



ANNUAL STATEMENT

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

THE BUCKEYE UNION INSURANCE COMPANY

NAIC Group Code..... 218, (Current Period) (Prior Period)	218	NAIC Company Code..... 20788	Employer's ID Number..... 31-0708754
Organized under the Laws of	OHIO	State of Domicile or Port of Entry	OHIO
Country of Domicile	UNITED STATES		
Incorporated.....	February 19, 1965	Commenced Business.....	April 14, 1965
Statutory Home Office	1111 E. BROAD STREET COLUMBUS OH 43205 <i>(Street and Number) (City or Town, State and Zip Code)</i>		
Main Administrative Office	CNA PLAZA..... CHICAGO IL 60685 <i>(Street and Number) (City or Town, State and Zip Code)</i>	312-822-5000	<i>(Area Code) (Telephone Number)</i>
Mail Address	CNA PLAZA..... CHICAGO IL 60685 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>		
Primary Location of Books and Records	CNA PLAZA - 9S CHICAGO IL 60685 <i>(Street and Number) (City or Town, State and Zip Code)</i>	312-822-5000	<i>(Area Code) (Telephone Number)</i>
Internet Website Address	WWW.CNA.COM		
Statement Contact	MARK J. MACAK <i>(Name)</i> MARK.MACAK@CNA.COM <i>(E-Mail Address)</i>	312-822-1538 <i>(Area Code) (Telephone Number) (Extension)</i> 312-817-0040 <i>(Fax Number)</i>	
Policyowner Relations Contact	CONSUMER SERVICES CHICAGO IL 60685 <i>(Street and Number) (City or Town, State and Zip Code)</i>	1-800-262-2255 <i>(Area Code) (Telephone Number) (Extension)</i>	

OFFICERS

CHAIRMAN, CHIEF EXECUTIVE OFFICER & PRESIDENT STEPHEN WRIGHT LILIENTHAL
VICE PRESIDENT & TREASURER PAMELA SYLVESTER DEMPSEY
EXECUTIVE VICE PRESIDENT, SECRETARY & GENERAL COUNSEL JONATHAN DAVID KANTOR


ROBERT VICTOR DEUTSCH	EXECUTIVE VICE PRESIDENT & CHIEF FINANCIAL OFFICER
MICHAEL FUSCO	EXECUTIVE VICE PRESIDENT
DEAN KENNETH HARRING	EXECUTIVE VICE PRESIDENT, CLAIMS
ROBERT VINCE JAMES	EXECUTIVE VICE PRESIDENT, U.S. INSURANCE OPERATIONS
JAMES RAY LEWIS	PRESIDENT & CEO, PROPERTY & CASUALTY OPERATIONS
DEBRA LYNN MCCLENAHAN	PRESIDENT & CEO, CNA RE
ROBERT LAWRENCE MCGINNIS	EXECUTIVE VICE PRESIDENT, GROUP OPERATIONS
LINDA SUSAN MCGORY	EXECUTIVE VICE PRESIDENT, LIFE & LTC
ROBERT WHITE PATIN	PRESIDENT & CEO, CNA LIFE & GROUP OPERATIONS
THOMAS PONTARELLI	EXECUTIVE VICE PRESIDENT, HUMAN RESOURCES & CORP. SERVICES
PETER WHITTINGHAM WILSON	EXECUTIVE VICE PRESIDENT, GLOBAL SPECIALTY OPERATIONS

DIRECTORS OR TRUSTEES

ROBERT VICTOR DEUTSCH JONATHAN DAVID KANTOR STEPHEN WRIGHT LILIENTHAL ROBERT WHITE PATIN
THOMAS PONTARELLI


State of..... ILLINOIS
County of..... COOK

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)
LAWRENCE J. BOYSEN

(Printed Name)
Senior Vice President & Corporate Controller



(Signature)
JERRY F. SLIWA

(Printed Name)



(Signature)
JEFFERY C. ALTON


(Printed Name)
Assistant Vice President

Assistant Vice President & Assistant Secretary

Subscribed and sworn to before me this
.....25th.....day ofFebruary....., 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.....	199,369,244	0	199,369,244	225,835,193
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1).....	0	0	0	0
2.2 Common stocks (Schedule D, Part 2, Section 2).....	181,058,730	0	181,058,730	162,682,868
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	1,330,864	0	1,330,864	1,330,864
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....(2,116,549) Schedule E, Part 1) and short-term investments (\$.....76,171,272 Schedule DA, Part 2).....	74,054,723	0	74,054,723	52,295,522
6. Other invested assets (Schedule BA).....	0	0	0	0
7. Receivable for securities.....	36,874	0	36,874	1,022,695
8. Aggregate write-ins for invested assets.....	0	0	0	0
9. Subtotals, cash and invested assets (Lines 1 to 8).....	455,850,435	0	455,850,435	443,167,143
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection.....	10,927,596	1,782,080	9,145,516	6,103,165
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$.....810,810 earned but unbilled premiums).....	3,093,040	4,446	3,088,594	5,462,693
10.3 Accrued retrospective premiums.....	3,727,850	335,995	3,391,855	3,449,478
11. Funds held by or deposited with reinsured companies.....	0	0	0	0
12. Bills receivable, taken for premiums.....	0	0	0	0
13. Amounts receivable under high deductible policies.....	325,879	69,963	255,916	304,914
14. Reinsurance recoverables on loss and loss adjustment expense payments (Schedule F, Part 3, Cols. 7 and 8).....	0	0	0	0
15. Federal and foreign income tax recoverable and interest thereon (including \$.....0 net deferred tax asset) -	181,739,939	181,739,939	0	0
16. Guaranty funds receivable or on deposit.....	1,492,844	0	1,492,844	2,827,604
17. Electronic data processing equipment and software.....	0	0	0	0
18. Interest, dividends and real estate income due and accrued.....	1,802,360	0	1,802,360	3,117,427
19. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0	0	0
20. Receivable from parent, subsidiaries and affiliates.....	0	0	0	19,507,377
21. Amount due from/to protected cells.....	0	0	0	0
22. Equities and deposits in pools and associations.....	2,065,102	0	2,065,102	1,512,448
23. Amounts receivable relating to uninsured accident and health plans.....	0	0	0	0
24. Other assets nonadmitted (Exhibit 1).....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	4,645,059	66,043	4,579,016	46,880,811
26. Total assets excluding protected cell assets (Lines 9 through 25).....	665,670,103	183,998,467	481,671,636	532,333,060
27. Protected cell assets.....	0	0	0	0
28. TOTALS (Lines 26 and 27).....	665,670,103	183,998,467	481,671,636	532,333,060

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. Expense recoverable from Allstate.....	2,427,769	0	2,427,769	2,606,185
2502. Miscellaneous receivables.....	2,151,247	0	2,151,247	0
2503. Premiums uncollected - FEHBP.....	66,043	66,043	0	44,274,625
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).....	4,645,059	66,043	4,579,016	46,880,811

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8).....	198,974,115	271,468,572
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6).....	0	0
3. Loss adjustment expenses (Part 2A, Line 34, Column 9).....	14,723,431	14,203,747
4. Commissions payable, contingent commissions and other similar charges.....	3,315,258	2,817,198
5. Other expenses (excluding taxes, licenses and fees).....	1,943,910	6,309,188
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	4,813,578	6,996,467
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 \$....10,172,060 and including warranty reserves of \$.....0).....	46,501,186	46,410,304
10. Advance premiums.....	559	0
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions).....	0	0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	0	0
14. Amounts withheld or retained by company for account of others.....	(824,896)	1,499,318
15. Remittances and items not allocated.....	(5,011,498)	(10,848,168)
16. Provision for reinsurance (Schedule F, Part 7).....	10,958,960	20,211,488
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	1,516,829	1,585,437
19. Payable to parent, subsidiaries and affiliates.....	3,813,593	7,730
20. Payable for securities.....	0	985,269
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.....	(11,563,777)	(13,753,868)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	269,161,249	347,892,681
25. Protected cell liabilities.....	0	0
26. Total liabilities (Lines 24 and 25).....	269,161,249	347,892,681
27. Aggregate write-ins for special surplus funds.....	6,646,454	(3,884,286)
28. Common capital stock.....	5,000,000	5,000,000
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.....	220,836,398	220,836,398
33. Unassigned funds (surplus).....	(19,972,466)	(37,511,734)
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).....	212,510,387	184,440,379
36. TOTALS (Page 2, Line 28, Col. 3).....	481,671,636	532,333,060

DETAILS OF WRITE-INS

2301. Additional provision for reinsurance - state specific.....	4,984,812	6,191,392
2302. Additional provision for reinsurance.....	1,033,439	0
2303. Deferred investment gain.....	86,566	340,397
2398. Summary of remaining write-ins for Line 23 from overflow page.....	(17,668,593)	(20,285,657)
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	(11,563,777)	(13,753,868)
2701. Special Surplus - Allstate retroactive reinsurance ceded.....	6,646,454	(3,884,286)
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).....	6,646,454	(3,884,286)
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

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
UNDERWRITING AND INVESTMENT EXHIBIT

	1	2
	Current Year	Prior Year
STATEMENT OF INCOME		
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 34, Column 4).....	182,086,222	293,269,207
DEDUCTIONS		
2. Losses incurred (Part 2, Line 34, Column 7).....	152,489,628	308,015,221
3. Loss expenses incurred (Part 3, Line 25, Column 1).....	14,447,752	15,191,616
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	31,566,557	44,868,057
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	198,503,937	368,074,894
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(16,417,714)	(74,805,687)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	18,538,827	31,715,540
10. Net realized capital gains (losses) (Exhibit of Capital Gains (Losses)).....	1,814,456	1,057,752
11. Net investment gain (loss) (Lines 9 + 10).....	20,353,283	32,773,292
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....2,871 amount charged off \$.....28,157).....	(25,286)	(240,047)
13. Finance and service charges not included in premiums.....	0	0
14. Aggregate write-ins for miscellaneous income.....	11,591,276	(2,820,208)
15. Total other income (Lines 12 through 14).....	11,565,990	(3,060,255)
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15).....	15,501,559	(45,092,650)
17. Dividends to policyholders.....	0	1,835
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17).....	15,501,559	(45,094,485)
19. Federal and foreign income taxes incurred.....	0	0
20. Net income (Line 18 minus Line 19) (to Line 22).....	15,501,559	(45,094,485)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 38, Column 2).....	184,440,379	347,797,345
GAINS AND (LOSSES) IN SURPLUS		
22. Net income (from Line 20).....	15,501,559	(45,094,485)
23. Net unrealized capital gains or (losses).....	3,885,124	(24,911,996)
24. Change in net unrealized foreign exchange capital gains (loss).....	0	0
25. Change in net deferred income tax.....	156,639,575	4,175,677
26. Change in nonadmitted assets (Exhibit 1, Line 5, Column 3).....	(157,381,919)	1,525,684
27. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	9,252,528	(3,558,759)
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	(1,501,697)
31. Capital changes:		
31.1 Paid in.....	0	0
31.2 Transferred from surplus (Stock Dividend).....	0	0
31.3 Transferred to surplus.....	0	0
32. Surplus adjustments:		
32.1 Paid in.....	0	(87,800,000)
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	0
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.....	173,141	(6,191,392)
37. Change in surplus as regards policyholders for the year (Lines 22 through 36).....	28,070,008	(163,356,967)
38. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 37) (Page 3, Line 35).....	212,510,387	184,440,379

DETAILS OF WRITE-INS

0501.	0	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).....	0	0
1401. Allstate retroactive reinsurance reserve development - ceded.....	10,530,740	(3,884,286)
1402. Allstate royalty income.....	991,401	0
1403. Miscellaneous profit and (loss) items.....	82,989	1,068,583
1498. Summary of remaining write-ins for Line 14 from overflow page.....	(13,854)	(4,505)
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	11,591,276	(2,820,208)
3601. Change in provision for reinsurance - state specific.....	1,206,580	(6,191,392)
3602. Change in additional provision for reinsurance.....	(1,033,439)	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).....	173,141	(6,191,392)

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	181,676,930	286,724,426
2. Loss and loss adjustment expenses paid (net of salvage and subrogation).....	238,991,569	601,377,815
3. Underwriting expenses paid.....	37,616,663	37,751,797
4. Other underwriting income (expenses).....	0	0
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4).....	(94,931,301)	(352,405,185)
6. Net investment income.....	19,964,386	37,361,318
7. Other income (expenses):		
7.1 Agents' balances charged off.....	(25,286)	(240,047)
7.2 Net funds held under reinsurance treaties.....	0	0
7.3 Net amount withheld or retained for account of others.....	(2,324,214)	(3,238,577)
7.4 Aggregate write-ins for miscellaneous items.....	12,373,382	99,600,855
7.5 Total other income (Lines 7.1 to 7.4).....	10,023,882	96,122,231
8. Dividends to policyholders on direct business, less \$.....0 dividends on reinsurance assumed or ceded (net).....	0	1,835
9. Federal and foreign income taxes (paid) recovered.....	0	2,673,980
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9).....	(64,943,033)	(216,249,491)
CASH FROM INVESTMENTS		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds.....	873,924,126	923,463,750
11.2 Stocks.....	0	0
11.3 Mortgage loans.....	0	0
11.4 Real estate.....	0	54,790,715
11.5 Other invested assets.....	0	0
11.6 Net gains or (losses) on cash and short-term investments.....	7,470	0
11.7 Miscellaneous proceeds.....	985,821	2,481,103
11.8 Total investment proceeds (Lines 11.1 to 11.7).....	874,917,418	980,735,568
12. Cost of investments acquired (long-term only):		
12.1 Bonds.....	846,656,292	559,481,072
12.2 Stocks.....	14,693,205	7,796,880
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	(165,625)
12.5 Other invested assets.....	0	0
12.6 Miscellaneous applications.....	985,269	987,686
12.7 Total investments acquired (Lines 12.1 to 12.6).....	862,334,766	568,100,013
13. Net cash from investments (Line 11.8 minus Line 12.7).....	12,582,652	412,635,555
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in.....	1	(87,800,000)
14.2 Capital notes \$.....0 less amounts repaid \$.....0.....	0	0
14.3 Net transfers from affiliates.....	23,313,240	7,730
14.4 Borrowed funds received.....	0	0
14.5 Other cash provided.....	50,806,342	1,525,684
14.6 Total (Lines 14.1 to 14.5).....	74,119,582	(86,266,585)
15. Cash applied:		
15.1 Dividends to stockholders paid.....	0	3,721,934
15.2 Net transfers to affiliates.....	0	34,294,282
15.3 Borrowed funds repaid.....	0	23,385,778
15.4 Other applications.....	0	11,205,385
15.5 Total (Lines 15.1 to 15.4).....	0	72,607,379
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5).....	74,119,582	(158,873,965)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10 plus Line 13 plus Line 16).....	21,759,201	37,512,099
18. Cash and short-term investments:		
18.1 Beginning of year.....	52,295,522	14,783,423
18.2 End of year (Line 17 plus Line 18.1).....	74,054,723	52,295,522
DETAILS OF WRITE-INS		
7.401 Allstate retroactive reinsurance reserve - ceded.....	10,530,740	68,971,694
7.402 Guaranty funds receivable or on deposit.....	1,334,760	(981,411)
7.403 Allstate royalty income.....	991,401	0
7.498 Summary of remaining write-ins for Line 7.4 from overflow page.....	(483,519)	31,610,572
7.499 Total (Lines 7.401 thru 7.403 plus 7.498) (Line 7.4 above).....	12,373,382	99,600,855

THE BUCKEYE UNION INSURANCE COMPANY 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.....	851,389	(107,019)	(71,672)	816,042
2. Allied lines.....	196,780	(93,384)	(66,977)	170,373
3. Farmowners multiple peril.....	0	0	0	0
4. Homeowners multiple peril.....	19,460	246	108	19,598
5. Commercial multiple peril.....	183,371	(223,581)	(115,918)	75,708
6. Mortgage guaranty.....	0	0	0	0
8. Ocean marine.....	18,329,499	7,695,259	8,074,730	17,950,028
9. Inland marine.....	6,452,846	4,245,023	2,752,870	7,944,999
10. Financial guaranty.....	(13,504)	1,305,313	672,401	619,408
11.1 Medical malpractice - occurrence.....	0	16,948	118	16,830
11.2 Medical malpractice - claims-made.....	4,341	(126)	334	3,881
12. Earthquake.....	1,587	(146,137)	(146,161)	1,611
13. Group accident and health.....	15,561	0	0	15,561
14. Credit accident and health (group and individual).....	0	0	0	0
15. Other accident and health.....	126,647,490	0	0	126,647,490
16. Workers' compensation.....	1,593,369	(3,301,298)	(3,245,896)	1,537,967
17.1 Other liability - occurrence.....	(30,651)	1,211,472	1,232,720	(51,899)
17.2 Other liability - claims-made.....	854,002	103,835	294,980	662,857
18.1 Products liability - occurrence.....	1,560,014	292,185	335,994	1,516,205
18.2 Products liability - claims-made.....	(880)	(69,029)	(69,273)	(636)
19.1, 19.2 Private passenger auto liability.....	(21,755)	286	627	(22,096)
19.3, 19.4 Commercial auto liability.....	414,170	(9,122)	(1,776)	406,824
21. Auto physical damage.....	217,167	13,721	566	230,322
22. Aircraft (all perils).....	4,713,981	815,420	1,568,397	3,961,004
23. Fidelity.....	788,391	623,139	673,314	738,217
24. Surety.....	0	212	(10)	222
26. Burglary and theft.....	852	(35)	(35)	852
27. Boiler and machinery.....	31,449	(13,593)	(14,562)	32,418
28. Credit.....	568,477	460,103	366,730	661,850
29. International.....	0	0	0	0
30. Reinsurance - nonproportional assumed property.....	5,466,327	200,207	(85,935)	5,752,469
31. Reinsurance - nonproportional assumed liability.....	(35,301)	(26,737)	85,936	(147,974)
32. Reinsurance - nonproportional assumed financial lines.....	0	0	0	0
33. Aggregate write-ins for other lines of business.....	13,431,463	29,626,351	30,531,725	12,526,089
34. TOTALS.....	182,239,898	42,619,661	42,773,336	182,086,223

DETAILS OF WRITE-INS

3301. Auto warranty.....	14,259,219	28,626,410	30,515,535	12,370,094
3302. Warranty other than auto.....	(827,756)	999,941	16,190	155,995
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).....	13,431,463	29,626,351	30,531,725	12,526,089

THE BUCKEYE UNION INSURANCE COMPANY UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

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

	1 Amount Unearned (Running One Year or Less from Date of Policy) (b)	2 Amount Unearned (Running more than One Year from Date of Policy) (b)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
Line of Business					
1. Fire.....	(73,317)	1,645	0	0	(71,672)
2. Allied lines.....	(67,735)	758	0	0	(66,977)
3. Farmowners multiple peril.....	0	0	0	0	0
4. Homeowners multiple peril.....	108	0	0	0	108
5. Commercial multiple peril.....	(115,918)	0	0	0	(115,918)
6. Mortgage guaranty.....	0	0	0	0	0
8. Ocean marine.....	7,984,661	90,070	0	0	8,074,731
9. Inland marine.....	2,660,768	92,102	0	0	2,752,870
10. Financial guaranty.....	672,401	0	0	0	672,401
11.1 Medical malpractice - occurrence.....	118	0	0	0	118
11.2 Medical malpractice - claims-made.....	247	87	0	0	334
12. Earthquake.....	(146,161)	0	0	0	(146,161)
13. Group accident and health.....	0	0	0	0	0
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.....	399,550	10,245	0	(3,655,690)	(3,245,895)
17.1 Other liability - occurrence.....	1,265,547	3,253	0	(36,080)	1,232,720
17.2 Other liability - claims-made.....	293,699	1,281	0	0	294,980
18.1 Products liability - occurrence.....	328,952	7,042	0	0	335,994
18.2 Products liability - claims-made.....	(69,273)	0	0	0	(69,273)
19.1, 19.2 Private passenger auto liability.....	(10,004)	10,630	0	0	626
19.3, 19.4 Commercial auto liability.....	34,153	151	0	(36,080)	(1,776)
21. Auto physical damage.....	(8,933)	9,499	0	0	566
22. Aircraft (all perils).....	1,568,397	0	0	0	1,568,397
23. Fidelity.....	678,461	(5,148)	0	0	673,313
24. Surety.....	(61,087)	61,077	0	0	(10)
26. Burglary and theft.....	(35)	0	0	0	(35)
27. Boiler and machinery.....	(14,562)	0	0	0	(14,562)
28. Credit.....	188,531	178,199	0	0	366,730
29. International.....	0	0	0	0	0
30. Reinsurance - nonproportional assumed property.....	0	(85,935)	0	0	(85,935)
31. Reinsurance - nonproportional assumed liability.....	0	85,936	0	0	85,936
32. Reinsurance - nonproportional assumed financial lines.....	0	0	0	0	0
33. Aggregate write-ins for other lines of business.....	140,707	30,391,018	0	0	30,531,725
34. TOTALS.....	15,649,276	30,851,910	0	(3,727,850)	42,773,336
35. Accrued retrospective premiums based on experience.....					3,727,850
36. Earned but unbilled premiums.....					0
37. Balance (sum of Lines 34 through 36).....					46,501,186

DETAILS OF WRITE-INS

3301. Auto warranty.....	124,517	30,391,018	0	0	30,515,535
3302. Warranty other than auto.....	16,190	0	0	0	16,190
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).....	140,707	30,391,018	0	0	30,531,725

(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: Daily pro rata

THE BUCKEYE UNION 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	3	4	5	
		From Affiliates	From Non-Affiliates	To Affiliates	To Non-Affiliates	
1. Fire.....	31,742	851,389	.0	31,742	.0	851,389
2. Allied lines.....	10,120	196,780	.0	10,120	.0	196,780
3. Farmowners multiple peril.....	.0	.0	.0	.0	.0	.0
4. Homeowners multiple peril.....	767,736	19,460	.0	767,736	.0	19,460
5. Commercial multiple peril.....	.0	183,371	.0	.0	.0	183,371
6. Mortgage guaranty.....	.0	.0	.0	.0	.0	.0
8. Ocean marine.....	8,828,706	18,329,499	.0	8,828,706	.0	18,329,499
9. Inland marine.....	6,244,702	6,452,846	.0	6,244,702	.0	6,452,846
10. Financial guaranty.....	.0	(13,504)	.0	.0	.0	(13,504)
11.1 Medical malpractice - occurrence.....	.0	.0	.0	.0	.0	.0
11.2 Medical malpractice - claims-made.....	.0	4,341	.0	.0	.0	4,341
12. Earthquake.....	547	1,587	.0	547	.0	1,587
13. Group accident and health.....	.0	15,561	.0	.0	.0	15,561
14. Credit accident and health (group and individual).....	.0	.0	.0	.0	.0	.0
15. Other accident and health.....	.0	126,647,490	.0	.0	.0	126,647,490
16. Workers' compensation.....	447	1,593,369	.0	447	.0	1,593,369
17.1 Other liability - occurrence.....	17,706	(30,651)	.0	17,706	.0	(30,651)
17.2 Other liability - claims-made.....	.0	854,002	.0	.0	.0	854,002
18.1 Products liability - occurrence.....	.0	1,560,014	.0	.0	.0	1,560,014
18.2 Products liability - claims-made.....	.0	(880)	.0	.0	.0	(880)
19.1, 19.2 Private passenger auto liability.....	2,232,343	(21,755)	.0	2,232,343	.0	(21,755)
19.3, 19.4 Commercial auto liability.....	.0	414,170	8,944	8,944	.0	414,170
21. Auto physical damage.....	1,229,773	217,167	.0	1,229,773	.0	217,167
22. Aircraft (all perils).....	.0	4,713,981	.0	.0	.0	4,713,981
23. Fidelity.....	25,673	788,391	.0	25,673	.0	788,391
24. Surety.....	.0	.0	.0	.0	.0	.0
26. Burglary and theft.....	.0	852	.0	.0	.0	852
27. Boiler and machinery.....	.0	31,449	.0	.0	.0	31,449
28. Credit.....	.0	568,477	.0	.0	.0	568,477
29. International.....	.0	.0	.0	.0	.0	.0
30. Reinsurance - nonproportional assumed property.....	.XXX	5,466,327	.0	.0	.0	5,466,327
31. Reinsurance - nonproportional assumed liability.....	.XXX	(35,301)	.0	.0	.0	(35,301)
32. Reinsurance - nonproportional assumed financial lines.....	.XXX	.0	.0	.0	.0	.0
33. Aggregate write-ins for other lines of business.....	(600)	13,431,463	.0	(600)	.0	13,431,463
34. TOTALS.....	19,388,895	182,239,898	8,944	19,397,839	.0	182,239,898

DETAILS OF WRITE-INS

3301. Auto warranty.....	(600)	14,259,219	.0	(600)	.0	14,259,219
3302. Warranty other than auto.....	.0	(827,756)	.0	.0	.0	(827,756)
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).....	(600)	13,431,463	.0	(600)	.0	13,431,463

(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				Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	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.....	121,659	446,252	121,659	446,252	3,549,364	2,344,627	1,650,989	202.3
2. Allied lines.....	(243)	69,963	(243)	69,963	395,612	352,683	112,892	66.3
3. Farmowners multiple peril.....	0	53,248	0	53,248	138,330	506,544	(314,966)	0.0
4. Homeowners multiple peril.....	1,040,451	1,045,801	1,040,451	1,045,801	1,179,186	1,877,356	347,631	1,773.8
5. Commercial multiple peril.....	2,166,264	4,539,958	2,166,264	4,539,958	8,343,038	12,385,322	497,674	657.4
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8. Ocean marine.....	4,919,032	12,521,284	4,919,032	12,521,284	29,246,486	26,149,649	15,618,121	87.0
9. Inland marine.....	2,840,851	5,392,574	2,840,851	5,392,574	1,450,343	2,089,681	4,753,236	59.8
10. Financial guaranty.....	0	3,745,598	0	3,745,598	856,571	5,238,278	(636,109)	(102.7)
11.1 Medical malpractice - occurrence.....	0	(63,351)	0	(63,351)	31,868	40,966	(72,449)	(430.5)
11.2 Medical malpractice - claims-made.....	(536,250)	1,451,200	(536,250)	1,451,200	8,198,314	6,212,819	3,436,695	88,551.8
12. Earthquake.....	0	0	0	0	0	(4)	4	0.2
13. Group accident and health.....	0	191,920	0	191,920	229,341	526,727	(105,466)	(677.8)
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0.0
15. Other accident and health.....	0	147,128,017	0	147,128,017	0	35,298,450	111,829,567	88.3
16. Workers' compensation.....	5,327	6,519,033	5,327	6,519,033	64,048,572	75,269,900	(4,702,295)	(305.7)
17.1 Other liability - occurrence.....	1,294,900	13,457,497	1,294,900	13,457,497	28,112,270	44,363,327	(2,793,560)	5,382.7
17.2 Other liability - claims-made.....	20,000	670,339	20,000	670,339	3,735,162	6,922,136	(2,516,635)	(379.7)
18.1 Products liability - occurrence.....	0	(2,464,272)	0	(2,464,272)	4,740,227	1,726,682	549,273	36.2
18.2 Products liability - claims-made.....	0	(981,880)	0	(981,880)	3,940,866	2,893,393	65,593	(10,313.4)
19.1, 19.2 Private passenger auto liability.....	6,590,643	9,302,203	6,590,643	9,302,203	11,414,239	9,642,767	11,073,675	(50,116.2)
19.3, 19.4 Commercial auto liability.....	686,780	1,575,564	689,733	1,572,611	1,631,576	3,370,193	(166,006)	(40.8)
21. Auto physical damage.....	132,726	(46,356)	132,726	(46,356)	91,665	243,558	(198,249)	(86.1)
22. Aircraft (all perils).....	0	1,422,388	0	1,422,388	3,995,870	1,723,481	3,694,777	93.3
23. Fidelity.....	173,452	414,207	173,452	414,207	543,930	605,740	352,397	47.7
24. Surety.....	(240)	74,279	(240)	74,279	1,482,479	1,577,322	(20,564)	(9,246.6)
26. Burglary and theft.....	0	(106)	0	(106)	2,917	2,921	(110)	(12.8)
27. Boiler and machinery.....	0	11,133	0	11,133	86,140	79,547	17,726	54.7
28. Credit.....	0	1,162,982	0	1,162,982	(342,031)	364,547	456,404	69.0
29. International.....	0	0	0	0	0	0	0	0.0
30. Reinsurance - nonproportional assumed property.....	.XXX	6,082,437	0	6,082,437	18,070,524	19,058,869	5,094,092	88.6
31. Reinsurance - nonproportional assumed liability.....	.XXX	99,220	0	99,220	816,726	2,652,397	(1,736,451)	1,173.5
32. Reinsurance - nonproportional assumed financial lines.....	.XXX	0	0	0	0	5,663,005	(5,663,005)	0.0
33. Aggregate write-ins for other lines of business.....	47,367	11,165,905	47,367	11,165,905	2,984,529	2,285,690	11,864,744	94.7
34. TOTALS.....	19,502,719	224,987,036	19,505,672	224,984,083	198,974,116	271,468,572	152,489,627	83.7
DETAILS OF WRITE-INS								
3301. Auto warranty.....	47,367	11,162,944	47,367	11,162,944	3,244,780	2,554,530	11,853,194	95.8
3302. Warranty other than auto.....	0	2,961	0	2,961	(260,251)	(268,840)	11,550	7.4
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).....	47,367	11,165,905	47,367	11,165,905	2,984,529	2,285,690	11,864,744	94.7

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.....	156,249	3,287,676	156,249	3,287,676	7,589	261,688	7,589	3,549,364	141,025
2. Allied lines.....	0	393,412	0	393,412	125,112	2,200	125,112	395,612	26,035
3. Farmowners multiple peril.....	1	70,130	1	70,130	0	68,200	0	138,330	178,439
4. Homeowners multiple peril.....	798,310	1,081,506	798,310	1,081,506	30,131	97,680	30,131	1,179,186	698,019
5. Commercial multiple peril.....	5,441,858	6,892,836	5,441,858	6,892,836	797,318	1,450,202	797,318	8,343,038	352,151
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	(1,898)
8. Ocean marine.....	2,497,767	22,012,785	2,497,767	22,012,785	1,589,696	7,233,701	1,589,696	29,246,486	1,802,573
9. Inland marine.....	10,000	234,824	10,000	234,824	0	1,215,519	0	1,450,343	82,091
10. Financial guaranty.....	0	15	0	15	0	856,556	0	856,571	38,444
11.1 Medical malpractice - occurrence.....	0	31,868	0	31,868	0	0	0	31,868	1,329
11.2 Medical malpractice - claims-made.....	65,022	4,662,169	65,022	4,662,169	76,280	3,536,145	76,280	8,198,314	1,095,410
12. Earthquake.....	0	0	0	0	0	0	0	0	0
13. Group accident and health.....	0	0	0	0	0	229,341	0	(a) 229,341	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.....	45,933	56,771,566	45,933	56,771,566	0	7,277,006	0	64,048,572	4,631,363
17.1 Other liability - occurrence.....	1,346,690	29,504,753	1,346,690	29,504,753	4,875,080	(1,392,483)	4,875,080	28,112,270	2,030,140
17.2 Other liability - claims-made.....	476,163	2,300,599	476,163	2,300,599	274,556	1,434,563	274,556	3,735,162	397,251
18.1 Products liability - occurrence.....	0	4,176,284	0	4,176,284	0	563,943	0	4,740,227	119,125
18.2 Products liability - claims-made.....	0	3,940,866	0	3,940,866	0	0	0	3,940,866	7,100
19.1, 19.2 Private passenger auto liability.....	7,823,264	9,646,915	7,823,264	9,646,915	3,652,785	1,767,324	3,652,785	11,414,239	2,143,092
19.3, 19.4 Commercial auto liability.....	407,086	1,076,402	407,084	1,076,404	167,322	555,172	167,322	1,631,576	309,599
21. Auto physical damage.....	24,596	8,928	24,596	8,928	11,606	82,737	11,606	91,665	23,552
22. Aircraft (all perils).....	36,733	1,993,067	36,733	1,993,067	53,504	2,002,803	53,504	3,995,870	397,555
23. Fidelity.....	12,578	113,324	12,578	113,324	54,372	430,606	54,372	543,930	52,370
24. Surety.....	77	(11,843)	77	(11,843)	0	1,494,322	0	1,482,479	0
26. Burglary and theft.....	0	0	0	0	0	2,917	0	2,917	0
27. Boiler and machinery.....	0	72,998	0	72,998	0	13,142	0	86,140	313
28. Credit.....	0	185,594	0	185,594	0	(527,625)	0	(342,031)	33,545
29. International.....	0	0	0	0	0	0	0	0	0
30. Reinsurance - nonproportional assumed property.....	XXX	16,884,394	0	16,884,394	XXX	1,186,130	0	18,070,524	79,215
31. Reinsurance - nonproportional assumed liability.....	XXX	816,726	0	816,726	XXX	0	0	816,726	64,830
32. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	XXX	0	0	0	248
33. Aggregate write-ins for other lines of business.....	0	0	0	0	0	2,984,529	0	2,984,529	20,516
34. TOTALS.....	19,142,327	166,147,794	19,142,325	166,147,796	11,715,351	32,826,320	11,715,351	198,974,116	14,723,431

DETAILS OF WRITE-INS

3301. Auto warranty.....	0	0	0	0	0	3,244,780	0	3,244,780	20,076
3302. Warranty other than auto.....	0	0	0	0	0	(260,251)	0	(260,251)	440
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).....	0	0	0	0	0	2,984,529	0	2,984,529	20,516

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

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
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.....	(2,265,281)	0	0	(2,265,281)
1.2 Reinsurance assumed.....	12,581,363	0	0	12,581,363
1.3 Reinsurance ceded.....	(2,264,073)	0	0	(2,264,073)
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	12,580,155	0	0	12,580,155
2. Commission and brokerage:				
2.1 Direct excluding contingent.....	0	4,410,096	0	4,410,096
2.2 Reinsurance assumed excluding contingent.....	0	5,826,259	0	5,826,259
2.3 Reinsurance ceded excluding contingent.....	0	4,417,743	0	4,417,743
2.4 Contingent - direct.....	0	816,043	0	816,043
2.5 Contingent - reinsurance assumed.....	0	2,071,433	0	2,071,433
2.6 Contingent - reinsurance ceded.....	0	816,043	0	816,043
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	7,890,046	0	7,890,046
3. Allowances to managers and agents.....	410	3,179	0	3,589
4. Advertising.....	2,497	16,200	0	18,697
5. Boards, bureaus and associations.....	0	1,065,388	0	1,065,388
6. Surveys and underwriting reports.....	143,147	5,990,226	235	6,133,608
7. Audit of assureds' records.....	0	0	0	0
8. Salary and related items:				
8.1 Salaries.....	1,594,366	9,387,105	115,501	11,096,972
8.2 Payroll taxes.....	68,626	333,820	7,063	409,509
9. Employee relations and welfare.....	28,156	181,480	430	210,066
10. Insurance.....	0	1,072	0	1,072
11. Directors' fees.....	0	0	0	0
12. Travel and travel items.....	(683,324)	32,203	1,843	(649,278)
13. Rent and rent items.....	315,965	1,411,447	474,855	2,202,267
14. Equipment.....	209,248	1,089,149	11,047	1,309,444
15. Cost or depreciation of EDP equipment and software.....	0	0	0	0
16. Printing and stationery.....	20,529	137,594	1,231	159,354
17. Postage, telephone and telegraph, exchange and express.....	10,445	456,856	1,504	468,805
18. Legal and auditing.....	263,436	322,415	5,402	591,253
19. Totals (Lines 3 to 18).....	1,973,503	20,428,134	619,111	23,020,748
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....	0	2,384,463	0	2,384,463
20.2. Insurance department licenses and fees.....	0	765,531	0	765,531
20.3. Gross guaranty association assessments.....	0	194,589	0	194,589
20.4. All other (excluding federal and foreign income and real estate).....	0	166,201	0	166,201
20.5. Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	3,510,783	0	3,510,783
21. Real estate expenses.....	0	0	(785,460)	(785,460)
22. Real estate taxes.....	0	0	140,057	140,057
23. Reimbursements by uninsured accident and health plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	(105,904)	(262,407)	0	(368,311)
25. Total expenses incurred.....	14,447,754	31,566,556	(26,292)	(a) 45,988,017
26. Less unpaid expenses - current year.....	14,723,431	10,072,746	0	24,796,177
27. Add unpaid expenses - prior year.....	14,203,747	16,122,853	0	30,326,600
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).....	13,928,069	37,616,663	(26,292)	51,518,440

DETAILS OF WRITE-INS

2401. Non-charitable contributions.....	127	2,131	0	2,258
2402. Charitable contributions.....	58	554	0	612
2403. Allstate related expenses.....	(106,089)	(1,234,454)	0	(1,340,543)
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	969,362	0	969,362
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	(105,904)	(262,407)	0	(368,311)

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

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....4,926,014	.....3,947,032
1.1 Bonds exempt from U.S. tax.....	(a).....866,998	.....715,222
1.2 Other bonds (unaffiliated).....	(a).....8,095,886	.....7,984,623
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....0	.....0
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....0	.....0
2.21 Common stocks of affiliates.....	.....6,000,000	.....6,000,000
3. Mortgage loans.....	(c).....0	.....0
4. Real estate.....	(d).....0	.....0
5. Contract loans.....	.....0	.....0
6. Cash/short-term investments.....	(e).....716,881	.....627,341
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....0	.....0
9. Aggregate write-ins for investment income.....	.....43,145	.....59,636
10. Total gross investment income.....	.....20,648,924	.....19,333,856
11. Investment expenses.....		(g).....(26,292)
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....0
13. Interest expense.....		(h).....672,170
14. Depreciation on real estate and other invested assets.....		(i).....0
15. Aggregate write-ins for deductions from investment income.....		.....149,151
16. Total deductions (Lines 11 through 15).....		.....795,029
17. Net investment income (Line 10 minus Line 16).....		.....18,538,827

DETAILS OF WRITE-INS

0901. Securities lending income.....	.....43,139	.....43,139
0902. Miscellaneous investment income.....	.....6	.....16,497
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).....	.....43,145	.....59,636
1501. Investment advisory expense.....		.....153,583
1502. Miscellaneous investment expense.....		.....(4,432)
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).....		.....149,151

- (a) Includes \$.....273,016 accrual of discount less \$.....382,895 amortization of premium and less \$.....3,462,317 paid for accrued interest on purchases.
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
(e) Includes \$.....115,048 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 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.....	.....11,785,337	.....0	.....60,507	.....0	.....11,845,844
1.1 Bonds exempt from U.S. tax.....	.....514,103	.....0	.....(334,579)	.....0	.....179,524
1.2 Other bonds (unaffiliated).....	.....502,038	.....(11,248,322)	.....(366,708)	.....0	.....(11,112,992)
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.21 Common stocks of affiliates.....	.....0	.....0	.....3,682,657	.....0	.....3,682,657
3. Mortgage loans.....	.....0	.....0	.....0	.....0	.....0
4. Real estate.....	.....0	.....0	.....0	.....0	.....0
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash/short-term investments.....	.....7,470	.....0	.....0	.....0	.....7,470
7. Derivative instruments.....	.....0	.....0	.....0	.....0	.....0
8. Other invested assets.....	.....0	.....0	.....0	.....0	.....0
9. Aggregate write-ins for capital gains (losses).....	.....0	.....253,831	.....843,246	.....0	.....1,097,077
10. Total capital gains (losses).....	.....12,808,948	.....(10,994,491)	.....3,885,124	.....0	.....5,699,580

DETAILS OF WRITE-INS

0901. Deferred gain intercompany investment transfer.....	.....0	.....253,831	.....0	.....0	.....253,831
0902. Tax on unrealized gain/loss.....	.....0	.....0	.....843,246	.....0	.....843,246
0903. ....	.....0	.....0	.....0	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....253,831	.....843,246	.....0	.....1,097,077

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.....	183,932,424	26,616,547	(157,315,877)
2. Other Nonadmitted Assets:			
2.1 Bills receivable.....	.0	.0	.0
2.2 Furniture, equipment and supplies.....	.0	.0	.0
2.3 Leasehold improvements.....	.0	.0	.0
2.4 Loans on personal security, endorsed or not.....	.0	.0	.0
3. Total (Lines 2.1 to 2.4).....	.0	.0	.0
4. Aggregate write-ins for other assets.....	66,043	.0	(66,043)
5. Total (Line 1 plus Lines 3 and 4).....	183,998,467	26,616,547	(157,381,920)

DETAILS OF WRITE-INS

0401. Premiums uncollected - FEHBP.....	66,043	.0	(66,043)
0402. ....	.0	.0	.0
0403. ....	.0	.0	.0
0498. Summary of remaining write-ins for Line 4 from overflow page.....	.0	.0	.0
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above).....	66,043	.0	(66,043)

NOTES TO FINANCIAL STATEMENTS

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
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.....	58,528,248	12.8	58,528,248	12.8
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies.....	0	0.0	0	0.0
1.22 Issued by U.S. government sponsored agencies.....	0	0.0	0	0.0
1.3 Foreign government (including Canada, excluding mortgage-backed securities).....	0	0.0	0	0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations.....	0	0.0	0	0.0
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations..	0	0.0	0	0.0
1.43 Revenue and assessment obligations.....	6,903,724	1.5	6,903,724	1.5
1.44 Industrial development and similar obligations.....	0	0.0	0	0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA.....	1,072,145	0.2	1,072,145	0.2
1.512 Issued by FNMA and FHLMC.....	0	0.0	0	0.0
1.513 Privately issued.....	11,699,665	2.6	11,699,665	2.6
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC.....	1,179,784	0.3	1,179,784	0.3
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA or FHLMC.....	0	0.0	0	0.0
1.523 All other privately issued.....	49,650,348	10.9	49,650,348	10.9
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO).....	64,458,159	14.1	64,458,159	14.1
2.2 Unaffiliated foreign securities.....	5,877,174	1.3	5,877,174	1.3
2.3 Affiliated securities.....	0	0.0	0	0.0
3. Equity interests:				
3.1 Investments in mutual funds.....	0	0.0	0	0.0
3.2 Preferred stocks:				
3.21 Affiliated.....	0	0.0	0	0.0
3.22 Unaffiliated.....	0	0.0	0	0.0
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated.....	181,058,729	39.7	181,058,729	39.7
3.32 Unaffiliated.....	0	0.0	0	0.0
3.4 Other equity securities:				
3.41 Affiliated.....	0	0.0	0	0.0
3.42 Unaffiliated.....	0	0.0	0	0.0
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated.....	0	0.0	0	0.0
3.52 Unaffiliated.....	0	0.0	0	0.0
4. Mortgage loans:				
4.1 Construction and land development.....	0	0.0	0	0.0
4.2 Agricultural.....	0	0.0	0	0.0
4.3 Single family residential properties.....	0	0.0	0	0.0
4.4 Multifamily residential properties.....	0	0.0	0	0.0
4.5 Commercial loans.....	0	0.0	0	0.0
5. Real estate investments:				
5.1 Property occupied by company.....	1,330,864	0.3	1,330,864	0.3
5.2 Property held for production of income (includes \$.....0 of property acquired in satisfaction of debt).....	0	0.0	0	0.0
5.3 Property held for sale (\$.....0 including property acquired in satisfaction of debt).....	0	0.0	0	0.0
6. Policy loans.....	0	0.0	0	0.0
7. Receivables for securities.....	36,874	0.0	36,874	0.0
8. Cash and short-term investments.....	74,054,723	16.2	74,054,723	16.2
9. Other invested assets.....	0	0.0	0	0.0
10. Total invested assets.....	455,850,435	100.0	455,850,435	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: _____
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. 12/31/1998

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). 11/14/2001

3.4 By what department or departments? Ohio Department of Insurance

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: _____

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

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
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?
 Deloitte & Touche, LLP, Two Prudential Plaza, 180 North Stetson Avenue, Chicago, IL 60601-6779
-
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?
 Ronald J. Swanstrom, Senior Vice President, CNA Plaza - 30S, Chicago, IL 60685
-
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 [X] No []
- 16.2 If answer is yes:
- 16.21 Amount paid as losses or risk adjustment \$.....0
- 16.22 Amount paid as expenses \$.....6,374
- 16.23 Other amounts paid \$.....0

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
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.....	50,000.000	50,000.000	100.00	XXX	XXX.....XXX.....	XXX.....XXX.....

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

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

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

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

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

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

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

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

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		0

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

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
Custodial Trust Company	101 Carnegie Center, Princeton
The Chase Manhattan Trust Company of Illinois	227 West Monroe St., 27th Floor Chicago 60606

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 [X] No []

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
The Chase Manhattan Trust Company of Illinois	The Chase Manhattan Trust Company of Illinois	07/02/2001	Address change to: 227 West Monroe St., 27th Floor, Chic

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

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$.....379,057

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	172,685

24.1 Amount of payments for legal expenses, if any? \$.....10,991

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
None	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
None	0

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
GENERAL INTERROGATORIES (continued)

Part 2 - Property and Casualty Interrogatories

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes []	No [X]
1.2	If yes, indicate premium earned on U.S. business only.	\$.....	0
1.3	What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$.....	0
1.31	Reason for excluding:		
<hr/>			
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$.....	0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$.....	0
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$.....	0
1.62	Total incurred claims	\$.....	0
1.63	Number of covered lives	.....	0
	All years prior to most current three years:		
1.64	Total premium earned	\$.....	0
1.65	Total incurred claims	\$.....	0
1.66	Number of covered lives	.....	0
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	\$.....	0
1.72	Total incurred claims	\$.....	0
1.73	Number of covered lives	.....	0
	All years prior to most current three years:		
1.74	Total premium earned	\$.....	0
1.75	Total incurred claims	\$.....	0
1.76	Number of covered lives	.....	0
2.1	Does the reporting entity issue both participating and non-participating policies?	Yes [X]	No []
2.2	If yes, state the amount of calendar year premiums written on:		
2.21	Participating	\$.....	23,199,139
2.22	Non-participating policies	\$.....	159,040,759
3.	For Mutual Reporting Entities and Reciprocal Exchange only:		
3.1	Does the reporting entity issue assessable policies?	Yes []	No []
3.2	Does the reporting entity issue non-assessable policies?	Yes []	No []
3.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?	.....	0.0 %
3.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.	\$.....	0
4.	For Reciprocal Exchanges only:		
4.1	Does the exchange appoint local agents?	Yes []	No []
4.2	If yes, is the commission paid:		
4.21	Out of Attorney's-in-fact compensation	Yes []	No [] N/A []
4.22	As a direct expense of the exchange	Yes []	No [] N/A []
4.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?		
<hr/>			
4.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred?	Yes []	No []
4.5	If yes, give full information:		
<hr/>			
5.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss? CNA has catastrophic reinsurance coverage to protect itself from this type of loss.		
<hr/>			
5.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: CNA has established a catastrophic team to analyze probable maximum scenarios. The team uses commercially available software supplemented with proprietary models to estimate the probable maximum loss.		
<hr/>			
5.3	What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable property insurance loss? CNA has a Corporate Catastrophe Treaty providing coverage of 90% of \$300 million excess of \$200 million.		
<hr/>			
5.4	Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?	Yes [X]	No []
5.5	If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.		
<hr/>			
6.1	Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract which includes a provision which would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?	Yes []	No [X]
6.2	If yes, indicate the number of reinsurance contracts containing such provisions.	.....	0

THE BUCKEYE UNION INSURANCE COMPANY GENERAL INTERROGATORIES (continued)

Part 2 - Property and Casualty Interrogatories (continued)

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

7.2 If yes, give full information:

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

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

9.2 If yes, give full information:

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

10.11 Unpaid losses \$.....2,445,960
 10.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....94,270

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: \$.....373,351

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 [X] 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 To8.0 %

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 [X] No []

10.6 If yes, state the amount thereof at December 31 of the current year:
 10.61 Letters of credit \$.....2,200,000
 10.62 Collateral and other funds \$.....330,000

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

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

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

12.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....4,400,000

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

12.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of this amount.1

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

13.2 If yes, give full information:

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

14.11 Name of real estate holding company _____
 14.12 Number of parcels involved0
 14.13 Total book/adjusted carrying value \$.....0

14.2 If yes, provide explanation

15.1 Does the reporting entity write any warranty business? Yes [X] 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.....	0	0	0	0	0
15.12 Products.....	0	0	0	0	0
15.13 Automobile.....	47,367	0	(600)	3,821	22,821
15.14 Other*.....	0	0	0	0	0

* Disclose type of coverage: _____

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
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).....	6,632,050	6,444,608	33,317,954	81,627,535	195,762,463
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	15,237,505	4,078,753	48,135,845	66,954,798	159,323,390
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	32,874,202	19,978,369	66,339,252	93,798,271	174,374,541
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	141,462,952	232,221,915	194,288,934	51,763,741	48,030,530
5. Non-proportional reinsurance lines (Lines 30, 31 & 32).....	5,431,027	9,804,325	2,243,970	6,645,853	(3,465,751)
6. Total (Line 34).....	201,637,737	272,527,968	344,325,953	300,790,198	574,025,173
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).....	4,372,610	5,259,522	10,676,447	58,310,304	173,042,261
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	7,720,621	72,255	24,954,214	44,650,278	130,727,169
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	23,277,760	12,045,302	39,196,076	65,276,462	143,362,423
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	141,437,879	232,107,861	194,173,393	51,703,407	45,953,514
11. Non-proportional reinsurance lines (Lines 30, 31 & 32).....	5,431,027	9,804,326	2,243,969	6,645,853	(3,056,415)
12. Total (Line 34).....	182,239,898	259,289,265	271,244,098	226,586,304	490,028,952
Statement of Income (Page 4)					
13. Net underwriting gain (Loss) (Line 8).....	(16,417,714)	(74,805,687)	(34,615,521)	(30,120,508)	(107,507,886)
14. Net investment gain (loss) (Line 11).....	20,353,283	32,773,292	19,996,833	66,029,185	93,803,041
15. Total other income (Line 15).....	11,565,990	(3,060,255)	1,114,728	26,618,189	3,014,580
16. Dividends to policyholders (Line 17).....	0	1,835	3,546	15,767	133,559
17. Federal and foreign income taxes incurred (Line 19).....	0	0	360	(20,387,752)	0
18. Net income (Line 20).....	15,501,559	(45,094,485)	(13,507,866)	82,898,851	(10,823,824)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding Protected Cell (Page 2, Line 26, Col. 3).....	481,671,636	532,333,060	963,238,450	1,083,007,784	1,536,654,782
20. Agents' balances or uncollected premiums (Page 2, Col. 3):					
20.1 In course of collection (Line 10.1).....	9,145,516	6,103,165	21,978,712	33,747,192	47,951,372
20.2 Deferred and not yet due (Line 10.2).....	3,088,594	5,462,693	16,287,286	18,741,279	115,997,043
20.3 Accrued retrospective premiums (Line 10.3).....	3,391,855	3,449,478	11,605,308	12,165,015	20,791,890
21. Total liabilities excluding Protected Cell (Page 3, Line 24).....	269,161,248	347,892,681	615,441,104	687,958,717	1,220,881,809
22. Losses (Page 3, Lines 1 & 2).....	198,974,115	271,468,572	507,205,823	606,169,835	752,741,483
23. Loss adjustment expenses (Page 3, Line 3).....	14,723,431	14,203,747	37,355,419	59,953,158	66,994,409
24. Unearned premiums (Page 3, Line 9).....	46,501,186	46,410,304	89,516,132	81,961,552	273,238,931
25. Capital paid up (Page 3, Lines 28 & 29).....	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
26. Surplus as regards policyholders (Page 3, Line 35).....	212,510,387	184,440,379	347,797,345	395,049,066	315,772,973
Risk-Based Capital Analysis					
27. Total adjusted capital.....	204,154,037	171,510,979	305,521,345	395,049,066	286,801,973
28. Authorized control level risk-based capital.....	36,644,501	42,870,613	52,199,479	66,345,343	82,651,486
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).....	43.7	51.0	68.5	69.6	72.2
30. Stocks (Lines 2.1 & 2.2).....	39.7	36.7	22.4	18.3	15.6
31. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.0	0.1
32. Real estate (Lines 4.1, 4.2 & 4.3).....	0.3	0.3	7.4	7.2	4.3
33. Cash and short-term investments (Line 5).....	16.2	11.8	1.8	3.9	7.7
34. Other invested assets (Line 6).....	0.0	0.0	0.0	0.0	0.0
35. Receivable for securities (Line 7).....	0.0	0.2	0.0	1.0	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	2,500,000	2,842,000
40. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 2).....	181,058,729	162,682,858	187,367,896	187,554,799	195,599,126
41. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11).....	0	0	0	0	0
42. Affiliated mortgage loans on real estate.....	0	0	0	0	0
43. All other affiliated.....	0	0	0	0	0
44. Total of above lines 38 to 43.....	181,058,729	162,682,858	187,367,896	190,054,799	198,441,126
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).....	85.2	88.2	53.9	48.1	62.8

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2002	2001	2000	1999	1998
Capital and Surplus Accounts (Page 4)					
46. Net unrealized capital gains (losses) (Line 23).....	3,885,124	(24,911,996)	(6,345,064)	1,764,235	1,992,490
47. Dividends to stockholders (Line 34).....	0	0	(42,600,000)	0	(18,000,000)
48. Change in surplus as regards policyholders for the year (Line 37).....	28,070,008	(163,356,967)	(47,251,721)	79,276,094	(4,182,186)
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).....	37,527,733	214,949,133	148,651,506	202,098,080	217,806,495
50. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	8,957,320	23,523,098	31,057,119	86,965,073	91,852,740
51. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	27,719,559	88,208,544	78,976,942	147,996,678	170,354,990
52. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	164,103,487	262,515,549	108,223,408	35,820,504	35,162,819
53. Nonproportional reinsurance lines (Lines 30, 31 & 32).....	6,181,656	(2,187,849)	1,582,263	12,164,864	5,817,258
54. Total (Line 34).....	244,489,755	587,008,475	368,491,238	485,045,199	520,994,302
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).....	29,463,380	200,104,524	114,198,719	181,455,614	184,482,032
56. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	5,862,327	14,973,557	17,402,010	73,239,291	79,415,246
57. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	19,593,812	68,203,447	57,456,977	126,084,853	145,242,521
58. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....	163,882,908	262,373,298	106,971,937	35,568,637	31,977,743
59. Nonproportional reinsurance lines (Lines 30, 31 & 32).....	6,181,656	(2,187,849)	1,582,263	12,164,864	5,387,178
60. Total (Line 34).....	224,984,083	543,466,977	297,611,906	428,513,259	446,504,720
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).....	83.7	105.0	75.3	69.0	78.7
63. Loss expenses incurred (Line 3).....	7.9	5.2	10.8	15.7	11.5
64. Other underwriting expenses incurred (Line 4).....	17.3	15.3	27.0	22.7	32.4
65. Net underwriting gain (loss) (Line 8).....	(9.0)	(25.5)	(13.1)	(7.4)	(22.6)
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).....	11.0	18.5	25.8	29.2	30.8
67. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	91.7	110.2	86.1	84.7	90.2
68. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 34, divided by Page 3, Line 35, Col. 1 x 100.0).....	85.8	140.6	78.0	57.4	155.2
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).....	6,171	51,766	(6,097)	14,092	45,092
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).....	3.3	14.9	(1.5)	4.5	14.1
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).....	49,970	44,669	4,235	22,881	57,952
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).....	14.4	11.3	1.3	7.2	18.1

Annual Statement for the year 2002 of the **THE BUCKEYE UNION INSURANCE COMPANY**
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.....	59,600,392	60,191,599	59,566,855	59,022,318
	2. Canada.....	0	0	0	0
	3. Other Countries.....	0	0	0	0
	4. Totals.....	59,600,392	60,191,599	59,566,855	59,022,318
States, Territories and Possessions (Direct and guaranteed)	5. United States.....	0	0	0	0
	6. Canada.....	0	0	0	0
	7. Other Countries.....	0	0	0	0
	8. Totals.....	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....	0	0	0	0
	10. Canada.....	0	0	0	0
	11. Other Countries.....	0	0	0	0
	12. Totals.....	0	0	0	0
Special Revenue and Special Assessment Obligations and all Non-guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	13. United States.....	43,863,400	45,427,556	44,410,521	45,494,383
	14. Canada.....	0	0	0	0
	15. Other Countries.....	0	0	0	0
	16. Totals.....	43,863,400	45,427,556	44,410,521	45,494,383
Public Utilities (unaffiliated)	17. United States.....	8,791,365	8,371,143	8,829,471	10,130,115
	18. Canada.....	0	0	0	0
	19. Other Countries.....	0	0	0	0
	20. Totals.....	8,791,365	8,371,143	8,829,471	10,130,115
Industrial and Miscellaneous and Credit Tenant Loans (Unaffiliated)	21. United States.....	81,236,914	84,479,687	83,572,155	83,074,053
	22. Canada.....	0	0	0	0
	23. Other Countries.....	5,877,174	5,941,806	12,375,104	12,401,954
	24. Totals.....	87,114,087	90,421,494	95,947,259	95,476,007
Parent, Subsidiaries and Affiliates	25. Totals.....	0	0	0	0
	26. Total Bonds.....	199,369,244	204,411,791	208,754,105	210,122,824
PREFERRED STOCKS					
Public Utilities (Unaffiliated)	27. United States.....	0	0	0	0
	28. Canada.....	0	0	0	0
	29. Other Countries.....	0	0	0	0
	30. Totals.....	0	0	0	0
Banks, Trust and Insurance Companies (Unaffiliated)	31. United States.....	0	0	0	0
	32. Canada.....	0	0	0	0
	33. Other Countries.....	0	0	0	0
	34. Totals.....	0	0	0	0
Industrial and Miscellaneous (Unaffiliated)	35. United States.....	0	0	0	0
	36. Canada.....	0	0	0	0
	37. Other Countries.....	0	0	0	0
	38. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates	39. Totals.....	0	0	0	0
	40. Total Preferred Stocks....	0	0	0	0
COMMON STOCKS					
Public Utilities (Unaffiliated)	41. United States.....	0	0	0	0
	42. Canada.....	0	0	0	0
	43. Other Countries.....	0	0	0	0
	44. Totals.....	0	0	0	0
Banks, Trust and Insurance Companies (Unaffiliated)	45. United States.....	0	0	0	0
	46. Canada.....	0	0	0	0
	47. Other Countries.....	0	0	0	0
	48. Totals.....	0	0	0	0
Industrial and Miscellaneous (Unaffiliated)	49. United States.....	0	0	0	0
	50. Canada.....	0	0	0	0
	51. Other Countries.....	0	0	0	0
	52. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates	53. Totals.....	181,058,729	181,058,729	175,919,314	
	54. Total Common Stocks.....	181,058,730	181,058,729	175,919,314	
	55. Total Stocks.....	181,058,730	181,058,729	175,919,314	
	56. Total Bonds and Stocks...	380,427,974	385,470,520	384,673,419	

(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.....	388,518,052	6. Foreign exchange adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3.....	861,349,497	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.....	(8,841,509)	6.3 Column 11, Part 2, Section 2.....	0
3.2 Column 12, Part 2, Section 1.....	0	6.4 Column 11, Part 4.....	0
3.3 Column 10, Part 2, Section 2.....	3,682,667		
3.4 Column 10, Part 4.....	(3,158,085)	7. Book/adjusted carrying value at end of current period.....	380,427,974
4. Total gain (loss), Column 14, Part 4.....	12,801,480	8. Total valuation allowance.....	0
5. Deduct consideration for bonds and stocks disposed of, Column 6, Part 4...	873,924,126	9. Subtotal (Lines 7 plus 8).....	380,427,974
		10. Total nonadmitted amounts.....	0
		11. Statement value of bonds and stocks, current period.....	380,427,974

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							10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	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					
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded				
1. Prior.....	XXX.....	XXX.....	XXX.....	34,373	21,610	8,442	6,936	1,543	0	2,146	15,812	XXX.....	
2. 1993.....	568,837	141,648	427,190	361,000	86,714	40,827	3,099	10,482	6	9,594	322,490	XXX.....	
3. 1994.....	581,142	141,596	439,546	360,541	91,346	46,444	5,437	12,383	5	16,593	322,579	XXX.....	
4. 1995.....	448,806	142,443	306,362	260,434	77,104	31,812	4,382	10,497	4	9,087	221,254	XXX.....	
5. 1996.....	388,918	83,091	305,827	241,432	57,144	15,569	1,580	22,735	29	9,394	220,981	XXX.....	
6. 1997.....	296,527	38,976	257,551	185,983	16,794	11,585	650	16,284	68	10,312	196,340	XXX.....	
7. 1998.....	279,765	30,216	249,549	197,286	21,061	9,443	515	14,517	140	9,606	199,531	XXX.....	
8. 1999.....	299,081	84,971	214,110	199,427	57,734	9,229	1,650	9,607	599	8,252	158,279	XXX.....	
9. 2000.....	346,447	208,343	138,104	247,817	137,518	7,165	6,051	8,239	4,829	2,298	114,823	XXX.....	
10. 2001.....	520,376	226,942	293,434	338,773	87,869	3,542	2,816	12,737	11,188	1,318	253,179	XXX.....	
11. 2002.....	284,845	102,759	182,086	160,114	29,560	953	562	11,016	9,273	650	132,689	XXX.....	
12. Totals.....	XXX.....	XXX.....	XXX.....	2,587,180	684,454	185,011	33,679	130,040	26,140	79,250	2,157,958	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.....	168,472	69,514	116,355	114,925	0	0	1,674	1,423	4,384	(12)	1,297	105,035	XXX.....
2. 1993.....	9,532	2,024	1,815	1,136	0	0	262	156	442	0	239	8,735	XXX.....
3. 1994.....	10,471	2,442	3,144	787	0	0	295	130	829	(0)	194	11,381	XXX.....
4. 1995.....	9,769	2,382	3,668	1,135	0	0	467	277	805	(0)	213	10,914	XXX.....
5. 1996.....	3,580	788	3,438	431	0	0	438	59	368	4	216	6,543	XXX.....
6. 1997.....	4,905	572	1,916	209	0	0	781	29	246	4	477	7,034	XXX.....
7. 1998.....	5,518	330	1,059	171	0	0	941	16	255	2	662	7,255	XXX.....
8. 1999.....	13,436	3,317	3,451	1,126	0	0	2,148	566	353	225	695	14,155	XXX.....
9. 2000.....	19,005	14,561	15,247	12,071	0	0	2,866	2,236	1,208	1,057	539	8,401	XXX.....
10. 2001.....	31,925	14,334	15,035	13,530	0	0	2,461	2,113	1,219	965	776	19,699	XXX.....
11. 2002.....	21,855	15,929	25,021	11,802	0	0	4,669	3,493	1,397	1,043	1,752	20,674	XXX.....
12. Totals.....	298,470	126,194	190,149	157,322	0	0	17,002	10,496	11,505	3,289	7,057	219,825	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.....	4,924	0	XXX.....	95,464	4,647
2. 1993.....	424,360	93,136	331,225	74.6	65.8	77.5	443	0	11.00	7,744	548
3. 1994.....	434,107	100,146	333,961	74.7	70.7	76.0	419	0	11.00	9,968	995
4. 1995.....	317,453	85,285	232,168	70.7	59.9	75.8	320	0	11.00	9,600	995
5. 1996.....	287,560	60,036	227,524	73.9	72.3	74.4	22	0	11.00	5,777	743
6. 1997.....	221,700	18,326	203,374	74.8	47.0	79.0	0	0	11.00	6,040	994
7. 1998.....	229,020	22,234	206,786	81.9	73.6	82.9	0	0	11.00	6,076	1,178
8. 1999.....	237,652	65,217	172,434	79.5	76.8	80.5	0	0	11.00	12,445	1,711
9. 2000.....	301,546	178,322	123,224	87.0	85.6	89.2	0	0	11.00	7,619	781
10. 2001.....	405,693	132,815	272,877	78.0	58.5	93.0	0	0	11.00	19,096	602
11. 2002.....	225,024	71,661	153,363	79.0	69.7	84.2	0	0	11.00	19,145	1,529
12. Totals.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	6,128	0	XXX.....	198,974	14,722

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.....	440,041	505,156	539,456	517,703	523,254	558,429	545,576	556,177	603,072	593,716	(9,355)	37,539
2. 1993.....	320,102	328,828	319,082	322,847	320,139	320,806	320,404	320,168	321,264	321,272	8	1,104
3. 1994.....	XXX	333,707	312,765	336,283	325,409	322,758	324,708	322,169	322,759	321,590	(1,169)	(579)
4. 1995.....	XXX	XXX	221,449	225,411	231,482	221,711	229,805	227,040	222,994	221,459	(1,535)	(5,581)
5. 1996.....	XXX	XXX	XXX	212,451	229,089	222,427	211,998	206,387	207,469	204,496	(2,973)	(1,891)
6. 1997.....	XXX	XXX	XXX	XXX	172,402	184,760	186,765	184,984	187,418	186,916	(501)	1,932
7. 1998.....	XXX	XXX	XXX	XXX	XXX	174,940	193,956	191,061	189,724	192,156	2,432	1,095
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	152,070	154,020	155,252	163,298	8,046	9,278
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	112,590	116,411	119,663	3,252	7,073
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	263,107	271,074	7,967	XXX
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	151,267	XXX	XXX
12. Totals.....											6,171	49,970

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	120,845	240,421	300,946	341,652	382,134	417,226	442,651	468,867	483,137	XXX	XXX
2. 1993.....	107,541	195,871	243,812	269,429	283,157	294,946	300,960	306,073	309,542	312,014	XXX	XXX
3. 1994.....	XXX	112,240	198,418	239,558	265,806	284,005	297,251	303,323	307,439	310,201	XXX	XXX
4. 1995.....	XXX	XXX	80,647	130,517	161,216	182,976	193,480	204,126	208,258	210,761	XXX	XXX
5. 1996.....	XXX	XXX	XXX	93,991	146,314	168,645	182,143	190,168	195,460	198,276	XXX	XXX
6. 1997.....	XXX	XXX	XXX	XXX	93,173	135,847	157,649	168,869	177,082	180,124	XXX	XXX
7. 1998.....	XXX	XXX	XXX	XXX	XXX	102,149	152,834	168,116	178,028	185,154	XXX	XXX
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	96,229	128,125	142,154	149,271	XXX	XXX
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	59,409	103,990	111,413	XXX	XXX
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	198,091	251,629	XXX	XXX
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	130,946	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.....	113,001	120,308	97,886	58,740	20,055	34,053	10,154	(9,619)	23,093	1,680
2. 1993.....	120,275	59,245	28,549	16,433	12,172	8,659	6,410	3,409	2,265	786
3. 1994.....	XXX	133,200	52,224	45,546	22,385	14,117	9,913	6,782	4,772	2,523
4. 1995.....	XXX	XXX	90,940	50,567	36,232	19,766	17,333	10,810	5,542	2,722
5. 1996.....	XXX	XXX	XXX	68,159	51,040	31,301	12,698	7,780	7,157	3,386
6. 1997.....	XXX	XXX	XXX	XXX	42,240	26,280	16,386	5,128	4,341	2,459
7. 1998.....	XXX	XXX	XXX	XXX	XXX	38,847	18,615	8,033	2,646	1,814
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	24,943	5,966	1,726	3,908
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	44,473	6,735	3,806
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	43,678	1,854
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14,395

THE BUCKEYE UNION INSURANCE COMPANY
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

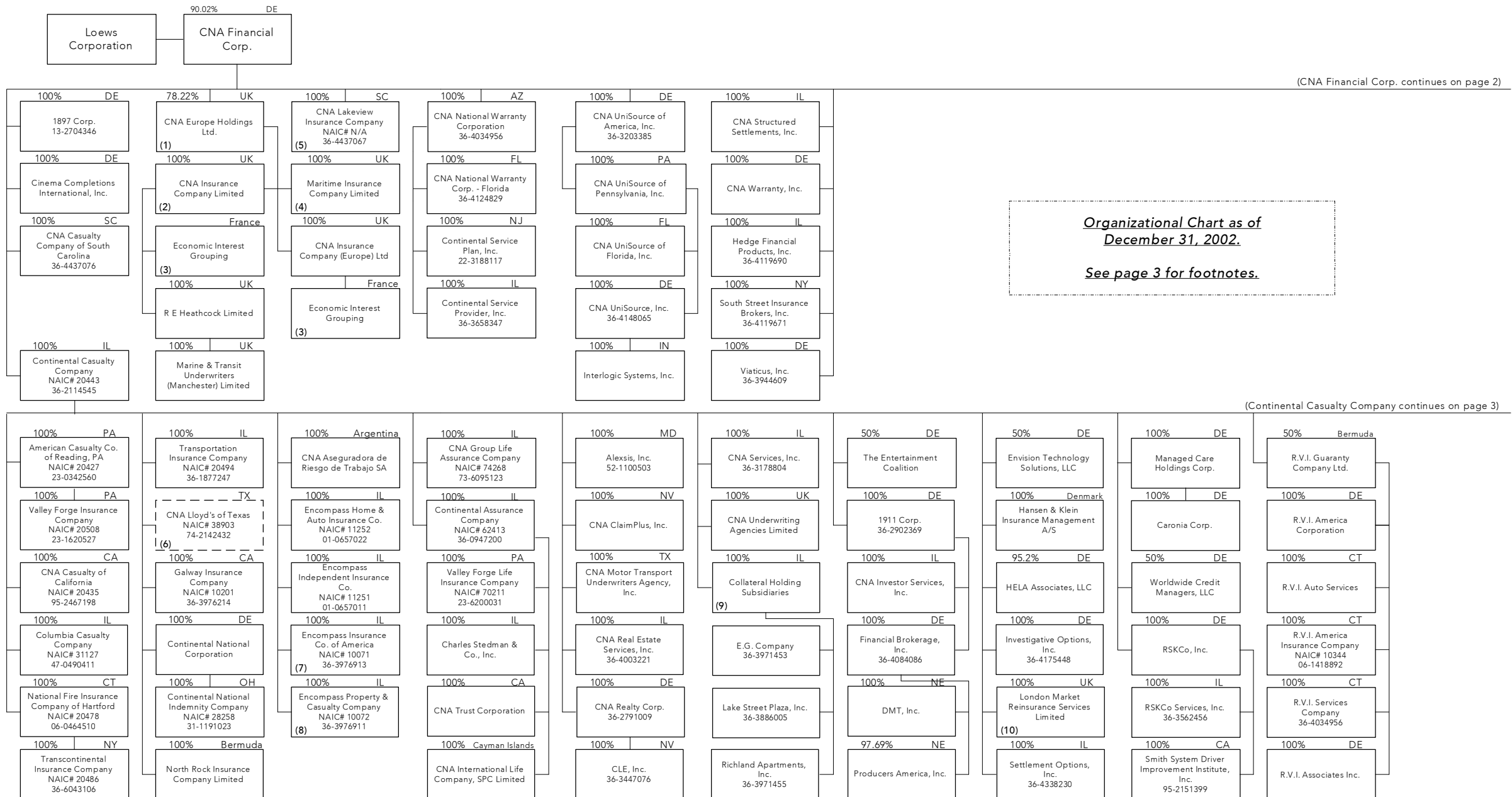
States, Etc.	1 Is Insurer Licensed? (Yes or No)	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses 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	No.....	0	0	0	0	0	0	0	0
2. Alaska.....AK	Yes.....	0	90	0	0	0	0	0	0
3. Arizona.....AZ	No.....	0	0	0	0	0	0	0	0
4. Arkansas.....AR	No.....	0	0	0	0	0	0	0	0
5. California.....CA	No.....	0	112	0	0	(2,256,800)	0	0	0
6. Colorado.....CO	No.....	0	0	0	0	0	0	0	0
7. Connecticut.....CT	No.....	0	0	0	0	0	0	0	0
8. Delaware.....DE	No.....	0	0	0	0	0	0	0	0
9. District of Columbia.....DC	Yes.....	(428)	156	0	55,746	37,963	11,118	0	0
10. Florida.....FL	Yes.....	15,733	19,020	0	607,076	(967,028)	870,265	0	0
11. Georgia.....GA	No.....	0	0	0	0	0	0	0	0
12. Hawaii.....HI	No.....	0	0	0	0	0	0	0	0
13. Idaho.....ID	No.....	0	0	0	0	0	0	0	0
14. Illinois.....IL	Yes.....	1,372,638	941,039	0	0	(9,616)	0	0	0
15. Indiana.....IN	Yes.....	412	473	0	100,000	(103,074)	100	0	0
16. Iowa.....IA	Yes.....	0	50	0	0	0	0	0	0
17. Kansas.....KS	Yes.....	0	0	0	0	0	0	0	0
18. Kentucky.....KY	Yes.....	517,323	487,330	0	485,256	488,105	173,750	0	0
19. Louisiana.....LA	No.....	0	0	0	0	0	0	0	0
20. Maine.....ME	No.....	0	0	0	0	0	0	0	0
21. Maryland.....MD	Yes.....	6,836	7,100	0	362,057	399,371	254,808	0	0
22. Massachusetts.....MA	No.....	0	0	0	0	0	0	0	0
23. Michigan.....MI	Yes.....	1,504,582	1,179,064	0	1,463,589	783,206	540,892	0	0
24. Minnesota.....MN	No.....	0	0	0	0	0	0	0	0
25. Mississippi.....MS	No.....	0	0	0	0	0	0	0	0
26. Missouri.....MO	Yes.....	0	0	0	0	(33,715)	5	0	0
27. Montana.....MT	No.....	0	0	0	0	0	0	0	0
28. Nebraska.....NE	No.....	0	0	0	0	0	0	0	0
29. Nevada.....NV	No.....	0	0	0	0	0	0	0	0
30. New Hampshire.....NH	No.....	0	0	0	0	0	0	0	0
31. New Jersey.....NJ	No.....	0	0	0	0	0	0	0	0
32. New Mexico.....NM	No.....	0	0	0	0	0	0	0	0
33. New York.....NY	Yes.....	1,795,347	2,119,072	0	1,289,208	1,404,890	1,753,340	11,152	0
34. North Carolina.....NC	No.....	0	0	0	0	0	0	0	0
35. North Dakota.....ND	No.....	0	0	0	0	0	0	0	0
36. Ohio.....OH	Yes.....	3,994,600	4,466,418	0	11,024,741	(11,681,458)	25,088,330	0	0
37. Oklahoma.....OK	No.....	0	0	0	0	0	0	0	0
38. Oregon.....OR	No.....	0	0	0	0	0	0	0	0
39. Pennsylvania.....PA	Yes.....	3,763,619	1,271,947	0	283,293	(116,352)	43,103	18,585	0
40. Rhode Island.....RI	Yes.....	0	0	0	14,170	(15,707)	0	0	0
41. South Carolina.....SC	No.....	904	2,507	0	7,062	(5,084)	0	0	0
42. South Dakota.....SD	Yes.....	519	242	0	0	0	0	0	0
43. Tennessee.....TN	No.....	0	0	0	0	0	0	0	0
44. Texas.....TX	No.....	0	0	0	0	0	0	0	0
45. Utah.....UT	No.....	0	0	0	0	0	0	0	0
46. Vermont.....VT	No.....	0	0	0	0	0	0	0	0
47. Virginia.....VA	Yes.....	5,605,778	5,337,405	0	2,434,751	2,580,865	983,340	585	0
48. Washington.....WA	No.....	0	0	0	0	0	0	0	0
49. West Virginia.....WV	Yes.....	811,033	575,188	0	1,375,772	1,825,849	1,138,627	0	0
50. Wisconsin.....WI	No.....	0	0	0	0	0	0	0	0
51. Wyoming.....WY	No.....	0	0	0	0	0	0	0	0
52. American Samoa.....AS	No.....	0	0	0	0	0	0	0	0
53. Guam.....GU	No.....	0	0	0	0	0	0	0	0
54. Puerto Rico.....PR	No.....	0	0	0	0	0	0	0	0
55. US Virgin Islands.....VI	No.....	0	0	0	0	0	0	0	0
56. Canada.....CN	No.....	0	0	0	0	0	0	0	0
57. Aggregate Other Alien.....OT	XXX.....	0	0	0	0	0	0	0	0
58. Totals.....	(a).....18	19,388,896	16,407,213	0	19,502,721	(7,668,585)	30,857,678	30,322	0
DETAILS OF WRITE-INS									
5701.....	XXX.....	0	0	0	0	0	0	0	0
5702.....	XXX.....	0	0	0	0	0	0	0	0
5703.....	XXX.....	0	0	0	0	0	0	0	0
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX.....	0	0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above)	XXX.....	0	0	0	0	0	0	0	0

Explanation of Basis of Allocation of Premiums by States, etc.

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

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

PART 1 – ORGANIZATIONAL CHART



(CNA Financial Corp. continues on page 2)

*Organizational Chart as of
December 31, 2002.*

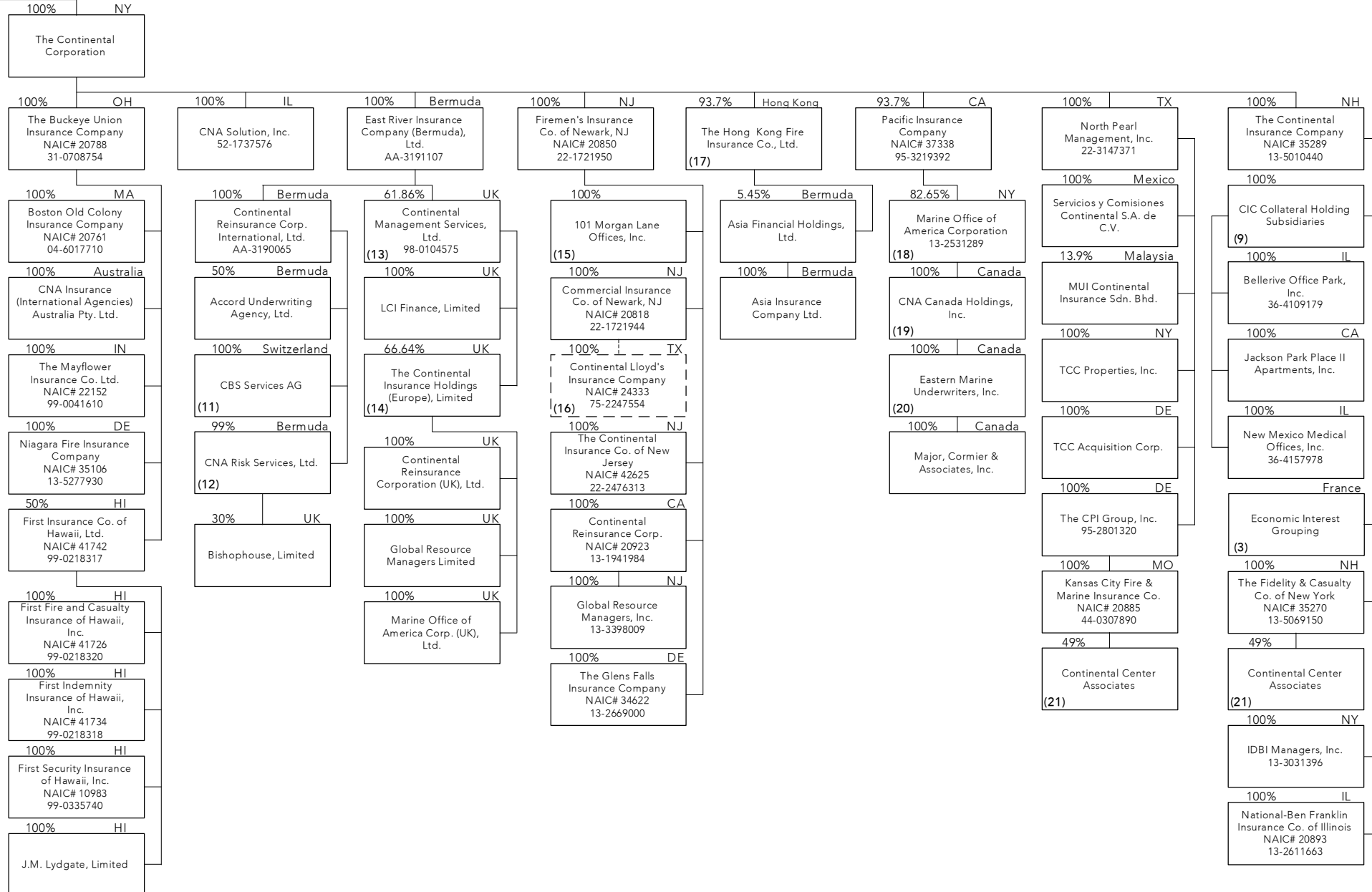
See page 3 for footnotes.

(Continental Casualty Company continues on page 3)

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

PART 1 – ORGANIZATIONAL CHART

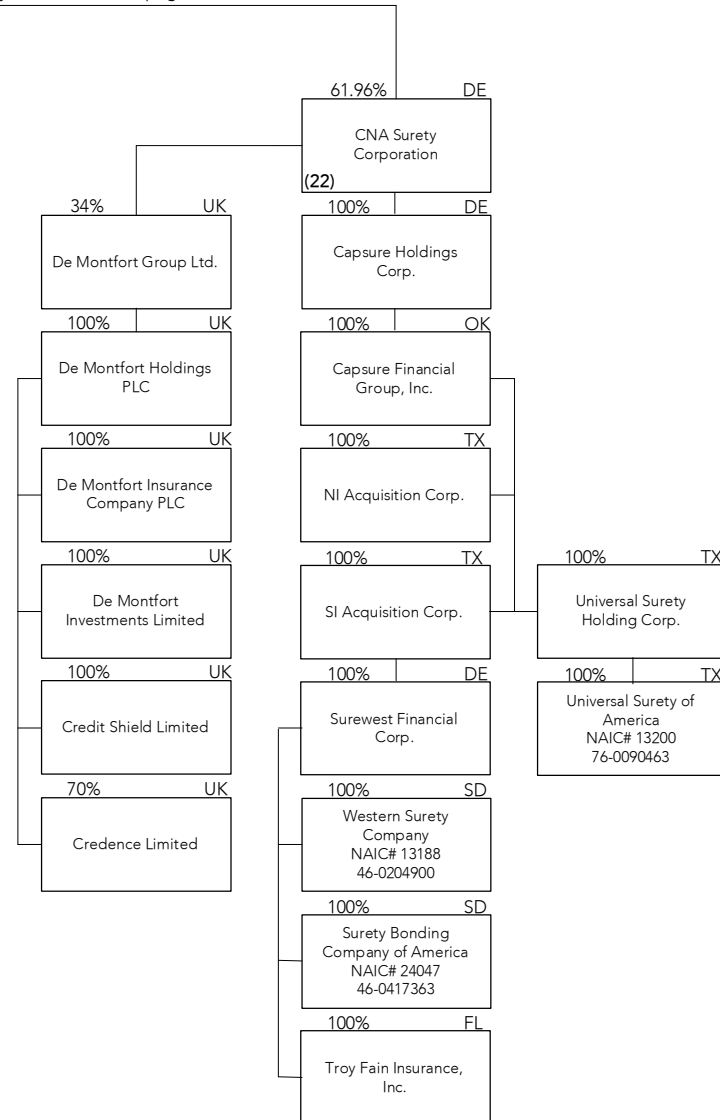
(CNA Financial Corp. continued from page 1)



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

PART 1 – ORGANIZATIONAL CHART

(Continental Casualty Company continued from page 1)



Footnotes

- (1) CNA Europe Holdings Limited share ownership percentages:
 The Buckeye Union Insurance Company - 4.13%
 CNA Financial Corporation - 78.22%
 The Continental Insurance Company ("CIC") - 9.83%
 Firemen's Insurance Company of Newark, New Jersey - 6.40%
 The Glens Falls Insurance Company - 1.41%
CNA Europe Holdings Limited and its subsidiaries are shown only once on this chart, under the CNA Financial Corporation occurrence.
- (2) Formerly Maritime Insurance Company Limited, until 02.01.2002.
- (3) A partnership between the following affiliated companies to provide business related services to its members. Functions essentially as an association for purchasing business related services : CIC, CNA Insurance Company (Europe) Ltd. and CNA Insurance Company Limited.
- (4) Formerly CNA Insurance Company Limited, until 02.01.2002.
- (5) CNA Lakeview Insurance Company is a South Carolina captive, and therefore, has no NAIC No.
- (6) CNA Lloyd's of Texas is owned equally by the underwriters of the company who are officers of Continental Casualty Company.
- (7) Formerly CNA Reinsurance Company, until 01.17.2002.
- (8) Formerly CNA Casualty of Illinois, until 01.17.2002.
- (9) Collateral Holding Subsidiaries and CIC Collateral Holding Subsidiaries are not true companies, but place holders for the subsidiaries listed below them.
- (10) Sold by CNA Re Management Company Limited to Continental Casualty Company ("CCC") on 04.18.2002.
- (11) Owned by Continental Reinsurance Corporation International, Ltd. ("CRCI") as of 09.17.2002 - CNA (Bermuda) Services dissolved.
- (12) CRCI owns 99% of CNA Risk Services, Ltd. The other 1% is owned by The Continental Corporation ("TCC"). *CNA Risk Services, Ltd. is shown only once on this chart under the CRCI occurrence.*
- (13) Continental Management Services, Ltd. ("CMS") ownership percentages:
 East River Insurance Company (Bermuda), Ltd. ("ERIC") - 61.86%
 The Fidelity & Casualty Company of New York - 24.08%
 CIC - 8.27%
 National-Ben Franklin Insurance Company of Illinois - 5.79%
CMS and its subsidiaries are shown only once on this chart under the ERIC occurrence.
- (14) CMS owns 66.64% of The Continental Insurance Holdings (Europe), Limited. The other 33.36% is owned by The Hong Kong Fire Insurance Company, Ltd. ("Hong Kong Fire"). *The Continental Insurance Holdings (Europe), Limited and its subsidiaries are shown only once on this chart under the CMS occurrence.*
- (15) Name changed from Lake Forest Apartments, Inc. on 11.08.2002, and sold from CCC to Firemen's Insurance Company of Newark, New Jersey ("Firemen's") on 10.2002.
- (16) Continental Lloyd's Insurance Company is owned equally by the underwriters of the company who are officers of CIC.
- (17) TCC owns 93.7% of Hong Kong Fire. The other 6.3% is owned by CIC. *Hong Kong Fire is shown only once on this chart under the TCC occurrence.*
- (18) Pacific Insurance Company owns 82.65% of Marine Office of America Corporation ("MOAC"). The other 17.35% is owned by CIC. *MOAC is shown only once on this chart under the Pacific Insurance Company occurrence.*
- (19) Name changed from Marine Office of America Corporation (Canada) on 11.25.2002.
- (20) Purchased from CNA Insurance Company Limited on 12.02.2002.
- (21) Continental Center Associates partnership percentages:
 The Fidelity & Casualty Company of New York - 49% Limited Partner
 Kansas City Fire & Marine Insurance Company - 49% Limited Partner
 TCC Properties - 1% General Partner
 TCC Acquisition Corp. - 1% General Partner
Continental Center Associates is shown twice on this chart under the Fidelity & Casualty and Kansas City Fire & Marine occurrences.
- (22) CNA Surety Corporation ownership percentages:
 CCC - 61.96%
 CIC - 0.63%
 Firemen's - 1.26%
CNA Surety Corporation and its subsidiaries are shown only once on this chart under the CCC occurrence.