



ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2002
OF THE CONDITION AND AFFAIRS OF THE

Westfield Insurance Company

NAIC Group Code 0228 0228 NAIC Company Code 24112 Employer's ID Number 34-6516838
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated July 12, 1929 Commenced Business July 19, 1929

Statutory Home Office One Park Circle, Westfield Center, Ohio 44251-5001
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office One Park Circle, Westfield Center, Ohio 44251-5001 330-887-0101
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address P. O. Box 5001, Westfield Center, Ohio 44251-5001
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records One Park Circle, Westfield Center, Ohio 44251-5001
(Street and Number, City or Town, State and Zip Code)
330-887-0101
(Area Code) (Telephone Number)

Internet Website Address www.westfieldgrp.com

Statement Contact Bambi Ann Beshire 330-887-0101
(Name) (Area Code) (Telephone Number) (Extension)
330-887-0840
(E-Mail Address) (Fax Number)

Policyowner Relations Contact One Park Circle, Westfield Center, Ohio 44251 330-887-0980
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

Chairman & CEO	Robert Cary Blair	COO	Robert Joseph Joyce
President	Roger William McManus	Sr Ex C L	#John J Adornetto
CFO & Treasurer	Robert Krisowaty	Chief Solu Officer	Robert Steven Madden
Chief Inv Officer	John Martin Haney	Chief HR Officer	Debra Lynn Cummings
Sr Ex P & C Mktg	#Alyn Kent Daugherty	Sr Ex Claims	Edward Albert Schaefer, Jr
Sr Ex P L Prod	Douglas Phillip Carpenter	Sr Ex F & S Oper	Richard Leo Kinnaird, Jr
Sr Ex Spec Rsk Und	#Richard Dayton Orr	Controller	Bambi Ann Beshire
Sr Ex Bus Dev	James Robert Clay	Sr Ex Agncy Rel	#David Milton Critchfield
Sr Ex Bus Dev	Thomas Victor Grimm	Sr Ex Reins	#Thomas Lee Kranstuber
Sr Ex P L Und	Mary Lou Solsman	Sr Ex Govt Rel	Robert Daniel Sondles, III
Corp Sec & Counsel	Michael Brooks Rorapaugh	Chief Actuary	Stephen Edward Lehecka
Sr Ex Bus Dev	#Steven Alan Fisher		

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Robert Cary Blair
 Gary Dean Hallman
 Susan Jane Insley
 David Brantner Jones
 Robert Joseph Joyce
 Richard Harper LeSourd, Jr
 Martin James Murphy
 John Alan Root
 Thomas Eldon Workman

State of Ohio }
 County of Medina } 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.

 Roger William McManus
 President

 Robert Krisowaty
 CFO & Treasurer

 Bambi Ann Beshire
 Controller

a. Is this an original filing? Yes (X) No ()
 b. If no: 1. State the amendment number 0
 2. Date filed _____
 3. Number of pages attached 0

Subscribed and sworn to before me this
 15th day of February, 2003

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Columns 1 minus 2)	Net Admitted Assets
1. Bonds	773,450,530	0	773,450,530	795,122,855
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1)	41,697,694	0	41,697,694	16,889,850
2.2 Common stocks (Schedule D, Part 2, Section 2)	272,746,248	0	272,746,248	266,659,424
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less \$ 0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$ 0 encumbrances)	0	0	0	0
5. Cash (\$ 0 Schedule E, Part 1) and short-term investments (\$ 24,883,856 Schedule DA, Part 2)	24,883,857	0	24,883,857	8,170,756
6. Other invested assets (Schedule BA)	0	0	0	1,161,449
7. Receivable for securities	3,848	0	3,848	3,360,222
8. Aggregate write-ins for invested assets	0	0	0	0
9. Subtotals, cash and invested assets (Line 1 to Line 8)	1,112,782,177	0	1,112,782,177	1,091,364,556
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection	47,149,132	8,720,536	38,428,596	32,406,750
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ 852,488 earned but unbilled premiums)	212,544,914	0	212,544,914	179,732,793
10.3 Accrued retrospective premiums	0	0	0	0
11. Funds held by or deposited with reinsured companies	0	0	0	0
12. Bills receivable, taken for premiums	0	0	0	0
13. Amounts receivable under high deductible policies	0	0	0	0
14. Reinsurance recoverables on loss and loss adjustment expense payments (Schedule F, Part 3, Columns 7 and 8)	0	0	0	0
15. Federal and foreign income tax recoverable and interest thereon (including \$ 29,124,782 net deferred tax asset)	28,898,018	0	28,898,018	1,414,844
16. Guaranty funds receivable or on deposit	0	0	0	409
17. Electronic data processing equipment and software	1,124,612	0	1,124,612	3,510,415
18. Interest, dividends and real estate income due and accrued	11,923,527	0	11,923,527	11,533,498
19. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
20. Receivable from parent, subsidiaries and affiliates	0	0	0	2,532,324
21. Amount due from/to protected cells	0	0	0	0
22. Equities and deposits in pools and associations	0	0	0	0
23. Amounts receivable relating to uninsured accident and health plans	0	0	0	0
24. Other assets nonadmitted (Exhibit 1)	0	0	0	0
25. Aggregate write-ins for other than invested assets	0	0	0	0
26. Total assets excluding protected cell assets (Line 9 through Line 25)	1,414,422,380	8,720,536	1,405,701,844	1,322,495,589
27. Protected cell assets	0	0	0	0
28. TOTALS (Line 26 and Line 27)	1,414,422,380	8,720,536	1,405,701,844	1,322,495,589
DETAILS OF WRITE-INS				
0801.	0	0	0	0
0802.	0	0	0	0
0803.	0	0	0	0
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0
0899. Totals (Line 0801 through Line 0803 plus Line 0898) (Line 8 above)	0	0	0	0
2501.	0	0	0	0
2502.	0	0	0	0
2503.	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8)	442,949,949	429,253,178
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6)	0	0
3. Loss adjustment expenses (Part 2A, Line 34, Column 9)	117,368,538	110,945,340
4. Commissions payable, contingent commissions and other similar charges	57,109,327	43,923,198
5. Other expenses (excluding taxes, licenses and fees)	22,520,348	23,139,766
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	13,994,884	14,475,302
7. Federal and foreign income taxes (including \$ 0 on realized capital gains (losses)) (including \$ 0 net deferred tax liability)	0	0
8. Borrowed money \$ 48,867,299 and interest thereon \$ 224,104	49,091,403	49,284,545
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 369,594,016 and including warranty reserves of \$ 0)	374,637,801	333,007,405
10. Advance premiums	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,974,182	3,119,559
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	0	0
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	0	0
16. Provision for reinsurance (Schedule F, Part 7)	325,328	44,322
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	4,967,545	0
20. Payable for securities	8,146,297	2,250,021
21. Liability for amounts held under uninsured accident and health plans	0	0
22. Capital notes \$ 0 and interest thereon \$ 0	0	0
23. Aggregate write-ins for liabilities	3,361,167	0
24. Total liabilities excluding protected cell liabilities (Line 1 through Line 23)	1,096,446,769	1,009,442,636
25. Protected cell liabilities	0	0
26. Total liabilities (Line 24 and Line 25)	1,096,446,769	1,009,442,636
27. Aggregate write-ins for special surplus funds	54,096,202	96,431,654
28. Common capital stock	4,700,000	4,700,000
29. Preferred capital stock	0	0
30. Aggregate write-ins for other than special surplus funds	0	0
31. Surplus notes	0	0
32. Gross paid in and contributed surplus	1,395,000	1,395,000
33. Unassigned funds (surplus)	249,063,873	210,526,299
34. Less treasury stock, at cost:		
34.1 0 shares common (value included in Line 28 \$ 0)	0	0
34.2 0 shares preferred (value included in Line 29 \$ 0)	0	0
35. Surplus as regards policyholders (Line 27 to Line 33, less Line 34) (Page 4, Line 38)	309,255,075	313,052,953
36. TOTALS (Page 2, Line 28, Column 3)	1,405,701,844	1,322,495,589
DETAILS OF WRITE-INS		
2301. Reserve for Employees Profit Sharing	3,361,167	0
2302.	0	0
2303.	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0
2399. TOTALS (Line 2301 through Line 2303 plus Line 2398) (Line 23 above)	3,361,167	0
2701. General Voluntary Reserve	54,096,202	96,431,654
2702.	0	0
2703.	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. TOTALS (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)	54,096,202	96,431,654
3001.	0	0
3002.	0	0
3003.	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. TOTALS (Line 3001 through Line 3003 plus Line 3098) (Line 30 above)	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

STATEMENT OF INCOME

UNDERWRITING INCOME	1 Current Year	2 Prior Year
1. Premiums earned (Part 1, Line 34, Column 4)	753,376,901	696,752,014
DEDUCTIONS		
2. Losses incurred (Part 2, Line 34, Column 7)	447,296,961	459,725,967
3. Loss expenses incurred (Part 3, Line 25, Column 1)	80,630,277	75,610,703
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	251,199,628	257,006,978
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Line 2 through Line 5)	779,126,866	792,343,648
7. Net income of protected cells	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(25,749,965)	(95,591,634)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	59,263,767	56,993,207
10. Net realized capital gains (losses) (Exhibit of Capital Gains (Losses))	(5,172,737)	9,234,680
11. Net investment gain (loss) (Line 9 plus Line 10)	54,091,030	66,227,887
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 3,179,849 amount charged off \$ 5,673,594)	(2,493,745)	(2,337,389)
13. Finance and service charges not included in premiums	3,762,031	3,667,434
14. Aggregate write-ins for miscellaneous income	(3,418,313)	(102,405)
15. Total other income (Line 12 through Line 14)	(2,150,027)	1,227,640
16. Net income before dividends to policyholders and before federal and foreign income taxes (Line 8 plus Line 11 plus Line 15)	26,191,038	(28,136,107)
17. Dividends to policyholders	677,791	609,780
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	25,513,247	(28,745,887)
19. Federal and foreign income taxes incurred	14,593,671	(6,438,261)
20. Net income (Line 18 minus Line 19) (to Line 22)	10,919,576	(22,307,626)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 38, Column 2)	313,052,953	360,897,847
GAINS AND (LOSSES) IN SURPLUS		
22. Net income (from Line 20)	10,919,576	(22,307,626)
23. Net unrealized capital gains or (losses)	(26,596,751)	(14,653,583)
24. Change in net unrealized foreign exchange capital gain (loss)	0	0
25. Change in net deferred income tax	12,119,365	5,125,615
26. Change in nonadmitted assets (Exhibit 1, Line 5, Column 3)	40,938	(1,511,685)
27. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(281,006)	116,037
28. Change in surplus notes	0	0
29. Surplus (contributed to) withdrawn from protected cells	0	0
30. Cumulative effect of changes in accounting principles	0	(14,613,652)
31. Capital changes:		
31.1 Paid in	0	0
31.2 Transferred from surplus (Stock Dividend)	0	0
31.3 Transferred to surplus	0	0
32. Surplus adjustments:		
32.1 Paid in	0	0
32.2 Transferred to capital (Stock Dividend)	0	0
32.3 Transferred from capital	0	0
33. Net remittances from or (to) Home Office	0	0
34. Dividends to stockholders	0	0
35. Change in treasury stock (Page 3, Line 34.1 and 34.2, Column 2 minus Column 1)	0	0
36. Aggregate write-ins for gains and losses in surplus	0	0
37. Change in surplus as regards policyholders for the year (Line 22 through Line 36)	(3,797,878)	(47,844,894)
38. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 37) (Page 3, Line 35)	309,255,075	313,052,953
DETAILS OF WRITE-INS		
0501	0	0
0502	0	0
0503	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)	0	0
1401. Other Interest Income	24	205
1402. Net Gain or (Loss) on Sale of Electronic Data Processing Equipment	(57,169)	(102,610)
1403. Reserve for Employees Profit Sharing	(3,361,168)	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)	(3,418,313)	(102,405)
3601	0	0
3602	0	0
3603	0	0
3698. Summary of remaining write-ins for Line 36 from overflow page	0	0
3699. Totals (Line 3601 through Line 3603 plus Line 3698) (Line 36 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	754,735,148	748,517,349
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	507,807,269	360,796,028
3. Underwriting expenses paid	239,101,297	230,009,886
4. Other underwriting income (expenses)	0	0
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	7,826,582	157,711,435
6. Net investment income	53,709,106	49,687,146
7. Other income (expenses):		
7.1 Agents' balances charged off	(2,493,745)	(2,337,389)
7.2 Net funds held under reinsurance treaties	0	0
7.3 Net amount withheld or retained for account of others	0	0
7.4 Aggregate write-ins for miscellaneous items	344,129	3,179,477
7.5 Total other income (Line 7.1 to Line 7.4)	(2,149,616)	842,088
8. Dividends to policyholders on direct business, less \$ 0 dividends on reinsurance assumed or ceded (net)	677,791	609,780
9. Federal and foreign income taxes (paid) recovered	(14,218,779)	10,552,687
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	44,489,502	218,183,576
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	182,538,575	122,045,146
11.2 Stocks	17,914,502	67,918,191
11.3 Mortgage loans	0	0
11.4 Real estate	0	0
11.5 Other invested assets	1,784,783	3,333,918
11.6 Net gains or (losses) on cash and short-term investments	0	0
11.7 Miscellaneous proceeds	11,613,710	0
11.8 Total investment proceeds (Line 11.1 to Line 11.7)	213,851,570	193,297,255
12. Cost of investments acquired (long-term only):		
12.1 Bonds	152,109,308	341,863,475
12.2 Stocks	99,545,045	139,486,271
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	1,000,000	0
12.6 Miscellaneous applications	0	1,334,057
12.7 Total investments acquired (Line 12.1 to Line 12.6)	252,654,353	482,683,803
13. Net cash from investments (Line 11.8 minus Line 12.7)	(38,802,783)	(289,386,548)
Cash from Financing and Miscellaneous Sources		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in	0	0
14.2 Capital notes, \$ 0 less amounts repaid \$ 0	0	0
14.3 Net transfers from affiliates	7,499,869	10,605,227
14.4 Borrowed funds received	0	49,035,697
14.5 Other cash provided	3,694,911	0
14.6 Total (Lines 14.1 to 14.5)	11,194,780	59,640,924
15. Cash applied:		
15.1 Dividends to stockholders paid	0	0
15.2 Net transfers to affiliates	0	0
15.3 Borrowed funds repaid	168,398	0
15.4 Other applications	0	0
15.5 Total (Line 15.1 to Line 15.4)	168,398	0
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	11,026,382	59,640,924
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10 plus Line 13 plus Line 16)	16,713,101	(11,562,048)
18. Cash and short-term investments:		
18.1 Beginning of year	8,170,756	19,732,804
18.2 End of year (Line 17 plus Line 18.1)	24,883,857	8,170,756
DETAILS OF WRITE-INS		
7.401 Finance and Service Charges	3,762,031	3,667,428
7.402 Guaranty Funds Receivable or on Deposit	409	26
7.403 Net Other Interest Income (Expense)	25	(385,368)
7.498 Summary of remaining write-ins for Line 7.4 from overflow page	(3,418,336)	(102,609)
7.499 Totals (Line 7.401 through Line 7.403 plus Line 7.498) (Line 7.4 above)	344,129	3,179,477

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Column 3, Last Year's Part 2	3 Unearned Premiums December 31 Current Year- per Column 5 Part 1A	4 Premiums Earned During Year (Column 1 plus 2 minus 3)
1. Fire	8,086,399	3,682,149	4,128,837	7,639,711
2. Allied lines	4,806,311	2,174,191	2,455,600	4,524,902
3. Farmowners multiple peril	27,414,767	7,263,276	13,376,250	21,301,793
4. Homeowners multiple peril	95,461,496	52,798,652	50,986,539	97,273,609
5. Commercial multiple peril	151,340,912	61,701,361	69,565,182	143,477,091
6. Mortgage guaranty	0	0	0	0
8. Ocean marine	0	0	0	0
9. Inland marine	33,724,017	13,794,484	15,968,629	31,549,872
10. Financial guaranty	0	0	0	0
11.1 Medical malpractice - occurrence	0	0	0	0
11.2 Medical malpractice - claims-made	0	0	0	0
12. Earthquake	864,215	1,009,612	1,027,529	846,298
13. Group accident and health	15,757	0	0	15,757
14. Credit accident and health (group and individual)	0	0	0	0
15. Other accident and health	0	0	0	0
16. Workers' compensation	70,479,064	27,136,476	29,237,769	68,377,771
17.1 Other liability - occurrence	34,278,038	13,734,650	17,156,828	30,855,860
17.2 Other liability - claims-made	618,692	244,519	277,020	586,191
18.1 Products liability - occurrence	670,019	220,010	301,784	588,245
18.2 Products liability - claims-made	0	0	0	0
19.1, 19.2 Private passenger auto liability	123,398,424	50,721,366	57,786,740	116,333,050
19.3, 19.4 Commercial auto liability	82,250,559	33,440,156	37,146,759	78,543,956
21. Auto physical damage	124,970,060	51,476,209	57,640,645	118,805,624
22. Aircraft (all perils)	0	0	0	0
23. Fidelity	1,990,894	1,315,178	1,304,094	2,001,978
24. Surety	21,592,441	10,198,740	12,252,975	19,538,206
26. Burglary and theft	469,951	199,485	216,381	453,055
27. Boiler and machinery	(1)	(14,461)	(14,461)	(1)
28. Credit	0	0	0	0
29. International	0	0	0	0
30. Reinsurance - Nonproportional Assumed Property	12,575,283	1,911,350	3,822,700	10,663,933
31. Reinsurance - Nonproportional Assumed Liability	0	0	0	0
32. Reinsurance - Nonproportional Assumed Financial Lines	0	0	0	0
33. Aggregate write-ins for other lines of business	0	0	0	0
34. TOTALS	795,007,298	333,007,403	374,637,800	753,376,901
DETAILS OF WRITE-INS				
3301.	0	0	0	0
3302.	0	0	0	0
3303.	0	0	0	0
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0
3399. Totals (Line 3301 through Line 3303 plus Line 3398) (Line 33 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A-RECAPITULATION OF ALL PREMIUMS

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

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (b)	2 Amount Unearned (Running More Than One Year from Date of Policy) (b)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Columns 1 + 2 + 3 + 4
1. Fire	4,127,379	1,458	0	0	4,128,837
2. Allied lines	2,454,871	729	0	0	2,455,600
3. Farmowners multiple peril	13,374,830	1,420	0	0	13,376,250
4. Homeowners multiple peril	50,986,539	0	0	0	50,986,539
5. Commercial multiple peril	69,540,782	24,400	0	0	69,565,182
6. Mortgage guaranty	0	0	0	0	0
8. Ocean marine	0	0	0	0	0
9. Inland marine	15,967,582	1,047	0	0	15,968,629
10. Financial guaranty	0	0	0	0	0
11.1 Medical malpractice - occurrence	0	0	0	0	0
11.2 Medical malpractice - claims-made	0	0	0	0	0
12. Earthquake	1,027,521	8	0	0	1,027,529
13. Group accident and health	0	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0	0
15. Other accident and health	0	0	0	0	0
16. Workers' compensation	29,194,403	43,366	0	0	29,237,769
17.1 Other liability - occurrence	17,130,513	26,315	0	0	17,156,828
17.2 Other liability - claims-made	275,538	1,482	0	0	277,020
18.1 Products liability - occurrence	298,640	3,144	0	0	301,784
18.2 Products liability - claims-made	0	0	0	0	0
19.1, 19.2 Private passenger auto liability	57,786,740	0	0	0	57,786,740
19.3, 19.4 Commercial auto liability	37,146,570	189	0	0	37,146,759
21. Auto physical damage	57,640,645	0	0	0	57,640,645
22. Aircraft (all perils)	0	0	0	0	0
23. Fidelity	739,693	564,401	0	0	1,304,094
24. Surety	5,291,937	6,961,038	0	0	12,252,975
26. Burglary and theft	216,066	315	0	0	216,381
27. Boiler and machinery	(14,461)	0	0	0	(14,461)
28. Credit	0	0	0	0	0
29. International	0	0	0	0	0
30. Reinsurance - Nonproportional Assumed Property	3,822,700	0	0	0	3,822,700
31. Reinsurance - Nonproportional Assumed Liability	0	0	0	0	0
32. Reinsurance - Nonproportional Assumed Financial Lines	0	0	0	0	0
33. Aggregate write-ins for other lines of business	0	0	0	0	0
34. TOTALS	367,008,488	7,629,312	0	0	374,637,800
35. Accrued retrospective premiums based on experience					0
36. Earned but unbilled premiums					0
37. Balance (Sum of Line 34 through Line 36)					374,637,800
DETAILS OF WRITE-INS					
3301.	0	0	0	0	0
3302.	0	0	0	0	0
3303.	0	0	0	0	0
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0	0
3399. Totals (Lines 3301 through 3303 plus 3398) (Line 33 above)	0	0	0	0	0

(a) By gross premiums is meant the aggregate of all the premiums written in the policies or renewals in force. Are they so returned in this statement? Yes (X) No ()

(b) State here basis of computation used in each case.
Daily Pro-Rata

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 Columns 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire	9,047,746	8,086,399	14,161	8,618,718	443,189	8,086,399
2. Allied lines	5,873,162	4,806,311	21,822	5,591,689	303,295	4,806,311
3. Farmowners multiple peril	0	27,414,767	0	127,759	(127,759)	27,414,767
4. Homeowners multiple peril	53,148,120	95,461,496	218,159	51,456,400	1,909,878	95,461,497
5. Commercial multiple peril	219,160,882	151,340,912	26,090	211,464,489	7,722,483	151,340,912
6. Mortgage guaranty	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	0
9. Inland marine	45,832,848	33,724,017	2,431	44,029,985	1,805,294	33,724,017
10. Financial guaranty	0	0	0	0	0	0
11.1 Medical malpractice - occurrence	0	0	0	0	0	0
11.2 Medical malpractice - claims-made	0	0	0	0	0	0
12. Earthquake	1,473,916	864,215	0	769,334	704,582	864,215
13. Group accident and health	25,000	15,757	0	24,813	187	15,757
14. Credit accident and health (group and individual)	0	0	0	0	0	0
15. Other accident and health	0	0	0	0	0	0
16. Workers' compensation	78,480,801	70,479,064	1,240	77,352,846	1,129,195	70,479,064
17.1 Other liability - occurrence	47,210,879	34,278,038	0	40,059,195	7,151,685	34,278,037
17.2 Other liability - claims-made	605,955	618,692	0	501,742	104,213	618,692
18.1 Products liability - occurrence	891,312	670,019	0	875,781	15,531	670,019
18.2 Products liability - claims-made	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability	76,487,313	123,398,424	0	74,857,615	1,629,698	123,398,424
19.3, 19.4 Commercial auto liability	122,560,402	82,250,559	0	119,410,945	3,149,457	82,250,559
21. Auto physical damage	111,655,278	124,970,060	0	110,337,034	1,318,244	124,970,060
22. Aircraft (all perils)	0	0	0	0	0	0
23. Fidelity	2,047,997	1,990,894	0	2,024,504	23,493	1,990,894
24. Surety	6,191,144	21,592,441	0	6,119,987	71,157	21,592,441
26. Burglary and theft	700,799	469,951	0	693,170	7,629	469,951
27. Boiler and machinery	1,067,264	(1)	0	0	1,067,264	(1)
28. Credit	0	0	0	0	0	0
29. International	0	0	0	0	0	0
30. Reinsurance - Nonproportional Assumed Property	XXX	12,575,283	0	0	0	12,575,283
31. Reinsurance - Nonproportional Assumed Liability	XXX	0	0	0	0	0
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	0	0	0	0	0
33. Aggregate write-ins for other lines of business	0	0	0	0	0	0
34. TOTALS	782,460,818	795,007,298	283,903	754,316,006	28,428,715	795,007,298
DETAILS OF WRITE-INS						
3301.	0	0	0	0	0	0
3302.	0	0	0	0	0	0
3303.	0	0	0	0	0	0
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0	0	0
3399. Totals (Line 3301 through Line 3303 plus Line 3398) (Line 33 above)	0	0	0	0	0	0

(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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Westfield Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5	6	7	8
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 plus 2 minus 3)	Net Losses Unpaid Current Year (Part 2A Column 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Column 4 plus 5 minus 6)	Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
1. Fire	3,076,472	3,286,961	3,076,472	3,286,961	1,095,709	1,572,756	2,809,914	36.8
2. Allied lines	3,611,427	2,942,538	3,611,427	2,942,538	672,862	337,545	3,277,855	72.4
3. Farmowners multiple peril	0	18,855,001	0	18,855,001	6,636,543	8,349,706	17,141,838	80.5
4. Homeowners multiple peril	36,328,527	68,457,455	36,328,527	68,457,455	24,438,098	21,479,102	71,416,451	73.4
5. Commercial multiple peril	88,763,489	67,207,508	88,763,489	67,207,508	89,229,063	86,637,707	69,798,864	48.6
6. Mortgage guaranty	0	0	0	0	0	0	0	0.0
8. Ocean marine	0	0	0	0	1,138	(301)	1,439	0.0
9. Inland marine	19,736,885	12,676,748	19,736,885	12,676,748	5,873,529	4,063,998	14,486,279	45.9
10. Financial guaranty	0	0	0	0	0	0	0	0.0
11.1 Medical malpractice - occurrence	0	0	0	0	18,819	14,612	4,207	0.0
11.2 Medical malpractice - claims-made	0	0	0	0	0	0	0	0.0
12. Earthquake	0	2,008	0	2,008	(23,764)	(26,585)	4,829	0.6
13. Group accident and health	0	0	0	0	0	0	0	0.0
14. Credit accident and health (group and individual)	0	0	0	0	0	0	0	0.0
15. Other accident and health	0	0	0	0	0	0	0	0.0
16. Workers' compensation	23,863,171	43,226,053	24,003,772	43,085,452	95,260,218	87,893,963	50,451,707	73.8
17.1 Other liability - occurrence	21,984,346	15,647,557	21,984,346	15,647,557	28,684,757	29,673,807	14,658,507	47.5
17.2 Other liability - claims-made	63,121	69,886	63,121	69,886	110,173	118,575	61,484	10.5
18.1 Products liability - occurrence	2,386,698	1,571,254	2,386,698	1,571,254	4,958,896	2,934,022	3,596,128	611.3
18.2 Products liability - claims-made	0	0	0	0	0	0	0	0.0
19.1, 19.2 Private passenger auto liability	46,324,679	80,303,229	46,324,679	80,303,229	96,778,535	92,789,638	84,292,126	72.5
19.3, 19.4 Commercial auto liability	59,009,023	40,807,044	59,009,023	40,807,044	76,711,390	81,612,164	35,906,270	45.7
21. Auto physical damage	58,877,128	71,826,217	58,877,128	71,826,217	8,508,575	8,254,019	72,080,773	60.7
22. Aircraft (all perils)	0	126	0	126	546	578	94	0.0
23. Fidelity	474,271	388,992	474,271	388,992	540,366	555,130	374,228	18.7
24. Surety	0	1,509,432	0	1,509,432	3,378,931	2,848,954	2,039,409	10.4
26. Burglary and theft	196,186	129,416	196,186	129,416	23,709	72,139	80,986	17.9
27. Boiler and machinery	155,124	174	155,124	174	2,367	3,417	(876)	0.0
28. Credit	0	0	0	0	0	0	0	0.0
29. International	0	134	0	134	9,996	6,296	3,834	0.0
30. Reinsurance- Nonproportional Assumed Property	X X X	4,807,753	0	4,807,753	0	61,935	4,745,818	44.5
31. Reinsurance- Nonproportional Assumed Liability	X X X	25,308	0	25,308	39,494	0	64,802	0.0
32. Reinsurance- Nonproportional Assumed Financial Lines	X X X	0	0	0	0	0	0	0.0
33. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
34. TOTALS	364,850,547	433,740,794	364,991,148	433,600,193	442,949,950	429,253,177	447,296,966	59.4
DETAILS OF WRITE-INS								
3301	0	0	0	0	0	0	0	0.0
3302	0	0	0	0	0	0	0	0.0
3303	0	0	0	0	0	0	0	0.0
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0	0	0	0	0.0
3399. Totals (Line 3301 through Line 3303 plus Line 3398) (Line 33 above)	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE Westfield Insurance Company

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 (Columns 4 + 5 + 6 - 7)	9 Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	515,508	581,454	515,508	581,454	459,563	514,255	459,563	1,095,709	327,403
2. Allied lines	535,202	393,121	535,202	393,121	317,335	279,741	317,335	672,862	75,212
3. Farmowners multiple peril	0	4,782,620	0	4,782,620	0	1,853,923	0	6,636,543	1,623,495
4. Homeowners multiple peril	10,204,055	19,150,151	10,204,055	19,150,151	3,346,087	5,287,948	3,346,087	24,438,099	4,876,060
5. Commercial multiple peril	81,216,975	57,172,427	81,216,975	57,172,427	45,242,174	32,056,636	45,242,174	89,229,063	45,271,479
6. Mortgage guaranty	0	0	0	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	1,138	0	1,138	0
9. Inland marine	7,330,430	4,024,225	7,330,430	4,024,225	2,309,470	1,849,303	2,309,470	5,873,528	602,902
10. Financial guaranty	0	0	0	0	0	0	0	0	0
11.1 Medical malpractice - occurrence	0	3,745	0	3,745	0	15,075	0	18,820	0
11.2 Medical malpractice - claims-made	0	0	0	0	0	0	0	0	0
12. Earthquake	0	(26,859)	0	(26,859)	2,064	3,095	2,064	(23,764)	1,433
13. Group accident and health	0	0	0	0	0	0	0	(a) 0	0
14. Credit accident and health (group and individual)	0	0	0	0	0	0	0	(a) 0	0
15. Other accident and health	0	0	0	0	0	0	0	0	0
16. Workers' compensation	39,497,657	67,149,980	40,797,831	65,849,806	19,187,984	30,675,075	20,452,648	95,260,217	10,968,783
17.1 Other liability - occurrence	10,806,984	11,333,709	10,806,984	11,333,709	21,563,264	17,351,048	21,563,264	28,684,757	16,431,194
17.2 Other liability - claims-made	43,000	110,173	43,000	110,173	0	0	0	110,173	193,440
18.1 Products liability - occurrence	2,082,972	2,349,093	2,082,972	2,349,093	1,043,740	2,609,802	1,043,740	4,958,895	6,716,306
18.2 Products liability - claims-made	0	0	0	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability	63,584,730	81,800,642	63,584,730	81,800,642	9,449,404	14,977,893	9,449,404	96,778,535	14,697,585
19.3, 19.4 Commercial auto liability	97,252,734	65,866,783	97,252,734	65,866,783	15,306,255	10,844,607	15,306,255	76,711,390	11,625,244
21. Auto physical damage	4,780,463	5,343,619	4,780,463	5,343,619	2,824,522	3,164,957	2,824,522	8,508,576	943,352
22. Aircraft (all perils)	0	752	0	752	0	(206)	0	546	0
23. Fidelity	327,071	255,517	327,071	255,517	288,912	284,849	288,912	540,366	298,492
24. Surety	50,784	2,165,022	50,784	2,165,022	259,869	1,213,909	259,869	3,378,931	2,710,049
26. Burglary and theft	11,400	7,331	11,400	7,331	23,879	16,377	23,879	23,708	5,864
27. Boiler and machinery	27,445	204	27,445	204	0	2,163	0	2,367	237
28. Credit	0	0	0	0	0	0	0	0	0
29. International	0	9,996	0	9,996	0	0	0	9,996	0
30. Reinsurance- Nonproportional Assumed Property	X X X	0	0	0	X X X	0	0	0	0
31. Reinsurance- Nonproportional Assumed Liability	X X X	37,139	0	37,139	X X X	2,356	0	39,495	0
32. Reinsurance- Nonproportional Assumed Financial Lines	X X X	0	0	0	X X X	0	0	0	0
33. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
34. TOTALS	318,267,410	322,510,844	319,567,584	321,210,670	121,624,522	123,003,944	122,889,186	442,949,950	117,368,530
DETAILS OF WRITE-INS									
3301.	0	0	0	0	0	0	0	0	0
3302.	0	0	0	0	0	0	0	0	0
3303.	0	0	0	0	0	0	0	0	0
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0	0	0	0	0	0
3399. Totals (Line 3301 through Line 3303 plus Line 3398) (Line 33 above)	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	31,728,380	0	0	31,728,380
1.2 Reinsurance assumed	26,650,012	0	0	26,650,012
1.3 Reinsurance ceded	31,728,380	0	0	31,728,380
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	26,650,012	0	0	26,650,012
2. Commission and brokerage:				
2.1 Direct excluding contingent	0	119,119,104	0	119,119,104
2.2 Reinsurance assumed excluding contingent	0	126,047,802	0	126,047,802
2.3 Reinsurance ceded excluding contingent	0	119,119,526	0	119,119,526
2.4 Contingent - direct	0	21,804,884	0	21,804,884
2.5 Contingent - reinsurance assumed	0	23,690,489	0	23,690,489
2.6 Contingent - reinsurance ceded	0	21,804,884	0	21,804,884
2.7 Policy and membership fees	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	149,737,869	0	149,737,869
3. Allowances to manager and agents	0	184,545	0	184,545
4. Advertising	0	300,835	0	300,835
5. Boards, bureaus and associations	149,244	3,633,737	0	3,782,981
6. Surveys and underwriting reports	0	5,701,942	0	5,701,942
7. Audit of assureds' records	0	771,838	0	771,838
8. Salary and related items:				
8.1 Salaries	22,990,943	31,614,945	801,470	55,407,358
8.2 Payroll taxes	1,832,612	2,473,634	61,472	4,367,718
9. Employee relations and welfare	4,765,409	7,174,106	275,463	12,214,978
10. Insurance	3,835	970,788	0	974,603
11. Directors' fees	0	0	0	0
12. Travel and travel items	2,652,048	2,615,680	53,965	5,321,693
13. Rent and rent items	3,200,873	4,959,750	100,619	8,261,242
14. Equipment	1,688,901	3,494,529	105,779	5,289,209
15. Cost or Depreciation of EDP equipment and software	300,394	441,846	8,819	751,059
16. Printing and stationery	1,109,121	1,867,101	60,119	3,036,341
17. Postage, telephone and telegraph, exchange and express	2,120,938	3,351,982	246,619	5,719,539
18. Legal and auditing	130,871	689,939	112,477	933,287
19. Totals (Lines 3 to 18)	40,945,189	70,247,177	1,826,802	113,019,168
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 242,121	0	15,245,895	0	15,245,895
20.2 Insurance department licenses and fees	0	835,013	0	835,013
20.3 Gross guaranty association assessments	0	313,644	0	313,644
20.4 All other (excluding federal and foreign income and real estate)	0	163,008	0	163,008
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	16,557,560	0	16,557,560
21. Real estate expenses	0	0	0	0
22. Real estate taxes	0	0	0	0
23. Reimbursements by uninsured accident and health plans	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses	13,035,076	14,657,022	785,441	28,477,539
25. Total expenses incurred	80,630,277	251,199,628	2,612,243	(a) 334,442,148
26. Less unpaid expenses - current year	117,368,538	93,281,871	342,688	210,993,097
27. Add unpaid expenses - prior year	110,945,340	81,183,540	354,726	192,483,606
28. Amounts receivable relating to uninsured accident and health plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured accident and health plans, current year	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	74,207,079	239,101,297	2,624,281	315,932,657
DETAILS OF WRITE-INS				
2401. Electronic Data Processing Service	3,660,799	7,781,855	342,015	11,784,669
2402. Management Fee	1,881,385	5,811,140	419,777	8,112,302
2403. Unallocated LAE Reserve Change and Other ULAE	7,296,140	0	0	7,296,140
2498. Summary of remaining write-ins for Line 24 from overflow page	196,752	1,064,027	23,649	1,284,428
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)	13,035,076	14,657,022	785,441	28,477,539

(a) Includes management fees of \$ 8,511,708 to affiliates and \$ 0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U. S. Government bonds	(a) 22,767,005	22,226,362
1.1 Bonds exempt from U. S. tax	(a) 0	0
1.2 Other bonds (unaffiliated)	(a) 34,031,765	34,441,970
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 1,173,422	1,515,062
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	5,647,082	5,844,641
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 0	0
5. Contract loans	0	0
6. Cash/short-term investments	(e) 267,177	248,445
7. Derivative instruments	(f) 0	0
8. Other invested assets	0	0
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	63,886,451	64,276,480
11. Investment expenses		(g) 2,612,243
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13. Interest expense		(h) 2,400,471
14. Depreciation on real estate and other invested assets		(i) 0
15. Aggregate write-ins for deductions from investment income		0
16. Totals deductions (Line 11 through Line 15)		5,012,714
17. Net investment income (Line 10 minus Line 16)		59,263,766
DETAILS OF WRITE-INS		
0901.	0	0
0902.	0	0
0903.	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus Line 0998) (Line 9 above)	0	0
1501.		0
1502.		0
1503.		0
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus Line 1598) (Line 15 above)		0
(a) Includes \$ 7,177,583 accrual of discount less \$ 2,024,990 amortization of premium and less \$ 0 paid for accrued interest on purchases.	(f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.	
(b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.	(g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.	
(c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.	(h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.	
(d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.	(i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.	
(e) Includes \$ 944 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	Total
1. U. S. Government bonds	6,057,084	0	0	0	6,057,084
1.1 Bonds exempt from U. S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	(3,297,367)	0	844,630	0	(2,452,737)
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	(266,861)	0	(266,861)
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	(7,217,237)	0	(27,513,071)	0	(34,730,308)
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash/short-term investments	0	0	0	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	(715,218)	0	338,552	0	(376,666)
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	(5,172,738)	0	(26,596,750)	0	(31,769,488)
DETAILS OF WRITE-INS					
0901.	0	0	0	0	0
0902.	0	0	0	0	0
0903.	0	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus Line 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) Decrease
1. Summary of Items Page 2, Line 10 to Line 17 and Line 19 to Line 23, Column 2	8,720,536	8,427,731	(292,805)
2. Other Nonadmitted Assets:			
2.1 Bills receivable	0	0	0
2.2 Furniture, equipment and supplies	0	0	0
2.3 Leasehold improvements	0	0	0
2.4 Loans on personal security, endorsed or not	0	0	0
3. Total (Line 2.1 to Line 2.4)	0	0	0
4. Aggregate write-ins for other assets	0	333,743	333,743
5. Total (Line 1 plus Line 3 and Line 4)	8,720,536	8,761,474	40,938
DETAILS OF WRITE-INS			
0401. Advance on Contract	0	333,743	333,743
0402.	0	0	0
0403.	0	0	0
0498. Summary of remaining write-ins for Line 4 from overflow page	0	0	0
0499. Totals (Line 0401 through Line 0403 plus Line 0498) (Line 4 above)	0	333,743	333,743

NOTES TO FINANCIAL STATEMENTS

General Notes

1. Summary of Significant Accounting Policies-

A. Accounting Practices

The financial statements of Westfield Insurance Company have been prepared in conformity with the NAIC Accounting Practices and Procedures manual. The Company has not implemented any prescribed or permitted accounting practices by the state of Ohio that differ from those found in NAIC SAP.

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

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

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

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

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at cost plus accrued interest.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common Stocks are stated at market except that investments in stocks of uncombined subsidiaries in which the Company has an interest of 20% or more are carried on the equity basis.
- (4) Preferred stocks are stated at cost.
- (5) Mortgage loans are stated at aggregate carrying value less accrued interest.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. The retrospective adjustment method is used to value all securities.
- (7) The Company has no subsidiaries, controlled or affiliated company investments.
- (8) The Company has minor ownership interests in partnerships. These have the underlying characteristics of common stock and are carried at market value.
- (9) The Company does not invest in derivative instruments.
- (10) The Company does not anticipate investment income as a factor in the premium deficiency reserve 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 any adjustments are reflected in the period determined.

2. Accounting Changes and Corrections of Errors-

A. Describe material changes in accounting principles and/or correction of errors - Not Applicable

B. Illustrative Disclosure for Insurers Upon Initial Implementation of Codification

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. The State of Ohio required that insurance companies domiciled in the State of Ohio prepare their statutory basis financial statements in accordance with the most current NAIC Accounting Practices and Procedures manual, currently Version effective March 1, 2002, subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner.

Accounting changes at January 1, 2001 adopted to conform to the provision of the NAIC Accounting Practices and Procedures manual - Version effective January 1, 2001 are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. As a result of these changes, the Company reported a change of accounting principle, as an adjustment that decreased unassigned funds (surplus), of \$12,989,957 as of January 1, 2001.

The Company, as a result of the Old Guard acquisition has changed the former Old Guard group's accounting method to not anticipate the recovery of Salvage and Subrogation in its reserves. The effect of this accounting change resulted in a surplus decrease of \$1,623,695 as of December 31, 2001.

3. Business Combinations and Goodwill-

A. Statutory Purchase Method - Not Applicable

B. Statutory Merger - Not Applicable

C. Impairment Loss - Not Applicable

4. Discontinued Operations - Not Applicable

5. Investments-

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company does not invest in mortgage loans. No Mezzanine Real Estate loans are held.

NOTES TO FINANCIAL STATEMENTS

B. Debt Restructuring

The Company is not a creditor for any loan or debt which has been restructured.

C. Reverse Mortgages

The Company does not invest in reverse mortgages.

D. Loan-Backed Securities

(1) The Company has elected to use the book value as of January 1, 1994, as the cost for applying the retrospective adjustment method to securities purchased prior to that date.

(2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from broker dealer survey values or internal estimates.

(3) The Company used Hub Data, Inc. in determining the market value of its loan-backed securities.

(4) Not Applicable

E. Repurchase Agreements

The Company does not have any investments in repurchase agreements.

6. Joint Ventures, Partnerships and Limited Liability Companies-

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B. In 2002, the Company recognized an impairment associated with WCG Investment LP in the amount of (\$992,871.15).

7. Investment Income-

The Company did not exclude any due and accrued income from surplus.

8. Derivative Instruments-

The Company does not hold derivative instruments.

9. Income Taxes-

A. The components of net deferred tax asset/liability at December 31 are as follows:

	<u>12/31/02</u>	<u>12/31/01</u>
1 Total of all deferred tax assets (admitted and nonadmitted)	50,558,177	38,303,605
2 Total of all deferred tax liabilities	21,402,669	37,036,889
3 Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	30,725	0
4 Increase (decrease) in deferred tax assets nonadmitted	30,725	0

B. As of December 31, the company had no unrecognized deferred income tax liabilities.

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

	<u>12/31/02</u>	<u>12/31/01</u>
1 Current year income tax expense	8,938,925	(6,763,423)
2 Tax credits	0	(60,411)
3 Other adjustment: FIT Receivable	(8,712,161)	6,723,514
4 Prior year (over)/under accrual of tax	0	0
5 Current income taxes incurred	226,764	(100,320)

The main components of the December 31, 2002 deferred tax amounts are as follows:

	<u>DTAs</u>	<u>Statutory</u>	<u>Tax</u>	<u>Difference</u>	<u>Tax Effect</u>
6 Unpaid Losses & LAE		554,805,978	494,768,752	60,037,226	21,013,029
7 Unearned Premiums		374,487,233	306,683,647	67,803,586	23,731,255
8 Investments - Preferred Stock		(26,312,550)	(26,508,735)	196,185	68,665
9 Salvage & Subrogation		0	(1,461,367)	1,461,367	511,478
10 Other Expenses		23,994,076	10,627,430	13,366,646	4,678,326
11 Insolvency Reserve		0	(208,031)	208,031	72,811
12 Properties		0	(470,068)	470,068	164,524
13 Accrued Dividends		(10,074,577)	(10,983,401)	908,824	318,088
14 Total DTAs		916,900,160	772,448,227	144,451,933	50,558,177
15 DTAs nonadmitted				87,786	30,725
	<u>DTLs</u>	<u>Statutory</u>	<u>Tax</u>	<u>Difference</u>	<u>Tax Effect</u>
16 Investments - Bonds		(802,680,574)	(796,759,167)	5,921,407	2,072,492
17 Investments - Common Stock		(220,853,284)	(165,624,207)	55,229,077	19,330,177
18 Other Liabilities		0	0	0	0
19 Total DTLs		(1,023,533,858)	(962,383,374)	61,150,484	21,402,669

NOTES TO FINANCIAL STATEMENTS

The changes in main components of DTAs and DTLs are as follows:

DTAs resulting from book/tax differences in:		<u>12/31/02</u>	<u>12/31/01</u>	<u>Change</u>
20	Unpaid Losses & LAE	21,013,029	17,151,793	3,861,236
21	Unearned Premiums	23,731,255	15,741,728	7,989,527
22	Investments - Preferred Stock	68,665	0	68,665
23	Salvage & Subrogation	511,478	169,219	342,259
24	Other Expenses	4,678,326	4,267,299	411,027
25	Insolvency Reserve	72,811	568,101	(495,290)
26	Properties	164,524	218,378	(53,854)
27	Accrued Dividends	318,088	126,676	191,412
28	Total DTAs	50,558,177	38,243,194	12,314,983
29	DTAs nonadmitted	30,725	0	30,725
DTLs resulting from book/tax differences in:		<u>12/31/02</u>	<u>12/31/01</u>	<u>Change</u>
30	Investments - Bonds	2,072,492	1,354,226	718,266
31	Investments - Common Stock	19,330,177	34,420,444	(15,090,267)
32	Investments - Preferred Stock	0	77,653	(77,653)
33	Other Investments - Partnerships	0	796,635	(796,635)
34	Other Liabilities	0	387,931	(387,931)
35	Total DTLs	21,402,669	37,036,889	(15,634,220)

D. Among the more significant book to tax adjustments were the following:

	<u>Amount</u>	<u>Tax Effect at 35%</u>
1	Income before taxes	37,589,272
2	Book over tax reserves	(2,422,303)
3	Unearned premiums	8,112,536
4	Salvage and subrogation	925,511
5	Depreciation	782,411
6	Accrued market discount	(4,216,266)
7	Dividends received deduction, net of proration	(2,492,374)
8	Accrued dividends	(677,791)
9	Travel and entertainment	597,098
10	Capital gains (losses)	(3,843,812)
11	Balances charged off	(2,490,080)
12	Other	(6,324,415)
13	Taxable income	25,539,787

E. 1 At December 31, 2002, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

2 The following are income taxes incurred in the current and prior years which will be available for recoupment in the event of future net losses:

<u>Year Incurred</u>	<u>Amount</u>
2002	\$7,210,000
2001	0
1999	814,000

F. Consolidated Federal Income Tax Return

1 The Company's Federal Income Tax return is consolidated with its parent, Ohio Farmers Insurance Company, FEIN 34-0438190; NAIC 24104.

2 Each Company in the consolidation has agreed to share any tax or recovery of tax based on their individual taxable income or loss. Each Company's current taxable income or loss will be adjusted by any prior taxable income or loss which can be carried forward to the current year.

10. Information Concerning Parent, Subsidiaries and Affiliates-

A. The Company is owned and operated by its parent company, Ohio Farmers Insurance Company.

B. The Company had no exceptional transactions with affiliates to report.

C. The Company had no exceptional transactions with affiliates to report.

NOTES TO FINANCIAL STATEMENTS

D. Affiliated Balances due to (from) Westfield Insurance Company at 12/31/2002 and 12/31/2001 respectively were:

	12/31/02	12/31/01
Ohio Farmers Insurance Company	(4,995,870)	2,532,324
Westfield National Insurance Company	(162,423)	
Old Guard Fire Insurance Company	102,568	
First Patriot Insurance Company	88,180	
	(4,967,545)	2,532,324

E. The Company did not make any guarantees for the benefit of an affiliate or related party resulting in material contingent exposure.

F. The Company does not have any management or non-GAAP cost sharing arrangements with any affiliated insurers.

G. The Company is owned and operated by its parent company, Ohio Farmers Insurance Company.

H. The Company holds no shares of an upstream parent.

I. The Company did not have any investments in subsidiaries that exceeded 10% of its admitted assets.

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

11. Debt-

A. Capital Notes

The Company has not issued capital notes.

B. All Other Debt

The Company has an outstanding liability for borrowed money in the amount of \$47,415,580 due to a securities lending agreement in which the Company has loaned various securities in return for collateral of cash or other similar securities equal to 100% of the loaned securities. The principal amount is due 2007. At the option of the Company, early payment may be made. Interest at 4.15% is required to be paid quarterly. There are no restrictions on the cash collateral received by the Company.

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

A. Defined Benefit Plan and the Postretirement Benefit Plans

The Company's parent, Ohio Farmers Insurance Company, sponsors a non-contributory defined benefit pension plan and certain postretirement health and life insurance plans covering U.S. employees. As of December 31, 2002, the group had accrued, in accordance with actuarially determined amounts with an offset to the pension cost accrual for the incremental asset amortization, amounts representing the present value of future benefit obligations.

A summary of assets, obligations and assumptions of the Pension and other Postretirement Benefit Plans for the affiliated group are as follows at December 31, 2002 and 2001:

1. Change in benefit obligation

	Pension		Retiree Med&Life	
	2002	2001	2002	2001
a. Benefit obligation at beginning of year	\$114,389,416	\$98,069,742	\$29,270,996	\$26,855,629
b. Service cost	3,899,520	3,047,874	1,086,644	1,394,495
c. Interest cost	8,435,846	7,619,485	2,243,492	2,151,679
d. Contribution by plan participants				
e. Actuarial (gain) loss	8,954,790	6,455,091	3,969,974	2,052,172
f. Foreign currency exchange rate changes				
g. Benefits paid	(6,463,589)	(5,892,286)	(3,250,128)	(3,182,979)
h. Plan amendments	734,544	5,089,510	1,022,752	-
i. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
j. Benefit obligation at end of year	\$129,950,527	\$114,389,416	\$34,343,731	\$29,270,996

2. Change in plan assets

	Pension		Retiree Med&Life	
	2002	2001	2002	2001
a. Fair value of plan assets at beginning of year	\$140,249,582	\$140,664,143	\$11,367,394	\$11,160,963
b. Actual return on plan assets	(8,126,485)	5,477,725	(506,131)	11,403
c. Foreign currency exchange rate changes	-	-	-	-
d. Employer contribution	-	-	5,932,333	3,378,007
e. Plan participants' contributions	-	-	-	-
f. Benefits paid	(6,463,589)	(5,892,286)	(3,250,128)	(3,182,979)
g. Business combinations, divestitures and settlements	-	-	-	-
h. Fair value of plan assets at end of year	\$125,659,508	\$140,249,582	\$13,543,468	\$11,367,394

NOTES TO FINANCIAL STATEMENTS

3. Funded Status	Pension		Retiree Med&Life	
	2002	2001	2002	2001
Funded/(Unfunded)	(\$4,291,020)	\$25,860,166	(\$20,800,263)	(\$17,903,602)
a. Unamortized prior service cost	5,364,312	5,089,510	112,872	(839,868)
b. Unrecognized net gain or (loss)	42,805,356	13,385,728	8,583,903	3,403,116
c. Remaining net obligation or net asset at initial date of application	-	-	-	-
d. Prepaid assets or (accrued liabilities)	\$43,878,653	\$44,335,404	(\$12,103,488)	(\$15,340,354)
e. Intangible asset	\$5,364,312	\$5,089,510	-	-

4. Benefit obligation for non-vested employees	Pension		Retiree Med&Life	
	2002	2001	2002	2001
	\$4,108,644	\$3,582,941	\$13,880,872	\$13,741,398

5. Components of net periodic benefit cost	Pension		Retiree Med&Life	
	2002	2001	2002	2001
a. a. Service cost	\$3,899,520	\$3,047,874	\$1,086,644	\$1,394,495
b. Interest cost	8,435,846	7,619,485	2,243,492	2,151,679
c. Expected return on plan assets	(12,338,352)	(12,408,362)	(781,419)	(784,547)
d. Amortization of unrecognized transition obligation or transition asset	-	-	-	-
e. Amount of recognized gains and losses	-	-	116,497	53,532
f. Amount of prior service cost recognized	459,742	-	30,253	(33,536)
g. Amount of gain or loss recognized due to a settlement or curtailment	-	-	-	-
h. Total net periodic benefit cost	\$456,756	(\$1,741,003)	\$2,695,467	\$2,781,623

6. A minimum pension liability adjustment is required when the actuarial present value of accumulated benefits exceeds plan assets and accrued pension liabilities. The minimum liability adjustment, less allowable intangible assets, net of tax benefit, is reported in the Income Statement. At December 31, 2002, and December 31, 2001, there is no additional minimum liability.

7. Weighted-average assumptions as of Dec. 31	2002	2001
a. Discount rate	6.75%	7.25%
b. Average compensation increase (graded scale)	7.30%	7.30%
c. Expected long-term rate of return on plan assets	9.00%	9.00%

For measurement purposes, an 8.75 percent annual rate of increase in the per capita cost of covered healthcare benefits was assumed for 2002. The rate was assumed to decrease gradually to 5.00 percent for 2007 and remain at that level thereafter.

8. The postretirement health care plan is contributory, with participants' contributions adjusted annually; the life insurance plan is noncontributory.

9. Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed healthcare cost trend rates would have the following effects:

	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	\$400	(\$600)
b. Effect on postretirement benefit obligation	\$1,800	(\$2,400)

B. Defined Contribution Plan

The Company's parent, Ohio Farmers Insurance Company, sponsors a qualified defined contribution pension plan (under IRC Section 401(k)). The plan began operation on January 1, 2000, in accordance with "Safe Harbor" Treasury regulations.

Contributions of three percent (3%) of each employee's eligible compensation are made during the year. Westfield Insurance Company's non-elective contribution for the plan was \$350,508 and \$376,260 for 2001 and 2002, respectively.

At December 31, 2002, the total fair market value of the group's defined contribution plan assets was \$26,460,652 including unrealized gains and losses and participant loans.

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

The Company is 99.981 percent owned and operated by its parent, Ohio Farmers Insurance Company.

Dividend restrictions are provided by the Insurance Regulations of the Ohio Revised Code.

NOTES TO FINANCIAL STATEMENTS

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

a. Unrealized gains and losses:	0
b. Nonadmitted asset values:	8,720,536
c. Separate account business:	0
d. Asset valuation reserves:	0
e. Provision for reinsurance:	325,328

14. Contingencies-

A. Contingent Commitments-

The Company has purchased annuities of which the claimant is payee but for which the Company is contingently liable. The amount due from all life insurers is estimated to be \$16,973,229.

B. Assessments-

On October 3, 2001 the Company received notification of the insolvency of Reliance Insurance Company. The insolvency has resulted in guaranty fund assessments against the Company during the current period and it is expected that assessments will be made against the Company at some future date. It is expected that the reserve established in 2001 and charged to operations in that period will be sufficient to cover the Company's estimated liability related to this insolvency.

On December 19, 2002, the Company received notification of the insolvency of Aries Insurance Company. It is expected that the insolvency will result in a guaranty fund assessment against the Company of \$94,054 that has been charged to operations in the current period.

On December 23, 2002, the Company received notification of the insolvency of Oak Casualty Insurance Company. It is estimated that the insolvency will result in a guaranty fund assessment against the Company of \$78,946 that has been charged to operations in the current period.

At this time, the Company estimates that it has adequately reserved for known insolvencies that would have a significant unfavorable effect on current or future operations.

C. Gain Contingencies- Not Applicable

D. All Other Contingencies-

Various lawsuits against the Company have arisen in the course of the Company's 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-

The Company does not currently have any material lease obligations.

16. Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk-

The Company does not invest in financial instruments with off-balance sheet risk.

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

A. Transfer of Receivables Reported as Sales

The Company has not sold or transferred any receivable to any other parties.

B. Transfer and Servicing of Financial Assets

The Company has loaned various securities as described below under a specific security lending agreement with Merrill Lynch Government Securities Inc. The Company policy requires collateral on such transactions of at least 100% of the loaned securities value. The Company has received cash or other similar securities as collateral. None of the collateral is restricted.

Securities Loaned

<u>Description</u>	<u>Amount</u>
Federal Natl Mtg Assn Strips, 0%, 06/01/2017	\$13,226,495
US Treas Strips Prin PS, 0%, 08/15/2005	3,160,310
US Treas Strips Int Pmt IS, 0%, 02/15/2012	6,247,353
US Treas Strips Int Pmt IS, 0%, 08/15/2013	4,015,890
US Treas Strips Int Pmt IS, 0%, 08/15/2014	2,022,541
US Treas Strips Int Pmt IS, 0%, 11/15/2004	3,795,776
US Treas Strips Int Pmt IS, 0%, 08/15/2019	<u>4,636,511</u>
Total	\$37,104,877

C. Wash Sales

The Company did not have any wash sales.

NOTES TO FINANCIAL STATEMENTS

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable

19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators- Not Applicable

20. Other Items-

A. Extraordinary Items

Effective January 1, 2001, the inter-company pooling arrangement for consolidated group 0228 was changed. Refer to Schedule Y for inter-company pooling percentages, and note 25 for further detail.

During 1996 and 1997, some companies within the affiliated group shifted the reporting of commercial package policies to the commercial multiple peril line as deemed appropriate with the NAIC Annual Statement Instructions. Previously, these policies were shown in various lines including fire, allied, other liability, and products liability. Schedule P reflects these line changes.

B. Troubled Debt Restructuring -Not Applicable

C. Other Disclosures- Not Applicable

D. At December 31, 2002 and 2001, the Company had admitted assets of \$250,973,509 and \$212,139,543, respectively, in accounts receivable for Agent's Balances or Uncollected Premiums. The Company routinely assesses the collectibility of these receivables. Based upon company experience, less than 1% of the balance may become uncollectible and the potential loss is not material to the Company's financial condition.

E. Reinsurance Accounted for as a Deposit- Not Applicable

F. Multiple Peril Crop Insurance- Not Applicable

G. Mezzanine Real Estate Loans- Not Applicable

H. Health Care Receivables -Not Applicable

I. September 11 Events

Exposure to the Company was limited to the participation in an assumed reinsurance pool, which resulted in a loss allocation of \$-0- in 2002 and \$782,206 in 2001 for the combined group of insurance companies. There are no reinsurance recoveries applicable to this loss. Other than those allocated to the group in 2001, as noted above, there are no known or unknown unpaid claims or losses expected to impact the financial statements of the Company in 2003 or thereafter. There are no environmental remediation liabilities.

J. Real Estate- Not Applicable

K. Participating Policies- Not Applicable

L. Premium Deficiency Reserves

As of 12/31/2002, the Company had liabilities of \$0 related to premium deficiency reserves. The Company did not consider anticipated investment income when calculating its premium deficiency reserves.

M. Noncash Transactions- Not Applicable

21. Events Subsequent -Not Applicable

P & C Specific Notes

22. Reinsurance-

A. Unsecured Reinsurance Recoverables

The Company has an unsecured aggregate recoverable exceeding 3% of policyholder surplus with Michigan Catastrophic Claims FEIN AA-9991159 in the amount of \$15,432,667.

In addition, the Company has unsecured recoverable exceeding 3% of policyholder surplus with affiliated company Ohio Farmers Insurance Company FEIN 34-0438190 under Group Code 0228.

B. Reinsurance Recoverable in Dispute

The Company has no material recoverable to disclose.

C. Reinsurance Assumed and Ceded

(1)	Assumed		Ceded		Net	
	Unearned Assumed	Commission Equity	Unearned Ceded	Commission Equity	Unearned Net	Commission Equity
Affiliate	374,637,800.14	59,529,088.16	365,876,050.96	57,000,870.52	8,761,749.18	2,528,217.64
Non-affiliate	0.00	0.00	3,717,964.56	1,002,192.71	(3,717,964.56)	(1,002,192.71)
Total	374,637,800.14	59,529,088.16	369,594,015.52	58,003,063.23	5,043,784.62	1,526,024.93
	Direct Unearned Premium Reserve \$		369,594,015.52			

NOTES TO FINANCIAL STATEMENTS

(2) Additional or Return Commission Accrued

	DIRECT	REINSURANCE		NET
		Assumed	Ceded	
Contingent Commission	21,804,884	0	603,270	21,201,614
Sliding Scale Adjustments				0
Other Profit Commission Arrangements	0	0	0	0
Total	21,804,884	0	603,270	21,201,614

The above figures do not include the intercompany pooling of Agent's Contingent Commission in the Assumed and Ceded columns.

D. Uncollectible Reinsurance - Not Applicable

E. Commutation of Ceded Reinsurance - Not Applicable

F. Retroactive Reinsurance - Not Applicable

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination - Not Applicable

24. Changes in Incurred Losses and Loss Adjustment Expenses-

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased by \$15,661,000 from \$319.5 million in 2001 to \$335.2 million in 2002 as a result of reestimation of unpaid losses and loss adjustment expenses principally on Commercial Auto Liability and Workers' Compensation lines of insurance. This increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. This increase is unaffected by prior year loss development on retrospectively rated policies as the Company does not write this type of policy.

25. Intercompany Pooling Arrangements-

Prior to 2001, Ohio Farmers Insurance Company, Westfield Insurance Company, Westfield National Insurance Company, Beacon Insurance Company of America and American Select Insurance Company were participants in a 100% inter-company pooling arrangement. Old Guard Insurance Company, Old Guard Fire Insurance Company, and First Patriot Insurance Company were participants in a separate pooling arrangement (Old Guard pooling arrangement). Commencing January 1, 2001, Ohio Farmers Insurance Company and its property-casualty subsidiaries joined to participate in a single 100% reinsurance pooling arrangement and the Old Guard pooling arrangement was terminated. Data connected to underwriting operations for 2001 reflects the change in pooling arrangements and percentages effective on and after January 1, 2001. Prior year information has been presented in Schedule P in accordance with the instructions.

A. The lead company, Ohio Farmers Insurance Company, and its property-casualty companies participate in a single 100% reinsurance pooling arrangement that includes all lines of business. The following companies are participants:

Company	NAIC Number	Percent
Ohio Farmers Insurance Company	24104	8.0%
Westfield Insurance Company	24112	63.5%
Westfield National Insurance Company	24120	13.0%
Beacon Insurance Company of America	20001	1.0%
American Select Insurance Company	19992	5.0%
Old Guard Insurance Company	17558	7.0%
Old Guard Fire Insurance Company	16853	1.0%
First Patriot Insurance Company	14052	1.0%
First Delaware Insurance Company	32735	0.5%

B. Each participating company shares in all lines and types of business.

C. Any cession to non-affiliated reinsurers is prior to the cession of pooled business from the affiliated pool member to the lead company.

D. All pool members have a contractual right of direct recovery from the non-affiliated reinsurer per the terms of such reinsurance agreements.

E. No discrepancies exist between pooled business entries on the assumed and ceded reinsurance schedule of the lead company and corresponding entries on the assumed and ceded reinsurance schedules of other pool participants.

F. The Provision for Reinsurance is recorded based on the Company's individual participation in its reinsurance contracts.

NOTES TO FINANCIAL STATEMENTS

26. Structured Settlements-

A. The Company has not purchased annuities under which the Company's owner and payee.

B. The total present value of all annuities due from each life insurer exceeding 1% of the Company's policyholders surplus:

Jefferson Pilot Financial	\$ 9,860,164
All Others	7,113,065
Aggregated due from all life insurers	\$16,973,229

27. High Deductibles -Not Applicable

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

The Company does not discount the liabilities for unpaid losses or unpaid loss adjustment expenses for Workers' Compensation and Medical Malpractice claims.

29. Asbestos/Environmental Reserves-

A. The Company has exposure to asbestos and environmental claims. The Company's exposure arises from the general liability, commercial and homeowners multiple peril lines of business.

The Company tries to estimate the full impact of the asbestos and environmental exposure by establishing full case basis reserves on all known losses and computing incurred but not reported losses based on market share tempered by previous experience. In addition, reserves are held for future allocated loss adjustment expenses including coverage dispute costs.

The Company's asbestos related losses (including coverage dispute costs) for each of the five most recent years were as follows after intercompany pooling.

GROSS OF REINSURANCE:

	<u>1998</u>		<u>1999</u>		<u>2000</u>		<u>2001</u>		<u>2002</u>
Beginning Reserve:	\$ 3,321,860	\$	3,199,340	\$	3,283,846	\$	8,794,404	\$	8,728,914
Incurring Losses and Loss Adj. Expense:	898,333		631,338		6,254,597		1,140,818		3,168,166
CY Paid Losses and Loss Adj. Expense:	1,020,854		546,832		744,039		1,206,308		1,460,965
Ending Reserves:	\$ 3,199,339	\$	3,283,846	\$	8,794,404	\$	8,728,914	\$	10,436,115

NET OF REINSURANCE:

	<u>1998</u>		<u>1999</u>		<u>2000</u>		<u>2001</u>		<u>2002</u>
Beginning Reserve:	\$ 3,321,851	\$	3,199,330	\$	3,283,836	\$	8,794,394	\$	8,728,904
Incurring Losses and Loss Adj. Expense:	898,333		631,338		6,254,597		1,140,818		3,168,166
CY Paid Losses and Loss Adj. Expense:	1,020,854		546,832		744,039		1,206,308		1,460,965
Ending Reserves:	\$ 3,199,330	\$	3,283,836	\$	8,794,394	\$	8,728,904	\$	10,436,105

B. The Company holds the following reserves for unreported claims as of the statement date on a:

1. Gross of Reinsurance Basis:	\$4,112,895
2. Net of Reinsurance Basis:	\$4,112,895

C. The Company holds the following reserves for future allocated loss adjustment expenses (including coverage dispute cost) as of the statement date on a:

1. Gross of Reinsurance Basis:	\$4,836,795
2. Net of Reinsurance Basis:	\$4,836,795

D. The Company's environmental related losses (including coverage dispute costs) for each of the five most recent calendar years were as follows after intercompany pooling:

GROSS OF REINSURANCE:

	<u>1998</u>		<u>1999</u>		<u>2000</u>		<u>2001</u>		<u>2002</u>
Beginning Reserve:	\$ 5,485,921	\$	5,477,016	\$	5,797,574	\$	5,111,945	\$	4,878,743
Incurring Losses and Loss Adj. Expense:	210,199		192,112		40,601		(99,661)		363,499
CY Paid Losses and Loss Adj. Expense:	219,103		171,554		426,230		133,540		170,725
Ending Reserves:	\$ 5,477,017	\$	5,497,574	\$	5,111,945	\$	4,878,743	\$	5,071,517

NOTES TO FINANCIAL STATEMENTS

NET OF REINSURANCE:

	<u>1998</u>		<u>1999</u>		<u>2000</u>		<u>2001</u>		<u>2002</u>
Beginning Reserve:	\$ 5,485,921	\$	5,477,016	\$	5,497,574	\$	5,111,945	\$	4,878,743
Incurring Losses and Loss Adj. Expense:	210,199		192,112		40,601		(99,661)		363,499
CY Paid Losses and Loss Adj. Expense:	219,103		171,554		426,230		133,540		170,725
Ending Reserves:	\$ 5,477,017	\$	5,497,574	\$	5,111,945	\$	4,878,743	\$	5,071,517

B. The Company holds the following reserves for unreported claims as of the statement date on a:

1. Gross of Reinsurance Basis:	\$1,856,105
2. Net of Reinsurance Basis:	\$1,856,105

C. The Company holds the following reserves for future allocated loss adjustment expenses (including coverage dispute cost) as of the statement date on a:

1. Gross of Reinsurance Basis:	\$2,783,205
2. Net of Reinsurance Basis:	\$2,783,205

30. Subscriber Savings Account -Not Applicable

31. Financial Guaranty Insurance Exposures - Not Applicable

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	169,138,514	15.200	169,138,514	15.200
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	0	0.000	0	0.000
1.22 Issued by U.S. government sponsored agencies	73,864,520	6.638	73,864,520	6.638
1.3 Foreign government (including Canada, excluding mortgage-backed securities)	0	0.000	0	0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	8,131,133	0.731	8,131,133	0.731
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	0	0.000	0	0.000
1.43 Revenue and assessment obligations	15,213,766	1.367	15,213,766	1.367
1.44 Industrial development and similar obligations	0	0.000	0	0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA	15,775,021	1.418	15,775,021	1.418
1.512 Issued by FNMA and FHLMC	1,909,471	0.172	1,909,471	0.172
1.513 Privately issued	0	0.000	0	0.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC	107,827,746	9.690	107,827,746	9.690
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC	0	0.000	0	0.000
1.523 All other privately issued	119,046,039	10.698	119,046,039	10.698
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	282,786,214	25.413	282,786,214	25.413
2.2 Unaffiliated foreign securities	0	0.000	0	0.000
2.3 Affiliated securities	0	0.000	0	0.000
3. Equity interests:				
3.1 Investments in mutual funds	35,556,795	3.195	35,556,795	3.195
3.2 Preferred stocks:				
3.21 Affiliated	0	0.000	0	0.000
3.22 Unaffiliated	21,455,800	1.928	21,455,800	1.928
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated	0	0.000	0	0.000
3.32 Unaffiliated	237,189,454	21.315	237,189,454	21.315
3.4 Other equity securities:				
3.41 Affiliated	0	0.000	0	0.000
3.42 Unaffiliated	0	0.000	0	0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated	0	0.000	0	0.000
3.52 Unaffiliated	0	0.000	0	0.000
4. Mortgage loans:				
4.1 Construction and land development	0	0.000	0	0.000
4.2 Agricultural	0	0.000	0	0.000
4.3 Single family residential properties	0	0.000	0	0.000
4.4 Multifamily residential properties	0	0.000	0	0.000
4.5 Commercial loans	0	0.000	0	0.000
5. Real estate investments:				
5.1 Property occupied by company	0	0.000	0	0.000
5.2 Property held for production of income (includes \$ 0 of property acquired in satisfaction of debt)	0	0.000	0	0.000
5.3 Property held for sale (\$ 0 including property acquired in satisfaction of debt)	0	0.000	0	0.000
6. Policy loans	0	0.000	0	0.000
7. Receivables for securities	3,848	0.000	3,848	0.000
8. Cash and short-term investments	24,883,857	2.236	24,883,857	2.236
9. Other invested assets	0	0.000	0	0.000
10. Total invested assets	1,112,782,178	100.000	1,112,782,178	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 (X) No ()
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes (X) No () N/A ()
- 1.3 State Regulating? Ohio
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes () No (X)
- 2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made: 12/31/1997
- 3.2 State the as of date of 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. 12/31/1997
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/13/1999
- 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 (X)
 4.12 renewals? Yes () No (X)
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
 4.21 sales of new business? Yes () No (X)
 4.22 renewals? Yes () No (X)
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes () No (X)
- 5.2 If yes, provide name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any reporting 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
.....
.....
.....

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes () No (X)
- 6.2 If yes, give full information:
.....
.....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes () No (X)
- 7.2 If yes, 0.0 %
 7.21 State the percentage of foreign control;
 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the reporting 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 LLP
1300 Huntington Bldg., 925 Euclid Ave., Cleveland, OH 44115-1405
- 9. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Robert H. Wainscott, FCAS, FCIA, MAAA
Ernst & Young LLP, Sears Tower, 233 South Wacker Dr., Chicago, IL 60606-6301

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 \$ 0
 - 14.12 To stockholders not officers \$ 0
 - 14.13 Trustees, supreme or grand (Fraternal only) \$ 0
- 14.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
 - 14.21 To directors or other officers \$ 0
 - 14.22 To stockholders not officers \$ 0
 - 14.23 Trustees, supreme or grand (Fraternal only) \$ 0
- 15.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes () No (X)
- 15.2 If yes, state the amount thereof at December 31 of the current year:
 - 15.21 Rented from others \$ 0
 - 15.22 Borrowed from others \$ 0
 - 15.23 Leased from others \$ 0
 - 15.24 Other \$ 0

Disclose in Notes to Financial Statements the nature of each obligation.

- 16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes () No (X)
- 16.2 If answer is yes:
 - 16.21 Amount paid as losses or risk adjustment \$ 0
 - 16.22 Amount paid as expenses \$ 0
 - 16.23 Other amounts paid \$ 0

**GENERAL INTERROGATORIES
(Continued)**

INVESTMENT

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

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price if Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
Preferred	0	0	0.00	0	Yes () No (X)	Yes () No (X)
Common	50,000	47,000	100.00	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:
.....

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 the Schedule E - Part 2 - Special Deposits; or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 15.1) Yes (X) No ()

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

	19.21 Loaned to others	\$ 48,867,219
	19.22 Subject to repurchase agreements	\$ 0
	19.23 Subject to reverse repurchase agreements	\$ 0
	19.24 Subject to dollar repurchase agreements	\$ 0
	19.25 Subject to reverse dollar repurchase agreements	\$ 0
	19.26 Pledged as collateral	\$ 0
	19.27 Placed under option agreements	\$ 0
	19.28 Letter stock or securities restricted as to sale	\$ 0
	19.29 Other	\$ 0

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

- 19.31 Merrill Lynch Government Securities Inc.
- 19.32
- 19.33
- 19.34
- 19.35
- 19.36
- 19.37
- 19.38
- 19.39

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

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....	0
.....	0
.....	0

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

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
JPMorgan Chase	3 Metro Tech Center - 6th Floor
.....	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 broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
.....
.....
.....

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ 3,324,235

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

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE INC	\$ 1,545,419
.....	\$ 0
.....	\$ 0
.....	\$ 0

24.1 Amount of payments for legal expenses, if any? \$ 520,353

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
BRICKER & ECKLER	\$ 150,539
.....	\$ 0
.....	\$ 0
.....	\$ 0

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 111,294

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
NAII	\$ 29,454
.....	\$ 0
.....	\$ 0
.....	\$ 0

GENERAL INTERROGATORIES (continued)
PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes () No (X)
- 1.2 If yes, indicate premium earned on U. S. business only. \$ 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0
- 1.31 Reason for excluding:

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Line (1.2) above. \$ 0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ 0
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$ 0
- 1.62 Total incurred claims \$ 0
- 1.63 Number of covered lives 0
- All years prior to most current three years:
- 1.64 Total premium earned \$ 0
- 1.65 Total incurred claims \$ 0
- 1.66 Number of covered lives 0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$ 0
- 1.72 Total incurred claims \$ 0
- 1.73 Number of covered lives 0
- All years prior to most current three years:
- 1.74 Total premium earned \$ 0
- 1.75 Total incurred claims \$ 0
- 1.76 Number of covered lives 0
- 2.1 Does the reporting entity issue both participating and non-participating policies? Yes (X) No ()
- 2.2 If yes, state the amount of calendar year premiums written on:
- 2.21 Participating \$ 1,384,855
- 2.22 Non-participating policies \$ 781,075,963
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? 0.0 %
- 3.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$ 0
4. For Reciprocal Exchanges only:
- 4.1 Does the exchange appoint local agents? Yes () No (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 any 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?
 Reinsurance \$35,000,000 excess of a maximum retention of \$7,500,000.

- 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 Exhibit A in the back of this book.

- 5.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
 Westfield Group purchased \$207,500,000 of property catastrophe reinsurance excess of a \$20 million retention.

- 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 reinsurers's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)? Yes () No (X)
- 6.2 If yes, indicate the number of reinsurance contracts containing such provisions. 0

GENERAL INTERROGATORIES (continued)
PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 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 the 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 charged on account of such reinsurances a reserve equal to that which the original reporting entity would have been required to charge had it retained the risks. Has this been done? Yes (X) No () N/A ()
- 9.1 Has this reporting entity guaranteed policies issued by any other entity and now in force? Yes () No (X)
- 9.2 If yes, give full information.

- 10.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 10.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
- | | | |
|-------------------------------------------------------------------------|----------|---|
| 10.11 Unpaid losses | \$ | 0 |
| 10.12 Unpaid underwriting expenses (including loss adjustment expenses) | \$ | 0 |
- 10.2 Of the amount on Line 10.3 of the assets schedule, Page 2, state the amount which is secured by letters of credit, collateral and other funds. \$ 0
- 10.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes () No (X) N/A ()
- 10.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- | | | |
|------------|-------|---------|
| 10.41 From | | 0.000 % |
| 10.42 To | | 0.000 % |
- 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 the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes () No (X)
- 10.6 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|----------------------------------|----------|---|
| 10.61 Letters of credit | \$ | 0 |
| 10.62 Collateral and other funds | \$ | 0 |
- 11.1 What amount of installment notes is owned and now held by the reporting entity? \$ 0
- 11.2 Have any of these notes been hypothecated, sold or used in any manner as security for money loaned within the past year? Yes () No (X)
- 11.3 If yes, what amount? \$ 0
- 12.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ 6,000,000
- 12.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes () No (X)
- 12.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 1
- 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 | 0 |
| 14.13 Total book/adjusted carrying value | \$ 0 |
- 14.2 If yes, provide explanation.

- 15.1 Does the reporting entity write any warranty business? Yes () No (X)
 If yes, disclose the following information for each of the following types of warranty coverage:
- | | 1
Direct Losses
Incurred | 2
Direct Losses
Unpaid | 3
Direct Written
Premium | 4
Direct Premium
Unearned | 5
Direct Premium
Earned |
|------------------|--------------------------------|------------------------------|--------------------------------|---------------------------------|-------------------------------|
| 15.11 Home | 0 | 0 | 0 | 0 | 0 |
| 15.12 Products | 0 | 0 | 0 | 0 | 0 |
| 15.13 Automobile | 0 | 0 | 0 | 0 | 0 |
| 15.14 Other* | 0 | 0 | 0 | 0 | 0 |

* Disclose type of coverage:

FIVE-YEAR HISTORICAL DATA

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

	1 2002	2 2001	3 2000	4 1999	5 1998
Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 and 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	637,932,698	737,204,657	384,743,388	362,671,425	370,367,239
2. Property lines (Lines 1, 2, 9, 12, 21 and 26)	347,543,116	439,255,554	243,680,482	234,060,975	228,969,697
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	547,837,689	686,462,354	357,817,107	330,180,106	325,151,835
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 and 33)	31,863,233	34,542,410	13,315,920	12,012,753	11,658,258
5. Nonproportional reinsurance lines (Lines 30, 31 and 32)	12,575,283	6,344,119	0	0	0
6. Total (Line 34)	1,577,752,019	1,903,809,094	999,556,897	938,925,259	936,147,029
Net Premiums Written (Page 8, Part 1B, Column 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	311,694,795	320,232,578	174,779,372	168,155,557	174,902,219
8. Property lines (Lines 1, 2, 9, 12, 21 and 26)	172,920,953	175,576,622	106,113,607	104,491,454	102,281,048
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	274,217,175	292,347,247	152,869,732	143,477,307	139,702,839
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 and 33)	23,599,092	21,746,686	11,466,927	10,395,592	10,134,988
11. Nonproportional reinsurance lines (Line 30, 31 and 32)	12,575,283	6,344,119	0	0	0
12. Total (Line 34)	795,007,298	816,247,252	445,229,638	426,519,910	427,021,094
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(25,749,965)	(95,591,634)	(65,551,791)	(47,318,102)	(27,825,230)
14. Net investment gain (loss) (Line 11)	54,091,030	66,227,887	64,798,306	60,726,255	78,473,908
15. Total other income (Line 15)	(2,150,027)	1,227,640	2,193,809	2,587,999	(8,280,547)
16. Dividends to policyholders (Line 17)	677,791	609,780	410,874	264,940	283,823
17. Federal and foreign income taxes incurred (Line 19)	14,593,671	(6,438,261)	2,724,172	4,386,383	14,613,127
18. Net income (Line 20)	10,919,576	(22,307,626)	(1,694,722)	11,344,829	27,471,181
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding Protected Cell (Page 2, Line 26, Column 3)	1,405,701,844	1,322,495,589	995,894,225	946,757,942	921,359,415
20. Agents' balances or uncollected premiums (Page 2, Column 3)					
20.1 In course of collection (Line 10.1)	38,428,596	32,406,750	26,325,855	23,082,310	23,924,620
20.2 Deferred and not yet due (Line 10.2)	212,544,914	179,732,793	118,497,421	110,707,212	114,300,622
20.3 Accrued retrospective premiums (Line 10.3)	0	0	0	0	0
21. Total liabilities excluding Protected Cell (Page 3, Line 24)	1,096,446,769	1,009,442,636	634,996,378	592,206,729	576,819,825
22. Losses (Page 3, Line 1 and Line 2)	442,949,949	429,253,178	287,170,270	259,930,672	238,654,329
23. Loss adjustment expenses (Page 3, Line 3)	117,368,538	110,945,340	76,863,911	68,483,869	65,735,573
24. Unearned premiums (Page 3, Line 9)	374,637,801	333,007,405	213,512,164	204,138,792	207,741,613
25. Capital paid up (Page 3, Line 28 and Line 29)	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
26. Surplus as regards policyholders (Page 3, Line 35)	309,255,075	313,052,953	360,897,847	354,551,213	344,539,590
Risk-Based Capital Analysis					
27. Total adjusted capital	309,255,075	313,052,953	360,897,847	354,551,213	344,539,590
28. Authorized control level risk-based capital	68,695,201	69,479,210	46,145,061	42,239,972	41,528,458
Percentage Distribution of Cash and Invested Assets (Page 2, Column 3) (Item divided by Page 2, Line 9, Column 3) x 100.0					
29. Bonds (Line 1)	69.5	72.9	70.0	71.8	68.6
30. Stocks (Line 2.1 and Line 2.2)	28.3	26.0	26.9	25.1	28.0
31. Mortgage loans on real estate (Line 3.1 and Line 3.2)	0.0	0.0	0.0	0.0	0.0
32. Real estate (Lines 4.1, 4.2 and 4.3)	0.0	0.0	0.0	0.0	0.0
33. Cash and short-term investments (Line 5)	2.2	0.7	2.4	2.5	3.1
34. Other invested assets (Line 6)	0.0	0.1	0.6	0.6	0.2
35. Receivable for securities (Line 7)	0.0	0.3	0.1	0.0	0.0
36. Aggregate write-ins for invested assets (Line 8)	0.0	0.0	0.0	0.0	0.0
37. Cash and invested assets (Line 9)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
38. Affiliated bonds (Schedule D, Summary, Line 25, Column 1)	0	0	0	0	0
39. Affiliated preferred stocks (Schedule D, Summary, Line 39, Column 1)	0	0	0	0	0
40. Affiliated common stocks (Schedule D, Summary, Line 53, Column 2)	0	0	0	0	0
41. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Column 5 Line 11)	0	0	0	0	0
42. Affiliated mortgage loans on real estate	0	0	0	0	0
43. All other affiliated	0	0	0	0	0
44. Total of above Line 38 through Line 43	0	0	0	0	0
45. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 44 above divided by Page 3, Column 1, Line 34 x 100.0)	0.0	0.0	0.0	0.0	0.0

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)	(26,596,751)	(14,653,583)	(2,161,052)	(3,170,139)	448,058
47. Dividends to stockholders (Line 34)	0	0	0	0	0
48. Change in surplus as regards policyholders for the year (Line 37)	(3,797,878)	(47,844,894)	6,346,634	10,011,625	25,162,457
Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)					
49. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	335,256,061	740,889,639	243,254,276	252,226,029	252,567,363
50. Property lines (Lines 1, 2, 9, 12, 21 and 26)	176,361,986	203,841,416	153,039,448	147,099,375	139,880,717
51. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	279,767,404	478,451,370	217,265,356	203,598,591	166,830,008
52. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 and 33)	2,372,829	7,192,311	592,909	917,367	1,444,179
53. Nonproportional reinsurance lines (Lines 30, 31, and 32)	4,833,061	2,249,794	0	0	0
54. Total (Line 34)	798,591,341	1,432,624,530	614,151,989	603,841,362	560,722,267
Net Losses Paid (Page 9, Part 2, Column 4)					
55. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	181,484,422	92,853,831	111,752,195	115,287,350	115,866,182
56. Property lines (Lines 1, 2, 9, 12, 21 and 26)	90,863,888	91,082,860	67,022,792	64,811,960	60,926,505
57. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	154,520,264	132,242,427	101,216,643	95,969,095	73,181,749
58. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 and 33)	1,898,558	915,837	549,432	380,427	752,475
59. Nonproportional reinsurance lines (Lines 30, 31, and 32)	4,833,061	2,171,800	0	0	0
60. Total (Line 34)	433,600,193	319,266,755	280,541,062	276,448,832	250,726,911
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)	59.4	66.0	70.6	69.2	65.9
63. Loss expenses incurred (Line 3)	10.7	10.9	11.7	10.0	8.1
64. Other underwriting expenses incurred (Line 4)	33.3	36.9	32.7	31.8	32.6
65. Net underwriting gain (loss) (Line 8)	(3.4)	(13.7)	(15.0)	(11.0)	(6.7)
Other Percentages					
66. Other underwriting expenses to net premiums written (Page 4, Lines 4 plus 5 minus 15 divided by Page 8, Part 1B, Column 6, Line 34 x 100.0)	31.9	31.3	31.6	31.4	33.9
67. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 plus Line 3 divided by Page 4, Line 1 x 100.0)	70.1	76.8	82.3	79.2	74.0
68. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 34 divided by Page 3, Line 35, Column 1 x 100.0)	257.1	260.7	123.4	120.3	123.9
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, Column 11)	12,749	3,404	12,701	3,138	4,420
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, Column 1 x 100.0)	4.1	0.9	3.6	0.9	1.4
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, Column 12)	20,633	22,667	12,140	4,494	8,433
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, Column 2 x 100.0)	5.7	6.4	3.5	1.4	3.0

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	257,962,444	294,105,371	244,452,268	299,219,667
	2. Canada	0	0	0	0
	3. Other Countries	0	0	0	0
	4. Totals	257,962,444	294,105,371	244,452,268	299,219,667
States, Territories and Possessions (Direct and guaranteed)	5. United States	0	0	0	0
	6. Canada	8,131,133	9,824,980	8,176,182	8,000,000
	7. Other Countries	0	0	0	0
	8. Totals	8,131,133	9,824,980	8,176,182	8,000,000
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States	0	0	0	0
	10. Canada	0	0	0	0
	11. Other Countries	0	0	0	0
	12. Totals	0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	143,858,882	144,778,795	142,775,176	152,603,535
	14. Canada	0	0	0	0
	15. Other Countries	0	0	0	0
	16. Totals	143,858,882	144,778,795	142,775,176	152,603,535
Public Utilities (unaffiliated)	17. United States	46,061,633	48,393,490	46,172,823	45,500,000
	18. Canada	0	0	0	0
	19. Other Countries	0	0	0	0
	20. Totals	46,061,633	48,393,490	46,172,823	45,500,000
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	312,112,058	327,642,407	312,528,711	316,677,540
	22. Canada	0	0	0	0
	23. Other Countries	5,324,380	5,324,380	5,374,850	5,000,000
	24. Totals	317,436,438	332,966,787	317,903,561	321,677,540
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. Total Bonds	773,450,530	830,069,423	759,480,010	827,000,742
PREFERRED STOCKS					
Public Utilities (unaffiliated)	27. United States	1,756,000	1,756,000	1,930,000	
	28. Canada	0	0	0	
	29. Other Countries	0	0	0	
	30. Totals	1,756,000	1,756,000	1,930,000	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States	25,451,344	25,451,344	25,156,050	
	32. Canada	0	0	0	
	33. Other Countries	2,994,600	2,994,600	2,561,684	
	34. Totals	28,445,944	28,445,944	27,717,734	
Industrial and Miscellaneous (unaffiliated)	35. United States	11,495,750	13,262,450	12,246,145	
	36. Canada	0	0	0	
	37. Other Countries	0	0	0	
	38. Totals	11,495,750	13,262,450	12,246,145	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0	
	40. Total Preferred Stocks	41,697,694	43,464,394	41,893,879	
COMMON STOCKS					
Public Utilities (unaffiliated)	41. United States	24,893,362	24,893,362	19,643,594	
	42. Canada	0	0	0	
	43. Other Countries	0	0	0	
	44. Totals	24,893,362	24,893,362	19,643,594	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	20,644,444	20,644,444	16,050,194	
	46. Canada	0	0	0	
	47. Other Countries	0	0	0	
	48. Totals	20,644,444	20,644,444	16,050,194	
Industrial and Miscellaneous (unaffiliated)	49. United States	203,185,652	203,185,652	160,112,870	
	50. Canada	4,037,297	4,037,297	4,763,074	
	51. Other Countries	19,985,493	19,985,493	16,947,440	
	52. Totals	227,208,442	227,208,442	181,823,384	
Parent, Subsidiaries and Affiliates	53. Totals	0	0	0	
	54. Total Common Stocks	272,746,248	272,746,248	217,517,172	
	55. Total Stocks	314,443,942	316,210,642	259,411,051	
	56. Total Bonds and Stocks	1,087,894,472	1,146,280,065	1,018,891,061	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$ 298,837,183 .

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	1,078,672,129	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	251,654,353	6.1 Column 17, Part 1	0
3. Increase (decreased) by adjustment:		6.2 Column 13, Part 2, Section 1	0
3.1 Column 16, Part 1	4,939,143	6.3 Column 11, Part 2, Section 2	0
3.2 Column 12, Part 2, Section 1	(418,051)	6.4 Column 11, Part 4	0
3.3 Column 10, Part 2, Section 2	(43,685,430)	7. Book/adjusted carrying value at end of current period	1,087,894,472
3.4 Column 10, Part 4	1,642,928	8. Total valuation allowance	0
4. Total gain (loss), Column 14, Part 4	(4,457,523)	9. Subtotal (Line 7 plus Line 8)	1,087,894,472
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	200,453,077	10. Total nonadmitted amounts	0
		11. Statement value of bonds and stocks, current period	1,087,894,472

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 (Columns 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	3,157	709	899	30	331	0	232	3,648	XXX
2. 1993	477,179	49,099	428,080	282,870	23,547	19,333	1,869	21,570	1	8,902	298,356	XXX
3. 1994	511,714	46,775	464,939	330,882	41,018	19,228	2,173	26,292	3	10,321	333,207	XXX
4. 1995	541,557	57,024	484,533	324,926	28,330	19,366	2,049	28,967	20	10,748	342,860	XXX
5. 1996	570,226	69,640	500,586	380,586	43,638	18,584	2,293	32,506	44	11,995	385,700	XXX
6. 1997	600,807	63,724	537,083	351,359	27,126	16,278	1,227	34,181	59	12,849	373,405	XXX
7. 1998	636,513	57,202	579,311	381,709	21,791	14,757	756	35,429	242	12,163	409,108	XXX
8. 1999	663,043	53,674	609,369	413,403	25,280	14,171	918	41,891	1,137	12,378	442,130	XXX
9. 2000	696,732	79,029	617,703	397,168	31,255	9,996	546	44,066	393	11,938	419,035	XXX
10. 2001	718,914	22,162	696,752	358,358	560	6,357	2	45,034	27	9,230	409,160	XXX
11. 2002	779,979	26,602	753,377	248,409	1,803	1,814	4	38,716	7	5,404	287,126	XXX
12. Totals	XXX	XXX	XXX	3,472,827	245,058	140,783	11,867	348,983	1,933	106,160	3,703,735	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct & 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.	18,250	9,520	10,710	0	1,002	0	10,568	0	993	0	0	32,004	XXX
2.	2,018	83	1,664	0	103	0	1,270	0	161	0	0	5,132	XXX
3.	2,602	121	1,634	0	219	0	712	0	248	0	0	5,294	XXX
4.	6,457	331	1,751	0	432	0	855	0	724	0	0	9,888	XXX
5.	6,199	2,162	2,177	0	758	0	687	0	634	0	0	8,293	XXX
6.	7,791	479	2,629	0	783	0	1,260	0	908	0	0	12,891	XXX
7.	15,094	2,777	5,735	32	1,651	0	2,439	13	1,434	0	0	23,532	XXX
8.	26,280	1,704	8,253	134	3,046	0	4,497	58	2,506	137	0	42,551	XXX
9.	47,044	3,044	9,886	678	5,198	0	8,208	150	4,460	0	0	70,923	XXX
10.	80,080	90	19,692	600	8,415	0	10,108	193	7,276	0	0	124,688	XXX
11.	131,318	1,613	61,516	2,463	10,635	0	14,044	605	12,289	0	0	225,122	XXX
12.	343,135	21,924	125,645	3,906	32,243	0	54,647	1,018	31,633	137	0	560,319	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	19,441	12,564
2.	328,989	25,501	303,488	68.9	51.9	70.9	0	0	63.5	3,599	1,533
3.	381,817	43,316	338,502	74.6	92.6	72.8	0	0	63.5	4,115	1,179
4.	383,478	30,730	352,748	70.8	53.9	72.8	0	0	63.5	7,877	2,011
5.	442,130	48,137	393,993	77.5	69.1	78.7	0	0	63.5	6,214	2,079
6.	415,188	28,892	386,297	69.1	45.3	71.9	0	0	63.5	9,941	2,950
7.	458,249	25,610	432,639	72.0	44.8	74.7	0	0	63.5	18,020	5,512
8.	514,048	29,367	484,681	77.5	54.7	79.5	0	0	63.5	32,696	9,855
9.	526,024	36,066	489,958	75.5	45.6	79.3	0	0	63.5	53,208	17,715
10.	535,320	1,472	533,848	74.5	6.6	76.6	0	0	63.5	99,081	25,607
11.	518,741	6,493	512,248	66.5	24.4	68.0	0	0	63.5	188,758	36,363
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	442,950	117,369

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT		
	1 1993	2 1994	3 1995	4 1996	5 1997	6 1998	7 1999	8 2000	9 2001	10 2002	11 One Year	12 Two Year	
1. Prior	160,699	141,935	138,528	133,050	140,780	143,223	144,578	151,407	157,042	159,137	2,095	7,730	
2. 1993	310,391	299,029	285,590	281,756	280,418	280,461	280,448	279,842	281,174	281,758	584	1,916	
3. 1994	X X X	334,452	315,897	310,344	305,504	309,503	309,151	308,916	309,655	311,964	2,309	3,048	
4. 1995	X X X	X X X	335,157	323,739	316,395	320,178	319,618	320,243	320,777	323,077	2,300	2,834	
5. 1996	X X X	X X X	X X X	360,820	363,607	363,736	360,806	358,588	359,055	360,898	1,843	2,310	
6. 1997	X X X	X X X	X X X	X X X	357,206	350,723	351,600	352,512	350,807	351,267	460	(1,245)	
7. 1998	X X X	X X X	X X X	X X X	X X X	385,982	389,893	395,284	394,952	396,017	1,065	733	
8. 1999	X X X	X X X	X X X	X X X	X X X	X X X	432,778	438,026	438,077	441,558	3,481	3,532	
9. 2000	X X X	X X X	X X X	X X X	X X X	X X X	X X X	442,049	438,734	441,826	3,092	(223)	
10. 2001	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	486,045	481,565	(4,480)	X X X	
11. 2002	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	461,249	X X X	X X X	
											12. Totals	12,749	20,634

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1 1993	2 1994	3 1995	4 1996	5 1997	6 1998	7 1999	8 2000	9 2001	10 2002	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	0 0 0	52,261	81,296	97,846	108,787	113,767	118,089	121,743	124,809	128,126	X X X	X X X
2. 1993	140,490	204,657	238,336	255,446	266,058	271,363	273,670	274,619	275,663	276,786	X X X	X X X
3. 1994	X X X	164,629	233,249	261,568	281,872	295,664	300,637	302,769	303,832	306,918	X X X	X X X
4. 1995	X X X	X X X	163,280	234,671	271,268	291,447	302,625	308,841	310,953	313,913	X X X	X X X
5. 1996	X X X	X X X	X X X	200,326	282,451	315,988	334,732	342,726	349,368	353,239	X X X	X X X
6. 1997	X X X	X X X	X X X	X X X	199,793	267,816	301,905	323,118	333,194	339,284	X X X	X X X
7. 1998	X X X	X X X	X X X	X X X	X X X	214,566	296,101	337,982	362,401	373,920	X X X	X X X
8. 1999	X X X	X X X	X X X	X X X	X X X	X X X	239,283	332,895	372,216	401,376	X X X	X X X
9. 2000	X X X	X X X	X X X	X X X	X X X	X X X	X X X	234,883	332,544	375,363	X X X	X X X
10. 2001	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	260,867	364,153	X X X	X X X
11. 2002	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	248,416	X X X	X X X

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 1993	2 1994	3 1995	4 1996	5 1997	6 1998	7 1999	8 2000	9 2001	10 2002
1. Prior	44,006	23,363	17,576	8,848	14,137	15,969	15,372	20,101	23,164	21,278
2. 1993	47,546	22,811	10,052	7,001	5,103	4,450	3,561	2,579	2,958	2,934
3. 1994	X X X	49,777	18,679	13,122	6,412	5,646	3,937	2,754	2,843	2,345
4. 1995	X X X	X X X	49,188	22,427	9,931	7,112	4,278	4,739	2,509	2,606
5. 1996	X X X	X X X	X X X	41,983	19,262	15,251	9,009	4,714	1,871	2,864
6. 1997	X X X	X X X	X X X	X X X	51,760	23,168	12,606	10,128	4,801	3,888
7. 1998	X X X	X X X	X X X	X X X	X X X	56,935	24,078	13,147	8,909	8,129
8. 1999	X X X	X X X	X X X	X X X	X X X	X X X	56,822	21,245	11,930	12,559
9. 2000	X X X	X X X	X X X	X X X	X X X	X X X	X X X	61,980	24,966	17,265
10. 2001	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	77,830	29,007
11. 2002	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	72,493

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Column 2)	
		2 Direct Premiums Written	3 Direct Premiums Earned							
1. Alabama	AL	Yes	123,165	111,640	0	6,049	2,446	26,805	8	0
2. Alaska	AK	No	0	0	0	0	0	0	0	0
3. Arizona	AZ	Yes	6,092,884	4,939,091	0	1,575,713	2,337,997	1,795,117	9,635	0
4. Arkansas	AR	Yes	574,360	503,001	0	0	8,590	19,309	12	0
5. California	CA	No	0	0	0	(309)	(8,309)	202,100	0	0
6. Colorado	CO	Yes	25,830	27,368	0	1,616	755	2,812	7	0
7. Connecticut	CT	No	0	0	0	0	0	0	0	0
8. Delaware	DE	Yes	29,935	27,241	0	0	551	945	0	0
9. Dist. Columbia	DC	Yes	125	125	0	0	0	0	0	0
10. Florida	FL	Yes	44,698,710	40,749,810	0	14,209,105	17,603,647	22,070,507	28,342	0
11. Georgia	GA	Yes	35,253,600	31,638,178	0	11,723,526	15,282,225	19,558,866	90,023	0
12. Hawaii	HI	No	0	0	0	0	0	0	0	0
13. Idaho	ID	Yes	4,822	4,581	0	509	546	147	0	0
14. Illinois	IL	Yes	76,662,860	61,831,838	0	21,781,409	37,956,853	42,206,515	229,603	0
15. Indiana	IN	Yes	65,557,815	58,129,600	0	29,613,767	34,384,406	32,799,301	332,155	0
16. Iowa	IA	Yes	7,230,921	6,734,212	0	3,287,458	3,271,968	4,256,860	38,348	0
17. Kansas	KS	Yes	171,327	91,478	0	0	8,086	10,189	0	0
18. Kentucky	KY	Yes	30,475,712	28,285,087	0	20,268,116	21,511,412	14,720,136	130,131	0
19. Louisiana	LA	Yes	12,000	12,041	0	0	152	218	0	0
20. Maine	ME	No	0	0	0	0	0	0	0	0
21. Maryland	MD	Yes	120,495	102,497	0	325	4,318	10,553	(26)	0
22. Massachusetts	MA	Yes	0	0	0	0	0	0	0	0
23. Michigan	MI	Yes	70,046,510	65,728,385	0	36,344,380	36,989,320	56,027,078	315,695	0
24. Minnesota	MN	Yes	28,048,550	26,549,791	6,771	10,853,352	9,519,071	13,137,313	106,490	0
25. Mississippi	MS	Yes	98,913	59,629	0	0	4,587	5,012	14	0
26. Missouri	MO	Yes	103,252	95,517	0	12,531	16,417	15,063	254	0
27. Montana	MT	Yes	797	1,441	0	0	(272)	317	0	0
28. Nebraska	NE	Yes	38,564	59,474	0	0	(2,539)	8,953	26	0
29. Nevada	NV	Yes	30,361	25,828	0	0	895	2,070	10	0
30. New Hampshire	NH	No	0	0	0	0	0	0	0	0
31. New Jersey	NJ	Yes	900	757	0	0	(541)	51	0	0
32. New Mexico	NM	Yes	746,446	536,430	0	139,180	193,137	111,818	2,984	0
33. New York	NY	Yes	9,273	9,273	0	0	0	0	0	0
34. North Carolina	NC	Yes	137,283	123,332	0	(145)	5,005	20,819	34	0
35. North Dakota	ND	Yes	3,607,245	4,249,100	0	1,748,216	1,631,985	1,646,452	16,491	0
36. Ohio	OH	Yes	246,127,978	231,146,809	0	143,361,207	129,476,133	163,647,283	1,753,143	0
37. Oklahoma	OK	Yes	214,052	167,668	0	0	8,939	12,128	0	0
38. Oregon	OR	No	0	0	0	0	0	0	0	0
39. Pennsylvania	PA	Yes	64,252,834	33,596,803	0	12,499,933	16,727,193	15,561,884	270,529	0
40. Rhode Island	RI	Yes	0	0	0	0	0	0	0	0
41. South Carolina	SC	Yes	194,457	204,177	0	43,451	19,087	36,249	30	0
42. South Dakota	SD	Yes	1,686,908	3,779,187	0	2,300,943	2,814,833	2,852,729	11,885	0
43. Tennessee	TN	Yes	34,803,838	31,094,653	0	21,222,986	24,390,159	19,346,790	168,072	0
44. Texas	TX	Yes	1,911,013	1,578,303	61,998	0	44,697	75,895	18	0
45. Utah	UT	Yes	152	152	0	0	155	73	0	0
46. Vermont	VT	Yes	0	0	0	0	0	0	0	0
47. Virginia	VA	Yes	241,584	204,653	0	37,866	58,224	50,252	96	0
48. Washington	WA	Yes	1,657	1,646	0	92	302	210	0	0
49. West Virginia	WV	Yes	58,962,316	53,952,547	0	28,979,816	34,412,114	24,829,800	230,186	0
50. Wisconsin	WI	Yes	4,159,300	7,649,379	609,022	4,839,449	1,899,828	4,821,042	27,835	0
51. Wyoming	WY	Yes	2,075	4,233	0	0	(2,651)	2,280	0	0
52. American Samoa	AS	No	0	0	0	0	0	0	0	0
53. Guam	GU	No	0	0	0	0	0	0	0	0
54. Puerto Rico	PR	No	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	No	0	0	0	0	0	0	0	0
56. Canada	CN	No	0	0	0	0	0	0	0	0
57. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
58. Totals	(a)	44	782,460,819	694,006,955	677,791	364,850,541	390,571,721	439,891,941	3,762,030	0
DETAILS OF WRITE-INS										
5701.	XXX	0	0	0	0	0	0	0	0	0
5702.	XXX	0	0	0	0	0	0	0	0	0
5703.	XXX	0	0	0	0	0	0	0	0	0
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX	0	0	0	0	0	0	0	0	0
5799. Totals (Line 5701 through Line 5703 plus Line 5798) (Line 57 above)	XXX	0	0	0	0	0	0	0	0	0

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

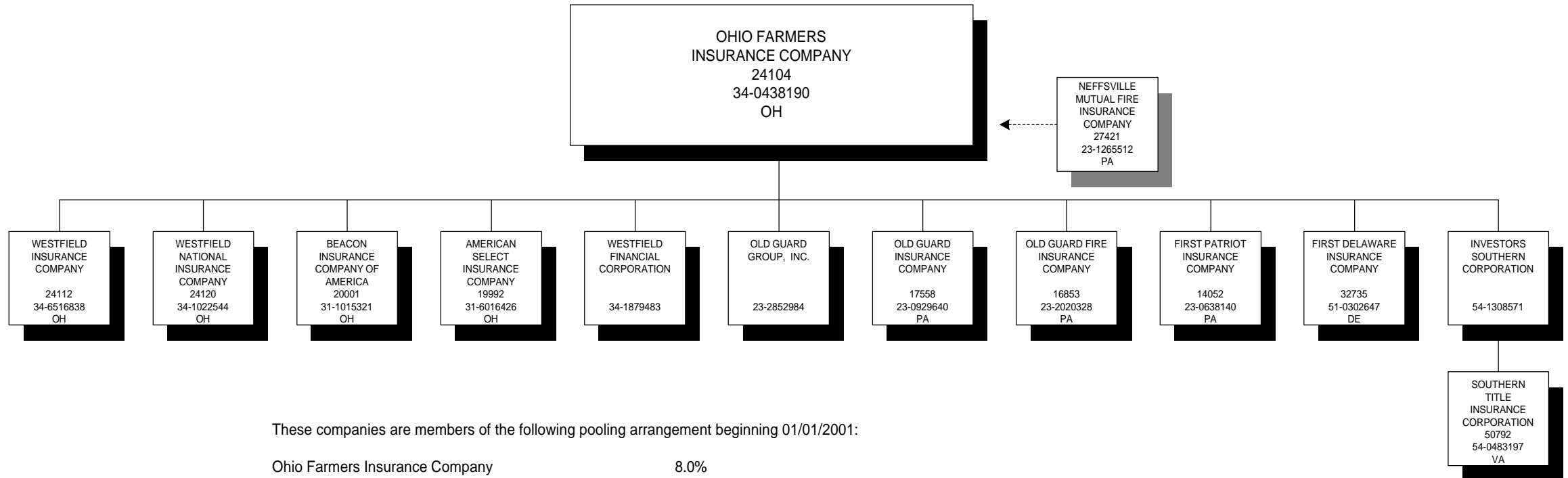
Inland Marine and Other Accident and Health - Residence of Insured

All Other Lines - Location of Risk

(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



These companies are members of the following pooling arrangement beginning 01/01/2001:

Ohio Farmers Insurance Company	8.0%
Westfield Insurance Company	63.5%
Westfield National Insurance Company	13.0%
Old Guard Insurance Company	7.0%
American Select Insurance Company	5.0%
Beacon Insurance Company of America	1.0%
First Patriot Insurance Company	1.0%
Old Guard Fire Insurance Company	1.0%
First Delaware Insurance Company	0.5%
Total	100.0%

←----- REINSURANCE