



ANNUAL STATEMENT

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

AMERICAN MERCHANTS CASUALTY COMPANY

NAIC Group Code.....291, 291 NAIC Company Code..... 43630 Employer's ID Number..... 41-1563136
(Current Period) (Prior Period)

Organized under the Laws of Ohio State of Domicile or Port of Entry Ohio
Country of Domicile US
Incorporated..... June 6, 1986 Commenced Business..... November 13, 1986

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

OFFICERS

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

VICE PRESIDENTS

David William Lemon

DIRECTORS OR TRUSTEES

John Jacob Bishop Thomas Charles Ogg	Alan Nicholas Dekker Robert Elvin Herman Rabold Michael Lee Wiseman	David William Lemon Burtis Gilbert Taylor
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State of Ohio
County of Franklin

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

John J. Bishop
President

Thomas C. Ogg
Secretary

Michael L. Wiseman
Treasurer

Subscribed and sworn to before me this
14th day of February, 2003

- a. Is this an original filing? Yes [X] No []
- b. If no: 1. State the amendment number
2. Date filed.....
3. Number of pages attached.....

Sch. A-Pt. 1
NONE

Sch. A-Pt. 2
NONE

Sch. A-Pt. 3
NONE

Sch. B-Pt. 1
NONE

Sch. B-Pt. 2
NONE

Sch. BA-Pt. 1
NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF TAMERICAN MERCHANTS CASUALTY COMPANY

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Year

1 Number of Units and Description	Location		4 Name of Purchaser or Nature of Disposition	5 Date Acquired	6 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book/Adjusted Carrying Value Less Encumbrances at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										
Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments												
2 USDA Loans.....	New York.....	NY.....	Morgan Keegan.....	Various.....	379,074			379,074	379,074			0
0699999. Total - Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments.....					379,074	0	0	379,074	379,074	0	0	0
9999999. Totals.....					379,074	0	0	379,074	379,074	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2002 OF TAMERICAN MERCHANTS 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 Identifi- cation	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Desig- nation	Date Acquired	Effective Rate of Interest
U.S. Government - Issuer Obligations																				
312925-QA-1	Federal Home Loan Mtg Corp.....		6.000	MN...	05/25/2012	05/25/2004	100.000	1,035,298	1,000,000	104.4380	1,044,380	1,038,000	6,000	29,333	(2,702)			..1PE	11/21/2002	3.394
31331H-YT-8	Federal Farm Credit Bank.....		6.500	MS...	09/29/2006			1,186,552	1,200,000	113.5630	1,362,756	1,177,704	19,933	78,000	3,017			..1PE	10/26/1999	6.840
31331Q-JG-3	Fed Farm Credit Bank.....		4.875	MN...	11/15/2012	11/15/2005	100.000	1,007,268	1,000,000		1,007,268	1,007,625	6,229		(357)			..1PE	11/13/2002	4.600
3136F1-YB-0	Federal National Mortgage Assn.....		6.500	AO...	04/24/2017	04/24/2007	100.000	1,077,543	1,000,000	109.8440	1,098,440	1,079,530	12,097		(1,987)			..1PE	11/15/2002	4.500
3136F2-QH-4	Federal National Mortgage Assn.....		5.750	MN...	11/07/2017	11/07/2005	100.000	611,841	600,000		611,841	612,000	5,175		(159)			..1PE	12/12/2002	4.996
3136F2-RD-2	Federal National Mortgage Assn.....		6.040	MN...	11/13/2017	11/13/2004	100.000	2,047,432	2,000,000		2,047,432	2,048,480	16,107		(1,048)			..1PE	12/12/2002	4.694
912827-4F-6..	U S Treasury Notes.....		5.625	MN...	05/15/2008			1,558,486	1,500,000	113.4690	1,702,035	1,593,281	10,955	84,375	(9,357)			..1	01/05/1999	4.792
912827-6N-7..	U S Treasury Notes.....		5.750	MN...	11/15/2005			312,437	300,000	110.5310	331,593	316,406	2,240	17,250	(3,969)			..1	01/03/2002	4.200
912827-L8-3..	U S Treasury Notes.....		5.750	FA...	08/15/2003			229,717	230,000	102.7810	236,396	226,838	4,995	13,225	406			..1	02/08/1994	5.941
912827-N8-1..	U S Treasury Notes.....		5.875	FA...	02/15/2004			960,097	960,000	105.1560	1,009,498	961,200	21,303	56,400	(144)			..1	02/16/1994	5.858
912827-T8-5..	U S Treasury Notes.....		6.500	MN...	05/15/2005			199,018	200,000	111.0000	222,000	198,031	1,688	13,000	363			..1	02/15/2000	6.723
01999999	U.S. Government - Issuer Obligations.....							10,225,689	9,990,000	...XXX...	10,673,639	10,259,095	106,722	291,583	(15,937)			..XXX	...XXX...	...XXX...
U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities																				
36209H-RH-0	GNMA Pool #472188.....		6.740	MTLY	04/15/2034			992,661	972,240		992,661	994,115	5,461	65,529	(425)			..1	04/23/1999	6.609
36213N-GC-4	GNMA Pool #559195.....		7.600	MTLY	08/15/2031			1,046,201	988,373		1,046,201	1,047,676	6,260	75,116	(1,236)			..1	07/19/2001	7.089
362195-Z2-8..	GNMA Pool #268161.....		10.250	MTLY	02/15/2017			903,622	828,219		903,622	906,899	7,074	84,892	16,362			..1	03/14/1994	5.995
36223J-LG-6..	GNMA Pool #309127.....		8.500	MTLY	05/15/2031			999,539	944,941		999,539	998,094	6,693	80,320	7,335			..1	12/13/1993	4.821
02999999	U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities.....							3,942,023	3,733,773	...XXX...	3,942,023	3,946,784	25,488	305,857	22,036			..XXX	...XXX...	...XXX...
03999999	Total - U.S. Government.....							14,167,712	13,723,773	...XXX...	14,615,662	14,205,879	132,210	597,440	6,099			..XXX	...XXX...	...XXX...
Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations																				
Georgia																				
373540-2E-2..	Georgia Mun Elec Auth Power.....		7.050	JJ....	01/01/2007	01/01/2005	100.000	510,394	510,000		510,394	511,275	17,978	35,955	(178)			..1PE	12/10/1996	7.008
	Georgia.....							510,394	510,000	...XXX...	510,394	511,275	17,978	35,955	(178)			..XXX	...XXX...	...XXX...
	Total States and US.....							510,394	510,000	...XXX...	510,394	511,275	17,978	35,955	(178)			..XXX	...XXX...	...XXX...
25999999	Special Revenue & Assessment Obligations - Issuer Obligations.....							510,394	510,000	...XXX...	510,394	511,275	17,978	35,955	(178)			..XXX	...XXX...	...XXX...
31999999	Total - Special Revenue & Special Assessment Obligations.....							510,394	510,000	...XXX...	510,394	511,275	17,978	35,955	(178)			..XXX	...XXX...	...XXX...
Public Utilities (Unaffiliated) - Issuer Obligations																				
United States																				
455434-BD-1..	Indianapolis Power.....		7.375	FA...	08/01/2007			301,413	300,000	114.4980	343,494	301,924	9,219	22,125	(257)			..1PE	11/01/2000	7.250
552673-AQ-8..	MCI Communication Corporation.....		7.750	MS...	03/15/2024			245,000	500,000	49.0000	245,000	255,000	6,094	19,375	(271,074)			..1	11/22/1995	7.450
837004-AX-8..	South Carolina Electric & Gas.....		9.000	JJ....	07/15/2006			271,926	250,000	109.8040	274,510	303,203	10,375	22,500	(5,387)			..1	02/01/1996	6.200
	United States.....							818,339	1,050,000	...XXX...	863,004	860,127	19,594	64,000	(276,718)			..XXX	...XXX...	...XXX...
32999999	Public Utilities (Unaffiliated) - Issuer Obligations.....							818,339	1,050,000	...XXX...	863,004	860,127	19,594	64,000	(276,718)			..XXX	...XXX...	...XXX...
38999999	Total - Public Utilities (Unaffiliated).....							818,339	1,050,000	...XXX...	863,004	860,127	19,594	64,000	(276,718)			..XXX	...XXX...	...XXX...
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																				
United States																				
020014-AA-4..	Allstate Financing II.....		7.830	JD....	12/01/2045	12/01/2010	102.350	523,854	500,000	107.0810	535,405	528,025	3,263	39,150	(1,103)			..1PE	09/22/1998	7.251
459200-AG-6..	IBM Corporation.....		8.375	MN...	11/01/2019			584,821	500,000	122.6250	613,125	586,005	6,979	20,938	(1,184)			..1PE	07/18/2002	6.680
459200-AW-1..	IBM Corporation.....		4.875	AO...	10/01/2006			500,386	500,000	106.7190	533,595	500,485	6,094	24,646	(99)			..1	02/26/2002	4.850
57053R-AB-2..	Markel Capital Trust 1.....		8.710	JJ....	01/01/2046	01/01/2017	100.000	192,500	250,000	77.0000	192,500	253,078	10,888	21,775	31,310			..3	04/07/1999	8.571
636180-AZ-4..	National Fuel Gas.....		6.303	MN...	05/27/2008			521,094	500,000		521,094	525,000	5,253	31,515	(3,283)			..1PE	10/22/2001	5.392
742718-BK-4..	Procter & Gamble Company.....		5.250	MS...	09/15/2003			118,856	120,000	102.4560	122,947	115,700	1,855	6,300	1,517			..1	11/01/2000	6.640
81238X-BN-0..	Sears Roebuck & Co MTN.....		10.000	AO...	02/03/2012			560,217	500,000		560,217	573,060	12,500	50,000	(4,346)			..1	10/15/1999	8.100
931142-AT-0..	Wal-Mart Stores Inc.....		5.875	AO...	10/15/2005			512,035	500,000	109.9950	549,975	517,295	6,201	29,375	(3,946)			..1	08/23/2001	4.937
977385-AK-9..	Witco-Crompton Corporation.....		6.875	FA...	02/01/2026			344,250	500,000	68.8500	344,250	489,395	14,323	34,375	(145,641)			..3	09/24/1998	7.050
	United States.....							3,858,013	3,870,000	...XXX...	3,973,108	4,088,043	67,356	258,074	(126,775)			..XXX	...XXX...	...XXX...
39999999	Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations.....							3,858,013	3,870,000	...XXX...	3,973,108	4,088,043	67,356	258,074	(126,775)			..XXX	...XXX...	...XXX...
45999999	Total - Industrial & Miscellaneous (Unaffiliated).....							3,858,013	3,870,000	...XXX...	3,973,108	4,088,043	67,356	258,074	(126,775)			..XXX	...XXX...	...XXX...
Totals																				
54999999	Total - Issuer Obligations.....							15,412,435	15,420,000	...XXX...	16,020,145	15,718,540	211,650	649,612	(419,608)			..XXX	...XXX...	...XXX...
55999999	Total - Single Class Mortgage-Backed/Asset-Backed Securities.....							3,942,023	3,733,773	...XXX...	3,942,023	3,946,784	25,488	305,857	22,036			..XXX	...XXX...	...XXX...
60999999	Grand Total - Bonds.....							19,354,458	19,153,773	...XXX...	19,962,168	19,665,324	237,138	955,469	(397,572)			..XXX	...XXX...	...XXX...

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ANNUAL STATEMENT FOR THE YEAR 2002 OF T AMERICAN MERCHANTS CASUALTY COMPANY

SCHEDULE D - PART 1

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

1 CUSIP Identifi- cation	2 Description	3 *	Interest		6 Maturity Date	7 Option Date	8 Option Call Price	9 Book/Adjusted Carrying Value	10 Par Value	11 Rate Used to Obtain Fair Value	12 Fair Value	13 Actual Cost	Interest		16 Increase (Decrease) by Adjustment	17 Increase (Decrease) by Foreign Exchange Adjustment	18 Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	19 NAIC Desig- nation	20 Date Acquired	21 Effec- tive Rate of Interest
			4 Rate of	5 How Paid									14 Amount Due and Accrued December 31 of Current Year on Bonds not in Default	15 Gross Amount Received During Year						

Sch. D-Pt. 2-Sn. 1
NONE

Sch. D-Pt. 2-Sn. 2
NONE

ANNUAL STATEMENT FOR THE YEAR 2002 OF TAMERICAN MERCHANTS 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
Bonds - U.S. Government							
312925-QA-1.....	Federal Home Loan Mtg C 6.000% 05/25/12.....	11/21/2002....	Kiley Bloemers Inc.....		1,038,000	1,000,000	28,833
31331Q-JG-3.....	Fed Farm Credit Bank 4.875% 11/15/12.....	11/13/2002....	Morgan Keegan & Company Inc.....		1,007,625	1,000,000	
3136F1-YB-0.....	Federal National Mortga 6.500% 04/24/17.....	11/15/2002....	Morgan Keegan & Company Inc.....		1,079,530	1,000,000	4,333
	Assn.....						
3136F2-QH-4.....	Federal National Mortga 5.750% 11/07/17.....	12/12/2002....	Morgan Keegan & Company Inc.....		612,000	600,000	3,833
	Assn.....						
3136F2-RD-2.....	Federal National Mortga 6.040% 11/13/17.....	12/12/2002....	Morgan Keegan & Company Inc.....		2,048,480	2,000,000	11,073
	Assn.....						
912827-6N-7.....	U S Treasury Notes 5.750% 11/15/05.....	01/03/2002....	National City Bank.....		316,406	300,000	2,383
0399999	Total - Bonds - U.S. Government.....				6,102,041	5,900,000	50,455
Bonds - Industrial and Miscellaneous							
United States							
459200-AG-6.....	IBM Corporation 8.375% 11/01/19.....	07/18/2002....	Morgan Keegan & Company Inc.....		586,005	500,000	9,538
459200-AW-1.....	IBM Corporation 4.875% 10/01/06.....	02/26/2002....	Mesirow & Co.....		500,485	500,000	10,427
	United States.....				1,086,490	1,000,000	19,965
4599999	Total - Bonds - Industrial & Miscellaneous.....				1,086,490	1,000,000	19,965
6099997	Total - Bonds - Part 3.....				7,188,531	6,900,000	70,420
6099999	Total - Bonds.....				7,188,531	6,900,000	70,420
7299999	Total - Bonds, Preferred and Common Stocks.....				7,188,531	XXX	70,420

ANNUAL STATEMENT FOR THE YEAR 2002 OF TAMERICAN MERCHANTS 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 - U.S. Government															
36209H-RH-0.....	GNMA Pool #472188 6.740% 04/15/34.....	12/01/2002	Paydown.....		8,288	8,288	8,475	8,466	(178)			0	0	306	
36213N-GC-4.....	GNMA Pool #559195 7.600% 08/15/31.....	12/01/2002	Paydown.....		8,833	8,833	9,363	9,361	(528)			0	0	368	
362195-Z2-8.....	GNMA Pool #268161 10.250% 02/15/17.....	12/01/2002	Paydown.....		24,198	24,198	26,497	25,923	(1,725)			0	0	1,365	
36223J-LG-6.....	GNMA Pool #309127 8.500% 05/15/31.....	12/01/2002	Paydown.....		7,231	7,231	7,638	7,593	(362)			0	0	337	
912827-2L-5.....	U S Treasury Notes 6.250% 02/28/02.....	02/28/2002	Maturity.....		300,000	300,000	296,719	299,810	190			0	0	9,375	
0399999	Total - Bonds - U.S. Government.....				348,550	348,550	348,692	351,153	(2,603)	0	0	0	0	11,751	XXX
Bonds - Public Utilities															
United States															
240019-BM-0.....	Dayton Power & Light 7.875% 02/15/24.....	11/13/2002	Morgan Keegan & Company Inc.....		1,042,500	1,000,000	1,047,540	1,043,049	(4,465)			3,916	3,916	99,094	
362320-AW-3.....	GTE-Verison Corporation 7.900% 02/01/27.....	12/11/2002	Morgan Keegan & Company Inc.....		1,042,500	1,000,000	1,036,070	1,034,856	(1,290)			8,934	8,934	108,625	
837004-BA-7.....	South Carolina Electric 7.625% 06/01/23.....	11/13/2002	Morgan Keegan & Company Inc.....		1,050,000	1,000,000	1,030,000	1,029,705	(481)			20,776	20,776	73,497	
	Gas.....											0	0		
	United States.....				3,135,000	3,000,000	3,113,610	3,107,610	(6,236)	0	0	33,626	33,626	281,216	XXX
3899999	Total - Bonds - Public Utilities.....				3,135,000	3,000,000	3,113,610	3,107,610	(6,236)	0	0	33,626	33,626	281,216	XXX
Bonds - Industrial and Miscellaneous															
United States															
244199-AR-6.....	Deere & Company 8.950% 06/15/19.....	01/29/2002	Carolina Capital Markets.....		222,250	200,000	200,994	200,610	(26)			21,667	21,667	2,287	
277432-AD-2.....	Eastman Chemical Compan 7.600% 02/01/27.....	12/12/2002	Morgan Keegan & Company Inc.....		538,750	500,000	538,000	536,425	(557)			2,881	2,881	52,356	
580135-CA-7.....	McDonalds Corporation 6.000% 06/23/02.....	06/23/2002	Maturity.....		150,000	150,000	148,335	149,494	506			0	0	4,500	
62874H-AA-3.....	Bankamerica Cap Trst IV 8.250% 04/15/27.....	12/11/2002	Morgan Keegan & Company Inc.....		1,112,500	1,000,000	1,024,230	1,023,516	(784)			89,768	89,768	96,479	
	United States.....				2,023,500	1,850,000	1,911,559	1,910,045	(861)	0	0	114,316	114,316	155,622	XXX
4599999	Total - Bonds - Industrial & Miscellaneous.....				2,023,500	1,850,000	1,911,559	1,910,045	(861)	0	0	114,316	114,316	155,622	XXX
6099997	Total - Bonds - Part 4.....				5,507,050	5,198,550	5,373,861	5,368,808	(9,700)	0	0	147,942	147,942	448,589	XXX
6099999	Total - Bonds.....				5,507,050	5,198,550	5,373,861	5,368,808	(9,700)	0	0	147,942	147,942	448,589	XXX
7299999	Total - Bonds, Preferred and Common Stocks.....				5,507,050	XXX	5,373,861	5,368,808	(9,700)	0	0	147,942	147,942	448,589	0

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Sch. D-Pt. 5

NONE

Sch. D-Pt. 6-Sn. 1

NONE

Sch. D-Pt. 6-Sn. 2

NONE

Sch. DA-Pt. 1

NONE

Sch. DB-Pt. A-Sn. 1

NONE

Sch. DB-Pt. A-Sn. 2

NONE

Sch. DB-Pt. A-Sn. 3

NONE

Sch. DB-Pt. B-Sn. 1

NONE

Sch. DB-Pt. B-Sn. 2

NONE

Sch. DB-Pt. B-Sn. 3

NONE

Sch. DB-Pt. C-Sn. 1

NONE

Sch. DB-Pt. C-Sn. 2

NONE

Sch. DB-Pt. C-Sn. 3

NONE

Sch. DB-Pt. D-Sn. 1

NONE

Sch. DB-Pt. D-Sn. 2

NONE

Sch. DB-Pt. D-Sn. 3

NONE

Sch. DB-Pt. E-Sn. 1

NONE

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 Statement (Admitted) Value	2 Fair Value (a)	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
1. Bonds.....	19,354,459	20,277,406	922,947
2. Preferred stocks.....			0
3. Totals.....	19,354,459	20,277,406	922,947

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

Fair market values are obtained by using an external pricing service, HubData, Inc.; by using an external investment service, Bloomberg, Inc.; or by contacting individual brokers.

ANNUAL STATEMENT FOR THE YEAR 2002 OF TAMERICAN MERCHANTS CASUALTY COMPANY

SCHEDULE E - PART 1 - CASH

1	2	3	4	5	6
Depository	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
Open Depositories					
Fidelity Instl. Cash Portfolio Class I..... Boston, MA.....		21,967		2,796,489	XXX
One Group Prime Money Market Fund..... Chicago, IL.....		3,960		365,015	XXX
National City Bank..... Columbus, OH.....				157,097	XXX
0199999. Total - Open Depositories.....	XXX	25,927	0	3,318,601	XXX
0399999. Total Cash on Deposit.....	XXX	25,927	0	3,318,601	XXX
0599999. Total Cash.....	XXX	25,927	0	3,318,601	XXX

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

1. January.....	1,165,709	4. April.....	1,368,311	7. July.....	798,517	10. October.....	2,537,392
2. February.....	1,717,726	5. May.....	1,281,245	8. August.....	1,548,758	11. November.....	1,664,873
3. March.....	1,117,024	6. June.....	1,493,771	9. September.....	1,942,068	12. December.....	3,318,601

ANNUAL STATEMENT FOR THE YEAR 2002 OF TAMERICAN MERCHANTS CASUALTY COMPANY

SCHEDULE E - PART 2 - SPECIAL DEPOSITS

1 Line Number	2 Type	3 Description of Deposit	4 Where Deposited and Purpose of Deposit	5 Par or Book Value	6 Statement Value (a)	7 Fair Value
SPECIAL DEPOSITS WHICH ARE NOT FOR THE BENEFIT OF ALL POLICYHOLDERS						
Arizona						
AZ00001.	B.	U S Treasury Notes 5 5/8% Due 5/15/2008 MN15	5.625% 05/1/ Arizona, Arizona Insurance Department, Licensing Laws - State.....	600,000	623,394	680,814
AZ99999.	Arizona			600,000	623,394	680,814
Georgia						
GA00001.	B.	Federal Farm Credit Bank 6 1/2% Due 9/29/2006 MS29	6.500% 09/ Georgia, Georgia Insurance Department, Licensing Laws - State.....	110,000	108,767	124,919
GA99999.	Georgia			110,000	108,767	124,919
New Mexico						
NM00001.	B.	U S Treasury Notes 5 5/8% Due 5/15/2008 MN15	5.625% 05/1/ New Mexico, New Mexico Insurance Dept, Licensing Laws - State.....	330,000	342,867	374,448
NM99999.	New Mexico			330,000	342,867	374,448
North Carolina						
NC00001.	B.	U S Treasury Notes 6 1/2% Due 5/15/2005 MN15	6.500% 05/1/ North Carolina, North Carolina Insurance Dept, Licensing Laws - State.....	200,000	199,018	222,000
NC99999.	North Carolina			200,000	199,018	222,000
Oregon						
OR00001.	B.	U S Treasury Notes 5 7/8% Due 2/15/2004 FA15	5.875% 02/14/ Oregon, Oregon Insurance Department, Licensing Laws - State.....	260,000	260,026	273,406
OR99999.	Oregon			260,000	260,026	273,406
South Carolina						
SC00001.	B.	U S Treasury Notes 5 3/4% Due 11/15/2005 MN15	5.750% 11/1/ South Carolina, South Carolina Insurance Dept, Licensing Laws - State.....	300,000	312,437	331,593
SC99999.	South Carolina			300,000	312,437	331,593
Virginia						
VA00001.	B.	U S Treasury Notes 5 3/4% Due 8/15/2003 FA15	5.750% 08/14/ Virginia, Virginia Insurance Department, Licensing Laws - State.....	230,000	229,717	236,396
VA00002.	B.	U S Treasury Notes 5 7/8% Due 2/15/2004 FA15	5.875% 02/14/ Virginia, Virginia Insurance Department, Licensing Laws - State.....	10,000	10,001	10,516
VA99999.	Virginia			240,000	239,718	246,912
XX99999.	Total - All Special Deposits NOT Held for Benefit of all Policyholders, Claimants, & Creditors of the Company....			2,040,000	2,086,227	2,254,092
SPECIAL DEPOSITS WHICH ARE FOR THE BENEFIT OF ALL POLICYHOLDERS						
Ohio						
OH00001.	B.	U S Treasury Notes 5 5/8% Due 5/15/2008 MN15	5.625% 05/1/ Ohio, Ohio Insurance Department, Licensing Laws - All.....	570,000	592,225	646,773
OH00002.	B.	U S Treasury Notes 5 7/8% Due 2/15/2004 FA15	5.875% 02/14/ Ohio, Ohio Insurance Department, Licensing Laws - All.....	690,000	690,070	725,576
OH00003.	B.	Federal Farm Credit Bank 6 1/2% Due 9/29/2006 MS29	6.500% 09/ Ohio, Ohio Insurance Department, Licensing Laws - All.....	875,000	865,194	993,676
OH99999.	Ohio			2,135,000	2,147,489	2,366,025
ZZ99999.	Total - All Special Deposits Held for Benefit of all Policyholders, Claimants, & Creditors of the Company.....			2,135,000	2,147,489	2,366,025
9999999.	Totals.....			4,175,000	4,233,716	4,620,117

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