



# ANNUAL STATEMENT

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

## MOTORISTS LIFE INSURANCE COMPANY

NAIC Group Code..... 291,	291	NAIC Company Code..... 66311	Employer's ID Number..... 31-0717055
	(Current Period) (Prior Period)		
Organized under the Laws of	Ohio	State of Domicile or Port of Entry	Ohio
Country of Domicile	US		
Incorporated.....	October 27, 1965	Commenced Business.....	January 24, 1967
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	www.motoristsgroup.com		
Statement Contact	Peter A. Hitchcock <i>(Name)</i> pete.hitchcock@motoristsgroup.com <i>(E-Mail Address)</i>		614-225-1477 <i>(Area Code) (Telephone Number) (Extension)</i> 614-225-8365 <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>		888-876-6542 <i>(Area Code) (Telephone Number) (Extension)</i>

### OFFICERS

President ..... John Jacob Bishop	Treasurer ..... Michael Lee Wiseman
Secretary ..... Thomas Charles Ogg	Actuary ..... Peter Alan Hitchcock

### VICE PRESIDENTS

Orville Richard Lyons II	Charles Arthur Wickert
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### DIRECTORS OR TRUSTEES

John Jacob Bishop	Thomas Charles Ogg	Michael Lee Wiseman
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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
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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**

**SCHEDULE BA - PART 1**

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

1 Number of Units and Description	Location		4 Name of Vendor	5 Date Acquired	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment
	2 City	3 State							
<b>Any Other Class of Admitted Asset</b>									
Broad Street Brokerage, LLC.....	Columbus.....	Ohio.....		12/27/2001.....	248,499		130,559	(117,940)	
1499999. Total - Any Other Class of Admitted Asset.....					248,499	0	130,559	(117,940)	0
9999999. Totals.....					248,499	0	130,559	(117,940)	0

**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										

**NONE**

**SCHEDULE D - PART 1**

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

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
			4	5									14	15						
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest
<b>U.S. Government - Issuer Obligations</b>																				
3128X0-BD-0.	Federal Home Loan Mtg Corp.....		4.750	AO	10/11/2012			4,978,171	5,000,000	101.0310	5,051,550	4,978,125	52,778		46			1	12/16/2002	4.806
312902-LK-3.	Federal Home Loan Mtg Corp.....		7.300	JD	12/08/2014	12/08/2006	100.000	2,257,502	2,000,000	113.3290	2,266,580	2,273,540	9,328	73,000	(16,038)			1PE	09/24/2002	3.750
312925-DT-4.	Federal Home Loan Mtg Corp.....		6.150	MS	03/26/2012			1,800,000	1,800,000	100.9440	1,816,992	1,800,000	29,213	55,350				1PE	05/16/2002	6.150
312925-ZV-5.	Federal Home Loan Mtg Corp.....	LS	5.000	JJ	07/30/2009	07/30/2004	100.000	4,122,482	4,000,000		4,122,482	4,132,480	83,889		(9,998)			1PE	11/07/2002	3.000
31331Q-JG-3.	Fed Farm Credit Bank.....	LS	4.875	MN	11/15/2012	11/15/2005	100.000	2,014,537	2,000,000		2,014,537	2,015,250	12,458		(713)			1PE	11/13/2002	4.600
3133MM-LK-7	Federal Home Loan Bank.....	LS	4.375	FA	02/15/2005			4,020,364	4,000,000	105.1560	4,206,240	4,026,760	66,111	73,403	(6,396)			1PE	04/23/2002	4.120
3133MP-3V-6.	Federal Home Loan Bank.....		5.500	JD	06/10/2009	06/10/2005	100.000	2,204,352	2,160,000		2,204,352	2,211,970	6,930	59,400	(7,617)			1PE	07/18/2002	4.600
3133MS-VS-6.	Federal Home Loan Bank.....	LS	4.375	AO	10/29/2009	10/29/2004	100.000	4,052,415	4,000,000		4,052,415	4,056,320	30,139		(3,905)			1PE	11/07/2002	3.625
3133MT-B9-8.	Federal Home Loan Bank.....	LS	6.125	MN	11/13/2017	11/03/2003	100.000	4,071,128	4,000,000		4,071,128	4,082,480	32,667		(11,352)			1PE	11/07/2002	3.944
3134A4-HE-7.	Federal Home Loan Mtg Corp.....	LS	6.375	FA	08/01/2011	08/01/2006	100.000	1,072,238	1,000,000	109.8130	1,098,130	1,075,000	26,563		(2,762)			1	11/06/2002	4.182
31359M-ET-6.	Federal National Mortgage Assn.....	LS	6.400	MN	05/14/2009	05/14/2004	100.000	2,087,667	2,000,000	105.4380	2,108,760	2,110,000	16,711	64,000	(22,333)			1PE	08/21/2002	3.102
31359M-KF-9.	Federal National Mortgage Assn.....	LS	6.250	JJ	07/19/2011	07/19/2004	100.000	2,094,583	2,000,000	105.7190	2,114,380	2,115,134	56,250		(20,551)			1PE	08/23/2002	3.100
31359M-LD-3.	Federal National Mortgage Assn.....	LS	5.500	AO	10/18/2011	10/18/2004	100.000	5,192,470	5,000,000	104.6560	5,232,800	5,205,000	55,764		(12,530)			1PE	11/15/2002	3.274
31359M-MB-6.	Federal National Mortgage Assn.....	LS	6.000	JJ	01/18/2012			982,187	1,000,000	106.5940	1,065,940	981,020	27,167	30,000	1,167			1PE	03/20/2002	6.260
31359M-MF-7.	Federal National Mortgage Assn.....		5.625	FA	02/28/2012	02/28/2007	100.000	4,181,960	4,000,000	106.5310	4,261,240	4,186,240	76,875		(4,280)			1PE	11/21/2002	4.414
3136F0-NU-2.	Federal National Mortgage Assn.....	LS	6.000	JD	06/18/2008	06/18/2003	100.000	4,036,271	4,000,000	102.0310	4,081,240	4,101,960	8,667	240,000	(65,689)			1PE	02/20/2002	4.000
3136F1-C8-1.	Federal National Mortgage Assn.....		6.450	MN	05/03/2017	05/03/2005	100.000	5,351,432	5,000,000		5,351,432	5,357,100	51,958		(5,668)			1PE	12/16/2002	3.300
3136F1-WA-4.	Federal National Mortgage Assn.....		5.350	AO	04/12/2007			3,990,929	4,000,000	108.1560	4,326,240	3,990,000	46,961	107,000	929			1PE	03/22/2002	5.408
3136F2-QH-4.	Federal National Mortgage Assn.....		5.750	MN	11/07/2017	11/07/2005	100.000	4,078,941	4,000,000		4,078,941	4,080,000	34,500		(1,059)			1PE	12/12/2002	4.996
3136F2-RD-2.	Federal National Mortgage Assn.....	LS	6.040	MN	11/13/2017	11/13/2004	100.000	7,145,575	7,000,000		7,145,575	7,148,800	56,373		(3,225)			1PE	12/12/2002	4.857
3136F2-RT-7.	Federal National Mortgage Assn.....		4.000	MN	11/14/2007	11/14/2003	100.000	1,003,356	1,000,000		1,003,356	1,003,890	5,222		(534)			1PE	11/01/2002	3.600
3136F2-UA-4.	Federal National Mortgage Assn.....	LS	4.800	JD	12/05/2012			998,722	1,000,000		998,722	998,750	3,467		(28)			1PE	11/15/2002	4.816
912827-5S-7.	U S Treasury Notes.....	LS	5.875	MN	11/15/2004			1,477,767	1,500,000	108.0000	1,620,000	1,448,203	11,442	88,125	10,739			1	01/28/2000	6.726
912828-AC-4.	U S Treasury Notes.....		4.375	MN	05/15/2007			997,462	1,000,000	107.3750	1,073,750	997,188	5,680	21,875	274			1	05/23/2002	4.438
0199999.	U.S. Government - Issuer Obligations.....							74,212,511	72,460,000	XXX	75,366,782	74,375,210	807,113	812,153	(181,523)	0	0	XXX	XXX	XXX
<b>U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities</b>																				
36202A-HR-1.	GNMA Pool #240.....		13.500	MTLY	11/20/2014			25,523	24,236		25,523	25,795	273	3,272	(112)			1	11/15/1988	11.724
36204C-D4-0.	GNMA Pool #365623.....		6.625	MTLY	11/15/2013			1,823,658	1,881,002		1,823,658	1,810,464	10,385	124,616	3,967			1	06/28/1999	7.315
36206F-6A-5.	GNMA Pool #410465.....		7.000	MTLY	04/15/2028			795,878	812,266		795,878	796,275	4,738	56,859	(319)			1	06/28/1999	8.060
36206L-D2-2.	GNMA Pool #414221.....		6.875	MTLY	03/15/2031			1,134,574	1,103,999		1,134,574	1,137,119	6,325	75,900	(734)			1	04/21/1999	6.665
36206L-EC-9.	GNMA Pool #414231.....		8.000	MTLY	08/15/2035			510,240	502,215		510,240	511,004	3,348	40,177	(139)			1	08/14/1996	7.938
36207E-BP-8.	GNMA Pool #429446.....		8.250	MTLY	11/15/2026			600,677	573,514		600,677	600,756	3,943	47,315	2,834			1	11/13/1996	6.547
36207E-BT-0.	GNMA Pool #429450.....		7.875	MTLY	03/15/2017			372,333	354,077		372,333	377,534	2,324	27,884	(1,095)			1	11/19/1997	7.081
36208H-WS-1.	GNMA Pool #451657.....		7.250	MTLY	11/15/2012			535,961	520,302		535,961	539,813	3,143	37,722	1,076			1	11/11/1997	6.296
36208V-B4-6.	GNMA Pool #461859.....		7.000	MTLY	10/15/2038			1,566,838	1,504,273		1,566,838	1,570,085	8,775	105,299	(941)			1	04/21/1999	6.709
36209J-JC-6.	GNMA Pool #472859.....		6.875	MTLY	05/15/2039			2,243,396	2,386,362		2,243,396	2,238,706	13,672	164,062	1,674			1	01/06/2000	7.515
36209L-5Z-5.	GNMA Pool #475264.....		7.875	MTLY	03/15/2035			2,459,869	2,440,295		2,459,869	2,460,885	16,014	192,173	(412)			1	02/22/2000	7.890
36209V-D4-3.	GNMA Pool #482623.....		6.600	MTLY	05/15/2031			1,076,959	1,106,434		1,076,959	1,075,143	6,085	73,025	555			1	07/20/1999	6.939
36209V-EC-4.	GNMA Pool #482631.....		7.000	MTLY	04/15/2034			2,812,619	2,694,235		2,812,619	2,820,527	15,716	188,596	(2,299)			1	04/01/1999	6.658
36210C-3R-2.	GNMA Pool #488708.....		6.750	MTLY	07/15/2034			1,981,996	2,029,119		1,981,996	1,979,659	11,414	136,965	714			1	07/20/1999	7.046
36210V-EU-1.	GNMA Pool #503347.....		7.000	MTLY	10/15/2041			4,312,149	4,499,295		4,312,149	4,308,075	26,246	314,951	1,870			1	07/16/2001	7.457
36210V-EX-5.	GNMA Pool #503350.....		7.450	MTLY	09/15/2034			1,636,933	1,614,747		1,636,933	1,637,959	10,025	120,299	(443)			1	08/25/1999	7.399
36212W-G8-8.	GNMA Pool #546366.....		7.750	MTLY	02/15/2034			603,733	569,157		603,733	604,730	3,676	44,110	(623)			1	05/07/2001	7.244
36212W-GK-8.	GNMA Pool #546374.....		7.000	MTLY	05/15/2033			579,267	571,384		579,267	579,419	3,333	39,997	(178)			1	05/23/2001	6.938
36213N-G8-3.	GNMA Pool #559223 CLC.....		7.400	MTLY	09/15/2043			1,591,384	1,569,835		1,591,384	1,591,420	9,681	30,379	(36)			1	12/12/2002	7.367
36216R-D2-7.	GNMA Pool #172121.....		9.000	MTLY	10/15/2016			54,868	53,087		54,868	55,012	398	4,778	60			1	02/25/1987	7.434
36216T-E9-7.	GNMA Pool #173960.....		9.500	MTLY	02/15/2017			27,526	26,131		27,526	27,650	207	2,482	425			1	02/23/1987	7.227
36217X-BW-9.	GNMA Pool #206253.....		9.500	MTLY	03/15/2017			29,776	28,147		29,776	29,907	223	2,674	(48)			1	04/30/1987	7.050
362194-KB-7.	GNMA Pool #266790.....		9.000	MTLY	08/15/2031			1,009,640	952,823		1,009,640	1,009,993	7,146	85,754	6,069			1	10/01/1992	7.238
362195-4J-5.	GNMA Pool #268225.....		10.000	MTLY	04/15/2019			69,533	68,422		69,533	69,533	570	6,842	37			1	06/07/1989	9.350
36219M-HR-6.	GNMA Pool #253240.....		10.000	MTLY	12/15/2018			48,138	47,358		48,138	48,187	395	4,736						

**SCHEDULE D - PART 1**

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

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21	
			4	5									14	15							
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest	
36223J-PW-7	GNMA Pool #309237		8.375	MTLY	07/15/2032			1,932,887	1,866,209		1,932,887	1,936,192	13,025	156,295	(1,251)				1	03/06/2000	8.100
0299999	U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities							29,836,355	29,798,924	XXX	29,836,355	29,841,907	181,080	2,087,162	10,869	0	0	0	XXX	XXX	XXX
0399999	Total - U.S. Government							104,048,866	102,258,924	XXX	105,203,137	104,217,117	988,193	2,899,315	(170,654)	0	0	0	XXX	XXX	XXX
<b>States, Territories &amp; Possessions (Direct and Guaranteed) - Issuer Obligations</b>																					
<b>Colorado</b>																					
196478-FL-0	Colorado Hsing & Finance Auth		9.125	MN	11/01/2030			1,940,000	1,940,000		1,940,000	1,940,000	29,504	177,025				1PE	12/01/1992	9.123	
	Colorado							1,940,000	1,940,000	XXX	1,940,000	1,940,000	29,504	177,025	0	0	0	XXX	XXX	XXX	
<b>Mississippi</b>																					
605275-MQ-6	Mississippi Business Fin Corp		8.000	JAJO	01/01/2022			1,329,396	1,329,396	100.2600	1,332,852	1,329,396	26,588	53,176				2	12/11/1998	8.080	
	Mississippi							1,329,396	1,329,396	XXX	1,332,852	1,329,396	26,588	53,176	0	0	0	XXX	XXX	XXX	
	Total States and US							3,269,396	3,269,396	XXX	3,272,852	3,269,396	56,092	230,201	0	0	0	XXX	XXX	XXX	
1199999	States, Territories & Possessions - Issuer Obligations							3,269,396	3,269,396	XXX	3,272,852	3,269,396	56,092	230,201	0	0	0	XXX	XXX	XXX	
1799999	Total - States, Territories & Possessions (Direct and Guaranteed)							3,269,396	3,269,396	XXX	3,272,852	3,269,396	56,092	230,201	0	0	0	XXX	XXX	XXX	
<b>Special Revenue &amp; Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations</b>																					
<b>Minnesota</b>																					
03788P-BL-9	Apple Valley Mn Tax AMBAC Ins		8.875	JD	12/01/2017	12/01/2004	101.000	1,020,320	1,000,000		1,020,320	1,049,000	7,396	88,750	(4,843)			1PE	03/02/1995	8.193	
132384-AB-4	The City of Cambridge Minn Ser 1995B		7.375	MN	05/20/2013			1,905,000	1,905,000		1,905,000	1,905,000	16,001	140,494				1PE	11/01/1995	7.375	
792880-J6-4	City of St Paul Mn Ser 95A		8.200	MS	03/01/2009			325,000	325,000		325,000	325,000	8,883	26,650				1PE	03/01/1995	8.200	
	Minnesota							3,250,320	3,230,000	XXX	3,250,320	3,279,000	32,280	255,894	(4,843)	0	0	XXX	XXX	XXX	
<b>Texas</b>																					
882756-BT-5	Texas Public Financial Agency		9.000	JD	12/01/2006			715,068	714,000	113.0920	807,477	716,735	5,355	64,260	(239)			1	03/02/1992	8.950	
	Texas							715,068	714,000	XXX	807,477	716,735	5,355	64,260	(239)	0	0	XXX	XXX	XXX	
	Total States and US							3,965,388	3,944,000	XXX	4,057,797	3,995,735	37,635	320,154	(5,082)	0	0	XXX	XXX	XXX	
2599999	Special Revenue & Assessment Obligations - Issuer Obligations							3,965,388	3,944,000	XXX	4,057,797	3,995,735	37,635	320,154	(5,082)	0	0	XXX	XXX	XXX	
<b>Special Revenue &amp; Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Single Class Mortgage-Backed/Asset-Backed Securities</b>																					
<b>United States</b>																					
31341A-L8-1	FHLMC Pool #250351		11.750	MTLY	06/01/2014			51,036	49,269		51,036	52,348	482	5,789	(91)			1	10/28/1986	11.111	
31360E-QA-9	FNMA Pool #4049		12.500	MTLY	10/15/2013			20,138	19,312		20,138	20,398	201	2,414	203			1	08/27/1986	11.029	
31360F-UG-8	FNMA Pool #5083		13.000	MTLY	02/01/2014			6,097	5,783		6,097	6,177	63	752	(84)			1	10/22/1986	11.041	
31361R-CZ-9	FNMA Pool #38788		9.250	MTLY	12/01/2016			130,992	126,698		130,992	131,450	977	11,720	340			1	09/01/1994	7.975	
313637-EA-4	FNMA Pool #109129		7.590	MTLY	05/01/2015			1,002,641	949,192		1,002,641	1,021,567	6,004	72,044	(3,954)			1	11/19/1997	6.560	
31371J-3J-1	FNMA Pool #253801		6.000	MTLY	05/01/2021			4,939,650	4,734,375		4,939,650	4,938,545	23,672	23,672	1,105			1	11/01/2002	4.825	
31377N-BH-1	FNMA Pool #381740		7.070	MTLY	09/01/2017			1,003,978	1,013,315		1,003,978	1,003,181	5,970	71,641	231			1	06/28/1999	7.248	
31377P-7B-4	FNMA Pool #383490		6.860	MTLY	04/01/2019			2,088,242	2,064,900		2,088,242	2,090,711	11,804	141,652	(1,575)			1	04/23/2001	6.715	
	U.S.							9,242,774	8,962,844	XXX	9,242,774	9,264,377	49,173	329,684	(3,825)	0	0	XXX	XXX	XXX	
	Total States and US							9,242,774	8,962,844	XXX	9,242,774	9,264,377	49,173	329,684	(3,825)	0	0	XXX	XXX	XXX	
2699999	Special Revenue & Assessment Obligations - Single Class Mtg.-Backed/Asset-Backed Securities							9,242,774	8,962,844	XXX	9,242,774	9,264,377	49,173	329,684	(3,825)	0	0	XXX	XXX	XXX	
3199999	Total - Special Revenue & Special Assessment Obligations							13,208,162	12,906,844	XXX	13,300,571	13,260,112	86,808	649,838	(8,907)	0	0	XXX	XXX	XXX	
<b>Public Utilities (Unaffiliated) - Issuer Obligations</b>																					
<b>United States</b>																					
001957-AQ-2	AT&T Corporation	LS	8.350	JJ	01/15/2025	01/15/2005	103.290	1,037,654	1,000,000	99.8750	998,750	1,048,080	38,503	83,500	(2,098)			2PE	01/16/1997	7.832	
079867-AG-2	BellSouth Telecommunications		7.500	JD	06/15/2033	06/15/2008	103.560	3,140,251	3,000,000	105.2500	3,157,500	3,159,000	10,000	225,000	(4,905)			1	08/25/1998	7.000	
737662-BB-1	Potomac Edison		7.750	MN	05/01/2025	05/01/2014	100.310	3,081,122	3,000,000	88.7020	2,661,060	3,087,000	38,750	232,500	(3,960)			2PE	06/25/2001	7.409	
78387G-AF-0	SBC Communication		5.750	MN	05/02/2006			1,000,808	1,000,000	108.4510	1,084,510	1,001,180	9,424	57,500	(238)			1PE	06/11/2001	5.720	
976656-BB-3	Wisconsin Electric Power		7.250	FA	08/01/2004			1,014,328	1,000,000	107.1960	1,071,960	1,041,210	30,208	72,500	(8,398)			1PE	07/20/1999	6.280	
	United States							9,274,163	9,000,000	XXX	8,973,780	9,336,470	126,885	671,000	(19,599)	0	0	XXX	XXX	XXX	
3299999	Public Utilities (Unaffiliated) - Issuer Obligations							9,274,163	9,000,000	XXX	8,973,780	9,336,470	126,885	671,000	(19,599)	0	0	XXX	XXX	XXX	
3899999	Total - Public Utilities (Unaffiliated)							9,274,163	9,000,000	XXX	8,973,780	9,336,470	126,885	671,000	(19,599)	0	0	XXX	XXX	XXX	
<b>Industrial &amp; Miscellaneous (Unaffiliated) - Issuer Obligations</b>																					
<b>United States</b>																					
002824-AH-3	Abbott Laboratories		6.400	JD	12/01/2006			2,134,233	2,000,000	111.9700	2,239,400	2,168,400	10,667	128,000	(30,699)			1PE	11/15/2001	4.510	
008117-AD-5	Aetna Inc		6.750	MS	09/15/2013			1,007,388	1,000,000	109.7540	1,097,540	1,009,100	19,875	67,500	(470)			1PE	02/03/1999	6.651	
020002-AC-5	Allstate Corporation		7.500	JD	06/15/2013			1,025,041	1,000,000	120.4160	1,204,160	1,033,730	3,333	75,000	(1,569)			1PE	03/06/1996	7.155	

E08.1

**SCHEDULE D - PART 1**

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

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21
			4	5									14	15						
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued December 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued December 31, Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Date Acquired	Effective Rate of Interest
020014-AA-4	Allstate Financing II		7.830	JD	12/01/2045	12/01/2010	102.350	2,095,414	2,000,000	107.0810	2,141,620	2,112,100	13,050	156,600	(4,412)			..1PE	09/22/1998	7.251
023778-AB-9	American Airlines		10.180	JJ	01/02/2013	10/02/2010	100.000	2,950,827	2,500,000	56.4280	1,410,700	3,098,750	126,543	254,500	(42,259)			..3	02/12/1999	7.116
02378G-AF-1	American Airlines		8.040	MS	09/16/2011			717,742	696,125	51.5810	359,068	727,931	16,324	55,968	(1,713)			..3	07/18/1995	7.544
025932-AA-2	American Financial Group		7.125	JD	12/15/2007			2,534,211	2,500,000	95.5000	2,387,500	2,557,410	7,917	178,125	(5,654)			..2PE	06/10/1998	6.794
045906-PL-2	Associates Corp MTN		7.550	MN	07/17/2006			1,052,072	1,000,000		1,052,072	1,071,630	12,583	75,500	(12,849)			..1PE	06/12/2001	5.900
053807-AG-8	Avnet Inc		8.200	AO	10/17/2003			2,001,871	2,000,000	99.8120	1,996,240	2,007,700	33,711	164,000	(2,654)			..2PE	10/24/2000	8.050
110122-AF-5	Bristol-Myers Squibb	LS	4.750	AO	10/01/2006			1,976,905	2,000,000	105.4460	2,108,920	1,972,780	23,750	95,792	4,125			..1	03/18/2002	5.090
126117-AF-7	CNA Financial		6.750	MN	11/15/2006			2,013,279	2,000,000	99.8030	1,996,060	2,023,720	17,250	135,000	(2,969)			..2	02/11/1999	6.550
161477-AA-2	Chase Cap I Sec Ser A		7.670	JD	12/01/2026	12/01/2007	103.450	3,149,653	3,000,000	102.5640	3,076,920	3,180,000	19,175	230,100	(7,658)			..1	07/09/1998	7.049
173034-GW-3	Citicorp		7.200	JD	06/15/2007			2,586,161	2,500,000	112.9050	2,822,625	2,611,850	8,000	180,000	(16,300)			..1PE	05/17/2001	6.300
25159N-AW-5	Developers DiversifiedREIT MTN		7.500	MN	07/15/2018			4,900,081	5,500,000		4,900,081	4,846,600	52,708	412,500	17,607			..2PE	09/01/1999	8.800
336249-AC-1	CVS Corp 144A First Security Bank		9.350	MTLY	01/10/2023			3,247,117	3,000,000	118.1100	3,543,300	3,255,600	16,363	280,500	(4,512)			..1	01/11/2001	8.645
369622-CQ-6	General Electric Capital Corporation		8.500	JJ	07/24/2008			537,838	500,000	122.1350	610,675	563,720	18,535	42,500	(5,429)			..1PE	06/18/1997	6.840
36962G-VM-3	GE Cap Corp MTN		6.800	MN	11/01/2005			3,205,266	3,000,000		3,205,266	3,285,420	34,000	204,000	(66,930)			..1	10/16/2001	4.210
40426W-AH-4	HRPT Properties Trust		7.875	MTLY	04/15/2009			1,000,000	1,000,000	99.7110	997,110	1,000,000	3,500	78,750				..2PE	03/23/1999	7.875
437076-AJ-1	Home Depot Inc		5.375	AO	04/01/2006			2,020,464	2,000,000	108.0540	2,161,080	2,026,456	26,875	107,500	(5,707)			..1	12/10/2001	5.027
459200-AG-6	IBM Corporation	LS	8.375	MN	11/01/2019			3,668,374	3,000,000	122.6250	3,678,750	3,675,010	41,875	125,625	(6,636)			..1PE	10/01/2002	6.217
46623P-AA-2	JPM Capital Trust I		7.540	JJ	01/15/2027	01/15/2011	102.260	2,613,126	2,500,000	101.6940	2,542,350	2,633,625	86,919	188,500	(5,106)			..1	06/12/1998	7.008
46625H-AH-3	J P Morgan Chase & Co		6.500	JJ	01/15/2009			477,911	500,000	105.8750	529,375	464,195	14,986	32,500	2,806			..1	04/01/1997	7.420
501673-AA-5	LA Arena Funding LLC		7.656	JD	12/15/2026	12/15/2021	100.000	966,136	966,136		966,136	966,136	3,287	36,984				..1	04/13/1999	7.653
57053R-AB-2	Markel Capital Trust 1		8.710	JJ	01/01/2046	01/01/2017	100.000	3,066,862	3,000,000	77.0000	2,310,000	3,075,000	130,650	261,300	(2,433)			..3	01/27/1999	8.436
615337-AA-0	Mony Group Inc		8.350	MS	03/15/2010			3,065,919	3,000,000	96.3530	2,890,590	3,081,060	73,758	250,500	(6,621)			..2PE	08/15/2000	7.940
617446-AL-3	Morgan Stanley Group Inc		8.330	JJ	01/15/2007			1,040,364	1,000,000	117.3210	1,173,210	1,064,300	38,411	83,300	(8,355)			..1PE	11/23/1999	7.160
617446-AU-3	Morgan Stanley Group Inc		7.500	FA	02/01/2024			455,058	450,000	106.7190	480,236	455,625	14,063	33,750	(99)			..1	02/14/1996	7.393
620076-AH-2	Motorola Incorporated		7.500	MN	05/15/2025			499,933	500,000	90.7500	453,750	499,915	4,792	37,500				..2PE	01/26/2001	7.500
667294-AJ-1	Northwest Airlines Corp		7.360	FA	08/01/2021			3,374,199	3,321,500		3,374,199	3,376,670	101,859	244,462	(1,329)			..2	02/09/1999	7.203
708160-BJ-4	J C Penney Incorporated		7.650	FA	08/15/2016			2,077,050	2,000,000	88.0000	1,760,000	2,088,000	57,800	153,000	(3,257)			..3	04/13/1999	7.200
717081-AL-7	Pfizer Incorporated		5.625	FA	02/01/2006			1,017,863	1,000,000	109.1800	1,091,800	1,024,850	23,438	56,250	(5,248)			..1	08/23/2001	4.991
742718-BF-5	Procter & Gamble Company		7.375	MS	03/01/2023	03/01/2003	103.610	2,081,089	2,000,000	103.2620	2,065,240	2,103,000	49,167	73,750	(21,911)			..1PE	08/05/2002	4.409
81238X-BN-0	Sears Roebuck & Co MTN		10.000	AO	02/03/2012			1,120,434	1,000,000		1,120,434	1,146,120	25,000	100,000	(8,692)			..1	10/15/1999	8.100
81238X-CJ-8	Sears Roebuck & Co MTN		9.100	AO	02/13/2012			638,095	600,000		638,095	644,286	13,650	54,600	(2,739)			..1PE	08/17/2000	8.099
81238X-CQ-2	Sears Roebuck & Co MTN		9.120	AO	02/13/2012			2,023,126	1,900,000		2,023,126	2,043,070	43,320	173,280	(8,853)			..1PE	08/17/2000	8.099
866930-AH-3	SunAmerica Incorporated		6.750	AO	10/01/2007			1,033,058	1,000,000	114.7810	1,147,810	1,041,900	16,875	67,500	(5,886)			..1PE	06/19/2001	5.938
883624-AA-6	Thermolase Corporation		4.375	FA	08/05/2004			1,903,188	2,000,000	99.2500	1,985,000	1,707,500	33,056	87,500	55,000			..2	01/11/1999	7.654
911546-WB-1	U S AIR CL B		7.500	AO	04/15/2008			217,420	869,681	25.0000	217,420	217,420	13,770	65,226	(671,212)			..6	02/12/1999	6.772
93114K-AA-1	Wal-Mart Stores ABS		7.490	JD	06/21/2007			1,121,586	1,010,634		1,121,586	1,123,067	2,103	37,848	(1,481)			..1PE	09/23/2002	3.017
94974V-AA-4	Wells Fargo 144A		8.125	JD	12/01/2026	12/01/2009	102.780	2,315,239	2,205,000	110.6140	2,439,039	2,324,864	14,930	179,156	(5,256)			..1PE	01/25/2001	7.498
	United States							74,931,593	73,019,076	XXX	73,318,483	75,308,510	1,267,868	5,264,366	(897,360)	0	0	XXX	XXX	XXX
<b>Foreign</b>																				
706448-AB-3	Pemex Finance LTD		5.720	FMAN	11/15/2003			749,966	750,000		749,966	749,933	5,482	42,900	27			..1PE	12/04/1998	5.765
	Foreign							749,966	750,000	XXX	749,966	749,933	5,482	42,900	27	0	0	XXX	XXX	XXX
3999999	Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations							75,681,559	73,769,076	XXX	74,068,449	76,058,443	1,273,350	5,307,266	(897,333)	0	0	XXX	XXX	XXX
<b>Industrial &amp; Miscellaneous (Unaffiliated) - Single Class Mortgage-Backed/Asset-Backed Securities</b>																				
<b>United States</b>																				
210805-AT-4	Continental Airlines		10.220	JAJO	07/02/2014			1,687,983	1,476,407	61.1370	902,631	1,746,588	37,303	150,889	(15,630)			..4	05/01/2000	7.484
70556J-AB-5	Pegasus Aviation Lease Sec		6.300	MTLY	03/25/2029			2,917,608	3,000,000		2,917,608	2,860,109	3,150	189,000	16,672			..2	03/02/1999	7.176
	United States							4,605,591	4,476,407	XXX	3,820,239	4,606,697	40,453	339,889	1,042	0	0	XXX	XXX	XXX
4099999	Industrial & Miscellaneous (Unaffiliated) - Single Class Mortgage-Backed/Asset Backed Securities							4,605,591	4,476,407	XXX	3,820,239	4,606,697	40,453	339,889	1,042	0	0	XXX	XXX	XXX
<b>Industrial &amp; Miscellaneous (Unaffiliated) - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities</b>																				
<b>United States</b>																				
62936K-AA-2	NPF XII 1999		6.360	MTLY	03/01/2005			1,000,000	2,000,000	50.0000	1,000,000	1,000,000		116,600	(1,001,337)			..6Z	03/15/1999	73.016
69763R-AB-8	Pamco III 98-2		11.050	FMAN	05/15/2010			948,141	1,000,000		948,141	935,000	18,417	98,245	4,254			..1PE	04/07/1999	12.306
	United States							1,948,141	3,000,000	XXX	1,948,141	1,935,000	18,417	214,845	(997,083)	0	21,200	XXX	XXX	XXX

E08.2

**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						
4499999	Industrial & Miscellaneous - Other Multi-Class Commercial Mtg -Backed/Asset Backed Securities.....							1,948,141	3,000,000	XXX	1,948,141	1,935,000	18,417	214,845	(997,083)	0	21,200	XXX	XXX	XXX
4599999	Total - Industrial & Miscellaneous (Unaffiliated).....							82,235,291	81,245,483	XXX	79,836,829	82,600,140	1,332,220	5,862,000	(1,893,374)	0	21,200	XXX	XXX	XXX
<b>Totals</b>																				
5499999	Total - Issuer Obligations.....							166,403,017	162,442,472	XXX	165,739,660	167,035,254	2,301,075	7,340,774	(1,103,537)	0	0	XXX	XXX	XXX
5599999	Total - Single Class Mortgage-Backed/Asset-Backed Securities.....							43,684,720	43,238,175	XXX	42,899,368	43,712,981	270,706	2,756,735	8,086	0	0	XXX	XXX	XXX
5999999	Total - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities.....							1,948,141	3,000,000	XXX	1,948,141	1,935,000	18,417	214,845	(997,083)	0	21,200	XXX	XXX	XXX
6099999	Grand Total - Bonds.....							212,035,878	208,680,647	XXX	210,587,169	212,683,235	2,590,198	10,312,354	(2,092,534)	0	21,200	XXX	XXX	XXX

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

Showing all PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Number of Shares	4 Par Value per Share	5 Rate per Share	6 Book/Adjusted Carrying Value	7 Rate per Share Used to Obtain Fair Value	8 Fair Value	9 Actual Cost	Dividends		12 Increase (Decrease) by Adjustment	13 Increase (Decrease) by Foreign Exchange Adjustment	14 NAIC Desig- nation	15 Date Acquired
									10 Declared but Unpaid	11 Amount Received During Year				
<b>Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>														
<b>United States</b>														
02638N-10-5..	American General Cap I.....	10,000.000	1.00		250,000	26.750	267,500	250,000		19,687			P1A	09/07/1999
880591-40-9..	Tennessee Valley Authority Series A.....	86,000.000	25.00		1,775,040	26.500	2,279,000	1,775,040		139,750			P1L	04/12/2000
	United States.....			.XXX	2,025,040	.XXX	2,546,500	2,025,040	0	159,437	0	0	XXX	XXX
63999999.	Total - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated).....			.XXX	2,025,040	.XXX	2,546,500	2,025,040	0	159,437	0	0	XXX	XXX
65999999.	Total - Preferred Stocks.....				2,025,040	.XXX	2,546,500	2,025,040	0	159,437	0	0	XXX	XXX

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

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Number of Shares	4 Book/Adjusted Carrying Value	5 Rate per Share Used to Obtain Fair Value	6 Fair Value	7 Actual Cost	Dividends		10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 NAIC Designation (a)	13 Date Acquired
							8 Declared but Unpaid	9 Amount Received During Year				
<b>Common Stocks - Public Utilities (Unaffiliated)</b>												
<b>United States</b>												
30231G-10-2	Exxon Mobil Corporation	6,648,000	232,281	34.940	232,281	241,371		6,070	(29,785)		L	04/08/2002
	United States		232,281	XXX	232,281	241,371	0	6,070	(29,785)	0	XXX	XXX
6699999	Total - Common Stocks - Public Utilities (Unaffiliated)		232,281	XXX	232,281	241,371	0	6,070	(29,785)	0	XXX	XXX
<b>Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)</b>												
<b>United States</b>												
001055-10-2	AFLAC Incorporated	4,000,000	120,480	30.120	120,480	117,010			3,470		L	12/20/2002
026874-10-7	American Intl Group Inc	2,300,000	133,055	57.850	133,055	75,741		374	(43,074)		L	12/26/2002
032165-10-2	AmSouth Bancorporation	5,500,000	105,600	19.200	105,600	110,830	1,265	4,620	(51)		L	04/10/2002
060505-10-4	Bank Amer Corporation	1,850,000	128,705	69.570	128,705	93,894		4,514	12,247		L	04/20/2001
172967-10-1	Citigroup Inc	2,000,000	70,380	35.190	70,380	73,572		720	(3,192)		L	07/29/2002
316773-10-0	Fifth Third Bancorp	1,800,000	105,390	58.550	105,390	113,435	468	153	(8,045)		L	12/26/2002
339030-10-8	FleetBoston Finl Corporation	5,300,000	128,790	24.300	128,790	161,766	1,855	4,235	(34,251)		L	10/01/2002
416515-10-4	The Hartford Finl Services Grp				0			312			L	08/10/2001
46625H-10-0	J P Morgan Chase & Co	5,500,000	132,000	24.000	132,000	206,077		5,678	(50,596)		L	07/24/2002
475070-10-8	Jefferson-Pilot Corporation	1,000,000	38,110	38.110	38,110	40,590		303	(2,480)		L	11/05/2002
493267-10-8	KeyCorp	3,500,000	87,990	25.140	87,990	87,236		4,200	5,122		L	02/08/2002
534187-10-9	Lincoln National Corporation	2,200,000	69,476	31.580	69,476	84,501		1,088	(15,025)		L	08/15/2002
58551A-10-8	Mellon Financial Corporation	2,500,000	65,275	26.110	65,275	66,790			(1,515)		L	12/26/2002
635405-10-3	National City Corporation	3,700,000	101,084	27.320	101,084	105,081		4,116	(7,679)		L	03/04/2002
665859-10-4	Northern Trust Corporation				0		221				L	09/18/2001
693475-10-5	PNC Bank Corporation	2,900,000	121,510	41.900	121,510	159,699		3,312	(38,189)		L	10/18/2002
808513-10-5	Charles Schwab Corporation	6,200,000	67,270	10.850	67,270	112,517		202	(21,227)		L	12/30/2002
867914-10-3	Suntrust Banks Incorporated	1,900,000	108,148	56.920	108,148	127,895		3,010	(12,508)		L	03/04/2002
89420G-40-6	Travelers P & C Corp Cl B	1,000	15	14.650	15	20			(5)		L	08/21/2002
902973-30-4	US Bancorp	5,100,000	108,222	21.220	108,222	113,876	995	2,204	(5,654)		L	07/24/2002
929903-10-2	Wachovia Corp 2nd New	4,900,000	178,556	36.440	178,556	173,856		4,900	24,892		L	11/05/2001
949746-10-1	Wells Fargo & Co New				0			362			L	03/22/2001
	United States		1,870,056	XXX	1,870,055	2,024,386	4,804	44,303	(197,760)	0	XXX	XXX
6799999	Total - Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)		1,870,056	XXX	1,870,055	2,024,386	4,804	44,303	(197,760)	0	XXX	XXX
<b>Common Stocks - Industrial and Miscellaneous (Unaffiliated)</b>												
<b>United States</b>												
002824-10-0	Abbott Laboratories	1,900,000	76,000	40.000	76,000	66,051		447	9,949		L	08/06/2002
013104-10-4	Albertson's Incorporated	1,600,000	35,616	22.260	35,616	55,027		1,216	(14,768)		L	12/19/2001
013817-10-1	Alcoa Inc	3,700,000	84,286	22.780	84,286	125,849		1,335	(41,563)		L	11/04/2002
038222-10-5	Applied Materials Inc	4,000,000	52,120	13.030	52,120	71,516			(19,396)		L	10/18/2002
053015-10-3	Automatic Data Process	1,900,000	74,575	39.250	74,575	72,786	432	184	1,789		L	09/25/2002
071813-10-9	Baxter International Inc	3,300,000	92,400	28.000	92,400	110,270	1,804		(17,870)		L	12/17/2002
075887-10-9	Becton Dickinson	3,600,000	110,484	30.690	110,484	116,395	360	995	831		L	07/25/2002
093671-10-5	H&R Block Incorporated	2,900,000	116,580	40.200	116,580	119,776	288	544	(3,196)		L	12/30/2002
110122-10-8	Bristol-Myers Squibb	5,700,000	131,955	23.150	131,955	226,138	1,596	4,452	(98,730)		L	12/17/2002
12189T-10-4	Burlington Northern Santa Fe	2,100,000	54,621	26.010	54,621	56,915	252	948	(5,064)		L	01/23/2002
14149Y-10-8	Cardinal Health Inc	3,702,000	219,121	59.190	219,121	176,954	93	130	(6,150)		L	12/26/2002
166764-10-0	Chevron Texaco Corporation	1,900,000	126,312	66.480	126,312	168,111		4,970	(40,162)		L	03/04/2002
17275R-10-2	Cisco Systems Inc	8,780,000	115,018	13.100	115,018	114,141			(43,988)		L	11/18/1998
172908-10-5	Cintas Corp	3,600,000	164,700	45.750	164,700	171,174			(6,474)		L	12/26/2002
205887-10-2	ConAgra Incorporated	1,900,000	47,519	25.010	47,519	41,310		1,810	2,356		L	09/18/2001
20825C-10-4	ConocoPhillips	2,825,000	136,702	48.390	136,702	173,124		3,569	(31,407)		L	06/05/2002
235811-10-6	Dana Corporation	6,800,000	79,968	11.760	79,968	108,115		184	(13,055)		L	11/06/2002
247025-10-9	Dell Computer Corporation	5,700,000	152,418	26.740	152,418	158,161			(3,560)		L	12/26/2002
253651-10-3	Diebold Inc	4,000,000	164,880	41.220	164,880	140,095		2,640	3,844		L	02/11/2002

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

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Number of Shares	4 Book/Adjusted Carrying Value	5 Rate per Share Used to Obtain Fair Value	6 Fair Value	7 Actual Cost	Dividends		10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 NAIC Designation (a)	13 Date Acquired
							8 Declared but Unpaid	9 Amount Received During Year				
260003-10-8	Dover Corporation	3,000,000	87,480	29.160	87,480	87,567			(87)		L	12/20/2002
260543-10-3	Dow Chemical Company	5,300,000	157,410	29.700	157,410	165,553	1,776	5,595	(17,156)		L	06/05/2002
268648-10-2	EMC Corporation	14,500,000	89,030	6.140	89,030	140,468			(42,390)		L	12/30/2002
278865-10-0	Ecolab Inc	3,600,000	178,200	49.500	178,200	155,523	261	972	16,174		L	12/30/2002
285661-10-4	Electronic Data Systems Corp	900,000	16,587	18.430	16,587	36,763		135	(20,176)		L	08/27/2002
291011-10-4	Emerson Electric Company	3,000,000	152,550	50.850	152,550	151,648		3,813	(11,259)		L	09/05/2002
313400-30-1	Federal Home Loan Mtg Corp	6,300,000	372,015	59.050	372,015	404,979		2,288	(22,097)		L	12/26/2002
313586-10-9	Federal National Mortgage Assn	2,400,000	154,392	64.330	154,392	174,380		3,135	(36,436)		L	03/26/2002
369604-10-3	General Electric	8,200,000	199,670	24.350	199,670	284,789	2,489	2,502	(86,946)		L	11/04/2002
412822-10-8	Harley Davidson Incorporated	4,600,000	212,520	46.200	212,520	154,853		243	(16,918)		L	12/20/2002
428236-10-3	Hewlett Packard Company			Amort.	0			376			L	12/19/2001
428236-10-3	Hewlett Packard Company	10,502,000	182,315	17.360	182,315	272,767	840	2,072	(90,452)		L	05/06/2002
437076-10-2	Home Depot Inc	3,500,000	84,070	24.020	84,070	100,078		315	(39,165)		L	12/30/2002
438516-10-6	Honeywell International Inc	4,000,000	96,000	24.000	96,000	141,815		2,925	(38,387)		L	12/17/2002
452308-10-9	Illinois Tool Works	2,150,000	139,449	64.860	139,449	137,690	357	1,380	(4,459)		L	12/30/2002
458140-10-0	Intel Corporation	13,900,000	216,423	15.570	216,423	445,925		956	(186,360)		L	12/30/2002
459200-10-1	IBM Corporation	2,200,000	170,500	77.500	170,500	193,719		1,122	(77,064)		L	10/21/2002
478366-10-7	Johnson Controls Incorporated	2,200,000	176,374	80.170	176,374	180,290			(3,916)		L	12/26/2002
494368-10-3	Kimberly Clark				0		420				L	08/09/2001
500255-10-4	Kohl's Corporation	2,400,000	134,280	55.950	134,280	147,151			(12,871)		L	12/30/2002
532716-10-7	The Limited Incorporated	4,400,000	61,292	13.930	61,292	71,184		660	(9,892)		L	08/16/2002
55262L-10-0	MBNA Corporation	4,200,000	79,884	19.020	79,884	82,926			(3,042)		L	12/20/2002
571748-10-2	Marsh & McLennan Cos Inc	2,200,000	101,662	46.210	101,662	104,291			(2,629)		L	12/26/2002
577778-10-3	May Department Stores	2,400,000	55,152	22.980	55,152	79,254		2,280	(33,600)		L	11/05/2001
580135-10-1	McDonalds Corporation	5,700,000	91,656	16.080	91,656	162,882		1,340	(59,524)		L	04/18/2002
585055-10-6	Medtronic Inc	3,900,000	177,840	45.600	177,840	107,970	244	552	(15,207)		L	12/26/2002
589331-10-7	Merck & Company Incorporated	6,100,000	345,321	56.610	345,321	407,196	2,160	7,550	(13,629)		L	12/30/2002
594918-10-4	Microsoft Corporation	3,400,000	175,780	51.700	175,780	142,204			(49,470)		L	02/17/2000
655664-10-0	Nordstrom Incorporated	2,800,000	53,116	18.970	53,116	56,772		1,064	(3,528)		L	11/13/2001
681919-10-6	Omnicom Group Incorporated	2,100,000	135,660	64.600	135,660	121,259	200	200	14,401		L	12/30/2002
68389X-10-5	Oracle Corporation	3,800,000	41,400	10.800	41,400	30,367			(11,438)		L	03/15/1999
717081-10-3	Pfizer Incorporated	3,900,000	119,223	30.570	119,223	98,320		2,028	(36,192)		L	06/20/2000
724479-10-0	Pitney Bowes Inc	3,000,000	97,980	32.660	97,980	124,007		3,540	(14,850)		L	12/21/2001
737464-10-7	Post Properties Inc	4,200,000	100,380	23.900	100,380	146,512	3,276	10,686	(46,324)		L	04/26/2002
74005P-10-4	Praxair Inc	1,800,000	103,986	57.770	103,986	104,176			(190)		L	12/20/2002
740189-10-5	Precision Castparts Corp				0		51				L	07/01/2002
755111-50-7	Raytheon Company	1,900,000	58,425	30.750	58,425	55,068	380	980	(2,041)		L	10/02/2002
803111-10-3	Sara Lee	2,800,000	63,028	22.510	63,028	55,597	837	1,530	1,342		L	03/18/2002
812387-10-8	Sears Roebuck & Company	3,000,000	71,850	23.950	71,850	110,632	690	138	(38,782)		L	10/22/2002
835495-10-2	Sonoco Products	6,800,000	155,924	22.930	155,924	174,020		5,644	(24,820)		L	08/17/2001
844741-10-8	Southwest Airlines Company	6,500,000	90,350	13.900	90,350	96,701			(6,351)		L	12/20/2002
855244-10-9	Starbucks Corporation	5,900,000	120,242	20.380	120,242	88,086			5,092		L	12/30/2002
871829-10-7	Sysco Corporation	7,700,000	229,383	29.790	229,383	214,729	847	1,008	9,380		L	12/20/2002
872540-10-9	TJX Companies Inc	3,400,000	66,368	19.520	66,368	69,864			(3,496)		L	12/20/2002
87612E-10-6	Target Corporation	900,000	27,000	30.000	27,000	29,736		54	(2,736)		L	11/14/2002
882508-10-4	Texas Instruments Incorporated	3,800,000	57,038	15.010	57,038	60,800			(3,762)		L	12/20/2002
883203-10-1	Textron Incorporated	2,200,000	94,578	42.990	94,578	100,679	715	1,690	(6,101)		L	06/07/2002
913017-10-9	United Technologies	1,300,000	80,522	61.940	80,522	74,249		319	6,273		L	10/17/2002
931142-10-3	Wal-Mart Stores Inc				0		278				L	02/16/2000
931422-10-9	Walgreen Company	3,300,000	96,327	29.190	96,327	96,129			198		L	12/26/2002
941848-10-3	Waters Corporation	3,300,000	71,874	21.780	71,874	88,732			(16,858)		L	08/13/2002

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

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Number of Shares	4 Book/Adjusted Carrying Value	5 Rate per Share Used to Obtain Fair Value	6 Fair Value	7 Actual Cost	Dividends		10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 NAIC Designation (a)	13 Date Acquired
							8 Declared but Unpaid	9 Amount Received During Year				
983024-10-0.....	Wyeth.....	1,600,000	59,840	37.400	59,840	55,873		368	3,967		L.....	11/05/2002...
	United States.....		7,937,261	XXX	7,937,261	8,858,081	20,646	92,884	(1,380,388)	0	XXX.....	XXX.....
<b>Foreign</b>												
055622-10-4.....	BP Amoco PLC Sponsored ADR.....	3,300,000	134,145	40.650	134,145	162,034		4,653	(19,319)		L.....	01/31/2002...
459462-10-7.....	International Equity Fund Meeder Advisor.....	157,869,640	1,343,471	8.510	1,343,471	1,847,926			(279,430)		A.....	05/01/2002...
500472-30-3.....	Koninklijke Philips Electronic.....							13			L.....	08/02/2000...
904784-70-9.....	Unilever NV - NY Shares.....							47			L.....	08/15/2001...
	Foreign.....		1,477,616	XXX	1,477,616	2,009,960	0	4,713	(298,749)	0	XXX.....	XXX.....
6899999	Total - Common Stocks - Industrial and Miscellaneous (Unaffiliated).....		9,414,877	XXX	9,414,877	10,868,041	20,646	97,597	(1,679,137)	0	XXX.....	XXX.....
7099999	Total - Common Stock.....		11,517,214	XXX	11,517,213	13,133,798	25,450	147,970	(1,906,682)	0	XXX.....	XXX.....
	Total - Preferred Stock from Section 1.....		2,025,040	XXX	2,546,500	2,025,040		159,437			XXX.....	XXX.....
7199999	Total - Preferred and Common Stock.....		13,542,254	XXX	14,063,713	15,158,838	25,450	307,407	(1,906,682)	0	XXX.....	XXX.....

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

**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 - U.S. Government</b>							
3128X0-BD-0	Federal Home Loan Mtg C 4.750% 10/11/12	12/16/2002	Morgan Keegan & Company Inc		4,978,125	5,000,000	43,542
312902-LK-3	Federal Home Loan Mtg C 7.300% 12/08/14	09/24/2002	Morgan Keegan & Company Inc		2,273,540	2,000,000	43,394
312925-DT-4	Federal Home Loan Mtg C 6.150% 03/26/12	05/16/2002	Morgan Keegan & Company Inc		1,800,000	1,800,000	15,683
312925-ZV-5	Federal Home Loan Mtg C 5.000% 07/30/09	11/07/2002	Morgan Keegan & Company Inc		4,132,480	4,000,000	57,222
31331Q-JG-3	Fed Farm Credit Bank 4.875% 11/15/12	11/13/2002	Morgan Keegan & Company Inc		2,015,250	2,000,000	
3133MM-LK-7	Federal Home Loan Bank 4.375% 02/15/05	04/23/2002	Kiley Bloemers Inc		4,026,760	4,000,000	19,444
3133MP-3V-6	Federal Home Loan Bank 5.500% 06/10/09	07/18/2002	Morgan Keegan & Company Inc		2,211,970	2,160,000	12,870
3133MS-VS-6	Federal Home Loan Bank 4.375% 10/29/09	11/07/2002	Morgan Keegan & Company Inc		4,056,320	4,000,000	6,319
3133MT-B9-8	Federal Home Loan Bank 6.125% 11/13/17	11/07/2002	Morgan Keegan & Company Inc		4,082,480	4,000,000	
3134A4-HE-7	Federal Home Loan Mtg C 6.375% 08/01/11	11/06/2002	Mesirov & Co		1,075,000	1,000,000	17,000
31359M-ET-6	Federal National Mortga 6.400% 05/14/09	08/21/2002	Kiley Bloemers Inc		2,110,000	2,000,000	34,844
	Assn						
31359M-KF-9	Federal National Mortga 6.250% 07/19/11	08/23/2002	Morgan Keegan & Company Inc		2,115,134	2,000,000	12,847
	Assn						
31359M-LD-3	Federal National Mortga 5.500% 10/18/11	11/15/2002	Morgan Keegan & Company Inc		5,205,000	5,000,000	22,917
	Assn						
31359M-MB-6	Federal National Mortga 6.000% 01/18/12	03/20/2002	RW Baird		981,020	1,000,000	11,167
	Assn						
31359M-MF-7	Federal National Mortga 5.625% 02/28/12	11/21/2002	Mesirov & Co		4,186,240	4,000,000	52,500
	Assn						
3136F0-NU-2	Federal National Mortga 6.000% 06/18/08	02/20/2002	Morgan Keegan & Company Inc		4,101,960	4,000,000	42,000
	Assn						
3136F1-C8-1	Federal National Mortga 6.450% 05/03/17	12/16/2002	Morgan Keegan & Company Inc		5,357,100	5,000,000	39,417
	Assn						
3136F1-WA-4	Federal National Mortga 5.350% 04/12/07	03/22/2002	Sun Trust Equity		3,990,000	4,000,000	
	Assn						
3136F2-QH-4	Federal National Mortga 5.750% 11/07/17	12/12/2002	Morgan Keegan & Company Inc		4,080,000	4,000,000	25,556
	Assn						
3136F2-RD-2	Federal National Mortga 6.040% 11/13/17	12/12/2002	Morgan Keegan & Company Inc		7,148,800	7,000,000	22,147
	Assn						
3136F2-RT-7	Federal National Mortga 4.000% 11/14/07	11/01/2002	Carolina Capital Markets		1,003,890	1,000,000	
	Assn						
3136F2-UA-4	Federal National Mortga 4.800% 12/05/12	11/15/2002	Morgan Keegan & Company Inc		998,750	1,000,000	
	Assn						
36213N-G8-3	GNMA Pool #559223 CLC 7.400% 09/15/43	12/12/2002	Various		1,591,420	1,569,835	8,181
912828-AC-4	U S Treasury Notes 4.375% 05/15/07	05/23/2002	National City Bank		997,188	1,000,000	1,070
0399999	Total - Bonds - U.S. Government				74,518,427	72,529,835	488,120
<b>Bonds - Special Revenue and Special Assessment</b>							
<b>United States</b>							
31371J-3J-1	FNMA Pool #253801 6.000% 05/01/21	11/01/2002	Morgan Keegan & Company Inc		4,938,545	4,734,375	10,258
	U.S.				4,938,545	4,734,375	10,258
	Total States and US				4,938,545	4,734,375	10,258
3199999	Total - Bonds - Special Revenue & Special Assessments				4,938,545	4,734,375	10,258
<b>Bonds - Industrial and Miscellaneous</b>							
<b>United States</b>							
110122-AF-5	Bristol-Myers Squibb 4.750% 10/01/06	03/18/2002	Kiley Bloemers Inc		1,972,780	2,000,000	45,653
459200-AG-6	IBM Corporation 8.375% 11/01/19	10/01/2002	Various		3,675,010	3,000,000	90,264
742718-BF-5	Procter & Gamble Compan 7.375% 03/01/23	08/05/2002	RW Baird		2,103,000	2,000,000	64,326
93114K-AA-1	Wal-Mart Stores ABS 7.490% 06/21/07	09/23/2002	RW Baird		1,123,067	1,010,634	19,975
	United States				8,873,857	8,010,634	220,218
4599999	Total - Bonds - Industrial & Miscellaneous				8,873,857	8,010,634	220,218
6099997	Total - Bonds - Part 3				88,330,829	85,274,844	718,596
6099998	Total - Bonds - Summary Item from Part 5				4,927,830	4,938,126	94,004

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**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
6099999	Total - Bonds				93,258,659	90,212,970	812,600
<b>Common Stocks - Public Utilities</b>							
<b>United States</b>							
30231G-10-2	Exxon Mobil Corporation	04/08/2002	Legg Masson Wood & Walker Inc.	200.000	8,660		
	United States				8,660	XXX	0
6699999	Total - Common Stocks - Public Utilities				8,660	XXX	0
<b>Common Stocks - Banks, Trust and Insurance Companies</b>							
<b>United States</b>							
001055-10-2	AFLAC Incorporated	12/20/2002	Salomon Smith Barney	4,000.000	117,010		
026874-10-7	American Intl Group Inc.	12/26/2002	Merrill Lynch	563.000	38,211		
032165-10-2	AmSouth Bancorporation	04/10/2002	J P Morgan	500.000	11,151		
172967-10-1	Citigroup Inc.	07/29/2002	Various	2,000.000	73,572		
316773-10-0	Fifth Third Bancorp	12/26/2002	Various	1,800.000	113,435		
339030-10-8	FleetBoston Finl Corpor.	10/01/2002	Various	3,700.000	104,641		
46625H-10-0	J P Morgan Chase & Co.	07/24/2002	Various	2,600.000	77,181		
475070-10-8	Jefferson-Pilot Corpora.	11/05/2002	Various	1,000.000	40,590		
493267-10-8	KeyCorp.	02/08/2002	Goldman Sachs	1,800.000	41,490		
534187-10-9	Lincoln National Corpor.	08/15/2002	Various	2,200.000	84,501		
58551A-10-8	Mellon Financial Corpor.	12/26/2002	Merrill Lynch	2,500.000	66,790		
635405-10-3	National City Corporati.	03/04/2002	Lehman Brothers	1,100.000	32,739		
693475-10-5	PNC Bank Corporation	10/18/2002	Various	2,900.000	159,699		
808513-10-5	Charles Schwab Corporat.	12/30/2002	Merrill Lynch	1,600.000	17,335		
867914-10-3	Suntrust Banks Incorpor.	03/04/2002	Credit Suisse 1st Boston Corp.	600.000	39,146		
89420G-40-6	Travelers P & C Corp Cl.	08/21/2002	Spin Off	1.000	20		
902973-30-4	US Bancorp.	07/24/2002	Various	5,100.000	113,876		
	United States				1,131,387	XXX	0
6799999	Total - Common Stocks - Banks, Trust & Ins. Cos.				1,131,387	XXX	0
<b>Common Stocks - Industrial and Miscellaneous</b>							
<b>United States</b>							
002824-10-0	Abbott Laboratories	08/06/2002	Various	1,900.000	66,051		
013817-10-1	Alcoa Inc.	11/04/2002	Various	3,700.000	125,849		
038222-10-5	Applied Materials Inc.	10/18/2002	Various	4,000.000	71,516		
053015-10-3	Automatic Data Process	09/25/2002	Various	1,900.000	72,786		
071813-10-9	Baxter International In	12/17/2002	Various	3,300.000	110,270		
075887-10-9	Becton Dickinson	07/25/2002	Various	1,400.000	36,723		
093671-10-5	H&R Block Incorporated	12/30/2002	Various	2,900.000	119,776		
110122-10-8	Bristol-Myers Squibb	12/17/2002	Various	2,600.000	72,585		
12189T-10-4	Burlington Northern San	01/23/2002	CIBC World Markets Corp.	300.000	8,331		
14149Y-10-8	Cardinal Health Inc.	12/26/2002	Various	2,400.000	141,084		
166764-10-0	Chevron Texaco Corpora.	03/04/2002	CIBC World Markets Corp.	800.000	67,903		
172908-10-5	Cintas Corp.	12/26/2002	Merrill Lynch	3,600.000	171,174		
20825C-10-4	ConocoPhillips	06/05/2002	Various	1,300.000	76,212		
235811-10-6	Dana Corporation	11/06/2002	Various	3,300.000	44,443		
247025-10-9	Dell Computer Corporati.	12/26/2002	Merrill Lynch	1,700.000	47,258		
253651-10-3	Diebold Inc.	02/11/2002	Investment Technology Group	200.000	7,364		
260003-10-8	Dover Corporation	12/20/2002	William Blair	3,000.000	87,567		
260543-10-3	Dow Chemical Company	06/05/2002	Various	3,100.000	100,250		
268648-10-2	EMC Corporation	12/30/2002	Various	9,100.000	58,844		
278865-10-0	Ecolab Inc.	12/30/2002	Merrill Lynch	1,800.000	89,576		
285661-10-4	Electronic Data Systems	08/27/2002	Standard & Poor's Securities	900.000	36,763		
291011-10-4	Emerson Electric Compan	09/05/2002	Various	1,600.000	83,869		
313400-30-1	Federal Home Loan Mtg C.	12/26/2002	SG Cowen	3,700.000	224,072		
313586-10-9	Federal National Mortga	03/26/2002	ESI Securities Company	100.000	7,978		

E11.1

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends
369604-10-3	General Electric.....	11/04/2002	Various.....	6,700.000	226,496		
412822-10-8	Harley Davidson Incorpo.....	12/20/2002	William Blair.....	2,800.000	131,680		
428236-10-3	Hewlett Packard Company.....	03/28/2002	Various.....	4,999.000	107,632		
428236-10-3	Hewlett Packard Company.....	05/06/2002	Tax Free Exchange.....	5,503.000	165,136		
437076-10-2	Home Depot Inc.....	12/30/2002	Merrill Lynch.....	2,000.000	46,720		
438516-10-6	Honeywell International.....	12/17/2002	Various.....	700.000	22,781		
452308-10-9	Illinois Tool Works.....	12/30/2002	Merrill Lynch.....	600.000	38,942		
458140-10-0	Intel Corporation.....	12/30/2002	Various.....	2,900.000	56,833		
459200-10-1	IBM Corporation.....	10/21/2002	ISI Group Inc.....	400.000	29,836		
478366-10-7	Johnson Controls Incorp.....	12/26/2002	SG Cowen.....	2,200.000	180,290		
500255-10-4	Kohl's Corporation.....	12/30/2002	Various.....	2,400.000	147,151		
532716-10-7	The Limited Incorporate.....	08/16/2002	Various.....	4,400.000	71,184		
55262L-10-0	MBNA Corporation.....	12/20/2002	William Blair.....	4,200.000	82,926		
571748-10-2	Marsh & McLennan Cos In.....	12/26/2002	Merrill Lynch.....	2,200.000	104,291		
580135-10-1	McDonalds Corporation.....	04/18/2002	Various.....	300.000	8,242		
585055-10-6	Medtronic Inc.....	12/26/2002	SG Cowen.....	1,600.000	75,264		
589331-10-7	Merck & Company Incorpo.....	12/30/2002	Various.....	2,100.000	123,750		
681919-10-6	Omnicom Group Incorpora.....	12/30/2002	Various.....	2,100.000	121,259		
737464-10-7	Post Properties Inc.....	04/26/2002	Various.....	1,600.000	54,378		
74005P-10-4	Praxair Inc.....	12/20/2002	Gordon Haskett & Company.....	1,800.000	104,176		
755111-50-7	Raytheon Company.....	10/02/2002	Various.....	900.000	27,996		
803111-10-3	Sara Lee.....	03/18/2002	Various.....	700.000	15,003		
812387-10-8	Sears Roebuck & Company.....	10/22/2002	Various.....	3,000.000	110,632		
844741-10-8	Southwest Airlines Comp.....	12/20/2002	William Blair.....	6,500.000	96,701		
855244-10-9	Starbucks Corporation.....	12/30/2002	Merrill Lynch.....	2,000.000	40,855		
871829-10-7	Sysco Corporation.....	12/20/2002	Gordon Haskett & Company.....	4,900.000	146,587		
872540-10-9	TJX Companies Inc.....	12/20/2002	Merrill Lynch.....	3,400.000	69,864		
87612E-10-6	Target Corporation.....	11/14/2002	Lehman Brothers.....	900.000	29,736		
882508-10-4	Texas Instruments Incor.....	12/20/2002	Merrill Lynch.....	3,800.000	60,800		
883203-10-1	Textron Incorporated.....	06/07/2002	Various.....	2,200.000	100,679		
913017-10-9	United Technologies.....	10/17/2002	Various.....	1,300.000	74,249		
931422-10-9	Walgreen Company.....	12/26/2002	Merrill Lynch.....	3,300.000	96,129		
941848-10-3	Waters Corporation.....	08/13/2002	Various.....	3,300.000	88,732		
983024-10-0	Wyeth.....	11/05/2002	Various.....	1,600.000	55,873		
	United States.....				4,841,047	XXX	0
<b>Foreign</b>							
055622-10-4	BP Amoco PLC Sponsored.....	01/31/2002	Lehman Brothers.....	300.000	13,934		
459462-10-7	International Equity Fu.....	05/01/2002	R Meeder & Assoc.....	52.000	538		
	Foreign.....				14,472	XXX	0
6899999	Total - Common Stocks - Industrial & Miscellaneous.....				4,855,519	XXX	0
7099997	Total - Common Stocks - Part 3.....				5,995,566	XXX	0
7099998	Total - Common Stocks - Summary Item from Part 5.....				908,795	XXX	0
7099999	Total - Common Stocks.....				6,904,361	XXX	0
7199999	Total - Preferred and Common Stocks.....				6,904,361	XXX	0
7299999	Total - Bonds, Preferred and Common Stocks.....				100,163,020	XXX	812,600

E11.2

**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
<b>Bonds - U.S. Government</b>															
3133MA-CZ-0	Federal Home Loan Bank 6.250% 11/15/02	11/15/2002	Maturity		2,000,000	2,000,000	2,065,140	2,048,478	(48,478)				0	125,000	
36202A-HR-1	GNMA Pool #240 13.500% 11/20/14	12/01/2002	Paydown		3,378	3,378	3,595	3,573	(195)				0	104	
36202L-ET-6	GNMA Pool #9146 12.250% 10/20/15	12/01/2002	Paydown		6,543	6,543	7,098	6,902	(359)				0	791	
36204C-D4-0	GNMA Pool #365623 6.625% 11/15/13	12/01/2002	Paydown		17,011	17,011	16,373	16,456	554				0	617	
36206F-6A-5	GNMA Pool #410465 7.000% 04/15/28	12/01/2002	Paydown		764,752	764,752	749,696	749,622	15,129				0	26,990	
36206L-D2-2	GNMA Pool #414221 6.875% 03/15/31	12/01/2002	Paydown		11,756	11,756	12,108	12,089	(333)				0	443	
36206L-EC-9	GNMA Pool #414231 8.000% 08/15/35	12/01/2002	Paydown		2,736	2,736	2,784	2,780	(44)				0	120	
36207E-BP-8	GNMA Pool #429446 8.250% 11/15/26	12/01/2002	Paydown		7,077	7,077	7,413	7,377	(300)				0	320	
36207E-BT-0	GNMA Pool #429450 7.875% 03/15/17	12/01/2002	Paydown		12,689	12,689	13,529	13,382	(694)				0	548	
36208H-WS-1	GNMA Pool #451657 7.250% 11/15/12	12/01/2002	Paydown		34,108	34,108	35,387	35,064	(956)				0	1,355	
36208V-B4-6	GNMA Pool #461859 7.000% 10/15/38	12/01/2002	Paydown		8,459	8,459	8,829	8,816	(357)				0	324	
36209J-JC-6	GNMA Pool #472859 6.875% 05/15/39	12/01/2002	Paydown		13,315	13,315	12,491	12,508	807				0	501	
36209L-5Z-5	GNMA Pool #475264 7.875% 03/15/35	12/01/2002	Paydown		15,042	15,042	15,169	15,165	(123)				0	650	
36209V-D4-3	GNMA Pool #482623 6.600% 05/15/31	12/01/2002	Paydown		12,245	12,245	11,899	11,913	332				0	442	
36209V-EC-4	GNMA Pool #482631 7.000% 04/15/34	12/01/2002	Paydown		21,625	21,625	22,639	22,594	(969)				0	829	
36210C-3R-2	GNMA Pool #488708 6.750% 07/15/34	12/01/2002	Paydown		16,962	16,962	16,548	16,562	400				0	627	
36210V-EX-5	GNMA Pool #503350 7.450% 09/15/34	12/01/2002	Paydown		11,430	11,430	11,594	11,590	(160)				0	467	
36212W-6B-8	GNMA Pool #546366 7.750% 02/15/34	12/01/2002	Paydown		3,858	3,858	4,099	4,097	(239)				0	164	
36212W-6K-8	GNMA Pool #546374 7.000% 05/15/33	12/01/2002	Paydown		4,721	4,721	4,787	4,787	(67)				0	181	
36216R-D2-7	GNMA Pool #172121 9.000% 10/15/16	12/01/2002	Paydown		1,782	1,782	1,847	1,840	(58)				0	88	
36216T-E9-7	GNMA Pool #173960 9.500% 02/15/17	12/01/2002	Paydown		19,405	19,405	20,533	20,125	(720)				0	1,063	
36217X-BW-9	GNMA Pool #206253 9.500% 03/15/17	12/01/2002	Paydown		17,000	17,000	18,063	18,013	(1,013)				0	1,014	
362194-KB-7	GNMA Pool #266790 9.000% 08/15/31	12/01/2002	Paydown		6,945	6,945	7,362	7,315	(370)				0	322	
362195-4J-5	GNMA Pool #268225 10.000% 04/15/19	12/01/2002	Paydown		1,621	1,621	1,649	1,647	(25)				0	89	
36219M-HR-6	GNMA Pool #253240 10.000% 12/15/18	12/01/2002	Paydown		1,115	1,115	1,135	1,129	(13)				0	62	
36223J-PW-7	GNMA Pool #309237 8.375% 07/15/32	12/01/2002	Paydown		13,124	13,124	13,616	13,601	(478)				0	603	
912827-6F-4	U S Treasury Notes 6.375% 06/30/02	06/30/2002	Maturity		1,000,000	1,000,000	1,001,563	1,000,418	(418)				0	31,875	
0399999	Total - Bonds - U.S. Government				4,028,699	4,028,699	4,086,946	4,067,843	(39,147)	0	0	0	0	195,589	XXX
<b>Bonds - States, Territories and Possessions</b>															
<b>Colorado</b>															
196478-FL-0	Colorado Hsing & Financ 9.125% 11/01/30	11/01/2002	Call	100.0000	5,000	5,000	5,000	5,000					0	456	
196478-FL-0	Colorado Hsing & Financ 9.125% 11/01/30	05/01/2002	Redemption	100.0000	10,000	10,000	10,000	10,000					0	456	
	Colorado				15,000	15,000	15,000	15,000	0	0	0	0	0	912	XXX
<b>Mississippi</b>															
605275-MQ-6	Mississippi Business Fi 8.000% 01/01/22	07/01/2002	Redemption	100.0000	27,889	27,889	27,889	27,889					0	54,291	
	Mississippi				27,889	27,889	27,889	27,889	0	0	0	0	0	54,291	XXX
	Total States and US				42,889	42,889	42,889	42,889	0	0	0	0	0	55,203	XXX
1799999	Total - Bonds - States, Territories & Possessions				42,889	42,889	42,889	42,889	0	0	0	0	0	55,203	XXX
<b>Bonds - Special Revenue and Special Assessment</b>															
<b>Texas</b>															
882756-BT-5	Texas Public Financial 9.000% 12/01/06	12/01/2002	Call	100.0000	143,000	143,000	143,548	143,262	(24)			(238)	(238)	12,870	
	Texas				143,000	143,000	143,548	143,262	(24)	0	0	(238)	(238)	12,870	XXX
<b>United States</b>															
31341A-L8-1	FHLMC Pool #250351 11.750% 06/01/14	12/01/2002	Paydown		4,122	4,122	4,380	4,277	(156)				0	261	
31360E-QA-9	FNMA Pool #4049 12.500% 10/15/13	12/01/2002	Paydown		1,049	1,049	1,108	1,083	(34)				0	73	
31360F-UG-8	FNMA Pool #5083 13.000% 02/01/14	12/01/2002	Paydown		210	210	224	225	(14)				0	15	
31361R-CZ-9	FNMA Pool #38788 9.250% 12/01/16	12/01/2002	Paydown		91,271	91,271	94,694	94,120	(2,848)				0	4,863	

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**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
313637-EA-4	FNMA Pool #109129 7.590% 05/01/15	12/01/2002	Paydown		10,973	10,973	11,810	11,637	(664)				0	457	
31377N-BH-1	FNMA Pool #381740 7.070% 09/01/17	12/01/2002	Paydown		10,752	10,752	10,644	10,650	102				0	417	
	U.S.				118,377	118,377	122,860	121,992	(3,614)	0	0	0	0	6,086	XXX
	Total States and US				261,377	261,377	266,408	265,254	(3,638)	0	0	(238)	(238)	18,956	XXX
3199999	Total - Bonds - Special Revenue & Assessment				261,377	261,377	266,408	265,254	(3,638)	0	0	(238)	(238)	18,956	XXX
<b>Bonds - Public Utilities</b>															
<b>United States</b>															
079867-AB-3	BellSouth Telecommuncat 7.875% 08/01/32	08/01/2002	Call 104.2900		1,564,350	1,500,000	1,539,180	1,538,392	(321)			26,279	26,279	118,125	
240019-BM-0	Dayton Power & Light 7.875% 02/15/24	11/13/2002	Morgan Keegan & Company Inc.		1,042,500	1,000,000	1,046,410	1,042,489	(4,033)			4,044	4,044	99,094	
362320-AW-3	GTE-Verison Corporation 7.900% 02/01/27	12/11/2002	Morgan Keegan & Company Inc.		1,563,750	1,500,000	1,559,355	1,557,352	(2,129)			8,526	8,526	162,938	
	United States				4,170,600	4,000,000	4,144,945	4,138,233	(6,483)	0	0	38,849	38,849	380,157	XXX
3899999	Total - Bonds - Public Utilities				4,170,600	4,000,000	4,144,945	4,138,233	(6,483)	0	0	38,849	38,849	380,157	XXX
<b>Bonds - Industrial and Miscellaneous</b>															
<b>United States</b>															
00077Q-AC-4	ABN-AMRO Bank 7.300% 12/01/26	11/12/2002	Morgan Keegan & Company Inc.		2,033,000	2,000,000	2,052,500	2,036,098	(5,519)			2,421	2,421	139,511	
02378G-AF-1	American Airlines 8.040% 09/16/11	09/16/2002	Redemption 100.0000		58,413	58,413	61,081	60,370	(90)			(1,868)	(1,868)	4,696	
025816-AH-2	American Express Compan 8.625% 05/15/22	05/15/2002	Call 103.8610		1,557,915	1,500,000	1,593,750	1,569,857	(11,957)			15	15	64,688	
02635K-AW-4	American General Financ 8.125% 08/15/09	11/07/2002	Morgan Keegan & Company Inc.		2,221,880	2,000,000	2,198,100	2,143,089	(12,909)			91,699	91,699	202,222	
06605H-AA-6	Bankamerica Insti 144A 8.070% 12/31/26	12/11/2002	Morgan Keegan & Company Inc.		1,629,375	1,500,000	1,515,000	1,514,799	(608)			115,183	115,183	116,343	
073902-BR-8	Bear Stearns Companies 7.625% 12/07/09	11/06/2002	Morgan Keegan & Company Inc.		1,123,320	1,000,000	980,560	983,355	1,346			138,619	138,619	70,955	
121693-AB-1	Burlington Industries 7.250% 08/01/27	02/27/2002	Broadcort Capital Corp.		97,500	1,000,000	1,025,300	80,000				17,500	17,500		
152312-AA-2	Centex Corporation 8.750% 03/01/07	11/05/2002	Morgan Keegan & Company Inc.		3,339,200	3,200,000	3,396,812	3,322,043	(17,123)			34,280	34,280	332,597	
191219-AP-9	Coca Cola Enterprises 8.500% 02/01/22	11/06/2002	Morgan Keegan & Company Inc.		2,450,000	2,000,000	2,351,440	2,347,243	(7,380)			110,136	110,136	217,694	
191219-BH-6	Coca Cola Enterprises 5.375% 08/15/06	11/06/2002	Morgan Keegan & Company Inc.		2,100,000	2,000,000	1,991,780	1,992,192	1,246			106,562	106,562	133,479	
20449Q-AA-7	Compass Trust I 8.230% 01/15/27	12/12/2002	Morgan Keegan & Company Inc.		536,900	500,000	547,895	539,979	(3,222)			143	143	58,524	
210805-AT-4	Continental Airlines 10.220% 07/02/14	10/02/2002	Paydown		165,349	165,349	195,607	190,794	(25,446)			0	0	10,812	
218698-AA-6	Corestates Cap 144A 8.000% 12/15/26	12/11/2002	Morgan Keegan & Company Inc.		3,221,850	3,000,000	2,859,450	2,861,189	1,848			358,813	358,813	240,667	
239753-BR-6	Dayton Hudson 7.875% 06/15/23	11/13/2002	Morgan Keegan & Company Inc.		2,100,000	2,000,000	2,065,200	2,061,967	(3,262)			41,295	41,295	145,688	
244199-AR-6	Deere & Company 8.950% 06/15/19	01/29/2002	Carolina Capital Markets		2,195,000	2,000,000	2,165,160	2,154,242	(1,482)			42,240	42,240	22,872	
251528-AA-3	Deutsche Bk Cap Fdg Tr 7.872% 12/29/49	12/17/2002	UBS Securities Inc.		3,321,060	3,000,000	2,902,760	2,919,800	7,661			393,599	393,599	229,600	
277432-AB-6	Eastman Chemical Compan 7.250% 01/15/24	10/31/2002	Morgan Keegan & Company Inc.		3,521,000	3,500,000	3,507,770	3,507,491	(499)			14,008	14,008	331,285	
33738M-AE-1	First Union National Ba 7.800% 08/18/10	12/11/2002	Morgan Keegan & Company Inc.		3,529,500	3,000,000	2,987,370	2,988,434	829			540,237	540,237	310,700	
345277-AB-3	Ford Holdings Inc 9.375% 03/01/20	01/30/2002	Morgan Keegan & Company Inc.		1,608,345	1,500,000	1,748,130	1,725,540	(399)			(116,795)	(116,795)	59,766	
460146-AD-5	International Paper Com 5.125% 11/15/12	10/31/2002	Carolina Capital Markets		923,400	1,000,000	762,530	779,600	11,135			132,665	132,665	49,826	
501673-AA-5	LA Arena Funding LLC 7.656% 12/15/26	12/15/2002	Redemption 100.0000		20,149	20,149	20,149	20,149	0			0	0	38,526	
524908-CM-0	Lehman Brothers Holding 7.875% 08/15/10	11/07/2002	Morgan Keegan & Company Inc.		1,145,000	1,000,000	1,003,730	1,003,259	(298)			142,039	142,039	98,000	
	Inc.											0	0		
55262C-AC-4	MBIA Incorporated 8.200% 10/01/22	10/01/2002	Call 103.9880		2,079,760	2,000,000	2,100,620	2,090,708	(10,908)			(40)	(40)	164,000	
577778-BA-0	May Department Stores 8.300% 07/15/26	11/06/2002	Morgan Keegan & Company Inc.		644,760	597,000	639,984	638,400	(2,838)			9,197	9,197	65,655	
577778-BB-8	May Department Stores 7.625% 08/15/13	11/06/2002	Morgan Keegan & Company Inc.		561,635	500,000	504,125	503,184	(180)			58,631	58,631	47,339	
59018S-VX-9	Merrill Lynch MTN 7.190% 08/07/12	03/20/2002	RW Baird		1,006,500	1,000,000	999,000	999,105	(10)			7,406	7,406	45,537	
62874H-AA-3	Bankamerica Cap Trst IV 8.250% 04/15/27	12/11/2002	Morgan Keegan & Company Inc.		3,337,500	3,000,000	3,072,690	3,070,549	(2,352)			269,303	269,303	289,438	
667294-AJ-1	Northwest Airlines Corp 7.360% 08/01/21	02/01/2002	Redemption 100.0000		97,713	97,713	99,336	99,302	6			(1,595)	(1,595)	3,596	
743674-AB-9	Protective Life Corp 8.000% 07/01/10	11/06/2002	Morgan Keegan & Company Inc.		1,005,000	1,000,000	1,000,000	1,000,000	0			5,000	5,000	109,111	
89233S-AC-4	Toys R Us 8.750% 09/01/21	04/10/2002	Carolina Capital Markets		921,000	1,000,000	1,173,440	1,163,882	(1,095)			(241,787)	(241,787)	54,444	
911546-WB-1	U S AIR CL B 7.500% 04/15/08	04/15/2002	Paydown		8,106	8,106	8,350	8,283	(177)			0	0	304	
	United States				48,560,130	46,146,730	47,529,619	46,374,903	(83,683)	0	0	2,268,906	2,268,906	3,657,875	XXX
<b>Canada</b>															
031678-AD-7	Amoco Canada Petro Comp 7.950% 10/01/22	11/22/2002	Call 103.2940		2,582,350	2,500,000	2,600,000	2,595,800	(5,349)			(8,101)	(8,101)	226,906	
71644E-AE-2	Petro Canada 7.875% 06/15/26	11/01/2002	Morgan Keegan & Company Inc.		2,453,000	2,200,000	2,453,000	2,441,770	(3,479)			14,709	14,709	154,481	
	Canada				5,035,350	4,700,000	5,053,000	5,037,570	(8,828)	0	0	6,608	6,608	381,387	XXX

E12.1

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
<b>Foreign</b>															
656531-AB-6	Norsk Hydro A/S 9.000% 04/15/12	11/07/2002	Morgan Keegan & Company Inc.		1,255,000	1,000,000	1,116,890	1,102,256	(5,849)			158,593	158,593	97,000	
706448-AB-3	Pemex Finance LTD 5.720% 11/15/03	11/15/2002	Paydown		750,000	750,000	749,933	749,939	.61				.0	26,813	
	Foreign				2,005,000	1,750,000	1,866,823	1,852,195	(5,788)	0	0	158,593	158,593	123,813	XXX
4599999	Total - Bonds - Industrial & Miscellaneous				55,600,480	52,596,730	54,449,442	53,264,668	(98,299)	0	0	2,434,107	2,434,107	4,163,075	XXX
6099997	Total - Bonds - Part 4				64,104,045	60,929,695	62,990,630	61,778,887	(147,567)	0	0	2,472,718	2,472,718	4,812,980	XXX
6099998	Total - Bonds - Summary Item from Part 5				4,933,007	4,938,126	4,927,830	4,900,266	(27,564)			32,741	32,741	139,425	XXX
6099999	Total - Bonds				69,037,052	65,867,821	67,918,460	66,679,153	(175,131)	0	0	2,505,459	2,505,459	4,952,405	XXX
<b>Common Stocks - Public Utilities</b>															
<b>United States</b>															
00130H-10-5	AES Corporation	03/28/2002	SEI Financial Services Inc.	2,200,000	19,747		40,741	35,970	4,771			(20,993)	(20,993)		
131347-10-6	Calpine Corporation	12/20/2002	Salomon Smith Barney	2,400,000	7,606		93,368	40,296	53,072			(85,762)	(85,762)		
92343V-10-4	Verizon Communications	12/20/2002	Merrill Lynch	3,100,000	133,593		170,566	147,126	23,440			(36,973)	(36,973)		3,157
98157D-10-6	WorldCom Inc.	07/01/2002	Various	13,025,000	16,924		292,991	183,392	109,599			(276,067)	(276,067)		
	United States				177,870	XXX	597,666	406,784	190,882	0	0	(419,795)	(419,795)	XXX	3,157
6699999	Total - Common Stocks - Public Utilities				177,870	XXX	597,666	406,784	190,882	0	0	(419,795)	(419,795)	XXX	3,157
<b>Common Stocks - Banks, Trust and Insurance Companies</b>															
<b>United States</b>															
032165-10-2	AmSouth Bancorporation	09/17/2002	Goldman Sachs	1,900,000	40,462		37,878	35,910	1,968			2,584	2,584		1,672
060505-10-4	Bank Amer Corporation	08/20/2002	Warburg Dillon Read LLC	900,000	61,836		59,970	56,655	3,315			1,866	1,866		1,080
172967-10-1	Citigroup Inc.	10/15/2002	Various	3,667,000	115,251		80,135	173,322	(93,187)			35,116	35,116		1,906
172967-10-1	Citigroup Inc.	08/21/2002	Spin Off		5,449		5,449	11,788	(6,339)						
339030-10-8	FleetBoston Finl Corpor	04/16/2002	Various	2,600,000	90,159		103,182	94,900	8,282			(13,022)	(13,022)		1,435
441815-10-7	Household International	12/26/2002	Merrill Lynch	1,300,000	36,391		84,527	75,322	9,205			(48,136)	(48,136)		1,222
493267-10-8	KeyCorp	10/30/2002	Various	3,700,000	91,266		99,565	90,058	9,507			(8,298)	(8,298)		3,330
552848-10-3	MGIC Investment Corpora	12/05/2002	Various	800,000	30,036		46,719	49,376	(2,657)			(16,682)	(16,682)		.63
590188-10-8	Merrill Lynch & Company	12/26/2002	SG Cowen	1,800,000	71,812		95,508	93,816	1,692			(23,696)	(23,696)		1,152
665859-10-4	Northern Trust Corporat	12/26/2002	SG Cowen	1,300,000	66,110		66,418	78,286	(11,868)			(20,308)	(20,308)		884
81369Y-80-3	Technology Select Secto	01/18/2002	Morgan Stanley	4,300,000	103,803		106,634	103,200	3,434			(2,831)	(2,831)		
857477-10-3	State Street Corporatio	12/26/2002	SG Cowen	1,600,000	63,823		71,196	83,600	(12,404)			(7,372)	(7,372)		736
902973-30-4	US Bancorp	12/26/2002	SG Cowen	4,500,000	97,602		98,127	94,185	3,942			(525)	(525)		3,476
929903-10-2	Wachovia Corp 2nd New	07/02/2002	Lehman Brothers	2,000,000	73,118		71,126	62,720	8,406			1,992	1,992		960
949746-10-1	Wells Fargo & Co New	12/26/2002	SG Cowen	3,000,000	142,166		99,538	130,410	(30,872)			42,628	42,628		2,938
	United States				1,069,284	XXX	1,125,972	1,233,548	(107,576)	0	0	(56,684)	(56,684)	XXX	20,854
6799999	Total - Common Stocks - Banks, Trust & Insurance Companies				1,069,284	XXX	1,125,972	1,233,548	(107,576)	0	0	(56,684)	(56,684)	XXX	20,854
<b>Common Stocks - Industrial and Miscellaneous</b>															
<b>United States</b>															
00184A-10-5	AOL Time Warner	12/30/2002	Merrill Lynch	2,800,000	34,186		112,911	89,880	23,031			(78,725)	(78,725)		
002824-10-0	Abbott Laboratories	12/20/2002	Salomon Smith Barney	2,600,000	102,390		104,891	144,950	(40,059)			(2,501)	(2,501)		2,379
00724F-10-1	Adobe Systems In corpora	04/03/2002	Various	2,200,000	77,129		68,048	68,310	(262)			9,082	9,082		33
013104-10-4	Albertson's Incorporate	06/24/2002	Goldman Sachs	1,600,000	48,101		55,585	50,384	5,201			(7,484)	(7,484)		608
031162-10-0	Amgen Incorporated	12/20/2002	Salomon Smith Barney	1,700,000	86,876		100,621	95,948	4,673			(13,745)	(13,745)		
032654-10-5	Analog Devices In corpora	12/26/2002	SG Cowen	1,600,000	41,464		72,331	71,024	1,307			(30,867)	(30,867)		
037411-10-5	Apache Corporation	12/20/2002	Various	1,300,000	82,176		77,586	64,844	12,742			4,590	4,590		485
038222-10-5	Applied Materials Inc.	03/12/2002	Various	2,700,000	122,000		116,216	108,270	7,946			5,784	5,784		
053015-10-3	Automatic Data Process	12/26/2002	SG Cowen	1,700,000	67,506		95,044	100,130	(5,086)			(27,538)	(27,538)		782
053611-10-9	Avery Dennison Corporat	05/31/2002	Various	1,400,000	87,737		69,891	79,142	(9,251)			17,845	17,845		462
075887-10-9	Becton Dickinson	03/12/2002	Morgan Stanley	1,100,000	39,545		39,836	36,465	3,371			(290)	(290)		215
090613-10-0	Biomet Incorporated	12/20/2002	Salomon Smith Barney	2,400,000	69,362		66,094	74,160	(8,066)			3,267	3,267		240
121897-10-4	Burlington Northern San	07/24/2002	Various	1,600,000	42,781		42,934	45,648	(2,714)			(153)	(153)		576
126650-10-0	CVS Corporation	12/26/2002	SG Cowen	2,000,000	48,779		91,022	59,200	31,822			(42,243)	(42,243)		460
134429-10-9	Campbell Soup	08/20/2002	Credit Suisse 1st Boston Corp	2,300,000	48,690		66,565	68,701	(2,136)			(17,874)	(17,874)		1,087

E12.2

**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
166764-10-0	Chevron Texaco Corpora	12/20/2002	William Blair	1,386,000	92,603		126,686	124,199	2,487			(34,083)	(34,083)		3,881
204493-10-0	Compaq Computer Corpora	05/06/2002	Tax Free Exchange	8,700,000	165,136		165,136	84,912	80,224						395
205887-10-2	ConAgra Incorporated	09/04/2002	Various	3,700,000	91,702		79,476	87,949	(8,473)			12,226	12,226		1,763
235811-10-6	Dana Corporation	03/20/2002	J P Morgan	1,900,000	39,117		34,148	26,372	7,776			4,969	4,969		19
247025-10-9	Dell Computer Corporati	01/15/2002	Warburg Dillon Read LLC	1,800,000	50,905		46,003	48,924	(2,921)			4,902	4,902		
251893-10-3	DeVry Inc.	12/20/2002	William Blair	2,500,000	39,849		68,085	71,125	(3,040)			(28,236)	(28,236)		
28336L-10-9	El Paso Corporation	09/25/2002	SEI Financial Services Inc	1,400,000	9,050		95,227	62,454	32,773			(86,176)	(86,176)		1,211
291011-10-4	Emerson Electric Compan	12/20/2002	William Blair	1,400,000	69,348		90,926	79,940	10,986			(21,579)	(21,579)		2,177
294429-10-5	Equifax Incorporated	08/08/2002	Various	6,600,000	157,033		163,773	159,390	4,383			(6,740)	(6,740)		216
313586-10-9	Federal National Mortga	12/26/2002	SG Cowen	1,600,000	106,469		127,020	127,200	(180)			(20,550)	(20,550)		2,112
31410H-10-1	Federated Dept Stores I	01/16/2002	Warburg Dillon Read LLC	1,000,000	41,286		1,000,000	40,900	(8,929)			9,315	9,315		
31428X-10-6	FedEx Corporation	01/17/2002	Various	2,900,000	145,265		117,738	150,452	(32,714)			27,527	27,527		
364730-10-1	Gannett Company Incorpo	06/19/2002	Various	1,800,000	134,896		116,822	121,014	(4,192)			18,074	18,074		943
369604-10-3	General Electric	12/30/2002	Merrill Lynch	4,900,000	119,556		107,858	196,392	(88,534)			11,698	11,698		3,528
371901-10-9	Gentex Corporation	12/26/2002	Merrill Lynch	1,300,000	42,605		33,020	34,749	(1,729)			9,585	9,585		
423074-10-3	H J Heinz Company	10/23/2002	Various	1,700,000	53,635		75,171	69,904	5,267			(21,536)	(21,536)		2,754
460690-10-0	Interpublic Group	08/01/2002	SEI Financial Services Inc	3,600,000	75,766		100,147	106,344	(6,197)			(24,382)	(24,382)		684
478160-10-4	Johnson & Johnson	12/26/2002	Merrill Lynch	3,200,000	174,596		117,974	189,120	(71,146)			56,622	56,622		2,544
494368-10-3	Kimberly Clark	12/26/2002	Merrill Lynch	1,400,000	65,509		83,571	83,720	(149)			(18,062)	(18,062)		1,652
532716-10-7	The Limited Incorporate	07/11/2002	Various	8,200,000	146,197		129,530	120,704	8,826			16,667	16,667		840
548661-10-7	Lowe's Companies Inc	12/30/2002	Various	4,200,000	173,511		79,220	194,922	(115,702)			94,292	94,292		190
574599-10-6	Masco Corporation	07/25/2002	Various	5,900,000	149,486		152,969	144,550	8,419			(3,483)	(3,483)		1,323
580135-10-1	McDonalds Corporation	12/17/2002	Bear Stearns	2,400,000	37,807		67,828	63,528	4,300			(30,021)	(30,021)		564
651229-10-6	Newell Rubbermaid Inc	09/19/2002	Various	4,000,000	132,975		95,412	110,280	(14,868)			37,564	37,564		2,100
655664-10-0	Nordstrom Incorporated	02/19/2002	Various	3,300,000	79,491		70,817	66,759	4,058			8,674	8,674		
717081-10-3	Pfizer Incorporated	12/30/2002	Merrill Lynch	200,000	6,098		5,241	7,970	(2,729)			857	857		104
718154-10-7	Phillip Morris	06/25/2002	J P Morgan	1,200,000	58,120		52,680	55,020	(2,340)			5,440	5,440		1,392
724479-10-0	Pitney Bowes Inc	03/13/2002	Credit Suisse 1st Boston Corp	1,700,000	70,382		70,501	63,937	6,564			(118)	(118)		502
742718-10-9	Procter & Gamble Compan	05/30/2002	Various	2,000,000	175,338		142,720	158,260	(15,540)			32,618	32,618		1,064
747525-10-3	QUALCOMM Inc	12/30/2002	Merrill Lynch	1,100,000	40,118		81,759	55,550	26,209			(41,642)	(41,642)		
755111-50-7	Raytheon Company	07/02/2002	Lehman Brothers	1,000,000	37,212		27,071	32,470	(5,399)			10,140	10,140		400
786514-20-8	Safeway Incorporated	12/26/2002	SG Cowen	1,600,000	37,727		50,280	66,800	(16,520)			(12,554)	(12,554)		
800907-10-7	Sanmina Corp	07/24/2002	Merrill Lynch	4,312,000	17,818		85,526	85,809	(283)			(67,708)	(67,708)		
803111-10-3	Sara Lee	12/12/2002	Various	5,300,000	117,420		102,453	117,819	(15,366)			14,967	14,967		3,180
806605-10-1	Schering Plough	12/20/2002	Gordon Haskett & Company	2,800,000	62,827		123,809	100,268	23,541			(60,982)	(60,982)		1,876
872941-10-9	TMP Worldwide Inc	12/20/2002	Merrill Lynch	1,500,000	15,744		68,150	64,350	3,800			(52,405)	(52,405)		
87612E-10-6	Target Corporation	12/30/2002	Merrill Lynch	2,500,000	73,473		79,907	102,625	(22,718)			(6,435)	(6,435)		600
902124-10-6	Tyco International Ltd	12/20/2002	Merrill Lynch	2,500,000	62,659		81,871	147,250	(65,379)			(19,212)	(19,212)		80
913017-10-9	United Technologies	01/14/2002	Lehman Brothers	900,000	56,260		43,239	58,167	(14,928)			13,022	13,022		
918204-10-8	V F Corporation	04/04/2002	Various	1,800,000	74,919		65,829	70,218	(4,389)			9,089	9,089		288
923436-10-9	VERITAS Software Corpor	12/26/2002	Various	2,900,000	83,748		63,373	130,007	(66,634)			20,374	20,374		
928497-10-6	Vitesse Semiconductor C	08/27/2002	Standard & Poor's Securities	4,600,000	6,363		99,725	57,178	42,547			(93,361)	(93,361)		
931142-10-3	Wal-Mart Stores Inc	12/30/2002	Merrill Lynch	3,700,000	184,097		128,404	212,935	(84,531)			55,693	55,693		1,092
942683-10-3	Watson Pharmaceuticals	12/20/2002	Merrill Lynch	1,500,000	40,619		67,190	47,085	20,105			(26,571)	(26,571)		
983919-10-1	Xilinx Incorporated	12/20/2002	Merrill Lynch	2,000,000	60,234		61,831	78,100	(16,269)			(1,597)	(1,597)		
	United States				4,673,691		5,057,662	5,434,677	(377,015)	0	0	(383,970)	(383,970)	XXX	46,801
<b>Foreign</b>															
055622-10-4	BP Amoco PLC Sponsored	11/21/2002	Investment Technology Group	400,000	15,513		19,347	18,604	743			(3,834)	(3,834)		564
20257#-10-4	Commercial Union Emergi	05/01/2002	Commercial Union	92,000	538		664	531	133			(125)	(125)		
904784-70-9	Unilever NV - NY Shares	01/04/2002	Lehman Brothers	1,100,000	62,104		66,725	63,371	3,354			(4,621)	(4,621)		
	Foreign				78,155		86,736	82,506	4,230	0	0	(8,580)	(8,580)	XXX	564

E12.3

**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 Identifi- cation	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
6899999	Total - Common Stocks - Industrial & Miscellaneous.....				4,751,846	XXX	5,144,398	5,517,183	(372,785)	0	0	(392,550)	(392,550)	XXX	47,365
7099997	Total - Common Stocks - Part 4.....				5,999,000	XXX	6,868,036	7,157,515	(289,479)	0	0	(869,029)	(869,029)	XXX	71,376
7099998	Total - Common Stocks - Summary Item from Part 5.....				649,000	XXX	908,794	908,794				(259,796)	(259,796)	XXX	4,263
7099999	Total - Common Stocks.....				6,648,000	XXX	7,776,830	8,066,309	(289,479)	0	0	(1,128,825)	(1,128,825)	XXX	75,639
7199999	Total - Preferred and Common Stocks.....				6,648,000	XXX	7,776,830	8,066,309	(289,479)	0	0	(1,128,825)	(1,128,825)	XXX	75,639
7299999	Total - Bonds, Preferred and Common Stocks.....				75,685,052	XXX	75,695,290	74,745,462	(464,610)	0	0	1,376,634	1,376,634	4,952,405	75,639

**SCHEDULE D - PART 5**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identification	Description	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Actual Cost	Consideration	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
<b>Bonds - U.S. Government</b>																
3133MH-JQ-8...	Federal Home Loan Bank 5.000% 09/28/06...	02/06/2002	Sun Trust Equity.....	03/28/2002	Call 100.0000.....	4,000,000	4,012,500	4,000,000	4,000,000	(12,500)				0	100,000	71,667
0399999	Total - Bonds - U.S. Government.....					4,000,000	4,012,500	4,000,000	4,000,000	(12,500)	0	0	0	0	100,000	71,667
<b>Bonds - Special Revenue and Special Assessment</b>																
<b>United States</b>																
31371J-3J-1.....	FNMA Pool #253801 6.000% 05/01/21.....	11/01/2002	Morgan Keegan & Company I	12/01/2002	Paydown.....	353,126	368,355	353,126	353,126	(15,229)				0	1,766	765
	U.S.....					353,126	368,355	353,126	353,126	(15,229)	0	0	0	0	1,766	765
	Total States and US.....					353,126	368,355	353,126	353,126	(15,229)	0	0	0	0	1,766	765
3199999	Total - Bonds - Special Revenue & Assessment.....					353,126	368,355	353,126	353,126	(15,229)	0	0	0	0	1,766	765
<b>Bonds - Industrial and Miscellaneous</b>																
<b>United States</b>																
638671-AB-3.....	Nationwide Mutual 144A 7.500% 02/15/24.....	08/07/2002	Morgan Keegan & Company I	12/19/2002	Morgan Keegan & Company I	585,000	546,975	579,881	547,140	165			32,741	32,741	37,659	21,572
	United States.....					585,000	546,975	579,881	547,140	165	0	0	32,741	32,741	37,659	21,572
4599999	Total - Bonds - Industrial & Miscellaneous.....					585,000	546,975	579,881	547,140	165	0	0	32,741	32,741	37,659	21,572
6099998	Total - Bonds.....					4,938,126	4,927,830	4,933,007	4,900,266	(27,564)	0	0	32,741	32,741	139,425	94,004
<b>Common Stocks - Public Utilities</b>																
<b>United States</b>																
131347-10-6.....	Calpine Corporation LS.....	03/28/2002	SEI Financial Services Inc.....	12/20/2002	Salomon Smith Barney.....	2,500,000	32,890	7,923	32,890				(24,967)	(24,967)		
264399-10-6.....	Duke Power Company.....	04/08/2002	Morgan Stanley.....	05/17/2002	Goldman Sachs.....	900,000	35,100	29,951	35,100				(5,149)	(5,149)	248	
98157D-10-6.....	WorldCom Inc.....	03/28/2002	Various.....	04/30/2002	B-Trade Services.....	4,300,000	35,515	9,595	35,515				(25,921)	(25,921)		
	United States.....					XXX	103,505	47,469	103,505	0	0	0	(56,037)	(56,037)	248	0
6699999	Total - Common Stocks - Public Utilities.....					XXX	103,505	47,469	103,505	0	0	0	(56,037)	(56,037)	248	0
<b>Common Stocks - Banks, Trust and Insurance Companies</b>																
<b>United States</b>																
020002-10-1.....	Allstate Corporation.....	02/08/2002	Merrill Lynch.....	11/04/2002	Various.....	2,000,000	67,648	78,664	67,648				11,015	11,015	1,260	
14040H-10-5.....	Capital One Financial C.....	02/27/2002	Merrill Lynch.....	12/20/2002	Salomon Smith Barney.....	1,400,000	69,049	44,365	69,049				(24,684)	(24,684)	112	
172967-10-1.....	Citigroup Inc.....	06/18/2002	Morgan Stanley.....	09/18/2002	Factset Data Systems.....	800,000	32,191	22,919	32,191				(9,272)	(9,272)	144	
172967-10-1.....	Citigroup Inc.....	07/29/2002	Various.....	08/21/2002	Spin Off.....	7,195	7,195	7,195	7,195				0	0		
552848-10-3.....	MGIC Investment Corpora.....	07/26/2002	Various.....	12/05/2002	Lehman Brothers.....	600,000	39,922	26,082	39,922				(13,840)	(13,840)	43	
857477-10-3.....	State Street Corporatio.....	10/15/2002	Standard & Poor's Securities.....	12/26/2002	SG Cowen.....	500,000	20,030	19,945	20,030				(85)	(85)		
89420G-10-9.....	Travelers P & C Corp Cl.....	08/21/2002	Spin Off.....	09/05/2002	Various.....	279,000	3,925	3,878	3,925				(47)	(47)		
89420G-10-9.....	Travelers P & C Corp Cl.....	08/21/2002	Spin Off.....	08/21/2002	Cash Adjustment.....	5	5	20	5				14	14		
89420G-40-6.....	Travelers P & C Corp Cl.....	08/21/2002	Spin Off.....	08/26/2002	Various.....	572,000	8,679	8,201	8,679				(477)	(477)		
89420G-40-6.....	Travelers P & C Corp Cl.....	08/21/2002	Spin Off.....	08/21/2002	Cash Adjustment.....	1,000	16	15	16				(1)	(1)		
	United States.....					XXX	248,660	211,284	248,660	0	0	0	(37,377)	(37,377)	1,559	0
6799999	Total - Common Stocks - Banks, Trust & Insurance Companies.....					XXX	248,660	211,284	248,660	0	0	0	(37,377)	(37,377)	1,559	0
<b>Common Stocks - Industrial and Miscellaneous</b>																
<b>United States</b>																
00724F-10-1.....	Adobe Systems In corpora.....	07/29/2002	Various.....	08/01/2002	Various.....	2,400,000	64,640	53,772	64,640				(10,868)	(10,868)	8	
032511-10-7.....	Anadarko Petroleum Corp.....	07/17/2002	Various.....	12/12/2002	First Albany Corp.....	700,000	37,589	34,365	37,589				(3,223)	(3,223)	168	
037411-10-5.....	Apache Corporation.....	12/27/2001	Stock Dividend.....	12/20/2002	Various.....	130,000							0	0	48	
134429-10-9.....	Campbell Soup.....	04/08/2002	Various.....	08/21/2002	Credit Suisse 1st Boston Corp.....	1,700,000	47,418	36,790	47,418				(10,628)	(10,628)	536	
28336L-10-9.....	EI Paso Corporation.....	02/12/2002	Merrill Lynch.....	09/25/2002	SEI Financial Services Inc.....	600,000	22,223	3,879	22,223				(18,344)	(18,344)	392	
364730-10-1.....	Gannett Company In corpora.....	07/23/2002	Morgan Stanley.....	08/26/2002	Warburg Dillon Read LLC.....	400,000	25,987	30,746	25,987				4,759	4,759		
369550-10-8.....	General Dynamics Corpor.....	03/08/2002	SEI Financial Services Inc.....	12/20/2002	William Blair.....	910,000	80,046	71,469	80,046				(8,577)	(8,577)	819	
423074-10-3.....	H J Heinz Company.....	04/08/2002	Morgan Stanley.....	10/23/2002	Merrill Lynch.....	500,000	20,942	15,548	20,942				(5,395)	(5,395)	405	
428236-10-3.....	Hewlett Packard Company.....	02/01/2002	B-Trade Services.....	05/20/2002	Corporate Reorg/Merger.....	1,000	17	15	17				(2)	(2)		
594972-10-1.....	MicroStrategy In corpora.....	08/01/2002	From class action law suit.....	08/02/2002	Tax Free Exchange.....	41,000	1	1	1				0	0		
594972-40-8.....	MicroStrategy In corpora.....	08/02/2002	Tax Free Exchange.....	12/27/2002	Merrill Lynch.....	4,000	1	54	1				53	53		
594972-40-8.....	MicroStrategy In corpora.....	08/02/2002	Tax Free Exchange.....	08/02/2002	Cash Adjustment.....								0	0		
740189-10-5.....	Precision Castparts Cor.....	07/01/2002	SEI Financial Services Inc.....	12/20/2002	Gordon Haskett & Company.....	1,700,000	56,486	40,612	56,486				(15,874)	(15,874)	80	
786514-20-8.....	Safeway Incorporated.....	06/05/2002	Various.....	07/25/2002	Various.....	3,100,000	132,179	79,310	132,179				(52,870)	(52,870)		

**SCHEDULE D - PART 5**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identifi- cation	Description	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Actual Cost	Consideration	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
800907-10-7.....	Sanmina Corp.....	05/13/2002	Various.....	07/24/2002	Merrill Lynch.....	3,700,000	46,769	15,289	46,769				(31,479)	(31,479)		
872941-10-9.....	TMP Worldwide Inc.....	02/26/2002	Merrill Lynch.....	12/20/2002	Merrill Lynch.....	800,000	22,331	8,397	22,331				(13,934)	(13,934)		
	United States.....					XXX	556,629	390,247	556,629	0	0	0	(166,382)	(166,382)	2,456	0
6899999	Total - Common Stocks - Industrial & Miscellaneous.....					XXX	556,629	390,247	556,629	0	0	0	(166,382)	(166,382)	2,456	0
7099998	Total - Common Stocks.....					XXX	908,794	649,000	908,794	0	0	0	(259,796)	(259,796)	4,263	0
7199999	Total - Preferred and Common Stocks.....					XXX	908,794	649,000	908,794	0	0	0	(259,796)	(259,796)	4,263	0
7299999	Total - Bonds, Preferred and Common Stocks.....					XXX	5,836,624	5,582,007	5,809,060	(27,564)	0	0	(227,055)	(227,055)	143,688	94,004

**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**

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**  
**SCHEDULE DM**

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

	1	2	3
	Statement (Admitted) Value	Fair Value (a)	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
1. Bonds.....	212,035,878	214,714,524	2,678,646
2. Preferred stocks.....	2,025,040	2,546,500	521,460
3. Totals.....	214,060,918	217,261,024	3,200,106

(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 using an external pricing service, HubData Inc.; using an external investment service,

Bloomberg Inc.; or by contacting individual brokers.

Annual Statement for the year 2002 of the **MOTORISTS LIFE INSURANCE COMPANY**  
**SCHEDULE E - PART 1 - CASH**

1		2	3	4	5	6
Depository		Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
<b>Open Depositories</b>						
Bank One of Columbus, NA.....	Columbus, Ohio.....				1,086,963	XXX
Bank One of Columbus, Trust.....	Columbus, Ohio.....				90,106	XXX
The One Group Prime - Treasury Money Market.....	Chicago, Illinois.....		80,049		7,562,715	XXX
0199999. Total - Open Depositories.....		XXX	80,049	0	8,739,784	XXX
0399999. Total Cash on Deposit.....		XXX	80,049	0	8,739,784	XXX
0599999. Total Cash.....		XXX	80,049	0	8,739,784	XXX

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

1. January.....	6,478,392	4. April.....	5,315,831	7. July.....	6,198,460	10. October.....	9,286,258
2. February.....	5,794,130	5. May.....	5,815,157	8. August.....	3,592,872	11. November.....	5,911,264
3. March.....	5,836,520	6. June.....	6,973,392	9. September.....	1,478,208	12. December.....	8,739,784

**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
<b>SPECIAL DEPOSITS WHICH ARE FOR THE BENEFIT OF ALL POLICYHOLDERS</b>						
<b>U.S.</b>						
US00001	B	U S Treasury Notes 4 3/8% Due 5/15/2007 MN15	Ohio, Ohio Insurance Department, Licensing Laws - All	1,000,000	997,462	1,073,750
US99999	U.S.			1,000,000	997,462	1,073,750
ZZ99999	Total - All Special Deposits Held for Benefit of all Policyholders, Claimants, & Creditors of the Company			1,000,000	997,462	1,073,750
9999999	Totals			1,000,000	997,462	1,073,750

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