	FANNIE MAE 4.250% 07/15/07	07/31/2002	Goldman Sachs	10/04/2002	Various	30,000,000	30,335,400	31,253,050	30,323,714	(11,686)			929,336	929,336	249,688	31,875
912827-7F-3	US TREASURY NOTE 3.500% 11/15/06	04/26/2002	Various	09/09/2002	Goldman Sachs	24,000,000	23,296,523	23,042,016	23,314,694	18,170			(272,678)	(272,678)	372,313	265,932
912827-7L-0	US TREASURY NOTE 4.875% 02/15/12	04/30/2002	Various	06/10/2002	Various	26,800,000	26,232,750	26,375,578	26,236,526	3,776			139,052	139,052	369,005	250,537
912828-AH-3	US TREASURY NOTE 3.250% 08/15/07	10/04/2002	HSBC Securities	10/22/2002	HSBC Securities	25,000,000	25,527,344	25,062,500	25,522,842	(4,502)			(460,342)	(460,342)	152,344	117,018
912828-AM-2	US TREASURY NOTE 2.125% 10/31/04	11/12/2002	Goldman Sachs	12/04/2002	HSBC Securities	2,800,000	2,818,594	2,807,656	2,818,002	(592)			(10,346)	(10,346)	5,753	2,137
0399999	Total - Bonds - U.S. Government					113,600,000	113,290,611	113,489,400	113,293,100	2,488	0	0	196,300	196,300	1,207,436	682,777
Bonds - Political Subdivisions of States																
United States																
649785A@1	NEW YORK ST OFFICE OF TEMP & DIS	01/01/2002	Interest Capitalization	07/01/2002	Maturity	33,047	33,047	33,047	33,047					0	1,330	
649785B@0	NEW YORK ST OFFICE OF TEMP & DIS	02/01/2002	Interest Capitalization	07/01/2002	Maturity	24,241	24,241	24,241	24,241					0	1,119	
	U.S.					57,288	57,288	57,288	57,288	0	0	0	0	0	2,449	0
	Total States and US					57,288	57,288	57,288	57,288	0	0	0	0	0	2,449	0
2499999	Total - Bonds - Political Subdivisions					57,288	57,288	57,288	57,288	0	0	0	0	0	2,449	0
Bonds - Industrial and Miscellaneous																
United States																
172967-BJ-9	CITIGROUP INC 6.000% 02/21/12	02/13/2002	Salomon Smith Barney	11/01/2002	Salomon Smith Barney	5,000,000	4,972,950	5,338,050	4,973,835	885			364,215	364,215	212,500	
17305E-AG-0	CCCIT 2000-A3 A3 6.875% 11/16/09	07/31/2002	Lehman Brothers	10/30/2002	Salomon Smith Barney	10,000,000	11,143,750	11,425,781	11,096,531	(47,219)			329,250	329,250	322,743	152,778
17305E-AV-7	CCCIT 2002-A1 A1 4.950% 02/09/09	02/28/2002	JP Morgan Securities	10/30/2002	First Union	6,000,000	6,033,750	6,373,828	6,029,509	(4,241)			344,319	344,319	226,050	28,875
22540V-G6-3	CSFB 2002-9 1A1 7.000% 03/25/32	04/02/2002	CSFBdirect	12/01/2002	Paydown	718,787	728,783	718,787	718,787	(9,996)					21,567	4,053
233835-AB-3	DAIMLERCHRYSLER NA 6.900% 09/01/04	09/01/2002	Casualty	11/18/2002	Various	9,600,000	10,151,136	10,202,916	10,091,280	(59,856)			111,636	111,636	146,970	
244217-BG-9	JOHN DEERE CAPITAL 7.000% 03/15/12	03/15/2002	Salomon Smith Barney	09/16/2002	Union Bank of Switzerland	7,000,000	6,952,680	7,984,410	6,954,079	1,399			1,030,331	1,030,331	240,917	
3133TR-SG-1	FHR 2297 AB 6.000% 11/15/28	04/09/2002	Merrill Lynch	12/01/2002	Paydown	2,126,838	2,139,549	2,126,838	2,126,838	(12,711)					58,808	3,899
31392B-QU-3	FNR 2001-81 AB 6.000% 02/25/28	04/09/2002	Goldman Sachs	12/01/2002	Paydown	1,379,435	1,381,805	1,379,435	1,379,435	(2,371)					41,836	2,529
31392C-MS-0	FNW 2002-W1 2A 7.500% 02/25/42	03/07/2002	Nomura Securities Intern'l Inc	12/01/2002	Paydown	355,558	373,669	355,558	355,558	(18,111)					12,035	1,926
36962G-YZ-1	GENERAL ELEC CAP CORP 5.000% 06/15/07	05/31/2002	CSFBdirect	11/07/2002	Union Bank of Switzerland	11,000,000	10,943,460	11,610,940	10,947,375	3,915			663,565	663,565	238,333	
55264T-AQ-4	MBNAS 2002-A1 A1 4.950% 06/15/09	02/28/2002	JP Morgan Securities	10/30/2002	First Union	6,000,000	6,048,516	6,374,531	6,042,544	(5,971)			331,987	331,987	226,050	28,875
617446-HC-6	MORGAN STANLEY 6.600% 04/01/12	04/05/2002	Morgan Stanley	04/25/2002	Morgan Stanley	6,000,000	6,024,240	6,035,580	6,023,857	(383)			11,723	11,723	29,700	7,700
83081X-AA-3	SKY 2002-A A1 5.398% 07/16/18	05/09/2002	Red Capital Markets Inc	11/15/2002	Paydown	69,930	69,930	69,930	69,930						1,367	
94975C-AK-3	WELLS FARGO FINANCIAL 4.875% 06/12/07	06/06/2002	Salomon Smith Barney	11/01/2002	Union Bank of Switzerland	9,100,000	9,044,308	9,565,829	9,047,833	3,525			517,996	517,996	177,450	
	United States					74,350,548	76,008,526	79,562,413	75,857,391	(151,135)	0	0	3,705,022	3,705,022	1,956,326	230,635
Canada																
73755L-AA-5	POTASH CORP OF 7.125% 06/15/07	04/18/2002	Union Bank of Switzerland	10/31/2002	Union Bank of Switzerland	5,500,000	5,799,145	6,181,450	5,772,151	(26,994)			409,299	409,299	348,333	139,333
	Canada					5,500,000	5,799,145	6,181,450	5,772,151	(26,994)	0	0	409,299	409,299	348,333	139,333
4599999	Total - Bonds - Industrial & Miscellaneous					79,850,548	81,807,671	85,743,863	81,629,542	(178,129)	0	0	4,114,321	4,114,321	2,304,659	369,968
6099998	Total - Bonds					193,507,836	195,155,570	199,290,551	194,979,930	(175,641)	0	0	4,310,621	4,310,621	3,514,544	1,052,745
Common Stocks - Banks, Trust and Insurance Companies																
United States																
14057C-10-6	CAPITOL FEDERAL FINANCI	07/22/2002	State Street Bank	12/18/2002	State Street Bank	17,000,000	431,195	477,858	431,195				46,664	46,664	27,710	
89420G-10-9	TRAVELERS PROPERTY CASU	08/20/2002	Spin Off	12/18/2002	State Street Bank	432,000	8,835	6,460	8,835				(2,376)	(2,376)		
89420G-40-6	TRAVELERS PROPERTY CASU	08/20/2002	Spin Off	12/18/2002	State Street Bank	888,000	19,615	13,374	19,615				(6,240)	(6,240)		
	United States					XXX	459,645	497,692	459,645	0	0	0	38,048	38,048	27,710	0
6799999	Total - Common Stocks - Banks, Trust & Insurance Companies					XXX	459,645	497,692	459,645	0	0	0	38,048	38,048	27,710	0
Common Stocks - Industrial and Miscellaneous																
United States																
00339B-10-7	ABGENIX INC	03/20/2002	State Street Bank	12/18/2002	State Street Bank	8,800,000	179,123	64,121	57,112	(122,011)			7,009	7,009		
20825C-10-4	CONOCOPHILLIPS	09/03/2002	Tax Free Exchange	09/17/2002	State Street Bank		6	5	6				(1)	(1)		
778296-10-3	ROSS STORES INC	09/10/2002	State Street Bank	12/18/2002	State Street Bank	8,600,000	343,129	378,694	343,129				35,565	35,565		
	United States					XXX	522,258	442,820	400,247	(122,011)	0	0	42,573	42,573	0	0
Foreign																
G95089-10-1	WEATHERFORD INTL LTD	06/11/2002	State Street Bank	12/18/2002	State Street Bank	23,000,000	1,044,409	945,372	1,044,409				(99,037)	(99,037)		

E13

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 Identifi- cation	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
	Foreign.....					XXX.....	1,044,409	945,372	1,044,409	0	0	0	(99,037)	(99,037)	0	0
6899999	Total - Common Stocks - Industrial & Miscellaneous.....					XXX.....	1,566,667	1,388,192	1,444,656	(122,011)	0	0	(56,464)	(56,464)	0	0
7099998	Total - Common Stocks.....					XXX.....	2,026,312	1,885,884	1,904,301	(122,011)	0	0	(18,416)	(18,416)	27,710	0
7199999	Total - Preferred and Common Stocks.....					XXX.....	2,026,312	1,885,884	1,904,301	(122,011)	0	0	(18,416)	(18,416)	27,710	0
7299999	Total - Bonds, Preferred and Common Stocks.....					XXX.....	197,181,882	201,176,435	196,884,231	(297,652)	0	0	4,292,205	4,292,205	3,542,254	1,052,745

PROGRESSIVE SPECIALTY INSURANCE COMPANY

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	Stock of Such Company Owned by Insurer on Statement Date	
							8 Number of Shares	9 % of Outstanding

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: \$.....0.
2. Total amount of intangible assets nonadmitted \$.....0.

NONE

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	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding

NONE

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Date Acquired	4 Name of Vendor	Interest		7 Maturity Date	8 Book/Adjusted Carrying Value	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment	11 Par Value	12 Actual Cost	Interest		15 Paid for Accrued Interest	16 NAIC Desig- nation	17 Effective Rate of Interest
				5 Rate of	6 How Paid							13 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	14 Gross Amount Received			
Class One Money Market Mutual Funds																
United States																
000001-SS-7	SHORT TERM INTEREST FUND SSgA.....	12/31/2002	STATE STREET BANK.....	1.100	MTLY		199,153				199,153				1	1.100
	United States.....						199,153	0	0	0	199,153	0	0	0	XXX	XXX
7899999	Class One Money Market Mutual Funds.....						199,153	0	0	0	199,153	0	0	0	XXX	XXX
8099999	Grand Total - Short-Term Investments.....						199,153	(a) 0	0	0	199,153	0	0	0	XXX	XXX

(a) Includes \$.....0 other than accrual of discount and amortization of premium.

**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**

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.....	472,999,233	488,345,547	15,346,314
2. Preferred stocks.....	17,025,020	17,025,020	0
3. Totals.....	490,024,253	505,370,567	15,346,314

(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 Value is computed using NAIC market rates, when available.

If a market rate is not provided for by the NAIC, broker quotations or market rates provided by Interactive Data Corp (IDC)

are used in the computation.

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						
BRANCH BANK AND TRUST.....	WILSON, NC.....	1.390	(7,473)	125	99,000	XXX
NATIONAL CITY BANK.....	CLEVELAND, OH.....				301,172	XXX
CASH EQUIVALENTS.....						XXX
AMERICAN EXPRESS CREDIT.....	NEW YORK, NY.....	VAR	175			XXX
CITIGROUP INC.....	NEW CASTLE, DE.....	VAR	505			XXX
GENERAL ELEC CAP CORP.....	NEW YORK, NY.....	VAR	5,754			XXX
ABN AMRO BANK CHICAGO.....	CHICAGO, IL.....	VAR	396			XXX
BANK OF SCOTLAND.....	NEW YORK, NY.....	VAR	530			XXX
BANQ NATL PARIS CAYMAN.....	NEW YORK, NY.....	VAR	15,736			XXX
MELLON BANK NA.....	TORONTO, ONTARIO CANADA.....	VAR	2,879			XXX
RABOBANK NED CAYMAN.....	NEW YORK, NY.....	VAR	43,246			XXX
SOCIETE GENERALE CAYMAN.....	NEW YORK, NY.....	VAR	2,227			XXX
SUNTRUST BANK.....	ATLANTA, GA.....	VAR	3,355			XXX
SVENSKA BANK CAYMAN.....	NEW YORK, NY.....	VAR	9,546			XXX
WELLS FARGO BANK NA.....	MINNEAPOLIS, MN.....	VAR	1,621			XXX
0199998. Deposits in.....1 depositories that do not exceed allowable limits in any one depository (see Instructions) - Open Depositories.....		XXX			4,550	XXX
0199999. Total - Open Depositories.....		XXX	78,497	125	404,722	XXX
0399999. Total Cash on Deposit.....		XXX	78,497	125	404,722	XXX
0599999. Total Cash.....		XXX	78,497	125	404,722	XXX

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

1. January.....	103,545	4. April.....	103,545	7. July.....	103,545	10. October.....	554,592
2. February.....	32,603,545	5. May.....	103,545	8. August.....	31,153,546	11. November.....	37,627,416
3. March.....	103,745	6. June.....	1,103,545	9. September.....	554,105	12. December.....	404,722

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						
Arkansas						
AR00001.	B	DOTHAN ALA 6 1/4% Due 9/1/2007 MS1 6.250% 09/01/07	Arkansas, Bank of America, Collateral for Ins Underwrtg	225,000	220,096	226,433
AR99999.	Arkansas			225,000	220,096	226,433
Georgia						
GA00001.	B	DOTHAN ALA 6 1/4% Due 9/1/2007 MS1 6.250% 09/01/07	Georgia, Wachovia Bank, Collateral for Ins Underwrtg	50,000	48,910	50,319
GA99999.	Georgia			50,000	48,910	50,319
Louisiana						
LA00001.	B	US TREASURY NOTE 5.000% 02/15/11	Louisiana, Banc One, Collateral for Ins Underwrtg	230,000	226,385	252,712
LA99999.	Louisiana			230,000	226,385	252,712
New Mexico						
NM00001.	B	US TREASURY NOTE 5.000% 02/15/11	New Mexico, Bank of Santa Fe, Collateral for Ins Underwrtg	90,000	88,586	98,888
NM00002.	B	TENNESSEE ST 4 7/8% Due 3/1/2005 MS1 4.875% 03/01/05	New Mexico, Bank of Santa Fe, Collateral for Ins Underwrtg	210,000	211,897	211,897
NM99999.	New Mexico			300,000	300,483	310,785
South Carolina						
SC00001.	B	DOTHAN ALA 6 1/4% Due 9/1/2007 MS1 6.250% 09/01/07	South Carolina, Bank of America, Collateral for Ins Underwrtg	150,000	146,730	150,956
SC99999.	South Carolina			150,000	146,730	150,956
Virginia						
VA00001.	B	NEW YORK N Y 5 1/2% Due 8/1/2004 FA1 5.500% 08/01/04	Virginia, Suntrust Bank, Collateral for Ins Underwrtg	300,000	304,520	304,520
VA99999.	Virginia			300,000	304,520	304,520
XX99999.	Total - All Special Deposits NOT Held for Benefit of all Policyholders, Claimants, & Creditors of the Company			1,255,000	1,247,124	1,295,725
SPECIAL DEPOSITS WHICH ARE FOR THE BENEFIT OF ALL POLICYHOLDERS						
Ohio						
OH00001.	B	DOTHAN ALA 6 1/4% Due 9/1/2007 MS1 6.250% 09/01/07	Ohio, Bankers Trust Company, Collateral for Ins Underwrtg	1,150,000	1,124,933	1,157,326
OH00002.	B	US TREASURY NOTE 5.000% 02/15/11	Ohio, Bank of New York, Collateral for Ins Underwrtg	975,000	959,677	1,071,281
OH00003.	B	NEW YORK N Y 5 1/2% Due 8/1/2004 FA1 5.500% 08/01/04	Ohio, Bank of New York, Collateral for Ins Underwrtg	375,000	380,650	380,650
OH99999.	Ohio			2,500,000	2,465,260	2,609,257
ZZ99999.	Total - All Special Deposits Held for Benefit of all Policyholders, Claimants, & Creditors of the Company			2,500,000	2,465,260	2,609,257
9999999.	Totals			3,755,000	3,712,384	3,904,982

(a) Includes \$.....0 cash and short-term investments as defined in SSAP No. 2 of the NAIC Accounting Practices and Procedures Manual.

E25