



ANNUAL STATEMENT

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

STONEBRIDGE CASUALTY INSURANCE COMPANY

NAIC Group Code..... 0468, 0468 NAIC Company Code..... 10952 Employer's ID Number..... 31-4423946
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated..... November 15, 1957

Commenced Business..... April 15, 1958

Statutory Home Office 100 South Third Street Columbus OH 43215
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 520 Park Avenue Baltimore MD 21201 410-685-5500
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 520 Park Avenue Baltimore MD 21201
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 520 Park Avenue Baltimore MD 21201 410-685-5500
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.aegonins.com

Statement Contact Paul Ben Nardini 319-398-8790
(Name) (Area Code) (Telephone Number) (Extension)
pnardini@aegonusa.com 319-369-2210
(E-Mail Address) (Fax Number)

Policyowner Relations Contact 520 Park Avenue Baltimore MD 21201 1-800-527-9027
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President Marilyn Carp
Executive Vice President, Secretary, & General Counsel John Robert Camillo
Vice President & Corporate Controller Robert James Kontz

DIRECTORS OR TRUSTEES

Craig Dean Vermie Marilyn Carp Brenda Kay Clancy Glyn Douglas Mangum, Jr.
Martha Ann McConnell Brian Arthur Smith Christopher Harry Garrett

State of..... Iowa
County of..... Linn

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

_____ (Signature) Marilyn Carp _____ (Printed Name) President	_____ (Signature) John Robert Camillo _____ (Printed Name) Secretary	_____ (Signature) Robert James Kontz _____ (Printed Name) Vice President & Corporate Controller
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Subscribed and sworn to before me this

...27th...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.....

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds.....	11,793,860	.0	11,793,860	13,881,703
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1).....	.0	.0	.0	.0
2.2 Common stocks (Schedule D, Part 2, Section 2).....	.0	.0	.0	.0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	.0	.0	.0	.0
3.2 Other than first liens.....	.0	.0	.0	.0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	.0	.0	.0	.0
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	.0	.0	.0	.0
4.3 Properties held for sale (less \$.....0 encumbrances).....	.0	.0	.0	.0
5. Cash (\$.....5,699 Schedule E, Part 1) and short-term investments (\$.....0 Schedule DA, Part 2).....	5,699	.0	5,699	1,417,544
6. Other invested assets (Schedule BA).....	.0	.0	.0	.0
7. Receivable for securities.....	2,800	.0	2,800	7,625
8. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
9. Subtotals, cash and invested assets (Lines 1 to 8).....	11,802,359	.0	11,802,359	15,306,872
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection.....	2,627,341	.0	2,627,341	.0
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	.0	.0	.0	.0
10.3 Accrued retrospective premiums.....	.0	.0	.0	.0
11. Funds held by or deposited with reinsured companies.....	.0	.0	.0	.0
12. Bills receivable, taken for premiums.....	.0	.0	.0	.0
13. Amounts receivable under high deductible policies.....	.0	.0	.0	.0
14. Reinsurance recoverables on loss and loss adjustment expense payments (Schedule F, Part 3, Cols. 7 and 8).....	290,084	.0	290,084	185,126
15. Federal and foreign income tax recoverable and interest thereon (including \$.....10,142 net deferred tax asset) -	794,539	38,619	755,920	9,477
16. Guaranty funds receivable or on deposit.....	(19,805)	.0	(19,805)	(27,058)
17. Electronic data processing equipment and software.....	.0	.0	.0	.0
18. Interest, dividends and real estate income due and accrued.....	165,968	.0	165,968	234,760
19. Net adjustments in assets and liabilities due to foreign exchange rates.....	.0	.0	.0	.0
20. Receivable from parent, subsidiaries and affiliates.....	7,367,101	.0	7,367,101	987,668
21. Amount due from/to protected cells.....	.0	.0	.0	.0
22. Equities and deposits in pools and associations.....	.0	.0	.0	.0
23. Amounts receivable relating to uninsured accident and health plans.....	.0	.0	.0	.0
24. Other assets nonadmitted (Exhibit 1).....	.0	.0	.0	.0
25. Aggregate write-ins for other than invested assets.....	551,700	46	551,654	492,645
26. Total assets excluding protected cell assets (Lines 9 through 25).....	23,579,287	38,665	23,540,622	17,189,490
27. Protected cell assets.....	.0	.0	.0	.0
28. TOTALS (Lines 26 and 27).....	23,579,287	38,665	23,540,622	17,189,490

DETAILS OF WRITE-INS

0801. ....	.0	.0	.0	.0
0802. ....	.0	.0	.0	.0
0803. ....	.0	.0	.0	.0
0898. Summary of remaining write-ins for Line 8 from overflow page.....	.0	.0	.0	.0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above).....	.0	.0	.0	.0
2501. Other amounts recoverable on reinsurance.....	20,172	.0	20,172	293,090
2502. Accounts receivable.....	531,528	46	531,482	199,555
2503. ....	.0	.0	.0	.0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	551,700	46	551,654	492,645

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8).....	3,025,312	734,384
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6).....	0	0
3. Loss adjustment expenses (Part 2A, Line 34, Column 9).....	515,347	404,507
4. Commissions payable, contingent commissions and other similar charges.....	0	0
5. Other expenses (excluding taxes, licenses and fees).....	1,041,335	3,492,922
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	(2,776)	59,841
7. Federal and foreign income taxes (including \$.....0 on realized capital gains (losses)) (including \$.....0 net deferred tax liability).....	0	790,941
8. Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0).....	2,213,432	45,441
10. Advance premiums.....	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions).....	0	16,730
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	1,123,030	1,049,267
14. Amounts withheld or retained by company for account of others.....	2,813,253	0
15. Remittances and items not allocated.....	10,572	903
16. Provision for reinsurance (Schedule F, Part 7).....	117,046	0
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	0	180,988
20. Payable for securities.....	0	0
21. Liability for amounts held under uninsured accident and health plans.....	0	0
22. Capital notes \$.....0 and interest thereon \$.....0.....	0	0
23. Aggregate write-ins for liabilities.....	31	1,095
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	10,856,582	6,777,019
25. Protected cell liabilities.....	0	0
26. Total liabilities (Lines 24 and 25).....	10,856,582	6,777,019
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	2,539,160	2,539,160
29. Preferred capital stock.....	0	0
30. Aggregate write-ins for other than special surplus funds.....	0	0
31. Surplus notes.....	0	0
32. Gross paid in and contributed surplus.....	3,758,805	3,758,805
33. Unassigned funds (surplus).....	6,386,075	4,114,507
34. Less treasury stock, at cost:		
34.1 .....0.000 shares common (value included in Line 28 \$.....0).....	0	0
34.2 .....0.000 shares preferred (value included in Line 29 \$.....0).....	0	0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 38).....	12,684,040	10,412,472
36. TOTALS (Page 2, Line 28, Col. 3).....	23,540,622	17,189,491

DETAILS OF WRITE-INS

2301. Accounts payable.....	0	1,048
2302. Uncashed drafts.....	31	47
2303.	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	31	1,095
2701.	0	0
2702.	0	0
2703.	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0
3001.	0	0
3002.	0	0
3003.	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

	1 Current Year	2 Prior Year
STATEMENT OF INCOME		
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 34, Column 4).....	17,230,803	8,506,365
DEDUCTIONS		
2. Losses incurred (Part 2, Line 34, Column 7).....	8,512,092	1,731,886
3. Loss expenses incurred (Part 3, Line 25, Column 1).....	880,799	416,879
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	5,598,217	2,272,200
5. Aggregate write-ins for underwriting deductions.....	0	(501,396)
6. Total underwriting deductions (Lines 2 through 5).....	14,991,108	3,919,569
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	2,239,695	4,586,796
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	607,166	1,100,431
10. Net realized capital gains (losses) (Exhibit of Capital Gains (Losses)).....	(9,693)	84,586
11. Net investment gain (loss) (Lines 9 + 10).....	597,473	1,185,017
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	0
13. Finance and service charges not included in premiums.....	0	0
14. Aggregate write-ins for miscellaneous income.....	(149,979)	25,631
15. Total other income (Lines 12 through 14).....	(149,979)	25,631
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15).....	2,687,189	5,797,444
17. Dividends to policyholders.....	0	0
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17).....	2,687,189	5,797,444
19. Federal and foreign income taxes incurred.....	295,440	1,946,407
20. Net income (Line 18 minus Line 19) (to Line 22).....	2,391,749	3,851,037
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 38, Column 2).....	10,412,470	12,890,361
GAINS AND (LOSSES) IN SURPLUS		
22. Net income (from Line 20).....	2,391,749	3,851,037
23. Net unrealized capital gains or (losses).....	(3,798)	0
24. Change in net unrealized foreign exchange capital gains (loss).....	0	0
25. Change in net deferred income tax.....	13,921	(14,518)
26. Change in nonadmitted assets (Exhibit 1, Line 5, Column 3).....	(13,256)	(23,681)
27. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(117,046)	0
28. Change in surplus notes.....	0	0
29. Surplus (contributed to) withdrawn from protected cells.....	0	0
30. Cumulative effect of changes in accounting principles.....	0	49,358
31. Capital changes:		
31.1 Paid in.....	0	0
31.2 Transferred from surplus (Stock Dividend).....	0	0
31.3 Transferred to surplus.....	0	0
32. Surplus adjustments:		
32.1 Paid in.....	0	0
32.2 Transferred to capital (Stock Dividend).....	0	0
32.3. Transferred from capital.....	0	0
33. Net remittances from or (to) Home Office.....	0	0
34. Dividends to stockholders.....	0	(6,340,087)
35. Change in treasury stock (Page 3, Line 34.1 and 34.2, Column 2 minus Column 1).....	0	0
36. Aggregate write-ins for gains and losses in surplus.....	0	0
37. Change in surplus as regards policyholders for the year (Lines 22 through 36).....	2,271,570	(2,477,891)
38. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 37) (Page 3, Line 35).....	12,684,040	10,412,470

DETAILS OF WRITE-INS

0501. Reserve transfer from other reinsurer.....	0	(501,396)
0502.	0	0
0503.	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	(501,396)
1401. Miscellaneous income.....	(149,979)	25,631
1402.	0	0
1403.	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(149,979)	25,631
3601.	0	0
3602.	0	0
3603.	0	0
3698. Summary of remaining write-ins for Line 36 from overflow page.....	0	0
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above).....	0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	16,755,849	8,509,513
2. Loss and loss adjustment expenses paid (net of salvage and subrogation).....	6,811,377	1,393,434
3. Underwriting expenses paid.....	4,999,959	3,278,848
4. Other underwriting income (expenses).....	0	501,396
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4).....	4,944,513	4,338,627
6. Net investment income.....	704,373	1,153,281
7. Other income (expenses):		
7.1 Agents' balances charged off.....	0	0
7.2 Net funds held under reinsurance treaties.....	73,763	310,022
7.3 Net amount withheld or retained for account of others.....	(929,568)	0
7.4 Aggregate write-ins for miscellaneous items.....	(7,093)	97,565
7.5 Total other income (Lines 7.1 to 7.4).....	(862,898)	407,587
8. Dividends to policyholders on direct business, less \$.....0 dividends on reinsurance assumed or ceded (net).....	0	0
9. Federal and foreign income taxes (paid) recovered.....	(1,841,035)	(2,661,260)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9).....	2,944,953	3,238,235
CASH FROM INVESTMENTS		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds.....	4,152,714	8,464,529
11.2 Stocks.....	0	249,992
11.3 Mortgage loans.....	0	0
11.4 Real estate.....	0	0
11.5 Other invested assets.....	0	0
11.6 Net gains or (losses) on cash and short-term investments.....	0	0
11.7 Miscellaneous proceeds.....	4,825	3,965
11.8 Total investment proceeds (Lines 11.1 to 11.7).....	4,157,539	8,718,486
12. Cost of investments acquired (long-term only):		
12.1 Bonds.....	2,097,903	6,854,006
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Miscellaneous applications.....	0	0
12.7 Total investments acquired (Lines 12.1 to 12.6).....	2,097,903	6,854,006
13. Net cash from investments (Line 11.8 minus Line 12.7).....	2,059,636	1,864,480
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in.....	341,020	0
14.2 Capital notes \$.....0 less amounts repaid \$.....0.....	0	0
14.3 Net transfers from affiliates.....	0	1,354,039
14.4 Borrowed funds received.....	0	0
14.5 Other cash provided.....	176,810	16,730
14.6 Total (Lines 14.1 to 14.5).....	517,830	1,370,769
15. Cash applied:		
15.1 Dividends to stockholders paid.....	0	6,340,087
15.2 Net transfers to affiliates.....	6,560,421	0
15.3 Borrowed funds repaid.....	0	0
15.4 Other applications.....	373,843	552,296
15.5 Total (Lines 15.1 to 15.4).....	6,934,264	6,892,383
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5).....	(6,416,434)	(5,521,614)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10 plus Line 13 plus Line 16).....	(1,411,845)	(418,899)
18. Cash and short-term investments:		
18.1 Beginning of year.....	1,417,542	1,836,441
18.2 End of year (Line 17 plus Line 18.1).....	5,697	1,417,542
DETAILS OF WRITE-INS		
7.401 Guaranty funds receivable or on deposit.....	(7,253)	71,934
7.402 Miscellaneous income.....	160	25,631
7.403	0	0
7.498 Summary of remaining write-ins for Line 7.4 from overflow page.....	0	0
7.499 Total (Lines 7.401 thru 7.403 plus 7.498) (Line 7.4 above).....	(7,093)	97,565

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3 Last Year's Part 2	Unearned Premiums December 31 Current Year- per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	0	0	0	0
2. Allied lines.....	0	0	0	0
3. Farmowners multiple peril.....	0	0	0	0
4. Homeowners multiple peril.....	0	0	0	0
5. Commercial multiple peril.....	0	0	0	0
6. Mortgage guaranty.....	0	0	0	0
8. Ocean marine.....	0	0	0	0
9. Inland marine.....	9,567,958	0	2,209,731	7,358,227
10. Financial guaranty.....	0	0	0	0
11.1 Medical malpractice - occurrence.....	0	0	0	0
11.2 Medical malpractice - claims-made.....	0	0	0	0
12. Earthquake.....	0	0	0	0
13. Group accident and health.....	34,983	5,182	1,279	38,886
14. Credit accident and health (group and individual).....	2,329,373	0	0	2,329,373
15. Other accident and health.....	53,166	40,258	2,422	91,002
16. Workers' compensation.....	0	0	0	0
17.1 Other liability - occurrence.....	0	0	0	0
17.2 Other liability - claims-made.....	0	0	0	0
18.1 Products liability - occurrence.....	0	0	0	0
18.2 Products liability - claims-made.....	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0
19.3, 19.4 Commercial auto liability.....	0	0	0	0
21. Auto physical damage.....	0	0	0	0
22. Aircraft (all perils).....	0	0	0	0
23. Fidelity.....	0	0	0	0
24. Surety.....	0	0	0	0
26. Burglary and theft.....	0	0	0	0
27. Boiler and machinery.....	0	0	0	0
28. Credit.....	0	0	0	0
29. International.....	0	0	0	0
30. Reinsurance - nonproportional assumed property.....	0	0	0	0
31. Reinsurance - nonproportional assumed liability.....	0	0	0	0
32. Reinsurance - nonproportional assumed financial lines.....	0	0	0	0
33. Aggregate write-ins for other lines of business.....	7,413,314	0	0	7,413,314
34. TOTALS.....	19,398,794	45,440	2,213,432	17,230,802

DETAILS OF WRITE-INS

3301. Credit unemployment.....	7,413,314	0	0	7,413,314
3302.	0	0	0	0
3303.	0	0	0	0
3398. Summary of remaining write-ins for Line 33 from overflow page.....	0	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	7,413,314	0	0	7,413,314

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

(a) Gross premiums (less reinsurance) and unearned premiums on all unexpired risks and reserve for return premiums under rate credit or retrospective rating plans based upon experience, viz:

	1 Amount Unearned (Running One Year or Less from Date of Policy) (b)	2 Amount Unearned (Running more than One Year from Date of Policy) (b)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
Line of Business					
1. Fire.....	0	0	0	0	0
2. Allied lines.....	0	0	0	0	0
3. Farmowners multiple peril.....	0	0	0	0	0
4. Homeowners multiple peril.....	0	0	0	0	0
5. Commercial multiple peril.....	0	0	0	0	0
6. Mortgage guaranty.....	0	0	0	0	0
8. Ocean marine.....	0	0	0	0	0
9. Inland marine.....	2,209,731	0	0	0	2,209,731
10. Financial guaranty.....	0	0	0	0	0
11.1 Medical malpractice - occurrence.....	0	0	0	0	0
11.2 Medical malpractice - claims-made.....	0	0	0	0	0
12. Earthquake.....	0	0	0	0	0
13. Group accident and health.....	1,279	0	0	0	1,279
14. Credit accident and health (group and individual).....	0	0	0	0	0
15. Other accident and health.....	2,422	0	0	0	2,422
16. Workers' compensation.....	0	0	0	0	0
17.1 Other liability - occurrence.....	0	0	0	0	0
17.2 Other liability - claims-made.....	0	0	0	0	0
18.1 Products liability - occurrence.....	0	0	0	0	0
18.2 Products liability - claims-made.....	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0	0
19.3, 19.4 Commercial auto liability.....	0	0	0	0	0
21. Auto physical damage.....	0	0	0	0	0
22. Aircraft (all perils).....	0	0	0	0	0
23. Fidelity.....	0	0	0	0	0
24. Surety.....	0	0	0	0	0
26. Burglary and theft.....	0	0	0	0	0
27. Boiler and machinery.....	0	0	0	0	0
28. Credit.....	0	0	0	0	0
29. International.....	0	0	0	0	0
30. Reinsurance - nonproportional assumed property.....	0	0	0	0	0
31. Reinsurance - nonproportional assumed liability.....	0	0	0	0	0
32. Reinsurance - nonproportional assumed financial lines.....	0	0	0	0	0
33. Aggregate write-ins for other lines of business.....	0	0	0	0	0
34. TOTALS.....	2,213,432	0	0	0	2,213,432
35. Accrued retrospective premiums based on experience.....					0
36. Earned but unbilled premiums.....					0
37. Balance (sum of Lines 34 through 36).....					2,213,432

DETAILS OF WRITE-INS

3301.	0	0	0	0	0
3302.	0	0	0	0	0
3303.	0	0	0	0	0
3398. Summary of remaining write-ins for Line 33 from overflow page.....	0	0	0	0	0
3399. TOTALS (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	0	0	0	0	0

- (a) By gross premiums is meant the aggregate of all the premiums written in the policies or renewals in force. Are they so returned in this statement? Yes [] No [].
 (b) State here basis of computation used in each case:

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Gross Premiums (Less Return Premiums), Including Policy and Membership Fees Written and Renewed During Year

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2	3	4	5	
		From Affiliates	From Non-Affiliates	To Affiliates	To Non-Affiliates	
1. Fire.....	.0	.0	.0	.0	.0	.0
2. Allied lines.....	.0	.0	.0	.0	.0	.0
3. Farmowners multiple peril.....	.0	.0	.0	.0	.0	.0
4. Homeowners multiple peril.....	.0	.0	.0	.0	.0	.0
5. Commercial multiple peril.....	.0	.0	.0	.0	.0	.0
6. Mortgage guaranty.....	.0	.0	.0	.0	.0	.0
8. Ocean marine.....	.0	.0	.0	.0	.0	.0
9. Inland marine.....	6,639,178	.0	2,981,929	.0	53,149	9,567,958
10. Financial guaranty.....	.0	.0	.0	.0	.0	.0
11.1 Medical malpractice - occurrence.....	.0	.0	.0	.0	.0	.0
11.2 Medical malpractice - claims-made.....	.0	.0	.0	.0	.0	.0
12. Earthquake.....	.0	.0	.0	.0	.0	.0
13. Group accident and health.....	34,983	.0	.0	.0	.0	34,983
14. Credit accident and health (group and individual).....	2,361,380	.0	.0	32,007	.0	2,329,373
15. Other accident and health.....	53,166	.0	.0	.0	.0	53,166
16. Workers' compensation.....	.0	.0	.0	.0	.0	.0
17.1 Other liability - occurrence.....	.0	.0	.0	.0	.0	.0
17.2 Other liability - claims-made.....	.0	.0	.0	.0	.0	.0
18.1 Products liability - occurrence.....	.0	.0	.0	.0	.0	.0
18.2 Products liability - claims-made.....	.0	.0	.0	.0	.0	.0
19.1, 19.2 Private passenger auto liability.....	.0	.0	.0	.0	.0	.0
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0	.0	.0
21. Auto physical damage.....	.0	.0	.0	.0	.0	.0
22. Aircraft (all perils).....	.0	.0	.0	.0	.0	.0
23. Fidelity.....	.0	.0	.0	.0	.0	.0
24. Surety.....	.0	.0	.0	.0	.0	.0
26. Burglary and theft.....	.0	.0	.0	.0	.0	.0
27. Boiler and machinery.....	.0	.0	.0	.0	.0	.0
28. Credit.....	.0	.0	.0	.0	.0	.0
29. International.....	.0	.0	.0	.0	.0	.0
30. Reinsurance - nonproportional assumed property.....	XXX	.0	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed liability.....	XXX	.0	.0	.0	.0	.0
32. Reinsurance - nonproportional assumed financial lines.....	XXX	.0	.0	.0	.0	.0
33. Aggregate write-ins for other lines of business.....	30,491,447	.0	542,404	23,032,163	588,375	7,413,314
34. TOTALS.....	39,580,155	.0	3,524,333	23,064,170	641,524	19,398,794

DETAILS OF WRITE-INS

3301. Credit unemployment.....	30,491,447	.0	542,404	23,032,163	588,375	7,413,314
3302. ....	.0	.0	.0	.0	.0	.0
3303. ....	.0	.0	.0	.0	.0	.0
3398. Summary of remaining write-ins for Line 33 from overflow page.....	.0	.0	.0	.0	.0	.0
3399. TOTALS (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	30,491,447	.0	542,404	23,032,163	588,375	7,413,314

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No []

If yes: 1. The amount of such installment premiums \$.....0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....	.0	.0	.0	.0	.0	.0	.0	.00
2. Allied lines.....	.0	.0	.0	.0	.0	.0	.0	.00
3. Farmowners multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.00
4. Homeowners multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.00
5. Commercial multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.00
6. Mortgage guaranty.....	.0	.0	.0	.0	.0	.0	.0	.00
8. Ocean marine.....	.0	.0	.0	.0	.0	.0	.0	.00
9. Inland marine.....	4,380,112	.0	.0	4,380,112	2,136,286	.0	6,516,398	88.6
10. Financial guaranty.....	.0	.0	.0	.0	.0	.0	.0	.00
11.1 Medical malpractice - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.00
11.2 Medical malpractice - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.00
12. Earthquake.....	.0	.0	.0	.0	.0	.0	.0	.00
13. Group accident and health.....	1,733	.0	.0	1,733	159,263	49,633	111,363	286.4
14. Credit accident and health (group and individual).....	831,422	.0	10,041	821,381	492,173	637,088	676,466	29.0
15. Other accident and health.....	.0	.0	.0	.0	3,465	4,208	(743)	(0.8)
16. Workers' compensation.....	.0	.0	.0	.0	.0	.0	.0	.00
17.1 Other liability - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.00
17.2 Other liability - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.00
18.1 Products liability - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.00
18.2 Products liability - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.00
19.1, 19.2 Private passenger auto liability.....	.0	.0	160,032	(160,032)	(295,147)	(455,179)	.0	.00
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0	.0	.0	.0	.00
21. Auto physical damage.....	.0	.0	.0	.0	.0	.0	.0	.00
22. Aircraft (all perils).....	.0	.0	.0	.0	.0	.0	.0	.00
23. Fidelity.....	.0	.0	.0	.0	.0	.0	.0	.00
24. Surety.....	.0	.0	.0	.0	.0	.0	.0	.00
26. Burglary and theft.....	.0	.0	.0	.0	.0	.0	.0	.00
27. Boiler and machinery.....	.0	.0	.0	.0	.0	.0	.0	.00
28. Credit.....	.0	.0	.0	.0	.0	.0	.0	.00
29. International.....	.0	.0	.0	.0	.0	.0	.0	.00
30. Reinsurance - nonproportional assumed property.....	XXX	.0	.0	.0	.0	.0	.0	.00
31. Reinsurance - nonproportional assumed liability.....	XXX	.0	.0	.0	.0	.0	.0	.00
32. Reinsurance - nonproportional assumed financial lines.....	XXX	.0	.0	.0	.0	.0	.0	.00
33. Aggregate write-ins for other lines of business.....	2,923,629	63,015	1,808,674	1,177,970	529,272	498,634	1,208,608	16.3
34. TOTALS.....	8,136,896	63,015	1,978,747	6,221,164	3,025,312	734,384	8,512,092	49.4
DETAILS OF WRITE-INS								
3301. Credit Unemployment.....	2,923,629	63,015	1,808,674	1,177,970	529,272	426,087	1,281,155	17.3
3302. Other Unemployment.....	.0	.0	.0	.0	.0	72,547	(72,547)	.00
3303. ....	.0	.0	.0	.0	.0	.0	.0	.00
3398. Summary of remaining write-ins for Line 33 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	.00
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	2,923,629	63,015	1,808,674	1,177,970	529,272	498,634	1,208,608	16.3

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. Allied lines.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. Farmowners multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. Homeowners multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. Commercial multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Mortgage guaranty.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
8. Ocean marine.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
9. Inland marine.....	.0	.0	.0	.0	1,135,517	1,000,769	.0	2,136,286	85,469
10. Financial guaranty.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
11.1 Medical malpractice - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
11.2 Medical malpractice - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Earthquake.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Group accident and health.....	.0	.0	.0	.0	159,263	.0	.0	(a) 159,263	40,429
14. Credit accident and health (group and individual).....	328,581	.0	3,993	324,588	170,402	.0	2,817	492,173	83,673
15. Other accident and health.....	.0	.0	.0	.0	3,465	.0	.0	(a) 3,465	19,230
16. Workers' compensation.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
17.1 Other liability - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
17.2 Other liability - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
18.1 Products liability - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
18.2 Products liability - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
19.1, 19.2 Private passenger auto liability.....	.0	.0	295,147	(295,147)	.0	.0	.0	(295,147)	.0
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
21. Auto physical damage.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
22. Aircraft (all perils).....	.0	.0	.0	.0	.0	.0	.0	.0	.0
23. Fidelity.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
24. Surety.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
26. Burglary and theft.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
27. Boiler and machinery.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
28. Credit.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
29. International.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
30. Reinsurance - nonproportional assumed property.....	XXX	.0	.0	.0	XXX	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed liability.....	XXX	.0	.0	.0	XXX	.0	.0	.0	.0
32. Reinsurance - nonproportional assumed financial lines.....	XXX	.0	.0	.0	XXX	.0	.0	.0	.0
33. Aggregate write-ins for other lines of business.....	988,231	5,177	702,326	291,082	652,065	7,327	421,203	529,272	286,545
34. TOTALS.....	1,316,812	5,177	1,001,465	320,523	2,120,713	1,008,096	424,020	3,025,312	515,346

DETAILS OF WRITE-INS

3301. Credit Unemployment.....	988,231	5,177	702,326	291,082	652,065	7,327	421,203	529,272	286,545
3302. ....	.0	.0	.0	.0	.0	.0	.0	.0	.0
3303. ....	.0	.0	.0	.0	.0	.0	.0	.0	.0
3398. Summary of remaining write-ins for Line 33 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	988,231	5,177	702,326	291,082	652,065	7,327	421,203	529,272	286,545

(a) Including \$.....0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT**PART 3 - EXPENSES**

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	329,686	.0	.0	329,686
1.2 Reinsurance assumed.....	.0	.0	.0	.0
1.3 Reinsurance ceded.....	.0	.0	.0	.0
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	329,686	.0	.0	329,686
2. Commission and brokerage:				
2.1 Direct excluding contingent.....	.0	1,382,203	.0	1,382,203
2.2 Reinsurance assumed excluding contingent.....	.0	1,253,504	.0	1,253,504
2.3 Reinsurance ceded excluding contingent.....	.0	20,488,007	.0	20,488,007
2.4 Contingent - direct.....	.0	.0	.0	.0
2.5 Contingent - reinsurance assumed.....	.0	.0	.0	.0
2.6 Contingent - reinsurance ceded.....	.0	.0	.0	.0
2.7 Policy and membership fees.....	.0	.0	.0	.0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	.0	(17,852,300)	.0	(17,852,300)
3. Allowances to managers and agents.....	.0	.0	.0	.0
4. Advertising.....	105	594	7	706
5. Boards, bureaus and associations.....	1,273	10,415	26	11,714
6. Surveys and underwriting reports.....	.0	.0	.0	.0
7. Audit of assureds' records.....	.0	.0	.0	.0
8. Salary and related items:				
8.1 Salaries.....	377,382	2,213,871	8,274	2,599,527
8.2 Payroll taxes.....	1,760	9,972	462	12,194
9. Employee relations and welfare.....	81,837	480,372	1,494	563,703
10. Insurance.....	.0	.0	37	37
11. Directors' fees.....	.0	.0	.0	.0
12. Travel and travel items.....	.0	21,981	436	22,417
13. Rent and rent items.....	.0	175,086	715	175,801
14. Equipment.....	.0	46,367	13	46,380
15. Cost or depreciation of EDP equipment and software.....	.0	160,412	812	161,224
16. Printing and stationery.....	25,769	151,568	134	177,471
17. Postage, telephone and telegraph, exchange and express.....	64,566	379,175	229	443,970
18. Legal and auditing.....	4,281	24,259	66	28,606
19. Totals (Lines 3 to 18).....	556,973	3,674,072	12,705	4,243,750
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....	.0	1,005,170	.0	1,005,170
20.2. Insurance department licenses and fees.....	.0	113,931	.8	113,939
20.3. Gross guaranty association assessments.....	.0	(13,519)	.0	(13,519)
20.4. All other (excluding federal and foreign income and real estate).....	.0	8,533	.0	8,533
20.5. Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	.0	1,114,115	.8	1,114,123
21. Real estate expenses.....	.0	.0	.0	.0
22. Real estate taxes.....	.0	.0	.0	.0
23. Reimbursements by uninsured accident and health plans.....	.0	.0	.0	.0
24. Aggregate write-ins for miscellaneous expenses.....	(5,860)	18,662,330	7,640	18,664,110
25. Total expenses incurred.....	880,799	5,598,217	20,353	(a).....6,499,369
26. Less unpaid expenses - current year.....	515,345	4,111,581	.0	4,626,926
27. Add unpaid expenses - prior year.....	404,507	3,553,212	.0	3,957,719
28. Amounts receivable relating to uninsured accident and health plans, prior year.....	.0	.0	.0	.0
29. Amounts receivable relating to uninsured accident and health plans, current year.....	.0	.0	.0	.0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	769,961	5,039,848	20,353	5,830,162

DETAILS OF WRITE-INS

2401. Sundry General Expenses.....	(9,294)	(52,664)	47	(61,911)
2402. Other Service Fees.....	.0	18,695,537	.0	18,695,537
2403. Bank Charges.....	1,042	5,903	435	7,380
2498. Summary of remaining write-ins for Line 24 from overflow page.....	2,392	13,554	7,158	23,104
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	(5,860)	18,662,330	7,640	18,664,110

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....219,576	.....183,950
1.1 Bonds exempt from U.S. tax.....	(a).....211,288	.....208,038
1.2 Other bonds (unaffiliated).....	(a).....368,190	.....342,305
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....0	.....0
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....0	.....0
2.21 Common stocks of affiliates.....	.....0	.....0
3. Mortgage loans.....	(c).....0	.....0
4. Real estate.....	(d).....0	.....0
5. Contract loans.....	.....0	.....0
6. Cash/short-term investments.....	(e).....4,502	.....470
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....0	.....0
9. Aggregate write-ins for investment income.....	.....(5)	.....(5)
10. Total gross investment income.....	.....803,551	.....734,758
11. Investment expenses.....		(g).....20,345
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....8
13. Interest expense.....		(h).....107,257
14. Depreciation on real estate and other invested assets.....		(i).....0
15. Aggregate write-ins for deductions from investment income.....		.....0
16. Total deductions (Lines 11 through 15).....		.....127,610
17. Net investment income (Line 10 minus Line 16).....		.....607,148

DETAILS OF WRITE-INS

0901. Miscellaneous Investment Income.....	.....(5)	.....(5)
0902. ....	.....0	.....0
0903. ....	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....(5)	.....(5)
1501. ....		.....0
1502. ....		.....0
1503. ....		.....0
1598. Summary of remaining write-ins for Line 15 from overflow page.....		.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....		.....0

- (a) Includes \$.....30,740 accrual of discount less \$.....59,155 amortization of premium and less \$.....16,824 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4 Net Gain or (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment		
1. U.S. government bonds.....	.....6,778	.....0	.....0	.....0	.....6,778
1.1 Bonds exempt from U.S. tax.....	.....(4,000)	.....0	.....0	.....0	.....(4,000)
1.2 Other bonds (unaffiliated).....	.....(3,595)	.....0	.....(3,798)	.....0	.....(7,393)
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.21 Common stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
3. Mortgage loans.....	.....0	.....0	.....0	.....0	.....0
4. Real estate.....	.....0	.....0	.....0	.....0	.....0
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash/short-term investments.....	.....0	.....0	.....0	.....0	.....0
7. Derivative instruments.....	.....0	.....0	.....0	.....0	.....0
8. Other invested assets.....	.....0	.....0	.....0	.....0	.....0
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....(817)	.....0	.....(3,798)	.....0	.....(4,615)

DETAILS OF WRITE-INS

0901. ....	.....0	.....0	.....0	.....0	.....0
0902. ....	.....0	.....0	.....0	.....0	.....0
0903. ....	.....0	.....0	.....0	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) Decrease
1. Summary of Items Page 2, Lines 10 to 17 and 19 to 23, Column 2.....	38,619	25,363	(13,256)
2. Other Nonadmitted Assets:			
2.1 Bills receivable.....	0	0	0
2.2 Furniture, equipment and supplies.....	0	0	0
2.3 Leasehold improvements.....	0	0	0
2.4 Loans on personal security, endorsed or not.....	0	0	0
3. Total (Lines 2.1 to 2.4).....	0	0	0
4. Aggregate write-ins for other assets.....	46	46	0
5. Total (Line 1 plus Lines 3 and 4).....	38,665	25,409	(13,256)

DETAILS OF WRITE-INS

0401. Accounts receivable.....	46	46	0
0402.	0	0	0
0403.	0	0	0
0498. Summary of remaining write-ins for Line 4 from overflow page.....	0	0	0
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above).....	46	46	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of the Company are presented on the basis of accounting practices prescribed by the Ohio Department of Insurance. The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2002, (NAIC SAP) has been adopted as a component of prescribed practices by the State of Ohio Department of Insurance. While the Commissioner of Insurance has the right to permit specific practices that deviate from prescribed practices, none are included within this financial statement.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed by the State of Ohio is shown below:

	2002	2001
Net Income, State of Ohio Basis	\$2,391,749	\$3,851,038
State Prescribed Practices (Income)	\$0	\$0
Net Income, NAIC SAP	\$2,391,749	\$3,851,038
Statutory Surplus, State of Ohio Basis	\$12,684,040	\$10,412,472
State Prescribed Practices (Surplus)	\$0	\$0
Statutory Surplus, NAIC SAP	\$12,684,040	\$10,412,472

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates that effect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by prorate methods for direct business and are based upon reports from ceding companies for reinsurance. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) If rated for 2 by the NAIC, bonds not backed by other loans are stated at amortized cost using the scientific amortization method including anticipated prepayments at the date of purchase. Bonds rated 3 by the NAIC are stated at the lower of amortized cost or market value.
- (3) The Company has no common stock investments.
- (4) The Company has no preferred stock investments.
- (5) The Company has no mortgage loan investments.
- (6) If rated 1 or 2 by the NAIC, loan-backed and structured securities are stated at amortized cost using the scientific amortization method including anticipated prepayments at the date of purchase. Bonds rated 3 by the NAIC are stated at the lower of amortized cost or market value. Prepayment assumptions for loan-backed bonds and structured securities were obtained from Bloomberg's prepayment model. The retrospective adjustment method is used to value all of these securities.
- (7) The Company has no investments in subsidiaries, controlled or affiliated companies.
- (8) The Company has no investments in joint ventures, partnerships, or limited liability companies.
- (9) The Company does not hold premium deficiency reserves.
- (10) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount based on past experience for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The method for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined. The Company does not have any exposure for claims for toxic wastes, cleanups, asbestos related illnesses, or other environmental redemption exposure.

2. Accounting Changes and Corrections of Errors

A. Material Changes in Accounting Principles and/or Correction of Errors None.

B. Disclosure for Insurers Upon Initial Implementation of Codification

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. Effective January 1, 2001, the State of Ohio required that insurance companies domiciled in the State of Ohio prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual - Version effective January 1, 2001, and subject to and deviations prescribed by the State of Ohio Commissioner of Insurance.

Accounting changes adopted to conform to the provisions of the NAIC Accounting Practices and Procedures manual - Version effective January 1, 2001 are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. As a result of these changes, the Company reported a change of accounting principle, as an adjustment that increased unassigned funds (surplus), of \$49,358 as of January 1, 2001. The total amount of this adjustment was made up by the establishment of deferred tax assets.

3. Business Combinations and Goodwill

A. Statutory Purchase Method - Not Applicable

NOTES TO FINANCIAL STATEMENTS

- B. Merger - Not Applicable
- C. Impairment Loss - Not Applicable
4. Discontinued Operations -
- A. The Company entered into an agreement to sell its auto liability policies to MetLife Property and Casualty Insurance Company effective June 27, 1989. MetLife assumed responsibility for all claim payments, including claims incurred to the sale date. The Company has continued to maintain in force an excess of loss reinsurance agreement with General Reinsurance Corporation. The excess of loss reinsurance agreement is expected to stay in force until all claims incurred to the sale date are settled.
- B. The Company's auto operations have been classified as Discontinued Operations and have been reported consistently with the Company's reporting of continuing operations.
- C. The amounts related to Discontinued Operations and the effect on the Company's Balance Sheet and Statement of Income are as follows:

Balance Sheet December 31, 2002

Assets:

Reinsurance recoverable on loss and loss adjustment expense payments (Line 14)	\$290,084
--	-----------

Liabilities:

Losses (Line 1)	(\$295,147)
-----------------	-------------

Statement of Income:

No effect

5. Investments
- A. Mortgage Loans - None
- B. Debt Restructuring - None
- C. Reverse Mortgages - None
- D. Loan-Backed Securities
- (1) The Company has elected to use the original cost as of the original trade date for applying the retrospective method to securities.
- (2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from the Bloomberg prepayment model.
- (3) The following sources were used to determine the market value of its loan-backed securities: IDC- Interactive Data Corp., CMS Bondedge, or the Broker.
- E. Repurchase Agreements - None
6. Joint Ventures, Partnerships, and Limited Liability Companies
- A-B. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

7. Investment Income
- A. Due and accrued interest income was excluded when payment exceeded 90 days past due.
- B. The total amount excluded was \$0 as of December 31, 2002.

8. Derivative Instruments - None

9. Income Taxes

A. Deferred Tax Components:	12/31/2001	12/31/2002
1. Total Deferred Tax Assets	49,450	61,288
2. Total All Deferred Tax Liabilities	14,610	12,527
3. Total Deferred Tax Assets Nonadmitted (per SSAP #10)	25,363	38,619
4. Incr. (Decr.) in Deferred Tax Assets - Nonadmitted		13,256

- B. Deferred Tax Liabilities are not recognized for the following amounts:

Not Applicable.

- C. Current income taxes incurred consist of the following major components:

	12/31/2001	12/31/2002
Current Income Taxes:		
Current Year Tax Provision Before Tax Credits	1,916,802	822,141
Tax Credits	0	0
Prior Year Under/(Over) Accrual	0	(526,701)
Income Tax Expense From Operations	1,916,802	295,440
Taxes on Capital Gains/Losses	29,605	8,876
Taxes related to surplus items	0	0
Current Income Taxes Incurred	1,946,407	304,316

Changes in the main components of deferred tax amounts are as follows:

Net Change in Deferred Tax Assets	12/31/2001	12/31/2002	Net Change
Miscellaneous Accruals	42,114	42,114	(0)
Other Depreciable Assets	5,958	2,980	(2,978)
Tax Reserve Adjustment	1,378	0	(1,378)
Unrealized Capital Losses		16,178	16,178
All Other Misc.			

NOTES TO FINANCIAL STATEMENTS

	(0)	16	16
Total Change in Deferred Tax Assets	49,450	61,288	11,838
Total Change in Deferred Tax Assets - Nonadmitted	25,363	38,619	13,256
Net Change in Deferred Tax Liabilities			
Unrealized Capital Gains	14,610	12,527	(2,083)
All Other Misc.	0	0	(0)
Total Change Deferred Tax Liabilities	14,610	12,527	(2,083)

9D. Significant Statutory to Tax Adjustments on Current Taxes:

In 000's	12/31/2002	12/31/2001
Income Tax Computed at the federal Statutory rate (35%)	944	2,000
Corporate Provision	(42)	0
Investment Income Items	(8)	(9)
Prior Year Under/(Over) Accrual	(527)	0
Tax-Exempt Interest	(62)	(74)
All Other Adjustments	(10)	0
Federal Income Tax Expense	295	1,917
Change in Net Deferred Income Taxes	(1)	0
Total Statutory Income Taxes	294	1,917

9E. 1) J. C. Penney Casualty Insurance Company filed a federal income tax return with J. C. Penney Company Inc. for the period ended June 18, 2001. Effective June 19, 2001, the Company will file a consolidated federal income return with AEGON USA, Inc. As a result, any operating loss or capital loss carryforwards are calculated for the life and nonlife subgroups on a consolidated basis. At December 31, 2002, the nonlife subgroup had \$25,977,173 of net operating loss carryforwards originating in 1987 through 2002 which expire, if unused, in 2002 through 2022.

(2) The following are income taxes incurred in the current and prior years for the consolidated group in which the Company is included that will be available for recoupment in the event of future net losses:

2002	\$ 94,554,791
2001	\$ 69,912,876

9F. (1) The Company's federal Income Tax return is consolidated with the following entities:

See attached.

(2) The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations, except that current credit for tax credits and net operating loss carryforwards are determined on the basis of the consolidated group. Intercompany tax balances are settled within 30 days of payment to or filing with the Internal Revenue Service.

The Company's federal income tax returns have been examined by the Internal Revenue Service and the statute is closed through 1995. The examination fieldwork for 1996 through 1997 has been completed and a protest of the findings has been filed with the Appeals Office of the Internal Revenue Service. An examination is underway for 1998 through 2000.

10. Information Concerning Parent, Subsidiaries, and Affiliates

- A-C. The Company did not pay a common stock dividend to its Parent during 2002. During 2001, the Company paid a dividend to its Parent of \$6,340,087.
- D. At December 31, 2002, the Company reported \$7,367,101 due from Parent, Subsidiary, and Affiliated Companies. Terms of settlement require these amounts to be settled within 90 days.
- E. The Company has made no guarantees or commitments with regard to affiliated or related parties.
- F. The Company does not have employees. The Company is party to a Cost Sharing agreement between the AEGON USA, Inc. companies, providing for services needed.
- G. The Company is 100% owned by Commonwealth General Corporation, which is ultimately owned by AEGON, N.V.
- H. The Company does not own any shares of stock of its Parent Company.
- I, J. The Company does not have investments in subsidiary, controlled or affiliated entities.

11. Debt

- A. Capital Notes - None
- B. All Other Debts - None

12. Retirement Plans, Deferred Compensation, Post-Employment Benefits and Compensation Absences, and other Post-Retirement Benefit Plans - The Company has no employees. Services are provided by employees of affiliated companies as part of a Cost Sharing Agreement. This Agreement has been approved by the domiciliary regulators of each of the insurance companies.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- A. The Company has 250,000 common shares authorized, 195,320 shares issued and outstanding. Par value is \$13.
- B. The Company has no preferred stock authorized.
- C. Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the Company's state of incorporation, Ohio, to \$2,391,749, an amount that is based on restrictions relating to statutory surplus.
- D. Within the limitation of (C) above, there are no restrictions placed on the portion of Company profit that may be paid as ordinary dividends to stockholders.

NOTES TO FINANCIAL STATEMENTS

- E. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- F. The total amount of advances to surplus not repaid is \$0.
- G. The amounts of stock held by the Company, including stock of affiliated companies, for special purposes:
- | | | |
|-----|------------------------------------|----------|
| (1) | For conversion of preferred stock: | 0 Shares |
| (2) | For employee stock options: | 0 Shares |
| (3) | For stock purchase warrants: | 0 Shares |
- H. Changes in balances of special surplus funds from the prior year are due to: Not Applicable.
- I. The portion of unassigned funds (surplus) represented or reduced by each item belows as follows:
- | | | |
|-----|---------------------------------------|-------------|
| (1) | Unrealized gains and losses | \$3,798 |
| (2) | Nonadmitted asset values | (\$38,665) |
| (3) | Reinsurance in unauthorized companies | (\$117,046) |
- J. The Company issued the following surplus debentures or similar obligations: Not Applicable.
- K. The impact of any restatement due to prior quasi-reorganization is as follows: Not Applicable.
- L. The effective date(s) of all quasi-reorganization in the prior 10 years is/are: Not Applicable.
14. Contingencies
- A. Contingent Commitments
- The Company has purchased annuities from life insurers which the claimants are payees to fund future payments that are fixed to specific claim settlement provisions. The Company is continually liable for the outstanding balances under these annuities amounting to \$140,380.
- B. Assessments - None
- C. Gain Contingencies - None
- D. All Other Contingencies - None
15. Leases
- A. The Company has no material lease obligations nor is it involved in any lessor leases or leveraged leases.
16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk
- A. The Company had no financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk during either of the years presented in this annual statement.
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
- A-B. Transfers of Receivables Reported as Sales - None
- C. Wash Sales - None
18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans - None
19. Direct Premiums Written/Produced by Managing General Agents/Third Party Administrators- None
- | Agent or
Third Party Administrator | FEIN
Number | Exclusive
Contract | Business
Written | Authority
Granted | Direct Premiums
Written |
|--|----------------|-----------------------|---------------------|----------------------|----------------------------|
| TripMate Insurance Agency, Inc.
9225 Ward Parkway, 2nd Floor
Kansas City, MO 64114 | 41-1062722 | No | Group A&H, P&C | MGU Full Admin. | \$6,639,178 |
20. Other Items
- A. Extraordinary Items - None
- B. Troubled Debt Restructuring - None
- C. Other Disclosures
- Assets with a book value of \$4,260,000, a statement value of \$4,303,953 and a fair value of \$4,694,717 at December 31, 2002 were on deposit with government authorities or trustees as required by law.
- On June 18, 2001, J.C. Penny Company, Inc., announced the completion of the sale of J.C. Penny Direct Marketing Services operations. J.C. Penny Casualty Insurance Company was sold to Commonwealth General Corporation, a US subsidiary of AEGON N.V.
- D. Uncollectible Assets
- As of December 31, 2002, the Company had nonadmitted assets of \$46 in accounts receivable for uninsured plans, amounts due from agents, and/or premium receivable. The Company routinely assesses the collectibility of these receivables.
21. Events Subsequent - None
22. Reinsurance
- A. Unsecured Reinsurance Recoverable's
- The Company's unsecured reinsurance balances (including ceded case BNR reserves) in excess of 3% of policyholders'

NOTES TO FINANCIAL STATEMENTS

surplus with any one reinsurer are displayed below:

NAIC Group Code	Federal Id # (FEIN)	Name of Reinsurer	Amount
080	13-2673100	General Reinsurance Corporation	\$295,147

- B. Reinsurance Recoverable in Dispute - None
- C. Reinsurance Assumed and Ceded - None
- D. Uncollectible Reinsurance - None
- E. Commutation of Ceded Reinsurance - None
- F. Retroactive Reinsurance - None
23. Retrospectively Rated Contracts & Contracts Subjected to Redetermination - None
24. Change in Incurred Losses and Loss Adjustment Expenses - None.
25. Intercompany Pooling Arrangements - None
26. Structured Settlements
- A. The Company has purchased no annuities under which the Company is the owner and payee.
- B. The Company has purchased annuities under which the claimant is a payee. The aggregate value of annuities due from all life insurers as of December 31, 2002 was \$140,380. No one life insurer equals or exceeds 1% of the Company's policyholder surplus.
27. High Deductibles - None
28. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses - None
29. Asbestos/Environment Reserves
- A. The Company has no exposure to asbestos and/or environmental claims.
30. Subscriber Savings Accounts - None
31. Financial Guaranty Insurance Exposures - None

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities.....	2,918,729	24.7	2,918,729	24.7
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies.....	106,431	0.9	106,431	0.9
1.22 Issued by U.S. government sponsored agencies.....	0	0.0	0	0.0
1.3 Foreign government (including Canada, excluding mortgage-backed securities).....	0	0.0	0	0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations.....	251,843	2.1	251,843	2.1
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations.....	1,663,927	14.1	1,663,927	14.1
1.43 Revenue and assessment obligations.....	2,391,059	20.3	2,391,059	20.3
1.44 Industrial development and similar obligations.....	0	0.0	0	0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA.....	149,492	1.3	149,492	1.3
1.512 Issued by FNMA and FHLMC.....	233,778	2.0	233,778	2.0
1.513 Privately issued.....	203,532	1.7	203,532	1.7
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC.....	0	0.0	0	0.0
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA or FHLMC.....	0	0.0	0	0.0
1.523 All other privately issued.....	42,089	0.4	42,089	0.4
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO).....	3,210,551	27.2	3,210,551	27.2
2.2 Unaffiliated foreign securities.....	622,430	5.3	622,430	5.3
2.3 Affiliated securities.....	0	0.0	0	0.0
3. Equity interests:				
3.1 Investments in mutual funds.....	0	0.0	0	0.0
3.2 Preferred stocks:				
3.21 Affiliated.....	0	0.0	0	0.0
3.22 Unaffiliated.....	0	0.0	0	0.0
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated.....	0	0.0	0	0.0
3.32 Unaffiliated.....	0	0.0	0	0.0
3.4 Other equity securities:				
3.41 Affiliated.....	0	0.0	0	0.0
3.42 Unaffiliated.....	0	0.0	0	0.0
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated.....	0	0.0	0	0.0
3.52 Unaffiliated.....	0	0.0	0	0.0
4. Mortgage loans:				
4.1 Construction and land development.....	0	0.0	0	0.0
4.2 Agricultural.....	0	0.0	0	0.0
4.3 Single family residential properties.....	0	0.0	0	0.0
4.4 Multifamily residential properties.....	0	0.0	0	0.0
4.5 Commercial loans.....	0	0.0	0	0.0
5. Real estate investments:				
5.1 Property occupied by company.....	0	0.0	0	0.0
5.2 Property held for production of income (includes \$.....0 of property acquired in satisfaction of debt).....	0	0.0	0	0.0
5.3 Property held for sale (\$.....0 including property acquired in satisfaction of debt).....	0	0.0	0	0.0
6. Policy loans.....	0	0.0	0	0.0
7. Receivables for securities.....	2,800	0.0	2,800	0.0
8. Cash and short-term investments.....	5,699	0.0	5,699	0.0
9. Other invested assets.....	0	0.0	0	0.0
10. Total invested assets.....	11,802,360	100.0	11,802,360	100.0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A

1.3 State regulating? OHIO

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No

2.2 If yes, date of change: _____
If not previously filed, furnish herewith a certified copy of the instrument as amended.

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2000

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1996

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/21/1998

3.4 By what department or departments? OHIO

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under a common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes No

4.12 renewals? Yes No

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes No

4.22 renewals? Yes No

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No

5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
	00000	

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes No

6.2 If yes, give full information: _____

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes No

7.2 If yes,
7.21 State the percentage of foreign control.100.000 %

7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity
DUTCH	CORPORATION

GENERAL INTERROGATORIES (continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
ERNST & YOUNG LLP
801 GRAND AVE, STE 3400, DES MOINES, IA 50309
9. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
ROBERT LUCK, ACTUARY AT ERNST & YOUNG LLP
111 NORTH CANAL STREET, CHICAGO, ILLINOIS 60606
10. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 10.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

- 10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 10.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

BOARD OF DIRECTORS

11. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No []
12. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []
13. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

- 14.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.11 To directors or other officers \$.....0
- 14.12 To stockholders not officers \$.....0
- 14.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 14.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.21 To directors or other officers \$.....0
- 14.22 To stockholders not officers \$.....0
- 14.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 15.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 15.2 If yes, state the amount thereof at December 31 of the current year:
- 15.21 Rented from others \$.....0
- 15.22 Borrowed from others \$.....0
- 15.23 Leased from others \$.....0
- 15.24 Other \$.....0
- Disclose in the Notes to Financial the nature of each obligation.
- 16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 16.2 If answer is yes:
- 16.21 Amount paid as losses or risk adjustment \$.....0
- 16.22 Amount paid as expenses \$.....0
- 16.23 Other amounts paid \$.....0

GENERAL INTERROGATORIES (continued)

INVESTMENT

17. List the following capital stock information for the reporting entity:

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price If Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
Preferred.....	0.000	0.000	0.00	0	Yes [].....No [].....	Yes [].....No [].....
Common.....	250,000.000	195,320.000	13.00	XXX	XXX.....XXX	XXX.....XXX

18.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E-Part 2-Special Deposits? Yes [X] No []

18.2 If no, give full and complete information relating thereto.

19.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on Schedule E-Part 2-Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 15.1) Yes [] No [X]

19.2 If yes, state the amount thereof at December 31 of the current year:

19.21 Loaned to others	\$.....0
19.22 Subject to repurchase agreements	\$.....0
19.23 Subject to reverse repurchase agreements	\$.....0
19.24 Subject to dollar repurchase agreements	\$.....0
19.25 Subject to reverse dollar repurchase agreements	\$.....0
19.26 Pledged as collateral	\$.....0
19.27 Placed under option agreements	\$.....0
19.28 Letter stock or securities restricted as to sale	\$.....0
19.29 Other	\$.....0

19.3 For each category above, if any of these assets are held by others, identify by whom held:

19.31	_____
19.32	_____
19.33	_____
19.34	_____
19.35	_____
19.36	_____
19.37	_____
19.38	_____
19.39	_____

For categories (19.21) and (19.23) above, and for any securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		0

20.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

20.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

21.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year: \$.....0

22. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

22.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
State Street Bank & Trust	Kansas City, MO

GENERAL INTERROGATORIES (continued)

INVESTMENT

22.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
N/A		

22.03 Have there been any changes, including name changes, in the custodian(s) identified in 22.01 during the current year? Yes [] No []

22.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
N/A	N/A		

22.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
N/A		

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$.....0

23.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	0

24.1 Amount of payments for legal expenses, if any? \$.....0

24.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	0

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....0

25.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	0

GENERAL INTERROGATORIES (continued)

Part 2 - Property and Casualty Interrogatories

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes []	No [X]
1.2	If yes, indicate premium earned on U.S. business only.	\$.....0	
1.3	What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$.....0	
1.31	Reason for excluding:	_____	
<hr/>			
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$.....0	
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$.....0	
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$.....0	
1.62	Total incurred claims	\$.....0	
1.63	Number of covered lives	.....0	
	All years prior to most current three years:		
1.64	Total premium earned	\$.....0	
1.65	Total incurred claims	\$.....0	
1.66	Number of covered lives	.....0	
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	\$.....0	
1.72	Total incurred claims	\$.....0	
1.73	Number of covered lives	.....0	
	All years prior to most current three years:		
1.74	Total premium earned	\$.....0	
1.75	Total incurred claims	\$.....0	
1.76	Number of covered lives	.....0	
2.1	Does the reporting entity issue both participating and non-participating policies?	Yes []	No [X]
2.2	If yes, state the amount of calendar year premiums written on:		
2.21	Participating	\$.....0	
2.22	Non-participating policies	\$.....0	
3.	For Mutual Reporting Entities and Reciprocal Exchange only:		
3.1	Does the reporting entity issue assessable policies?	Yes []	No []
3.2	Does the reporting entity issue non-assessable policies?	Yes []	No []
3.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?	.....0.0 %	
3.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.	\$.....0	
4.	For Reciprocal Exchanges only:		
4.1	Does the exchange appoint local agents?	Yes []	No []
4.2	If yes, is the commission paid:		
4.21	Out of Attorney's-in-fact compensation	Yes []	No [] N/A []
4.22	As a direct expense of the exchange	Yes []	No [] N/A []
4.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?	_____	
<hr/>			
4.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred?	Yes []	No []
4.5	If yes, give full information:	_____	
<hr/>			
5.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?	_____	
<hr/>			
<hr/>			
5.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:	_____	
<hr/>			
<hr/>			
<hr/>			
<hr/>			
5.3	What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable property insurance loss?	_____	
<hr/>			
<hr/>			
5.4	Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?	Yes [X]	No []
5.5	If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.	_____	
<hr/>			
6.1	Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract which includes a provision which would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?	Yes []	No [X]
6.2	If yes, indicate the number of reinsurance contracts containing such provisions.	.....0	

GENERAL INTERROGATORIES (continued)

Part 2 - Property and Casualty Interrogatories (continued)

7.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [] No [X]

7.2 If yes, give full information:

8. If the reporting entity has assumed risks from another entity, there should be a charge on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []

9.1 Has this reporting entity guaranteed policies issued by any other reporting entity and now in force? Yes [] No [X]

9.2 If yes, give full information:

10.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 10.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:

10.11 Unpaid losses \$.....0

10.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....0

10.2 Of the amount on Line 10.3 of the asset schedule, Page 2, state the amount which is secured by letters of credit, collateral and other funds: \$.....0

10.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [] N/A [X]

10.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

10.41 From0.0 %

10.42 To0.0 %

10.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [] No [X]

10.6 If yes, state the amount thereof at December 31 of the current year:

10.61 Letters of credit \$.....0

10.62 Collateral and other funds \$.....0

11.1 What amount of installment notes is owned and now held by the reporting entity? \$.....0

11.2 Have any of these notes been hypothecated, sold or used in any manner as security for money loaned within the past year? Yes [] No [X]

11.3 If yes, what amount? \$.....0

12.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....0

12.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]

12.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of this amount.0

13.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]

13.2 If yes, give full information:

14.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

14.11 Name of real estate holding company0

14.12 Number of parcels involved0

14.13 Total book/adjusted carrying value \$.....0

14.2 If yes, provide explanation

15.1 Does the reporting entity write any warranty business? Yes [] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
15.11 Home.....	.....0	.....0	.....0	.....0	.....0
15.12 Products.....	.....0	.....0	.....0	.....0	.....0
15.13 Automobile.....	.....0	.....0	.....0	.....0	.....0
15.14 Other*.....	.....0	.....0	.....0	.....0	.....0

* Disclose type of coverage:

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2002	2 2001	3 2000	4 1999	5 1998
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	9,621,107	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	33,483,380	40,019,401	45,550,469	52,720,230	51,684,121
5. Non-proportional reinsurance lines (Lines 30, 31 & 32).....	0	0	0	0	0
6. Total (Line 34).....	43,104,488	40,019,401	45,550,469	52,720,230	51,684,121
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	9,567,958	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	9,830,836	8,509,513	9,207,532	12,478,720	17,173,719
11. Non-proportional reinsurance lines (Lines 30, 31 & 32).....	0	0	0	0	0
12. Total (Line 34).....	19,398,794	8,509,513	9,207,532	12,478,720	17,173,719
Statement of Income (Page 4)					
13. Net underwriting gain (Loss) (Line 8).....	2,239,695	4,586,796	7,141,605	5,587,239	6,985,290
14. Net investment gain (loss) (Line 11).....	597,473	1,185,017	1,839,667	1,241,398	2,503,770
15. Total other income (Line 15).....	(149,979)	25,631	2,396	24	2,389,763
16. Dividends to policyholders (Line 17).....	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19).....	295,440	1,946,407	2,643,054	2,116,607	4,366,260
18. Net income (Line 20).....	2,391,749	3,851,037	6,340,614	4,712,054	7,512,563
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding Protected Cell (Page 2, Line 26, Col. 3).....	23,540,622	17,189,492	20,160,078	22,595,110	32,515,944
20. Agents' balances or uncollected premiums (Page 2, Col. 3):					
20.1 In course of collection (Line 10.1).....	2,627,341	0	0	406	1,194,601
20.2 Deferred and not yet due (Line 10.2).....	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 10.3).....	0	0	0	0	0
21. Total liabilities excluding Protected Cell (Page 3, Line 24).....	10,856,582	6,777,019	7,269,714	11,332,517	11,071,593
22. Losses (Page 3, Lines 1 & 2).....	3,025,312	734,983	(118,847)	134,097	400,271
23. Loss adjustment expenses (Page 3, Line 3).....	515,347	404,507	397,394	674,000	560,000
24. Unearned premiums (Page 3, Line 9).....	2,213,432	45,441	42,293	33,080	5,064
25. Capital paid up (Page 3, Lines 28 & 29).....	2,539,160	2,539,160	2,539,160	2,539,160	2,539,160
26. Surplus as regards policyholders (Page 3, Line 35).....	12,684,040	10,412,472	12,890,362	11,262,593	21,444,352
Risk-Based Capital Analysis					
27. Total adjusted capital.....	12,684,040	10,412,472	12,890,362	11,262,593	21,444,352
28. Authorized control level risk-based capital.....	1,559,894	196,440	156,060	265,309	468,937
Percentage Distribution of Cash and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 9, Col. 3) x 100.0					
29. Bonds (Line 1).....	99.9	90.7	88.0	90.6	91.2
30. Stocks (Lines 2.1 & 2.2).....	0.0	0.0	1.5	1.3	0.8
31. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.0	0.0
32. Real estate (Lines 4.1, 4.2 & 4.3).....	0.0	0.0	0.0	0.0	0.0
33. Cash and short-term investments (Line 5).....	0.0	9.3	10.5	8.1	8.0
34. Other invested assets (Line 6).....	0.0	0.0	0.0	0.0	0.0
35. Receivable for securities (Line 7).....	0.0	0.1	0.1	0.0	0.0
36. Aggregate write-ins for invested assets (Line 8).....	0.0	0.0	0.0	0.0	0.0
37. Cash and invested assets (Line 9).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
38. Affiliated bonds (Sch. D, Summary, Line 25, Col. 1).....	0	0	0	0	0
39. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1).....	0	0	0	0	0
40. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 2).....	0	0	0	0	0
41. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11).....	0	0	0	0	0
42. Affiliated mortgage loans on real estate.....	0	0	0	0	0
43. All other affiliated.....	0	0	0	0	0
44. Total of above lines 38 to 43.....	0	0	0	0	0
45. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 44 above divided by Page 3, Col. 1, Line 35 x 100.0).....	0.0	0.0	0.0	0.0	0.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2002	2001	2000	1999	1998
Capital and Surplus Accounts (Page 4)					
46. Net unrealized capital gains (losses) (Line 23).....	(3,798)	0	0	0	0
47. Dividends to stockholders (Line 34).....	0	(6,340,087)	(4,711,118)	(15,000,576)	(8,789,400)
48. Change in surplus as regards policyholders for the year (Line 37).....	2,271,570	(2,477,890)	1,627,767	(10,181,759)	(1,335,413)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
49. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	0	0	0	0	0
50. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	4,380,112	0	0	0	0
51. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
52. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	3,819,799	3,005,516	2,946,139	4,836,946	6,221,678
53. Nonproportional reinsurance lines (Lines 30, 31 & 32).....	0	0	0	0	0
54. Total (Line 34).....	8,199,911	3,005,516	2,946,139	4,836,946	6,221,678
Net Losses Paid (Page 9, Part 2, Col. 4)					
55. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	(160,032)	(115,806)	(86,050)	(209,872)	0
56. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	4,380,112	0	0	0	0
57. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
58. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	2,001,084	993,862	928,094	1,933,247	3,121,259
59. Nonproportional reinsurance lines (Lines 30, 31 & 32).....	0	0	0	0	0
60. Total (Line 34).....	6,221,164	878,056	842,044	1,723,375	3,121,259
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
61. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
62. Losses incurred (Line 2).....	49.4	20.4	6.4	11.9	9.6
63. Loss expenses incurred (Line 3).....	5.1	4.9	4.6	8.3	4.6
64. Other underwriting expenses incurred (Line 4).....	32.5	26.7	11.4	34.9	45.1
65. Net underwriting gain (loss) (Line 8).....	13.0	53.9	77.6	44.9	40.7
Other Percentages					
66. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 34 x 100.0).....	29.6	20.5	11.4	34.9	31.2
67. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	54.5	25.3	11.0	20.2	14.2
68. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 34, divided by Page 3, Line 35, Col. 1 x 100.0).....	152.9	81.7	71.4	110.8	80.1
One Year Loss Development (000 omitted)					
69. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	421	420	(84)	2,297	(305)
70. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 69 above divided by Page 4, Line 21, Col. 1 x 100).....	4.0	3.3	(0.7)	10.7	(1.3)
Two Year Loss Development (000 omitted)					
71. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	483	(71)	19	(20,070)	(3,328)
72. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second year end (Line 71 above divided by Page 4, Line 21, Col. 2 x 100.0).....	3.7	(0.6)	0.1	(88.1)	(17.6)

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States.....	3,174,651	3,479,776	3,177,293	3,165,118
	2. Canada.....	0	0	0	0
	3. Other Countries.....	0	0	0	0
	4. Totals.....	3,174,651	3,479,776	3,177,293	3,165,118
States, Territories and Possessions (Direct and guaranteed)	5. United States.....	251,843	271,538	257,690	250,000
	6. Canada.....	0	0	0	0
	7. Other Countries.....	0	0	0	0
	8. Totals.....	251,843	271,538	257,690	250,000
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....	1,663,927	1,823,506	1,706,686	1,600,000
	10. Canada.....	0	0	0	0
	11. Other Countries.....	0	0	0	0
	12. Totals.....	1,663,927	1,823,506	1,706,686	1,600,000
Special Revenue and Special Assessment Obligations and all Non-guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	13. United States.....	3,118,492	3,373,001	3,187,218	3,062,496
	14. Canada.....	0	0	0	0
	15. Other Countries.....	0	0	0	0
	16. Totals.....	3,118,492	3,373,001	3,187,218	3,062,496
Public Utilities (unaffiliated)	17. United States.....	301,568	333,462	302,729	300,000
	18. Canada.....	0	0	0	0
	19. Other Countries.....	0	0	0	0
	20. Totals.....	301,568	333,462	302,729	300,000
Industrial and Miscellaneous and Credit Tenant Loans (Unaffiliated)	21. United States.....	2,660,946	2,907,427	2,670,092	2,633,927
	22. Canada.....	100,191	97,000	100,259	100,000
	23. Other Countries.....	522,239	551,466	521,635	525,000
	24. Totals.....	3,283,376	3,555,893	3,291,986	3,258,927
Parent, Subsidiaries and Affiliates	25. Totals.....	0	0	0	0
	26. Total Bonds.....	11,793,857	12,837,176	11,923,602	11,636,541
PREFERRED STOCKS					
Public Utilities (Unaffiliated)	27. United States.....	0	0	0	0
	28. Canada.....	0	0	0	0
	29. Other Countries.....	0	0	0	0
	30. Totals.....	0	0	0	0
Banks, Trust and Insurance Companies (Unaffiliated)	31. United States.....	0	0	0	0
	32. Canada.....	0	0	0	0
	33. Other Countries.....	0	0	0	0
	34. Totals.....	0	0	0	0
Industrial and Miscellaneous (Unaffiliated)	35. United States.....	0	0	0	0
	36. Canada.....	0	0	0	0
	37. Other Countries.....	0	0	0	0
	38. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates	39. Totals.....	0	0	0	0
	40. Total Preferred Stocks.....	0	0	0	0
COMMON STOCKS					
Public Utilities (Unaffiliated)	41. United States.....	0	0	0	0
	42. Canada.....	0	0	0	0
	43. Other Countries.....	0	0	0	0
	44. Totals.....	0	0	0	0
Banks, Trust and Insurance Companies (Unaffiliated)	45. United States.....	0	0	0	0
	46. Canada.....	0	0	0	0
	47. Other Countries.....	0	0	0	0
	48. Totals.....	0	0	0	0
Industrial and Miscellaneous (Unaffiliated)	49. United States.....	0	0	0	0
	50. Canada.....	0	0	0	0
	51. Other Countries.....	0	0	0	0
	52. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates	53. Totals.....	0	0	0	0
	54. Total Common Stocks.....	0	0	0	0
	55. Total Stocks.....	0	0	0	0
	56. Total Bonds and Stocks...	11,793,857	12,837,176	11,923,602	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$.....0.

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year.....	13,881,701	6. Foreign exchange adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3.....	2,097,903	6.1 Column 17, Part 1.....	0
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Section 1.....	0
3.1 Column 16, Part 1.....	(30,882)	6.3 Column 11, Part 2, Section 2.....	0
3.2 Column 12, Part 2, Section 1.....	0	6.4 Column 11, Part 4.....	0
3.3 Column 10, Part 2, Section 2.....	0		
3.4 Column 10, Part 4.....	(1,332)	7. Book/adjusted carrying value at end of current period.....	11,793,858
4. Total gain (loss), Column 14, Part 4.....	(818)	8. Total valuation allowance.....	0
5. Deduct consideration for bonds and stocks disposed of, Column 6, Part 4...	4,152,714	9. Subtotal (Lines 7 plus 8).....	11,793,858
		10. Total nonadmitted amounts.....	0
		11. Statement value of bonds and stocks, current period.....	11,793,858

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported-Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX.....	XXX.....	XXX.....	0	160	0	0	0	0	0	(160)	XXX.....
2. 1993.....	16,624	4,059	12,565	2,612	873	0	0	340	0	0	2,079	XXX.....
3. 1994.....	23,796	5,910	17,886	6,480	1,686	0	0	335	0	0	5,129	XXX.....
4. 1995.....	27,065	7,785	19,280	6,824	2,680	0	0	346	0	0	4,490	XXX.....
5. 1996.....	30,175	10,590	19,585	6,730	3,375	0	0	511	0	0	3,866	XXX.....
6. 1997.....	46,508	24,813	21,695	7,222	3,423	0	0	702	0	0	4,501	XXX.....
7. 1998.....	51,685	34,510	17,175	5,160	2,972	0	0	921	0	0	3,109	XXX.....
8. 1999.....	52,692	40,242	12,450	3,828	2,477	0	0	852	0	0	2,203	XXX.....
9. 2000.....	45,542	36,343	9,199	2,778	1,728	0	0	532	0	0	1,582	XXX.....
10. 2001.....	40,016	31,510	8,506	3,226	1,821	0	0	174	0	0	1,579	XXX.....
11. 2002.....	40,937	23,706	17,231	5,815	656	330	0	50	0	0	5,539	XXX.....
12. Totals.....	XXX.....	XXX.....	XXX.....	50,675	21,851	330	0	4,763	0	0	33,917	XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	0	295	0	0	0	0	0	0	0	0	(295)	XXX.....	
2. 1993.....	0	0	0	0	0	0	0	0	0	0	0	XXX.....	
3. 1994.....	0	0	0	0	0	0	0	0	0	0	0	XXX.....	
4. 1995.....	0	0	0	0	0	0	0	0	0	0	0	XXX.....	
5. 1996.....	1	0	0	0	0	0	0	1	0	0	2	XXX.....	
6. 1997.....	1	0	0	0	0	0	0	1	0	0	2	XXX.....	
7. 1998.....	6	0	0	0	0	0	0	4	0	0	10	XXX.....	
8. 1999.....	22	12	0	0	0	0	0	29	0	0	39	XXX.....	
9. 2000.....	155	48	0	0	0	0	0	180	0	0	287	XXX.....	
10. 2001.....	652	387	0	0	0	0	0	21	0	0	286	XXX.....	
11. 2002.....	484	260	3,128	424	85	0	0	194	0	0	3,207	XXX.....	
12. Totals..	1,321	1,002	3,128	424	85	0	0	430	0	0	3,538	XXX.....	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	0	0	XXX.....	(295)	0
2. 1993.....	2,952	873	2,079	17.8	21.5	16.5	0	0	0.00	0	0
3. 1994.....	6,815	1,686	5,129	28.6	28.5	28.7	0	0	0.00	0	0
4. 1995.....	7,170	2,680	4,490	26.5	34.4	23.3	0	0	0.00	0	0
5. 1996.....	7,243	3,375	3,868	24.0	31.9	19.7	0	0	0.00	1	1
6. 1997.....	7,926	3,423	4,503	17.0	13.8	20.8	0	0	0.00	1	1
7. 1998.....	6,091	2,972	3,119	11.8	8.6	18.2	0	0	0.00	6	4
8. 1999.....	4,731	2,489	2,242	9.0	6.2	18.0	0	0	0.00	10	29
9. 2000.....	3,645	1,776	1,869	8.0	4.9	20.3	0	0	0.00	107	180
10. 2001.....	4,073	2,208	1,865	10.2	7.0	21.9	0	0	0.00	265	21
11. 2002.....	10,086	1,340	8,746	24.6	5.7	50.8	0	0	0.00	2,928	279
12. Totals	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	0	0	XXX.....	3,023	515

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	One Year	Two Year
1. Prior.....	61,410	(2,597)	(1,643)	(1,643)	(1,170)	(1,171)	(1,171)	(1,171)	(1,170)	(1,171)	(1)	0
2. 1993.....	6,525	3,937	1,585	1,573	1,746	1,739	1,739	1,739	1,739	1,739	0	0
3. 1994.....	XXX	9,000	5,607	4,602	4,808	4,805	4,794	4,794	4,794	4,794	0	0
4. 1995.....	XXX	XXX	7,103	4,172	4,174	4,151	4,154	4,143	4,143	4,144	1	1
5. 1996.....	XXX	XXX	XXX	6,363	3,861	3,320	3,365	3,361	3,354	3,356	2	(5)
6. 1997.....	XXX	XXX	XXX	XXX	3,750	4,020	3,770	3,802	3,803	3,800	(3)	(2)
7. 1998.....	XXX	XXX	XXX	XXX	XXX	1,956	2,353	2,172	2,189	2,194	5	22
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	1,299	1,378	1,379	1,361	(18)	(17)
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	673	1,080	1,157	77	484
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,312	1,670	358	XXX
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	8,209	XXX	XXX
12. Totals.....											421	483

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002		
1. Prior.....	000	(165)	(159)	(158)	(304)	(304)	(514)	(600)	(716)	(876)	XXX	XXX
2. 1993.....	1,853	3,430	3,575	3,607	1,739	1,739	1,739	1,739	1,739	1,739	XXX	XXX
3. 1994.....	XXX	2,030	3,760	3,966	4,761	4,792	4,794	4,794	4,794	4,794	XXX	XXX
4. 1995.....	XXX	XXX	1,208	3,563	4,035	4,116	4,143	4,143	4,143	4,144	XXX	XXX
5. 1996.....	XXX	XXX	XXX	1,309	3,014	3,238	3,327	3,351	3,352	3,355	XXX	XXX
6. 1997.....	XXX	XXX	XXX	XXX	2,079	3,509	3,703	3,773	3,796	3,799	XXX	XXX
7. 1998.....	XXX	XXX	XXX	XXX	XXX	1,355	2,085	2,151	2,171	2,188	XXX	XXX
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	892	1,291	1,321	1,351	XXX	XXX
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	367	788	1,050	XXX	XXX
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	499	1,405	XXX	XXX
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,489	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)											
	1	2	3	4	5	6	7	8	9	10		
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002		
1. Prior.....	0	0	0	0	0	0	0	0	0	0	0	0
2. 1993.....	4,229	0	0	0	0	0	0	0	0	0	0	0
3. 1994.....	XXX	5,586	0	0	0	0	0	0	0	0	0	0
4. 1995.....	XXX	XXX	5,181	0	0	0	0	0	0	0	0	0
5. 1996.....	XXX	XXX	XXX	4,426	0	0	0	0	0	0	0	0
6. 1997.....	XXX	XXX	XXX	XXX	421	62	0	0	0	0	0	0
7. 1998.....	XXX	XXX	XXX	XXX	XXX	198	17	0	0	0	0	0
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	169	0	0	0	0	0
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	230	0	0	0	0
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	480	0	0	0
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,411	0

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Pur- chasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	Yes	943,746	913,230	0	229,731	254,530	99,362	0	0
2. Alaska.....AK	Yes	195,825	195,840	0	6,830	7,095	3,912	0	0
3. Arizona.....AZ	Yes	786,442	786,465	0	45,987	48,875	25,809	0	0
4. Arkansas.....AR	Yes	549,904	549,904	0	36,761	38,827	20,624	0	0
5. California.....CA	Yes	3,758,128	3,758,154	0	386,548	408,355	216,877	0	0
6. Colorado.....CO	Yes	1,275,808	1,176,016	0	491,630	609,041	148,472	0	0
7. Connecticut.....CT	Yes	0	0	0	0	0	0	0	0
8. Delaware.....DE	Yes	152,768	152,775	0	11,397	9,786	6,778	0	0
9. District of Columbia.....DC	Yes	188,910	188,911	0	14,863	15,388	8,391	0	0
10. Florida.....FL	Yes	3,123,827	3,123,830	0	372,697	357,550	215,254	0	0
11. Georgia.....GA	Yes	1,723,830	1,723,883	0	165,494	164,204	94,656	0	0
12. Hawaii.....HI	Yes	205,026	205,026	0	8,228	8,691	4,616	0	0
13. Idaho.....ID	Yes	210,745	210,745	0	13,308	13,348	7,588	0	0
14. Illinois.....IL	Yes	1,919,942	1,919,955	0	243,792	257,723	136,785	0	0
15. Indiana.....IN	Yes	1,004,991	1,005,021	0	71,036	93,993	94,648	0	0
16. Iowa.....IA	Yes	217,694	217,701	0	13,435	13,883	7,647	0	0
17. Kansas.....KS	Yes	352,098	352,106	0	37,519	39,603	21,055	0	0
18. Kentucky.....KY	Yes	699,803	699,803	0	44,761	47,277	25,113	0	0
19. Louisiana.....LA	Yes	796,374	796,396	0	86,560	80,215	50,475	0	0
20. Maine.....ME	Yes	0	0	0	0	0	0	0	0
21. Maryland.....MD	Yes	484,288	484,288	0	64,917	60,336	37,825	0	0
22. Massachusetts.....MA	Yes	119	123	0	0	284	8	0	0
23. Michigan.....MI	Yes	2,599,226	2,407,386	0	787,885	990,001	259,110	0	0
24. Minnesota.....MN	Yes	688,426	614,562	0	433,535	663,179	128,021	0	0
25. Mississippi.....MS	Yes	456,853	456,853	0	78,125	74,029	45,279	0	0
26. Missouri.....MO	Yes	803,547	803,550	0	142,568	134,865	82,704	0	0
27. Montana.....MT	Yes	163,874	163,874	0	11,466	11,210	6,592	0	0
28. Nebraska.....NE	Yes	289,232	289,235	0	28,077	26,492	16,291	0	0
29. Nevada.....NV	Yes	393,497	393,497	0	42,137	44,506	23,641	0	0
30. New Hampshire.....NH	Yes	1,793	1,793	0	0	0	0	0	0
31. New Jersey.....NJ	Yes	2,127,916	1,904,016	0	982,800	1,237,650	280,831	0	0
32. New Mexico.....NM	Yes	619,679	574,091	0	201,792	254,491	57,132	0	0
33. New York.....NY	Yes	2,730,985	2,342,684	0	1,740,565	2,209,352	473,482	0	0
34. North Carolina.....NC	Yes	426,433	426,434	0	63,906	67,498	35,854	0	0
35. North Dakota.....ND	Yes	100,540	100,546	0	6,338	6,808	3,638	0	0
36. Ohio.....OH	Yes	2,206,884	2,206,886	0	313,648	301,706	181,039	0	0
37. Oklahoma.....OK	Yes	602,018	602,032	0	43,196	42,711	24,731	0	0
38. Oregon.....OR	Yes	471,329	471,329	0	54,169	57,214	30,392	0	0
39. Pennsylvania.....PA	Yes	25,624	26,485	0	398	9,903	27,620	0	0
40. Rhode Island.....RI	Yes	136,979	136,979	0	13,696	14,465	7,684	0	0
41. South Carolina.....SC	Yes	609,819	609,819	0	69,070	72,953	38,751	0	0
42. South Dakota.....SD	Yes	127,076	127,076	0	4,999	4,983	2,856	0	0
43. Tennessee.....TN	Yes	963,124	963,148	0	88,805	93,797	49,824	0	0
44. Texas.....TX	Yes	845,520	845,523	0	173,486	183,498	97,341	0	0
45. Utah.....UT	Yes	246,358	246,360	0	22,633	22,425	12,950	0	0
46. Vermont.....VT	Yes	(125,297)	(105,747)	0	28,979	37,058	7,513	0	0
47. Virginia.....VA	Yes	1,316,422	1,316,464	0	92,131	94,167	52,268	0	0
48. Washington.....WA	Yes	938,706	938,706	0	228,532	221,709	131,570	0	0
49. West Virginia.....WV	Yes	309,100	309,100	0	29,564	31,226	16,587	0	0
50. Wisconsin.....WI	Yes	791,125	791,156	0	99,017	113,231	112,261	0	0
51. Wyoming.....WY	Yes	123,092	123,092	0	9,884	9,723	5,668	0	0
52. American Samoa.....AS	No	0	0	0	0	0	0	0	0
53. Guam.....GU	No	0	0	0	0	0	0	0	0
54. Puerto Rico.....PR	No	0	0	0	0	0	0	0	0
55. US Virgin Islands.....VI	No	0	0	0	0	0	0	0	0
56. Canada.....CN	No	0	0	0	0	0	0	0	0
57. Aggregate Other Alien.....OT	XXX	6	6	0	0	0	0	0	0
58. Totals.....	(a).....51	39,580,154	38,547,107	0	8,136,895	9,559,854	3,437,525	0	0
DETAILS OF WRITE-INS									
5701. Other Alien.....	XXX	6	6	0	0	0	0	0	0
5702.	XXX	0	0	0	0	0	0	0	0
5703.	XXX	0	0	0	0	0	0	0	0
5798. Summary of remaining write- ins for Line 57 from overflow page	XXX	0	0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above)	XXX	6	6	0	0	0	0	0	0

Explanation of Basis of Allocation of Premiums by States, etc.
Mailing address of insured.

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART
