



# ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2002

OF THE CONDITION AND AFFAIRS OF THE

## VICTORIA FIRE & CASUALTY COMPANY

NAIC Group Code 0304 0304 NAIC Company Code 42889 Employer's ID Number 34-1394913  
(Current Period) (Prior Period)

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

Country of Domicile United States of America

Incorporated July 11, 1983 Commenced Business August 9, 1983

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

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

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

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

Internet Website Address www.victoriainsurance.com

Statement Contact Raymond Karl Mueller 440-461-3461-321  
(Name) (Area Code) (Telephone Number) (Extension)  
ray.mueller@victoriainsurance.com 440-461-0958  
(E-mail Address) (Fax Number)

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

### OFFICERS

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

### VICE PRESIDENTS

Howard Veail Dempster Joseph William Metz David Alan Nachman  
Thomas Owen Ramsbacher

### DIRECTORS OR TRUSTEES

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

State of Ohio }  
County of Cuyahoga } ss

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

Robert William Mueller Assunta Rossi, Assistant Secretary Raymond Karl Mueller, Assistant Treasurer  
President Secretary Treasurer

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003

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

b. If no,

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

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

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

Schedule A - Part 1

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 1

**NONE**

Schedule B - Part 2

**NONE**

Schedule BA - Part 1

**NONE**

Schedule BA - Part 2

**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 1**

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

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21	
			4	5									14	15							
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest	
US Governments Issuer Obligations (10) United States																					
912827-5F-5	UNITED STATES TREASURY		.5 250	MN	05/15/2004			192,960	190,000	105.3400	200,154	195,759	1,295	9,975	(2,066)			1	08/15/2001	4.070	
	UNITED STATES TREASURY 6.75000 05/15/2005																				
912827-6D-9	TSY/TSY		.6 750	MN	05/15/2005			636,103	625,000	111.5000	696,875	645,605	5,477	42,188	(4,265)			1	09/06/2000	5.930	
912827-6T-4	UNITED STATES TREASURY 5.0000 02/15/2011 TSY/TSY		.5 000	FA	02/15/2011			248,465	250,000	109.8800	274,688	248,359	4,721	6,250	106			1	04/26/2002	5.090	
912827-7F-3	UNITED STATES TREASURY		.3 500	MN	11/15/2006			144,645	150,000	104.0600	156,095	143,391	682	5,250	1,238			1	12/26/2001	4.520	
912827-J7-8	UNITED STATES TREASURY NT		.6 250	FA	02/15/2003			1,000,292	1,000,000	100.5900	1,005,940	1,010,594	23,607	62,500	(3,683)			1	12/31/1999	5.870	
912827-N8-1	UNITED STATES TREASURY NT		.5 875	FA	02/15/2004			2,076,606	2,100,000	105.1600	2,208,276	2,022,570	46,601	123,375	19,233			1	12/31/1999	6.920	
912828-AN-0	US TREAS NT 2.87500 11/15/2007 TSY/TSY		.3 000	MN	11/15/2007			437,909	435,000	101.2200	440,303	437,991	1,694		(81)			1	11/08/2002	2.850	
0199999 - Total Bonds - U.S. Government - Issuer Obligations								4,736,980	4,750,000	XXX	4,982,331	4,704,269	84,077	249,538	10,482			XXX	XXX	XXX	
Single Class Mortgage (SC) United States																					
36203B-L8-5	GNMA POOL NO 344251		.8 500	MTLY	03/15/2023			100,790	95,940	109.2200	104,784	100,763	680	8,155	(40)			1	12/31/1999	6.760	
36203D-EF-3	GNMA POOL NO 345834		.7 000	MTLY	08/15/2023			29,010	28,566	106.5300	30,432	29,016	167	2,000	(4)			1	12/31/1999	6.650	
36203K-K5-2	GNMA POOL NO 351416		.7 000	MTLY	01/15/2024			83,619	82,338	106.2800	87,510	83,637	480	5,764	(8)			1	12/31/1999	6.650	
36203K-S5-4	GNMA POOL NO 351640		.7 000	MTLY	06/15/2023			12,222	12,036	106.5300	12,822	12,226	70	843	(3)			1	12/31/1999	6.670	
36203Y-PZ-1	GNMA POOL NO 363240		.8 000	MTLY	07/15/2023			61,580	59,408	109.0200	64,764	61,551	396	4,753	(9)			1	12/31/1999	6.610	
36204C-7M-7	GNMA POOL NO 366400		.7 000	MTLY	12/15/2023			24,415	24,039	106.2800	25,549	24,418	140	1,683	(2)			1	12/31/1999	6.610	
36204M-B6-5	GNMA POOL NO 373661		.7 000	MTLY	04/15/2026			212,686	209,327	106.0600	222,018	212,665	1,221	14,653	(28)			1	12/31/1999	6.570	
36204Q-EH-9	GNMA POOL NO 376436		.7 000	MTLY	03/15/2024			102,105	100,532	106.2800	106,847	102,118	586	7,037	(5)			1	12/31/1999	6.630	
36204X-JJ-5	GNMA POOL NO 382865		.7 000	MTLY	01/15/2024			51,938	51,154	106.2800	54,367	51,961	298	3,581	(7)			1	12/31/1999	6.720	
36205B-LC-4	GNMA POOL NO 385623		.7 000	MTLY	05/15/2024			16,019	16,019	106.2800	16,764	16,023	92	1,104	(2)			1	12/31/1999	6.670	
36205R-WX-1	GNMA POOL NO 398562		.7 000	MTLY	04/15/2026			575,776	566,820	106.0600	601,184	575,858	3,306	39,677	(77)			1	12/31/1999	6.680	
36206B-QW-4	GNMA POOL NO 406469		.7 000	MTLY	03/15/2026			69,329	68,238	106.0600	72,375	69,326	398	4,777				1	12/31/1999	6.600	
36206P-Q5-2	GNMA POOL NO 417276		.7 000	MTLY	02/15/2026			38,169	37,573	106.0600	39,851	38,167	219	2,630	(1)			1	12/31/1999	6.590	
36207A-LQ-3	GNMA POOL NO 426135		.7 000	MTLY	10/15/2026			430,986	424,314	106.0600	450,038	431,084	2,475	29,702	17			1	12/31/1999	6.720	
36207A-U3-4	GNMA POOL NO 426402		.7 000	MTLY	01/15/2026			337,280	332,006	106.0600	352,134	337,298	1,937	23,240	(17)			1	12/31/1999	6.640	
36208C-F2-8	GNMA1 SINGLE FAMILY POOL NO 446685		.7 000	MTLY	08/15/2028			430,015	423,235	106.0000	448,629	429,911	2,469	29,626	70			1	12/31/1999	6.550	
36208C-GN-1	GNMA1 SINGLE FAMILY POOL NO 446705		.7 000	MTLY	09/15/2028			674,672	664,063	106.0000	703,907	674,539	3,874	46,484	77			1	12/31/1999	6.580	
36208F-KL-3	GNMA1 SINGLE FAMILY POOL NO 449499		.7 000	MTLY	01/15/2028			684,238	673,523	106.0000	713,934	684,193	3,929	47,147	15			1	12/31/1999	6.630	
36208Q-YX-8	GNMA1 SINGLE FAMILY POOL NO 458026		.6 500	MTLY	02/15/2029			4,069,656	4,024,963	105.0000	4,226,212	4,069,980	21,802	261,623	(293)			1	12/31/1999	6.320	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY POOL NO 458045		.6 500	MTLY	02/15/2029			503,644	498,043	105.0000	522,945	503,613	2,698	32,373	(33)			1	12/31/1999	6.270	
36208Y-NX-9	GNMA1 SINGLE FAMILY POOL NO 462206		.7 000	MTLY	07/15/2028			318,567	313,435	106.0000	332,242	318,403	1,828	21,940	11			1	12/31/1999	6.330	
36208X-2G-5	GNMA I 30 YR POOL NO 464375		.6 500	MTLY	12/15/2028			281,316	277,703	105.0600	291,761	281,313	1,504	18,051				1	12/31/1999	6.240	
36208X-4H-1	GNMA I 30 YR POOL NO 464424		.6 500	MTLY	12/15/2028			1,006,196	993,259	105.0600	1,043,543	1,006,172	5,380	64,562	184			1	12/31/1999	6.230	
36209M-3R-3	GNMA1 SINGLE FAMILY POOL NO 476108		.7 000	MTLY	07/15/2028			89,432	88,096	106.0000	93,382	89,425	514	6,167	1			1	12/31/1999	6.660	
36209M-4C-5	GNMA1 SINGLE FAMILY POOL NO 476119		.7 000	MTLY	07/15/2028			626,280	616,812	106.0000	653,820	626,112	3,598	43,177	97			1	12/31/1999	6.550	
36210M-EN-7	GNMA1 SINGLE FAMILY POOL NO 496141		.6 500	MTLY	02/15/2029			701,321	695,537	105.0000	730,314	701,194	3,767	45,210	111			1	12/31/1999	6.290	
362206-UF-9	GNMA POOL NO 298582		.8 000	MTLY	11/15/2021			120,508	114,731	109.1400	125,218	120,549	765	9,178	(39)			1	12/31/1999	6.430	
36223M-YM-2	GNMA POOL NO 312216		.8 000	MTLY	11/15/2021			78,535	74,791	109.1400	81,628	78,524	499	5,983	(12)			1	12/31/1999	6.210	
36223T-FU-0	GNMA POOL NO 317079		.7 000	MTLY	05/15/2026			90,063	88,657	106.0600	94,031	90,070	517	6,206	4			1	12/31/1999	6.660	
36224H-EP-7	GNMA POOL NO 328742		.8 000	MTLY	06/15/2022			97,580	92,866	109.0200	101,239	97,606	619	7,429	20			1	12/31/1999	6.440	
36224S-G2-2	GNMA POOL NO 336917		.7 000	MTLY	05/15/2023			28,053	27,627	106.5300	29,432	28,062	161	1,934	(6)			1	12/31/1999	6.670	
36225A-UL-2	GNMA POOL NO 780587		.7 000	MTLY	06/15/2027			132,056	129,984	106.0600	137,864	132,042	758	9,099	(3)			1	12/31/1999	6.600	
0299999 - Total Bonds - U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities								12,078,056	11,905,390	XXX	12,571,540	12,077,819	67,147	805,788	18			XXX	XXX	XXX	
0399996 - Bonds - U.S. Government								16,815,036	16,655,390	XXX	17,553,871	16,782,088	151,224	1,055,326	10,500				XXX	XXX	XXX
0399999 - Total - U.S. Government Bonds								16,815,036	16,655,390	XXX	17,553,871	16,782,088	151,224	1,055,326	10,500				XXX	XXX	XXX
State, Territories and Possessions Issuer Obligations (10) United States Utah																					
917542-HR-6	UTAH ST GEN OBLIG UNLTD 5.00000 07/01/2006		.5 000	JJ	07/01/2006			786,754	750,000	110.0200	825,135	797,258	18,750	37,500	(9,707)			1PE	11/27/2001	3.500	

E08

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 1**

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

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
			4	5									14	15						
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest
Washington																				
939741-MT-8	WA ST GEN OBLIG UNLTD 6.25000 09/01/2007		6.250	MS	09/01/2007			446,228	400,000	116.3900	465,556	453,888	8,333	25,000	(7,660)			1PE	02/20/2002	3.540
								1,232,982	1,150,000	XXX	1,290,691	1,251,146	27,083	62,500	(17,367)			XXX	XXX	XXX
								1,232,982	1,150,000	XXX	1,290,691	1,251,146	27,083	62,500	(17,367)			XXX	XXX	XXX
								1,232,982	1,150,000	XXX	1,290,691	1,251,146	27,083	62,500	(17,367)			XXX	XXX	XXX
Kansas																				
795168-EU-3	SALINE KS UNI SCH SCH GEN OBLI 5.50000 09/01/2014		5.500	MS	09/01/2014	09/01/2011	100.000	235,204	225,000	112.9400	254,106	236,655	4,125	12,376	(929)			1PE	05/23/2001	4.850
Ohio																				
866050-3Y-1	SUMMIT CNTY OH GEN OBLIG 5.50000 12/01/2014		5.500	JD	12/01/2014	12/01/2012	100.000	262,272	250,000	114.1400	285,350	263,745	1,146	13,750	(944)			1PE	05/16/2001	4.870
Oregon																				
179162-DQ-2	CLACKAMAS CNTY OR SCH DIST BD 6.00000 06/15/2014		6.000	JD	06/15/2014	06/15/2010	100.000	215,666	200,000	117.1300	234,256	218,334	533	12,000	(1,716)			1PE	05/30/2001	4.740
South Carolina																				
763665-QV-1	RICHLAND CNTY SC SCH GEN OBLIG 5.75000 03/01/2016		5.750	MS	03/01/2016	03/01/2010	100.000	210,154	200,000	111.4500	222,904	211,952	3,833	11,500	(1,158)			1PE	05/30/2001	4.900
Political Subdivisions of States																				
Issuer Obligations (10)																				
United States																				
Virginia																				
165321-Z3-7	CHESAPEAKE VA GEN OBLIG UNLTD 5.25000 12/01/2006		5.250	JD	12/01/2006			475,536	450,000	111.8200	503,168	481,662	1,969	23,625	(5,960)			1PE	12/17/2001	3.680
								1,398,832	1,325,000	XXX	1,499,784	1,412,348	11,606	73,251	(10,707)			XXX	XXX	XXX
								1,398,832	1,325,000	XXX	1,499,784	1,412,348	11,606	73,251	(10,707)			XXX	XXX	XXX
								1,398,832	1,325,000	XXX	1,499,784	1,412,348	11,606	73,251	(10,707)			XXX	XXX	XXX
Special Revenue & Assessment																				
Issuer Obligations (10)																				
United States																				
Alabama																				
010517-EH-9	AL ST DOCKS DEPT FACS REV BD 6.00000 10/01/2007		6.000	AO	10/01/2007			827,895	750,000	115.6500	867,405	840,720	11,250	45,000	(12,825)			1PE	02/14/2002	3.600
Arizona																				
040588-SQ-9	AZ ST CTFS PARTN 5.00000 03/01/2006		5.000	MS	03/01/2006			781,770	750,000	109.3100	819,840	791,468	12,500	31,250	(9,362)			1PE	11/30/2001	3.570
Connecticut																				
207757-T6-2	CT ST SPL TAX OBLIG REV BD 5.00000 10/01/2005		5.000	AO	10/01/2005			789,693	750,000	108.8700	816,503	804,653	9,375	39,167	(13,651)			1PE	11/20/2001	2.980
Dist. of Colum																				
3133MD-JP-9	FEDERAL HOME LOAN BANK 5.12500 03/06/2006		5.125	MS	03/06/2006			946,243	900,000	108.6300	977,625	951,961	14,734	23,063	(5,718)			1PE	07/31/2002	3.410
Georgia																				
373382-2X-7	GEORGIA STATE GENERAL OBLIGATION S		6.250	AO	04/01/2008			204,289	195,000	117.5200	229,170	208,588	3,047	12,188	(1,506)			1PE	12/31/1999	5.200
373383-DU-9	GEORGIA ST 5.75000 09/01/2009		5.750	MS	09/01/2009			828,397	750,000	116.5400	874,058	839,453	14,375	43,126	(10,100)			1PE	11/20/2001	3.950
197493-LJ-6	COLUMBIA CNTY GA W&S REV BD 5.70000 06/01/2015		5.700	JD	06/01/2015	06/01/2006	102.000	821,354	750,000	114.7300	860,490	838,185	3,563	42,751	(15,347)			1PE	11/20/2001	3.290
Illinois																				
167484-YB-4	CITY OF CHICAGO IL 5.50000 01/01/2010		5.500	JJ	01/01/2010			804,843	750,000	113.3000	849,758	811,838	20,625	41,250	(6,590)			1PE	12/04/2001	4.280
Minnesota																				
603827-EE-2	MINNEAPOLIS & ST PAUL ARPT REV 5.50000 01/01/2018		5.500	JJ	01/01/2018	01/01/2011	100.000	510,375	500,000	107.4900	537,465	511,940	13,750	29,868	(1,023)			1PE	05/17/2001	5.180
New Jersey																				

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**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 1**

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

1 CUSIP Identification	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 Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	19 NAIC Designation	20 Date Acquired	21 Effective Rate of Interest
			4 Rate of	5 How Paid									14 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	15 Gross Amount Received During Year						
645910-AT-7	NJ ECONOMIC DEV AUTH FACS REV 5.00000 07/01/2005 Aaa/AAA		.5 000	JJ	07/01/2005			788,800	750,000	108.0800	810,570	804,923	18,750	22,188	(14,770)			1PE	11/15/2001	2.840
New Mexico																				
647310-WD-9	NM ST SEVERANCE TAX BD 5.00000 07/01/2008 Aa2/AA		.5 000	JJ	07/01/2008	07/01/2007		477,922	450,000	111.1500	500,184	483,665	11,250	15,000	(5,571)			1PE	11/13/2001	3.500
New York																				
64983X-4C-5	NY ST DORM ST DORM AUTH REV BD 5.00000 08/01/2007 NR/AA		.5 000	JJ	07/01/2007			471,415	450,000	110.7400	498,321	475,871	11,250	14,125	(4,227)			1PE	11/30/2001	3.840
Ohio																				
522786-BH-4	LEBANON OH ELEC REV BD 5.75000 12/01/2016 Aaa/AAA		.5 750	JD	12/01/2016	12/01/2011		247,563	235,000	114.3300	268,685	249,279	1,126	13,512	(1,007)			1PE	05/16/2001	5.000
Virginia																				
165141-CY-6	CHESAPEAKE BAY BRDG & TUN REV 5.00000 07/01/2007 NR/AAA		.5 000	JJ	07/01/2007			762,577	725,000	111.1000	805,439	770,545	18,125	24,167	(7,423)			1PE	11/28/2001	3.740
Washington																				
498080-KA-7	KITSAP CNTY WA SCH DST GEN OBL 5.50000 12/01/2014 Aa1/NR		.5 500	JD	12/01/2014	06/01/2011		271,187	260,000	110.7100	287,851	272,844	1,192	14,300	(1,054)			1PE	05/11/2001	4.870
2599999 - Total Bonds - Special Revenue - Issuer Obligations																				
Single Class Mortgage (SC)																				
United States																				
Dist. of Colum																				
313444-CX-0	FHLMC 5.36824 01/15/2006 AGY/AGY		.5 250	JJ	01/15/2006			947,853	900,000	108.6300	977,625	954,041	21,788		(6,188)			1PE	07/31/2002	3.390
31359M-JX-2	FNMA 5.25000 06/15/2006 AGY/AGY		.5 250	JD	06/15/2006			948,244	900,000	108.9700	980,721	953,650	2,100	23,625	(5,406)			1	07/31/2002	3.590
2699999 - Total Bonds - Special Revenue - Single Class Mortgage-Backed/Asset-Backed Securities																				
Defined Multi-Class Residential (DR)																				
United States																				
Dist. of Colum																				
31359V-A7-8	FNMA CONV 15 YR SF SER 1999-W4 A7		.6 250	MTLY	06/25/2025			564,590	600,000	104.5000	627,001	562,800	3,125	37,500	599			1PE	12/31/1999	6.820
2799999 - Total Bonds - Special Revenue - Defined Multi-Class Residential Mortgage-Backed Securities																				
3199996 - Bonds - Special Revenue - United States																				
3199999 - Total - Special Revenue Bonds																				
Public Utilities (unaffiliated)																				
Issuer Obligations (10)																				
United States																				
079860-AB-8	BELLSOUTH CORP 6.00000 10/15/2011 Aa3/A+		.6 000	AO	10/15/2011			607,119	600,000	109.6600	657,948	607,878	7,600	35,000	(627)			1PE	11/02/2001	5.820
250847-DR-8	Detroit Edison Company 5.05000 10/01/2005 A3/A-		.5 050	AO	10/01/2005			599,767	600,000	105.9200	635,526	599,742	7,575	29,543	52			1PE	10/10/2001	5.060
78387G-AF-0	SBC COMMUN 5.75000 05/02/2006 Aa3/AA-		.5 750	MN	05/02/2006			596,309	600,000	108.4500	650,706	594,840	5,654	34,500	958			1	05/31/2001	5.950
3299999 - Total Bonds - Public Utilities - Issuer Obligations																				
3899996 - Bonds - Public Utilities - United States																				
3899999 - Total - Public Utilities Bonds																				
Industrial & Miscellaneous																				
Issuer Obligations (10)																				
United States																				
001397-AA-6	ATG SUNAMERICA GBL FIN 1 5.85000 02/01/2006 Aaa/AAA		.5 850	FA	02/01/2006			499,802	500,000	108.4700	542,330	499,735	12,188	29,250	.48			1	01/19/2001	5.860
002824-AM-2	ABBOTT LABS 5.62500 07/01/2006 Aa3/AA		.5 625	JJ	07/01/2006			598,555	600,000	109.3200	655,938	598,026	16,875	33,375	363			1	06/28/2001	5.700
020012-AB-6	ALLSTATE FINANCIAL 6.15000 02/01/2006 Aa2/AA+		.6 150	FA	02/01/2006			599,844	600,000	109.4800	656,880	599,820	15,375	36,900	.34			1PE	01/25/2001	6.160
022249-AX-4	ALUMINUM CO. OF AMERICA 6.1250 06/15/2005 A1/A+		.6 125	JD	06/15/2005			589,174	600,000	108.4200	650,538	580,260	1,633	36,750	3,906			1PE	08/10/2000	6.940
026609-AL-1	AMERICAN HOME PRODS CORP 6.25000 03/15/2006 A3/A		.6 250	MS	03/15/2006			622,752	600,000	108.6400	651,864	630,504	11,042	37,500	(6,414)			1	10/10/2001	4.950
032511-AS-6	ANADARKO PETE CORP 5.37500 03/01/2007 Baa1/BBB		.5 375	MS	03/01/2007			464,521	450,000	106.8700	480,893	465,858	8,063	12,698	(1,337)			2	07/24/2002	4.520
06423A-AF-0	BANK ONE CORP 7.62500 08/01/2005 AA3/A		.7 625	FA	08/01/2005			602,438	600,000	112.6700	676,038	604,386	19,063	45,750	(846)			1PE	08/10/2000	7.450
073902-BS-6	BEAR STEARNS COS INC 7.62500 02/01/2005 A2/A		.7 625	FA	02/01/2005			633,407	600,000	110.4500	662,724	646,560	19,063	22,875	(13,153)			1PE	02/12/2002	4.780

E08.2

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 1**

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

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
			4	5									14	15						
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest
097014-AE-4	BOEING CAPITAL CORP-GLOBAL 5.65000 05/15/2006 A2/AA-		.5 650	MN	05/15/2006			599,192	600,000		628,692	598,908	4,332	33,900	200			1PE	05/03/2001	5.690
12189T-AP-9	BURLINGTON NORTHERN SANTA FE 7.87500 04/15/2007 BAA2/BBB		.7 875	AO	04/15/2007			478,397	425,000		497,645	483,085	7,066	16,734	(4,688)			2PE	07/25/2002	4.610
126408-AD-5	C S X CORP CSX CORPORATION		.9 000	FA	08/15/2006			452,445	400,000		476,296	457,788	13,600	18,000	(5,343)			2PE	07/31/2002	5.000
134429-AQ-2	CAMPBELL SOUP CO 5.50000 03/15/2007 A3/A		.5 500	MS	03/15/2007			576,228	530,000		594,737	578,628	8,907	14,789	(2,400)			1PE	07/24/2002	4.250
14911R-AD-1	CATERPILLAR FIN SERV CRP NT 5.95000 05/01/2006 A2/A+		.5 950	MN	05/01/2006			578,757	550,000		594,732	582,120	5,454	16,363	(3,363)			1	07/24/2002	4.250
163714-AE-8	CHEMICAL BANKING CORP 6.6250 08/15/2005 A1/A		.6 625	FA	08/15/2005			626,336	600,000		656,034	634,500	15,017	19,875	(8,164)			1PE	02/12/2002	4.820
166751-AF-4	CHEVRON CORP 6.62500 10/01/2004 AA2/AA		.6 625	AO	10/01/2004			599,070	600,000		645,858	597,825	9,938	39,750	442			1	12/31/1999	6.710
172967-BF-7	CITIGROUP INC 5.75000 05/10/2006 Aa2/AA-COCA COLA ENTERPRISES INC 5.37500 08/15/2006 A2/A		.5 750	MN	05/10/2006			599,136	600,000		651,348	598,842	4,888	34,500	214			1	05/03/2001	5.800
191219-BH-6	CONAGRA 6.00000 09/15/2006 Baa1/BBB		.6 000	MS	09/15/2006			521,689	500,000		547,125	524,030	8,833	15,000	(2,341)			2	07/18/2002	4.710
208251-AC-2	CONOCO INC 5.9000 04/15/2004 A3/A-		.5 900	AO	04/15/2004			493,007	500,000		523,395	481,740	6,228	29,500	4,967			1	08/10/2000	7.040
22237L-MQ-2	COUNTRYWIDE FDG CORP 5.62500 05/15/2007 A3/A		.5 625	MN	05/15/2007			619,804	600,000		643,392	621,504	4,313	16,688	(1,700)			1PE	07/24/2002	4.780
22541L-AA-1	CREDIT SUISSE 5.87500 08/01/2006 A1/AA-		.5 875	FA	08/01/2006			599,499	600,000		642,588	599,268	14,688	35,642	115			1	07/26/2001	5.900
244217-BF-1	DEERE JOHN CAPITAL CORP 5.12500 10/19/2006 A2/A		.5 125	AO	10/19/2006			611,895	600,000		639,612	613,098	6,150	15,375	(1,203)			1PE	07/24/2002	4.550
25468P-BJ-4	WALT DISNEY CO 7.3000 02/08/2005 A2/A		.7 300	FA	02/08/2005			604,538	600,000		636,000	609,054	17,398	43,800	(1,967)			2PE	08/10/2000	6.900
264414-AP-8	DUKE REALTY LTD PATS 7.37500 09/22/2005 Baa1/BBB		.7 375	MS	09/22/2005			535,132	500,000		543,850	540,115	10,141	18,438	(4,983)			2PE	07/30/2002	4.600
291011-AL-8	EMERSON ELEC CO 7.87500 06/01/2005 AA1/AA-		.7 875	JD	06/01/2005			612,553	600,000		674,280	623,040	3,938	47,250	(4,641)			1PE	08/11/2000	6.920
319963-AE-4	FIRST DATA CORP 4.70000 11/01/2006		.4 700	MN	11/01/2006			599,276	600,000		628,782	599,136	4,700	27,652	151			1	11/01/2001	4.730
337358-DQ-5	FIRST UNION NATL BANK 7.55000 08/18/2005 A1/A		.7 550	FA	08/18/2005			639,463	600,000		676,032	656,040	16,736	45,300	(13,762)			1PE	10/10/2001	4.850
369626-SC-9	GENERAL ELEC CAP CORP 5.6500 03/31/2003 AAA/AAA		.5 650	MS	03/31/2003			996,794	1,000,000		1,010,020	969,690	16,636	56,500	11,956			1PE	08/10/2000	6.930
370334-AR-5	GENERAL MILLS INC 5.12500 02/15/2007 Baa1/A-		.5 125	FA	02/15/2007			511,161	500,000		531,215	512,210	9,681	12,385	(1,049)			2PE	07/24/2002	4.520
428236-AD-5	HEWLETT PACKARD CO 7.15000 06/15/2005 AA2/AA-HONEYWELL INTERNATIONAL INC 6.12500 11/01/2011 A2/A		.7 150	JD	06/15/2005			603,768	600,000		659,466	606,840	1,907	42,900	(1,375)			1PE	08/10/2000	6.870
438516-AN-6	IBM CORP MTN 5.3700 09/22/2003 A1/A+		.5 370	MS	09/22/2003			593,257	600,000		614,058	573,576	8,861	32,220	8,679			1PE	08/10/2000	6.970
45920Q-BL-7	INTL PAPER CORP 8.12500 07/08/2005 Baa1/BBB		.8 125	JJ	07/08/2005			494,595	450,000		503,685	501,638	17,570		(7,042)			2	07/24/2002	3.950
460146-BK-8	KELLOGG COMPANY		.6 000	AO	04/01/2006			475,888	450,000		487,769	479,016	6,750	13,500	(3,128)			2	07/24/2002	4.090
487836-AR-9	KROGER COMPANY 7.62500 09/15/2006 Baa3/BBB		.7 625	MS	09/15/2006			493,692	450,000		504,000	498,222	10,103	17,156	(4,530)			2	07/24/2002	4.730
501044-BU-4	LEHMAN BROTHERS HLDG INC 6.25000 05/15/2006 A2/A		.6 250	MN	05/15/2006			579,805	550,000		601,337	583,226	4,392	17,188	(3,421)			1	07/24/2002	4.500
524908-DD-9	STANFORD UNIVERSITY TAXABLE NOTES		.5 850	MS	03/15/2009			998,658	1,000,000		1,130,360	998,200	17,225	58,500	161			1PE	12/31/1999	5.870
52555L-AB-9	LIBERTY PROPERTY LP 6.9500 12/01/2006 BAA3/BBB		.6 950	JD	12/01/2006			528,498	500,000		545,160	531,165	2,896	17,375	(2,667)			2	07/30/2002	5.320
53117E-AA-6	LINCOLN NATL CORP IND 5.25000 06/15/2007 A3/A-		.5 250	JD	06/15/2007			618,238	600,000		617,652	619,752	1,400	16,800	(1,514)			1PE	07/24/2002	4.490
539830-AC-3	LOCKHEED MARTIN CORP DB		.7 250	MN	05/15/2006			490,077	450,000		506,795	494,690	4,169	16,313	(4,613)			2PE	07/24/2002	4.380
571748-AD-4	MARSH & MCLENNAN COS INC		.5 375	MS	03/15/2007			621,427	600,000		644,046	623,346	9,496	15,767	(1,919)			1	07/30/2002	4.430
59156R-AB-4	METLIFE INC 5.25000 12/01/2006 A1/A		.5 250	JD	12/01/2006			619,276	600,000		639,684	621,156	2,625	15,750	(1,880)			1	07/24/2002	4.350
617446-DW-6	MORGAN STANLEY DEAN WITTER & CO 7.75000 06/15/2005 AA3/AA-		.7 750	JD	06/15/2005			605,100	600,000		669,426	609,246	2,067	46,500	(1,843)			1	08/04/2000	7.360
655844-AM-0	NORFOLK SOUTHN CORP 8.37500 05/15/2005 Baa1/BBB		.8 375	MN	05/15/2005			548,527	500,000		564,505	557,330	5,351	20,938	(8,803)			2PE	07/12/2002	4.040
693476-AR-4	P N C FUNDING CORP 5.75000 08/01/2006 A2/A-		.5 750	FA	08/01/2006			513,193	500,000		535,225	514,600	11,979		(1,407)			1PE	07/30/2002	4.940
717081-AL-7	PFIZER INC 5.62500 02/01/2006 Aaa/AAA		.5 625	FA	02/01/2006			999,752	1,000,000		1,091,800	999,700	23,438	56,250	56			1	01/25/2001	5.630
742718-BR-9	PROCTER & GAMBLE CO 6.60000 12/15/2004 AA2/AA		.6 600	JD	12/15/2004			595,806	600,000		654,084	591,402	1,760	39,600	(1,924)			1PE	08/15/2000	6.990
786514-BB-4	SAFeway STORES INC 6.15000 03/01/2006 Baa2/BBB		.6 150	MS	03/01/2006			473,062	450,000		487,368	475,920	9,225	13,838	(2,858)			2	07/24/2002	4.400
87612E-AE-6	TARGET CORP 5.95000 05/15/2006 A2/A+		.5 950	MN	05/15/2006			620,663	600,000		650,148	627,336	4,562	35,700	(5,526)			1	10/10/2001	4.830
907818-AY-4	UNION PAC CORP NT		.6 400	FA	02/01/2006			477,024	450,000		489,582	480,479	12,000	14,400	(3,455)			2PE	07/24/2002	4.300
90807E-AF-2	UNION PLANTERS BK NT 5.12500 06/15/2007 A1/BBB		.5 125	JD	06/15/2007			514,380	500,000		533,619	515,590	1,139	13,382	(1,210)			2	07/24/2002	4.410
913017-BE-8	UNITED TECHNOLOGIES CORP 4.87500 11/01/2006 A2/A+		.4 875	MN	11/01/2006			598,719	600,000		634,980	598,416	4,875	29,656	294			1	10/23/2001	4.940
925524-AD-2	VIACOM INC SR NT		.7 750	JD	06/01/2005			637,490	600,000		618,000	654,786	3,875	46,500	(14,273)			1	10/09/2001	4.970
92839U-AA-5	VISTEON CORP 7.95000 08/01/2005 Baa2/BBB		.7 950	FA	08/01/2005			526,242	500,000		530,050	530,145	16,563		(3,903)			2	07/30/2002	5.730
931142-BD-4	WAL MART STORES INC BD		.6 550	FA	08/10/2004			598,045	600,000		644,928	595,632	15,393	39,300	1,083			1	08/11/2000	6.760
949746-CC-3	WELLS FARGO CO 7.25000 08/24/2005 AA2/A+		.7 250	FA	08/24/2005			598,582	600,000		673,512	597,672	15,346	43,500	442			1PE	08/17/2000	7.340

E08.3

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 1**

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

1 CUSIP Identification	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 Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	19 NAIC Design- ation	20 Date Acquired	21 Effec- tive Rate of In- terest	
			4 Rate of	5 How Paid									14 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	15 Gross Amount Received During Year							
Other Country																					
638539-AH-9	NATIONAL WESTMINSTER BANK PLC BD		7.375	AO	10/01/2009			598,110	600,000	114,3800	686,250	597,556	11,063	44,250	198			1		12/31/1999	7.430
3999999 - Total Bonds - Industrial, Misc. - Issuer Obligations								33,684,059	32,825,000	XXX	35,638,183	33,779,143	536,284	1,588,924	(116,975)			XXX	XXX	XXX	
Defined Multi-Class Residential (DR) United States																					
02582J-AJ-9	AMER EXP CR MSTR TR 5.9500 12/15/2006 AAA/AAA		5.950	MTLY	12/15/2006			987,557	1,000,000	105,6300	1,056,310	969,180	2,644	59,500	8,096			1		08/10/2000	6.970
130209-W8-9	CALIFORNIA FED BANK SER 90-BN1		5.189	MTLY	08/25/2030			13,947	13,947	101,1800	14,112	13,947	60	751				1PE		12/31/1999	5.220
17303C-BW-0	CITIBANK CREDIT CARD MASTER TR 6.6500 11/15/2006 AAA/AAA		6.650	MN	11/15/2006			993,950	1,000,000	108,4200	1,084,170	987,422	8,497	66,500	2,861			1		08/10/2000	6.990
4199999 - Total Bonds - Industrial, Misc. - Defined Multi-Class Residential Mortgage-Backed Securities								1,995,454	2,013,947	XXX	2,154,592	1,970,549	11,201	126,751	10,957			XXX	XXX	XXX	
Other Multi-Class Residential (OR) United States																					
163762-AL-1	CHASE CR CARD MSTR TR 96-2		5.980	MTLY	09/15/2008			973,562	1,000,000	109,4700	1,094,710	956,680	2,658	59,800	7,440			1		08/10/2000	7.040
4299999 - Total Bonds - Industrial, Misc. - Other Multi-Class Residential Mortgage-Backed Securities								973,562	1,000,000	XXX	1,094,710	956,680	2,658	59,800	7,440			XXX	XXX	XXX	
4599996 - Bonds - Industrial and Misc - United States								36,054,965	35,238,947	XXX	38,201,235	36,108,816	539,080	1,731,225	(98,776)			XXX	XXX	XXX	
4599998 - Bonds - Industrial and Misc - Other Countries								598,110	600,000	XXX	686,250	597,556	11,063	44,250	198			XXX	XXX	XXX	
4599999 - Total - Industrial and Miscellaneous Bonds								36,653,075	35,838,947	XXX	38,887,485	36,706,372	550,143	1,775,475	(98,578)			XXX	XXX	XXX	
5499999 - Total - Issuer Obligations								52,390,371	50,815,000	XXX	55,358,533	52,605,299	844,791	2,484,210	(244,358)			XXX	XXX	XXX	
5599999 - Total - Single Class Mortgage-Backed/Asset-Backed Securities								13,974,153	13,705,390	XXX	14,529,886	13,985,510	91,035	829,413	(11,576)			XXX	XXX	XXX	
5699999 - Total - Defined Multi-Class Residential Mortgage-Backed Securities								2,560,044	2,613,947	XXX	2,781,593	2,533,349	14,326	164,251	11,556			XXX	XXX	XXX	
5799999 - Total - Other Multi-Class Residential Mortgage-Backed Securities								973,562	1,000,000	XXX	1,094,710	956,680	2,658	59,800	7,440			XXX	XXX	XXX	
6099999 Totals								69,898,130	68,134,337	XXX	73,764,722	70,080,838	952,810	3,537,674	(236,938)			XXX	XXX	XXX	

E08.4

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 2 - SECTION 1**

Showing all PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	3 Number of Shares	4 Par Value Per Share	5 Rate Per Share	6 Book/Adjusted Carrying Value	7 Rate Per Share Used to Obtain Fair Value	8 Fair Value	9 Actual Cost	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					
<b>NONE</b>															
6599999 Total - Preferred Stocks															
														XXX	XXX

E09



**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends
<b>BONDS</b>							
US Governments							
United States							
912827-6T-4	UNITED STATES TREASURY 5.000% 02/15/11 5.0000 02/15/2011 TSY/TSY	04/26/2002	Alex Brown & Sons		248,359	250,000	2,417
912828-AN-0	US TREAS NT 2.87500 3.000% 11/15/07 11/15/2007 TSY/TSY	11/08/2002	Merrill Lynch		437,991	435,000	
0399996 - Bonds - U.S. Government					686,350	685,000	2,417
0399999 - Total - Bonds - U.S. Government					686,350	685,000	2,417
<b>BONDS</b>							
State, Territories and Possessions							
United States							
Washington							
939741-MT-8	WA ST GEN OBLIG UNLTD 6.250% 09/01/07 6.25000 09/01/2007 Aa1/AA+	02/20/2002	State Street Bank & Trust Co.		453,888	400,000	12,083
1799996 - Bonds - States, Territory, Poss - United States					453,888	400,000	12,083
1799999 - Total - Bonds - States, Territories and Possessions					453,888	400,000	12,083
Special Revenue & Assessment							
United States							
Alabama							
010517-EH-9	AL ST DOCKS DEPT FAGS 6.000% 10/01/07 REV BD 6.00000 10/01/2007 Aaa/AAA	02/14/2002	State Street Bank & Trust Co.		840,720	750,000	17,375
Dist. of Colum							
3133MD-JP-9	FEDERAL HOME LOAN BANK 5.125% 03/06/06 5.12500 03/06/2006 AGY/AGY	07/31/2002	Chase Securities Inc.		951,961	900,000	18,578
3134A4-CX-0	FHLMC 5.36824 5.250% 01/15/06 01/15/2006 AGY/AGY	07/31/2002	Lehman Government Securities I		954,041	900,000	2,100
31359M-JX-2	FNMA 5.25000 5.250% 06/15/06 06/15/2006 AGY/AGY	07/31/2002	Lehman Government Securities I		953,650	900,000	6,038
3199996 - Bonds - Special Revenues - United States					3,700,372	3,450,000	44,091
3199999 - Total - Bonds - Special Revenue					3,700,372	3,450,000	44,091
Industrial & Miscellaneous							
United States							
032511-AS-6	ANADARKO PETE CORP 5.375% 03/01/07 5.37500 03/01/2007 Baa1/BBB	07/24/2002	M.R. Beal & Co.		465,858	450,000	10,548
073902-BS-6	BEAR STEARNS COS INC 7.625% 02/01/05 7.62500 02/01/2005 A2/A	02/12/2002	First Boston		646,560	600,000	1,779
12189T-AP-9	BURLINGTON NORTHERN 7.875% 04/15/07 SANTA FE 7.87500 04/15/2007 BAA2/BBB	07/25/2002	Chase Securities Inc.		483,085	425,000	9,762
126408-AD-5	C S X CORP CSX 9.000% 08/15/06 CORPORATION	07/31/2002	Chase Securities Inc.		457,788	400,000	17,000
134429-AQ-2	CAMPBELL SOUP CO 5.500% 03/15/07 5.50000 03/15/2007 A3/A	07/24/2002	First Tennessee Bank		578,628	550,000	10,924
14911R-AD-1	CATERPILLAR FIN SERV 5.950% 05/01/06 CRP NT 5.95000 05/01/2006 A2/A+	07/24/2002	Goldman Sachs		582,120	550,000	7,999
163714-AE-8	CHEMICAL BANKING CORP 6.625% 08/15/05 6.6250 08/15/2005 A1/A	02/12/2002	Chase Securities Inc.		634,500	600,000	
205887-AZ-5	CONAGRA 6.00000 6.000% 09/15/06 09/15/2006 Baa1/BBB	07/18/2002	Barclays Capital Inc.		524,030	500,000	10,667
22237L-MQ-2	COUNTRYWIDE FDG CORP 5.625% 05/15/07 5.62500 05/15/2007 A3/A	07/24/2002	Spear Leeds & Kellogg		621,504	600,000	6,750
244217-BF-1	DEERE JOHN CAPITAL 5.125% 10/19/06 CORP 5.12500 10/19/2006 A2/A	07/24/2002	Goldman Sachs		613,098	600,000	8,542
264414-AP-8	DUKE REALTY LTD PATS 7.375% 09/22/05 7.37500 09/22/2005 Baa1/BBB	07/30/2002	Warburgd.		540,115	500,000	13,316
370334-AR-5	GENERAL MILLS INC 5.125% 02/15/07 5.12500 02/15/2007 Baa1/A-	07/24/2002	Chase Securities Inc.		512,210	500,000	11,247
460146-BK-8	INTL PAPER CORP 8.125% 07/08/05 8.12500 07/08/2005 Baa1/BBB	07/24/2002	M.R. Beal & Co.		501,638	450,000	2,133
487836-AR-9	KELLOGG COMPANY 6.000% 04/01/06	07/24/2002	Morgan Stanley		479,016	450,000	8,850
501044-BU-4	KROGER COMPANY 7.62500 7.625% 09/15/06 09/15/2006 Baa3/BBB	07/24/2002	Warburgd.		498,222	450,000	12,772
524908-DD-9	LEHMAN BROTHERS HLDG 6.250% 05/15/06 INC 6.25000 05/15/2006 A2/A	07/24/2002	First Tennessee Bank		583,226	550,000	7,066
53117E-AA-6	LIBERTY PROPERTY LP 6.950% 12/01/06 6.9500 12/01/2006 BAA3/BBB	07/30/2002	Alex Brown & Sons		531,165	500,000	5,888
534187-AN-9	LINCOLN NATL CORP IND 5.250% 06/15/07 5.25000 06/15/2007 A3/A-	07/24/2002	Morgan Stanley		619,752	600,000	4,900
539830-AC-3	LOCKHEED MARTIN CORP 7.250% 05/15/06 DB	07/24/2002	First Tennessee Bank		494,690	450,000	6,706
571748-AD-4	MARSH & MCLENNAN COS 5.375% 03/15/07 INC	07/30/2002	Advest Inc.		623,346	600,000	11,915
59156R-AB-4	METLIFE INC 5.25000 5.250% 12/01/06 12/01/2006 A1/A	07/24/2002	Spear Leeds & Kellogg		621,156	600,000	5,075
655844-AM-0	NORFOLK SOUTH CORP 8.375% 05/15/05 8.37500 05/15/2005 Baa1/BBB	07/12/2002	Chase Securities Inc.		557,330	500,000	7,212
693476-AR-4	P N C FUNDING CORP 5.750% 08/01/06 5.75000 08/01/2006 A2/A-	07/30/2002	Spear Leeds & Kellogg		514,600	500,000	80
786514-BB-4	SAFEWAY STORES INC 6.150% 03/01/06 6.15000 03/01/2006 Baa2/BBB	07/24/2002	Barclays Capital Inc.		475,920	450,000	11,378
907818-AY-4	UNION PAC CORP NT 6.400% 02/01/06	07/24/2002	Spear Leeds & Kellogg		480,479	450,000	14,240
90807E-AF-2	UNION PLANTERS BK NT 5.125% 06/15/07 5.12500 06/15/2007 A1/BBB	07/24/2002	Spear Leeds & Kellogg		515,590	500,000	3,701
92839U-AA-5	VISTEON CORP 7.95000 7.950% 08/01/05 08/01/2005 Baa2/BBB	07/30/2002	Salomon Brothers		530,145	500,000	110
4599996 - Bonds - Industrial and Misc - United States					14,685,771	13,825,000	210,560
4599999 - Total - Bonds - Industrial, Misc.					14,685,771	13,825,000	210,560
6099997 - Total - Bonds - Part 3					19,526,381	18,360,000	269,151
6099998 - Total - Bonds - Part 5					2,189,570	2,025,000	30,627
6099999 - Total - Bonds					21,715,951	20,385,000	299,778
6599998 - Total - Preferred Stocks - Part 5					0	XXX	0
6599999 - Total - Preferred Stocks					0	XXX	0
7099998 - Total - Common Stocks - Part 5					0	XXX	0

E11



**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
BONDS															
US Governments															
United States															
912827-6T-4	5.0000 02/15/2011 TSJ/TSY	02/15/11													
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	01/01/2002	Merrill Lynch,Pierce,Fenner &	3,702,883	3,725,000	3,725,000	3,681,348	3,683,697	1,065			18,121	18,121	129,140	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	02/01/2002	Paydown	315	315	315	315	331	(16)					2	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	02/01/2002	Paydown	300	300	300	315	315	(15)					4	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	03/01/2002	Paydown	326	326	326	343	343	(17)					7	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	04/01/2002	Paydown	333	333	333	350	350	(17)					9	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	05/01/2002	Paydown	19,110	19,110	19,110	20,071	20,084	(974)					677	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	06/01/2002	Paydown	278	278	278	292	292	(14)					12	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	07/01/2002	Paydown	293	293	293	308	308	(15)					15	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	08/01/2002	Paydown	332	332	332	349	349	(17)					19	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	09/01/2002	Paydown	284	284	284	299	299	(15)					18	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	10/01/2002	Paydown	312	312	312	328	328	(16)					22	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	11/01/2002	Paydown	6,769	6,769	6,769	7,110	7,114	(345)					527	
36203B-L8-5	GNMA POOL NO 344251 8.500% 03/15/23	12/01/2002	Paydown	297	297	297	312	312	(15)					25	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	01/01/2002	Paydown	85	85	85	87	87	(1)					1	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	02/01/2002	Paydown	1,406	1,406	1,406	1,428	1,428	(22)					16	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	03/01/2002	Paydown	85	85	85	86	86	(1)					1	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	04/01/2002	Paydown	1,011	1,011	1,011	1,027	1,027	(16)					24	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	05/01/2002	Paydown	1,771	1,771	1,771	1,799	1,799	(28)					52	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	06/01/2002	Paydown	1,058	1,058	1,058	1,074	1,074	(17)					37	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	07/01/2002	Paydown	1,052	1,052	1,052	1,068	1,068	(16)					43	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	08/01/2002	Paydown	2,202	2,202	2,202	2,237	2,236	(34)					103	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	09/01/2002	Paydown	3,632	3,632	3,632	3,690	3,689	(57)					191	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	10/01/2002	Paydown	1,479	1,479	1,479	1,503	1,502	(23)					86	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	11/01/2002	Paydown	3,046	3,046	3,046	3,094	3,093	(48)					195	
36203D-EF-3	GNMA POOL NO 345834 7.000% 08/15/23	12/01/2002	Paydown	1,104	1,104	1,104	1,122	1,122	(17)					77	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	01/01/2002	Paydown	7,778	7,778	7,778	7,901	7,900	(122)					45	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	02/01/2002	Paydown	3,572	3,572	3,572	3,628	3,628	(56)					42	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	03/01/2002	Paydown	5,286	5,286	5,286	5,370	5,369	(83)					93	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	04/01/2002	Paydown	4,244	4,244	4,244	4,311	4,310	(66)					99	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	05/01/2002	Paydown	4,282	4,282	4,282	4,349	4,349	(67)					125	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	06/01/2002	Paydown	4,111	4,111	4,111	4,176	4,176	(64)					144	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	07/01/2002	Paydown	2,819	2,819	2,819	2,864	2,863	(44)					115	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	08/01/2002	Paydown	3,584	3,584	3,584	3,640	3,640	(56)					167	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	09/01/2002	Paydown	3,354	3,354	3,354	3,406	3,406	(53)					176	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	10/01/2002	Paydown	2,828	2,828	2,828	2,873	2,872	(44)					165	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	11/01/2002	Paydown	8,966	8,966	8,966	9,108	9,107	(140)					575	
36203K-K5-2	GNMA POOL NO 351416 7.000% 01/15/24	12/01/2002	Paydown	5,809	5,809	5,809	5,900	5,900	(91)					407	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	01/01/2002	Paydown	34	34	34	35	35	(1)						
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	02/01/2002	Paydown	35	35	35	35	35	(1)						
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	03/01/2002	Paydown	43	43	43	44	44	(1)					1	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	04/01/2002	Paydown	35	35	35	36	36	(1)					1	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	05/01/2002	Paydown	49	49	49	50	50	(1)					1	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	06/01/2002	Paydown	36	36	36	36	36	(1)					1	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	07/01/2002	Paydown	36	36	36	37	37	(1)					1	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	08/01/2002	Paydown	34	34	34	34	34	(1)					2	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	09/01/2002	Paydown	1,011	1,011	1,011	1,027	1,027	(16)					53	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	10/01/2002	Paydown	1,468	1,468	1,468	1,491	1,491	(23)					86	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	11/01/2002	Paydown	1,829	1,829	1,829	1,858	1,857	(29)					117	
36203K-S5-4	GNMA POOL NO 351640 7.000% 06/15/23	12/01/2002	Paydown	60	60	60	61	61	(1)					4	
36203Y-PZ-1	GNMA POOL NO 363240 8.000% 07/15/23	01/01/2002	Paydown	200	200	200	207	207	(7)					1	
36203Y-PZ-1	GNMA POOL NO 363240 8.000% 07/15/23	02/01/2002	Paydown	250	250	250	259	259	(9)					3	
36203Y-PZ-1	GNMA POOL NO 363240 8.000% 07/15/23	03/01/2002	Paydown	252	252	252	261	261	(9)					5	
36203Y-PZ-1	GNMA POOL NO 363240 8.000% 07/15/23	04/01/2002	Paydown	254	254	254	263	263	(9)					7	
36203Y-PZ-1	GNMA POOL NO 363240 8.000% 07/15/23	05/01/2002	Paydown	255	255	255	265	265	(9)					9	
36203Y-PZ-1	GNMA POOL NO 363240 8.000% 07/15/23	06/01/2002	Paydown	257	257	257	266	267	(9)					10	
36203Y-PZ-1	GNMA POOL NO 363240 8.000% 07/15/23	07/01/2002	Paydown	259	259	259	269	269	(10)					12	
36203Y-PZ-1	GNMA POOL NO 363240 8.000% 07/15/23	08/01/2002	Paydown	309	309	309	321	321	(11)					16	

E12

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
36203Y-PZ-1	GNMA POOL NO 363240	8.000% 07/15/23	.09/01/2002	Paydown	33,772	33,772	34,990	35,012	(1,240)				.0	2,026	
36203Y-PZ-1	GNMA POOL NO 363240	8.000% 07/15/23	10/01/2002	Paydown	215	215	223	223	(8)				.0	14	
36203Y-PZ-1	GNMA POOL NO 363240	8.000% 07/15/23	11/01/2002	Paydown	168	168	174	174	(6)				.0	17	
36203Y-PZ-1	GNMA POOL NO 363240	8.000% 07/15/23	12/01/2002	Paydown	218	218	226	226	(8)				.0	12	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.01/01/2002	Paydown	2,593	2,593	2,634	2,634	(41)				.0	15	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.02/01/2002	Paydown	1,823	1,823	1,851	1,851	(29)				.0	21	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.03/01/2002	Paydown	1,497	1,497	1,521	1,521	(24)				.0	26	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.04/01/2002	Paydown	1,642	1,642	1,668	1,667	(26)				.0	38	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.05/01/2002	Paydown	79	79	80	80	(1)				.0	2	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.06/01/2002	Paydown	665	665	676	676	(10)				.0	23	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.07/01/2002	Paydown	80	80	81	81	(1)				.0	3	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.08/01/2002	Paydown	921	921	936	936	(15)				.0	43	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	.09/01/2002	Paydown	754	754	766	766	(12)				.0	40	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	10/01/2002	Paydown	567	567	575	575	(9)				.0	33	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	11/01/2002	Paydown	84	84	85	85	(1)				.0	3	
36204C-7M-7	GNMA POOL NO 366400	7.000% 12/15/23	12/01/2002	Paydown	1,576	1,576	1,601	1,601	(25)				.0	110	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.01/01/2002	Paydown	486	486	494	494	(8)				.0	3	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.02/01/2002	Paydown	489	489	497	497	(8)				.0	6	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.03/01/2002	Paydown	675	675	686	686	(11)				.0	12	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.04/01/2002	Paydown	496	496	504	504	(8)				.0	12	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.05/01/2002	Paydown	15,473	15,473	15,720	15,724	(250)				.0	451	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.06/01/2002	Paydown	467	467	474	474	(8)				.0	16	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.07/01/2002	Paydown	470	470	477	477	(8)				.0	19	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.08/01/2002	Paydown	492	492	499	500	(8)				.0	23	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	.09/01/2002	Paydown	513	513	521	521	(8)				.0	27	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	10/01/2002	Paydown	663	663	673	673	(11)				.0	39	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	11/01/2002	Paydown	464	464	472	472	(8)				.0	30	
36204M-B6-5	GNMA POOL NO 373661	7.000% 04/15/26	12/01/2002	Paydown	149,540	149,540	151,924	151,960	(2,420)				.0	10,468	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.01/01/2002	Paydown	10,384	10,384	10,548	10,547	(163)				.0	61	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.02/01/2002	Paydown	13,846	13,846	14,064	14,063	(217)				.0	162	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.03/01/2002	Paydown	2,604	2,604	2,645	2,645	(41)				.0	46	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.04/01/2002	Paydown	4,993	4,993	5,072	5,071	(78)				.0	117	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.05/01/2002	Paydown	3,384	3,384	3,437	3,437	(53)				.0	99	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.06/01/2002	Paydown	4,904	4,904	4,982	4,981	(77)				.0	172	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.07/01/2002	Paydown	296	296	300	300	(5)				.0	12	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.08/01/2002	Paydown	2,258	2,258	2,294	2,293	(35)				.0	105	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	.09/01/2002	Paydown	8,339	8,339	8,471	8,470	(131)				.0	438	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	10/01/2002	Paydown	8,828	8,828	8,967	8,966	(138)				.0	515	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	11/01/2002	Paydown	18,590	18,590	18,883	18,881	(292)				.0	1,193	
36204Q-EH-9	GNMA POOL NO 376436	7.000% 03/15/24	12/01/2002	Paydown	199	199	202	202	(3)				.0	14	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.01/01/2002	Paydown	3,981	3,981	4,044	4,042	(62)				.0	23	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.02/01/2002	Paydown	2,423	2,423	2,461	2,460	(37)				.0	28	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.03/01/2002	Paydown	105	105	107	107	(2)				.0	2	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.04/01/2002	Paydown	119	119	120	120	(2)				.0	3	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.05/01/2002	Paydown	4,443	4,443	4,513	4,511	(69)				.0	130	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.06/01/2002	Paydown	102	102	104	104	(2)				.0	4	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.07/01/2002	Paydown	1,095	1,095	1,113	1,112	(17)				.0	45	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.08/01/2002	Paydown	104	104	105	105	(2)				.0	5	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	.09/01/2002	Paydown	2,787	2,787	2,831	2,830	(43)				.0	146	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	10/01/2002	Paydown	4,232	4,232	4,299	4,298	(65)				.0	247	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	11/01/2002	Paydown	3,787	3,787	3,846	3,845	(59)				.0	243	
36204X-JJ-5	GNMA POOL NO 382865	7.000% 01/15/24	12/01/2002	Paydown	89	89	90	90	(1)				.0	6	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.01/01/2002	Paydown	858	858	871	871	(13)				.0	5	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.02/01/2002	Paydown	879	879	892	892	(14)				.0	10	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.03/01/2002	Paydown	464	464	471	471	(7)				.0	8	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.04/01/2002	Paydown	491	491	499	499	(8)				.0	11	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.05/01/2002	Paydown	810	810	823	823	(13)				.0	24	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.06/01/2002	Paydown	607	607	617	617	(9)				.0	21	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.07/01/2002	Paydown	623	623	633	633	(10)				.0	25	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.08/01/2002	Paydown	636	636	646	646	(10)				.0	30	
36205B-LC-4	GNMA POOL NO 385623	7.000% 05/15/24	.09/01/2002	Paydown	721	721	732	732	(11)				.0	38	

E12.1

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
36205B-LC-4	GNMA POOL NO 385623 7.000% 05/15/24	10/01/2002	Paydown		1,010	1,010	1,026	1,025	(16)				0	59	
36205B-LC-4	GNMA POOL NO 385623 7.000% 05/15/24	11/01/2002	Paydown		1,095	1,095	1,113	1,113	(17)				0	70	
36205B-LC-4	GNMA POOL NO 385623 7.000% 05/15/24	12/01/2002	Paydown		860	860	873	873	(13)				0	60	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	01/01/2002	Paydown		1,043	1,043	1,060	1,060	(17)				0	6	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	02/01/2002	Paydown		1,046	1,046	1,063	1,063	(17)				0	12	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	03/01/2002	Paydown		37,842	37,842	38,446	38,446	(603)				0	662	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	04/01/2002	Paydown		1,190	1,190	1,209	1,209	(19)				0	28	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	05/01/2002	Paydown		1,086	1,086	1,104	1,104	(17)				0	32	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	06/01/2002	Paydown		8,320	8,320	8,452	8,452	(133)				0	291	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	07/01/2002	Paydown		32,915	32,915	33,440	33,440	(524)				0	1,344	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	08/01/2002	Paydown		13,448	13,448	13,663	13,663	(214)				0	628	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	09/01/2002	Paydown		13,894	13,894	14,116	14,116	(221)				0	729	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	10/01/2002	Paydown		994	994	1,010	1,010	(16)				0	58	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	11/01/2002	Paydown		22,535	22,535	22,894	22,894	(359)				0	1,446	
36205R-WX-1	GNMA POOL NO 398562 7.000% 04/15/26	12/01/2002	Paydown		74,358	74,358	75,544	75,543	(1,185)				0	5,205	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	01/01/2002	Paydown		9,385	9,385	9,535	9,535	(150)				0	55	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	02/01/2002	Paydown		2,969	2,969	3,016	3,016	(47)				0	35	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	03/01/2002	Paydown		170	170	172	172	(3)				0	3	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	04/01/2002	Paydown		3,796	3,796	3,856	3,856	(61)				0	89	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	05/01/2002	Paydown		4,244	4,244	4,312	4,312	(68)				0	124	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	06/01/2002	Paydown		4,157	4,157	4,224	4,224	(66)				0	146	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	07/01/2002	Paydown		5,821	5,821	5,913	5,914	(93)				0	238	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	08/01/2002	Paydown		4,975	4,975	5,054	5,055	(80)				0	232	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	09/01/2002	Paydown		148	148	151	151	(2)				0	8	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	10/01/2002	Paydown		4,659	4,659	4,733	4,733	(74)				0	272	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	11/01/2002	Paydown		6,159	6,159	6,257	6,257	(98)				0	395	
36206B-QW-4	GNMA POOL NO 406469 7.000% 03/15/26	12/01/2002	Paydown		2,003	2,003	2,035	2,035	(32)				0	140	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	01/01/2002	Paydown		3,513	3,513	3,569	3,569	(56)				0	20	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	02/01/2002	Paydown		3,278	3,278	3,330	3,330	(52)				0	38	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	03/01/2002	Paydown		2,545	2,545	2,585	2,586	(40)				0	45	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	04/01/2002	Paydown		1,899	1,899	1,929	1,929	(30)				0	44	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	05/01/2002	Paydown		1,104	1,104	1,121	1,121	(18)				0	32	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	06/01/2002	Paydown		1,248	1,248	1,267	1,267	(20)				0	44	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	07/01/2002	Paydown		501	501	509	509	(8)				0	20	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	08/01/2002	Paydown		2,322	2,322	2,359	2,359	(37)				0	108	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	09/01/2002	Paydown		1,397	1,397	1,419	1,419	(22)				0	73	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	10/01/2002	Paydown		1,713	1,713	1,740	1,740	(27)				0	100	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	11/01/2002	Paydown		2,831	2,831	2,876	2,876	(45)				0	182	
36206P-05-2	GNMA POOL NO 417276 7.000% 02/15/26	12/01/2002	Paydown		1,552	1,552	1,577	1,577	(25)				0	109	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	01/01/2002	Paydown		1,105	1,105	1,123	1,122	(17)				0	6	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	02/01/2002	Paydown		44,409	44,409	45,117	45,105	(696)				0	518	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	03/01/2002	Paydown		16,119	16,119	16,376	16,372	(253)				0	282	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	04/01/2002	Paydown		1,040	1,040	1,056	1,056	(16)				0	24	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	05/01/2002	Paydown		46,602	46,602	47,345	47,333	(731)				0	1,359	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	06/01/2002	Paydown		16,406	16,406	16,668	16,664	(257)				0	574	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	07/01/2002	Paydown		38,489	38,489	39,103	39,093	(604)				0	1,572	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	08/01/2002	Paydown		24,641	24,641	25,034	25,027	(386)				0	1,150	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	09/01/2002	Paydown		835	835	849	849	(13)				0	44	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	10/01/2002	Paydown		34,305	34,305	34,853	34,843	(538)				0	2,001	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	11/01/2002	Paydown		61,605	61,605	62,587	62,571	(966)				0	3,953	
36207A-LQ-3	GNMA POOL NO 426135 7.000% 10/15/26	12/01/2002	Paydown		48,080	48,080	48,847	48,834	(754)				0	3,366	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	01/01/2002	Paydown		34,219	34,219	34,764	34,764	(545)				0	200	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	02/01/2002	Paydown		736	736	748	748	(12)				0	9	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	03/01/2002	Paydown		31,371	31,371	31,871	31,871	(500)				0	549	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	04/01/2002	Paydown		599	599	609	609	(10)				0	14	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	05/01/2002	Paydown		28,867	28,867	29,327	29,327	(460)				0	842	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	06/01/2002	Paydown		567	567	576	576	(9)				0	20	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	07/01/2002	Paydown		22,798	22,798	23,162	23,162	(363)				0	931	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	08/01/2002	Paydown		538	538	547	547	(9)				0	25	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	09/01/2002	Paydown		660	660	671	671	(11)				0	35	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	10/01/2002	Paydown		34,542	34,542	35,092	35,092	(551)				0	2,015	

E12.2

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	11/01/2002	Paydown	28,304	28,304	28,304	28,755	28,755	(451)				0	1,816	
36207A-U3-4	GNMA POOL NO 426402 7.000% 01/15/26	12/01/2002	Paydown	469	469	469	477	477	(7)				0	33	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	01/01/2002	Paydown	51,504	51,504	51,504	52,316	52,320	(817)				0	300	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	02/01/2002	Paydown	53,888	53,888	53,888	54,738	54,742	(854)				0	629	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	03/01/2002	Paydown	810	810	810	823	823	(13)				0	14	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	04/01/2002	Paydown	804	804	804	816	816	(13)				0	19	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	05/01/2002	Paydown	44,523	44,523	44,523	45,226	45,229	(706)				0	1,299	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	06/01/2002	Paydown	43,776	43,776	43,776	44,466	44,470	(694)				0	1,532	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	07/01/2002	Paydown	13,073	13,073	13,073	13,280	13,281	(207)				0	534	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	08/01/2002	Paydown	20,536	20,536	20,536	20,860	20,862	(326)				0	958	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	09/01/2002	Paydown	28,822	28,822	28,822	29,277	29,279	(457)				0	1,513	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	10/01/2002	Paydown	50,437	50,437	50,437	51,233	51,237	(800)				0	2,942	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	11/01/2002	Paydown	41,486	41,486	41,486	42,140	42,144	(658)				0	2,662	
36208C-F2-8	GNMA1 SINGLE FAMILY 7.000% 08/15/28 POOL NO 446685	12/01/2002	Paydown	22,781	22,781	22,781	23,140	23,142	(361)				0	1,595	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	01/01/2002	Paydown	61,539	61,539	61,539	62,510	62,515	(976)				0	359	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	02/01/2002	Paydown	50,769	50,769	50,769	51,570	51,574	(805)				0	592	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	03/01/2002	Paydown	42,641	42,641	42,641	43,314	43,318	(676)				0	746	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	04/01/2002	Paydown	21,786	21,786	21,786	22,129	22,131	(346)				0	508	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	05/01/2002	Paydown	34,950	34,950	34,950	35,502	35,505	(554)				0	1,019	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	06/01/2002	Paydown	986	986	986	1,001	1,002	(16)				0	35	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	07/01/2002	Paydown	964	964	964	979	979	(15)				0	39	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	08/01/2002	Paydown	985	985	985	1,001	1,001	(16)				0	46	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	09/01/2002	Paydown	956	956	956	971	971	(15)				0	50	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	10/01/2002	Paydown	85,142	85,142	85,142	86,485	86,492	(1,350)				0	4,967	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	11/01/2002	Paydown	30,172	30,172	30,172	30,648	30,650	(479)				0	1,936	
36208C-GN-1	GNMA1 SINGLE FAMILY 7.000% 09/15/28 POOL NO 446705	12/01/2002	Paydown	88,780	88,780	88,780	90,181	90,188	(1,408)				0	6,215	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	01/01/2002	Paydown	40,929	40,929	40,929	41,577	41,579	(650)				0	239	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	02/01/2002	Paydown	31,023	31,023	31,023	31,514	31,516	(493)				0	362	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	03/01/2002	Paydown	41,176	41,176	41,176	41,829	41,831	(654)				0	721	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	04/01/2002	Paydown	14,212	14,212	14,212	14,437	14,438	(226)				0	332	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	05/01/2002	Paydown	31,084	31,084	31,084	31,577	31,578	(494)				0	907	

E12.3

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	06/01/2002	Paydown		24,541	24,541	24,930	24,931	(390)				.0	.859	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	07/01/2002	Paydown		5,186	5,186	5,268	5,269	(82)				.0	.212	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	08/01/2002	Paydown		23,412	23,412	23,783	23,784	(372)				.0	1,093	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	09/01/2002	Paydown		21,313	21,313	21,651	21,652	(339)				.0	1,119	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	10/01/2002	Paydown		24,888	24,888	25,282	25,283	(395)				.0	1,452	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	11/01/2002	Paydown		62,539	62,539	63,530	63,533	(994)				.0	4,013	
36208F-KL-3	GNMA1 SINGLE FAMILY 7.000% 01/15/28 POOL NO 449499	12/01/2002	Paydown		36,313	36,313	36,888	36,890	(577)				.0	2,542	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	01/01/2002	Paydown		52,722	52,722	53,311	53,311	(589)				.0	.286	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	02/01/2002	Paydown		93,352	93,352	94,396	94,396	(1,043)				.0	1,011	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	03/01/2002	Paydown		7,721	7,721	7,808	7,808	(86)				.0	.125	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	04/01/2002	Paydown		104,151	104,151	105,316	105,315	(1,164)				.0	2,257	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	05/01/2002	Paydown		8,033	8,033	8,123	8,123	(90)				.0	.218	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	06/01/2002	Paydown		72,746	72,746	73,559	73,559	(813)				.0	2,364	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	07/01/2002	Paydown		201,011	201,011	203,259	203,258	(2,247)				.0	7,622	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	08/01/2002	Paydown		6,904	6,904	6,982	6,981	(77)				.0	.299	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	09/01/2002	Paydown		114,477	114,477	115,758	115,757	(1,280)				.0	5,581	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	10/01/2002	Paydown		6,405	6,405	6,476	6,476	(72)				.0	.347	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	11/01/2002	Paydown		396,148	396,148	400,579	400,576	(4,428)				.0	23,604	
36208Q-YX-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458026	12/01/2002	Paydown		216,904	216,904	219,330	219,329	(2,424)				.0	14,099	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	01/01/2002	Paydown		.807	.807	.816	.816	(9)				.0	.4	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	02/01/2002	Paydown		.823	.823	.832	.832	(9)				.0	.9	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	03/01/2002	Paydown		11,351	11,351	11,478	11,480	(128)				.0	.184	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	04/01/2002	Paydown		.784	.784	.792	.793	(9)				.0	.17	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	05/01/2002	Paydown		9,501	9,501	9,607	9,609	(107)				.0	.257	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	06/01/2002	Paydown		9,654	9,654	9,762	9,763	(109)				.0	.314	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	07/01/2002	Paydown		51,626	51,626	52,203	52,210	(584)				.0	1,957	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	08/01/2002	Paydown		.783	.783	.792	.792	(9)				.0	.34	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	09/01/2002	Paydown		.830	.830	.839	.839	(9)				.0	.40	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	10/01/2002	Paydown		21,057	21,057	21,293	21,296	(238)				.0	1,141	
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	11/01/2002	Paydown		40,714	40,714	41,170	41,175	(461)				.0	2,426	

E12.4

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
36208Q-ZJ-8	GNMA1 SINGLE FAMILY 6.500% 02/15/29 POOL NO 458045	12/01/2002	Paydown		33,143	33,143	33,514	33,518	(375)				.0	2,154	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	01/01/2002	Paydown		71,297	71,297	72,427	72,462	(1,165)				.0	416	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	02/01/2002	Paydown		64,977	64,977	66,007	66,039	(1,062)				.0	758	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	03/01/2002	Paydown		549	549	558	558	(9)				.0	10	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	04/01/2002	Paydown		48,557	48,557	49,327	49,351	(793)				.0	1,133	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	05/01/2002	Paydown		752	752	764	765	(12)				.0	22	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	06/01/2002	Paydown		508	508	517	517	(8)				.0	18	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	07/01/2002	Paydown		512	512	520	520	(8)				.0	21	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	08/01/2002	Paydown		517	517	526	526	(8)				.0	24	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	09/01/2002	Paydown		34,461	34,461	35,007	35,024	(563)				.0	1,809	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	10/01/2002	Paydown		483	483	490	490	(8)				.0	28	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	11/01/2002	Paydown		70,635	70,635	71,755	71,789	(1,154)				.0	4,532	
36208V-NX-9	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 462206	12/01/2002	Paydown		32,045	32,045	32,553	32,568	(524)				.0	2,243	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	01/01/2002	Paydown		13,261	13,261	13,433	13,434	(173)				.0	72	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	02/01/2002	Paydown		479	479	485	485	(6)				.0	5	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	03/01/2002	Paydown		10,910	10,910	11,052	11,052	(142)				.0	177	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	04/01/2002	Paydown		22,326	22,326	22,617	22,617	(290)				.0	484	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	05/01/2002	Paydown		444	444	450	450	(6)				.0	12	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	06/01/2002	Paydown		416	416	421	421	(5)				.0	14	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	07/01/2002	Paydown		14,426	14,426	14,613	14,613	(188)				.0	547	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	08/01/2002	Paydown		386	386	391	391	(5)				.0	17	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	09/01/2002	Paydown		9,218	9,218	9,338	9,338	(120)				.0	449	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	10/01/2002	Paydown		395	395	400	400	(5)				.0	21	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	11/01/2002	Paydown		8,211	8,211	8,318	8,318	(107)				.0	489	
36208X-2G-5	GNMA I 30 YR POOL NO 6.500% 12/15/28 464375	12/01/2002	Paydown		363	363	367	367	(5)				.0	24	
36208X-4H-1	GNMA I 30 YR POOL NO 6.500% 12/15/28 464424	01/01/2002	Paydown		56,299	56,299	57,031	57,022	(723)				.0	305	
36208X-4H-1	GNMA I 30 YR POOL NO 6.500% 12/15/28 464424	02/01/2002	Paydown		60,402	60,402	61,187	61,177	(776)				.0	654	
36208X-4H-1	GNMA I 30 YR POOL NO 6.500% 12/15/28 464424	03/01/2002	Paydown		1,873	1,873	1,897	1,897	(24)				.0	30	
36208X-4H-1	GNMA I 30 YR POOL NO 6.500% 12/15/28 464424	04/01/2002	Paydown		1,845	1,845	1,869	1,869	(24)				.0	40	
36208X-4H-1	GNMA I 30 YR POOL NO 6.500% 12/15/28 464424	05/01/2002	Paydown		1,776	1,776	1,800	1,799	(23)				.0	48	

E12.5

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
36208X-4H-1	GNMA 1 30 YR POOL NO 6.500% 12/15/28 464424	06/01/2002	Paydown		1,846	1,846	1,870	1,870	(24)				.0	.60	
36208X-4H-1	GNMA 1 30 YR POOL NO 6.500% 12/15/28 464424	07/01/2002	Paydown		73,490	73,490	74,445	74,433	(944)				.0	2,786	
36208X-4H-1	GNMA 1 30 YR POOL NO 6.500% 12/15/28 464424	08/01/2002	Paydown		1,785	1,785	1,809	1,808	(23)				.0	.77	
36208X-4H-1	GNMA 1 30 YR POOL NO 6.500% 12/15/28 464424	09/01/2002	Paydown		118,930	118,930	120,476	120,457	(1,527)				.0	5,798	
36208X-4H-1	GNMA 1 30 YR POOL NO 6.500% 12/15/28 464424	10/01/2002	Paydown		176,157	176,157	178,447	178,419	(2,262)				.0	9,542	
36208X-4H-1	GNMA 1 30 YR POOL NO 6.500% 12/15/28 464424	11/01/2002	Paydown		105,603	105,603	106,976	106,959	(1,356)				.0	6,292	
36208X-4H-1	GNMA 1 30 YR POOL NO 6.500% 12/15/28 464424	12/01/2002	Paydown		32,452	32,452	32,874	32,869	(417)				.0	2,109	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	01/01/2002	Paydown		1,227	1,227	1,245	1,245	(19)				.0	.7	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	02/01/2002	Paydown		1,485	1,485	1,507	1,507	(22)				.0	.17	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	03/01/2002	Paydown		2,658	2,658	2,698	2,698	(40)				.0	.47	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	04/01/2002	Paydown		133	133	135	135	(2)				.0	.3	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	05/01/2002	Paydown		3,850	3,850	3,908	3,909	(58)				.0	112	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	06/01/2002	Paydown		2,947	2,947	2,991	2,992	(45)				.0	103	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	07/01/2002	Paydown		2,602	2,602	2,642	2,642	(39)				.0	106	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	08/01/2002	Paydown		163	163	165	165	(2)				.0	.8	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	09/01/2002	Paydown		7,960	7,960	8,080	8,080	(121)				.0	418	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	10/01/2002	Paydown		7,944	7,944	8,064	8,064	(120)				.0	463	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	11/01/2002	Paydown		106	106	108	108	(2)				.0	.7	
36209M-3R-3	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476108	12/01/2002	Paydown		5,428	5,428	5,509	5,510	(82)				.0	380	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	01/01/2002	Paydown		50,522	50,522	51,284	51,289	(768)				.0	295	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	02/01/2002	Paydown		39,466	39,466	40,061	40,066	(600)				.0	460	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	03/01/2002	Paydown		30,153	30,153	30,608	30,612	(458)				.0	528	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	04/01/2002	Paydown		20,303	20,303	20,609	20,612	(308)				.0	474	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	05/01/2002	Paydown		28,661	28,661	29,093	29,096	(435)				.0	836	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	06/01/2002	Paydown		50,833	50,833	51,600	51,606	(772)				.0	1,779	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	07/01/2002	Paydown		52,711	52,711	53,505	53,511	(801)				.0	2,152	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	08/01/2002	Paydown		64,352	64,352	65,323	65,330	(978)				.0	3,003	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	09/01/2002	Paydown		56,533	56,533	57,385	57,392	(859)				.0	2,968	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	10/01/2002	Paydown		49,772	49,772	50,522	50,528	(756)				.0	2,903	
36209M-4C-5	GNMA1 SINGLE FAMILY 7.000% 07/15/28 POOL NO 476119	11/01/2002	Paydown		21,519	21,519	21,843	21,846	(327)				.0	1,381	

E12.6

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
36209M-4C-5	GNMA1 SINGLE FAMILY NO 476119 7.000% 07/15/28 POOL	12/01/2002	Paydown		40,722	40,722	41,336	41,341	(619)				.0	2,851	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	01/01/2002	Paydown		1,523	1,523	1,535	1,535	(12)				.0	.8	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	02/01/2002	Paydown		43,714	43,714	44,069	44,070	(357)				.0	474	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	03/01/2002	Paydown		75,835	75,835	76,452	76,453	(618)				.0	1,232	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	04/01/2002	Paydown		1,569	1,569	1,582	1,582	(13)				.0	.34	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	05/01/2002	Paydown		62,621	62,621	63,131	63,132	(511)				.0	1,696	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	06/01/2002	Paydown		27,430	27,430	27,653	27,654	(224)				.0	.891	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	07/01/2002	Paydown		36,269	36,269	36,564	36,565	(296)				.0	1,375	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	08/01/2002	Paydown		124,049	124,049	125,058	125,061	(1,012)				.0	5,375	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	09/01/2002	Paydown		82,954	82,954	83,628	83,630	(677)				.0	4,044	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	10/01/2002	Paydown		1,032	1,032	1,041	1,041	(8)				.0	.56	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	11/01/2002	Paydown		34,146	34,146	34,423	34,424	(278)				.0	2,035	
36210M-EN-7	GNMA1 SINGLE FAMILY NO 496141 6.500% 02/15/29 POOL	12/01/2002	Paydown		966	966	974	974	(8)				.0	.63	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	01/01/2002	Paydown		6,765	6,765	7,108	7,108	(343)				.0	.45	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	02/01/2002	Paydown		12,757	12,757	13,404	13,404	(647)				.0	.170	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	03/01/2002	Paydown		19,791	19,791	20,794	20,794	(1,003)				.0	.396	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	04/01/2002	Paydown		5,268	5,268	5,535	5,535	(267)				.0	.140	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	05/01/2002	Paydown		9,324	9,324	9,796	9,796	(473)				.0	.311	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	06/01/2002	Paydown		352	352	370	370	(18)				.0	.14	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	07/01/2002	Paydown		341	341	359	359	(17)				.0	.16	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	08/01/2002	Paydown		3,731	3,731	3,920	3,920	(189)				.0	.199	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	09/01/2002	Paydown		3,545	3,545	3,725	3,725	(180)				.0	.213	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	10/01/2002	Paydown		6,581	6,581	6,915	6,915	(334)				.0	.439	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	11/01/2002	Paydown		8,148	8,148	8,562	8,562	(413)				.0	.598	
362206-UF-9	GNMA POOL NO 298582 8.000% 11/15/21	12/01/2002	Paydown		3,406	3,406	3,579	3,579	(173)				.0	.273	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	01/01/2002	Paydown		343	343	360	360	(17)				.0	.2	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	02/01/2002	Paydown		21,680	21,680	22,762	22,769	(1,089)				.0	.289	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	03/01/2002	Paydown		12,636	12,636	13,267	13,271	(634)				.0	.253	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	04/01/2002	Paydown		25,622	25,622	26,901	26,908	(1,286)				.0	.683	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	05/01/2002	Paydown		254	254	267	267	(13)				.0	.8	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	06/01/2002	Paydown		335	335	352	352	(17)				.0	.13	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	07/01/2002	Paydown		258	258	271	271	(13)				.0	.12	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	08/01/2002	Paydown		260	260	273	273	(13)				.0	.14	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	09/01/2002	Paydown		262	262	275	275	(13)				.0	.16	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	10/01/2002	Paydown		14,572	14,572	15,299	15,304	(732)				.0	.971	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	11/01/2002	Paydown		316	316	332	332	(16)				.0	.23	
36223M-YM-2	GNMA POOL NO 312216 8.000% 11/15/21	12/01/2002	Paydown		239	239	251	251	(12)				.0	.19	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	01/01/2002	Paydown		2,472	2,472	2,511	2,511	(39)				.0	.14	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	02/01/2002	Paydown		2,136	2,136	2,170	2,170	(34)				.0	.25	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	03/01/2002	Paydown		8,083	8,083	8,212	8,211	(128)				.0	.141	

E12.7

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	04/01/2002	Paydown		12,366	12,366	12,563	12,562	(196)				0	289	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	05/01/2002	Paydown		192	192	195	195	(3)				0	6	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	06/01/2002	Paydown		214	214	217	217	(3)				0	8	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	07/01/2002	Paydown		2,643	2,643	2,685	2,684	(42)				0	108	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	08/01/2002	Paydown		2,248	2,248	2,283	2,283	(36)				0	105	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	09/01/2002	Paydown		7,458	7,458	7,577	7,576	(118)				0	392	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	10/01/2002	Paydown		14,760	14,760	14,995	14,993	(233)				0	861	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	11/01/2002	Paydown		2,275	2,275	2,311	2,311	(36)				0	146	
36223T-FU-0	GNMA POOL NO 317079 7.000% 05/15/26	12/01/2002	Paydown		5,494	5,494	5,582	5,581	(87)				0	385	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	01/01/2002	Paydown		25,301	25,301	26,593	26,580	(1,279)				0	169	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	02/01/2002	Paydown		341	341	358	358	(17)				0	5	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	03/01/2002	Paydown		22,585	22,585	23,738	23,727	(1,142)				0	452	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	04/01/2002	Paydown		314	314	330	330	(16)				0	8	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	05/01/2002	Paydown		21,077	21,077	22,153	22,143	(1,065)				0	703	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	06/01/2002	Paydown		14,635	14,635	15,382	15,375	(740)				0	585	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	07/01/2002	Paydown		20,627	20,627	21,680	21,670	(1,043)				0	963	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	08/01/2002	Paydown		202	202	212	212	(10)				0	11	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	09/01/2002	Paydown		203	203	213	213	(10)				0	12	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	10/01/2002	Paydown		19,290	19,290	20,275	20,265	(975)				0	1,286	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	11/01/2002	Paydown		173	173	182	182	(9)				0	13	
36224H-EP-7	GNMA POOL NO 328742 8.000% 06/15/22	12/01/2002	Paydown		175	175	184	184	(9)				0	14	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	01/01/2002	Paydown		708	708	720	720	(11)				0	4	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	02/01/2002	Paydown		600	600	610	610	(9)				0	7	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	03/01/2002	Paydown		2,416	2,416	2,454	2,453	(38)				0	42	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	04/01/2002	Paydown		518	518	527	527	(8)				0	12	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	05/01/2002	Paydown		392	392	398	398	(6)				0	11	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	06/01/2002	Paydown		596	596	606	606	(9)				0	21	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	07/01/2002	Paydown		1,600	1,600	1,625	1,625	(25)				0	65	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	08/01/2002	Paydown		69	69	70	70	(1)				0	3	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	09/01/2002	Paydown		1,189	1,189	1,208	1,208	(19)				0	62	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	10/01/2002	Paydown		1,684	1,684	1,710	1,710	(26)				0	98	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	11/01/2002	Paydown		2,160	2,160	2,194	2,193	(34)				0	139	
36224S-G2-2	GNMA POOL NO 336917 7.000% 05/15/23	12/01/2002	Paydown		2,043	2,043	2,076	2,075	(32)				0	143	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	01/01/2002	Paydown		8,378	8,378	8,510	8,511	(134)				0	49	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	02/01/2002	Paydown		6,978	6,978	7,089	7,090	(111)				0	81	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	03/01/2002	Paydown		5,827	5,827	5,919	5,920	(93)				0	102	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	04/01/2002	Paydown		3,998	3,998	4,061	4,062	(64)				0	93	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	05/01/2002	Paydown		4,594	4,594	4,667	4,667	(73)				0	134	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	06/01/2002	Paydown		4,321	4,321	4,389	4,390	(69)				0	151	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	07/01/2002	Paydown		3,806	3,806	3,866	3,866	(61)				0	155	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	08/01/2002	Paydown		5,740	5,740	5,831	5,831	(92)				0	268	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	09/01/2002	Paydown		6,396	6,396	6,497	6,498	(102)				0	336	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	10/01/2002	Paydown		3,700	3,700	3,759	3,759	(59)				0	216	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	11/01/2002	Paydown		11,377	11,377	11,557	11,558	(182)				0	730	
36225A-UL-2	GNMA POOL NO 780587 7.000% 06/15/27	12/01/2002	Paydown		8,687	8,687	8,825	8,826	(139)				0	608	
0399996	- Bonds - U.S. Government				10,052,240	10,074,357	10,129,831	10,132,335	(98,215)			18,121	18,121	391,536	XXX
0399999	- Bonds - U.S. Governments				10,052,240	10,074,357	10,129,831	10,132,335	(98,215)			18,121	18,121	391,536	XXX
State, Territories and Possessions															
United States															
Utah															
917542-HR-6	UTAH ST GEN OBLIG 5.000% 07/01/06 UNLTD 5.00000 07/01/2006	06/13/2002	Legg Mason Wood Walker Inc		269,413	250,000	265,753	265,487	(1,491)			5,416	5,416	12,049	XXX
1799996	- Bonds - States, Territory, Poss - United States				269,413	250,000	265,753	265,487	(1,491)			5,416	5,416	12,049	XXX
1799999	- Bonds - States, Territories and Possessions				269,413	250,000	265,753	265,487	(1,491)			5,416	5,416	12,049	XXX
Special Revenue & Assessment															
United States															
Arizona															
040588-SQ-9	AZ ST CTFS PARTN 5.000% 03/01/06 5.00000 03/01/2006	06/13/2002	Bear Stearns		267,270	250,000	263,823	263,711	(1,442)			5,001	5,001	7,882	

E12.8

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
Connecticut															
207757-T6-2	CT ST SPL TAX OBLIG 5.000% 10/01/05 REV BD 5.00000 10/01/2005 Aaa/AAA	.06/13/2002	Legg Mason Wood Walker Inc		268,525	250,000	268,218	267,782	(2,092)			2,835	2,835	9,479	
Dist. of Colum															
31359M-FF-5	FNMA 6.62500 6.625% 01/15/02 01/15/2002 AGY/AGY	.01/15/2002	Maturity		1,000,000	1,000,000	998,906	999,898	102				0	33,125	
Georgia															
197493-LJ-6	COLUMBIA CNTY GA W&S 5.700% 06/01/15 REV BD 5.70000 06/01/2015 Aaa/AAA	.06/13/2002	Hutchinson, Shockey, Erley & Co.		280,053	250,000	279,395	278,900	(2,349)			3,502	3,502	7,798	
373383-DU-9	GEORGIA ST 5.75000 5.750% 09/01/09 09/01/2009 Aaa/AAA	.06/13/2002	Hutchinson, Shockey, Erley & Co.		282,035	250,000	279,818	279,499	(1,547)			4,083	4,083	11,460	
Illinois															
167484-YB-4	CITY OF CHICAGO IL 5.500% 01/01/10 5.50000 01/01/2010 Aaa/AAA	.06/13/2002	Legg Mason Wood Walker Inc		274,073	250,000	270,613	270,478	(1,012)			4,607	4,607	13,253	
New Jersey															
645910-AT-7	NJ ECONOMIC DEV AUTH 5.000% 07/01/05 FACS REV 5.00000 07/01/2005 Aaa/AAA	.06/13/2002	Bear Stearns		266,885	250,000	268,308	267,857	(2,270)			1,298	1,298	6,944	
New Mexico															
647310-WD-9	NM ST SEVERANCE TAX BD 5.000% 07/01/08 5.00000 07/01/2008 Aa2/AA	.06/13/2002	Morgan Keegan & Company Inc		585,690	550,000	591,146	590,936	(3,100)			(2,146)	(2,146)	17,340	
New York															
64983X-4C-5	NY ST DORM ST DORM 5.000% 07/01/07 AUTH REV BD 5.00000 08/01/2007 NR/AA	.06/13/2002	Paine Webber		591,096	550,000	581,620	581,341	(2,350)			12,106	12,106	16,271	
Virginia															
165141-CY-6	CHESAPEAKE BAY BRDG & 5.000% 07/01/07 TUN REV 5.00000 07/01/2007 NR/AAA	.06/13/2002	Hutchinson, Shockey, Erley & Co.		432,336	400,000	425,128	424,827	(1,859)			9,367	9,367	12,611	
3199996 - Bonds - Special Revenues - United States					4,247,963	4,000,000	4,226,975	4,225,229	(17,919)			40,653	40,653	136,163	XXX
3199999 - Bonds - Special Revenues					4,247,963	4,000,000	4,226,975	4,225,229	(17,919)			40,653	40,653	136,163	XXX
Public Utilities (unaffiliated)															
United States															
079860-AB-8	BELLSOUTH CORP 6.00000 6.000% 10/15/11 10/15/2011 Aa3/AA+	.06/18/2002	Warburgd		406,636	400,000	405,252	405,164	(198)			1,670	1,670	15,733	
250847-DR-8	Detroit Edison Company 5.050% 10/01/05 5.05000 10/01/2005 A3/A-	.06/18/2002	First National Bank Of Chicago		506,630	500,000	499,785	499,762	17			6,851	6,851	17,605	
78387G-AF-0	SBC COMMUN 5.75000 5.750% 05/02/06 05/02/2006 Aa3/AA-	.06/18/2002	M.R. Beal & Co.		415,044	400,000	396,560	396,900	301			17,843	17,843	14,631	
3899996 - Bonds - Public Utilities - United States					1,328,310	1,300,000	1,301,597	1,301,826	120			26,364	26,364	47,969	XXX
3899999 - Bonds - Public Utilities					1,328,310	1,300,000	1,301,597	1,301,826	120			26,364	26,364	47,969	XXX
Industrial & Miscellaneous															
United States															
002824-AM-2	ABBOTT LABS 5.62500 5.625% 07/01/06 07/01/2006 Aa3/AA	.06/18/2002	Bank Of America Securities Se		416,644	400,000	398,684	398,794	104			17,745	17,745	21,625	
020012-AB-6	ALLSTATE FINANCIAL 6.150% 02/01/06 6.15000 02/01/2006 Aa2/AA+	.06/18/2002	Advest Inc		421,408	400,000	399,880	399,873	4			21,531	21,531	21,867	
022249-AX-4	ALUMINUM CO. OF 6.125% 06/15/05 AMERICA 6.1250 06/15/2005 A1/A+	.06/18/2002	Barclays Capital Inc		423,332	400,000	386,840	390,179	1,218			31,936	31,936	12,658	
02582J-AJ-9	AMER EXP CR MSTR TR 5.950% 12/15/06 5.9500 12/15/2006 AAA/AAA	.06/18/2002	Chase Securities Inc		524,355	500,000	484,590	489,731	1,878			32,747	32,747	15,371	
026609-AL-1	AMERICAN HOME PRODS 6.250% 03/15/06 CORP 6.25000 03/15/2006 A3/A	.06/18/2002	Barclays Capital Inc		530,055	500,000	525,420	524,305	(2,493)			8,243	8,243	23,958	
06423A-AF-0	BANK ONE CORP 7.62500 7.625% 08/01/05 08/01/2005 Aa3/A	.06/18/2002	Barclays Capital Inc		440,768	400,000	402,924	402,189	(271)			38,850	38,850	27,111	
097014-AE-4	BOEING CAPITAL 5.650% 05/15/06 CORP- GLOBAL 5.65000 05/15/2006 A2/AA-	.06/18/2002	Morgan Stanley		414,300	400,000	399,272	399,328	67			14,905	14,905	13,560	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	.01/01/2002	Paydown		1,171	1,171	1,171	1,171				0	0	6	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	.02/01/2002	Paydown		1,868	1,868	1,868	1,868				0	0	18	

E12.9

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	03/01/2002	Paydown		1,342	1,342	1,342	1,342					.0	.19	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	04/01/2002	Paydown		.861	.861	.861	.861					.0	.16	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	05/01/2002	Paydown		.703	.703	.703	.703					.0	.16	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	06/01/2002	Paydown		.948	.948	.948	.948					.0	.26	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	07/01/2002	Paydown		1,653	1,653	1,653	1,653					.0	.53	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	08/01/2002	Paydown		.783	.783	.783	.783					.0	.29	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	09/01/2002	Paydown		.800	.800	.800	.800					.0	.33	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	10/01/2002	Paydown		1,238	1,238	1,238	1,238					.0	.56	
130209-M8-9	CALIFORNIA FED BANK 5.189% 08/25/30 SER 90-BN1	11/01/2002	Paydown		.952	.952	.952	.952					.0	.47	
130209-M8-9	CHASE CR CARD MSTR TR 5.980% 09/15/08 96-2	12/01/2002	Paydown		1,595	1,595	1,595	1,595					.0	.86	
163762-AL-1	CHEVRON CORP 6.62500 6.625% 10/01/04 10/01/2004 AA2/AA	06/18/2002	Chase Securities Inc		529,531	500,000	478,340	483,061	1,725			44,745	44,745	15,448	
166751-AF-4	CITIGROUP INC. 5.75000 5.750% 05/10/06 05/10/2006 Aa2/AA	06/18/2002	First Tennessee Bank		429,088	400,000	398,550	399,085	138			29,865	29,865	19,139	
172967-BF-7	CITIBANK CREDIT CARD 6.6500 6.650% 11/15/06 11/15/2006 AAA/AAA	06/18/2002	Chase Securities Inc		534,063	500,000	493,711	495,545	672			37,846	37,846	19,950	
17303C-BW-0	COCA COLA ENTERPRISES 5.375% 08/15/06 INC 5.37500 08/15/2006 A2/A	06/18/2002	First Tennessee Bank		411,856	400,000	398,356	398,438	136			13,281	13,281	18,275	
191219-BH-6	CONOCO INC 5.9000 5.900% 04/15/04 04/15/2004 A3/A	06/18/2002	Paribas Corporation		312,324	300,000	289,044	292,823	1,384			18,117	18,117	12,095	
208251-AC-2	CREDIT SUISSE 5.87500 5.875% 08/01/06 08/01/2006 A1/AA	06/18/2002	Warburgd		415,332	400,000	399,512	399,589	31			15,712	15,712	21,150	
22541L-AA-1	WALT DISNEY CO 7.3000 7.300% 02/08/05 02/08/2005 A2/A	06/18/2002	Spear Leeds & Kellogg		430,448	400,000	406,036	404,337	(616)			26,726	26,726	25,388	
25468P-BJ-4	EMERSON ELEC CO 7.875% 06/01/05 7.87500 06/01/2005 AA1/AA	06/18/2002	Spear Leeds & Kellogg		440,696	400,000	415,360	411,463	(1,424)			30,657	30,657	17,500	
291011-AL-8	FIRST DATA CORP 4.7000% 11/01/06 4.70000 11/01/2006	06/18/2002	Bear Stearns		200,528	200,000	199,712	199,708	23			797	797	5,823	
319963-AE-4	FIRST UNION NATL BANK 7.5500 08/18/05 7.55000 08/18/2005 A1/A	06/18/2002	Merrill Lynch,Pierce,Fenner &		549,270	500,000	546,700	544,354	(5,352)			10,269	10,269	31,773	
337358-DQ-5	GENERAL ELEC CAP CORP 5.6500% 03/31/03 5.6500 03/31/2003 AAA/AAA	06/18/2002	First Boston		513,150	500,000	484,845	492,419	2,769			17,962	17,962	21,658	
369626-SC-9	HEWLETT PACKARD CO 7.1500% 06/15/05 7.15000 06/15/2005 AA2/AA	06/18/2002	Barclays Capital Inc		427,208	400,000	404,560	403,428	(413)			24,193	24,193	14,777	
428236-AD-5	HONEYWELL 6.125% 11/01/11 INTERNATIONAL INC. 6.12500 11/01/2011 A2/A	06/18/2002	Spear Leeds & Kellogg		205,354	200,000	199,734	199,717	12			5,625	5,625	7,860	
438516-AN-6	IBM CORP MTN 5.3700 5.370% 09/22/03 09/22/2003 A1/A+	06/18/2002	First Boston		412,984	400,000	382,384	389,718	2,683			20,583	20,583	16,050	
459200-BL-7	STANFORD UNIVERSITY 5.8500% 03/15/09 TAXABLE NOTES	06/18/2002	Goldman Sachs		616,716	600,000	598,920	599,098	43			17,575	17,575	26,910	
52555L-AB-9	MORGAN STANLEY DEAN 7.7500 06/15/05 7.75000 06/15/2005 AA3/AA	06/18/2002	First Tennessee Bank		548,250	500,000	507,705	505,786	(694)			43,159	43,159	20,021	
617446-DW-6	WITTER & CO 6.6000% 12/15/04 6.60000 12/15/2004 AA2/AA	06/18/2002	Morgan Stanley		430,440	400,000	394,268	395,921	606			33,913	33,913	13,640	
742718-BR-9	PROCTER & GAMBLE CO 8.0000% 08/01/05 SR NT	07/15/2002	Morgan Stanley		458,980	500,000	512,765	509,636	(1,295)			(49,360)	(49,360)	38,556	
872287-AB-3	TC1 COMMUNICATIONS INC 8.0000% 08/01/05 SR NT	06/18/2002	Warburgd		294,000	300,000	307,659	305,782	(690)			(11,092)	(11,092)	21,333	

E12.10

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty 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	
87612E-AE-6	TARGET CORP 5.95000 5.950% 05/15/06 05/15/2006 A2/A+	06/18/2002	Spear Leeds & Kellogg		420,428	400,000	418,224	417,459	(1,713)			4,682	4,682	14,280		
913017-BE-8	UNITED TECHNOLOGIES 4.875% 11/01/06 CORP 4.87500 11/01/2006 A2/A+	06/18/2002	First Tennessee Bank		505,725	500,000	498,680	498,688	120			6,917	6,917	15,911		
925524-AD-2	VIACOM INC SR NT 7.750% 06/01/05	06/18/2002	First National Bank Of Chicago		437,320	400,000	436,524	434,509	(4,428)			7,238	7,238	17,222		
931142-BD-4	WAL MART STORES INC BD 6.550% 08/10/04 WELLS FARGO CO 7.25000 7.250% 08/24/05	06/18/2002	Advest Inc		426,300	400,000	397,088	397,975	329			27,996	27,996	22,634		
949746-CC-3	08/24/2005 AA2/A+	06/18/2002	Spear Leeds & Kellogg		436,164	400,000	398,448	398,760	131			37,273	37,273	23,925		
Other Country																
638539-AH-9	NATIONAL WESTMINSTER 7.375% 10/01/09 BANK PLC BD	06/18/2002	Barclays Capital Inc		443,276	400,000	398,371	398,608	62			44,606	44,606	21,306		
4599996 - Bonds - Industrial and Misc - United States					13,988,495	13,313,914	13,377,877	13,394,894	(5,245)			598,847	598,847	611,992	XXX	
4599998 - Bonds - Industrial and Misc - Other Countries					443,276	400,000	398,371	398,608	62			44,606	44,606	21,306	XXX	
4599999 - Bonds - Industrial and Miscellaneous					14,431,771	13,713,914	13,776,248	13,793,502	(5,183)			643,453	643,453	633,298	XXX	
6099997 - Bonds - Part 4					30,329,697	29,338,271	29,700,404	29,718,379	(122,688)			734,007	734,007	1,221,015	XXX	
6099998 - Bonds - Part 5					2,110,211	2,025,000	2,189,570	2,178,409	(11,160)	0	0	(68,198)	(68,198)	72,205	XXX	
6099999 - Total - Bonds					32,439,908	31,363,271	31,889,974	31,896,788	(133,848)	0	0	665,809	665,809	1,293,220	XXX	
6599998 - Preferred Stocks - Part 5					0	XXX	0	0	0	0	0	0	0	0	XXX	0
6599999 - Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	0	XXX	0
7099998 - Common Stocks - Part 5					0	XXX	0	0	0	0	0	0	0	0	XXX	0
7099999 - Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	0	XXX	0
7199999 - Total - Preferred and Common Stocks					0	XXX	0	0	0	0	0	0	0	0	XXX	0
7299999 Totals					32,439,908	XXX	31,889,974	31,896,788	(133,848)	0	0	665,809	665,809	1,293,220	0	0

E12.11

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 5**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identification	Description	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stock)	Actual Cost	Consideration	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
BONDS State, Territories and Possessions United States Washington																
939741-MT-8	WA ST GEN OBLIG UNLTD 6.250% 09/01/07 6.25000 09/01/2007 Aa1/AA+	02/20/2002	State Street Bank & Trust Co	06/13/2002	Baird, Robert W. & Company	600,000	680,832	681,180	676,606	(4,226)			4,574	4,574	29,896	18,125
1799996 - Bonds - States, Territories and Possessions - United States						600,000	680,832	681,180	676,606	(4,226)			4,574	4,574	29,896	18,125
1799999 - Bonds - States, Territories and Possessions						600,000	680,832	681,180	676,606	(4,226)			4,574	4,574	29,896	18,125
Special Revenue & Assessment United States Alabama																
010517-EH-9	AL ST DOCKS DEPT FACS 6.000% 10/01/07 REV BD 6.00000 10/01/2007 Aaa/AAA	02/14/2002	State Street Bank & Trust Co	06/13/2002	Hutchinson, Shockey, Erley & Co.	250,000	280,240	280,848	278,631	(1,609)			2,217	2,217	10,708	5,792
3199996 - Bonds - Special Revenue - United States						250,000	280,240	280,848	278,631	(1,609)			2,217	2,217	10,708	5,792
3199999 - Bonds - Special Revenue						250,000	280,240	280,848	278,631	(1,609)			2,217	2,217	10,708	5,792
Industrial & Miscellaneous United States																
073902-BS-6	BEAR STEARNS COS INC 7.625% 02/01/05 7.62500 02/01/2005 A2/A	02/12/2002	First Boston	06/18/2002	Lehman Brothers	400,000	431,040	432,720	427,574	(3,466)			5,146	5,146	11,861	1,186
163714-AE-8	CHEMICAL BANKING CORP 6.625% 08/15/05 6.6250 08/15/2005 A1/A	02/12/2002	Chase Securities Inc.	06/18/2002	Salomon Brothers	275,000	290,813	292,963	289,324	(1,488)			3,639	3,639	6,377	
88033G-AR-1	TENET HEALTHCARE CORP 5.375% 11/15/06 5.37500 11/15/2006 Baa3/BBB	07/24/2002	Salomon Brothers	11/08/2002	Bank of America, NA	500,000	506,645	422,500	506,274	(371)			(83,774)	(83,774)	13,363	5,524
4599996 - Bonds - Industrial and Miscellaneous - United States						1,175,000	1,228,498	1,148,183	1,223,172	(5,325)			(74,989)	(74,989)	31,601	6,710
4599999 - Bonds - Industrial and Miscellaneous						1,175,000	1,228,498	1,148,183	1,223,172	(5,325)			(74,989)	(74,989)	31,601	6,710
6099998 - Total - Bonds						2,025,000	2,189,570	2,110,211	2,178,409	(11,160)			(68,198)	(68,198)	72,205	30,627
7299999 Totals							2,189,570	2,110,211	2,178,409	(11,160)			(68,198)	(68,198)	72,205	30,627

E13

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Victoria Fire & Casualty Company**

**SCHEDULE D - PART 6 - SECTION 1**

**Valuation of Shares of Subsidiary, Controlled or Affiliated Companies**

1 CUSIP Identification	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 NAIC Company Code or Alien Insurer Identification Number	4 NAIC Valuation Method (See SVO Purposes and Procedures manual)	5 Do Insurer's Assets Include Intangible Assets Connected with Holding of Such Company's Stock?	6 Total Amount of Such Intangible Assets	7 Book/Adjusted Carrying Value	8 Stock of Such Company Owned by Insurer on Statement Date	
							8 Number of Shares	9 % of Outstanding
926128-10-5	VICTORIA AUTOMOBILE INSURANCE COMPANY	10644	(ii)	No		8,438,289	1,500,000	100.0
92613#-10-2	VICTORIA SPECIALTY INSURANCE COMPANY	10777	(ii)	No		3,296,925	1,000,000	100.0
92624#-10-9	VICTORIA NATIONAL INSURANCE COMPANY	10778	(ii)	No		3,302,732	1,000,000	100.0
926288-10-7	VICTORIA SELECT INSURANCE COMPANY	10105	(ii)	No		7,513,710	1,000,000	100.0
1099999 - Common Stock - U.S. P&C Insurer						22,551,656	XXX	XXX
1699999 - Total Common Stocks						22,551,656	XXX	XXX
1799999 Totals						22,551,656	XXX	XXX

- 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: \$ 43,349,307
- Total amount of intangible assets nonadmitted: \$

**SCHEDULE D - PART 6 - SECTION 2**

1 CUSIP Identification	2 Name of Lower-tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 6, Section 1	5 Stock in Lower-tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding
<b>NONE</b>					
0399999 Total				XXX	XXX

Schedule DA - Part 1

**NONE**

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part A - Section 2

**NONE**

Schedule DB - Part A - Section 3

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part B - Section 2

**NONE**

Schedule DB - Part B - Section 3

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Part C - Section 3

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DB - Part D - Section 3

**NONE**

Schedule DB - Part E - Section 1

**NONE**

## SCHEDULE DM

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

	1	2	3
	Statement (Admitted) Value	Fair Value (a)	Excess of Statement over Fair Value(-), or Fair Value over Statement (+)
1. Bonds .....	69,898,130	73,764,722	3,866,592
2. Preferred Stocks .....	0		0
3. Totals	69,898,130	73,764,722	3,866,592

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

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

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



