



ANNUAL STATEMENT

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

MICO INSURANCE COMPANY

NAIC Group Code..... 291, 291 NAIC Company Code..... 40932 Employer's ID Number..... 31-1022150
(Current Period) (Prior Period)

Organized under the Laws of Ohio State of Domicile of Port of Entry Ohio
Country of Domicile US
Incorporated..... November 30, 1981 Commenced Business..... December 3, 1981

Statutory Home Office	471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i>	614-225-8211 <i>(Area Code) (Telephone Number)</i>
Mail Address	471 East Broad Street Columbus OH 43215 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i>	614-225-8211 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	MotoristsGroup.com	
Statement Contact	James E. Vermillion <i>(Name)</i> MIC-AHIG.Accounting@MotoristsGroup.com <i>(E-Mail Address)</i>	614-225-8331 <i>(Area Code) (Telephone Number) (Extension)</i> 614-225-8330 <i>(Fax Number)</i>
Policyowner Relations Contact	471 East Broad Street Columbus OH 43215 <i>(Street and Number) (City or Town, State and Zip Code)</i>	1-800-876-6642 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

President John Jacob Bishop Treasurer Michael Lee Wiseman Secretary Thomas Charles Ogg

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

John Jacob Bishop Thomas Charles Ogg Robert Elvin Herman Rabold Michael Lee Wiseman

State of Ohio
County of Franklin

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.

John J. Bishop
President

Thomas C. Ogg
Secretary

Michael L. Wiseman
Treasurer

Subscribed and sworn to before me this

14th day of February, 2003

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds.....	17,373,131		17,373,131	17,778,915
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1).....	267,500		267,500	267,500
2.2 Common stocks (Schedule D, Part 2, Section 2).....	8,083,227		8,083,227	10,174,797
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....2,039,097 Schedule E, Part 1) and short-term investments (\$.....0 Schedule DA, Part 2).....	2,039,097		2,039,097	3,875,854
6. Other invested assets (Schedule BA).....			0	
7. Receivable for securities.....	105,743		105,743	1,530
8. Aggregate write-ins for invested assets.....	0	0	0	0
9. Subtotals, cash and invested assets (Lines 1 to 8).....	27,868,697	0	27,868,697	32,098,597
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection.....	4,240	451	3,788	6,230
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	1,413,512	337,865	1,075,647	768,385
10.3 Accrued retrospective premiums.....			0	
11. Funds held by or deposited with reinsured companies.....			0	
12. Bills receivable, taken for premiums.....			0	
13. Amounts receivable under high deductible policies.....			0	
14. Reinsurance recoverables on loss and loss adjustment expense payments (Schedule F, Part 3, Cols. 7 and 8).....	21,411		21,411	2,381
15. Federal and foreign income tax recoverable and interest thereon (including \$.....387,742 net deferred tax asset).....	756,663	308,483	448,180	194,596
16. Guaranty funds receivable or on deposit.....			0	
17. Electronic data processing equipment and software.....			0	
18. Interest, dividends and real estate income due and accrued.....	284,144		284,144	256,586
19. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
20. Receivable from parent, subsidiaries and affiliates.....	72,551		72,551	
21. Amount due from/to protected cells.....			0	
22. Equities and deposits in pools and associations.....			0	
23. Amounts receivable relating to uninsured accident and health plans.....			0	
24. Other assets nonadmitted (Exhibit 1).....			0	
25. Aggregate write-ins for other than invested assets.....	16,867	16,867	0	0
26. Total assets excluding protected cell assets (Lines 9 through 25).....	30,438,085	663,666	29,774,418	33,326,774
27. Protected cell assets.....			0	
28. TOTALS (Lines 26 and 27).....	30,438,085	663,666	29,774,418	33,326,774

DETAILS OF WRITE-INS

0801.			0	
0802.			0	
0803.			0	
0898. Summary of remaining write-ins for Line 8 from overflow page.....	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above).....	0	0	0	0
2501. Prepaid Pension Asset.....	16,867	16,867	0	
2502.			0	
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	16,867	16,867	0	0

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8).....	3,756,376	3,631,670
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6).....		
3. Loss adjustment expenses (Part 2A, Line 34, Column 9).....	880,727	817,220
4. Commissions payable, contingent commissions and other similar charges.....	192,949	148,115
5. Other expenses (excluding taxes, licenses and fees).....	29,788	67,478
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	177,396	157,266
7. Federal and foreign income taxes (including \$.....(276,449) on realized capital gains (losses)) (including \$.....0 net deferred tax liability).....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0).....	1,309,685	1,187,616
10. Advance premiums.....	121,464	
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	17,636	15,485
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....		
14. Amounts withheld or retained by company for account of others.....	12,892	371
15. Remittances and items not allocated.....	6,264	6,061
16. Provision for reinsurance (Schedule F, Part 7).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....	356,009	349,155
19. Payable to parent, subsidiaries and affiliates.....	199,512	130,125
20. Payable for securities.....		167,728
21. Liability for amounts held under uninsured accident and health plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	146,854	41,646
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	7,207,553	6,719,936
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	7,207,553	6,719,936
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	2,252,000	2,252,000
29. Preferred capital stock.....		
30. Aggregate write-ins for other than special surplus funds.....	0	0
31. Surplus notes.....		
32. Gross paid in and contributed surplus.....	1,126,000	1,126,000
33. Unassigned funds (surplus).....	19,188,865	23,228,838
34. Less treasury stock, at cost:		
34.1 .....0.000 shares common (value included in Line 28 \$.....0).....		
34.2 .....0.000 shares preferred (value included in Line 29 \$.....0).....		
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 38).....	22,566,865	26,606,838
36. TOTALS (Page 2, Line 28, Col. 3).....	29,774,418	33,326,774

DETAILS OF WRITE-INS

2301. Miscellaneous liabilities.....	22,174	15,116
2302. Uncashed drafts and checks that are pending escheatment to a state.....	14,363	26,530
2303. Pension plan obligations.....	110,317	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	146,854	41,646
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

	1 Current Year	2 Prior Year
STATEMENT OF INCOME		
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 34, Column 4).....	11,637,100	10,132,591
DEDUCTIONS		
2. Losses incurred (Part 2, Line 34, Column 7).....	6,755,707	5,661,039
3. Loss expenses incurred (Part 3, Line 25, Column 1).....	1,465,266	1,175,393
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	3,748,733	3,578,089
5. Aggregate write-ins for underwriting deductions.....	0	(4,582)
6. Total underwriting deductions (Lines 2 through 5).....	11,969,706	10,409,939
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(332,606)	(277,348)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	1,376,122	1,543,227
10. Net realized capital gains (losses) (Exhibit of Capital Gains (Losses)).....	(813,522)	821,511
11. Net investment gain (loss) (Lines 9 + 10).....	562,600	2,364,738
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....345,400).....	(345,400)	
13. Finance and service charges not included in premiums.....	198,775	193,524
14. Aggregate write-ins for miscellaneous income.....	(69,371)	4,120
15. Total other income (Lines 12 through 14).....	(215,996)	197,644
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15).....	13,998	2,285,034
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17).....	13,998	2,285,034
19. Federal and foreign income taxes incurred.....	11,251	547,011
20. Net income (Line 18 minus Line 19) (to Line 22).....	2,747	1,738,023
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 38, Column 2).....	26,606,838	30,422,280
GAINS AND (LOSSES) IN SURPLUS		
22. Net income (from Line 20).....	2,747	1,738,023
23. Net unrealized capital gains or (losses).....	(1,462,294)	(1,695,823)
24. Change in net unrealized foreign exchange capital gains (loss).....		
25. Change in net deferred income tax.....	428,876	(7,684)
26. Change in nonadmitted assets (Exhibit 1, Line 5, Column 3).....	(349,127)	(196,267)
27. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		
28. Change in surplus notes.....		
29. Surplus (contributed to) withdrawn from protected cells.....		
30. Cumulative effect of changes in accounting principles.....		(613,491)
31. Capital changes:		
31.1 Paid in.....		
31.2 Transferred from surplus (Stock Dividend).....		
31.3 Transferred to surplus.....		
32. Surplus adjustments:		
32.1 Paid in.....		
32.2 Transferred to capital (Stock Dividend).....		
32.3. Transferred from capital.....		
33. Net remittances from or (to) Home Office.....		
34. Dividends to stockholders.....	(2,660,175)	(3,040,200)
35. Change in treasury stock (Page 3, Line 34.1 and 34.2, Column 2 minus Column 1).....		
36. Aggregate write-ins for gains and losses in surplus.....	0	0
37. Change in surplus as regards policyholders for the year (Lines 22 through 36).....	(4,039,973)	(3,815,442)
38. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 37) (Page 3, Line 35).....	22,566,865	26,606,838

DETAILS OF WRITE-INS

0501. Premium recognition transition adjustment.....		(4,582)
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	(4,582)
1401. Change in pension plan obligations (net of FIT).....	(72,809)	
1402. Other Income.....	3,438	4,120
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(69,371)	4,120
3601.		
3602.		
3603.		
3698. Summary of remaining write-ins for Line 36 from overflow page.....	0	0
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above).....	0	0

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
CASH FLOW**

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	11,540,987	9,983,153
2. Loss and loss adjustment expenses paid (net of salvage and subrogation).....	8,044,732	6,696,562
3. Underwriting expenses paid.....	3,728,764	3,515,428
4. Other underwriting income (expenses).....	(135,483)	152,021
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4).....	(367,992)	(76,816)
6. Net investment income.....	1,373,574	1,624,618
7. Other income (expenses):		
7.1 Agents' balances charged off.....	(345,400)	
7.2 Net funds held under reinsurance treaties.....		
7.3 Net amount withheld or retained for account of others.....		
7.4 Aggregate write-ins for miscellaneous items.....	202,213	197,644
7.5 Total other income (Lines 7.1 to 7.4).....	(143,187)	197,644
8. Dividends to policyholders on direct business, less \$.....0 dividends on reinsurance assumed or ceded (net).....		
9. Federal and foreign income taxes (paid) recovered.....	35,739	(662,657)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9).....	898,134	1,082,789
CASH FROM INVESTMENTS		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds.....	7,663,154	3,028,300
11.2 Stocks.....	5,196,257	12,130,184
11.3 Mortgage loans.....		
11.4 Real estate.....		
11.5 Other invested assets.....		
11.6 Net gains or (losses) on cash and short-term investments.....		
11.7 Miscellaneous proceeds.....	2,595	16
11.8 Total investment proceeds (Lines 11.1 to 11.7).....	12,862,007	15,158,500
12. Cost of investments acquired (long-term only):		
12.1 Bonds.....	7,318,772	
12.2 Stocks.....	5,498,892	11,137,830
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Miscellaneous applications.....		
12.7 Total investments acquired (Lines 12.1 to 12.6).....	12,817,664	11,137,830
13. Net cash from investments (Line 11.8 minus Line 12.7).....	44,343	4,020,670
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in.....		
14.2 Capital notes \$.....0 less amounts repaid \$.....0.....		
14.3 Net transfers from affiliates.....		223,899
14.4 Borrowed funds received.....		
14.5 Other cash provided.....		1,446,807
14.6 Total (Lines 14.1 to 14.5).....	0	1,670,706
15. Cash applied:		
15.1 Dividends to stockholders paid.....	2,660,175	3,040,200
15.2 Net transfers to affiliates.....	3,164	
15.3 Borrowed funds repaid.....		
15.4 Other applications.....	115,895	
15.5 Total (Lines 15.1 to 15.4).....	2,779,234	3,040,200
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5).....	(2,779,234)	(1,369,494)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10 plus Line 13 plus Line 16).....	(1,836,757)	3,733,965
18. Cash and short-term investments:		
18.1 Beginning of year.....	3,875,854	141,889
18.2 End of year (Line 17 plus Line 18.1).....	2,039,097	3,875,854

DETAILS OF WRITE-INS		
7.401 Finance and service charges.....	198,775	193,524
7.402 Other Income.....	3,438	4,120
7.403		
7.498 Summary of remaining write-ins for Line 7.4 from overflow page.....	0	0
7.499 Total (Lines 7.401 thru 7.403 plus 7.498) (Line 7.4 above).....	202,213	197,644

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3 Last Year's Part 2	3 Unearned Premiums December 31 Current Year- per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....				0
2.	Allied lines.....				0
3.	Farmowners multiple peril.....				0
4.	Homeowners multiple peril.....				0
5.	Commercial multiple peril.....				0
6.	Mortgage guaranty.....				0
8.	Ocean marine.....				0
9.	Inland marine.....				0
10.	Financial guaranty.....				0
11.1	Medical malpractice - occurrence.....				0
11.2	Medical malpractice - claims-made.....				0
12.	Earthquake.....				0
13.	Group accident and health.....				0
14.	Credit accident and health (group and individual).....				0
15.	Other accident and health.....				0
16.	Workers' compensation.....				0
17.1	Other liability - occurrence.....				0
17.2	Other liability - claims-made.....				0
18.1	Products liability - occurrence.....				0
18.2	Products liability - claims-made.....				0
19.1, 19.2	Private passenger auto liability.....	8,370,016	850,826	939,403	8,281,439
19.3, 19.4	Commercial auto liability.....				0
21.	Auto physical damage.....	3,389,153	336,790	370,282	3,355,661
22.	Aircraft (all perils).....				0
23.	Fidelity.....				0
24.	Surety.....				0
26.	Burglary and theft.....				0
27.	Boiler and machinery.....				0
28.	Credit.....				0
29.	International.....				0
30.	Reinsurance - nonproportional assumed property.....				0
31.	Reinsurance - nonproportional assumed liability.....				0
32.	Reinsurance - nonproportional assumed financial lines.....				0
33.	Aggregate write-ins for other lines of business.....	0	0	0	0
34.	TOTALS.....	11,759,168	1,187,616	1,309,685	11,637,100

DETAILS OF WRITE-INS

3301.	.....				0
3302.	.....				0
3303.	.....				0
3398.	Summary of remaining write-ins for Line 33 from overflow page.....	0	0	0	0
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	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 Cols. 1 + 2 + 3 + 4
1. Fire.....					0
2. Allied lines.....					0
3. Farmowners multiple peril.....					0
4. Homeowners multiple peril.....					0
5. Commercial multiple peril.....					0
6. Mortgage guaranty.....					0
8. Ocean marine.....					0
9. Inland marine.....					0
10. Financial guaranty.....					0
11.1 Medical malpractice - occurrence.....					0
11.2 Medical malpractice - claims-made.....					0
12. Earthquake.....					0
13. Group accident and health.....					0
14. Credit accident and health (group and individual).....					0
15. Other accident and health.....					0
16. Workers' compensation.....					0
17.1 Other liability - occurrence.....					0
17.2 Other liability - claims-made.....					0
18.1 Products liability - occurrence.....					0
18.2 Products liability - claims-made.....					0
19.1, 19.2 Private passenger auto liability.....	939,403				939,403
19.3, 19.4 Commercial auto liability.....					0
21. Auto physical damage.....	370,282				370,282
22. Aircraft (all perils).....					0
23. Fidelity.....					0
24. Surety.....					0
26. Burglary and theft.....					0
27. Boiler and machinery.....					0
28. Credit.....					0
29. International.....					0
30. Reinsurance - nonproportional assumed property.....					0
31. Reinsurance - nonproportional assumed liability.....					0
32. Reinsurance - nonproportional assumed financial lines.....					0
33. Aggregate write-ins for other lines of business.....	0	0	0	0	0
34. TOTALS.....	1,309,685	0	0	0	1,309,685
35. Accrued retrospective premiums based on experience.....					
36. Earned but unbilled premiums.....					
37. Balance (sum of Lines 34 through 36).....					1,309,685

DETAILS OF WRITE-INS

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

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

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....						.0
2. Allied lines.....						.0
3. Farmowners multiple peril.....						.0
4. Homeowners multiple peril.....						.0
5. Commercial multiple peril.....						.0
6. Mortgage guaranty.....						.0
8. Ocean marine.....						.0
9. Inland marine.....						.0
10. Financial guaranty.....						.0
11.1 Medical malpractice - occurrence.....						.0
11.2 Medical malpractice - claims-made.....						.0
12. Earthquake.....						.0
13. Group accident and health.....						.0
14. Credit accident and health (group and individual).....						.0
15. Other accident and health.....						.0
16. Workers' compensation.....						.0
17.1 Other liability - occurrence.....						.0
17.2 Other liability - claims-made.....						.0
18.1 Products liability - occurrence.....						.0
18.2 Products liability - claims-made.....						.0
19.1, 19.2 Private passenger auto liability.....	8,513,235			143,219		8,370,016
19.3, 19.4 Commercial auto liability.....						.0
21. Auto physical damage.....	3,407,885				18,732	3,389,153
22. Aircraft (all perils).....						.0
23. Fidelity.....						.0
24. Surety.....						.0
26. Burglary and theft.....						.0
27. Boiler and machinery.....						.0
28. Credit.....						.0
29. International.....						.0
30. Reinsurance - nonproportional assumed property.....	XXX					.0
31. Reinsurance - nonproportional assumed liability.....	XXX					.0
32. Reinsurance - nonproportional assumed financial lines.....	XXX					.0
33. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
34. TOTALS.....	11,921,120	.0	.0	143,219	18,732	11,759,168

DETAILS OF WRITE-INS

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....				0			0	
2. Allied lines.....				0			0	
3. Farmowners multiple peril.....				0			0	
4. Homeowners multiple peril.....				0			0	
5. Commercial multiple peril.....				0			0	
6. Mortgage guaranty.....				0			0	
8. Ocean marine.....				0			0	
9. Inland marine.....				0			0	
10. Financial guaranty.....				0			0	
11.1 Medical malpractice - occurrence.....				0			0	
11.2 Medical malpractice - claims-made.....				0			0	
12. Earthquake.....				0			0	
13. Group accident and health.....				0			0	
14. Credit accident and health (group and individual).....				0			0	
15. Other accident and health.....				0			0	
16. Workers' compensation.....				0			0	
17.1 Other liability - occurrence.....				0			0	
17.2 Other liability - claims-made.....				0			0	
18.1 Products liability - occurrence.....				0			0	
18.2 Products liability - claims-made.....				0			0	
19.1, 19.2 Private passenger auto liability.....	4,645,474		128,262	4,517,212	3,552,303	3,447,414	4,622,101	55.8
19.3, 19.4 Commercial auto liability.....				0			0	
21. Auto physical damage.....	2,117,268		3,480	2,113,788	204,074	184,256	2,133,605	63.6
22. Aircraft (all perils).....				0			0	
23. Fidelity.....				0			0	
24. Surety.....				0			0	
26. Burglary and theft.....				0			0	
27. Boiler and machinery.....				0			0	
28. Credit.....				0			0	
29. International.....				0			0	
30. Reinsurance - nonproportional assumed property.....	XXX			0			0	
31. Reinsurance - nonproportional assumed liability.....	XXX			0			0	
32. Reinsurance - nonproportional assumed financial lines.....	XXX			0			0	
33. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	
34. TOTALS.....	6,762,742	0	131,742	6,631,000	3,756,376	3,631,670	6,755,706	58.1

DETAILS OF WRITE-INS

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

ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO 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 (Cols. 4 + 5 + 6 - 7)	9 Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....				0				0	
2. Allied lines.....				0				0	
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....				0				0	
5. Commercial multiple peril.....				0				0	
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....				0				0	
9. Inland marine.....				0				0	
10. Financial guaranty.....				0				0	
11.1 Medical malpractice - occurrence.....				0				0	
11.2 Medical malpractice - claims-made.....				0				0	
12. Earthquake.....				0				0	
13. Group accident and health.....				0				(a) 0	
14. Credit accident and health (group and individual).....				0				0	
15. Other accident and health.....				0				(a) 0	
16. Workers' compensation.....				0				0	
17.1 Other liability - occurrence.....				0				0	
17.2 Other liability - claims-made.....				0				0	
18.1 Products liability - occurrence.....				0				0	
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....	2,868,455		109,398	2,759,057	983,246		190,000	3,552,303	844,490
19.3, 19.4 Commercial auto liability.....				0				0	
21. Auto physical damage.....	155,074			155,074	49,000			204,074	36,237
22. Aircraft (all perils).....				0				0	
23. Fidelity.....				0				0	
24. Surety.....				0				0	
26. Burglary and theft.....				0				0	
27. Boiler and machinery.....				0				0	
28. Credit.....				0				0	
29. International.....				0				0	
30. Reinsurance - nonproportional assumed property.....	XXX			0	XXX			0	
31. Reinsurance - nonproportional assumed liability.....	XXX			0	XXX			0	
32. Reinsurance - nonproportional assumed financial lines.....	XXX			0	XXX			0	
33. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
34. TOTALS.....	3,023,529	0	109,398	2,914,131	1,032,246	0	190,000	3,756,376	880,727

DETAILS OF WRITE-INS

3301.				0				0	
3302.				0				0	
3303.				0				0	
3398. Summary of remaining write-ins for Line 33 from overflow page.....	0	0	0	0	0	0	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	0	0	0	0	0	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.....	233,191			233,191
1.2 Reinsurance assumed.....				.0
1.3 Reinsurance ceded.....	7,167			7,167
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	226,024	.0	.0	226,024
2. Commission and brokerage:				
2.1 Direct excluding contingent.....		1,790,077		1,790,077
2.2 Reinsurance assumed excluding contingent.....				.0
2.3 Reinsurance ceded excluding contingent.....				.0
2.4 Contingent - direct.....		30,154		30,154
2.5 Contingent - reinsurance assumed.....				.0
2.6 Contingent - reinsurance ceded.....				.0
2.7 Policy and membership fees.....				.0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	.0	1,820,231	.0	1,820,231
3. Allowances to managers and agents.....		369		369
4. Advertising.....		112		112
5. Boards, bureaus and associations.....	17,138	26,440		43,578
6. Surveys and underwriting reports.....		137,118		137,118
7. Audit of assureds' records.....				.0
8. Salary and related items:				
8.1 Salaries.....	662,065	841,027	33,488	1,536,580
8.2 Payroll taxes.....	47,814	61,527	2,455	111,796
9. Employee relations and welfare.....	85,824	162,165	6,107	254,096
10. Insurance.....	13,994	13,921		27,916
11. Directors' fees.....	4,548			4,548
12. Travel and travel items.....	31,837	217		32,054
13. Rent and rent items.....	48,398	80,339	4,381	133,117
14. Equipment.....	143,793	142,303	7,775	293,871
15. Cost or depreciation of EDP equipment and software.....				.0
16. Printing and stationery.....	19,359	15,636		34,995
17. Postage, telephone and telegraph, exchange and express.....	59,943	133,291		193,235
18. Legal and auditing.....	16,444	7,073	58,005	81,522
19. Totals (Lines 3 to 18).....	1,151,157	1,621,539	112,212	2,884,908
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		198,984		198,984
20.2. Insurance department licenses and fees.....		78,223		78,223
20.3. Gross guaranty association assessments.....		493		493
20.4. All other (excluding federal and foreign income and real estate).....		96		96
20.5. Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	.0	277,797	.0	277,797
21. Real estate expenses.....				.0
22. Real estate taxes.....				.0
23. Reimbursements by uninsured accident and health plans.....				.0
24. Aggregate write-ins for miscellaneous expenses.....	88,085	29,167	.0	117,252
25. Total expenses incurred.....	1,465,266	3,748,733	112,212	(a).....5,326,211
26. Less unpaid expenses - current year.....	880,727	397,392	2,741	1,280,860
27. Add unpaid expenses - prior year.....	817,220	377,423	12,256	1,206,898
28. Amounts receivable relating to uninsured accident and health plans, prior year.....				.0
29. Amounts receivable relating to uninsured accident and health plans, current year.....				.0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	1,401,759	3,728,764	121,727	5,252,249

DETAILS OF WRITE-INS

2401. Donations and contributions.....	14,344			14,344
2402. Over/Short Expenses.....	(38)	(5,933)	.0	(5,971)
2403. Temporary labor.....	1,633	35,100		36,733
2498. Summary of remaining write-ins for Line 24 from overflow page.....	72,146	.0	.0	72,146
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	88,085	29,167	.0	117,252

(a) Includes management fees of \$.....2,073,548 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....330,599	.....465,620
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....858,332	.....742,448
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....19,687	.....19,687
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....175,850	.....183,686
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash/short-term investments.....	(e).....73,747	.....73,747
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....2,562	.....3,145
10. Total gross investment income.....	.....1,460,777	.....1,488,333
11. Investment expenses.....	.....	(g).....112,212
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....112,212
17. Net investment income (Line 10 minus Line 16).....	.....	.....1,376,121

DETAILS OF WRITE-INS

0901. Security Lending Income.....	.....2,562	.....3,145
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....2,562	.....3,145
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....2,334 accrual of discount less \$.....36,858 amortization of premium and less \$.....72,057 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....38,440 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Net Gain or (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
1. U.S. government bonds.....	.....	.....	.....	.....	.....0
1.1 Bonds exempt from U.S. tax.....	.....	.....	.....	.....	.....0
1.2 Other bonds (unaffiliated).....	.....79,686	.....	.....	.....(106,565)	.....(26,879)
1.3 Bonds of affiliates.....	.....	.....	.....	.....	.....0
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....	.....	.....0
2.11 Preferred stocks of affiliates.....	.....	.....	.....	.....	.....0
2.2 Common stocks (unaffiliated).....	.....(895,803)	.....	.....	.....(1,498,402)	.....(2,394,205)
2.21 Common stocks of affiliates.....	.....	.....	.....	.....	.....0
3. Mortgage loans.....	.....	.....	.....	.....	.....0
4. Real estate.....	.....	.....	.....	.....	.....0
5. Contract loans.....	.....	.....	.....	.....	.....0
6. Cash/short-term investments.....	.....	.....	.....	.....	.....0
7. Derivative instruments.....	.....	.....	.....	.....	.....0
8. Other invested assets.....	.....	.....	.....	.....	.....0
9. Aggregate write-ins for capital gains (losses).....	.....2,595	.....0	.....0	.....0	.....2,595
10. Total capital gains (losses).....	.....(813,522)	.....0	.....0	.....(1,604,967)	.....(2,418,489)

DETAILS OF WRITE-INS

0901. Litigation Income on Prior Year Transaction.....	.....2,595	.....	.....	.....	.....2,595
0902. ....	.....	.....	.....	.....	.....0
0903. ....	.....	.....	.....	.....	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page..	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....2,595	.....0	.....0	.....0	.....2,595

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) Decrease
1. Summary of Items Page 2, Lines 10 to 17 and 19 to 23, Column 2.....	646,799	309,354	(337,445)
2. Other Nonadmitted Assets:			
2.1 Bills receivable.....			.0
2.2 Furniture, equipment and supplies.....		87	87
2.3 Leasehold improvements.....			.0
2.4 Loans on personal security, endorsed or not.....			.0
3. Total (Lines 2.1 to 2.4).....	0	87	87
4. Aggregate write-ins for other assets.....	16,867	5,098	(11,769)
5. Total (Line 1 plus Lines 3 and 4).....	663,666	314,539	(349,127)

DETAILS OF WRITE-INS

0401. Prepaid Pension Asset.....	16,867	5,098	(11,769)
0402. ....			.0
0403. ....			.0
0498. Summary of remaining write-ins for Line 4 from overflow page.....	0	0	.0
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above).....	16,867	5,098	(11,769)

ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements have been completed in accordance with the accounting practices and procedures prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio. The NAIC's Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by Ohio.

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

The preparation of financial statements in conformity with Statutory Accounting Principles as described in the Annual Statement Instructions and the Accounting Practices and Procedures manual requires that management 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 the premiums written. Such reserves are computed using the daily method for direct business and are based on reports received from ceding companies for reinsurance assumed business.

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 amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the scientific amortization method.
- (3) Common Stocks are valued at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.
- (4) Preferred stocks are stated at cost, unless qualified at market.
- (5) The Company has no mortgage loans.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. Amortized cost includes pre-payment assumptions based on values obtained from market data vendors or broker dealers. The retrospective adjustment method is used to value these securities.
- (7) No investments are held in subsidiaries or affiliates.
- (8) The Company's investments in joint ventures and partnerships, if any, are valued based on the underlying equity of the investee as presented in audited GAAP financial reports.
- (9) No derivative securities are held.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property/Casualty Contracts-Premiums. No deficiency reserve is required.
- (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. While management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

2. Accounting Changes and Correction of Errors

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

Accounting changes adopted to conform to the provisions of the NAIC Accounting Practices and Procedures manual 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 \$ 613,491 as of January 1, 2001. The components of this adjustment are as follows:

A. Net Deferred Federal Income Tax Liability	\$ (607,612)
B. Premium Recognition Adjustments	\$ (4,582)
C. Accrued Compensated Absences	<u>\$ (1,297)</u>
Total	\$ (613,491)

Premium income associated with the transition adjustments (item "B" above) is included in the earned premium amounts shown on page 4, column 2, line 1. Related commission and insurance tax expenses are included on page 4, column 2, line 4. The net effect of these adjustments is reversed in the aggregate write-in line on page 4, column 2, line 5. Thus, the impact of this transition item on the net underwriting results is \$0. This approach was selected to properly include the transition premium adjustments in the corresponding statutory premium and loss experience exhibits presented on page 24 and throughout the statutory blank in 2001. The components of the transition amounts referenced above are shown below.

A. Premiums Earned [Premiums Written]:			
Direct	\$ 10,172	[\$ 1,716]	
Reins Assumed	\$ -0-	[\$ -0-]	
Reins Ceded	<u>\$ -0-</u>	<u>[\$ -0-]</u>	
Net	Line 1 \$ 10,172	[\$ 1,716]	
B. Other Underwriting Expenses	Line 4 \$ 14,754		
C. Write-in: Premium Recognition Transition Adjustment	Line 5 <u>\$ (4,582)</u>		
D. Net Underwriting Profit Impact	Line 7 \$ -0-		

3. Business Combinations and Goodwill

The Company had no business combination or goodwill transactions.

4. Discontinued Operations

The Company had no discontinued operations.

5. Investments

A. The Company has no mortgage loans.

B. The Company was not involved in any debt restructuring.

C. The Company has no reverse mortgages.

D. Loan-Backed Securities

(1) The Company did not elect to use 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 market data vendors or broker dealer values.

(3) The Company did not change from a retrospective to a prospective adjustment methodology.

E. The Company has no repurchase agreements.

F. The Company has no investments in real estate.

ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in joint ventures, partnerships or limited liability companies.
 B. The Company did not recognize any impairment write down for investments in joint ventures, partnerships or limited liability companies during the statement periods.

7. Investment Income

- (1) The Company did not exclude any due and accrued investment income from surplus.
 (2) The total amount excluded was \$ 0.

8. Derivatives Instruments

The Company does not own derivative financial instruments.

9. Income Taxes

A. Components of net deferred tax asset/(liability) at December 31 are as follows:	<u>2001</u>	<u>2002</u>
1) Total of all deferred tax assets (admitted and nonadmitted)	320,677	709,139
2) Total of all deferred tax liabilities	233,509	12,914
3) Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	-	308,483
4) Total of all deferred tax assets	87,168	387,742
5) Increase (decrease) in deferred tax assets nonadmitted		308,483

- B. Deferred tax liabilities are not recognized for the following amounts:
- 1) As of December 31, the Company had a balance of \$ _____ in its Policyholder Surplus account under the provisions of the Internal Revenue Code. This amount could become taxable to the extent that future shareholder dividends are paid from this account. (stock life companies only). N/A
- 2) As of December 31, the Company had investments in certain foreign subsidiaries whose reporting basis exceeded tax basis by \$ _____. This amount could become taxable in the event of a sale or dissolution of one or more subsidiaries. N/A

C. Current income taxes incurred consist of the following major components:	<u>2001</u>	<u>2002</u>
1) Current year expense	545,583	287,465
2) Tax credits	(1,012)	(454)
3) Capital loss carryback benefit		(276,449)
4) Prior year over accrual of tax reserves	2,439	689
5) Current year taxes incurred	547,010	11,251

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

	<u>Statutory</u>	<u>Tax</u>	<u>Difference</u>	<u>Tax Effect</u>
DTAs				
6) Reserves	4,637,000	3,947,318	689,682	234,492
7) Unearned Premium Reserves	1,431,464	1,145,171	286,293	97,340
8) Bonds/Partnerships/Stocks	(25,456,000)	(26,441,904)	985,904	335,207
9) Other	123,823	123,823	-	42,100
10) Total DTAs	(19,263,713)	(21,349,415)	2,085,702	709,139
11) DTAs nonadmitted		(907,303)	907,303	308,483
DTLs				
12) Stocks/Bonds	268,000	250,000	18,000	6,120
13) Depreciable assets			-	-
14) Other	285,000	265,019	19,981	6,794
15) Total DTLs	553,000	515,019	37,981	12,914

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

	<u>2000</u>	<u>2001</u>	<u>2002</u>
DTAs resulting from book/tax differences in			
16) Reserves	184,377	221,238	234,492
17) Unearned Premium Reserves	72,300	80,758	97,340
18) Bonds/Partnerships	72,257	14,379	335,207
19) Other	666	4,302	42,100
20) Total DTAs	329,600	320,677	709,139
21) DTAs nonadmitted	-	-	308,483

	<u>2000</u>	<u>2001</u>	<u>2002</u>
DTLs resulting from book/tax differences in			
22) Stocks/Bonds		230,138	6,120
23) Depreciable assets			
24) Other		3,371	6,794
25) Total DTLs	0	233,509	12,914

D. Among the more significant book to tax adjustments were the following:	<u>Amount</u>	<u>Tax Effect</u>
1) Income before taxes	13,998	4,759
2) Book over tax reserves incl s&s	30,278	10,295
3) Unearned Premium Reserves	28,028	9,530
4) Dividends received deduction	136,873	46,537
5) Other	636,309	215,890
6) Total adjustments	831,488	282,252
7) Taxable Income	845,486	287,011

- E. 1) At December 31, 2002, the Company has \$0 of operating loss carry forwards originating in 19 __ through 20 __ which expire, if unused, in years 20__ through 20__.
- 2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:
- | | |
|-------------------------|---------|
| 2002 (current year) | 268,810 |
| 2001 (current year - 1) | 514,502 |
| 2000 (current year - 2) | 143,546 |

- F. 1) The Company's Federal Income Tax return is consolidated with the following entities:
 Motorists Mutual Insurance Company

 Motorists Service Corporation
- 2) The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled annually when the federal income tax return is filed.

ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

10. Information Concerning Parent, Subsidiaries and Affiliates

- A., B., and C. The Company paid common stock dividends to its parent, Motorists Mutual Insurance Company on December 30, 2002, totaling \$2,660,175 and on December 28, 2001, totaling \$3,040,200.
- D. At December 31, 2002, the Company reported \$199,512 as amounts due to the parent company, Motorists Mutual Insurance Company. All amounts were settled within 30 days.
- E. The Company has no guarantees or undertakings for the benefit of an affiliate or related party that result in a material contingent exposure to the Company.
- F. The Company has an arrangement with its parent, Motorists Mutual Insurance Company, whereby costs for common facilities and support services are shared.
- G. All outstanding shares of the Company are owned by Motorists Mutual Insurance Company, a property/casualty insurer domiciled in Ohio.
- H. The Company owns no shares, directly or indirectly, of an upstream intermediate entity or ultimate parent.
- I. The Company has no investments in Subsidiary, Controlled or Affiliated (SCA) entities.
- J. The Company has no investments in SCA entities and thus no SCA impairment write-downs were recognized during the statement periods.

11. Debt

- A. The Company has no capital notes outstanding.
- B. The Company has no other debt obligations outstanding.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

- A. The Company participates in a defined benefit pension plan sponsored by its parent, Motorists Mutual Insurance Company.
- B. The Company participates in an incentive savings plan sponsored by its parent, Motorists Mutual Insurance Company. The parent contributes up to a maximum of 3% of each employee's compensation and allocates amounts to the Company based on a cost sharing arrangement. The Company's share of contributions to the plan was \$6,299 and \$5,254 for 2002 and 2001, respectively.
- C. The Company does not participate in multi-employer plans.
- D. The Company participates in a non-contributory defined benefit pension plan sponsored by its parent, Motorists Mutual Insurance Company. In addition, the Company shares in certain other post-retirement benefits provided through a plan sponsored by Motorists Mutual. The Company has no legal obligation for benefits under these plans. Motorists Mutual allocates amounts to the Company based on a cost sharing arrangement using employee and salary ratios. The Company incurred no periodic pension cost in 2002 or 2001. The Company's allocated share of the change in the minimum pension liability was \$110,317 in 2002 and \$0 in 2001, and is reflected as a reduction (net of FIT) in other income. The Company's share of other post-retirement plan expense was \$15,511 and \$10,296 for 2002 and 2001, respectively.
- E. Obligations for post-employment benefits and compensated absences have been accrued.

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

- (1) The Company has 1,000 shares authorized and 563 shares issued and outstanding.
- (2) The Company has no preferred stock outstanding.
- (3) Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the Company's state of incorporation, Ohio, to \$2,256,687 an amount that is based on restrictions relating to statutory surplus.
- (4) Within the limitations of (3) above there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- (5) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- (6) There are no advances to surplus.
- (7) There is no stock held by the Company for special purposes.
- (8) The Company had no special surplus funds in 2002 or 2001.
- (9) The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:
- | | |
|---------------------------------|------------|
| a. Unrealized gains and losses: | \$ 970,380 |
| b. Nonadmitted asset values: | \$ 663,666 |
| c. Provision for reinsurance: | \$ 0 |
- (10) The Company has no surplus debentures or similar obligations outstanding.
- (11) Information concerning quasi-reorganizations is not applicable.
- (12) Information concerning quasi-reorganizations is not applicable.

14. Contingencies

- A. Contingent Commitments
The Company has no commitments or contingent commitments to a SCA entity, joint venture, partnership or limited liability company.
- B. Assessments
On 11/26/2001, the Company received notification of the insolvency of Reliance Insurance Company. Based on information provided by the Kentucky and Ohio Insurance Guaranty Associations, the Company might be assessed \$14,515 for this insolvency. An accrual was established for this amount and a charge was recorded to operations in 2001. The reserve was lowered to \$14,418 as of December 31, 2002.
- C. Gain Contingencies
The Company has no material gain contingencies to disclose.
- D. All Other Contingencies
There are no contingent liabilities arising from litigation, income taxes or other matters that are considered material in relation to the financial position of the Company.

15. Leases

- A. The Company has no material lease obligations.
- B. The Company does not act as a lessor in business activities or participate in leveraged leases.

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

- A., B., C. The Company has no investments 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 no transfers of receivables reported as sales.
- B. Transfer and Servicing of Financial Assets
- (1) The Company did not obtain any assets or incur any liabilities due to the transfer of assets during the period.
- (2) The Company owned fixed income and equity securities on loan to various brokers with statement values totaling \$7,143,537 and \$468,839 as of December 31, 2002 and 2001, respectively. All loaned securities are collateralized with cash or securities issued or guaranteed by the United States government or its agencies at 102% of the market value, plus accrued interest for fixed income securities.
- (3) The Company has no servicing assets or servicing liabilities.
- C. Wash Sales
In the course of the Company's asset management, no securities were sold and reacquired within 30 days of the sale date to enhance the yield on its investment portfolio.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

- The Company does not serve as an Administrative Services Only (ASO) or an Administrative Services Contract (ASC) plan administrator.

ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

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

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

20. Other Items

A. Extraordinary Items

There were no extraordinary events to report in the financial statements for the periods ending December 31, 2002 and 2001.

B. Troubled Debt Restructuring: Debtors

The Company had no restructured debt.

C. Other Disclosures

(1) The Company elected to use rounding in the reporting of amounts in this statement.

(2) As of December 31, 2002, the Company had an accident year 1990 auto liability loss reserve for \$2,707 included in the "prior" line on Schedule P, Part 1B, column 13, line 1.

D. The potential for losses associated with uncollectible receivable balances is not material to the Company's financial position. Premium balances over 90 days past due are recorded as nonadmitted assets.

E. Reinsurance Accounted for as a Deposit

The Company has no reinsurance accounted for as a deposit.

F. Multi Peril Crop Insurance

The Company does not write multi peril crop insurance.

G. Mezzanine Real Estate Loans

The Company has no real estate or mortgage loans.

H. Health Care Receivables

Information concerning health care receivables is not applicable.

I. September 11 Events

The Company had no losses associated with the terrorists' attacks of September 11, 2001.

J. Real Estate

The Company has no investments in real estate.

K. Participating Policies

The Company is a property/casualty company and thus this note is not applicable.

L. Premium Deficiency Reserves

The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property/Casualty Contracts-Premiums. No deficiency reserve was required in 2002 or 2001.

M. Noncash Transactions

The Company had no noncash investing or financing activities in 2002 or 2001.

21. Events Subsequent

There are no known events subsequent to the closing of the financial records that would materially impact the financial information presented.

22. Reinsurance

A. Unsecured Reinsurance Recoverables

The Company has no unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with any individual reinsurers, authorized or unauthorized, that exceeds 3% of the Company's surplus.

B. Reinsurance Recoverable in Dispute

The Company has no reinsurance recoverable amounts in dispute.

C. Reinsurance Assumed and Ceded

(1) The maximum amount of return commission which would have been due reinsurers if they or the Company had cancelled all of the Company's reinsurance ceded contracts as of the end of the period covered by this annual statement with the return of the unearned premium reserve are shown below. The Company does not write reinsurance assumed business.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	(1) Premium Reserve	(2) Commission Equity	(3) Premium Reserve	(4) Commission Equity	(5) Premium Reserve	(6) Commission Equity
a. Affiliates	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
b. All Other	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
c. Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
d. Direct Unearned Premium Reserve		\$ 1,309,685				

(2) The additional or return commissions predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements are accrued as follows:

	(1) Direct	(2) Assumed	(3) Ceded	(4) Net
a. Contingent Commission	\$ 30,154	\$ 0	\$ 0	\$ 30,154
b. Sliding Scale Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
c. Other Profit Commission Arrangements	\$ 0	\$ 0	\$ 0	\$ 0
d. Total	\$ 0	\$ 0	\$ 0	\$ 0

(3) Protected Cells

The Company does not utilize protected cells.

D. Uncollectible Reinsurance

There were no reinsurance balances written off as uncollectible in 2002 or 2001.

E. Commutation of Ceded Reinsurance

The Company did not commute any ceded reinsurance balances or obligations in 2002 or 2001.

F. Retroactive Reinsurance

ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

The Company has no retroactive reinsurance contracts.

23. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A., B. C. The Company has no retrospectively rated contracts or contracts subject to redetermination.

24. Changes in Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years decreased by \$384,653 from \$4,448,890 in 2001 to \$4,064,237 in 2002 as a result of the re-estimation of unpaid losses and loss adjustment expenses principally on private passenger auto liability and auto physical damage lines of insurance. This reduction 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. Since the Company does not write retrospectively rated contracts, no premium adjustments have been made as a result of this loss and loss expense development.

25. Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangements.

26. Structured Settlements

The Company has purchased annuities for structured settlements under which the claimant is the payee, but for which the Company is contingently liable. The total amount of these contingent liabilities as of December 31, 2002 and 2001 were \$16,879 and \$17,006, respectively.

A. Loss Reserves eliminated by Annuities	\$ 15,000
Unrecorded Loss Contingencies	\$ 16,879

B. There are no amounts in excess of 1% of the Company's stockholders' surplus due for annuities from any one life insurance company.

27. High Deductibles

The Company had no unpaid claims on policies with high deductibles.

28. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

The Company does not discount loss and loss adjustment expense reserves.

29. Asbestos/Environmental Reserves

The Company has no exposure to asbestos and/or environmental claims.

30. Subscriber Savings Accounts

Information concerning subscriber savings accounts is not applicable.

31. Financial Guaranty Insurance Exposures

The Company has no exposure to financial guaranty claims.

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.....	1,347,657	4.7	1,347,657	4.8
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies.....	7,112,436	24.7	7,112,436	25.5
1.22 Issued by U.S. government sponsored agencies.....		0.0		0.0
1.3 Foreign government (including Canada, excluding mortgage-backed securities).....		0.0		0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations.....	1,325,000	4.6	1,325,000	4.8
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations.....		0.0		0.0
1.43 Revenue and assessment obligations.....	96,000	0.3	96,000	0.3
1.44 Industrial development and similar obligations.....		0.0		0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA.....	3,651,953	12.7	3,651,953	13.1
1.512 Issued by FNMA and FHLMC.....		0.0		0.0
1.513 Privately issued.....		0.0		0.0
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC.....		0.0		0.0
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA or FHLMC.....		0.0		0.0
1.523 All other privately issued.....		0.0		0.0
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO).....	3,988,939	13.8	3,840,085	13.8
2.2 Unaffiliated foreign securities.....		0.0		0.0
2.3 Affiliated securities.....		0.0		0.0
3. Equity interests:				
3.1 Investments in mutual funds.....		0.0		0.0
3.2 Preferred stocks:				
3.21 Affiliated.....		0.0		0.0
3.22 Unaffiliated.....	250,000	0.9	267,500	1.0
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated.....		0.0		0.0
3.32 Unaffiliated.....	8,922,253	30.9	8,083,227	29.0
3.4 Other equity securities:				
3.41 Affiliated.....		0.0		0.0
3.42 Unaffiliated.....		0.0		0.0
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated.....		0.0		0.0
3.52 Unaffiliated.....		0.0		0.0
4. Mortgage loans:				
4.1 Construction and land development.....		0.0		0.0
4.2 Agricultural.....		0.0		0.0
4.3 Single family residential properties.....		0.0		0.0
4.4 Multifamily residential properties.....		0.0		0.0
4.5 Commercial loans.....		0.0		0.0
5. Real estate investments:				
5.1 Property occupied by company.....		0.0		0.0
5.2 Property held for production of income (includes \$.....0 of property acquired in satisfaction of debt).....		0.0		0.0
5.3 Property held for sale (\$.....0 including property acquired in satisfaction of debt).....		0.0		0.0
6. Policy loans.....		0.0		0.0
7. Receivables for securities.....	105,743	0.4	105,743	0.4
8. Cash and short-term investments.....	2,039,097	7.1	2,039,097	7.3
9. Other invested assets.....		0.0		0.0
10. Total invested assets.....	28,839,078	100.0	27,868,697	100.0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

1.3 State regulating? Ohio

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

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

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1998

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1998

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/15/2000

3.4 By what department or departments? Ohio

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

4.11 sales of new business? Yes [] No [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 the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

6.2 If yes, give full information: _____

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

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

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

1 Nationality	2 Type of Entity

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, 41 South High Street, Columbus, Ohio, 43215
-
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?
 Peter A. Weisenberger, FCAS, Vice President, Actuarial Division, Motorists Mutual Insurance Company, 471 East Broad Street, Columbus, Ohio, 43215
-
10. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 10.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
-
- 10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 10.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

BOARD OF DIRECTORS

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

FINANCIAL

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

GENERAL INTERROGATORIES (continued)

INVESTMENT

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

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price If Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
Preferred.....	.....	.....	.....	.....	Yes [].....No [].....	Yes [].....No [].....
Common.....	.....1,000,000	.....563,000	.....4,000.00	.....XXX.....	.....XXX.....XXX.....	.....XXX.....XXX.....

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

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

The company participates in a securities lending program which is administered by its custodian, Bank One Trust Company, N.A.

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

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

19.21 Loaned to others	\$.....7,143,537
19.22 Subject to repurchase agreements	\$.....0
19.23 Subject to reverse repurchase agreements	\$.....0
19.24 Subject to dollar repurchase agreements	\$.....0
19.25 Subject to reverse dollar repurchase agreements	\$.....0
19.26 Pledged as collateral	\$.....0
19.27 Placed under option agreements	\$.....0
19.28 Letter stock or securities restricted as to sale	\$.....0
19.29 Other	\$.....0

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

19.31 Various brokers, filed with the state of domicile	.....
19.32	.....
19.33	.....
19.34	.....
19.35	.....
19.36	.....
19.37	.....
19.38	.....
19.39	.....

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

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

21.2 If yes, state the amount thereof at December 31 of the current year: \$.....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
Banc One	1111 Polaris Parkway, Columbus, Ohio 43271

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
107394	ABN AMRO Management Inc.	150 E. Broad Street Ste 506, Columbus, OH 43215
104518	Deutsche Asset Management	222 S. Riverside Plaza, Chicago, IL 60606-5808

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$.....35,881

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.	17,032
American Insurance Services Group, Inc.	9,441

24.1 Amount of payments for legal expenses, if any? \$.....73

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
Baker & Hostetler	45
Porter, Wright, Morris & Arthur	26

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

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

1 Name	2 Amount Paid
NONE	

GENERAL INTERROGATORIES (continued)

Part 2 - Property and Casualty Interrogatories

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

GENERAL INTERROGATORIES (continued)

Part 2 - Property and Casualty Interrogatories (continued)

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

7.2 If yes, give full information:

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

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

9.2 If yes, give full information:

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

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

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

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

10.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 10.41 From0.0 %
 10.42 To0.0 %

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

10.6 If yes, state the amount thereof at December 31 of the current year:
 10.61 Letters of credit \$.....0
 10.62 Collateral and other funds \$.....0

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

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

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

12.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....50,000

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

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

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

13.2 If yes, give full information:

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

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

14.2 If yes, provide explanation

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

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

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

* Disclose type of coverage:

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
FIVE-YEAR HISTORICAL DATA**

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

	1 2002	2 2001	3 2000	4 1999	5 1998
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	8,513,235	7,456,281	6,867,700	6,317,722	6,630,797
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	3,407,885	2,958,616	2,652,312	2,294,893	2,410,067
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....					
5. Non-proportional reinsurance lines (Lines 30, 31 & 32).....					
6. Total (Line 34).....	11,921,120	10,414,897	9,520,012	8,612,615	9,040,864
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	8,370,016	7,313,854	6,734,661	6,194,646	6,502,004
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	3,389,153	2,943,111	2,639,835	2,283,075	2,395,963
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....					
11. Non-proportional reinsurance lines (Lines 30, 31 & 32).....					
12. Total (Line 34).....	11,759,168	10,256,965	9,374,496	8,477,722	8,897,967
Statement of Income (Page 4)					
13. Net underwriting gain (Loss) (Line 8).....	(332,606)	(277,348)	(401,358)	(368,006)	382,518
14. Net investment gain (loss) (Line 11).....	562,600	2,364,738	2,138,655	3,454,072	4,370,811
15. Total other income (Line 15).....	(215,996)	197,644	241,439	196,440	197,268
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	11,251	547,011	706,929	1,200,876	1,694,859
18. Net income (Line 20).....	2,747	1,738,023	1,271,807	2,081,629	3,255,738
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding Protected Cell (Page 2, Line 26, Col. 3).....	29,774,418	33,326,774	36,536,040	38,813,704	39,494,319
20. Agents' balances or uncollected premiums (Page 2, Col. 3):					
20.1 In course of collection (Line 10.1).....	3,788	6,230	(675)	641	(7,443)
20.2 Deferred and not yet due (Line 10.2).....	1,075,647	768,385	685,420	437,191	464,466
20.3 Accrued retrospective premiums (Line 10.3).....					
21. Total liabilities excluding Protected Cell (Page 3, Line 24).....	7,207,553	6,719,936	6,113,761	6,264,382	6,108,619
22. Losses (Page 3, Lines 1 & 2).....	3,756,376	3,631,670	3,340,572	3,504,614	3,490,912
23. Loss adjustment expenses (Page 3, Line 3).....	880,727	817,220	763,778	721,198	692,002
24. Unearned premiums (Page 3, Line 9).....	1,309,685	1,187,616	1,063,242	1,004,202	1,067,509
25. Capital paid up (Page 3, Lines 28 & 29).....	2,252,000	2,252,000	2,252,000	2,252,000	2,252,000
26. Surplus as regards policyholders (Page 3, Line 35).....	22,566,865	26,606,838	30,422,279	32,549,322	33,385,701
Risk-Based Capital Analysis					
27. Total adjusted capital.....	22,566,865	26,606,838	30,422,279	32,549,322	33,385,701
28. Authorized control level risk-based capital.....	1,284,103	1,287,669	1,493,842	1,469,689	1,363,249
Percentage Distribution of Cash and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 9, Col. 3) x 100.0					
29. Bonds (Line 1).....	62.3	55.4	58.9	61.7	66.3
30. Stocks (Lines 2.1 & 2.2).....	30.0	32.5	40.7	37.7	33.5
31. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
32. Real estate (Lines 4.1, 4.2 & 4.3).....					
33. Cash and short-term investments (Line 5).....	7.3	12.1	0.4	0.6	0.2
34. Other invested assets (Line 6).....					
35. Receivable for securities (Line 7).....	0.4	0.0			
36. Aggregate write-ins for invested assets (Line 8).....					
37. Cash and invested assets (Line 9).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
38. Affiliated bonds (Sch. D, Summary, Line 25, Col. 1).....					
39. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1).....					
40. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 2).....					
41. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11).....					
42. Affiliated mortgage loans on real estate.....					
43. All other affiliated.....					
44. Total of above lines 38 to 43.....	0	0	0	0	0
45. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 44 above divided by Page 3, Col. 1, Line 35 x 100.0).....	0.0				

**ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY
FIVE-YEAR HISTORICAL DATA**

(Continued)

	1	2	3	4	5
	2002	2001	2000	1999	1998
Capital and Surplus Accounts (Page 4)					
46. Net unrealized capital gains (losses) (Line 23).....	.....(1,462,294)	.....(1,695,823)	.....(93,660)	.....406,334	.....(393,062)
47. Dividends to stockholders (Line 34).....	.....(2,660,175)	.....(3,040,200)	.....(3,209,100)	.....(3,321,700)	.....(3,378,000)
48. Change in surplus as regards policyholders for the year (Line 37).....	.....(4,039,973)	.....(3,815,442)	.....(2,127,043)	.....(836,378)	.....(507,540)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
49. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	.....4,645,474	.....3,562,892	.....3,741,509	.....3,590,494	.....3,782,143
50. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	.....2,117,268	.....1,851,641	.....1,895,234	.....1,365,005	.....1,397,726
51. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
52. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....					
53. Nonproportional reinsurance lines (Lines 30, 31 & 32).....					
54. Total (Line 34).....	.....6,762,742	.....5,414,533	.....5,636,742	.....4,955,499	.....5,179,869
Net Losses Paid (Page 9, Part 2, Col. 4)					
55. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	.....4,517,212	.....3,534,389	.....3,718,282	.....3,505,031	.....3,766,027
56. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	.....2,113,788	.....1,835,551	.....1,895,234	.....1,365,005	.....1,397,726
57. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
58. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....					
59. Nonproportional reinsurance lines (Lines 30, 31 & 32).....					
60. Total (Line 34).....	.....6,631,000	.....5,369,940	.....5,613,516	.....4,870,036	.....5,163,753
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).....	.....58.1	.....55.9	.....58.5	.....57.2	.....52.8
63. Loss expenses incurred (Line 3).....	.....12.6	.....11.6	.....12.6	.....12.4	.....8.9
64. Other underwriting expenses incurred (Line 4).....	.....32.2	.....35.3	.....33.2	.....34.7	.....33.9
65. Net underwriting gain (loss) (Line 8).....	.....(2.9)	.....(2.7)	.....(4.3)	.....(4.3)	.....4.3
Other Percentages					
66. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 34 x 100.0).....	.....34.0	.....32.9	.....30.4	.....32.6	.....31.8
67. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	.....70.6	.....67.5	.....71.1	.....69.6	.....61.8
68. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 34, divided by Page 3, Line 35, Col. 1 x 100.0).....	.....52.1	.....38.6	.....30.8	.....26.0	.....26.7
One Year Loss Development (000 omitted)					
69. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	.....(235)	.....(363)	.....(1,189)	.....(742)	.....(789)
70. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 69 above divided by Page 4, Line 21, Col. 1 x 100).....	.....(0.9)	.....(1.2)	.....(3.7)	.....(2.2)	.....(2.3)
Two Year Loss Development (000 omitted)					
71. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	.....(357)	.....(1,174)	.....(1,338)	.....(1,227)	.....(1,380)
72. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second year end (Line 71 above divided by Page 4, Line 21, Col. 2 x 100.0).....	.....(1.2)	.....(3.6)	.....(4.1)	.....(3.6)	.....(4.4)

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.....	12,112,046	12,432,884	12,158,281	11,802,701
	2. Canada.....				
	3. Other Countries.....				
	4. Totals.....	12,112,046	12,432,884	12,158,281	11,802,701
States, Territories and Possessions (Direct and guaranteed)	5. United States.....	1,325,000	1,325,000	1,325,000	1,325,000
	6. Canada.....				
	7. Other Countries.....				
	8. Totals.....	1,325,000	1,325,000	1,325,000	1,325,000
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....				
	10. Canada.....				
	11. Other Countries.....				
	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.....	96,000	108,568	96,000	96,000
	14. Canada.....				
	15. Other Countries.....				
	16. Totals.....	96,000	108,568	96,000	96,000
Public Utilities (unaffiliated)	17. United States.....	522,122	525,115	525,350	500,000
	18. Canada.....				
	19. Other Countries.....				
	20. Totals.....	522,122	525,115	525,350	500,000
Industrial and Miscellaneous and Credit Tenant Loans (Unaffiliated)	21. United States.....	3,317,962	3,317,600	3,504,780	3,310,719
	22. Canada.....				
	23. Other Countries.....				
	24. Totals.....	3,317,962	3,317,600	3,504,780	3,310,719
Parent, Subsidiaries and Affiliates	25. Totals.....				
	26. Total Bonds.....	17,373,130	17,709,167	17,609,411	17,034,420
PREFERRED STOCKS					
Public Utilities (Unaffiliated)	27. United States.....				
	28. Canada.....				
	29. Other Countries.....				
	30. Totals.....	0	0	0	0
Banks, Trust and Insurance Companies (Unaffiliated)	31. United States.....				
	32. Canada.....				
	33. Other Countries.....				
	34. Totals.....	0	0	0	0
Industrial and Miscellaneous (Unaffiliated)	35. United States.....	267,500	267,500	250,000	
	36. Canada.....				
	37. Other Countries.....				
	38. Totals.....	267,500	267,500	250,000	
Parent, Subsidiaries and Affiliates	39. Totals.....				
	40. Total Preferred Stocks.....	267,500	267,500	250,000	
COMMON STOCKS					
Public Utilities (Unaffiliated)	41. United States.....	167,153	167,153	172,333	
	42. Canada.....				
	43. Other Countries.....				
	44. Totals.....	167,153	167,153	172,333	
Banks, Trust and Insurance Companies (Unaffiliated)	45. United States.....	1,551,611	1,551,611	1,673,860	
	46. Canada.....				
	47. Other Countries.....				
	48. Totals.....	1,551,611	1,551,611	1,673,860	
Industrial and Miscellaneous (Unaffiliated)	49. United States.....	6,246,578	6,246,578	6,933,999	
	50. Canada.....				
	51. Other Countries.....	117,885	117,885	142,061	
	52. Totals.....	6,364,463	6,364,463	7,076,060	
Parent, Subsidiaries and Affiliates	53. Totals.....				
	54. Total Common Stocks.....	8,083,227	8,083,227	8,922,253	
	55. Total Stocks.....	8,350,727	8,350,727	9,172,253	
	56. Total Bonds and Stocks...	25,723,857	26,059,894	26,781,664	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$.....11,165,512.

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year.....	28,221,211	6. Foreign exchange adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3.....	12,817,664	6.1 Column 17, Part 1.....	
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Section 1.....	
3.1 Column 16, Part 1.....	(126,824)	6.3 Column 11, Part 2, Section 2.....	
3.2 Column 12, Part 2, Section 1.....		6.4 Column 11, Part 4.....	0
3.3 Column 10, Part 2, Section 2.....	(1,260,088)	7. Book/adjusted carrying value at end of current period.....	25,723,853
3.4 Column 10, Part 4.....	(252,573)	8. Total valuation allowance.....	
4. Total gain (loss), Column 14, Part 4.....	(816,125)	9. Subtotal (Lines 7 plus 8).....	25,723,853
5. Deduct consideration for bonds and stocks disposed of, Column 6, Part 4...	12,859,412	10. Total nonadmitted amounts.....	
		11. Statement value of bonds and stocks, current period.....	25,723,853

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported-Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX.....	XXX.....	XXX.....	21.....	8.....	10.....		1.....		2.....	25.....	XXX.....
2. 1993.....	12,468.....	186.....	12,282.....	7,053.....	281.....	248.....	12.....	908.....		388.....	7,915.....	XXX.....
3. 1994.....	11,366.....	177.....	11,189.....	6,988.....	178.....	116.....	1.....	1,043.....		312.....	7,968.....	XXX.....
4. 1995.....	11,815.....	206.....	11,609.....	7,396.....	154.....	156.....	4.....	870.....		305.....	8,265.....	XXX.....
5. 1996.....	11,019.....	188.....	10,831.....	6,284.....	60.....	198.....	1.....	814.....		289.....	7,235.....	XXX.....
6. 1997.....	9,414.....	152.....	9,262.....	4,918.....	83.....	137.....	1.....	693.....		242.....	5,664.....	XXX.....
7. 1998.....	9,063.....	143.....	8,920.....	4,922.....	90.....	189.....		698.....	5.....	303.....	5,713.....	XXX.....
8. 1999.....	8,676.....	135.....	8,541.....	4,807.....	5.....	187.....		843.....		308.....	5,832.....	XXX.....
9. 2000.....	9,461.....	146.....	9,315.....	6,017.....	41.....	114.....		984.....	0.....	307.....	7,073.....	XXX.....
10. 2001.....	10,291.....	158.....	10,133.....	5,078.....	45.....	49.....		933.....	0.....	222.....	6,015.....	XXX.....
11. 2002.....	11,799.....	162.....	11,637.....	4,603.....	50.....	21.....		966.....		167.....	5,540.....	XXX.....
12. Totals.....	XXX.....	XXX.....	XXX.....	58,086.....	995.....	1,425.....	19.....	8,754.....	5.....	2,846.....	67,245.....	XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	3.....							0.....				3.....	XXX.....
2. 1993.....								0.....				0.....	XXX.....
3. 1994.....								0.....				0.....	XXX.....
4. 1995.....	28.....	3.....						1.....	3.....			29.....	XXX.....
5. 1996.....			1.....					0.....				2.....	XXX.....
6. 1997.....	8.....		0.....					2.....	1.....			11.....	XXX.....
7. 1998.....	8.....		5.....					5.....	2.....			19.....	XXX.....
8. 1999.....	86.....		2.....					26.....	13.....			127.....	XXX.....
9. 2000.....	372.....		(45).....					65.....	39.....			431.....	XXX.....
10. 2001.....	702.....	54.....	151.....	28.....				98.....	80.....			949.....	XXX.....
11. 2002.....	1,818.....	53.....	919.....	162.....				212.....	332.....			3,066.....	XXX.....
12. Totals.....	3,024.....	109.....	1,032.....	190.....	0.....	0.....	409.....	0.....	472.....	0.....	0.....	4,637.....	XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....			XXX.....	3.....	0.....
2. 1993.....	8,208.....	293.....	7,915.....	65.8.....	157.6.....	64.4.....				0.....	0.....
3. 1994.....	8,147.....	179.....	7,968.....	71.7.....	101.0.....	71.2.....				0.....	0.....
4. 1995.....	8,454.....	160.....	8,295.....	71.6.....	77.6.....	71.4.....				25.....	4.....
5. 1996.....	7,298.....	61.....	7,236.....	66.2.....	32.6.....	66.8.....				1.....	0.....
6. 1997.....	5,759.....	84.....	5,675.....	61.2.....	55.0.....	61.3.....				8.....	3.....
7. 1998.....	5,828.....	95.....	5,733.....	64.3.....	66.7.....	64.3.....				12.....	7.....
8. 1999.....	5,963.....	5.....	5,959.....	68.7.....	3.6.....	69.8.....				87.....	39.....
9. 2000.....	7,546.....	42.....	7,504.....	79.8.....	28.5.....	80.6.....				327.....	104.....
10. 2001.....	7,091.....	127.....	6,965.....	68.9.....	80.3.....	68.7.....				771.....	178.....
11. 2002.....	8,870.....	265.....	8,606.....	75.2.....	163.4.....	73.9.....				2,522.....	544.....
12. Totals.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	0.....	0.....	XXX.....	3,756.....	881.....

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.

ANNUAL STATEMENT FOR THE YEAR 2002 OF THMICO INSURANCE COMPANY

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.....	3,537	2,555	2,327	2,299	2,241	2,188	2,190	2,179	2,173	2,179	5	(1)
2. 1993.....	7,889	7,100	7,104	7,151	7,095	7,056	7,042	7,017	7,014	7,007	(7)	(10)
3. 1994.....	XXX	7,880	7,450	7,182	7,074	7,022	6,951	6,936	6,931	6,926	(5)	(10)
4. 1995.....	XXX	XXX	8,313	7,865	7,646	7,504	7,447	7,414	7,425	7,421	(3)	8
5. 1996.....	XXX	XXX	XXX	7,307	6,708	6,650	6,487	6,443	6,441	6,422	(19)	(22)
6. 1997.....	XXX	XXX	XXX	XXX	5,729	5,280	5,150	4,983	4,976	4,981	4	(3)
7. 1998.....	XXX	XXX	XXX	XXX	XXX	5,596	5,288	4,985	5,044	5,037	(6)	52
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	5,734	5,140	5,111	5,102	(9)	(37)
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,816	6,436	6,481	46	(335)
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,191	5,951	(241)	XXX
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,307	XXX	XXX
12. Totals.....											(235)	(357)

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.....	.000	1,493	2,040	2,169	2,200	2,177	2,169	2,158	2,152	2,176	XXX	XXX
2. 1993.....	4,128	5,745	6,516	6,941	7,004	6,999	7,036	7,015	7,014	7,007	XXX	XXX
3. 1994.....	XXX	4,298	5,993	6,653	6,941	6,935	6,936	6,932	6,930	6,926	XXX	XXX
4. 1995.....	XXX	XXX	4,478	6,479	7,067	7,324	7,345	7,388	7,398	7,395	XXX	XXX
5. 1996.....	XXX	XXX	XXX	4,265	5,613	6,242	6,359	6,415	6,420	6,420	XXX	XXX
6. 1997.....	XXX	XXX	XXX	XXX	3,265	4,366	4,795	4,901	4,897	4,971	XXX	XXX
7. 1998.....	XXX	XXX	XXX	XXX	XXX	3,353	4,363	4,756	4,927	5,021	XXX	XXX
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	3,433	4,421	4,728	4,989	XXX	XXX
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,256	5,495	6,090	XXX	XXX
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,811	5,082	XXX	XXX
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,574	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1 1993	2 1994	3 1995	4 1996	5 1997	6 1998	7 1999	8 2000	9 2001	10 2002
1. Prior.....	1,993	437	130	60	33	2	1	2	0	0
2. 1993.....	2,079	545	98	41	32	26	1	2	0	0
3. 1994.....	XXX	1,816	818	197	123	77	15	3	1	0
4. 1995.....	XXX	XXX	1,681	598	151	80	28	4	1	1
5. 1996.....	XXX	XXX	XXX	1,385	455	219	31	6	6	2
6. 1997.....	XXX	XXX	XXX	XXX	1,083	348	115	28	11	2
7. 1998.....	XXX	XXX	XXX	XXX	XXX	948	303	6	22	9
8. 1999.....	XXX	XXX	XXX	XXX	XXX	XXX	826	212	46	28
9. 2000.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	822	171	19
10. 2001.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	790	221
11. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	968

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	NO								
2. Alaska.....AK	NO								
3. Arizona.....AZ	NO								
4. Arkansas.....AR	NO								
5. California.....CA	NO								
6. Colorado.....CO	NO								
7. Connecticut.....CT	NO								
8. Delaware.....DE	NO								
9. District of Columbia.....DC	NO								
10. Florida.....FL	NO								
11. Georgia.....GA	NO								
12. Hawaii.....HI	NO								
13. Idaho.....ID	NO								
14. Illinois.....IL	NO								
15. Indiana.....IN	YES	1,065,446	1,047,103		704,778	617,387	396,961	12,976	
16. Iowa.....IA	NO								
17. Kansas.....KS	NO								
18. Kentucky.....KY	YES	498,965	481,593		308,662	417,329	459,611	4,257	
19. Louisiana.....LA	NO								
20. Maine.....ME	NO								
21. Maryland.....MD	NO								
22. Massachusetts.....MA	NO								
23. Michigan.....MI	NO								
24. Minnesota.....MN	NO								
25. Mississippi.....MS	NO								
26. Missouri.....MO	NO								
27. Montana.....MT	NO								
28. Nebraska.....NE	NO								
29. Nevada.....NV	NO								
30. New Hampshire.....NH	NO								
31. New Jersey.....NJ	NO								
32. New Mexico.....NM	NO								
33. New York.....NY	NO								
34. North Carolina.....NC	NO								
35. North Dakota.....ND	NO								
36. Ohio.....OH	YES	10,223,103	10,142,619		5,715,758	5,839,014	3,161,935	181,255	
37. Oklahoma.....OK	NO								
38. Oregon.....OR	NO								
39. Pennsylvania.....PA	YES								
40. Rhode Island.....RI	NO								
41. South Carolina.....SC	NO								
42. South Dakota.....SD	NO								
43. Tennessee.....TN	NO								
44. Texas.....TX	NO								
45. Utah.....UT	NO								
46. Vermont.....VT	NO								
47. Virginia.....VA	NO								
48. Washington.....WA	NO								
49. West Virginia.....WV	YES	133,606	127,736		33,544	34,347	37,267	286	
50. Wisconsin.....WI	NO								
51. Wyoming.....WY	NO								
52. American Samoa.....AS	NO								
53. Guam.....GU	NO								
54. Puerto Rico.....PR	NO								
55. US Virgin Islands.....VI	NO								
56. Canada.....CN	NO								
57. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
58. Totals.....	(a).....5	11,921,120	11,799,051	0	6,762,742	6,908,077	4,055,774	198,775	0

DETAILS OF WRITE-INS

5701.....	XXX								
5702.....	XXX								
5703.....	XXX								
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX	0	0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above)	XXX	0	0	0	0	0	0	0	0

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

Annual Statement Line of Business
 19 and 21.....Location of principal garaging
 All other lines.....None written

(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

**The Motorists Insurance Group
Organizational Chart**

