

ANNUAL STATEMENT

Including Index and Supplements

OF THE

The Midwestern Indemnity Company

of **Loveland**

in the state of **Ohio**

TO THE

Insurance Department

OF THE

STATE OF

**FOR THE YEAR ENDED
December 31, 2002**

PROPERTY AND CASUALTY

2002



23515200220100100

ANNUAL STATEMENT

For the Year Ended December 31, 2002
OF THE CONDITION AND AFFAIRS OF THE

The Midwestern Indemnity Company

NAIC Group Code 0111 (Current Period) 0111 (Prior Period) NAIC Company Code 23515 Employer's ID Number 31-0978280

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

Country of Domicile United States

Incorporated: February 29, 1980 Commenced Business: February 29, 1980

Statutory Home Office: 6281 Tri-Ridge Boulevard Loveland, OH 45140

Main Administrative Office: 6281 Tri-Ridge Boulevard Loveland, OH 45140 513-576-3200

Mail Address: 62 Maple Avenue Keene, NH 03431

Primary Location of Books and Records: 6281 Tri-Ridge Boulevard Loveland, OH 45140 513-576-3200

Internet Website Address: N/A

Statement Contact: Natalie A. Ford 603-358-4143
natalie.ford@libertyram.com 603-357-4889
(E-Mail Address) (Fax Number)

Policyowner Relations Contact: 62 Maple Avenue Keene, NH 03431 603-352-3221

OFFICERS

Chairman of the Board
Roger Lucien Jean

President Richard Thomas Bell, (President-CEO)
Secretary #Douglas Tucker Jenkins, (VP-Secretary)
Treasurer Stephen Douglas Powell, (Treasurer-AVP)
Actuary Bertrand Jean LaChance

Vice-Presidents

#Philip John Guymont (SVP-CFO) Mark Edward Fiebrink (EVP) Anthony Alexander Fontanes (EVP-CIO) Forrest Howard Johnston (SVP)
Amy Johnston Leddy (SVP) William George Mersch (SVP) Charles Bruce Ruzicka (SVP) #Thomas Grover Moylan (SVP)
Gary Jay Ostrow

DIRECTORS OR TRUSTEES

Richard Thomas Bell James Paul Condrin, III Roger Lucien Jean Dennis James Langwell
Christopher Charles Mansfield Amy Johnston Leddy Charles Bruce Ruzicka Forrest Howard Johnson
Mark Edward Fiebrink William George Mersch Honore Jean Fallon

State of New Hampshire
County of Cheshire ss

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) (Signature) (Signature)
Richard Thomas Bell Douglas Tucker Jenkins Stephen Douglas Powell
(Printed Name) (Printed Name) (Printed Name)
President (CEO) Secretary (VP) Treasurer (AVP)

Subscribed and sworn to before me this
24th day of February, 2003

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds	15,245,723		15,245,723	13,831,253
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1)				
2.2 Common stocks (Schedule D, Part 2, Section 2)	7,350,307		7,350,307	6,769,140
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 664,697 Schedule E, Part 1) and short-term investments (\$ 511,040 Schedule DA, Part 2)	1,175,737		1,175,737	874,615
6. Other invested assets (Schedule BA)				
7. Receivable for securities	24,106		24,106	
8. Aggregate write-ins for invested assets				
9. Subtotals, cash and invested assets (Lines 1 to 8)	23,795,873		23,795,873	21,475,008
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection				
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
10.3 Accrued retrospective premiums				
11. Funds held by or deposited with reinsured companies				
12. Bills receivable, taken for premiums				
13. Amounts receivable under high deductible policies				
14. Reinsurance recoverables on loss and loss adjustment expense payments (Schedule F, Part 3, Cols. 7 and 8)	3,690,664		3,690,664	4,576,034
15. Federal and foreign income tax recoverable and interest thereon (including \$ 23,072 net deferred tax asset)	56,921	33,849	23,072	
16. Guaranty funds receivable or on deposit	258		258	
17. Electronic data processing equipment and software				306,729
18. Interest, dividends and real estate income due and accrued	282,362		282,362	290,801
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates	492,305		492,305	
21. Amount due from/to protected cells				
22. Equities and deposits in pools and associations	2,423		2,423	1,213
23. Amounts receivable relating to uninsured accident and health plans				
24. Other assets nonadmitted (Exhibit 1)	2,106,212	2,106,212		
25. Aggregate write-ins for other than invested assets	42,120		42,120	5,403
26. Total assets excluding protected cell assets (Lines 9 through 25)	30,469,138	2,140,061	28,329,077	26,655,188
27. Protected cell assets				
28. TOTALS (Lines 26 and 27)	30,469,138	2,140,061	28,329,077	26,655,188

DETAILS OF WRITE-INS				
0801.				
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page				
0899. Totals (Lines 0801 through 0803 + 0898) (Line 8 above)				
2501. Other assets	42,120		42,120	5,403
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 + 2598) (Line 25 above)	42,120		42,120	5,403

LIABILITIES, SURPLUS AND OTHER FUNDS	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8)		
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6)	9,696	
3. Loss adjustment expenses (Part 2A, Line 34, Column 9)		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7. Federal and foreign income taxes (including \$ 0 on realized capital gains (losses) (including \$ 0 net deferred tax liability)	72,374	128,091
8. Borrowed money \$ 0 and interest thereon \$ 0		
9. Unearned premiums (Part 1A, Line 37, Column 5)(after deducting unearned premiums for ceded reinsurance of \$ 26,824,750 and including warranty reserves of \$ 0)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,086,830	35,325
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (Schedule F, Part 7)	50	516,203
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		2,309,608
20. Payable for securities		
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ 0 and interest thereon \$ 0		
23. Aggregate write-ins for liabilities	745,460	182,219
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	2,914,410	3,171,446
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	2,914,410	3,171,446
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	3,500,000	3,500,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	16,429,136	16,429,136
33. Unassigned funds (surplus)	5,485,531	3,554,606
34. Less treasury stock, at cost:		
34.1 0 shares common (value included in Line 28 \$ 0)		
34.2 0 shares preferred (value included in Line 29 \$ 0)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 38)	25,414,667	23,483,742
36. TOTALS (Page 2, Line 28, Col. 3)	28,329,077	26,655,188
DETAILS OF WRITE-INS		
2301. Other liabilities	745,460	182,219
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	745,460	182,219
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		

UNDERWRITING AND INVESTMENT EXHIBIT STATEMENT OF INCOME UNDERWRITING INCOME	1 Current Year	2 Prior Year
1. Premiums earned (Part 1, Line 34, Column 4)		
DEDUCTIONS		
2. Losses incurred (Part 2, Line 34, Column 7)		
3. Loss expenses incurred (Part 3, Line 25, Column 1)		
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)		
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)		
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)		
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	708,788	754,626
10. Net realized capital gains (losses) (Exhibit of Capital Gains (Losses))	46,854	155,660
11. Net investment gain (loss) (Lines 9 + 10)	755,642	910,286
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income	(117,774)	(330,322)
15. Total other income (Lines 12 through 14)	(117,774)	(330,322)
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)	637,868	579,964
17. Dividends to policyholders		
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	637,868	579,964
19. Federal and foreign income taxes incurred	217,350	195,624
20. Net income (Line 18 minus Line 19) (to Line 22)	420,518	384,340
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 38, Column 2)	23,483,742	22,821,381
GAINS AND (LOSSES) IN SURPLUS		
22. Net income (from Line 20)	420,518	384,340
23. Net unrealized capital gains or (losses)	590,079	(249,031)
24. Change in net unrealized foreign exchange capital gain (loss)		
25. Change in net deferred income tax	(3,147,513)	(378,866)
26. Change in nonadmitted assets (Exhibit 1, Line 5, Col. 3)	4,058,133	7,457,063
27. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	516,153	(95,292)
28. Change in surplus notes		
29. Surplus (contributed to) withdrawn from protected cells		
30. Cumulative effect of changes in accounting principles		(6,446,146)
31. Capital changes:		
31.1 Paid in		
31.2 Transferred from surplus (Stock Dividend)		
31.3 Transferred to surplus		
32. Surplus adjustments:		
32.1 Paid in		
32.2 Transferred to capital (Stock Dividend)		
32.3 Transferred from capital		
33. Net remittances from or (to) Home Office		
34. Dividends to stockholders		
35. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)		
36. Aggregate write-ins for gains and losses in surplus	(506,445)	(9,707)
37. Change in surplus as regards policyholders for the year (Lines 22 through 36)	1,930,925	662,361
38. Surplus as regards policyholders, December 31 current year (Lines 21 plus Line 37) (Page 3, Line 35)	25,414,667	23,483,742

DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 through 0503 plus Line 0598) (Line 5 above)		
1401. Other expense	(117,774)	(330,322)
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus Line 1498) (Line 14 above)	(117,774)	(330,322)
3601. Other adjustment to surplus	(506,445)	(9,707)
3602.		
3603.		
3698. Summary of remaining write-ins for Line 36 from overflow page		
3699. Totals (Lines 3601 through 3603 plus Line 3698) (Line 36 above)	(506,445)	(9,707)

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	2,051,505	35,325
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	(895,066)	2,694,561
3. Underwriting expenses paid		
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	2,946,571	(2,659,236)
6. Net Investment income	730,928	630,985
7. Other income (expenses):		
7.1 Agents' balances charged off		
7.2 Net funds held under reinsurance treaties		
7.3 Net amount withheld or retained for account of others		
7.4 Aggregate write-ins for miscellaneous items	(118,984)	(330,322)
7.5 Total other income (Lines 7.1 to 7.4)	(118,984)	(330,322)
8. Dividends to policyholders on direct business, less \$ 0 dividends on reinsurance assumed or ceded (net)		
9. Federal and foreign income taxes (paid) recovered	(273,067)	(148,753)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	3,285,448	(2,507,326)
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	3,687,299	1,268,209
11.2 Stocks	55,766	186,354
11.3 Mortgage loans		
11.4 Real estate		
11.5 Other invested assets		
11.6 Net gains or (losses) on cash and short-term investments		
11.7 Miscellaneous proceeds	(24,106)	
11.8 Total investment proceeds (Lines 11.1 to 11.7)	3,718,959	1,454,563
12. Cost of investments acquired (long-term only):		
12.1 Bonds	5,115,469	9,121,939
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications		
12.7 Total investment acquired (Lines 12.1 to 12.6)	5,115,469	9,121,939
13. Net cash from investments (Line 11.8 minus Line 12.7)	(1,396,510)	(7,667,376)
Cash from Financing and Miscellaneous Sources		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in		
14.2 Capital notes \$ 0 less amounts repaid \$ 0		
14.3 Net transfers from affiliates		2,655,862
14.4 Borrowed funds received		
14.5 Other cash provided	1,214,097	631,800
14.6 Total (Lines 14.1 to 14.5)	1,214,097	3,287,662
15. Cash applied:		
15.1 Dividends to stockholders paid		
15.2 Net transfers to affiliates	2,801,913	
15.3 Borrowed funds repaid		
15.4 Other applications		
15.5 Total (Lines 15.1 to 15.4)	2,801,913	
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	(1,587,816)	3,287,662
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	301,122	(6,887,040)
18. Cash and short-term investments:		
18.1 Beginning of year	874,615	7,761,655
18.2 End of year (Line 17 plus Line 18.1)	1,175,737	874,615
DETAILS OF WRITE-INS		
7.401 Miscellaneous expense	(118,984)	(330,322)
7.402		
7.403		
7.498 Summary of remaining write-ins for Line 7.4 from overflow page		
7.499 Totals (Lines 7.401 through 7.403 + 7.498) (Line 7.4 above)	(118,984)	(330,322)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

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

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non- Affiliates	4 To Affiliates	5 To Non- Affiliates	
1. Fire	1,676,613			1,676,613		
2. Allied lines	2,963,138			2,945,030	18,108	
3. Farmowners multiple peril						
4. Homeowners multiple peril	3,060,585			3,060,476	109	
5. Commercial multiple peril	24,158,888			21,844,590	2,314,298	
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine	1,229,838			1,226,178	3,660	
10. Financial guaranty						
11.1 Medical malpractice - occurrence						
11.2 Medical malpractice - claims-made						
12. Earthquake	449,512			449,512		
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation	402,914			392,052	10,862	
17.1 Other liability - occurrence	4,821,908			4,750,800	71,108	
17.2 Other liability - claims-made						
18.1 Products liability - occurrence	81,121			81,121		
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability	5,406,590			5,406,590		
19.3, 19.4 Commercial auto liability	5,757,365		38,236	5,724,557	71,044	
21. Auto physical damage	6,201,420		(108)	6,201,312		
22. Aircraft (all perils)						
23. Fidelity						
24. Surety						
26. Burglary and theft	13,122			13,122		
27. Boiler and machinery	2,680				2,680	
28. Credit						
29. International						
30. Reinsurance-Nonproportional Assumed Property	X X X					
31. Reinsurance-Nonproportional Assumed Liability	X X X					
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X					
33. Aggregate write-ins for other lines of business						
34. TOTALS	56,225,694		38,128	53,771,953	2,491,869	

DETAILS OF WRITE-INS						
3301.						
3302.						
3303.						
3398. Summary of remaining write-ins for Line 33 from overflow page						
3399. Totals (Lines 3301 through 3303 plus 3398) (Line 33 above)						

(a) Does the company's direct premiums written include premiums recorded on an installment basis? YES [] NO [X]
 If yes: 1. The amount of such installment premiums \$ 0
 2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$ 0

**UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - LOSSES PAID AND INCURRED**

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire	1,147,247		1,147,247					
2. Allied Lines	1,958,297		1,958,297					
3. Farmowners multiple peril								
4. Homeowners multiple peril	4,498,382		4,498,382					
5. Commercial multiple peril	18,115,343		18,115,343					
6. Mortgage guaranty								
8. Ocean marine								
9. Inland marine	1,408,162		1,408,162					
10. Financial guaranty								
11.1 Medical malpractice - occurrence								
11.2 Medical malpractice - claims - made								
12. Earthquake								
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation	1,029,890		1,029,890					
17.1 Other liability - occurrence	600,839		600,839					
17.2 Other liability - claims - made								
18.1 Products liability - occurrence								
18.2 Products liability - claims - made								
19.1, 19.2 Private passenger auto liability	10,771,397		10,771,397					
19.3, 19.4 Commercial auto liability	5,418,965	1,111	5,420,076					
21. Auto physical damage	5,222,005	8,468	5,230,473					
22. Aircraft (all perils)								
23. Fidelity								
24. Surety								
26. Burglary and theft								
27. Boiler and machinery								
28. Credit								
29. International								
30. Reinsurance-Nonproportional Assumed Property	X X X							
31. Reinsurance-Nonproportional Assumed Liability	X X X							
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X							
33. Aggregate write-ins for other lines of business								
34. TOTALS	50,170,527	9,579	50,180,106					

6

DETAILS OF WRITE-INS							
3301.							
3302.							
3303.							
3398. Summary of remaining write-ins for Line 33 from overflow page							
3399. Totals (Lines 3301 through 3303 + 3398) (Line 33 above)							

**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 Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	546,499		546,499		13,265		13,265		
2. Allied lines	234,740		234,740		9,063		9,063		
3. Farmowners multiple peril									
4. Homeowners multiple peril	1,617,956		1,617,956		52,638		52,638		
5. Commercial multiple peril	13,294,377		13,294,377		2,368,127		2,368,127		
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine	20,299		20,299		7,856		7,856		
10. Financial guaranty									
11.1 Medical malpractice - occurrence									
11.2 Medical malpractice - claims - made									
12. Earthquake					2,095		2,095		
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)									
15. Other accident and health								(a)	
16. Workers' compensation	1,832,399		1,832,399		97,697		97,697		
17.1 Other liability - occurrence	1,545,674		1,545,674		2,242,189		2,242,189		
17.2 Other liability - claims - made									
18.1 Products liability - occurrence					22,796		22,796		
18.2 Products liability - claims - made									
19.1, 19.2 Private passenger auto liability	8,432,760		8,432,760		(52,061)		(52,061)		
19.3, 19.4 Commercial auto liability	5,426,024	2,040	5,428,064		6,751,743	4,782	6,756,525		
21. Auto physical damage	304,643	1,607	306,250		(91,836)	1,094	(90,742)		
22. Aircraft (all perils)									
23. Fidelity									
24. Surety									
26. Burglary and theft					108		108		
27. Boiler and machinery					1,325		1,325		
28. Credit									
29. International									
30. Reinsurance-Nonproportional Assumed Property	X X X				X X X				
31. Reinsurance-Nonproportional Assumed Liability	X X X				X X X				
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X				X X X				
33. Aggregate write-ins for other lines of business									
34. TOTALS	33,255,371	3,647	33,259,018		11,425,005	5,876	11,430,881		
DETAILS OF WRITE-INS									
3301.									
3302.									
3303.									
3398. Summary of remaining write-ins for Line 33 from overflow page									
3399. Totals (Lines 3301 through 3303 + 3398) (Line 33 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	988,830			988,830
1.2 Reinsurance assumed				
1.3 Reinsurance ceded	988,830			988,830
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)				
2. Commission and brokerage:				
2.1 Direct excluding contingent		8,396,144		8,396,144
2.2 Reinsurance assumed excluding contingent		13,527		13,527
2.3 Reinsurance ceded excluding contingent		8,409,671		8,409,671
2.4 Contingent-direct		1,249		1,249
2.5 Contingent-reinsurance assumed				
2.6 Contingent-reinsurance ceded		1,249		1,249
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)				
3. Allowances to manager and agents				
4. Advertising				
5. Boards, bureaus and associations				
6. Surveys and underwriting reports				
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries			1,123	1,123
8.2 Payroll taxes			210	210
9. Employee relations and welfare			579	579
10. Insurance				
11. Directors' fees				
12. Travel and travel items			4	4
13. Rent and rent items				
14. Equipment			42	42
15. Cost of depreciation of EDP equipment and software				
16. Printing and stationery			18	18
17. Postage, telephone and telegraph, exchange and express			12	12
18. Legal and auditing			4,255	4,255
19. Totals (Lines 3 to 18)			6,243	6,243
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 0				
20.2 Insurance department licenses and fees				
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)				
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured accident and health plans				
24. Aggregate write-ins for miscellaneous expenses				
25. Total expenses incurred			6,243	(a) 6,243
26. Less unpaid expenses-current year				
27. Add unpaid expenses-prior year				
28. Amounts receivable relating to uninsured accident and health plans, prior year				
29. Amounts receivable relating to uninsured accident and health plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)			6,243	6,243
DETAILS OF WRITE-INS				
2401.				
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)				

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 646,708	639,317
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 67,628	66,785
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash/short-term investments	(e) 9,428	9,222
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	(293)	(293)
10. Total gross investment income	723,471	715,031
11. Investment expenses		(g) 6,243
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		6,243
17. Net investment income - (Line 10 minus Line 16)		708,788
DETAILS OF WRITE-INS		
0901. Miscellaneous Income/(Expense)	(293)	(293)
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	(293)	(293)
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		
(a) Includes \$ 11,614 accrual of discount less \$ 25,315 amortization of premium and less \$ 63,423 paid for accrued interest on purchases.		
(b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.		
(c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.		
(e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.		
(g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.		
(h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.		
(i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4 Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	5 Total
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment		
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	46,854		(35,650)		11,204
2.21 Common stocks of affiliates			625,729		625,729
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash/short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	46,854		590,079		636,933
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)					

**EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS
AND RELATED ITEMS**

	1	2	3
	End of Current Year	End of Prior Year	Changes for Year (Increase) Decrease
1. Summary of Items Page 2, Lines 10 to 17 and 19 to 23, Column 2	33,849	3,454,434	3,420,585
2. Other Nonadmitted Assets:			
2.1 Bills receivable			
2.2 Furniture, equipment and supplies	131,726	590,005	458,279
2.3 Leasehold improvements	1,974,486	2,035,985	61,499
2.4 Loans on personal security, endorsed or not			
3. Total (Lines 2.1 to 2.4)	2,106,212	2,625,990	519,778
4. Aggregate write-ins for other assets		117,771	117,771
5. Total (Line 1 plus Lines 3 and 4)	2,140,061	6,198,195	4,058,134
DETAILS OF WRITE-INS			
0401. Other assets		117,771	117,771
0402.			
0403.			
0498. Summary of remaining write-ins for Line 4 from overflow page			
0499. Totals (Lines 0401 through 0403 plus 0498) (Line 4 above)		117,771	117,771

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of The Midwestern Indemnity Company (the „Company“) have been prepared in conformity with accounting practices prescribed or permitted by the State of Ohio. Effective January 1, 2001, the Ohio Department of Insurance required that insurance companies domiciled in Ohio prepare their statutory-basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual, effective January 1, 2001, subject to any deviations prescribed or permitted by the Ohio insurance commissioner.

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

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

C. Accounting Policies

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

In addition, the Company uses the following accounting policies:

1. Investment grade short-term investments are carried at cost adjusted where appropriate for amortization of premium or discount, or market as specified by the Purposes and Procedures Manual of the NAIC Securities Valuation Office (SVO Manual).
2. Investment grade bonds are carried at cost adjusted where appropriate for amortization of premium or discount, or market as specified by the SVO Manual.
3. Common stocks are carried at market value except that investments in stocks of subsidiaries and affiliates are carried on the equity basis.
4. Preferred stocks
The Company does not own preferred stocks.
5. Mortgage loans
The Company does not own mortgage loans.
6. Mortgage-backed/asset backed securities
The Company does not own loan-backed securities.
7. Investment in subsidiary and affiliate companies are stated as follows:

The Company owns 100% of the outstanding common shares of Mid-American Fire & Casualty Company, an Ohio-domiciled property and casualty insurance company. The Company carries this investment in accordance with SSAP No.46 and the SVO Manual. See Schedule D Part 6 Section 1.
8. Investments in joint ventures, partnerships and limited liability companies
The Company has not investments in joint ventures, partnerships or limited liability companies.
9. Derivatives
The Company has no derivative instruments.
10. The Company anticipates investment income as a factor in premium deficiency calculation.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates, and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods, for making such estimates and for establishing the resulting liability, are continually reviewed and follow current standards of practice. Any adjustments to the liability are reflected in the period that they are determined.

2. Accounting Changes and Corrections of Errors

- A. There were no material changes in accounting principles or corrections of errors in 2002.
- B. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. Effective January 1, 2001, the Ohio Department of Insurance required that insurance companies domiciled in Ohio prepare their statutory-basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual, effective January 1, 2001, subject to any deviations prescribed or permitted by the Ohio insurance commissioner.

3. Business Combinations and Goodwill

Not Applicable

NOTES TO FINANCIAL STATEMENTS

4. Discontinued Operations

The Company has no discontinued operations to report.

5. Investments

A. Mortgage Loans

The Company does not own mortgage loans.

B. Troubled Debt Restructuring for Creditors

Not Applicable

C. Reverse Mortgages

Not Applicable

D. Loan-backed Securities

1. The Company has no securities purchased prior to January 1, 1994

2.,3.,4. The Company has no single class and multi-class mortgages-backed/asset-backed securities.

E. Repurchase Agreements

The Company did not enter into any repurchase agreements during 2002.

6. Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable

7. Investment Income

A. Accrued Investment Income

All investment income due and accrued over 90 days past due is excluded from Surplus.

B. Amounts Nonadmitted

No amounts were excluded as of December 31, 2002.

8. Derivative Instruments

The Company has no derivative instruments.

9. Income Taxes

A. The components of the net deferred tax asset/(liability) are as follows:

	12/31/02	12/31/01	Change
Gross deferred tax assets	\$56,921	\$3,217,034	\$(3,160,113)
Gross deferred tax liabilities	<u>0</u>	<u>(12,600)</u>	<u>12,600</u>
Net deferred tax assets	56,921	3,204,434	(3,147,513)
Deferred tax assets nonadmitted	<u>(33,849)</u>	<u>(3,204,434)</u>	<u>3,170,585</u>
Deferred tax assets admitted	\$23,072	\$0	\$23,072

B. Unrecognized deferred tax liabilities

Not Applicable

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

	12/31/02	12/31/01
Current year expense	\$217,350	\$195,624
The benefits of operating loss carryforwards	<u>0</u>	<u>0</u>
Current income taxes incurred	\$217,350	\$195,624

D. Difference in statutory tax rate

Effective tax rates differ from the current statutory rate of 35% principally due to the effects of accrual of market discount on securities and nonadmitted deferred tax assets.

E. The amount of Federal income taxes incurred and available for recoupment in the event of future losses is \$217,350 from the current year and \$199,138 from the first preceding year.

The Company had no net losses carried forward and available to offset future net income subject to Federal income taxes.

F. Consolidated Federal income tax return

1. The Company's Federal income tax return is consolidated with the following companies of the Liberty Mutual Group:

Access Insurance Services, Inc.	Liberty International Holdings, Inc.
ALM Services	Liberty International Latin America Holdings, Inc.
AMBCO Capital Corporation	Liberty International Services, Inc.
America First Insurance Company	Liberty Life Assurance Company of Boston

NOTES TO FINANCIAL STATEMENTS

- ** America First Lloyds Insurance Company
American Ambassador Casualty Company
Berkeley Holdings Company Associates, Inc
Berkeley Management Corporation
Bridgefield Casualty Insurance Company
Bridgefield Employers Insurance Company
C.E. Schools, Inc.
Capitol Agency, Inc. (an Arizona Corporation)
Capitol Agency, Inc. (an Ohio Corporation)
Capitol Agency, Inc. (a Tennessee Corporation)
Cascade Disability Management, Inc.
Colorado Casualty Insurance Company
Commercial Insurance of Central Florida, Inc.
Companies Agency Insurance Services of California
Companies Agency of Alabama, Inc.
Companies Agency of Georgia, Inc.
Companies Agency of Idaho, Inc.
Companies Agency of Kentucky, Inc.
Companies Agency of Massachusetts, Inc.
Companies Agency of Michigan, Inc.
Companies Agency of New York, Inc.
Companies Agency of Pennsylvania, Inc.
Companies Agency of Phoenix, Inc.
Companies Agency of Texas, Inc.
Companies Agency, Inc.
Companies Annuity Agency of Texas, Inc.
Consolidated Insurance Company
Cooling Grumme Mumford Company, Inc.
Copley Venture Capital, Inc.
Countrywide Services Corporation
Datachem Software, Inc.
Diversified Settlements, Inc.
- * Employers Insurance Company of Wausau
Excelsior Insurance Company
First State Agency, Inc. (Kentucky)
Florida State Agency, Inc.
Globe American Casualty Company
Golden Eagle Insurance Corporation
- ** Gulf States AIF, Inc.
Hawkeye-Security Insurance Company
Helmsman Insurance Agency of Illinois, Inc.
Helmsman Insurance Agency of Texas
Helmsman Insurance Agency, Inc.
Helmsman Management Services, Inc.
Heritage-Summit Healthcare of Florida, Inc.
Indiana Insurance Company
LEXCO Limited
LFC Holdings, Inc.
LFC Management Corporation
Liberty Assignment Corporation
Liberty Corporate Holdings, Inc.
Liberty Energy Corporation
Liberty Energy Gulf Corporation
Liberty Financial Services, Inc.
Liberty Hospitality Group, Inc.
Liberty Insurance Company of America
Liberty Insurance Corporation
Liberty Insurance Holdings, Inc.
Liberty Insurance Underwriters, Inc.
Liberty International Aberdeen, Inc.
Liberty International Asia Pacific Holdings, Inc.
- Liberty Life Holdings, Inc.
Liberty Lloyds of Texas Insurance Company
Liberty Management Services, Inc.
Liberty Massachusetts Trust
Liberty Mexico Holdings, Inc.
Liberty Mutual Capital Corporation (Boston)
Liberty Mutual Equity Corporation
* Liberty Mutual Fire Insurance Company
Liberty Mutual Group, Inc.
Liberty Mutual Holding Company, Inc.
Liberty Mutual Insurance Company
Liberty Mutual Managed Care, Inc.
Liberty Mutual Property - Casualty Holding Corp.
Liberty Northwest Insurance Company
Liberty Personal Insurance Company
Liberty Real Estate Corporation
Liberty Surplus Insurance Corporation
Liberty-USA Corporation
LIH-Re of America Corporation
LIH U.S. P&C Corporation
LIIA Insurance Agency, Inc.
LLS Insurance Agency of Nevada, Inc.
LM Insurance Corporation
LMHC Massachusetts Holdings, Inc.
LRE Properties, Inc.
Mid-American Agency, Inc.
Mid-American Fire and Casualty Company
Missouri Agency, Inc.
- * North Pacific Insurance Company
* Oregon Automobile Insurance Company
Peerless Indemnity Insurance Company
Peerless Insurance Company
ReCover, Inc.
Risktrac, Inc.
San Diego Insurance Company
State Agency, Inc. (an Indiana Corporation)
State Agency, Inc. (a Wisconsin Corporation)
Summit Claims Management, Inc.
Summit Consulting, Inc.
Summit Consulting, Inc. of Louisiana
Summit Healthcare Holdings, Inc.
Summit Holding Corporation
Summit Holding Southeast, Inc.
Summit Loss Control Services, Inc.
Talbot Bird & Company of Texas
Talbot Bird & Company, Inc.
Talbot Bird of New England, Inc.
The First Liberty Insurance Corporation
The Midwestern Indemnity Company
The National Corporation
The Netherlands Insurance Company
Turnkey Insurance Services, Inc.
Turnkey Resources, Inc.
- * Wausau (Bermuda) Ltd.
Wausau Business Insurance Company
Wausau General Insurance Company
* Wausau Holdings, Inc.
Wausau Service Corporation
Wausau Underwriters Insurance Company
Workwell Health & Safety Systems, Inc.

* These companies joined the consolidated group in 2002 and their activity from the date they joined the group is included in the consolidated return.

** These companies were incorporated in 2002.

2. The method of Federal income tax allocation is subject to a written agreement. Allocation is based upon separate return calculations with credit applied for losses as appropriate. The Company has the enforceable right to recoup prior year payments in the event of future losses.

10. Information Concerning Parent, Subsidiaries, and Affiliates

A. Nature of Relationships

The Company is a wholly owned subsidiary of Peerless Indemnity Insurance Company fka Atlas Assurance Company of America, an insurance company incorporated in the state of Illinois. All outstanding shares of Peerless Indemnity are owned by Liberty-USA Corporation, an insurance holding company incorporated in the state of Delaware. All of the outstanding shares of Liberty-USA Corporation are owned by Liberty Insurance Holdings, Inc., an insurance holding company incorporated in the state of Delaware. All of the outstanding shares of Liberty Insurance Holdings, Inc. were purchased on May 10, 1999 by Liberty Mutual Insurance Company, a Massachusetts insurance company.

B. Transactions with Related Parties

During 2002 the Company recorded transactions relating to the management and service agreements (see Note 10F), the federal tax allocation agreement (see Note 9F), and the intercompany pooling agreement (see Note 25).

NOTES TO FINANCIAL STATEMENTS

C. Change in Terms of Intercompany Arrangements

Not Applicable

D. Amounts Due To/From Related Parties

At December 31, 2002 the Company reported \$4,550,281 due to parents and \$5,042,586 due from affiliates. In general, the terms of the intercompany arrangements require settlement at least quarterly. All investments in subsidiaries by the Company are included in Schedule D.

E. Guarantees or Contingencies for Related Parties

Not Applicable

F. Management, Service Contracts, Cost Sharing Arrangements

The Company entered into a management and services agreement effective January 1, 1999, with Peerless Insurance (PIC) and other affiliates. The Service Agreement allows all parties to the Agreement to provide services related to common management functions including, but not limited to, coordinating marketing and advertising, information systems support, payroll and human resources services, actuarial support, accounting and other financial services, as well as consulting and other services as the parties may request.

The Company entered into an investment management agreement, effective May, 1999, with Liberty Mutual Insurance Group (LMIG). Under this agreement, LMIG provides investment management services to the Company.

The Company entered into a Federal Tax Sharing Agreement, effective January 1, 2001, between LMIG and affiliates (see Note 9F).

The Company entered into a management services and cost sharing agreement, effective December 15, 2001, with Liberty Mutual Insurance Company (LMIC) and affiliates. Under the agreement, LMIC may provide services related to common management functions including, but not limited to, accounting, financial, tax and auditing, information technology and support, purchasing, payroll and employee benefits, policy administration, real estate management, legal, general administration, as well as consulting and other services as the Parties may request.

G. Nature of Relationships That Could Affect Operations

The Company is part of a holding company structure as illustrated in Schedule Y Part 1. All underwriting results are ceded to an affiliate as stated in Note 25.

H. Amount Deducted for Investment in Upstream Company

Not Applicable

I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets

All investments in subsidiaries by the Company are included in Schedule D.

J. Writedown for Impairments of Investments in SCAs

Not Applicable

11. Debt

A. Capital Notes

Not Applicable

B. All Other Debt

The Company has no other debt.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

The Company does not have any direct employees and therefore, does not have any direct obligations for a defined benefit plan, deferred compensation arrangements, compensated absences or other post retirement benefit plans. Services for the operation of the Company are provided under provisions of an intercompany cost-sharing arrangement as described in Note 10F.

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

A. Outstanding Shares

The Company has 1,000 shares of \$14,000 par value common stock authorized and 250 shares issued and outstanding. The Company has no preferred stock authorized, issued or outstanding.

B. Dividend Rate of Preferred Stock

Not Applicable

C. Dividend Restrictions

The maximum amount of dividends that can be paid by Ohio-domiciled insurance companies to shareholders without prior approval of the Insurance Commissioner is the greater of (a) 10% of surplus, or (b) net income. The maximum dividend payout that may be made without prior approval in 2003 is \$2,541,467.

NOTES TO FINANCIAL STATEMENTS

D. Ordinary Dividends

None

E. Restrictions on Unassigned Funds

None

F. Mutual Surplus Advances

Not Applicable

G. Company Stock Held for Special Purposes

Not Applicable

H. Changes in Special Surplus Funds

Not Applicable

I. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

	Cumulative Increase (Decrease) in Surplus	Current Year Increase (Decrease) in Surplus
Unrealized gains/(losses)	\$(6,485,372)	\$590,079
Nonadmitted asset values	(2,140,061)	4,058,133
Provision for reinsurance	(50)	516,153
Total	\$(8,625,483)	\$5,164,365

J. Surplus Notes

Not Applicable

K. & L. Quasi Reorganizations

Not Applicable

14. Contingencies

A. Contingent Commitments

The Company has no commitments or contingent commitments to affiliates or other entities as indicated in Note 10E, the Company has made no guarantees on behalf of affiliates.

B. Guaranty Fund and Other Assessments

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of the insolvencies. Other assessments should be accrued either at the time of assessments or in the case of premium based assessments, at the time the premiums are written, or, in the case of loss based assessments, at the time the losses are incurred.

All balances are ceded to the Peerless pool.

C. Gain Contingencies

Not Applicable

D. All Other Contingencies

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes, and other matters are not considered material in relation to the financial position of the Company.

15. Leases

A. Lessee Leasing Arrangements

The Company is not involved in material lease obligations.

B. Lessor Leasing Arrangements

Not Applicable

16. Information About Financial Instruments With Off-Balance Sheet Risk and With Concentrations of Credit Risk

The Company is not exposed to financial instruments with off-balance sheet risk.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

There were no transfers of receivables reported as sales for the year.

B. Transfer and Servicing of Financial Assets

NOTES TO FINANCIAL STATEMENTS

The Company did not have any transfers or servicing of financial assets during the year.

C. Wash Sales

The Company did not engage in any wash sales during the year.

18. Gain or Loss to the Reporting Entity from Uninsured Accident and Health Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only (ASO) Plans

Not Applicable

B. Administrative Services Contract (ASC) Plans

Not Applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not Applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

The Company has no direct premiums written through managing general agents or third party administrators.

20. Other Items

A. Extraordinary Items

The Company had no extraordinary items to report.

B. Troubled Debt Restructuring: Debtors

The Company does not have any troubled debt restructuring.

C. Other Disclosures

1. Reinsurance

The following is in answer to General Interrogatories, Part 2 5.1, 5.2, and 5.3. Per risk excess of loss agreement with \$2,000,000 retention in states other than DE, FL, GA, ME, NC, VA, DC, OK, LA, MO, KS, WI where the retention is \$1,000,000 and IL, IN, KY, MI, OH, TN where the retention is \$1,500,000 and WC clash reinsurance \$25,000,000 excess of \$675,000,000.

Catastrophe probable maximum loss is estimated using services provided by the Company's catastrophe reinsurance broker. Exposures consist of homeowners and small to mid-sized commercial risks. The highest concentrations of risks are in Long Island, Connecticut, and the Wabash Valley. The Company maintains a property excess reinsurance agreement with retention of \$2,000,000 which inures to the benefit of the Property Catastrophe treaty. The Company has a \$15,000,000 retention on their Property Catastrophe treaty and a 30% co-participation on the \$15,000,000 excess \$15,000,000 layer. There are limits of \$150,000,000 for wind and \$250,000,000 for earthquake in the New Madrid area. In addition, the Company participates in a Property Catastrophe reinsurance cover for the Liberty Mutual Group which provides \$750,000,000 excess \$250,000,000.

The Companies' Property Excess treaties exclude terrorism coverage. The Company purchased property terrorism reinsurance \$20,000,000 in excess of \$5,000,000 per event. The Companies' Casualty Excess agreements provide terrorism coverage equal to one times the layer or \$5,000,000 which ever is lower. A Second Event Casualty terrorism reinsurance was purchased \$10,000,000 in excess of \$5,000,000 per event with one reinstatement. In addition, they participate in a Commercial Property Terrorism Excess of Loss Reinsurance agreement for the Liberty Mutual Group which provides \$100,000,000 excess \$100,000,000.

2. Assets in the amount of \$4,817,061 and \$4,789,890 at December 31, 2002 and 2001, respectively, were on deposit with government authorities or trustees as required by law. Assets valued at \$0 and \$0 at December 31, 2002 and 2001, respectively, were maintained as compensating balances or pledged as collateral for bank loans and other financing agreements.

D. Uncollectible Premiums Receivable

The Company routinely assesses the collectibility of its premiums receivable. Based upon Company experience, amounts in excess of non-admitted amounts are not believed to be material.

E. Reinsurance Accounted for as a Deposit

The Company has not entered into any deposit type reinsurance agreements as of December 31, 2002.

F. Multiple Peril Crop Insurance

The Company does not write this line of business.

G. Mezzanine Real Estate Loans

The Company does not have any Mezzanine Real Estate Loans.

H. Health Care Receivables

The Company does not write this line of business.

I. Exposure to Loss from World Trade Center Disaster

NOTES TO FINANCIAL STATEMENTS

The Company has exposure to losses arising from the World Trade Center disaster of September 11, 2001.

1. Nature and Amounts of Losses Recognized

During 2002 there were only property/business interruption claims resulting in paid losses and paid ALAE of \$341,433 for all affiliates in the Liberty Insurance Holdings Group, and no reinsurance recoveries are anticipated. No individual loss resulted in more than a \$600,000 claim.

2. Contingencies and Unpaid Claims or Losses

No further loss development is expected.

3. Disclosures Related to Risks and Uncertainties

See Note 1B, use of estimates in the preparation of the financial statements.

4. Disclosures Related to Environmental Obligations

See Note 29D, environmental reserves.

J. Real Estate

The Company does not have any investments in real estate.

K. Participating Policies

The Company does not write Individual and Group Accident and Health line of business.

L. Premium Deficiency Reserves

As of December 31, 2002, the Company had no liabilities related to premium deficiency reserves. The Company did consider anticipated investment income when calculating its premium deficiency reserves.

M. Noncash Transactions

The Company does not have any noncash transactions.

21. Events Subsequent

Not Applicable

22. Reinsurance

A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances in excess of 3% of the Company's policyholders' surplus with any one reinsurer are displayed below:

NAIC	Federal ID #	Name of Reinsurer	Amount
18333	13-2919779	Peerless Indemnity Insurance Company	\$86,718,000

B. Reinsurance Recoverables in Dispute

The Company does not have any reinsurance recoverable on paid or unpaid losses in dispute which exceeds 5% of policyholders' surplus or, if aggregated, exceeds 10% of policyholders' surplus.

C. Reinsurance Assumed and Ceded

1. The maximum amount of return commissions, which would have been due reinsurers if they or the Company had canceled all of the Company's reinsurance as of December 31, 2002, is reflected in the schedule below:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	\$0	\$0	\$24,927,444	\$3,855,139	\$(24,927,444)	\$(3,855,139)
All other	201,445	71,468	1,897,306	71,268	(1,695,861)	200
Total	\$201,445	\$71,468	\$26,824,750	\$3,926,407	\$(26,623,306)	\$(3,854,939)

Direct unearned premium reserve \$26,623,306

2. Additional or return commission predicated on loss experience or on other profit sharing arrangements in this annual statement as a result of existing contractual arrangements are accrued as follows:

	Direct	Reinsurance Assumed	Reinsurance Ceded	Net
Contingent commissions	\$1,555,990	\$0	\$1,555,990	\$0
Sliding scale commissions	0	0	0	0
Other profit commission arrangements	0	0	0	0
Totals	\$1,555,990	\$0	\$1,555,990	\$0

D. Uncollectible Reinsurance

None

NOTES TO FINANCIAL STATEMENTS

E. **Commutations of Ceded Reinsurance**

There were no ceded commutations.

F. **Retroactive Reinsurance**

There are no retroactive reinsurance agreements.

23. **Retrospectively Rated Contracts & Contracts Subject to Redetermination**

Not Applicable

24. **Changes in Incurred Losses and Loss Adjustment Expenses**

Not Applicable

25. **Intercompany Pooling Arrangements**

The Company is part of a group of affiliated insurers whose ultimate parent is Liberty Mutual Insurance Company. The group utilizes pooling and quota share agreements that affect the solvency and integrity of the Company's reserves. The participants in the pool cede substantially all of their direct and assumed business to the lead company, Peerless Insurance Company („Peerless“). Indiana Insurance Company, Peerless Indemnity Insurance Company fka Atlas Assurance Company of America („Peerless Indemnity“) and The Netherlands Insurance Company assume a portion of the pool business through a retrocession from Peerless. Cessions to reinsurers that are not part of the pool occur prior to the cession to the pool, and all pool members have the right of direct recovery from the non-pool reinsurers. The pooling agreement was amended effective January 1, 2001. Under the terms of the amended agreement Excelsior Insurance Company, Consolidated Insurance Company and America First Insurance Company participation percentages were decreased to 0% and Peerless's participation percentage was increased to 41.59%. Effective January 1, 2001, the participants and their respective percentage shares are as follows:

Company	NAIC Code	%
Peerless Insurance Company	24198	41.59%
Indiana Insurance Company	22659	27.78%
Peerless Indemnity Insurance Company	18333	27.36%
The Netherlands Insurance Company	24171	3.27%
Excelsior Insurance Company	11045	0.00%
Consolidated Insurance Company	22640	0.00%
America First insurance Company	12696	0.00%

Peerless Indemnity and five of its subsidiaries also participate in 100% quota share agreements under which the subsidiaries cede all of their net underwriting results to Peerless Indemnity. The participants in these agreements are as follows:

Company	NAIC Code
The Midwestern Indemnity Company	23515
Mid-American Fire & Casualty Company	23507
Globe American Casualty Company	11312
American Ambassador Casualty Company	10073
Hawkeye-Security Insurance Company fka Tower Insurance Company	36919

Liberty Insurance Underwriters, Inc., a subsidiary of Peerless Indemnity, entered into a quota share reinsurance agreement with Liberty Mutual Insurance Company with an effective date of January 1, 2000. Under the terms of the agreement, Liberty Mutual Insurance Company assumes 100% of its net underwriting results on all policies in force on or issued after the effective date of January 1, 2000. Under a prior agreement, Liberty Insurance Underwriters, Inc. cedes 100% of its liability on losses incurred prior to January 1, 2000 to Peerless Indemnity. Effective January 1, 2001 an agreement between Peerless and Liberty Mutual Insurance Company was established. Under the terms of this agreement, the liability for losses ceded by Liberty Insurance Underwriters, Inc. to Atlas and assumed by Peerless through the intercompany pooling agreement are ceded to Liberty Mutual Insurance Company.

National Insurance Association entered into a quota share agreement with Peerless with an effective date of January 1, 2001. Under the terms of the agreement, Peerless assumes 100% of its net underwriting results.

26. **Structured Settlements**

A. **Reserves Released Due to Purchase of Annuities**

The Company has annuities from structured settlements, with a present value of \$1,198,334. The Company cedes 100% of the structured settlements to Peerless Indemnity Insurance Company.

B. **Annuity Insurers With Balances Due Greater Than 1% of Policyholders' Surplus**

The Company does not have material structured settlements from life insurers for which the Company has not obtained a release of liability from the claimant.

27. **High Deductibles**

The Company does not have any high deductible policies.

28. **Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses**

Not Applicable

29. **Asbestos/Environmental Reserves**

A. **Asbestos Reserves**

NOTES TO FINANCIAL STATEMENTS

The Company's exposure to asbestos claims arose from the sale of commercial multiple peril and other liability policies.

The exposure to asbestos claims arose from the mining and manufacturing of asbestos, from the use of asbestos products by insulators, ship workers and others and from exposure to asbestos in place, as there were many common uses for asbestos and asbestos products.

The Company establishes full case reserves for all reported asbestos claims. Reserves for losses incurred but not reported (IBNR) include a provision for development of reserves on reported losses. The Company's IBNR reserves are established based on a review of a number of actuarial analyses including market shares based estimates, average cost models, and multiplying payments by an industry average survival ratio.

1. Gross of Reinsurance

	1998	1999	2000	2001	2002
a. Beginning reserves	\$416,209	\$527,284	\$985,350	\$941,479	\$636,076
b. Incurred losses & LAE	160,076	463,693	(35,741)	(242,426)	450,000
c. Calendar year payments for losses and LAE	49,001	5,627	8,130	62,977	56,187
d. Ending reserves	\$527,284	\$985,350	\$941,479	\$636,076	\$1,029,889

2. Net of Reinsurance

	1998	1999	2000	2001	2002
a. Beginning reserves	\$0	\$0	\$0	\$0	\$0
b. Incurred losses and LAE	0	0	0	0	0
c. Calendar year payments for losses and LAE	0	0	0	0	0
d. Ending reserves	\$0	\$0	\$0	\$0	\$0

B. Ending reserves for asbestos claims for bulk and IBNR losses included in A above:

	Prior IBNR	Change	Current
Gross of Reinsurance Basis:	\$224,145	\$(100,000)	\$124,145
Net of Reinsurance Basis:	\$0	\$0	\$0

C. Ending reserves for asbestos claims for loss adjustment expenses included in A above (Case, Bulk, and IBNR):

	Prior IBNR	Change	Current
Gross of Reinsurance Basis:	\$149,430	\$(59,000)	\$90,430
Net of Reinsurance Basis:	\$0	\$0	\$0

D. Environmental Reserves

The Company's exposure to environmental claims arose from the sale of commercial multiple peril and other liability policies.

The exposure to environmental claims, which may also be referred to as „pollution“, „hazardous waste“ or „environmental impairment liability“ claims arose from facilities where hazardous substances have been deposited, stored, treated, disposed or otherwise placed. Liability may arise from owners and operators of such facilities and from generators and transporters of hazardous substances.

The Company establishes full case reserves for all reported environmental claims. Reserves for losses incurred but not reported (IBNR) include a provision for development of reserves on reported losses. The Company's IBNR reserves are established based on a review of a number of actuarial analyses including market shares based estimates, average cost models, and multiplying payments by an industry average survival ratio.

1. Gross of Reinsurance

	1998	1999	2000	2001	2002
a. Beginning reserves	\$147,398	\$349,964	\$343,501	\$300,564	\$178,215
b. Incurred losses & LAE	213,431	13,654	(36,405)	(127,652)	0
c. Calendar year payments for losses and LAE	10,865	20,117	6,532	(5,303)	13,420
d. Ending reserves	\$349,964	\$343,501	\$300,564	\$178,215	\$164,795

2. Net of Reinsurance

	1998	1999	2000	2001	2002
a. Beginning reserves	\$0	\$0	\$0	\$0	\$0
b. Incurred losses and LAE	0	0	0	0	0
c. Calendar year payments for losses and LAE	0	0	0	0	0
d. Ending reserves	\$0	\$0	\$0	\$0	\$0

E. Ending reserves for environmental claims for bulk and IBNR included in D above (loss and LAE):

	Prior IBNR	Change	Current
Gross of Reinsurance Basis:	\$89,108	\$7,500	\$96,608
Net of Reinsurance Basis:	\$0	\$0	\$0

F. Ending reserves for environmental claims for loss adjustment expenses included in D above (case, bulk, and IBNR):

	Prior IBNR	Change	Current
Gross of Reinsurance Basis:	\$89,108	\$0	\$89,108
Net of Reinsurance Basis:	\$0	\$0	\$0

NOTES TO FINANCIAL STATEMENTS

30. Subscriber Savings Accounts

The Company is not a reciprocal insurance company.

31. Financial Guaranty Insurance Exposures

The Company does not write financial guaranty business.

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	10,966,332	46.085	10,966,332	46.085
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	3,254,494	13.677	3,254,494	13.677
1.22 Issued by U.S. government sponsored agencies				
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations				
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (including residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA				
1.512 Issued by FNMA and FHLMC				
1.513 Privately issued				
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC				
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC				
1.523 All other privately issued				
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	1,024,897	4.307	1,024,897	4.307
2.2 Unaffiliated foreign securities				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated				
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated				
3.4 Other equity securities:				
3.41 Affiliated	7,350,307	30.889	7,350,307	30.889
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (includes \$ 0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (\$ 0 including property acquired in satisfaction of debt)				
6. Policy loans				
7. Receivables for securities	24,106	0.101	24,106	0.101
8. Cash and short-term investments	1,175,736	4.941	1,175,736	4.941
9. Other invested assets				
10. Total invested assets	23,795,872	100.000	23,795,872	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A
- 1.3 State Regulating? Ohio
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No
- 2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended. _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1999
- 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. 12/31/1999
- 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). 10/24/2001
- 3.4 By what department or departments? Ohio
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes No
- 4.12 renewals? Yes No
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes No
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action either formal or informal, if a confidentiality clause is part of the agreement) Yes No
- 6.2 If yes, give full information _____
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes No
- 7.2 If yes,
- 7.21 State the percentage of foreign control 0 %
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager, or attorney-in-fact)

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES
(continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young
200 Clarendon Street, Boston, MA 02116

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? Bertrand J. LaChance, Actuary
62 Maple Avenue, Keene, NH 03431

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 [X]

10.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [X]

10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]

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 \$ _____
 14.12 To stockholders not officers \$ _____
 14.13 Trustees, supreme or grand (Fraternal only) \$ _____

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 \$ _____
 14.22 To stockholder not officers \$ _____
 14.23 Trustees, supreme or grand (Fraternal only) \$ _____

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 \$ _____
 15.22 Borrowed from others \$ _____
 15.23 Leased from others \$ _____
 15.24 Other \$ _____

Disclose in Notes to Financial the nature of each obligation.

16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]

16.2 If answer is yes:
 16.21 Amount paid as losses or risk adjustment \$ _____
 16.22 Amount paid as expenses \$ _____
 16.23 Other amounts paid \$ _____

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					Yes [] No [X]	Yes [] No [X]
Common	1000.000	250.000	14,000.000	X X X	X X X X X X	X X X X X X

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 0
0

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

19.3 For each category above, if any of these assets are held by other, 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

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. \$

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
JP Morgan Chase	3 Chase Metro Tech Center, Brooklyn, NY 11245

GENERAL INTERROGATORIES
(continued)
INVESTMENT

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

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

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

22.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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? \$ _____

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
	\$
	\$
	\$
	\$

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

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
	\$
	\$
	\$
	\$

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

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 department of government during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$
	\$

**GENERAL INTERROGATORIES
(continued)**

PART 2 - PROPERTY & 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. \$ _____
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ _____
- 1.31 Reason for excluding _____
-
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ _____
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ _____
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$ _____
- 1.62 Total incurred claims \$ _____
- 1.63 Number of covered lives \$ _____
- All years prior to most current three years:
- 1.64 Total premium earned \$ _____
- 1.65 Total incurred claims \$ _____
- 1.66 Number of covered lives \$ _____
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$ _____
- 1.72 Total incurred claims \$ _____
- 1.73 Number of covered lives \$ _____
- All years prior to most current three years:
- 1.74 Total premium earned \$ _____
- 1.75 Total incurred claims \$ _____
- 1.76 Number of covered lives \$ _____
- 2.1 Does the reporting entity issue both participating and non-participating policies? YES [] NO [X]
- 2.2 If yes, state the amount of calendar year premiums written on:
- 2.21 Participating \$ _____
- 2.22 Non-participating policies \$ _____
3. For Mutual Reporting Entities and Reciprocal Exchange only:
- 3.1 Does the reporting entity issue assessable policies? YES [] NO [X]
- 3.2 Does the reporting entity issue non-assessable policies? YES [] NO [X]
- 3.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? \$ _____
- 3.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$ _____
4. For Reciprocal Exchanges Only:
- 4.1 Does the exchange appoint local agents? YES [] NO [X]
- 4.2 If yes, is the commission paid:
- 4.21 Out of Attorney's-in-fact compensation YES [] NO [] N/A [X]
- 4.22 As a direct expense of the exchange YES [] NO [] N/A [X]
- 4.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact? _____
-
- 4.4 Has an Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred? YES [] NO [X]
- 4.5 If yes, give full information _____
-
- 5.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss: See Note 20 C (1)
-
- 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: See Note 20 C (1)
-
- 5.3 What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types of concentrations of insured exposures comprising its probable maximum property insurance loss? See Note 20 C (1)
-
- 5.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? YES [X] NO []
- 5.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss _____
-
- 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 similar provisions)? YES [] NO [X]
- 6.2 If yes, indicate the number of reinsurance contracts containing such provisions. _____

GENERAL INTERROGATORIES

PART 2 - PROPERTY & 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 the reporting entity guaranteed policies issued by any other 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 asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- | | | |
|--|---|----------|
| | 10.11 Unpaid losses | \$ _____ |
| | 10.12 Unpaid underwriting expenses (including loss adjustment expenses) | \$ _____ |
- 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? \$ _____
- 10.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation are premium or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? YES [] NO [] N/A [X]
- 10.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- | | | |
|--|------------|---------|
| | 10.41 From | _____ % |
| | 10.42 To | _____ % |
- 10.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? YES [] NO [X]
- 10.6 If yes, state the amount thereof at December 31 of current year:
- | | | |
|--|----------------------------------|----------|
| | 10.61 Letters of Credit | \$ _____ |
| | 10.62 Collateral and other funds | \$ _____ |
- 11.1 What amount of installment notes is owned and now held by the reporting entity? \$ _____
- 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? \$ _____
- 12.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ _____
- 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 the amount. _____ 3
- 13.1 Has the reporting entity guaranteed any financial 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 involved | _____ |
| | 14.13 Total book/adjusted carrying value | \$ _____ |
- 14.2 If yes, provide explanation
- 15.1 Does the reporting entity write any warranty business? YES [] NO [X]
- If yes, disclose the following information for each of the following types of warranty coverage:
- | | 1
Direct Losses
Incurred | 2
Direct Losses
Unpaid | 3
Direct Written
Premium | 4
Direct Premium
Unearned | 5
Direct Premium
Earned |
|------------------|--------------------------------|------------------------------|--------------------------------|---------------------------------|-------------------------------|
| 15.11 Home | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| 15.12 Products | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| 15.13 Automobile | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| 15.14 Other* | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |

* Disclose type of coverage: 00

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)	16,508,134	23,299,242	30,278,765	39,107,407	53,267,460
2. Property lines (Lines 1, 2, 9, 12, 21, & 26)	12,533,535	15,651,360	19,836,896	26,125,102	31,906,613
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	27,222,153	29,371,139	39,466,405	32,687,405	59,125,015
4. All other lines (Lines 6,10,13,14,15,23,24,28,29 & 33)					
5. Nonproportional reinsurance lines (Lines 30, 31 & 32)					
6. Total (Line 34)	56,263,822	68,321,741	89,582,066	97,919,914	144,299,088
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)					
8. Property lines (Lines 1, 2, 9, 12, 21, & 26)					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All other lines (Lines 6,10,13,14,15,23,24,28,29 & 33)					
11. Nonproportional reinsurance lines (Lines 30, 31 & 32)					
12. Total (Line 34)					
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)					
14. Net investment gain (loss) (Line 11)	755,642	910,286	477,402	532,815	1,366,609
15. Total other income (Line 15)	(117,774)	(330,322)			
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	217,350	195,624	166,965	164,070	478,313
18. Net income (Line 20)	420,518	384,340	310,437	368,745	888,296
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding Protected Cell (Page 2, Line 26, Col. 3)	28,329,077	26,655,188	24,336,508	24,539,889	27,381,941
20. Agents' balances or uncollected premiums (Page 2, Col. 3)					
20.1 In course of collection (Line 10.1)					(242,759)
20.2 Deferred and not yet due (Line 10.2)					
20.3 Accrued retrospective premiums (Line 10.3)					
21. Total liabilities excluding Protected Cell (Page 3, Line 24)	2,914,410	3,171,446	1,515,127	3,094,614	6,704,489
22. Losses (Page 3, Lines 1 and 2)	9,696			85,451	
23. Loss adjustment expenses (Page 3, Line 3)					
24. Unearned premiums (Page 3, Line 9)					
25. Capital paid up (Page 3, Lines 28 & 29)	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
26. Surplus as regards policyholders (Page 3, Line 35)	25,414,667	23,483,742	22,821,381	21,445,275	20,677,452
Risk-Based Capital Analysis					
27. Total adjusted capital	25,414,667	23,483,742	22,821,381	21,445,275	20,677,452
28. Authorized control level risk-based capital	163,288	419,376	301,760	336,028	531,769
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)	64.1	64.4	28.7	18.4	80.2
30. Stocks (Lines 2.1 & 2.2)	30.9	31.5	33.9	40.9	37.7
31. Mortgage loans on real estate (Line 3.1 and 3.2)					
32. Real estate (Lines 4.1, 4.2 & 4.3)					
33. Cash and short-term investments (Line 5)	4.9	4.1	37.4	40.7	(27.0)
34. Other invested assets (Line 6)					
35. Receivable for securities (Line 7)	0.1				
36. Aggregate write-ins for invested assets (Line 8)					9.2
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)					
39. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1)					
40. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 2)	7,350,307	6,724,578	6,753,329	6,492,530	6,211,482
41. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11)					
42. Affiliated mortgage loans on real estate					
43. All other affiliated					
44. Total of above Lines 38 to 43	7,350,307	6,724,578	6,753,329	6,492,530	6,211,482
45. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 44 above divided by Page 3, Col. 1, Line 34 x 100.0)	28.9	28.6	29.6	30.3	30.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
Capital and Surplus Accounts (Page 4)					
46. Net unrealized capital gains (losses) (Line 23)	590,079	(249,031)	516,728	281,048	274,472
47. Dividends to stockholders (Line 34)					
48. Change in surplus as regards policyholders for the year (Line 37)	1,930,925	662,361	1,376,106	767,823	1,588,446
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)	17,822,202	22,610,885	28,380,615	36,272,903	36,033,357
50. Property lines (Lines 1, 2, 9, 12, 21 & 26)	9,744,179	10,371,202	11,872,981	17,516,502	19,121,430
51. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	22,613,725	35,455,049	27,658,479	43,467,197	47,177,293
52. All other lines (Lines 6,10,13,14,15,23,24,28,29,& 33)					
53. Nonproportional reinsurance lines (Lines 30, 31 & 32)					
54. Total (Line 34)	50,180,106	68,437,136	67,912,075	97,256,602	102,332,080
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)					
56. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
57. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
58. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)					
59. Nonproportional reinsurance lines (Lines 30, 31 & 32)					
60. Total (Line 34)					
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)					
63. Loss expenses incurred (Line 3)					
64. Other underwriting expenses incurred (Line 4)					
65. Net underwriting gain (loss) (Line 8)					
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)					
67. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)					
68. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 34, divided by Page 3, Line 35, Col. 1 x 100.0)					
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)					
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 100.0)					
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)					
72. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 71 above divided by Page 4, Line 21, Col. 2 x 100.0)					

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	14,220,826	15,239,145	14,244,739	14,044,494
	2. Canada				
	3. Other Countries				
	4. Totals	14,220,826	15,239,145	14,244,739	14,044,494
States, Territories and Possessions (Direct and guaranteed)	5. United States				
	6. Canada				
	7. Other Countries				
8. Totals					
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada				
	11. Other Countries				
12. Totals					
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States				
	14. Canada				
	15. Other Countries				
16. Totals					
Public Utilities (unaffiliated)	17. United States				
	18. Canada				
	19. Other Countries				
20. Totals					
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	1,024,897	1,134,205	1,027,955	1,000,000
	22. Canada				
	23. Other Countries				
24. Totals	1,024,897	1,134,205	1,027,955	1,000,000	
Parent, Subsidiaries and Affiliates	25. Totals				
	26. Total Bonds	15,245,723	16,373,350	15,272,694	15,044,494
PREFERRED STOCKS					
Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
30. Totals					
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries				
34. Totals					
Industrial and Miscellaneous (unaffiliated)	35. United States				
	36. Canada				
	37. Other Countries				
38. Totals					
Parent, Subsidiaries and Affiliates	39. Totals				
	40. Total Preferred Stocks				
COMMON STOCKS					
Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
44. Totals					
Banks, Trust and Insurance Companies (unaffiliated)	45. United States				
	46. Canada				
	47. Other Countries				
48. Totals					
Industrial and Miscellaneous (unaffiliated)	49. United States				
	50. Canada				
	51. Other Countries				
52. Totals					
Parent, Subsidiaries and Affiliates	53. Totals	7,350,307	7,350,307	13,835,679	
	54. Total Common Stocks	7,350,307	7,350,307	13,835,679	
	55. Total Stocks	7,350,307	7,350,307	13,835,679	
	56. Total Bonds and Stocks	22,596,030	23,723,657	29,108,373	

(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	20,600,391	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	5,115,469	6.1 Column 17, Part 1	
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Section 1	
3.1 Column 16, Part 1	(19,531)	6.3 Column 11, Part 2, Section 2	
3.2 Column 12, Part 2, Section 1		6.4 Column 11, Part 4	
3.3 Column 10, Part 2, Section 2	625,729	7. Book/adjusted carrying value at end of current period	22,596,030
3.4 Column 10, Part 4	(29,817)	8. Total valuation allowance	
4. Total gain (loss), Column 14, Part 4	46,854	9. Subtotal (Lines 7 plus 8)	22,596,030
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	3,743,065	10. Total nonadmitted amounts	
		11. Statement value of bonds and stocks, current period	22,596,030

SCHEDULE P-ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P-PART 1-SUMMARY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	X X X	X X X	X X X	837	837	205	205					X X X
2. 1993	143,643	143,643		84,753	84,753	5,285	5,285	7,955	7,955			X X X
3. 1994	155,505	155,505		112,437	112,437	7,322	7,322	9,111	9,111			X X X
4. 1995	165,337	165,337		97,169	97,169	5,394	5,394	9,060	9,060			X X X
5. 1996	175,438	175,438		133,531	133,531	7,182	7,182	9,729	9,729			X X X
6. 1997	169,852	169,852		105,058	105,058	5,052	5,052	8,859	8,859			X X X
7. 1998	152,217	152,217		88,889	88,889	3,436	3,436	8,866	8,866			X X X
8. 1999	125,333	125,333		80,375	80,375	2,328	2,328	2,836	2,836			X X X
9. 2000	83,799	83,799		54,098	54,098	1,124	1,124	3,372	3,372			X X X
10. 2001	79,689	79,689		43,971	43,971	686	686	729	729			X X X
11. 2002	61,126	61,126		18,855	18,855	187	187	398	398			X X X
12. Totals	X X X	X X X	X X X	819,973	819,973	38,201	38,201	60,915	60,915			X X X

	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	2,255	2,255	659	659			302	302	106	106			X X X
2. 1993	145	145	187	187			54	54	9	9			X X X
3. 1994	453	453	205	205			95	95	5	5			X X X
4. 1995	667	667	269	269			104	104	11	11			X X X
5. 1996	839	839	274	274			163	163	67	67			X X X
6. 1997	3,200	3,200	256	256			221	221	82	82			X X X
7. 1998	3,801	3,801	181	181			436	436	189	189			X X X
8. 1999	4,567	4,567	357	357			546	546	308	308			X X X
9. 2000	3,486	3,486	571	571			986	986	413	413			X X X
10. 2001	5,885	5,885	1,421	1,421			1,428	1,428	540	540			X X X
11. 2002	7,960	7,960	7,048	7,048			4,709	4,709	1,863	1,863			X X X
12. Totals	33,258	33,258	11,428	11,428			9,044	9,044	3,593	3,593			X X X

	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	X X X	X X X	X X X	X X X	X X X	X X X			X X X		
2. 1993	98,388	98,388		68.495	68.495						
3. 1994	129,628	129,628		83.359	83.359						
4. 1995	112,674	112,674		68.148	68.148						
5. 1996	151,785	151,785		86.518	86.518						
6. 1997	122,728	122,728		72.256	72.256						
7. 1998	105,798	105,798		69.505	69.505						
8. 1999	91,317	91,317		72.860	72.860						
9. 2000	64,050	64,050		76.433	76.433						
10. 2001	54,660	54,660		68.592	68.592						
11. 2002	41,020	41,020		67.107	67.107						
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X		

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 T - EXHIBIT OF PREMIUMS WRITTEN
Allocated by States and Territories

States, Etc.	1 Is Insurer Licens- ed? (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 Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	YES							
2. Alaska	AK	NO							
3. Arizona	AZ	NO							
4. Arkansas	AR	YES							
5. California	CA	NO							
6. Colorado	CO	NO							
7. Connecticut	CT	YES			7,355	7,355			
8. Delaware	DE	NO							
9. Dist. of Columbia	DC	NO							
10. Florida	FL	NO							
11. Georgia	GA	YES	71,865	8,116		9,695	9,695	365	
12. Hawaii	HI	NO							
13. Idaho	ID	NO							
14. Illinois	IL	YES			887	(15)	3,279		
15. Indiana	IN	YES	(1,953)	(1,847)	3,097,458	1,963,038	6,035,397	(10)	
16. Iowa	IA	YES	206	206				1	
17. Kansas	KS	YES	464,241	101,952		8,561	8,561	2,357	
18. Kentucky	KY	YES	7,974	5,796	1,629,474	(528,461)	1,216,010	40	
19. Louisiana	LA	NO							
20. Maine	ME	NO							
21. Maryland	MD	NO							
22. Massachusetts	MA	NO							
23. Michigan	MI	YES	233	600	(50)	(3,336)	2	1	
24. Minnesota	MN	YES	4,837,234	8,373,177	8,457,346	1,936,391	6,145,127	24,559	
25. Mississippi	MS	YES							
26. Missouri	MO	YES	8,544,932	1,537,082	225,654	667,679	442,024	43,384	
27. Montana	MT	NO							
28. Nebraska	NE	YES							
29. Nevada	NV	NO							
30. New Hampshire	NH	NO							
31. New Jersey	NJ	YES			(116)	(116)			
32. New Mexico	NM	NO							
33. New York	NY	YES			(245)	(245)			
34. No. Carolina	NC	YES			(233)	(233)			
35. No. Dakota	ND	NO							
36. Ohio	OH	YES	42,292,057	51,078,567	36,753,323	28,506,386	30,819,591	214,724	
37. Oklahoma	OK	YES							
38. Oregon	OR	NO							
39. Pennsylvania	PA	YES	25	25	(70)	(53)			
40. Rhode Island	RI	NO							
41. So. Carolina	SC	YES	1,136	218	(25)	(8)	17	6	
42. So. Dakota	SD	NO							
43. Tennessee	TN	YES			(100)	(100)			
44. Texas	TX	NO							
45. Utah	UT	NO							
46. Vermont	VT	NO							
47. Virginia	VA	YES			(13)	(13)			
48. Washington	WA	NO							
49. West Virginia	WV	YES							
50. Wisconsin	WI	YES	7,743	6,532	(113)	(1,189)	673	39	
51. Wyoming	WY	NO							
52. American Samoa	AS	NO							
53. Guam	GU	NO							
54. Puerto Rico	PR	NO							
55. U.S. Virgin Islands	VI	NO							
56. Canada	CN	NO							
57. Aggregate other alien	OT	X X X							
58. Totals	(a) 25		56,225,693	61,110,424	50,170,532	32,565,336	44,680,376	285,466	

DETAILS OF WRITE-INS									
5701.	X X X								
5702.	X X X								
5703.	X X X								
5798. Summary of remaining write-ins for Line 57 from overflow page	X X X								
5799. Totals (Lines 5701 - 5703 + 5798) (Line 57 above)	X X X								

Explanation of basis of allocation of premiums by states, etc.

*Business domestic of a particular state is allocated to that state.

(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

0111	LIBERTY MUTUAL GROUP	00000	MA	04-3583681	LIBERTY MUTUAL HOLDING COMPANY INC.
0111	LIBERTY MUTUAL GROUP	00000	MA	04-3583680	LMHC MASSACHUSETTS HOLDINGS INC.
0111	LIBERTY MUTUAL GROUP	00000	MA	04-3583679	LIBERTY MUTUAL GROUP INC.
0111	LIBERTY MUTUAL GROUP	23043	MA	04-1543470	LIBERTY MUTUAL INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	41785	CO	84-0856682	COLORADO CASUALTY INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	10725	NH	04-3390891	LIBERTY SURPLUS INSURANCE CORPORATION
0111	LIBERTY MUTUAL GROUP	00000	MA	04-3128156	LIBERTY ENERGY CORPORATION
0111	LIBERTY MUTUAL GROUP	00000	DE	52-2282916	LIBERTY ENERGY HOLDINGS LLC.
0111	LIBERTY MUTUAL GROUP	33600	IA	04-3058504	LM INSURANCE CORPORATION
0111	LIBERTY MUTUAL GROUP	10337	IL	36-4027414	LIBERTY INSURANCE COMPANY OF AMERICA
0111	LIBERTY MUTUAL GROUP	33588	IA	04-3058503	THE FIRST LIBERTY INSURANCE CORPORATION
0111	LIBERTY MUTUAL GROUP	11746	MI	38-1742556	LIBERTY PERSONAL INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	CANADA		LIBERTY INSURANCE COMPANY OF CANADA
0111	LIBERTY MUTUAL GROUP	00000	MA	04-2791584	HELMSMAN MANAGEMENT SERVICES INC.
0111	LIBERTY MUTUAL GROUP	00000	MA	04-2433707	HELMSMAN INSURANCE AGENCY INC.
0111	LIBERTY MUTUAL GROUP	00000	IL	36-4090511	HELMSMAN INSURANCE AGENCY OF ILLINOIS INC.
0111	LIBERTY MUTUAL GROUP	00000	DE	04-3025735	LIBERTY LIFE HOLDINGS INC.
0111	LIBERTY MUTUAL GROUP	41939	OR	93-0824674	LIBERTY NORTHWEST INSURANCE CORPORATION
0111	LIBERTY MUTUAL GROUP	23892	OR	93-6029263	NORTH PACIFIC INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	23922	OR	93-0241650	OREGON AUTOMOBILE INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	OR	93-0962676	LIBERTY MANAGEMENT SERVICES INC.
0111	LIBERTY MUTUAL GROUP	42404	IL	03-0316876	LIBERTY INSURANCE CORPORATION
0111	LIBERTY MUTUAL GROUP	65315	MA	04-6076039	LIBERTY LIFE ASSURANCE COMPANY OF BOSTON
0111	LIBERTY MUTUAL GROUP	00000	FL	04-3435394	SUMMIT HOLDING SOUTHEAST INC.
0111	LIBERTY MUTUAL GROUP	10701	FL	59-1835212	BRIDGEFIELD EMPLOYERS INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	10335	FL	59-3269531	BRIDGEFIELD CASUALTY INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	CAYMAN ISLANDS		U.S. EMPLOYERS INSURANCE COMPANY INC.
0111	LIBERTY MUTUAL GROUP	00000	FL	59-3107347	SUMMIT HOLDING CORPORATION
0111	LIBERTY MUTUAL GROUP	00000	FL	59-3369850	SUMMIT HEALTHCARE HOLDINGS INC.
0111	LIBERTY MUTUAL GROUP	00000	FL	59-3385208	HERITAGE SUMMIT HEALTHCARE OF FLORIDA INC.
0111	LIBERTY MUTUAL GROUP	00000	FL	59-1683711	SUMMIT CONSULTING INC.
0111	LIBERTY MUTUAL GROUP	00000	FL	59-1979237	SUMMIT LOSS CONTROL SERVICES INC.
0111	LIBERTY MUTUAL GROUP	00000	FL	59-2923618	SUMMIT CLAIMS MANAGEMENT INC.
0111	LIBERTY MUTUAL GROUP	00000	FL	59-1838330	COMMERCIAL INSURANCE OF CENTRAL FLORIDA INC
0111	LIBERTY MUTUAL GROUP	00000	FL	59-3426970	TURNKEY RESOURCES INC.
0111	LIBERTY MUTUAL GROUP	00000	FL	59-3447183	TURNKEY INSURANCE SERVICES INC.
0111	LIBERTY MUTUAL GROUP	00000	WI	39-6074346	WAUSAU SERVICE CORPORATION
0111	LIBERTY MUTUAL GROUP	26069	WI	36-3522250	WAUSAU BUSINESS INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	26042	WI	39-1341459	WAUSAU UNDERWRITERS INSURANCE COMPANY

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

0111	LIBERTY MUTUAL GROUP	26425	WI	36-2753986	WAUSAU GENERAL INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	UK		WAUSAU INSURANCE COMPANY (U.K.) LTD.
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA	98-0336015	WAUSAU (BERMUDA) LTD. (BERMUDA)
0111	LIBERTY MUTUAL GROUP	00000	MA	04-3217691	LIBERTY MUTUAL MANAGED CARE INC.
0111	LIBERTY MUTUAL GROUP	00000	DE	04-2926860	LIBERTY MUTUAL CAPITAL CORPORATION (BOSTON)
0111	LIBERTY MUTUAL GROUP	10836	CA	33-0763205	GOLDEN EAGLE INSURANCE CORPORATION
0111	LIBERTY MUTUAL GROUP	10837	CA	33-0763208	SAN DIEGO INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	MA	04-3119508	LIBERTY MUTUAL EQUITY CORPORATION
0111	LIBERTY MUTUAL GROUP	00000	DE	04-3116408	ATLANTIC REAL ESTATE LIMITED PARTNERSHIP
0111	LIBERTY MUTUAL GROUP	00000	MA	04-3260640	LIBERTY PROPERTY - CASUALTY HOLDINGS INC.
0111	LIBERTY MUTUAL GROUP	00000	MA	04-2880152	LIBERTY FINANCIAL SERVICES INC.
0111	LIBERTY MUTUAL GROUP	00000	MA	04-3300603	LIBERTY MASSACHUSETTS TRUST
0111	LIBERTY MUTUAL GROUP	00000	DE	04-3209289	LIBERTY INTERNATIONAL HOLDINGS INC.
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA		LIBERTY MUTUAL (BERMUDA) LTD.
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA		LIBERTY MUTUAL MANAGEMENT (BERMUDA) LTD.
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA		ARLINGTON INSURANCE COMPANY LTD
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA		THE STUART INSURANCE GROUP LTD.
0111	LIBERTY MUTUAL GROUP	00000	SPAIN		LIBERTY INTERNATIONAL (SPAIN) HOLDINGS LLC (DE)
0111	LIBERTY MUTUAL GROUP	00000	SPAIN		LIBERTY INTERNATIONAL IBERIA S.L. S.COM (SPAIN))
0111	LIBERTY MUTUAL GROUP	00000	BRAZIL		LIBERTY INTERNATIONAL LIMITADA (BRAZIL)
0111	LIBERTY MUTUAL GROUP	00000	BRAZIL		LIBERTY PAULISTA SEGUROS (BRAZIL)
0111	LIBERTY MUTUAL GROUP	00000	DE	51-0365934	LIBERTY INTERNATIONAL LATIN AMERICA HOLDINGS LLC
0111	LIBERTY MUTUAL GROUP	00000	VENEZUELA		SEGUROS CARACAS DE LIBERTY MUTUAL C.A.
0111	LIBERTY MUTUAL GROUP	00000	COLOMBIA		LIBERTY SEGUROS S.A.
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA		LI (COLOMBIA) HOLDINGS LTD.
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA		LILA (COLOMBIA) HOLDINGS LTD.
0111	LIBERTY MUTUAL GROUP	00000	ARGENTINA		LIBERTY ART S.A.
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA	98-0158209	LEXCO LIMITED
0111	LIBERTY MUTUAL GROUP	00000	ENGLAND		LIBERTY EUROPE (HOLDINGS) LTD.
0111	LIBERTY MUTUAL GROUP	00000	UK		LIBERTY CORPORATE CAPITAL LTD
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA	98-0336014	LIBERTY RE (BERMUDA) LTD.
0111	LIBERTY MUTUAL GROUP	00000	ENGLAND		LIBERTY MUTUAL INSURANCE COMPANY (U.K.) LTD.
0111	LIBERTY MUTUAL GROUP	23035	MA	04-1924000	LIBERTY MUTUAL FIRE INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	14613	MD	52-0424870	MONTGOMERY MUTUAL INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	MD	52-1312518	HAREWOOD CORPORATION
0111	LIBERTY MUTUAL GROUP	16900	MD	52-1315488	MONTGOMERY INDEMNITY COMPANY
0111	LIBERTY MUTUAL GROUP	14486	PA	23-0867770	MERCHANTS AND BUSINESS MEN'S MUTUAL INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	19544	TEXAS	75-2447701	LIBERTY COUNTY MUTUAL INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	WI		EMPLOYERS INSURANCE OF WAUSAU MUTUAL HOLDING COMPANY
0111	LIBERTY MUTUAL GROUP	21458	WI	39-0264050	EMPLOYERS INSURANCE COMPANY OF WAUSAU

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

0111	LIBERTY MUTUAL GROUP	00000	DE	52-2107018	LIBERTY INSURANCE HOLDING INC
0111	LIBERTY MUTUAL GROUP	00000	DE	22-2195982	LIBERTY-USA CORPORATION
0111	LIBERTY MUTUAL GROUP	27944	IN	35-1287317	NATIONAL INSURANCE ASSOCIATION
0111	LIBERTY MUTUAL GROUP	18333	IL	13-2919779	PEERLESS INDEMNITY INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	DE	22-2424043	LIH-RE OF AMERICA CORPORATION
0111	LIBERTY MUTUAL GROUP	00000	DE	35-1283740	THE NATIONAL CORPORATION
0111	LIBERTY MUTUAL GROUP	11312	OH	31-4386540	GLOBE AMERICAN CASUALTY COMPANY
0111	LIBERTY MUTUAL GROUP	10073	IL	36-2678778	AMERICAN AMBASSADOR CASUALTY COMPANY
0111	LIBERTY MUTUAL GROUP	23515	OH	31-0978280	THE MIDWESTERN IDEMNITY COMPANY
0111	LIBERTY MUTUAL GROUP	23507	OH	31-0978279	MID-AMERICAN FIRE & CASUALTY COMPANY
0111	LIBERTY MUTUAL GROUP	19917	NY	13-4916020	LIBERTY INSURANCE UNDERWRITERS INC
0111	LIBERTY MUTUAL GROUP	36919	WI	39-1321384	HAWKEYE-SECURITY INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	DE	51-0290450	LIH US P&C CORPORATION
0111	LIBERTY MUTUAL GROUP	00000	TX	35-2182093	GULF STATES AIF INC.
0111	LIBERTY MUTUAL GROUP	11526	TX	74-3038540	AMERICA FIRST LLOYD'S INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	24198	NH	02-0177030	PEERLESS INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	24171	NH	02-0342937	THE NETHERLANDS INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	22659	IN	35-0410010	INDIANA INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	22640	IN	35-6018566	CONSOLIDATED INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	11045	NH	15-0302550	EXCELSIOR INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	NH	02-0424648	DIVERSIFIED SETTLEMENTS INC.
0111	LIBERTY MUTUAL GROUP	12696	NH	58-0953149	AMERICA FIRST INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	DE	51-0395936	LIBERTY INTERNATIONAL ASIA PACIFIC HOLDINGS INC.
0111	LIBERTY MUTUAL GROUP	00000	HONG KONG		LIBERTY INTERNATIONAL (H.K.) LTD.
0111	LIBERTY MUTUAL GROUP	00000	THAILAND		KRITIYA TUN CO. LTD.
0111	LIBERTY MUTUAL GROUP	00000	THAILAND		TUN KAOKLAI CO. LTD.
0111	LIBERTY MUTUAL GROUP	00000	THAILAND		NARAI INTERNATIONAL INSURANCE COMPANY LTD
0111	LIBERTY MUTUAL GROUP	00000	SINGAPORE		LIBERTY CITYSTATE HOLDINGS PTE LTD.
0111	LIBERTY MUTUAL GROUP	00000	SINGAPORE		LIBERTY INSURANCE PTE LTD.
0111	LIBERTY MUTUAL GROUP	00000	HONG KONG		LIBERTY INTERNATIONAL INSURANCE LTD.
0111	LIBERTY MUTUAL GROUP	00000	SINGAPORE		MARINE INSURANCE SERVICES LTD.
0111	LIBERTY MUTUAL GROUP	00000	WA	91-1358276	CASCADE DISABILITY MANAGEMENT INC.
0111	LIBERTY MUTUAL GROUP	00000	NORTHERN IRELAND		LIBERTY INFORMATION TECHNOLOGY LTD.
0111	LIBERTY MUTUAL GROUP	00000	IRELAND		LIBERTY INTERNATIONAL IRELAND HOLDINGS LTD.
0111	LIBERTY MUTUAL GROUP	00000	IRELAND		LIBERTY INTERNATIONAL INSURANCE COMPANY LTD.
0111	LIBERTY MUTUAL GROUP	00000	ARGENTINA		LIBERTY SEGUROS ARGENTINA S.A.
0111	LIBERTY MUTUAL GROUP	00000	BERMUDA		LIBERTY INTERNATIONAL MANAGEMENT (BERMUDA) LTD.
0111	LIBERTY MUTUAL GROUP	00000	TEXAS	74-2646138	BERKELEY MANAGEMENT CORPORATION
0111	LIBERTY MUTUAL GROUP	11041	TEXAS	74-2963323	LIBERTY LLOYDS OF TEXAS INSURANCE COMPANY
0111	LIBERTY MUTUAL GROUP	00000	DE	52-2272555	WAUSAU HOLDINGS INC.

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PART 1 - ORGANIZATIONAL CHART

0111	LIBERTY MUTUAL GROUP	00000	SPAIN		LIBERTY INSURANCE GROUP COMPANIA DE SEGUROS Y REASEGUROS S.A.
0111	LIBERTY MUTUAL GROUP	00000	VENEZUELA		SEGUROS PAN AMERICAN DE LIBERTY MUTUAL C.A.
0111	LIBERTY MUTUAL GROUP	00000	COLOMBIA		LIBERTY SUEGUROS DE VIDA
0111	LIBERTY MUTUAL GROUP	00000	OREGON	93-1290774	ACCESS INSURANCE SERVICES COMPANY

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