



ANNUAL STATEMENT

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

GREAT AMERICAN INSURANCE COMPANY

NAIC Group Code..... 0084, 0084 NAIC Company Code..... 16691 Employer's ID Number..... 31-0501234
(Current Period) (Prior Period)

Organized under the Laws of OHIO State of Domicile or Port of Entry OHIO
Country of Domicile USA
Incorporated..... March 7, 1872 Commenced Business..... March 7, 1872

Statutory Home Office	580 Walnut Street Cincinnati OH 45202 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	580 Walnut Street Cincinnati OH 45202 <i>(Street and Number) (City or Town, State and Zip Code)</i>	513-369-5000 <i>(Area Code) (Telephone Number)</i>
Mail Address	580 Walnut Street Cincinnati OH 45202 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	580 Walnut Street Cincinnati OH 45202 <i>(Street and Number) (City or Town, State and Zip Code)</i>	513-369-5000 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	www.GreatAmericanInsurance.com	
Statement Contact	Robert James Schwartz <i>(Name)</i> BSchwartz@GAIC.com <i>(E-Mail Address)</i>	513-369-5092 <i>(Area Code) (Telephone Number) (Extension)</i> 513-369-3873 <i>(Fax Number)</i>
Policyowner Relations Contact	580 Walnut Street Cincinnati OH 45202 <i>(Street and Number) (City or Town, State and Zip Code)</i>	800-972-3008 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

President Carl Henry Lindner III Treasurer Keith Alan Jensen Secretary Karen Holley Horrell

Donald Dumford Larson	Ronald James Brichler	Gary John Gruber	Robert Eugene Maly
John Raymond Miner	Vito Charles Peraino	Robert Earl Dobbs	John Linn Doellman
Allen Fredrick Eling	Sandra Woeste Heimann	Eve Cutler Rosen	John Adalbert Rowney
Roger Smith	Anne Nichols Watson	David John Witzgall	Kathleen Joan Brown
Paul George Friedmann	Ronald Charles Hayes	Daniel McGregor Keefe	Lisa Ann Pennekamp
Robert James Schwartz	Mary Olsen Stearns	Thomas Edward Mischell	Fred Joseph Runk

DIRECTORS OR TRUSTEES

Gary John Gruber	Karen Holley Horrell	Keith Alan Jensen	Donald Dumford Larson
Carl Henry Lindner	Carl Henry Lindner III	Stephen Craig Lindner	John Raymond Miner

State of..... Ohio
County of..... Hamilton

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) Carl Henry Lindner III (Printed Name) President	_____ (Signature) Karen Holley Horrell (Printed Name) Secretary	_____ (Signature) David John Witzgall (Printed Name) Controller
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Subscribed and sworn to before me this
10th 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.....	2,127,707,375	0	2,127,707,375	1,821,216,788
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1).....	24,446,915	0	24,446,915	23,606,071
2.2 Common stocks (Schedule D, Part 2, Section 2).....	1,170,542,832	0	1,170,542,832	1,179,379,958
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	74,729,853	0	74,729,853	63,737,210
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).....	15,625,098	0	15,625,098	13,704,888
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	31,038,936	0	31,038,936	34,940,072
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....(27,140,398) Schedule E, Part 1) and short-term investments (\$.....182,186,600 Schedule DA, Part 2).....	155,046,202	0	155,046,202	111,680,893
6. Other invested assets (Schedule BA).....	48,310,256	0	48,310,256	40,323,225
7. Receivable for securities.....	2,376,902	0	2,376,902	142,993
8. Aggregate write-ins for invested assets.....	0	0	0	0
9. Subtotals, cash and invested assets (Lines 1 to 8).....	3,649,824,368	0	3,649,824,368	3,288,732,098
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection.....	307,145,394	19,976,878	287,168,516	236,929,710
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	50,357,510	482,484	49,875,025	49,720,369
10.3 Accrued retrospective premiums.....	5,243,613	524,361	4,719,252	9,546,653
11. Funds held by or deposited with reinsured companies.....	408	0	408	135,052
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).....	209,196,784	0	209,196,784	141,296,060
15. Federal and foreign income tax recoverable and interest thereon (including \$.....84,004,021 net deferred tax asset) -	257,180,491	137,225,643	119,954,848	96,188,680
16. Guaranty funds receivable or on deposit.....	0	0	0	0
17. Electronic data processing equipment and software.....	4,875,816	0	4,875,816	5,820,065
18. Interest, dividends and real estate income due and accrued.....	32,109,878	76,750	32,033,128	32,027,333
19. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0	0	0
20. Receivable from parent, subsidiaries and affiliates.....	10,244,471	633,829	9,610,641	105,509,134
21. Amount due from/to protected cells.....	0	0	0	0
22. Equities and deposits in pools and associations.....	42,173,078	63,857	42,109,220	44,910,152
23. Amounts receivable relating to uninsured accident and health plans.....	0	0	0	0
24. Other assets nonadmitted (Exhibit 1).....	20,616,818	20,616,818	0	0
25. Aggregate write-ins for other than invested assets.....	121,153,868	15,527,390	105,626,478	34,226,195
26. Total assets excluding protected cell assets (Lines 9 through 25).....	4,710,122,497	195,128,011	4,514,994,485	4,045,041,500
27. Protected cell assets.....	0	0	0	0
28. TOTALS (Lines 26 and 27).....	4,710,122,497	195,128,011	4,514,994,485	4,045,041,500

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. Losses paid, not charged.....	54,861,981	1,500,000	53,361,981	31,208,496
2502. Receivable from Federal Crop Insurance Corporation.....	47,669,950	0	47,669,950	0
2503. Other assets and receivables.....	18,621,937	14,027,390	4,594,547	3,017,699
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).....	121,153,868	15,527,390	105,626,478	34,226,195

GREAT AMERICAN INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8).....	1,743,244,570	1,723,659,360
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6).....	3,826,369	8,144,057
3. Loss adjustment expenses (Part 2A, Line 34, Column 9).....	353,329,648	351,323,670
4. Commissions payable, contingent commissions and other similar charges.....	12,861,846	10,255,910
5. Other expenses (excluding taxes, licenses and fees).....	40,466,964	35,732,903
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	23,839,326	15,797,530
7. Federal and foreign income taxes (including \$.....0 on realized capital gains (losses)) (including \$.....0 net deferred tax liability).....	0	0
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 \$....538,599,496 and including warranty reserves of \$....8,680,720).....	752,849,528	770,908,317
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).....	273,618,700	146,597,283
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	127,779,007	27,832,969
14. Amounts withheld or retained by company for account of others.....	1,083,673	16,474,048
15. Remittances and items not allocated.....	21,136,909	33,154,289
16. Provision for reinsurance (Schedule F, Part 7).....	35,881,092	30,333,153
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	25,674,000	11,514,000
18. Drafts outstanding.....	4,151,360	906,967
19. Payable to parent, subsidiaries and affiliates.....	6,568,418	7,542,727
20. Payable for securities.....	7,026,849	14,758,597
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.....	(119,590,003)	(220,553,076)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	3,313,748,256	2,984,382,704
25. Protected cell liabilities.....	0	0
26. Total liabilities (Lines 24 and 25).....	3,313,748,256	2,984,382,704
27. Aggregate write-ins for special surplus funds.....	124,239,491	124,239,491
28. Common capital stock.....	15,440,600	15,440,600
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.....	1,070,423,938	898,716,395
33. Unassigned funds (surplus).....	(8,857,799)	22,262,311
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).....	1,201,246,230	1,060,658,796
36. TOTALS (Page 2, Line 28, Col. 3).....	4,514,994,485	4,045,041,500

DETAILS OF WRITE-INS

2301. Accounts payable and other liabilities.....	61,448,856	32,681,325
2302. North Carolina 2002 private passenger auto escrow.....	143,892	0
2303. Retroactive reinsurance ceded.....	(181,182,751)	(253,234,401)
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).....	(119,590,003)	(220,553,076)
2701. Retroactive reinsurance gain.....	124,239,491	124,239,491
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).....	124,239,491	124,239,491
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	2
	Current Year	Prior Year
STATEMENT OF INCOME		
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 34, Column 4).....	1,131,558,711	1,080,696,522
DEDUCTIONS		
2. Losses incurred (Part 2, Line 34, Column 7).....	695,029,795	705,946,125
3. Loss expenses incurred (Part 3, Line 25, Column 1).....	175,096,188	173,835,520
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	391,647,183	405,618,127
5. Aggregate write-ins for underwriting deductions.....	123,718	0
6. Total underwriting deductions (Lines 2 through 5).....	1,261,896,883	1,285,399,772
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(130,338,172)	(204,703,250)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	151,060,316	165,954,901
10. Net realized capital gains (losses) (Exhibit of Capital Gains (Losses)).....	(38,378,800)	(27,330,053)
11. Net investment gain (loss) (Lines 9 + 10).....	112,681,516	138,624,848
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$....42,505 amount charged off \$....8,040,743).....	(7,998,238)	(5,085,065)
13. Finance and service charges not included in premiums.....	4,574,742	4,477,935
14. Aggregate write-ins for miscellaneous income.....	(10,567,142)	19,320,169
15. Total other income (Lines 12 through 14).....	(13,990,638)	18,713,039
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15).....	(31,647,294)	(47,365,363)
17. Dividends to policyholders.....	1,738,291	1,149,685
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17).....	(33,385,585)	(48,515,048)
19. Federal and foreign income taxes incurred.....	(14,810,699)	(6,803,008)
20. Net income (Line 18 minus Line 19) (to Line 22).....	(18,574,886)	(41,712,040)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 38, Column 2).....	1,060,658,796	1,181,691,925
GAINS AND (LOSSES) IN SURPLUS		
22. Net income (from Line 20).....	(18,574,886)	(41,712,040)
23. Net unrealized capital gains or (losses).....	1,684,631	(99,592,496)
24. Change in net unrealized foreign exchange capital gains (loss).....	(14,160,000)	(5,034,000)
25. Change in net deferred income tax.....	2,911,717	42,938,003
26. Change in nonadmitted assets (Exhibit 1, Line 5, Column 3).....	2,566,367	(19,304,448)
27. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(5,547,939)	3,637,500
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	(17,089,783)
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.....	171,707,543	75,000,000
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	(60,000,000)
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	124,135
37. Change in surplus as regards policyholders for the year (Lines 22 through 36).....	140,587,434	(121,033,129)
38. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 37) (Page 3, Line 35).....	1,201,246,230	1,060,658,796

DETAILS OF WRITE-INS

0501. North Carolina 2002 private passenger auto escrow.....	123,718	0
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).....	123,718	0
1401. Miscellaneous expense.....	(10,567,142)	(1,410,569)
1402. Retroactive reinsurance gain.....	0	20,730,737
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).....	(10,567,142)	19,320,169
3601. Retroactive reinsurance gain.....	0	124,135
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	124,135

GREAT AMERICAN INSURANCE COMPANY

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	1,200,884,782	1,218,820,234
2. Loss and loss adjustment expenses paid (net of salvage and subrogation).....	917,508,814	740,129,978
3. Underwriting expenses paid.....	376,397,178	401,109,824
4. Other underwriting income (expenses).....	(123,718)	0
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4).....	(93,144,928)	77,580,432
6. Net investment income.....	179,171,940	165,370,230
7. Other income (expenses):		
7.1 Agents' balances charged off.....	(7,998,238)	(5,085,065)
7.2 Net funds held under reinsurance treaties.....	100,893,890	27,112,676
7.3 Net amount withheld or retained for account of others.....	(15,390,376)	8,387,305
7.4 Aggregate write-ins for miscellaneous items.....	66,047,458	(12,673,726)
7.5 Total other income (Lines 7.1 to 7.4).....	143,552,735	17,741,190
8. Dividends to policyholders on direct business, less \$.....(1,149,356) dividends on reinsurance assumed or ceded (net).....	1,738,291	1,149,685
9. Federal and foreign income taxes (paid) recovered.....	(1,133,427)	(5,334,598)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9).....	226,708,029	254,207,570
CASH FROM INVESTMENTS		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds.....	1,026,897,093	1,005,959,076
11.2 Stocks.....	88,812,768	51,635,260
11.3 Mortgage loans.....	8,763,030	1,551,891
11.4 Real estate.....	26,531,827	376,440
11.5 Other invested assets.....	10,372,039	4,789,023
11.6 Net gains or (losses) on cash and short-term investments.....	9,484,164	2,800,937
11.7 Miscellaneous proceeds.....	0	14,811,063
11.8 Total investment proceeds (Lines 11.1 to 11.7).....	1,170,860,922	1,081,923,690
12. Cost of investments acquired (long-term only):		
12.1 Bonds.....	1,409,318,088	1,072,361,073
12.2 Stocks.....	92,803,584	48,076,595
12.3 Mortgage loans.....	21,154,473	1,710,608
12.4 Real estate.....	8,482,173	2,234,317
12.5 Other invested assets.....	18,741,999	9,032,866
12.6 Miscellaneous applications.....	9,965,657	19,584,258
12.7 Total investments acquired (Lines 12.1 to 12.6).....	1,560,465,973	1,152,999,717
13. Net cash from investments (Line 11.8 minus Line 12.7).....	(389,605,051)	(71,076,027)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in.....	171,707,543	75,000,000
14.2 Capital notes \$.....0 less amounts repaid \$.....0.....	0	0
14.3 Net transfers from affiliates.....	98,304,508	0
14.4 Borrowed funds received.....	0	0
14.5 Other cash provided.....	21,909,672	12,329,228
14.6 Total (Lines 14.1 to 14.5).....	291,921,723	87,329,228
15. Cash applied:		
15.1 Dividends to stockholders paid.....	0	60,000,000
15.2 Net transfers to affiliates.....	0	93,360,645
15.3 Borrowed funds repaid.....	0	0
15.4 Other applications.....	85,659,391	27,218,493
15.5 Total (Lines 15.1 to 15.4).....	85,659,391	180,579,138
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5).....	206,262,332	(93,249,909)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10 plus Line 13 plus Line 16).....	43,365,310	89,881,633
18. Cash and short-term investments:		
18.1 Beginning of year.....	111,680,893	21,799,259
18.2 End of year (Line 17 plus Line 18.1).....	155,046,202	111,680,893
DETAILS OF WRITE-INS		
7.401 Retroactive reinsurance ceded.....	72,051,650	(46,566,092)
7.402 Finance and service charges not included in premiums.....	4,574,742	4,477,935
7.403 Equities and deposits in pools and associations.....	2,811,439	9,386,180
7.498 Summary of remaining write-ins for Line 7.4 from overflow page.....	(13,390,373)	20,028,251
7.499 Total (Lines 7.401 thru 7.403 plus 7.498) (Line 7.4 above).....	66,047,458	(12,673,726)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3 Last Year's Part 2	3 Unearned Premiums December 31 Current Year- per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	6,884,716	7,291,223	5,026,259	9,149,679
2.	Allied lines.....	38,386,665	10,533,200	10,227,389	38,692,477
3.	Farmowners multiple peril.....	22,049,087	9,916,612	11,926,238	20,039,460
4.	Homeowners multiple peril.....	6,353,618	4,035,312	3,874,699	6,514,231
5.	Commercial multiple peril.....	117,945,510	50,187,488	54,114,934	114,018,064
6.	Mortgage guaranty.....	0	0	0	0
8.	Ocean marine.....	57,510,399	18,758,199	22,340,726	53,927,871
9.	Inland marine.....	104,184,193	111,934,833	86,386,197	129,732,829
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.....	17,244,010	5,642,765	9,895,781	12,990,994
13.	Group accident and health.....	7,732,478	844,134	6,468,971	2,107,641
14.	Credit accident and health (group and individual).....	0	0	0	0
15.	Other accident and health.....	0	0	0	0
16.	Workers' compensation.....	32,405,147	16,129,473	13,227,335	35,307,286
17.1	Other liability - occurrence.....	138,061,689	40,547,532	70,459,717	108,149,504
17.2	Other liability - claims-made.....	145,103,371	79,536,303	76,080,944	148,558,730
18.1	Products liability - occurrence.....	2,464,115	2,523,201	1,215,899	3,771,417
18.2	Products liability - claims-made.....	123,387	224,033	65,712	281,708
19.1, 19.2	Private passenger auto liability.....	150,820,507	79,615,525	71,861,891	158,574,142
19.3, 19.4	Commercial auto liability.....	30,679,966	14,294,260	15,000,061	29,974,165
21.	Auto physical damage.....	59,172,943	82,828,167	50,363,007	91,638,102
22.	Aircraft (all perils).....	(2,107)	90,266	0	88,159
23.	Fidelity.....	24,715,859	10,029,764	15,142,310	19,603,313
24.	Surety.....	60,191,721	34,220,611	37,071,987	57,340,345
26.	Burglary and theft.....	957,951	994,132	488,333	1,463,750
27.	Boiler and machinery.....	52,562	143,452	106,513	89,501
28.	Credit.....	12,649,623	2,508,072	3,944,605	11,213,090
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.....	83,176,290	177,472,368	182,316,407	78,332,251
34.	TOTALS.....	1,118,863,702	760,300,925	747,605,915	1,131,558,711

DETAILS OF WRITE-INS

3301.	Collateral protection.....	83,176,290	177,472,368	182,316,407	78,332,251
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).....	83,176,290	177,472,368	182,316,407	78,332,251

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:

Line of Business	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
1. Fire.....	4,980,638	45,621	0	0	5,026,259
2. Allied lines.....	4,734,975	5,492,413	0	0	10,227,389
3. Farmowners multiple peril.....	11,926,238	0	0	0	11,926,238
4. Homeowners multiple peril.....	3,874,699	0	0	0	3,874,699
5. Commercial multiple peril.....	53,904,158	210,776	0	0	54,114,934
6. Mortgage guaranty.....	0	0	0	0	0
8. Ocean marine.....	22,292,406	48,320	0	0	22,340,726
9. Inland marine.....	62,704,444	23,681,754	0	0	86,386,197
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.....	9,662,002	233,780	0	0	9,895,781
13. Group accident and health.....	6,468,971	0	0	0	6,468,971
14. Credit accident and health (group and individual).....	0	0	0	0	0
15. Other accident and health.....	0	0	0	0	0
16. Workers' compensation.....	12,319,007	98,485	0	809,842	13,227,335
17.1 Other liability - occurrence.....	67,925,042	3,952,898	0	(1,418,222)	70,459,717
17.2 Other liability - claims-made.....	61,986,957	14,093,987	0	0	76,080,944
18.1 Products liability - occurrence.....	1,120,992	94,906	0	0	1,215,899
18.2 Products liability - claims-made.....	65,712	0	0	0	65,712
19.1, 19.2 Private passenger auto liability.....	71,861,891	0	0	0	71,861,891
19.3, 19.4 Commercial auto liability.....	15,023,225	167,545	0	(190,709)	15,000,061
21. Auto physical damage.....	24,063,928	26,284,898	0	14,182	50,363,007
22. Aircraft (all perils).....	0	0	0	0	0
23. Fidelity.....	13,175,709	1,966,602	0	0	15,142,310
24. Surety.....	20,099,570	16,972,416	0	0	37,071,987
26. Burglary and theft.....	283,861	204,471	0	0	488,333
27. Boiler and machinery.....	106,433	80	0	0	106,513
28. Credit.....	3,944,605	0	0	0	3,944,605
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.....	33,546,964	148,769,443	0	0	182,316,407
34. TOTALS.....	506,072,428	242,318,394	0	(784,907)	747,605,915
35. Accrued retrospective premiums based on experience.....					5,243,613
36. Earned but unbilled premiums.....					0
37. Balance (sum of Lines 34 through 36).....					752,849,528

DETAILS OF WRITE-INS

3301. Collateral protection.....	33,546,964	148,769,443	0	0	182,316,407
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).....	33,546,964	148,769,443	0	0	182,316,407

(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 [X] No [].

(b) State here basis of computation used in each case: See Note 1C

GREAT AMERICAN INSURANCE COMPANY

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 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	4,553,208	24,938,720	176,559	10,953	22,772,819	6,884,716
2. Allied lines.....	27,524,153	225,945,981	1,215,074	6,244	216,292,299	38,386,665
3. Farmowners multiple peril.....	5,174,711	20,457,182	22,423	0	3,605,229	22,049,087
4. Homeowners multiple peril.....	6,028,406	24,547,551	171,828	0	24,394,167	6,353,618
5. Commercial multiple peril.....	32,696,269	185,606,668	16,009,078	3,466,633	112,899,871	117,945,510
6. Mortgage guaranty.....	0	0	0	0	0	0
8. Ocean marine.....	71,933	61,597,837	2,592,175	0	6,751,546	57,510,399
9. Inland marine.....	24,361,651	191,787,054	220,683	1,920,342	110,264,853	104,184,193
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.....	993,119	66,298,095	0	15,307	50,031,898	17,244,010
13. Group accident and health.....	10,146,953	0	0	0	2,414,475	7,732,478
14. Credit accident and health (group and individual).....	0	0	0	0	0	0
15. Other accident and health.....	0	0	0	0	0	0
16. Workers' compensation.....	18,029,840	116,200,498	1,984,151	7,322,210	96,487,132	32,405,147
17.1 Other liability - occurrence.....	140,053,457	229,615,495	17,884,993	26,640,006	222,852,249	138,061,689
17.2 Other liability - claims-made.....	141,813,778	95,549,702	0	0	92,260,109	145,103,371
18.1 Products liability - occurrence.....	1,074,129	8,760,915	0	529,863	6,841,066	2,464,115
18.2 Products liability - claims-made.....	(124,341)	1,411,581	0	0	1,163,853	123,387
19.1, 19.2 Private passenger auto liability.....	18,850,059	149,030,125	508,826	11,049,126	6,519,376	150,820,507
19.3, 19.4 Commercial auto liability.....	18,106,885	43,822,377	8,344,062	12,378,060	27,215,298	30,679,966
21. Auto physical damage.....	34,013,672	164,736,360	766,286	14,152,392	126,190,983	59,172,943
22. Aircraft (all perils).....	(2,107)	0	0	0	0	(2,107)
23. Fidelity.....	26,904,373	2,316,814	610,697	7,139	5,108,886	24,715,859
24. Surety.....	60,340,553	5,723,561	681,164	108,957	6,444,599	60,191,721
26. Burglary and theft.....	741,417	816,263	3,666	2,110	601,286	957,951
27. Boiler and machinery.....	547,940	3,924,625	0	220,747	4,199,256	52,562
28. Credit.....	24,844,410	0	730,136	0	12,924,923	12,649,623
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.....	66,470,763	63,154,870	2,377,382	0	48,826,724	83,176,290
34. TOTALS.....	663,215,229	1,686,242,273	54,299,183	77,830,088	1,207,062,895	1,118,863,702

DETAILS OF WRITE-INS

3301. Collateral protection.....	66,470,763	63,154,870	2,377,382	0	48,826,724	83,176,290
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).....	66,470,763	63,154,870	2,377,382	0	48,826,724	83,176,290

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

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.....	355,763	20,499,757	18,353,728	2,501,792	17,052,306	17,980,622	1,573,476	17.2
2. Allied lines.....	14,460,142	169,052,037	169,391,163	14,121,017	15,647,761	16,758,849	13,009,929	33.6
3. Farmowners multiple peril.....	1,975,382	4,961,007	2,084,392	4,851,997	5,155,067	5,807,555	4,199,509	21.0
4. Homeowners multiple peril.....	2,945,976	13,420,725	11,195,488	5,171,214	4,451,678	5,582,536	4,040,355	62.0
5. Commercial multiple peril.....	14,210,588	107,777,311	34,973,268	87,014,631	199,196,059	213,734,331	72,476,358	63.6
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8. Ocean marine.....	10,436	20,638,190	2,002,188	18,646,438	33,215,701	31,064,546	20,797,593	38.6
9. Inland marine.....	5,510,912	67,157,373	16,996,349	55,671,936	17,021,053	31,534,417	41,158,572	31.7
10. Financial guaranty.....	0	0	0	0	0	0	0	0.0
11.1 Medical malpractice - occurrence.....	0	0	0	0	2,046,125	2,046,125	0	0.0
11.2 Medical malpractice - claims-made.....	35,000	0	0	35,000	274,407	309,407	0	0.0
12. Earthquake.....	1,079	1,570,674	1,218,656	353,097	239,349	210,697	381,749	2.9
13. Group accident and health.....	430,238	0	207,028	223,210	159,849	16,622	366,437	17.4
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0.0
15. Other accident and health.....	0	0	0	0	0	0	0	0.0
16. Workers' compensation.....	28,955,926	87,012,425	50,459,094	65,509,257	261,196,847	286,755,083	39,951,022	113.2
17.1 Other liability - occurrence.....	24,101,212	104,441,633	80,514,732	48,028,112	557,438,184	497,601,869	107,864,427	99.7
17.2 Other liability - claims-made.....	59,375,414	75,755,821	33,613,719	101,517,516	308,483,178	300,058,890	109,941,803	74.0
18.1 Products liability - occurrence.....	220,086	3,901,297	1,430,651	2,690,732	21,141,446	18,058,300	5,773,878	153.1
18.2 Products liability - claims-made.....	0	95,376	82,676	12,700	687,152	917,159	(217,307)	(77.1)
19.1, 19.2 Private passenger auto liability.....	10,035,438	113,352,831	11,664,055	111,724,214	169,713,445	147,171,666	134,265,994	84.7
19.3, 19.4 Commercial auto liability.....	14,189,822	39,462,543	31,588,377	22,063,989	55,043,652	62,678,663	14,428,978	48.1
21. Auto physical damage.....	19,554,552	87,698,086	49,919,319	57,333,319	7,865,158	16,016,982	49,181,495	53.7
22. Aircraft (all perils).....	6,863,598	22,210	439,504	6,446,305	18,428,681	31,692,404	(6,817,418)	(7,733.1)
23. Fidelity.....	4,596,731	602,231	771,460	4,427,502	4,867,883	3,475,262	5,820,123	29.7
24. Surety.....	28,903,478	6,226,969	6,528,622	28,601,825	11,792,100	13,994,151	26,399,773	46.0
26. Burglary and theft.....	11,207	87,003	72,122	26,088	387,104	396,250	16,942	1.2
27. Boiler and machinery.....	112,896	317,876	380,304	50,467	43,921	80,075	14,314	16.0
28. Credit.....	3,269,069	1,722,119	1,294,274	3,696,914	13,258,540	18,662,063	(1,706,609)	(15.2)
29. International.....	0	0	0	0	0	0	0	0.0
30. Reinsurance - nonproportional assumed property.....	XXX	0	0	0	0	0	0	0.0
31. Reinsurance - nonproportional assumed liability.....	XXX	0	0	0	0	0	0	0.0
32. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	0	0	0	0.0
33. Aggregate write-ins for other lines of business.....	25,959,353	36,415,833	27,649,871	34,725,315	18,437,924	1,054,836	52,108,403	66.5
34. TOTALS.....	266,084,297	962,191,327	552,831,039	675,444,585	1,743,244,570	1,723,659,360	695,029,795	61.4
DETAILS OF WRITE-INS								
3301. Collateral protection.....	25,959,353	36,415,833	27,649,871	34,725,315	18,437,924	1,054,836	52,108,403	66.5
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).....	25,959,353	36,415,833	27,649,871	34,725,315	18,437,924	1,054,836	52,108,403	66.5

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.....	9,262,455	44,922,346	39,541,807	14,642,994	760,050	11,405,714	9,756,453	17,052,306	2,071,531
2. Allied lines.....	2,457,638	79,115,098	74,910,688	6,662,047	1,378,453	24,022,545	16,415,285	15,647,761	6,577,698
3. Farmowners multiple peril.....	1,873,187	3,176,952	2,592,453	2,457,686	601,883	2,070,474	(25,024)	5,155,067	2,770,262
4. Homeowners multiple peril.....	1,393,819	5,274,905	3,735,648	2,933,076	816,126	3,855,504	3,153,028	4,451,678	1,082,162
5. Commercial multiple peril.....	17,603,719	142,008,662	53,984,711	105,627,670	31,202,369	116,363,646	53,997,627	199,196,059	76,910,529
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8. Ocean marine.....	291,879	21,376,983	2,695,536	18,973,326	1,002,880	14,152,542	913,046	33,215,701	7,678,134
9. Inland marine.....	2,121,313	15,988,805	7,820,433	10,289,686	2,397,817	18,384,629	14,051,079	17,021,053	6,212,562
10. Financial guaranty.....	0	0	0	0	0	0	0	0	0
11.1 Medical malpractice - occurrence.....	0	659,125	0	659,125	0	1,387,000	0	2,046,125	417
11.2 Medical malpractice - claims-made.....	274,405	2	0	274,407	0	0	0	274,407	0
12. Earthquake.....	1,082	378,527	277,029	102,580	69,474	303,105	235,811	239,349	31,872
13. Group accident and health.....	319,589	0	159,740	159,849	0	0	0	(a) 159,849	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0	0
15. Other accident and health.....	0	0	0	0	0	0	0	(a) 0	0
16. Workers' compensation.....	74,084,898	218,786,370	119,371,575	173,499,694	48,939,519	121,618,767	82,861,133	261,196,847	25,688,813
17.1 Other liability - occurrence.....	50,130,739	236,332,478	140,179,909	146,283,308	157,394,708	580,447,024	326,686,856	557,438,184	114,953,372
17.2 Other liability - claims-made.....	95,843,760	113,410,329	50,889,380	158,364,709	102,969,354	83,678,046	36,528,930	308,483,178	29,438,950
18.1 Products liability - occurrence.....	3,604,228	10,516,021	4,613,683	9,506,566	1,256,907	13,718,009	3,340,036	21,141,446	8,633,490
18.2 Products liability - claims-made.....	0	1,541,459	1,326,560	214,899	345,349	2,472,212	2,345,307	687,152	217,574
19.1, 19.2 Private passenger auto liability.....	8,002,803	102,467,074	11,310,637	99,159,240	10,214,812	62,058,393	1,719,000	169,713,445	36,302,420
19.3, 19.4 Commercial auto liability.....	15,344,724	44,265,345	28,403,695	31,206,374	5,570,508	33,538,629	15,271,858	55,043,652	14,127,983
21. Auto physical damage.....	1,120,823	6,199,517	4,067,620	3,252,720	3,219,567	10,283,135	8,890,263	7,865,158	4,861,450
22. Aircraft (all perils).....	21,874,622	1,122,095	10,575,166	12,421,551	5,500,000	541,706	34,576	18,428,681	7,606,458
23. Fidelity.....	(517,741)	66,050	172,553	(624,244)	5,135,903	1,244,584	888,360	4,867,883	1,620,692
24. Surety.....	(3,669,431)	(3,757,050)	(316,975)	(7,109,506)	14,584,269	3,650,058	(667,279)	11,792,100	5,364,873
26. Burglary and theft.....	25,000	10,104	33,319	1,785	379,266	129,822	123,769	387,104	152,547
27. Boiler and machinery.....	100	123,446	124,635	(1,089)	0	78,642	33,632	43,921	207
28. Credit.....	14,628,089	1,499,895	12,022,022	4,105,962	12,299,421	1,412,182	4,559,025	13,258,540	30
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.....	1,123,473	1,274,182	515,119	1,882,536	7,340,100	13,140,611	3,925,324	18,437,924	1,025,620
34. TOTALS.....	317,195,175	1,046,758,720	569,006,944	794,946,951	413,378,736	1,119,956,978	585,038,096	1,743,244,570	353,329,648

DETAILS OF WRITE-INS

3301. Collateral protection.....	1,123,473	1,274,182	515,119	1,882,536	7,340,100	13,140,611	3,925,324	18,437,924	1,025,620
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).....	1,123,473	1,274,182	515,119	1,882,536	7,340,100	13,140,611	3,925,324	18,437,924	1,025,620

(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.....	56,678,021	0	0	56,678,021
1.2 Reinsurance assumed.....	191,647,135	0	0	191,647,135
1.3 Reinsurance ceded.....	121,653,935	0	0	121,653,935
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	126,671,221	0	0	126,671,221
2. Commission and brokerage:				
2.1 Direct excluding contingent.....	0	104,815,564	0	104,815,564
2.2 Reinsurance assumed excluding contingent.....	0	272,915,899	0	272,915,899
2.3 Reinsurance ceded excluding contingent.....	0	285,921,746	0	285,921,746
2.4 Contingent - direct.....	0	9,687,291	0	9,687,291
2.5 Contingent - reinsurance assumed.....	0	13,547,252	0	13,547,252
2.6 Contingent - reinsurance ceded.....	0	9,227,278	0	9,227,278
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	105,816,980	0	105,816,980
3. Allowances to managers and agents.....	4,755,989	19,761,176	0	24,517,165
4. Advertising.....	0	6,827,372	0	6,827,372
5. Boards, bureaus and associations.....	0	7,152,611	0	7,152,611
6. Surveys and underwriting reports.....	0	3,282,425	0	3,282,425
7. Audit of assureds' records.....	0	315,191	0	315,191
8. Salary and related items:				
8.1 Salaries.....	37,897,274	128,608,514	2,654,058	169,159,847
8.2 Payroll taxes.....	2,795,639	8,661,425	146,191	11,603,255
9. Employee relations and welfare.....	5,124,149	16,880,115	784,925	22,789,189
10. Insurance.....	308,531	1,141,364	58,880	1,508,775
11. Directors' fees.....	0	0	0	0
12. Travel and travel items.....	2,791,962	8,215,066	194,788	11,201,816
13. Rent and rent items.....	2,794,861	16,029,211	84,392	18,908,464
14. Equipment.....	1,205,523	13,845,678	433,376	15,484,577
15. Cost or depreciation of EDP equipment and software.....	991,399	24,639,764	63,334	25,694,497
16. Printing and stationery.....	621,223	3,344,725	53,669	4,019,617
17. Postage, telephone and telegraph, exchange and express.....	2,358,575	12,447,502	132,122	14,938,200
18. Legal and auditing.....	307,094	1,801,741	198,872	2,307,706
19. Totals (Lines 3 to 18).....	61,952,219	272,953,879	4,804,608	339,710,706
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....(122,889).....	0	40,031,454	0	40,031,454
20.2. Insurance department licenses and fees.....	101,552	2,225,352	47,019	2,373,923
20.3. Gross guaranty association assessments.....	0	6,029,209	0	6,029,209
20.4. All other (excluding federal and foreign income and real estate).....	11,835	1,542,103	18,646	1,572,583
20.5. Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	113,387	49,828,118	65,664	50,007,169
21. Real estate expenses.....	0	0	4,418,535	4,418,535
22. Real estate taxes.....	0	0	719,702	719,702
23. Reimbursements by uninsured accident and health plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	(13,640,639)	(36,951,795)	14,231,899	(36,360,535)
25. Total expenses incurred.....	175,096,188	391,647,183	24,240,407	(a) 590,983,778
26. Less unpaid expenses - current year.....	353,329,648	74,871,329	2,296,807	430,497,783
27. Add unpaid expenses - prior year.....	351,323,670	59,621,324	2,165,018	413,110,012
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).....	173,090,211	376,397,178	24,108,619	573,596,007

DETAILS OF WRITE-INS

2401. Income from special services.....	(15,107,747)	(58,165,594)	(1,618,485)	(74,891,826)
2402. Outside services.....	619,190	11,413,343	15,747,395	27,779,929
2403. Other.....	847,917	9,800,457	102,988	10,751,362
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	(13,640,639)	(36,951,795)	14,231,899	(36,360,535)

(a) Includes management fees of \$.....43,201,661 to affiliates and \$.....589,420 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....4,891,451	.....4,233,586
1.1 Bonds exempt from U.S. tax.....	(a).....1,304,585	.....2,615,367
1.2 Other bonds (unaffiliated).....	(a).....140,267,549	.....139,092,735
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....2,246,406	.....2,610,830
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....5,516,600	.....5,530,250
2.21 Common stocks of affiliates.....	.....9,207,369	.....9,207,369
3. Mortgage loans.....	(c).....3,464,363	.....3,379,437
4. Real estate.....	(d).....7,667,879	.....7,667,879
5. Contract loans.....	.....0	.....0
6. Cash/short-term investments.....	(e).....1,339,836	.....1,338,353
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....5,079,736	.....5,164,616
9. Aggregate write-ins for investment income.....	.....625,406	.....625,406
10. Total gross investment income.....	.....181,611,179	.....181,465,829
11. Investment expenses.....		(g).....24,174,743
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....65,664
13. Interest expense.....		(h).....4,122,660
14. Depreciation on real estate and other invested assets.....		(i).....2,022,271
15. Aggregate write-ins for deductions from investment income.....		.....20,174
16. Total deductions (Lines 11 through 15).....		.....30,405,513
17. Net investment income (Line 10 minus Line 16).....		.....151,060,316

DETAILS OF WRITE-INS

0901. Miscellaneous investment income.....	.....625,406	.....625,406
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).....	.....625,406	.....625,406
1501. North Carolina 2002 Private Passenger Auto escrow interest expense.....		.....20,174
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).....		.....20,174

(a) Includes \$.....8,591,022 accrual of discount less \$.....34,584,515 amortization of premium and less \$.....12,051,132 paid for accrued interest on purchases.

(b) Includes \$.....210,434 accrual of discount less \$.....60,356 amortization of premium and less \$.....0 paid for accrued dividends on purchases.

(c) Includes \$.....31,200 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.

(d) Includes \$.....1,798,603 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 \$.....2,022,271 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Net Gain or (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
1. U.S. government bonds.....	.....3,474,170	.....0	.....0	.....0	.....3,474,170
1.1 Bonds exempt from U.S. tax.....	.....246	.....0	.....46	.....0	.....292
1.2 Other bonds (unaffiliated).....	.....23,656,611	.....(70,352,239)	.....(6,715,753)	.....0	.....(53,411,381)
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....682,974	.....(5,218,000)	.....2,640,342	.....0	.....(1,894,684)
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....(3,948,165)	.....(3,552,703)	.....7,224,512	.....0	.....(276,356)
2.21 Common stocks of affiliates.....	.....6,066,379	.....0	.....(16,032,516)	.....0	.....(9,966,137)
3. Mortgage loans.....	.....0	.....(1,430,000)	.....0	.....0	.....(1,430,000)
4. Real estate.....	.....13,526,994	.....0	.....4,564,005	.....0	.....18,090,999
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash/short-term investments.....	.....0	.....9,484,164	.....0	.....0	.....9,484,164
7. Derivative instruments.....	.....0	.....0	.....0	.....0	.....0
8. Other invested assets.....	.....0	.....0	.....(382,928)	.....0	.....(382,928)
9. Aggregate write-ins for capital gains (losses).....	.....(10,769,231)	.....0	.....0	.....0	.....(10,769,231)
10. Total capital gains (losses).....	.....32,689,978	.....(71,068,778)	.....(8,702,292)	.....0	.....(47,081,092)

DETAILS OF WRITE-INS

0901. Loss on the sale of New Jersey book of business.....	.....(10,769,231)	.....0	.....0	.....0	.....(10,769,231)
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).....	.....(10,769,231)	.....0	.....0	.....0	.....(10,769,231)

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.....	158,907,053	163,563,999	4,656,945
2. Other Nonadmitted Assets:			
2.1 Bills receivable.....	0	14,750	14,750
2.2 Furniture, equipment and supplies.....	17,328,643	10,451,028	(6,877,616)
2.3 Leasehold improvements.....	3,288,175	1,601,499	(1,686,676)
2.4 Loans on personal security, endorsed or not.....	0	0	0
3. Total (Lines 2.1 to 2.4).....	20,616,818	12,067,277	(8,549,542)
4. Aggregate write-ins for other assets.....	15,604,140	22,063,103	6,458,963
5. Total (Line 1 plus Lines 3 and 4).....	195,128,011	197,694,378	2,566,367

DETAILS OF WRITE-INS

0401. Other assets and receivables.....	14,027,390	20,435,208	6,407,818
0402. Losses paid, not charged.....	1,500,000	1,400,000	(100,000)
0403. Interest, dividends, and real estate income due and accrued.....	76,750	227,895	151,145
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).....	15,604,140	22,063,103	6,458,963

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

1.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

The financial statements of Great American Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted 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 purposes of determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed or permitted practices by the state of Ohio.

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 and assumptions that affect 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 Policies

Investments – Invested asset values are generally stated as follows:

Bonds, including issuer obligations, mortgage-backed securities and asset-backed securities rated 1 and 2 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or market. For mortgage-backed and asset-backed securities, dealer modeled prepayment assumptions are used at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.

Preferred stocks with mandatory sinking funds rated RP1 and RP2 are stated at amortized cost; perpetual preferred stocks rated P1 and P2 are stated at market; all others are stated at the lower of cost, amortized cost, or market.

Common stocks are stated at market except investment in subsidiaries.

Investments in insurance subsidiaries are stated at the statutory equity in net assets plus any applicable remaining goodwill. Goodwill is amortized on a straight-line basis over ten years. Investments in non-insurance subsidiaries are stated at NAIC specific values.

Mortgage loans on real estate are stated at the aggregate unpaid balance, net of unamortized discount.

Real estate or property acquired in satisfaction of debt are stated at the lower of depreciated cost or market.

Short-term investments are stated at cost.

Other invested assets are stated at the lower of cost or market.

Unpaid Losses and Loss Adjustment Expense Reserves - The net liabilities stated for unpaid claims and for expenses of investigation and adjustment of unpaid claims are based upon (a) the accumulation of case estimates for losses reported prior to the close of the accounting period on the direct business written; (b) estimates received from ceding reinsurers and insurance pools and associations; (c) estimates of unreported losses and development on reported losses based on past experience; and (d) estimates based on experience of expenses for investigating and adjusting claims. The total of these factors is reduced for portions ceded to other reinsurers. All such estimates are based on the current state of the law and coverage litigation, which could change substantially by the time claims are settled. These liabilities are subject to the impact of changes in claim amounts and frequency and other factors. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate. Changes in estimates of the liabilities for losses and loss adjustment expenses are reflected in the statement of income in the period in which determined.

Premium Deficiency Reserve – The Company uses anticipated investment income as a factor in premium deficiency calculations.

Premium Recognition - 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. Generally, for direct business, such reserves are computed by pro rata methods. For certain collateral protection products, earned premium and unearned premium reserves are computed consistent with the proportion of the total exposure provided throughout the term of the contract. For assumed business, unearned premium reserves are based on reports received from ceding companies for reinsurance.

Underwriting Expense Recognition – Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

2.) ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

A. The Company did not have any material changes in accounting principles and/or corrections of errors, other than the items disclosed in Note 2B.

B. 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 Procedure Manual* subject to any deviation prescribed by the State of Ohio insurance commissioner.

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

Accounting changes adopted to conform to the provisions of the NAIC *Accounting Practices and Procedure Manual* are reported as changes in accounting principles. The cumulative effect of the changes in principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in the accounting principle. As a result of these changes, the Company reported a change of accounting principles, an adjustment that decreased unassigned funds (surplus), of \$(17,089,783) as of January 1, 2001. The components of the adjustment are as follows:

Deferred tax assets (net)	\$64,944,152
Guaranty fund accrual	(2,299,200)
Investment in subsidiaries	33,012,683
Non-tabular loss reserve discounting	(11,343,091)
Investment in affiliates	(96,135,327)
Post-employment benefits	(5,269,000)
Total	<u>\$(17,089,783)</u>

3.) BUSINESS COMBINATIONS AND GOODWILL

A. Statutory Purchase Method

The Company purchased 100% of the stock of Worldwide Insurance Company ("Worldwide") on April 9, 1999. Worldwide is licensed in 41 states and sells private passenger automobile insurance. The cost was \$157,250,000, resulting in goodwill in the amount of \$66,653,767. Goodwill amortization relating to the purchase of Worldwide was \$6,855,600 for 2002 and 2001.

The Company purchased 100% of the stock of Great American Fidelity Insurance Company ("Great American Fidelity") on December 30, 1994. Great American Fidelity is a surplus lines insurance company domiciled in Delaware and authorized as a surplus lines company in 46 other states. The cost was \$20,262,449, resulting in goodwill in the amount of \$1,092,500. Goodwill amortization relating to the purchase of Great American Fidelity was \$109,250 for 2002 and 2001.

B. Merger – The Company was not a party to any merger transactions during 2002.

C. Impairment Loss – Not applicable.

4.) DISCONTINUED OPERATIONS

The Company did not discontinue any operations during 2002.

5.) INVESTMENTS

A. Mortgage Loans – The Company invested in two new mortgage loans in 2002 with interest rates of 3.5% and 4.5%. The Company did not reduce any interest rates of outstanding mortgage loans during the year. The maximum percentage of any one mortgage loan to the value of the security is 79.6%. As of year end, the Company has one mortgage loan with a statement value of \$3,450,314 with interest more than 180 days overdue of \$2,278,075. There were no taxes, assessments or amounts advanced and not included in the mortgage loan total. The 2002 statement value of impaired loans with a related allowance for credit losses is \$3,450,314 with an allowance for credit loss of \$1,430,000. The average recorded investment in impaired loans was \$3,450,314. There was no interest income recognized on an accrual basis or cash basis on the impaired loan during 2002. All proceeds received on the impaired loan are recorded as a recovery of principal before any interest income is recognized.

B. Debt Restructuring

1. The total recorded investment in restructured loans, as of year end	\$3,486,356
2. The realized capital losses related to these loans	\$8,323,000
3. Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructurings	\$0
4. The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.	
5. The Company has not recorded any allowance for credit losses for restructured debt.	

C. The Company does not invest in reverse mortgages.

D. Loan-Backed Securities

The Company uses dealer-modeled prepayment assumptions for mortgage-backed and asset-backed securities at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis. In determining the market value of its loan-backed securities, the Company obtains the majority of its pricing from dealer quotes. When dealer quotes are unavailable, the Company uses EJV Partners, L.P. pricing service or management estimates.

E. The Company does not invest in repurchase agreements.

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

6.) JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7.) INVESTMENT INCOME

- A. Due and accrued income was excluded from surplus on the following basis:
1. All investment income due and accrued with amounts that are over 90 days past due.
 2. The total amount excluded from surplus was \$76,750.

8.) DERIVATIVE INSTRUMENTS

The Company's investment objectives do not include holding or issuing derivative financial instruments.

9.) INCOME TAXES

- A. The components of the net deferred tax assets/liabilities at December 31 are as follows:

	2002	2001
Gross deferred tax assets	\$287,360,683	\$285,936,148
Gross deferred tax liabilities	(66,131,019)	(78,005,124)
Net deferred tax assets	221,229,664	207,931,024
Deferred tax assets non-admitted	(137,225,643)	(131,749,045)
Admitted deferred tax assets	<u>\$ 84,004,021</u>	<u>\$ 76,181,979</u>
Increase (decrease) in non-admitted deferred tax assets	<u>\$ 5,476,598</u>	<u>\$ 16,092,864</u>

- B. The Company has recognized all deferred tax liabilities.

- C. The components of current income tax incurred are as follows:

	2002	2001
Current year income tax	\$(10,968,000)	\$(2,640,000)
Prior period tax adjustment	(7,791,537)	(3,358,008)
Foreign income tax	3,948,838	(805,000)
Current income tax incurred	<u>\$(14,810,699)</u>	<u>\$(6,803,008)</u>

The changes in main components of deferred tax assets and deferred tax liabilities are as follows:

<u>Deferred Tax Assets resulting from</u> <u>book/tax differences in:</u>	2002	2001	Difference
Amortization of intangibles	\$779,506	\$869,912	\$(90,406)
Non-admitted assets	20,265,829	23,117,778	(2,851,949)
Investments	96,163,200	99,311,800	(3,148,600)
Unrealized losses	9,381,741	9,780,068	(398,327)
Loss reserves	78,862,818	81,583,349	(2,720,531)
Unearned premiums	52,931,347	54,011,557	(1,080,210)
Loss carryforwards	8,057,350	-	8,057,350
Underwriting expenses	12,023,625	10,019,494	2,004,131
Accruals	8,848,317	7,207,866	1,640,451
Other	46,950	34,324	12,626
Total deferred tax assets	<u>\$287,360,683</u>	<u>\$285,936,148</u>	<u>\$1,424,535</u>
Deferred tax assets non-admitted	<u>\$137,225,643</u>	<u>\$131,749,045</u>	<u>\$(5,476,598)</u>
<u>Deferred tax liabilities resulting from</u> <u>book/tax differences in:</u>	2002	2001	Difference
Salvage and subrogation	\$697,369	\$1,005,070	\$(307,701)
Investments	1,489,821	1,974,506	(484,685)
Software development	408,371	3,756,617	(3,348,246)
Depreciation	1,090,360	287,529	802,831
Underwriting expenses	2,124,455	-	2,124,455
Unrealized gains	59,912,650	70,697,900	(10,785,250)
Other	407,993	283,502	124,491
Total deferred tax liabilities	<u>66,131,019</u>	<u>\$78,005,124</u>	<u>\$(11,874,105)</u>
Net deferred tax assets	<u>\$221,229,664</u>	<u>\$207,931,024</u>	<u>\$13,298,640</u>

GREAT AMERICAN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

The changes in net deferred income taxes is comprised of the following (this analysis excludes non-admitted assets; the change in non-admitted assets is reported separately from the change in net deferred income taxes in the Underwriting and Investment Exhibit):

	2002	2001	Change
Total deferred tax assets	\$287,360,683	\$285,936,148	\$1,424,535
Total deferred tax liabilities	66,131,019	78,005,124	(11,874,105)
Net deferred tax assets	<u>\$221,229,664</u>	<u>\$207,931,024</u>	\$13,298,640
Tax effect of unrealized gains (losses)			<u>10,386,923</u>
Change in net deferred income tax			<u>\$2,911,717</u>

- D. The Company's income tax expense and change in deferred taxes differs from the amount obtained by applying the federal statutory rate of 35% to net income after dividends to policyholders for the following reasons:

	2002	2001
Income taxes at the statutory rate	\$(11,684,955)	\$(16,980,267)
Foreign taxes	3,948,838	(805,000)
Prior period tax adjustment	(7,791,537)	2,692,054
Non-admitted assets	2,851,950	(23,117,778)
Tax exempt interest deduction	(758,450)	(703,850)
Dividend received deduction	(4,921,700)	(11,397,400)
Other items	<u>633,438</u>	<u>571,230</u>
Total	<u>\$(17,722,416)</u>	<u>\$(49,741,011)</u>
Federal and foreign income taxes incurred	\$(14,810,699)	\$(6,803,008)
Change in net deferred income taxes excluding unrealized	(2,911,717)	(42,938,003)
Total statutory income taxes	<u>\$(17,722,416)</u>	<u>\$(49,741,011)</u>

- E. Operating Loss Carryforwards and Income Taxes Available for Recoupment:

At December 31, 2002, the Company had \$8,057,350 of net loss carryforward originating in 2002 which expire, if unused, in 2007.

The amount of federal income taxes incurred and available for recoupment in the event of future net losses: Current year \$0; first preceding year \$0; second preceding year \$0.

- F. The Company's federal income tax return is consolidated.

1. The Company's federal income tax return is consolidated with the following entities:

AAG Holding Company, Inc.	AAG Insurance Agency, Inc.
AAG Insurance Agency of Alabama, Inc.	AAG Insurance Agency of Massachusetts, Inc.
AAG Insurance Agency of Texas, Inc.	ADL Financial Services, Inc.
AFC Coal Properties, Inc.	American Commonwealth Development Company
American DataSolutions International, Inc.	American Deposit Insurance Company
American Empire Insurance Company	American Empire Surplus Lines Insurance Company
American Empire Underwriters, Inc.	American Financial Corporation
American Financial Corporation (Inactive)	American Financial Enterprises, Inc.
American Insurance Agency, Inc.	American Memorial Marketing Services, Inc.
American Money Management Corporation	American Payroll Services, Inc.
American Premier Insurance Company	American Premier Underwriters, Inc.
American Retirement Life Insurance Company	American Signature Underwriters, Inc.
American Special Risk, Inc.	Ann Arbor Railroad Company (The)
Annuity Investors Life Insurance Company	Associates of the Jersey Company (The)
Atlanta Casualty Company	Atlanta Casualty General Agency, Inc.
Atlanta Casualty Group, Inc.	Atlanta Insurance Brokers, Inc.
Atlanta Reserve Insurance Company	Atlanta Specialty Insurance Company
Aviation Specialty Managers, Inc.	Brothers Pennsylvanian Corporation
Brothers Port Richey Corporation	Brothers Property Corporation
Brothers Property Management Corporation	Brothers Railyard Corporation
Budget Insurance Premiums, Inc.	Cal Coal, Inc.
Charleston Harbor Marina, Inc.	CHATBAR, Inc.
Chatham Enterprises, Inc.	Consolidated Financial Corporation
Coventry Insurance Company	Crop Managers Insurance Agency, Inc.
CSW Management Services, Inc.	Delbay Corporation
Dempsey & Siders Agency, Inc.	Detroit Manufacturers Railroad Company
Dixie Terminal Corporation	Driskill Holdings, Inc.
Dudley L. Moore Insurance, Inc.	Eden Park Insurance Brokers, Inc.
ESC, Inc.	Fairmont Holdings, Inc.
FCIA Management Company, Inc.	Fidelity Excess and Surplus Insurance Company
FlexTech Holding Co., Inc.	FWC Corporation
GAI Warranty Company	GAI Warranty Company of Florida
Gains Group, Inc. (The)	GALIC Brothers, Inc.
GALIC Disbursing Company	Global Premier Finance Company
Granite Finance Co., Inc.	Great American Advisors, Inc.
Great American Agency of Texas, Inc.	Great American Alliance Insurance Company
Great American Assurance Company	Great American Claims Services, Inc.

Great American Contemporary Insurance Company	Great American Custom Insurance Services California, Inc.
Great American Custom Insurance Services Illinois, Inc.	Great American Custom Insurance Services, Inc.
Great American Custom Insurance Services Massachusetts, Inc.	Great American Custom Solutions, Inc.
Great American E & S Insurance Company	Great American Fidelity Insurance Company
Great American Financial Resources, Inc.	Great American Holding, Inc.
Great American Insurance Agency, Inc.	Great American Insurance Company
Great American Insurance Company of New York	Great American Life Assurance Company
Great American Life Insurance Company	Great American Lloyd's, Inc.
Great American Lloyd's Insurance Company	Great American Management Services, Inc.
Great American Protection Insurance Company	Great American Re Inc.
Great American Security Insurance Company	Great American Spirit Insurance Company
Great Southwest Corporation	Grizzly Golf Center, Inc.
Hangar Acquisition Corp.	Indianapolis Union Railway Company (The)
Infinity Agency of Texas, Inc.	Infinity Group, Inc. (The)
Infinity Insurance Company	Infinity National Insurance Company
Infinity Property and Casualty Corporation	Infinity Select Insurance Company
Instech Corporation	Integrated Display Systems, Inc.
Key Largo Group, Inc.	Keyes-Graham Insurance Agency, Inc.
Laurentian Credit Services Corporation	Laurentian Marketing Services, Inc.
Laurentian Securities Corporation	Leader Group, Inc.
Leader Insurance Company	Leader Managing General Agency, Inc.
Leader National Agency, Inc.	Leader Preferred Insurance Company
Leader Specialty Insurance Company	Lehigh Valley Railroad Company
Lifestyle Financial Investments, Inc.	Lifestyle Financial Investments Agency of Ohio, Inc.
Lifestyle Financial Investments of Indiana, Inc.	Lifestyle Financial Investments of the Northwest, Inc.
Loyal American Life Insurance Company	Loyal Marketing Services, Inc.
Marathon Manufacturing Companies, Inc.	Marathon Manufacturing Company
Mid-Continent Casualty Company	Mid-Continent Insurance Company
Money-Plan International, Inc.	Moore Group Inc.
New York and Harlem Railroad Company (The)	Oklahoma Surety Company
One East Fourth, Inc.	Owasco River Railway, Inc. (The)
PCC 38 Corp.	PCC Chicago Realty Corp.
PCC Gun Hill Realty Corp.	PCC Maryland Realty Corp.
PCC Michigan Realty, Inc.	PCC Real Estate, Inc.
PCC Scarsdale Realty Corp.	PCC Technical Industries, Inc.
Penn Camarillo Realty Corp.	Penn Central Energy Management Company
Penn Towers, Inc.	Pennsylvania Company
Pioneer Carpet Mills, Inc.	Pittsburgh and Cross Creek Railroad Company
PLLS, Ltd.	Pointe Apartments, Inc.
Premier Dealer Services, Inc.	Premier Lease & Loan Services Insurance Agency, Inc.
Premier Lease & Loan Services of Canada, Inc.	Professional Risk Brokers of Connecticut, Inc.
Professional Risk Brokers, Inc.	Professional Risk Brokers of Ohio, Inc.
Purity Financial Corporation	Regal Insurance Company
Republic Indemnity Company of America	Republic Indemnity Company of California
Republic Indemnity Medical Management, Inc.	Risico Management Corporation
Skipjack Marina Corp.	Solid State Scientific Hi-Rel, Inc.
Solid State Scientific International, Inc.	Stone Mountain Professional Liability Agency, Inc.
Superior NWWN of Ohio, Inc.	SWTC, Inc.
TEJ Holdings, Inc.	Terminal Realty Penn Co.
Texas Windsor Group, Inc.	Three East Fourth, Inc.
TICO Insurance Company	Transport Insurance Company
Treaty House, Ltd. (d/b/a Mr. Budget)	United Railroad Corp.
United Teacher Associates, Ltd.	Waynesburg Southern Railroad Company
Windsor Group, Inc.	Windsor Insurance Company
World Houston, Inc.	Worldwide Casualty Insurance Company
Worldwide Direct Auto Insurance Company	Worldwide Insurance Company

2. Tax payments and the recoupment (in the event of future losses) of tax paid pursuant to the tax allocation agreement are computed on a separate company basis as determined in accordance with generally accepted accounting principles, based upon the rules provided by the Internal Revenue Code of 1986 as amended.

10.) INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

- A. The Company is an indirect 100% owned subsidiary of American Financial Group, Inc.; 100% of the outstanding common stock of the Company is directly owned by American Financial Corporation. See Schedule Y, Part 1, Organizational Chart.

- B. Detail of Transactions Greater than 1/2% of Admitted Assets

The Company received a return of capital distribution from American Empire Surplus Lines Insurance Company of \$20,000,000 on December 26, 2002. The Company paid a return of capital distribution to American Financial Corporation of \$75,000,000 on September 3, 2002; included in that amount was the common stock of Great American Security Insurance Company and Great American Spirit Insurance Company. The Company received capital contributions from American Financial Corporation as follows: November 13, 2002, \$90,000,000; December 20, 2002, \$60,000,000; December 26, 2002, \$40,000,000; and December 30, 2002, \$45,000,000. The Company made a capital contribution to Mid-Continent Casualty Company of \$20,000,000 on December 27, 2002.

- C. Change in terms of Intercompany Arrangements - None

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

D. Amounts Due to or from Related Parties

The Company has the following receivables due from affiliated companies:

	Receivable
American Financial Group, Inc.	\$5,618,842
Moore Group, Inc.	1,591,154
Infinity Group, Inc.	727,750
Republic Indemnity Insurance Company of America	400,721
American Empire Surplus Lines Insurance Company	353,229
American Money Management Corporation	350,774
Brothers Property Corporation	291,909
Mid-Continent Casualty Company	241,154
GAI Warranty	201,581
Balances less than \$100,000	467,357
Total	<u>\$10,244,471</u>

The Company has the following amounts payable to affiliated companies:

	Payable
Aviation Specialty Managers, Inc.	\$103,619
American Special Risk, Inc.	190,583
Dempsey and Siders Agency, Inc.	288,770
American Financial Group, Inc.	584,449
GAI Warranty Company	1,067,612
FCIA Management Company, Inc.	4,238,323
Balances less than \$100,000	95,062
Total	<u>\$6,568,418</u>

E. Guarantees or Contingencies for Related Parties

1. The Company has issued guarantees of facultative reinsurance certificates issued by its indirectly wholly-owned subsidiary, American Empire Insurance Company. As of December 31, 2002, the total amount of limits on the facultative reinsurance certificates in force guaranteed by the Company was approximately \$246 million on a gross basis and approximately \$98 million on a net basis.
2. The Company has also issued cut-through endorsements for the benefit of certain pooled subsidiaries and affiliates.

F. Management or service contracts and all cost sharing arrangements involving the Company or any affiliated insurer

1. The Company and affiliated insurance companies have contracts with American Money Management Corporation (an affiliate) which, subject to the direction of the Finance Committees of the companies, provide for management and accounting services related to the investment portfolios.
2. Certain administrative, consultative, printing, office duplicating, telecommunications, purchasing, personnel, data processing and other services are provided under General Services Agreements between the Company and insurance and non-insurance affiliates for which actual costs are allocated on the basis of usage.
3. Certain administrative, management, accounting, data processing, underwriting, claim, collection and investment services are provided under agreements between the Company and affiliates at charges not unfavorable to the Company or insurance affiliates.

G. The Company is an indirect 100% owned subsidiary of American Financial Group, Inc.; 100% of the outstanding common stock of the Company is directly owned by American Financial Corporation. See Schedule Y, Part 1, Organizational Chart.

H. The Company owns shares in an affiliate, American Financial Enterprises, Inc., which owns 9,953,392 shares of the Company's ultimate parent, American Financial Group, Inc. In accordance with NAIC Securities Valuation Office guidelines, the asset value of American Financial Enterprises, Inc. has been reduced by approximately \$315 million.

I. Investments in Affiliates Greater than 10% of Admitted Assets - The Company owns 83% of the outstanding common stock of Great American Financial Resources, Inc. ("GAFRI") whose carrying value exceeds 10% of the admitted assets of the Company. The Company uses the market valuation approach to determine its carrying value of \$422,122,340 for GAFRI, in accordance with SSAP no. 46. At 12/31/2002, the Company's interest in GAFRI per the New York Stock Exchange quoted price was valued at \$603,031,914 which was \$180,909,574 in excess of carrying value.

J. The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.

11.) DEBT

- A. The Company does not have any capital note obligations.
- B. The Company does not have any outstanding liability for borrowed money.

12.) RETIREMENT PLAN, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS**A. Defined Benefit Plans**

The Company does not have any defined benefit plans.

B. Defined Contribution Plans

The Company does not have any defined contribution plans.

C. Multiemployer Plans

The Company does not have any multiemployer plans.

D. Consolidated/Holding Company Plans**Employee Retirement Plan**

American Financial Group, Inc. has established the American Financial Group Retirement and Savings Plan for the benefit of employees of American Financial Group, Inc. and its participating subsidiaries. All employees meeting minimum requirements regarding service are eligible to participate in this Plan. The Plan is a defined contribution plan in which participating employees are entitled to share in contributions made by the Company on their behalf. The Plan has three types of contributions, including (1) Retirement Contributions made by the Company, (2) 401(k) Contributions made by participating employees, and (3) Matching Contributions made by the Company. The benefits for the Retirement Contributions Account are based on eligible compensation for each year of participation. Funding is determined annually. Each Company contributes an amount for the Retirement Contributions Account based upon the relationship of its total eligible compensation to total eligible compensation under the Plan. In addition, participating employees are permitted to make 401(k) Contributions to the Plan. Matching Contributions may be made by the Company based on the amount of 401(k) Contributions made by the participating employees. Plan costs are funded as they accrue and vested benefits are fully funded. Both Retirement Contributions and Matching Contributions to the Plan are subject to the discretion of the Board of Directors of the Company, and the Company has no liability for future contributions to the Plan. At December 31, 2002, the fair market value of the Plan's Retirement Contributions Account assets was \$243,364,068 and the fair market value of the Plan's Matching Contributions Account assets was \$12,764,826. The Company's share of the expense for the plan during 2002 was \$7,242,289.

Postretirement Benefit Plan

The Company provides postretirement health care and life insurance benefits to employees meeting age and service requirements through plans sponsored by American Financial Group, Inc. The retiree medical care plan is a contributory plan covering all eligible employees hired prior to 1993; employees hired after 1992 pay the full cost of retiree medical coverage. The Company currently pays the full cost of life insurance coverage for eligible retirees. The medical plan is funded by monthly payments to a trust. Life insurance benefits are provided by insurance contracts. American Financial Group, Inc. has the right to modify or terminate either of these plans in the future. The Company has the right to terminate its participation at any time in the future.

The Company accrues its postretirement benefits over the period the employees qualify for such benefits. At December 31, 2002, the Company's accumulated postretirement benefit obligation was \$18,626,591 using a discount rate of 6.75% of which \$11,530,000 is currently accrued. Net postretirement benefits costs for the year ended December 31, 2002, were \$1,564,242 which includes service cost, interest cost and amortization of the transition obligation.

The weighted average annual assumed rate of increase in the health care cost trend rate is 10% for 2003 and is assumed to decrease gradually to 5% over 5 years and to remain at that level thereafter. The effect of a 1% increase in the assumed health care cost trend rate for each year would increase the accumulated postretirement benefit obligation at December 31, 2002 by \$895,842.

E. Postemployment Benefits and Compensated Absences

The Company has accrued for postemployment benefits in accordance with SSAP No. 11.

13.) CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

A. The Company has 100,000 shares of common stock authorized, issued and outstanding with a par value of \$154.406.

B. The Company has no preferred stock outstanding.

C. The maximum amount of dividends or distributions which may be paid to stockholders by property/casualty insurance companies domiciled in the State of Ohio without (i) prior approval or (ii) expiration of a 30 day waiting period without disapproval of the Director of Insurance is the greater of net income or 10% of policyholders' surplus as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. The maximum amount of ordinary dividends or distributions which may be paid in 2003 based on earned surplus is \$0.

D. Within the limitations of (C) above, there are no specific restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

E. There were no restrictions placed on the Company's unassigned funds.

F. Mutual Surplus Advances - Not applicable.

G. No stock of the Company or its affiliates is held by it for special purposes.

H. Changes in balances of special surplus funds from the prior year are due to retroactive reinsurance agreements. See Note 22F(d).

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

I. The portion of unassigned funds represented or reduced by each item below is as follows:

Description	Cumulative Increase (Decrease) in Surplus	Current Year Increase (Decrease) in Surplus
1. Unrealized gain or loss	\$(51,490,155)	\$(1,585,117)
2. Nonadmitted assets	(195,128,011)	2,566,367
3. Provision for reinsurance	(35,881,092)	(5,547,939)

J. The Company does not have any surplus debentures or similar obligations.

K. Quasi Reorganizations - Not applicable.

14.) CONTINGENCIES

A. Contingent Commitments

At December 31, 2002, the Company had outstanding loan commitments to third parties of \$11,265,684. Private placement loans to these companies at that date were \$52,702,708. At December 31, 2002, the Company had outstanding loan commitments to affiliates of \$92,153,600; loans outstanding to these affiliates were \$18,346,400 at that date.

B. Assessments

The Company has received notifications of insolvency of a number of insurance companies. It is expected that these insolvencies will result in guaranty fund assessments against the Company at some future date. The Company has accrued for these assessments.

C. Gain Contingencies

The Company does not have any gain contingencies.

D. All Other Contingencies

Various lawsuits against the Company have arisen in the ordinary course of the Company's business. The Company's management believes that contingent liabilities arising from such litigation and other matters will not have a material effect on the financial position or results of operations of the Company.

15.) LEASES

A. Lessee Operating Lease

1. The Company leases office facilities, automobiles, computer equipment, and furniture and office equipment under various noncancelable operating lease agreements. Rental expense for 2002 and 2001 was approximately \$24,652,435 and \$23,676,785, respectively.

2. Basic rental commitments as of December 31, 2002 are:

	2003	2004	2005	2006	2007	2008-2012
Field Offices	\$18,030,267	\$12,137,541	\$9,030,366	\$6,955,197	\$6,100,777	\$13,755,925
Home Office facilities	4,787,010	4,278,702	4,273,942	4,271,341	1,767,805	0
Automobiles	1,372,584	1,063,440	501,289	215,497	21,460	0
Computer equipment	2,838,229	1,941,223	157,573	126,360	21,060	0
Furniture and equipment	2,486,446	1,930,891	746,088	392,404	984	0
Total long-term leases	<u>\$29,514,536</u>	<u>\$21,351,797</u>	<u>\$14,709,258</u>	<u>\$11,960,799</u>	<u>\$7,912,086</u>	<u>\$13,755,925</u>

3. In December 2001, the Company entered into a sale-leaseback transaction with General Electric Capital Corporation involving certain fixed assets (furniture, fixtures and equipment) of the Company in the amount of \$3,211,725. The financing included a three-year maturity and a five-year maturity structure, depending on the asset sold.

B. Lessor Leases - The Company's income generated from leasing activities is less than 2% of gross investment income.

C. Leveraged Leases - The Company does not invest in leveraged leases.

16.) INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

The Company does not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk.

17.) SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. The Company did not sell any receivable balances during 2002.

B. Transfer and Servicing of Financial Assets – Not applicable.

C. The Company was not involved in any wash sale transactions during 2002.

NOTES TO FINANCIAL STATEMENTS**18.) GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A & H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS**

The Company does not serve as an administrator for uninsured accident and health plans or uninsured portions of partially insured plans.

19.) DIRECT PREMIUM WRITTEN PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

The Company did not have any direct premium written by a managing general agent or third party administrator.

20.) OTHER ITEMS

A. Extraordinary Items – Not applicable.

B. Troubled Debt Restructuring for Debtors – Not applicable.

C. Other Disclosures

- The Company has an agreement with the Cincinnati Reds LLC for the naming rights of the new baseball stadium (The Great American Ball Park) in exchange for which the Company has agreed to pay \$72.7 million to the Cincinnati Reds LLC over a thirty year period expiring in 2030. As of December 31, 2002, the outstanding commitment is \$68.7 million.
- The Company may be deemed for purposes of applicable securities laws to be a controlling person with respect to certain securities of Great American Financial Resources, Inc. and Marsh Supermarkets, Inc. As a controlling person, sales of such securities may be limited to some degree and in some instances may be effected only in connection with a current registration statement.
- The Company and certain pooled affiliates have an Agreement with The Ohio Casualty Insurance Company to provide facultative reinsurance in excess of loss of \$10 million on a specific account, and to release Ohio Casualty as reinsurer on individual extracontractual losses that exceed \$10 million. (See General Interrogatories Part 2, number 7).

4. Securities Loaned to Others:

1. Dates of transaction - securities delivered	a.) July 4, 2002 b.) September 16, 2002 c.) October 10, 2002
- securities returned on	Open transaction
2. Complete description of securities involved	Conseco, Inc. Senior Note 8.125% due 2/15/2003
3. Number of shares or amount of bond or other security	a.) \$832,000; b.) \$329,000; c.) \$718,000
4. Market value on date securities were delivered	a.) \$532,480; b.) \$52,640; c.) \$157,960
Market value on 12/31/2002	\$638,860
5. Market value on date securities were returned	N/A
6. Collateral value held	\$676,444
7. Form of collateral	Cash
8. Collateral held by	The Bank of New York, New York, NY
9. Other entity involved in transaction	Bank of America Corporation, Charlotte, NC

5. Additional Schedule P Disclosures:

Unpaid Loss and LAE Reserves - 1992 & Prior

Accident Year	Homeowners/ Farmowners	Private Passenger Auto Liability	Commercial Auto Liability	Workers' Compensation	Commercial Multiple Peril	Special Liability
Prior	\$309,463	\$1,564,191	1,301,953	\$81,222,013	\$22,273,785	\$1,945,170
1988	1,000	7,531	217,738	6,083,030	4,692,192	87,313
1989	(3,613)	34,257	26,000	7,699,723	355,269	71,892
1990	36,076	5,576	103,092	9,550,591	1,524,762	109,360
1991	9,805	1,553	15,944	8,048,829	547,755	197,972
1992	107,912	22,973	36,697	6,573,496	3,251,505	37,252
1992 & Prior	\$460,643	\$1,636,081	\$1,701,424	\$119,177,682	\$32,645,268	\$2,448,959

Accident Year	Medical Malpractice Occurrence	Medical Malpractice Claims Made	Other Liability Occurrence	Other Liability Claims Made	Products Liability Occurrence	Products Liability Claims Made
Prior	\$2,046,125	\$0	\$401,262,186	\$0	\$6,941,207	\$0
1988	0	0	63,572	0	222,383	0
1989	0	0	514,802	37,334	44,519	0
1990	0	0	1,417,204	273,457	(861)	0
1991	0	0	1,953,202	406,970	(926)	0
1992	0	0	1,444,149	177,796	(1,795)	0
1992 & Prior	\$2,046,125	\$0	\$401,655,115	\$895,557	\$7,204,527	\$0

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

6. The following is an explanation of the Company's basis of allocation of premiums by states, etc. per Schedule T - Exhibit of Premiums Written page 108:

<u>Lines of Business</u>	<u>Basis of Allocation</u>
Fire, Allied lines, Multiple peril crop, Farmowners multiple peril, Homeowners multiple peril, Commercial multiple peril, Earthquake, Glass, Burglary and theft, and Boiler and Machinery	Location of property insured
Ocean marine	Location where contract of insurance is negotiated; except for builders' risk which are allocated on location of risk
Inland marine	Address of insured or state of principal exposure; bridges and tunnels by location of property
Group accident and health, Other accident and health and Credit	Location of assured
Workers' compensation	Location of assured's plant or premises
Liability other than auto	Location of plant or premises of insured
Auto liability and Auto physical damage	Location of principal garage of insured
Aircraft (all perils)	Location of airport from which insured aircraft principally operates
Fidelity	
Check forgery bonds	Location of assured
United States Government employee bonds	Location of employee
All Other	Location of employer
Surety	
Judicial bonds	Location of court
License bonds	Location of obligee
All contracts	Location of work
Supply bonds	Location of contractor
All other	Location of principal

- D. At December 31, 2002 and 2001, the Company had premium receivables of \$357,502,904 and \$312,502,566, respectively. Based on Company experience, any uncollectible premiums receivable are not expected to exceed the nonadmitted amounts and therefore, no additional provision has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

- E. Reinsurance Accounted for as a Deposit – Not applicable.

- F. Multiple Peril Crop Insurance

The Company computes the unearned premium reserve associated with the Multiple Peril Crop Insurance Program on a formula basis consistent with the proportion of the exposure over the term of the policy.

The Company reduced its loss expenses for expense payments associated with catastrophe coverage by \$1,372,786 in 2002. The Company reduced its other underwriting expenses for expense payments associates with buy-up coverage by \$34,611,992 in 2002.

- G. Mezzanine Real Estate Loans

The Company does not have any investment in mezzanine real estate loans.

- H. Health Care Receivables – Not applicable.

- I. September 11 Events

The table below shows the gross and net exposures related to the events of September 11, 2001:

	<u>Gross</u>	<u>Net</u>
Liability	\$91,000,000	\$12,000,000
Workers' compensation	21,600,000	400,000
Property and other	15,200,000	5,600,000
Assumed reinsurance	5,500,000	5,500,000
Total	<u>\$133,300,000</u>	<u>\$23,500,000</u>

GREAT AMERICAN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

The amounts ceded to reinsurers are primarily with highly rated reinsurers as shown in the table below:

S & P Rating	Amount
AA+	\$25,400,000
AA	26,700,000
AA-	28,900,000
A+	8,000,000
A-	17,000,000
BBB	1,100,000
NR	2,700,000
	\$109,800,000

The Company does not have any significant contingencies resulting from the events of September 11 that have not been recognized in the financial statements.

J. Real Estate

1. The Company did not recognize any impairment write down for real estate during 2002.
2. The Company does not engage in retail land sale operations.

K. Participating Policies - Not applicable

L. Premium Deficiency Reserves

The Company does not have any premium deficiency reserves.

M. Noncash Transactions

The Company reported the following noncash investing and financing activities:

	2002
1. Exchange of debt securities	\$21,874,619
2. Exchange of equity securities	11,833,035
3. Exchange of debt to equity securities	3,736,447
4. Securities acquired from capital contributions	78,205,382
5. Securities transferred as dividends/return of capital distribution	26,550,070
6. Securities acquired in satisfaction of intercompany receivable balances	69,696,939
7. Mortgage acquired in sale of real estate proceeds	21,850,000

21.) EVENTS SUBSEQUENT

1. Effective January 1, 2003, Great American entered into a reinsurance agreement with Windsor Insurance Company ("Windsor") to transfer Great American's personal insurance business written through independent agents to Windsor. The personal insurance business transferred to Windsor consists primarily of auto insurance for standard and preferred drivers. Under the agreement, Great American transferred certain insurance liabilities totaling approximately \$180 million and related assets and investments to Windsor. Included in the investments, Great American transferred the ownership of Great American Contemporary Insurance Company and the management rights of Great Texas County Mutual Insurance Company. Also in connection with this transaction, Great American acquired Penn Central U.K. Limited and its subsidiary, Insurance (GB) Limited ("IGB") from Atlanta Casualty Company and entered into a novation agreement with Windsor to assume all liabilities related to Windsor's reinsurance agreement with IGB, and IGB released Windsor from any obligations under the reinsurance agreement.
2. On January 24, 2003, Great American reached an agreement to sell, subject to receipt of certain regulatory approvals and other closing conditions, Worldwide Insurance Company and Worldwide Direct Auto Insurance Company to members of the Response Insurance Group, which are subsidiaries of Direct Response Corporation. In addition to the acquisition of the two companies, Response will acquire Great American's right to renew certain of its personal automobile insurance business written on a direct basis in selected markets.
3. In February 2003, Great American Insurance Company ("GAIC") entered into an agreement for the settlement of asbestos related coverage litigation under insurance policies issued during the 1970's and 1980's. The Company believes that the settlement with parties related to and known as A.P. Green Industries, Inc. ("A.P. Green") will provide financial certainty and a resolution to litigation that represents GAIC's largest known asbestos-related claim and the only such claim that GAIC believes to be material.

The settlement is for \$123.5 million (before tax), all but \$30.0 million of which will be covered by previously established reserves and anticipated reinsurance recoverables for this matter. As a result, GAIC has recorded a pre-tax charge of \$30 million for the fourth quarter of 2002.

The settlement is subject to a number of contingencies, including approval of the bankruptcy court supervising the reorganization of A.P. Green and subsequent confirmation of a plan of reorganization that includes an injunction prohibiting the assertion against Great American of any present or future asbestos personal injury claims under policies issued to A.P. Green and related companies. This process could take a year or more and no payments are required until its completion.

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

22.) REINSURANCE

A. Unsecured Reinsurance Recoverable

The Company's unsecured reinsurance recoverables from those companies that individually exceed 3% of its policyholders' surplus are:

COMPANY	NAIC GROUP CODE	FEDERAL EMPLOYERS OR ISI IDENTIFICATION #	AMOUNT
American Re-Insurance Company		13-4924125	143,853,712
General Reinsurance Corporation		13-2673100	48,260,465
Republic Insurance Company		75-1670124	174,881
Total Berkshire Hathaway Insurance Group	31		<u>48,435,346</u>
Converium Insurance (North America) Inc.		06-1182357	24,052
Converium Reinsurance North America Inc.		06-1325038	62,955,998
Total Converium Group	3018		<u>62,980,050</u>
Continental Casualty Company		36-2114545	49,912,281
Continental Insurance Company		13-5010440	18,983
Continental Reinsurance Corporation		13-1941984	3,527
Total CNA Insurance Companies	218		<u>49,934,791</u>
Everest Reinsurance Company		22-2005057	46,052,320
Folksamerica Reinsurance Company		13-2997499	37,144,210
Employers Reinsurance Corporation		48-0921045	59,111,881
GE Reinsurance Corporation		36-2667627	13,119,568
Westport Insurance Corporation		13-1941868	90,713
Total GE Global Insurance Group	0350		<u>72,322,162</u>
Hartford Fire Insurance Company		06-0383750	39,762,177
Mitsui Fire and Marine Insurance Co. of America		13-3467153	242,050,927
Ohio Casualty Corporation		31-0396250	289,732,004
North American Specialty Insurance Co.		02-0311919	(20,541)
Swiss Reinsurance America Corporation		13-1675535	139,192,610
Swiss Re Life & Health America Inc.		06-0839705	110,221
Total Swiss Re Group	181		<u>139,282,290</u>
Transatlantic Reinsurance Company		13-5616275	42,905,001
XL Insurance Company of New York		13-3787296	427,463
XL Reinsurance America Inc.		13-1290712	89,939,079
XL Re, Ltd.		AA-3190757	3,187
Total XL Capital Group	1285		<u>90,369,729</u>

B. Reinsurance Recoverable in Dispute

The Company does not have any reinsurance recoverables on losses in dispute that individually exceed 5% or in the aggregate exceed 10% of its policyholders' surplus.

C. Reinsurance Assumed and Ceded

1. The Company's maximum amount of return commission due as a result of cancellation as of December 31, 2002, of all reinsurance agreements would be:

	ASSUMED REINSURANCE		CEDED REINSURANCE		NET	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates - Pooling	\$841,988,609	\$0	\$0	\$0	\$841,988,609	\$0
Affiliates - Non-Pooling	28,737,418	5,750,771	26,104,571	5,084,613	2,632,847	666,159
All Other	39,951,479	9,987,870	512,494,925	117,873,833	(472,543,446)	(107,885,963)
	<u>\$910,677,506</u>	<u>\$15,738,641</u>	<u>\$538,599,496</u>	<u>\$122,958,445</u>	<u>\$372,078,010</u>	<u>\$(107,219,804)</u>

Direct Unearned Premium Reserve \$375,528,905

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

2. Additional or return commission resulting from existing contractual arrangements are accrued as follows:

	DIRECT	REINSURANCE		NET
		Assumed	Ceded	
Contingent Commission	\$7,578,694	\$12,664,548	\$7,381,399	\$12,861,843
Sliding Scale Adjustments	-	-	-	-
Other Profit Commission Arrangements	-	-	-	-
TOTAL	\$7,578,694	\$12,664,548	\$7,381,399	\$12,861,843

3. The Company does not have any protected cells.

D. Uncollectible Reinsurance

The Company wrote-off \$21,568 in reinsurance balances due from the companies listed below which are reflected in the 2002 Statement of Income as \$9,297 in losses incurred and \$12,271 in loss adjustment expenses incurred.

Company	Amount
Delta America Re Insurance Company	\$1,594
Dominion Insurance Company of America	957
English & American Insurance Company, Ltd.	21,090
Integrity Insurance Company	(4,464)
Mentor Insurance, Ltd.	2,391
Total	\$21,568

E. Commutation of Reinsurance Ceded

The Company did not book any commutations of ceded reinsurance in 2002.

F. Retroactive Reinsurance

	Assumed	Ceded
a. Reserves Transferred		
1. Initial Reserves	\$0	\$618,742,611
2. Adjustments – Prior Years	-	(365,508,210)
3. Adjustments – Current Year	-	(72,051,650)
4. Current Total	<u>\$0</u>	<u>\$181,182,751</u>
b. Consideration Paid or Received		
1. Initial Reserves	\$0	\$494,503,120
2. Adjustments – Prior Years	-	-
3. Adjustments – Current Year	-	-
4. Current Total	<u>\$0</u>	<u>\$494,503,120</u>
c. Paid Losses Reimbursed or Recovered:		
1. Prior Years	\$0	\$365,508,210
2. Current Year	-	72,051,650
3. Current Total	<u>\$0</u>	<u>\$437,559,860</u>
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Surplus Gain or Loss	\$0	\$124,239,491
2. Adjustments – Prior Years	-	-
3. Adjustments – Current Year	-	-
4. Current Year Restricted Surplus	-	\$124,239,491
5. Cumulative Total Transferred to Unassigned Funds	<u>\$0</u>	<u>\$0</u>

- e. All cedents and reinsurers involved in all transactions included in the summary totals above:

Assumed:	
Company	Amount
	<u>\$0</u>

Ceded:	
Company	Amount
Mitsui Marine & Fire Insurance Co. of America (NAIC Company Code 22551)	\$60,439,724
Ohio Casualty Insurance Company (NAIC Company Code 24074)	120,743,027
	<u>\$181,182,751</u>

- f. List total Paid Loss/LAE amounts recoverable and the amounts more than 90 days overdue, and collateral held with respect to amounts recoverable from unauthorized reinsurers:

Company	Total Paid Loss & LAE Recoverable	Amount Over 90 Days Overdue
Mitsui Marine & Fire Insurance Co. of America (NAIC Company Code 22551)	\$1,937,703	\$0
Ohio Casualty Insurance Company (NAIC Company Code 24074)	(691,259)	-
		<u>\$0</u>

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

2. Unauthorized Reinsurers

<u>Company</u>	<u>Total Paid Loss & LAE Recoverable</u>	<u>Amount Over 90 Days Overdue</u>	<u>Collateral Held</u>
	\$0	\$0	\$0

g. Unpaid Loss and LAE Reserves

Accident Year	Homeowners/ Farmowners	Commercial Auto Liability	Workers' Compensation	Commercial Multiple Peril	Special Liability	Private Passenger Auto Liability	Other Liability Occurrence
Prior	0	139,000	33,475,996	499,000	0	0	4,501,334
1988	0	208,670	3,163,000	971,000	0	0	23,796
1989	0	0	5,159,583	178,162	0	0	0
1990	0	112,570	4,850,041	906,575	0	0	840,544
1991	0	15,000	4,317,589	226,652	0	0	840,052
1992	0	58,804	4,637,452	1,657,011	0	73	1,454,470
1993	0	26,320	5,685,054	731,375	50,000	24	1,302,025
1994	0	14,694	6,291,490	1,080,500	0	7	1,861,615
1995	0	38,849	8,274,212	1,764,255	44,000	80	2,844,225
1996	0	364,180	7,165,298	2,727,250	22,000	(11,957)	2,734,865
1997	0	621,015	10,949,627	2,646,432	31,000	51,085	3,017,079
1998	35	1,440,284	11,249,458	5,343,614	86,000	66,340	5,998,540
1999	(338)	760,906	3,290,465	2,626,371	0	189,973	2,080,025
2000	1,059	1,397,857	7,541,914	950,975	0	258,645	2,909,320
2001	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0
	<u>\$756</u>	<u>\$5,198,149</u>	<u>\$116,051,179</u>	<u>\$22,309,172</u>	<u>\$233,000</u>	<u>\$554,270</u>	<u>\$30,407,890</u>

Accident Year	Other Liability Claims Made	Special Property	Auto Physical Damage	Fidelity & Surety	Products Liability Occurrence	Products Liability Claims Made	Total
Prior	0	0	0	0	0	0	38,615,330
1988	0	0	0	0	0	0	4,366,466
1989	0	82,011	0	(3,844)	192,443	0	5,608,355
1990	0	0	0	0	21,000	0	6,730,730
1991	0	0	0	0	31,000	0	5,430,293
1992	0	0	0	0	12,000	0	7,819,810
1993	0	1,238	0	44,000	4,000	0	7,844,036
1994	0	384	0	10,000	13,000	0	9,271,690
1995	0	2,031	0	6,000	151,000	0	13,124,652
1996	193,000	16,030	26,007	83,000	63,000	0	13,382,673
1997	329,000	70,206	92,107	29,000	521,000	0	18,357,551
1998	363,292	204,300	696,775	44,000	621,000	53,000	26,166,638
1999	605,924	177	27,895	0	367,625	61,000	10,010,023
2000	429,000	113,574	259,460	0	315,700	277,000	14,454,504
2001	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0
	<u>\$1,920,216</u>	<u>\$489,951</u>	<u>\$1,102,244</u>	<u>\$212,156</u>	<u>\$2,312,768</u>	<u>\$391,000</u>	<u>\$181,182,751</u>

h. Anticipated Salvage and Subrogation (included in Unpaid Loss and LAE Reserves above)

Accident Year	Homeowners/ Farmowners	Commercial Auto Liability	Workers' Compensation	Commercial Multiple Peril	Special Liability	Private Passenger Auto Liability	Other Liability Occurrence
Prior	0	0	0	0	0	0	0
1988	0	0	0	0	0	0	0
1989	0	24,000	84,000	23,000	0	0	218,000
1990	0	0	21,000	19,000	0	0	50,000
1991	0	0	172,000	13,000	0	0	97,000
1992	0	0	106,000	16,000	0	0	97,000
1993	0	0	146,000	12,000	4,000	0	91,000
1994	0	1,000	176,000	48,000	0	0	111,000
1995	0	2,000	105,000	37,000	3,000	0	123,000
1996	0	4,000	59,000	60,000	2,000	0	119,000
1997	0	12,000	55,000	32,000	1,000	0	93,000
1998	0	26,000	39,000	22,000	6,000	0	105,000
1999	0	19,000	18,000	26,000	0	0	123,000
2000	0	19,000	30,000	36,000	0	0	100,000
2001	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0
	<u>\$0</u>	<u>\$107,000</u>	<u>\$1,011,000</u>	<u>\$344,000</u>	<u>\$16,000</u>	<u>\$0</u>	<u>\$1,327,000</u>

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

Accident Year	Other Liability Claims Made	Special Property	Auto Physical Damage	Fidelity & Surety	Products Liability Occurrence	Products Liability Claims Made	Total
Prior	0	0	0	0	0	0	0
1988	0	0	0	0	0	0	0
1989	0	5,000	0	0	9,000	0	358,000
1990	0	0	0	0	2,000	0	92,000
1991	0	0	0	0	1,000	0	283,000
1992	0	0	0	0	1,000	0	220,000
1993	0	0	0	3,000	0	0	256,000
1994	0	0	0	1,000	1,000	0	338,000
1995	0	0	0	0	10,000	0	280,000
1996	14,000	1,000	2,000	6,000	4,000	0	271,000
1997	22,000	5,000	6,000	2,000	31,000	0	259,000
1998	25,000	14,000	51,000	3,000	44,000	0	335,000
1999	26,000	0	1,000	0	19,000	0	232,000
2000	28,000	7,000	18,000	0	18,000	0	256,000
2001	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0
	<u>\$115,000</u>	<u>\$32,000</u>	<u>\$78,000</u>	<u>\$15,000</u>	<u>\$140,000</u>	<u>\$0</u>	<u>\$3,185,000</u>

23.) RETROSPECTIVELY RATED CONTRACTS

- A. Accrued retrospective premiums reported as admitted assets in Page 2, Line 10.3, have been determined based upon loss experience on business subject to such experience rating adjustment. Accrued retrospectively rated premiums, including all of those relating to bulk IBNR, have been determined by or allocated to individual policyholder accounts.
- B. The Company records accrued retrospective premium as an adjustment to earned premiums.
- C. See Schedule P – Part 7A.
- D. Ten percent of the amount not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss expense reserves), or collateral as permitted by SSAP No. 66, Retrospectively Rated Contracts, has been non-admitted.

Total accrued retrospective premium	\$5,243,613
Total unsecured amount	5,243,613
Non-admitted amount (10%)	524,361
Total admitted retrospective premium	<u>\$4,719,252</u>

24.) CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

The following table provides an analysis of the change in loss and loss expense reserves net of reinsurance recoverables (in thousands):

	2002	2001
Balance at beginning of period	<u>\$2,074,982</u>	<u>\$1,990,803</u>
Loss and loss expense incurred:		
Current accident year	728,168	779,574
Prior accident years	141,958	103,208
	<u>870,126</u>	<u>882,782</u>
Loss and loss expense payments made for:		
Current accident year	(245,837)	(288,093)
Prior accident years	(602,697)	(510,510)
	<u>(848,534)</u>	<u>(798,603)</u>
Balance at end of period	<u>\$2,096,574</u>	<u>\$2,074,982</u>

The provision for incurred losses and loss adjustment expenses for claims arising in prior years increased by \$141.9 million and \$103.2 million in 2002 and 2001, respectively. In 2002, the increase is primarily due to (i) increasing asbestos reserves \$48 million relating to the settlement of a large asbestos claim (see Note 21), (ii) \$43 million of adverse development in ongoing operations relating to economic conditions and adverse case settlement trends affecting the other liability-claims made, private passenger auto liability, workers' compensation and fidelity and surety lines of business and (iii) \$34 million of adverse claims development in run-off businesses. In 2001, the increase is primarily due to the strengthening of asbestos and environmental reserves of \$85 million based on a study from an outside actuarial firm.

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

25.) INTERCOMPANY POOLING ARRANGEMENTS

The Company maintains an inter-company reinsurance pooling agreement with certain affiliates. The effect of the pooling agreement is to transfer all direct insurance liabilities of these affiliates to the Company. The Company retains 100% of the pooled business.

The following table shows participation of each company:

Company	NAIC Company Code Number	Participation Percentage
Great American Insurance Company	16691	100.0%
Great American Insurance Company of New York	22136	0.0%
Great American Alliance Insurance Company	26832	0.0%
Great American Assurance Company	26344	0.0%
Great American Contemporary Insurance Company	10646	0.0%
Great American E & S Insurance Company	37532	0.0%
Great American Fidelity Insurance Company	41858	0.0%
Great American Protection Insurance Company	38580	0.0%
Great American Security Insurance Company	31135	0.0%
Great American Spirit Insurance Company	33723	0.0%
Worldwide Insurance Company	26050	0.0%
Worldwide Direct Auto Insurance Company	20133	0.0%
Worldwide Casualty Insurance Company	39896	0.0%
		100.0%

The Company's net underwriting results are determined after making cessions to various other affiliated and non-affiliated reinsurers under terms of other reinsurance agreements. These cessions are made subsequent to the pooling of business from the affiliated pool members to the Company. There are no discrepancies between entries regarding pooled business on the assumed and ceded reinsurance schedules of the Company and the corresponding entries on the assumed and ceded reinsurance schedules of other pool participants. The Provision for Reinsurance (Schedule F, Part 7) is recorded by the Company and is not shared with the other pool participants. Uncollectible reinsurance balances which are written off are subject to the terms of the pooling agreement.

26.) STRUCTURED SETTLEMENTS

- A. The Company has not purchased any annuities under which it is owner and payee to fund future payments that are fixed.
- B. The Company has not purchased any annuities due from any life insurer exceeding 1% of the Company's policyholders' surplus.

27.) HIGH DEDUCTIBLES

As of December 31, 2002, the amount of reserve credit recorded for high deductibles on unpaid claims was \$7,317,190 and the amount billed and recoverable on paid claims was \$27,479,268.

28.) DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

Tabular Discount - The Company discounts its liabilities for unpaid losses for certain workers' compensation claims, but does not discount unpaid loss adjustment expenses. Most of the discounted Workers' Compensation claims are calculated on a tabular basis using tables promulgated by the appropriate bureaus; the interest rate is 3.5% for most claims, with a maximum interest rate of 5%. The liability for unpaid losses as of December 31, 2002, includes stated case reserves of \$14,629,045 which have been discounted \$8,106,137. This discount is distributed as follows over the years in which the losses were incurred:

Year Losses were Incurred	Amount of Discount	Year Losses were Incurred	Amount of Discount
Prior to 1988	\$1,277,048	1995	\$ 1,114,769
1988	40,176	1996	1,343,126
1989	267,280	1997	621,557
1990	372,994	1998	739,191
1991	697,509	1999	512,914
1992	0	2000	52,488
1993	334,996	2001	125,381
1994	170,902	2002	435,806

There has been no change in the interest rates used to discount prior accident years' liabilities from the previous annual statement.

29.) ASBESTOS/ENVIRONMENTAL RESERVES

The Company, through its participation in an inter-company reinsurance pooling arrangement with its affiliates, has exposure to environmental and asbestos claims arising from general liability and commercial multi-peril policies written on a direct and assumed basis.

For claims arising on direct written business, case reserves are established by claim using estimated settlement values and the relative merits of each case. For claims arising from reinsurance assumed, reserves are booked as reported by the ceding company. IBNR reserves are established to supplement case reserves and to establish allocated loss adjustment expense reserves.

GREAT AMERICAN INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

The Company's asbestos and environmental related losses for each of the five most recent calendar years are as follows:

Asbestos Reserves

	Gross of Reinsurance				
	1998	1999	2000	2001	2002
Beginning Reserves	\$122,952,000	\$192,781,000	\$194,459,000	\$173,659,000	\$302,052,000
Incurred Losses and LAE	84,107,000	15,216,000	(12,946,000)	141,444,000	51,039,000
Paid Losses and LAE	14,278,000	13,538,000	7,854,000	13,051,000	18,083,000
Ending Reserves	<u>\$192,781,000</u>	<u>\$194,459,000</u>	<u>\$173,659,000</u>	<u>\$302,052,000</u>	<u>\$335,008,000</u>
	Net of Reinsurance				
	1998	1999	2000	2001	2002
Beginning Reserves	\$111,790,000	\$167,409,000	\$163,138,000	\$141,665,000	\$256,752,000
Incurred Losses and LAE	70,486,000	5,603,000	(14,496,000)	127,500,000	49,001,000
Paid Losses and LAE	14,867,000	9,874,000	6,977,000	12,413,000	17,315,000
Ending Reserves	<u>\$167,409,000</u>	<u>\$163,138,000</u>	<u>\$141,665,000</u>	<u>\$256,752,000</u>	<u>\$288,438,000</u>

The Company's asbestos related IBNR and loss adjustment expense reserves held at December 31, 2002 were as follows:

	<u>IBNR Reserves</u>	<u>LAE Reserves</u>
Gross of Reinsurance	\$268,328,000	\$29,513,000
Net of Reinsurance	233,999,000	20,529,000

Environmental Reserves

	Gross of Reinsurance				
	1998	1999	2000	2001	2002
Beginning Reserves	\$178,348,000	\$321,513,000	\$302,551,000	\$247,508,000	\$159,200,000
Incurred Losses and LAE	167,583,000	905,000	(15,692,000)	(71,354,000)	7,730,000
Paid Losses and LAE	24,418,000	19,867,000	39,351,000	16,954,000	15,258,000
Ending Reserves	<u>\$321,513,000</u>	<u>\$302,551,000</u>	<u>\$247,508,000</u>	<u>\$159,200,000</u>	<u>\$151,672,000</u>
	Net of Reinsurance				
	1998	1999	2000	2001	2002
Beginning Reserves	\$150,395,000	\$259,514,000	\$226,096,000	\$180,432,000	\$125,002,000
Incurred Losses and LAE	135,144,000	(14,995,000)	(7,733,000)	(42,501,000)	(500,000)
Paid Losses and LAE	26,025,000	18,423,000	37,931,000	12,929,000	10,163,000
Ending Reserves	<u>\$259,514,00</u>	<u>\$226,096,000</u>	<u>\$180,432,000</u>	<u>\$125,002,000</u>	<u>\$114,339,000</u>

The Company's environmental related IBNR and loss adjustment expense reserves held at December 31, 2002 were as follows:

	<u>IBNR Reserves</u>	<u>LAE Reserves</u>
Gross of Reinsurance	\$87,425,000	\$20,973,000
Net of Reinsurance	61,302,000	14,611,000

30.) SUBSCRIBER SAVINGS ACCOUNTS

The Company is not a reciprocal exchange and, accordingly, has nothing to report.

31.) FINANCIAL GUARANTY INSURANCE EXPOSURES

The Company does not have any financial guaranty insurance exposures.

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.....	158,723,463	4.3	158,723,463	4.3
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies.....	5,748,946	0.2	5,748,946	0.2
1.22 Issued by U.S. government sponsored agencies.....	7,489,739	0.2	7,489,739	0.2
1.3 Foreign government (including Canada, excluding mortgage-backed securities).....	108,620,466	3.0	108,620,466	3.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations.....	96,298,206	2.6	96,298,206	2.6
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations.....	601,653	0.0	601,653	0.0
1.43 Revenue and assessment obligations.....	101,985,826	2.8	101,985,826	2.8
1.44 Industrial development and similar obligations.....	10,164,400	0.3	10,164,400	0.3
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA.....	0	0.0	0	0.0
1.512 Issued by FNMA and FHLMC.....	111,642,592	3.1	111,642,592	3.1
1.513 Privately issued.....	0	0.0	0	0.0
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC.....	129,934,992	3.6	129,934,992	3.6
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA or FHLMC.....	6,958,765	0.2	6,958,765	0.2
1.523 All other privately issued.....	259,534,117	7.1	259,534,117	7.1
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO).....	1,044,864,662	28.6	1,044,864,662	28.6
2.2 Unaffiliated foreign securities.....	85,139,548	2.3	85,139,548	2.3
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.....	24,446,915	0.7	24,446,915	0.7
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated.....	422,122,340	11.6	422,122,340	11.6
3.32 Unaffiliated.....	179,950,066	4.9	179,950,066	4.9
3.4 Other equity securities:				
3.41 Affiliated.....	561,908,342	15.4	561,908,342	15.4
3.42 Unaffiliated.....	6,562,083	0.2	6,562,083	0.2
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.....	2,000,000	0.1	2,000,000	0.1
4.4 Multifamily residential properties.....	0	0.0	0	0.0
4.5 Commercial loans.....	72,729,853	2.0	72,729,853	2.0
5. Real estate investments:				
5.1 Property occupied by company.....	15,625,098	0.4	15,625,098	0.4
5.2 Property held for production of income (includes \$.....0 of property acquired in satisfaction of debt).....	31,038,936	0.9	31,038,936	0.9
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.....	2,376,902	0.1	2,376,902	0.1
8. Cash and short-term investments.....	155,046,202	4.2	155,046,202	4.2
9. Other invested assets.....	48,310,256	1.3	48,310,256	1.3
10. Total invested assets.....	3,649,824,368	100.0	3,649,824,368	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 [X] 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 [X] 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 [X]

2.2 If yes, date of change: Not applicable
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. 12/31/2001

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). 04/24/1998

3.4 By what department or departments? Ohio, Delaware, Arizona

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 [X]

4.12 renewals? Yes [] No [X]

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 [X] No []

4.22 renewals? Yes [X] No []

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

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 [X]

6.2 If yes, give full information:
Not applicable

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

7.2 If yes,
7.21 State the percentage of foreign control.0.000 %

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

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, 1300 Chiquita Center, 250 East Fifth Street, Cincinnati, OH 45202
-
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?
 John L. Doellman, F.C.A.S., M.A.A.A., Vice President and Actuary of the Company, 580 Walnut Street, Cincinnati, OH 45202.
-
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.....	100,000.000	100,000.000	154.41	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.
Not applicable

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 [X] No []

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

19.21 Loaned to others	\$.....638,860
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	\$.....162,329,293
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 See Note 20c.
- 19.32 Not applicable
- 19.33 Not applicable
- 19.34 Not applicable
- 19.35 Not applicable
- 19.36 Not applicable
- 19.37 Not applicable
- 19.38 Not applicable
- 19.39 Not applicable

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
Partnership limitation	Acadia FW Partners, L.P.	0
Partnership limitation	Boston Venture II, L.P.	337,940
Partnership limitation	Boston Venture IV, L.P.	339,908
Partnership limitation	Boston Venture V, L.P.	441,025
Partnership limitation	Boston Venture VI, L.P.	496,094
Membership limitation	Cincinnati Reds, LLC	12,741,734
Partnership limitation	Caltius Capital Management L.P.	318,409
Not registered with SEC	Export Finance Systems Ser A	0
Not registered with SEC	K-12 Inc. Series B	999,999
Membership limitation	McMillin-American LLC	1
Partnership limitation	Peachtree Cable Assoc Part Units	0
Have registration rights but subject to SEC Rule 144	Provident Financial Group, Inc. Common Stock	145,046,214
Partnership limitation	PTJ Merchant Bank Partners, L.P.	1,042
Membership limitation	Tri-Artisan Partners, LLC	750,000
Partnership limitation	Willis Stein & Partners, L.P.	856,927
Partnership limitation	Wingate Partners, L.P.	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
The Bank of New York	1 Wall Street, New York, NY 10286

GENERAL INTERROGATORIES (continued)

INVESTMENT

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)

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

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	American Money Management Corporation	1 East Fourth Street, Cincinnati, OH 45202

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$.....4,913,690

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
Insurance Services Office, Inc. - Newark, NJ	2,119,353

24.1 Amount of payments for legal expenses, if any? \$.....3,594,296

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
Not applicable	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
Not applicable	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: Not applicable		
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 [X]	No []
2.2	If yes, state the amount of calendar year premiums written on:		
2.21	Participating	\$.....	2,645,002
2.22	Non-participating policies	\$.....	1,116,218,700
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?		
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:		
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? Reinsurance of \$49,000,000 in excess of \$1,000,000 per occurrence.		
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: The Company uses the IRAS models developed by RMS to estimate its probable maximum loss from the perils of earthquake and windstorm. The Primary areas of concentration are the northeast for windstorm and California and the New Madrid region for earthquake.		
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? The Company maintains a strong property catastrophe program in addition to purchasing pro rata facultative and treaty reinsurance to protect itself from an accumulation of losses.		
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 unreinsured catastrophic loss. Not applicable		
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 [X]	No []
6.2	If yes, indicate the number of reinsurance contracts containing such provisions.	.....	16

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

7.2 If yes, give full information:
See Note 20c.

8. If the reporting entity has assumed risks from another entity, there should be a charged 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 No N/A

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

9.2 If yes, give full information:
The Company has issued cut-through endorsements for the benefit of certain pooled subsidiaries and affiliates.

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

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

10.6 If yes, state the amount thereof at December 31 of the current year:
10.61 Letters of credit \$.....87,538,494
10.62 Collateral and other funds \$.....23,542,956

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

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

12.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....19,544,332

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

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

13.2 If yes, give full information:
Not applicable

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

14.11 Name of real estate holding company Pointe Apartments, Inc. and PCC 38 Corp.
14.12 Number of parcels involved3
14.13 Total book/adjusted carrying value \$.....8,600,000

14.2 If yes, provide explanation
The Company owns 100% of the outstanding stock of two real estate holding companies.

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

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.....	.....5,996	.....1,148	.....7,544	.....2,443	.....5,102
15.12 Products.....	.....0	.....0	.....840,230	.....512,785	.....327,445
15.13 Automobile.....	.....465,735	.....1,000	.....6,747,111	.....4,222,178	.....2,524,934
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).....	1,010,916,530	812,112,034	799,257,768	862,097,792	806,935,264
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	769,091,962	684,198,156	557,512,185	510,888,205	420,517,854
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	359,446,518	279,082,619	319,672,491	370,483,024	382,332,849
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	264,301,675	291,803,291	197,798,106	123,625,241	108,665,294
5. Non-proportional reinsurance lines (Lines 30, 31 & 32).....	0	0	0	0	0
6. Total (Line 34).....	2,403,756,685	2,067,196,101	1,874,240,550	1,867,094,262	1,718,451,260
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).....	499,658,183	427,887,342	405,770,424	405,583,001	409,534,362
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	226,830,477	426,336,191	330,565,973	311,876,088	242,623,238
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	203,909,070	167,527,091	172,434,914	182,902,356	204,747,703
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	188,465,972	188,810,487	135,247,952	86,083,407	74,143,699
11. Non-proportional reinsurance lines (Lines 30, 31 & 32).....	0	0	0	0	0
12. Total (Line 34).....	1,118,863,702	1,210,561,111	1,044,019,263	986,444,852	931,049,003
Statement of Income (Page 4)					
13. Net underwriting gain (Loss) (Line 8).....	(130,338,172)	(204,703,250)	(62,654,718)	(66,849,698)	(169,519,679)
14. Net investment gain (loss) (Line 11).....	112,681,516	138,624,848	149,454,617	144,814,066	337,903,763
15. Total other income (Line 15).....	(13,990,638)	18,713,039	2,768,151	(5,333,183)	94,697,795
16. Dividends to policyholders (Line 17).....	1,738,291	1,149,685	1,475,796	866,979	8,953,935
17. Federal and foreign income taxes incurred (Line 19).....	(14,810,699)	(6,803,008)	11,466,000	4,540,000	43,341,000
18. Net income (Line 20).....	(18,574,886)	(41,712,040)	76,626,254	67,224,206	210,786,944
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding Protected Cell (Page 2, Line 26, Col. 3).....	4,514,994,485	4,045,041,500	3,755,671,126	3,754,457,348	3,711,115,810
20. Agents' balances or uncollected premiums (Page 2, Col. 3):					
20.1 In course of collection (Line 10.1).....	287,168,516	236,929,710	102,663,391	70,438,263	45,074,614
20.2 Deferred and not yet due (Line 10.2).....	49,875,025	49,720,369	48,650,780	81,120,299	84,447,391
20.3 Accrued retrospective premiums (Line 10.3).....	4,719,252	9,546,653	15,896,895	0	0
21. Total liabilities excluding Protected Cell (Page 3, Line 24).....	3,313,748,256	2,984,382,704	2,573,979,201	2,585,864,007	2,448,276,450
22. Losses (Page 3, Lines 1 & 2).....	1,747,070,939	1,731,803,417	1,668,074,496	1,838,166,969	1,893,211,996
23. Loss adjustment expenses (Page 3, Line 3).....	353,329,648	351,323,670	329,789,260	356,123,355	352,422,664
24. Unearned premiums (Page 3, Line 9).....	752,849,528	770,908,317	585,442,328	512,935,987	428,486,940
25. Capital paid up (Page 3, Lines 28 & 29).....	15,440,600	15,440,600	15,440,600	15,440,600	15,440,600
26. Surplus as regards policyholders (Page 3, Line 35).....	1,201,246,230	1,060,658,796	1,181,691,925	1,168,593,342	1,262,839,360
Risk-Based Capital Analysis					
27. Total adjusted capital.....	1,244,455,323	1,117,626,381	1,229,413,060	1,216,308,299	1,302,727,761
28. Authorized control level risk-based capital.....	355,688,961	308,076,407	330,993,873	351,488,789	333,871,101
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).....	58.3	55.4	53.5	48.2	49.7
30. Stocks (Lines 2.1 & 2.2).....	32.7	36.6	41.4	44.1	45.9
31. Mortgage loans on real estate (Lines 3.1 & 3.2).....	2.0	1.9	1.9	1.9	1.7
32. Real estate (Lines 4.1, 4.2 & 4.3).....	1.3	1.5	1.5	1.7	1.6
33. Cash and short-term investments (Line 5).....	4.2	3.4	0.7	2.5	0.0
34. Other invested assets (Line 6).....	1.3	1.2	1.1	1.6	1.0
35. Receivable for securities (Line 7).....	0.1	0.0	0.0	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).....	984,030,682	1,006,903,021	1,101,806,712	1,231,777,637	1,258,152,209
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.....	34,300,916	36,100,342	37,422,827	48,114,941	49,861,024
43. All other affiliated.....	28,387,603	20,346,400	19,584,410	22,265,808	2,787,500
44. Total of above lines 38 to 43.....	1,046,719,201	1,063,349,763	1,158,813,949	1,302,158,386	1,310,800,733
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).....	87.1	100.3	98.1	111.4	103.8

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).....	1,684,631	(99,592,496)	(23,619,129)	(266,307,669)	(227,434,259)
47. Dividends to stockholders (Line 34).....	0	(60,000,000)	(25,000,000)	(71,000,000)	(50,000,000)
48. Change in surplus as regards policyholders for the year (Line 37).....	140,587,434	(121,033,129)	13,098,583	(94,246,018)	(91,376,429)
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).....	560,934,824	568,697,077	654,311,248	425,053,000	464,170,438
50. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	385,958,585	337,099,408	300,014,306	280,211,270	246,088,425
51. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	173,256,195	197,030,460	220,070,853	235,938,792	247,889,510
52. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	108,126,021	67,511,562	8,935,599	26,007,818	18,495,294
53. Nonproportional reinsurance lines (Lines 30, 31 & 32).....	0	0	0	0	0
54. Total (Line 34).....	1,228,275,624	1,170,338,507	1,183,332,007	967,210,880	976,643,667
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).....	351,581,520	292,546,711	398,113,604	242,360,326	324,408,190
56. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	130,007,248	176,476,862	161,688,803	140,965,707	131,712,269
57. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	122,181,051	98,833,530	123,063,218	146,299,957	181,942,454
58. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	71,674,766	31,554,335	14,724,985	10,986,216	11,039,374
59. Nonproportional reinsurance lines (Lines 30, 31 & 32).....	0	0	0	0	0
60. Total (Line 34).....	675,444,585	599,411,437	697,590,611	540,612,206	649,102,287
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).....	61.4	65.3	53.4	54.1	72.7
63. Loss expenses incurred (Line 3).....	15.5	16.1	15.2	14.6	13.4
64. Other underwriting expenses incurred (Line 4).....	34.6	37.5	37.7	38.7	28.9
65. Net underwriting gain (loss) (Line 8).....	(11.5)	(18.9)	(6.3)	(7.4)	(14.9)
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).....	36.3	32.0	35.5	35.9	25.0
67. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	76.9	81.4	68.6	68.7	86.0
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).....	93.1	114.1	88.4	84.4	73.7
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).....	113,241	58,742	(52,151)	(74,951)	63,337
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).....	10.7	5.0	(4.5)	(5.9)	4.7
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).....	175,316	15,270	(156,403)	39,373	66,856
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).....	14.8	1.3	(12.4)	2.9	6.7

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.....	164,472,409	166,917,943	164,701,653	151,629,786
	2. Canada.....	100,620,466	103,561,963	100,700,000	98,700,000
	3. Other Countries.....	8,000,000	7,944,650	8,000,000	8,000,000
	4. Totals.....	273,092,875	278,424,556	273,401,653	258,329,786
States, Territories and Possessions (Direct and guaranteed)	5. United States.....	96,298,206	96,947,306	96,534,382	88,035,000
	6. Canada.....	0	0	0	0
	7. Other Countries.....	0	0	0	0
	8. Totals.....	96,298,206	96,947,306	96,534,382	88,035,000
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....	601,653	617,254	621,115	550,000
	10. Canada.....	0	0	0	0
	11. Other Countries.....	0	0	0	0
	12. Totals.....	601,653	617,254	621,115	550,000
Special Revenue and Special Assessment Obligations and all Non-guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	13. United States.....	362,501,031	375,437,917	363,768,157	449,030,311
	14. Canada.....	0	0	0	0
	15. Other Countries.....	0	0	0	0
	16. Totals.....	362,501,031	375,437,917	363,768,157	449,030,311
Public Utilities (unaffiliated)	17. United States.....	176,518,963	183,948,882	179,356,866	177,767,821
	18. Canada.....	1,304,753	1,305,278	1,352,000	1,300,000
	19. Other Countries.....	0	0	0	0
	20. Totals.....	177,823,716	185,254,160	180,708,866	179,067,821
Industrial and Miscellaneous and Credit Tenant Loans (Unaffiliated)	21. United States.....	1,133,555,099	1,190,187,487	1,234,845,952	1,722,837,380
	22. Canada.....	42,093,227	43,562,106	45,508,805	43,684,446
	23. Other Countries.....	41,741,568	41,861,670	51,599,280	53,900,000
	24. Totals.....	1,217,389,894	1,275,611,263	1,331,954,037	1,820,421,826
Parent, Subsidiaries and Affiliates	25. Totals.....	0	0	0	0
	26. Total Bonds.....	2,127,707,375	2,212,292,456	2,246,988,210	2,795,434,744
PREFERRED STOCKS					
Public Utilities (Unaffiliated)	27. United States.....	2,406,250	2,406,250	2,500,000	
	28. Canada.....	0	0	0	
	29. Other Countries.....	0	0	0	
	30. Totals.....	2,406,250	2,406,250	2,500,000	
Banks, Trust and Insurance Companies (Unaffiliated)	31. United States.....	1,691,640	1,691,640	3,480,000	
	32. Canada.....	0	0	0	
	33. Other Countries.....	0	0	0	
	34. Totals.....	1,691,640	1,691,640	3,480,000	
Industrial and Miscellaneous (Unaffiliated)	35. United States.....	20,349,026	23,213,255	20,352,426	
	36. Canada.....	0	0	0	
	37. Other Countries.....	0	0	0	
	38. Totals.....	20,349,026	23,213,255	20,352,426	
Parent, Subsidiaries and Affiliates	39. Totals.....	0	0	0	
	40. Total Preferred Stocks....	24,446,915	27,311,145	26,332,426	
COMMON STOCKS					
Public Utilities (Unaffiliated)	41. United States.....	0	0	0	
	42. Canada.....	0	0	0	
	43. Other Countries.....	0	0	0	
	44. Totals.....	0	0	0	
Banks, Trust and Insurance Companies (Unaffiliated)	45. United States.....	153,005,510	153,005,510	68,889,655	
	46. Canada.....	1,979,614	1,979,614	25,100	
	47. Other Countries.....	0	0	0	
	48. Totals.....	154,985,124	154,985,124	68,914,755	
Industrial and Miscellaneous (Unaffiliated)	49. United States.....	31,518,104	31,518,104	37,585,439	
	50. Canada.....	8,922	8,922	234,931	
	51. Other Countries.....	0	0	88,235	
	52. Totals.....	31,527,026	31,527,026	37,908,605	
Parent, Subsidiaries and Affiliates	53. Totals.....	984,030,682	984,030,682	1,183,369,150	
	54. Total Common Stocks.....	1,170,542,832	1,170,542,832	1,290,192,510	
	55. Total Stocks.....	1,194,989,747	1,197,853,977	1,316,524,936	
	56. Total Bonds and Stocks...	3,322,697,122	3,410,146,433	3,563,513,146	

(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.....	3,024,202,817	6. Foreign exchange adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3.....	1,502,121,672	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.....	(85,961,425)	6.3 Column 11, Part 2, Section 2.....	0
3.2 Column 12, Part 2, Section 1.....	(3,090,531)	6.4 Column 11, Part 4.....	0
3.3 Column 10, Part 2, Section 2.....	(14,423,787)		
3.4 Column 10, Part 4.....	(14,373,976)	7. Book/adjusted carrying value at end of current period.....	3,322,697,122
4. Total gain (loss), Column 14, Part 4.....	29,932,215	8. Total valuation allowance.....	0
5. Deduct consideration for bonds and stocks disposed of, Column 6, Part 4.....	1,115,709,861	9. Subtotal (Lines 7 plus 8).....	3,322,697,122
		10. Total nonadmitted amounts.....	0
		11. Statement value of bonds and stocks, current period.....	3,322,697,122

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	48,483	9,629	19,544	1,093	2,885	12	23	60,179	XXX
2. 1993.....	1,576,883	318,999	1,257,884	856,368	159,759	82,183	15,811	65,825	3,742	30,779	825,064	XXX
3. 1994.....	1,851,596	437,308	1,414,288	1,167,551	265,385	98,909	22,867	76,451	4,688	33,295	1,049,970	XXX
4. 1995.....	2,135,510	567,370	1,568,140	1,252,599	380,037	109,108	22,932	78,899	2,645	43,327	1,034,992	XXX
5. 1996.....	2,147,011	590,782	1,556,229	1,192,873	296,504	111,642	22,782	86,300	1,993	31,983	1,069,536	XXX
6. 1997.....	2,105,628	618,094	1,487,534	1,053,239	274,429	122,166	31,842	68,507	2,321	25,533	935,321	XXX
7. 1998.....	1,932,001	631,769	1,300,232	1,010,544	335,328	102,049	25,627	68,480	129	21,954	819,990	XXX
8. 1999.....	1,830,586	839,272	991,314	1,028,250	505,883	84,845	31,373	66,659	6,098	19,519	636,400	XXX
9. 2000.....	1,883,419	850,877	1,032,543	864,025	393,654	63,790	24,771	55,417	(4,095)	17,650	568,902	XXX
10. 2001.....	1,887,348	762,094	1,125,254	703,868	281,778	34,803	11,236	44,606	3,542	15,087	486,722	XXX
11. 2002.....	2,235,728	1,104,169	1,131,559	477,964	258,768	8,433	3,330	24,026	2,488	7,217	245,837	XXX
12. Totals.....	XXX	XXX	XXX	9,655,764	3,161,154	837,474	213,663	638,054	23,563	246,366	7,732,912	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.....	212,360	37,687	387,553	63,607	20,000	1,225	58,265	12,369	21,132	6,687	959	577,735	XXX
2. 1993.....	9,625	1,790	19,654	11,184	4,595	2,234	2,780	1,093	829	745	257	20,435	XXX
3. 1994.....	25,038	10,818	15,928	4,719	2,556	1,164	4,350	1,777	1,148	1,068	356	29,474	XXX
4. 1995.....	34,802	9,840	27,064	11,333	3,657	445	9,986	6,917	2,143	1,691	340	47,427	XXX
5. 1996.....	40,445	13,523	30,123	13,540	4,015	863	8,176	4,716	3,158	3,302	518	49,973	XXX
6. 1997.....	58,183	24,077	30,710	7,208	7,460	1,439	6,625	1,324	3,782	3,648	825	69,064	XXX
7. 1998.....	99,136	32,139	50,211	13,805	12,955	1,921	9,347	2,771	4,937	4,491	1,489	121,458	XXX
8. 1999.....	168,282	80,519	115,242	65,111	23,581	9,102	18,726	9,219	16,879	10,671	1,857	168,088	XXX
9. 2000.....	204,546	100,952	155,472	76,688	37,192	16,108	26,165	11,708	19,118	8,333	3,535	228,704	XXX
10. 2001.....	214,739	97,425	287,706	157,928	36,064	17,104	32,243	12,924	28,897	12,382	5,112	301,886	XXX
11. 2002.....	296,799	160,238	413,674	159,916	54,995	35,549	71,609	35,568	62,743	26,217	10,070	482,330	XXX
12. Totals..	1,363,954	569,007	1,533,336	585,038	207,070	87,154	248,271	100,387	164,766	79,236	25,316	2,096,574	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	498,619	79,116
2. 1993.	1,041,858	196,359	845,499	66.1	61.6	67.2	0	0	100.00	16,305	4,131
3. 1994.	1,391,931	312,486	1,079,444	75.2	71.5	76.3	0	0	100.00	25,430	4,044
4. 1995.	1,518,258	435,839	1,082,419	71.1	76.8	69.0	0	0	100.00	40,693	6,734
5. 1996.	1,476,732	357,223	1,119,508	68.8	60.5	71.9	0	0	100.00	43,505	6,468
6. 1997.	1,350,672	346,288	1,004,384	64.1	56.0	67.5	0	0	100.00	57,608	11,456
7. 1998.	1,357,659	416,212	941,447	70.3	65.9	72.4	0	0	100.00	103,402	18,056
8. 1999.	1,522,464	717,976	804,488	83.2	85.5	81.2	0	0	100.00	137,894	30,194
9. 2000.	1,425,726	628,119	797,606	75.7	73.8	77.2	0	0	100.00	182,378	46,326
10. 2001.	1,382,926	594,318	788,609	73.3	78.0	70.1	0	0	100.00	247,093	54,794
11. 2002.	1,410,241	682,074	728,168	63.1	61.8	64.4	0	0	100.00	390,319	92,012
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	1,743,244	353,330

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.....	1,273,763	1,267,743	1,274,156	1,395,484	1,429,472	1,629,932	1,624,881	1,606,196	1,711,791	1,756,966	45,175	150,770
2. 1993.....	857,992	842,174	827,517	784,306	768,954	764,135	770,950	772,902	781,736	783,667	1,932	10,766
3. 1994.....	XXX	1,015,882	1,021,859	1,023,475	1,012,992	1,000,214	1,006,573	1,002,075	1,005,469	1,007,773	2,304	5,698
4. 1995.....	XXX	XXX	1,132,432	1,101,984	1,102,069	1,037,308	1,007,025	1,008,596	1,004,753	1,006,828	2,075	(1,768)
5. 1996.....	XXX	XXX	XXX	1,135,661	1,129,482	1,105,217	1,089,508	1,051,773	1,033,944	1,036,688	2,744	(15,085)
6. 1997.....	XXX	XXX	XXX	XXX	974,294	959,561	958,532	952,027	935,562	938,686	3,125	(13,341)
7. 1998.....	XXX	XXX	XXX	XXX	XXX	944,729	905,442	884,315	879,444	873,390	(6,054)	(10,924)
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	685,487	716,069	710,970	738,232	27,262	22,163
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	700,324	689,350	727,362	38,011	27,037
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	734,489	731,155	(3,333)	XXX
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	670,540	XXX	XXX
12. Totals.....											113,241	175,316

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	334,230	596,562	720,185	832,328	910,811	982,226	1,072,660	1,133,717	1,191,021	XXX	XXX
2. 1993.....	314,740	494,252	594,722	658,700	698,370	719,505	730,850	744,539	760,895	762,981	XXX	XXX
3. 1994.....	XXX	391,970	665,868	789,271	874,078	927,633	948,911	966,854	973,381	978,208	XXX	XXX
4. 1995.....	XXX	XXX	416,611	675,374	804,351	867,826	901,974	933,063	948,448	958,738	XXX	XXX
5. 1996.....	XXX	XXX	XXX	442,664	687,428	794,013	877,615	936,707	965,165	985,229	XXX	XXX
6. 1997.....	XXX	XXX	XXX	XXX	318,452	551,811	672,319	762,775	824,063	869,135	XXX	XXX
7. 1998.....	XXX	XXX	XXX	XXX	XXX	299,772	511,200	617,569	695,460	751,639	XXX	XXX
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	229,020	400,995	492,065	575,839	XXX	XXX
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	238,512	409,640	509,390	XXX	XXX
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	267,469	445,659	XXX	XXX
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	224,299	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.....	540,028	391,306	254,799	308,104	278,170	425,322	378,878	309,705	365,673	369,842
2. 1993.....	356,836	192,522	130,668	59,557	32,085	15,290	13,900	12,555	10,648	10,156
3. 1994.....	XXX	336,916	155,334	108,436	61,829	27,761	28,150	16,306	15,004	13,782
4. 1995.....	XXX	XXX	398,854	240,165	175,711	87,677	47,601	31,247	19,861	18,799
5. 1996.....	XXX	XXX	XXX	430,704	242,467	163,660	112,140	49,429	27,326	20,042
6. 1997.....	XXX	XXX	XXX	XXX	383,725	199,753	124,158	85,829	40,903	28,803
7. 1998.....	XXX	XXX	XXX	XXX	XXX	389,874	217,112	122,719	72,715	42,981
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	240,532	131,750	72,345	59,638
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	244,813	123,466	93,241
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	258,421	149,097
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	289,798

GREAT AMERICAN INSURANCE COMPANY

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 Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	Yes	20,882,833	19,343,464	0	5,913,843	7,675,021	10,002,963	15,759	0
2. Alaska.....AK	Yes	886,335	1,074,359	0	929,168	885,788	1,236,346	2,769	0
3. Arizona.....AZ	Yes	9,730,281	8,311,144	54	7,112,852	7,307,550	7,269,726	155,371	0
4. Arkansas.....AR	Yes	4,310,335	3,782,669	0	653,624	1,791,162	8,713,751	5,849	0
5. California.....CA	Yes	92,608,115	88,983,090	12,595	41,258,968	45,299,935	80,871,446	364,013	0
6. Colorado.....CO	Yes	8,588,934	6,961,620	0	5,275,517	2,297,515	7,168,497	108,827	0
7. Connecticut.....CT	Yes	7,418,494	9,197,804	9,813	3,518,045	3,962,970	18,988,203	1,150,854	0
8. Delaware.....DE	Yes	3,044,264	3,065,721	0	738,447	674,064	2,731,498	5,216	0
9. District of Columbia.....DC	Yes	2,681,549	2,451,284	0	1,138,248	1,279,434	1,411,752	2,377	0
10. Florida.....FL	Yes	53,672,304	48,785,234	7,317	20,848,867	21,738,844	38,530,412	138,987	0
11. Georgia.....GA	Yes	17,652,720	15,553,071	234	7,268,021	9,165,464	21,191,073	52,064	0
12. Hawaii.....HI	Yes	2,138,034	1,953,636	1,453	702,529	412,944	3,010,089	435	0
13. Idaho.....ID	Yes	1,746,391	1,697,526	0	134,108	174,639	915,437	1,889	0
14. Illinois.....IL	Yes	33,388,220	26,742,618	2,293	7,225,737	8,195,292	31,544,975	50,953	0
15. Indiana.....IN	Yes	8,692,110	8,166,146	0	4,510,083	5,724,891	8,648,260	11,027	0
16. Iowa.....IA	Yes	8,796,718	3,913,489	0	1,124,791	991,472	2,852,558	4,204	0
17. Kansas.....KS	Yes	3,956,578	3,858,385	48	9,277,232	7,339,114	2,420,647	5,600	0
18. Kentucky.....KY	Yes	9,773,019	9,010,978	0	4,420,244	24,691,554	31,728,200	85,157	0
19. Louisiana.....LA	Yes	6,388,905	9,565,325	0	11,473,693	8,783,224	9,864,811	8,411	0
20. Maine.....ME	Yes	1,105,202	940,282	0	619,676	825,425	1,088,489	842	0
21. Maryland.....MD	Yes	10,800,480	9,375,088	126,794	5,468,193	3,354,524	11,300,664	21,114	0
22. Massachusetts.....MA	Yes	8,954,471	9,269,666	336,882	3,452,043	983,359	20,485,992	9,167	0
23. Michigan.....MI	Yes	25,810,630	18,415,265	357	8,603,431	35,779,446	49,544,247	66,840	0
24. Minnesota.....MN	Yes	10,647,665	10,846,326	0	2,884,475	2,915,555	8,662,400	123,882	0
25. Mississippi.....MS	Yes	4,661,326	4,290,394	0	2,948,977	3,380,160	3,786,256	4,205	0
26. Missouri.....MO	Yes	12,957,223	9,343,464	146	10,245,541	9,116,435	6,172,879	20,670	0
27. Montana.....MT	Yes	1,270,434	976,542	0	181,980	245,305	492,253	2,335	0
28. Nebraska.....NE	Yes	1,374,034	1,325,366	0	(185,501)	6,756	2,371,893	3,011	0
29. Nevada.....NV	Yes	8,133,232	7,260,159	802	806,498	2,093,562	3,690,854	12,796	0
30. New Hampshire.....NH	Yes	1,019,979	1,533,633	0	1,309,269	1,583,200	3,898,210	2,159	0
31. New Jersey.....NJ	Yes	29,181,369	27,117,282	31,225	8,799,837	9,622,119	27,442,065	238,847	0
32. New Mexico.....NM	Yes	1,777,108	1,558,088	0	742,945	697,728	1,166,589	12,460	0
33. New York.....NY	Yes	35,975,490	33,286,659	15,991	10,159,909	15,946,562	111,706,188	712,609	0
34. North Carolina.....NC	Yes	20,368,349	17,496,453	59	5,716,955	4,492,261	14,471,136	143,183	0
35. North Dakota.....ND	Yes	5,326,500	5,257,875	0	6,510,839	6,381,643	378,081	603	0
36. Ohio.....OH	Yes	14,777,385	14,927,489	0	2,769,074	2,442,913	15,704,976	108,480	0
37. Oklahoma.....OK	Yes	2,702,337	2,147,887	0	786,196	461,447	1,027,575	4,125	0
38. Oregon.....OR	Yes	10,618,624	10,436,231	0	3,610,682	5,057,190	8,391,254	11,565	0
39. Pennsylvania.....PA	Yes	24,021,905	22,788,000	22,433	12,683,360	15,774,755	23,644,088	566,420	0
40. Rhode Island.....RI	Yes	3,002,027	2,709,596	0	1,670,249	1,146,197	2,204,665	4,501	0
41. South Carolina.....SC	Yes	6,243,109	5,403,587	0	2,683,686	12,142,300	16,609,360	6,598	0
42. South Dakota.....SD	Yes	2,290,872	2,079,588	0	980,533	1,077,855	534,473	1,322	0
43. Tennessee.....TN	Yes	9,717,392	9,263,351	0	2,772,445	4,032,624	8,549,026	15,179	0
44. Texas.....TX	Yes	51,864,611	45,098,672	13,427	11,034,815	15,920,175	51,839,965	253,261	0
45. Utah.....UT	Yes	2,654,918	2,679,353	0	1,031,140	1,654,296	3,406,992	7,343	0
46. Vermont.....VT	Yes	223,538	228,149	0	1,042,061	1,278,085	2,077,913	1,773	0
47. Virginia.....VA	Yes	12,552,572	10,547,684	16	1,597,683	3,131,789	6,691,698	57,984	0
48. Washington.....WA	Yes	13,456,398	13,193,985	0	14,534,072	12,587,212	16,908,973	25,784	0
49. West Virginia.....WV	Yes	723,593	756,895	0	189,166	219,804	582,679	3,623	0
50. Wisconsin.....WI	Yes	7,555,096	7,213,439	6,996	3,929,212	2,912,604	5,813,879	10,681	0
51. Wyoming.....WY	Yes	593,963	541,762	0	311,087	313,425	331,491	1,687	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	Yes	45,884	45,013	0	66,623	(113,716)	294,473	0	0
55. US Virgin Islands.....VI	No	0	0	0	0	0	0	0	0
56. Canada.....CN	Yes	23,347,726	18,501,809	0	2,601,980	3,543,716	8,871,682	0	0
57. Aggregate Other Alien.....OT	XXX	1,103,649	857,409	0	1,140	(624,721)	1,329,913	0	0
58. Totals.....	(a).....52	663,215,229	600,130,003	588,935	266,084,297	338,772,859	730,573,911	4,624,805	0
DETAILS OF WRITE-INS									
5701. Europe and Asia.....	XXX	1,103,649	857,409	0	1,140	(624,721)	1,329,913	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	1,103,649	857,409	0	1,140	(624,721)	1,329,913	0	0

Explanation of Basis of Allocation of Premiums by States, etc.
See Notes to Financial Statements-Note 20

(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****PART 1 – ORGANIZATIONAL CHART**

	<u>FEIN Number</u>	<u>NAIC Co. Code</u>	<u>Domiciliary State</u>
AMERICAN FINANCIAL GROUP, INC.	31-1544320		
AFC HOLDING COMPANY	31-1422526		
AMERICAN FINANCIAL CORPORATION	31-0624874		
One East Fourth, Inc.	31-0686194		
American Premier Underwriters, Inc.	23-6000765		
GAI (Bermuda) Ltd. (Bermuda)			
GAI Insurance Company, Ltd. (Bermuda)*			
Infinity Property and Casualty Corporation	03-0483872		
Atlanta Casualty Company*	58-1132392	21792	OH
American Premier Insurance Company*	31-1287689	37001	IN
Atlanta Casualty Group, Inc.	58-1293110		
Atlanta Reserve Insurance Company*	31-1627506	10968	OH
Atlanta Specialty Insurance Company*	42-1019055	31925	OH
Penn Central U.K. Limited (United Kingdom)			
Insurance (GB) Limited (United Kingdom)*			
Infinity Insurance Company*	31-0943862	22268	IN
The Infinity Group, Inc.	31-1357130		
Infinity National Insurance Company*	31-1358834	10068	IN
Infinity Select Insurance Company*	31-1333017	20260	IN
Leader Insurance Company*	34-0927698	11738	OH
Leader Preferred Insurance Company*	34-1785809	10195	OH
Leader Specialty Insurance Company*	34-1767787	10061	IN
TICO Insurance Company*	75-1227771	39497	OH
Windsor Insurance Company*	58-1806189	12599	IN
American Deposit Insurance Company*	73-0772113	16802	OK
Coventry Insurance Company*	31-1277903	35211	OH
El Aguila Compañía de Seguros, S.A. de C.V. (Mexico)*			
Moore Group Inc.	58-1080659		
Regal Insurance Company*	58-1806192	38873	IN
Republic Indemnity Company of America*	95-2801326	22179	CA
Republic Indemnity Company of California*	31-1054123	43753	CA
Great American Holding, Inc.	Applied For		
Great American Security Insurance Company*	31-1209419	31135	OH
Great American Spirit Insurance Company*	31-1237970	33723	IN
Great American Insurance Company*	31-0501234	16691	OH
AFC Coal Properties, Inc.	31-1487015		
American Empire Surplus Lines Insurance Company*	31-0912199	35351	DE
American Empire Insurance Company*	31-0973761	37990	OH
Fidelity Excess and Surplus Insurance Company*	22-2824607	12203	OH
Brothers Property Corporation	59-2840291		
FCIA Management Company, Inc.	13-3628555		
GAI Warranty Company	31-1753938		
Great American Alliance Insurance Company*	95-1542353	26832	OH
Great American Assurance Company*	15-6020948	26344	OH
Great American Contemporary Insurance Company*	36-4079497	10646	OH
Great American E & S Insurance Company*	31-0954439	37532	DE
Great American Fidelity Insurance Company*	31-1036473	41858	DE
Great American Insurance Company of New York*	13-5539046	22136	NY
Great American Lloyd's Insurance Company*@	31-0974853	38024	TX
Great American Management Services, Inc.	31-0856644		
Great American Protection Insurance Company*	31-1288778	38580	IN
Great Texas County Mutual Insurance Company*@	43-6030348	13820	TX
Mid-Continent Casualty Company*	73-0556513	23418	OK
Mid-Continent Insurance Company*	73-1406844	15380	OK
Oklahoma Surety Company*	73-0773259	23426	OK
National Interstate Corporation	34-1607394		
Hudson Indemnity, Ltd. (Cayman Islands)*			
National Interstate Insurance Company*	34-1607395	32620	OH
National Interstate Insurance Company of Hawaii, Inc.*	99-0345306	11051	HI
PCC 38 Corp.	36-4123081		
Pointe Apartments, Inc.	41-1752820		
Transport Insurance Company*	75-0784127	33014	OH
Worldwide Insurance Company*	39-1341441	26050	OH
Worldwide Direct Auto Insurance Company*	61-6027355	20133	OH
Worldwide Casualty Insurance Company*	61-0983091	39896	OH
Great American Financial Resources, Inc.	06-1356481		
AAG Holding Company, Inc.	31-1475936		
Great American Life Insurance Company*	13-1935920	63312	OH
American Retirement Life Insurance Company*	59-2760189	88366	OH
Annuity Investors Life Insurance Company*	31-1021738	93661	OH
Great American Life Assurance Company*	95-2496321	62200	OH
Great American Life Insurance Company of New York*	13-1996152	67288	NY
Loyal American Life Insurance Company*	63-0343428	65722	OH
Manhattan National Life Insurance Company*	45-0252531	67083	IL
United Teacher Associates, Ltd.	74-2180806		
United Teacher Associates Insurance Company*	58-0869673	63479	TX
Great American Life Assurance Company of Puerto Rico*	66-0258488	73814	PR

*Denotes Insurer

@ Denotes company which is affiliated but not owned