

OLD REPUBLIC INTERNATIONAL CORP

Form 10-K/A

April 30, 2003

As in effect

3/1/61

FORM 10K/A1

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

AMENDMENT TO APPLICATION OR REPORT
Filed Pursuant to Sections 12, 13, or 15 (d) of
THE SECURITIES EXCHANGE ACT OF 1934

OLD REPUBLIC INTERNATIONAL CORPORATION

(Exact name of registrant as specified in charter)

AMENDMENT NO. 1

The undersigned registrant hereby amends the following items, financial
statements, exhibits or other portions of its ANNUAL REPORT FOR 2002 on

Form 10K as set forth in the pages attached hereto: (List all such items,

financial statements, exhibits or other portions amended)

SEE INDEX

Pursuant to the requirements of the Securities Exchange Act of 1934,
the registrant has duly caused this amendment to be signed on its
behalf by the undersigned, thereunto duly authorized.

OLD REPUBLIC INTERNATIONAL CORPORATION

(Registrant)

Date: April 24, 2003

By: /s/ John S. Adams

(Signature)

John S. Adams
Senior Vice President and
Chief Financial Officer

Total Pages: 12

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FINANCIAL STATEMENT SCHEDULES

Report of Independent Accountants

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Schedule III - Supplementary Insurance Information for the years ended December 31, 2002, 2001 and 2000

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Schedule VI - Supplemental Information Concerning Property - Casualty Insurance Operations for the years ended December 31, 2002, 2001 and 2000

Schedules other than those listed are omitted for the reason that they are not required, are not applicable or that equivalent information has been included in the financial statements, and notes thereto, or elsewhere herein.

EXHIBITS

- (23) Consent of Independent Accountants.
- (28) Consolidated Schedule P.

* Not covered by the Report of Independent Accountants.

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of
Old Republic International Corporation
Chicago, Illinois

Our audits of the consolidated financial statements of Old Republic International Corporation and its subsidiaries at December 31, 2002 and 2001, and for each of the three years in the period ended December 31, 2002 referred to in our report dated March 14, 2003, is included on page 49 of the Corporation's Annual Report on form 10-K. In connection with our audits of such financial statements, we have also audited the related financial statement schedules listed in the index on page 2 of this Form 10K/A1 amendment. In our opinion, these financial statement schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related

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consolidated financial statements.

/s/ PricewaterhouseCoopers LLP

Chicago, Illinois
April 24, 2003

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
SCHEDULE I - SUMMARY OF INVESTMENTS - OTHER THAN INVESTMENTS IN RELATED PARTIES
As of December 31, 2002

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(\$ in Thousands)

| Column A ----- | Column B ----- | Column C ----- |
|--|-------------------|---------------------|
| Type of investment ----- | Cost (a) ----- | Fair Value ----- |
| Held to maturity: | | |
| Fixed maturity securities: | | |
| States, municipalities and political subdivisions | \$ 1,299,716 | \$ 1,299,716 |
| Public utilities | 754,451 | 754,451 |
| | ----- | ----- |
| | 2,054,167 | \$ 2,054,167 |
| | ----- | ===== |
| Other long-term investments | 57,445 | |
| | ----- | |
| Total | 2,111,613 | |
| | ----- | |
| Available for sale: | | |
| Fixed maturity securities: | | |
| United States Government and government agencies and authorities | 865,198 | \$ 865,198 |
| Foreign government | 63,972 | 63,972 |
| Corporate, industrial and all other | 2,060,275 | 2,060,275 |
| | ----- | ----- |
| | 2,989,445 | \$ 2,989,445 |
| | ----- | ===== |
| Equity securities: | | |
| Non-redeemable preferred stocks | 2,283 | \$ 2,283 |
| Common stocks: | | |
| Public utilities | 85,657 | 85,657 |
| Banks, trusts and insurance companies | 23,406 | 23,406 |
| Industrial, miscellaneous and all other | 408,961 | 408,961 |
| | ----- | ----- |
| | 520,307 | \$ 520,307 |
| | ----- | ===== |
| Short-term investments | 253,893 | |
| | ----- | |
| Total | 3,763,645 | |
| | ----- | |
| Total Investments | \$ 5,875,258 | |
| | ----- | |
| | ===== | |

Note: (a) Represents original cost of equity securities, and as to fixed maturities, original cost reduced by repayments and adjusted for amortization of premium or accrual of discount.

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
 SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF REGISTRANT
 BALANCE SHEETS
 OLD REPUBLIC INTERNATIONAL CORPORATION (PARENT COMPANY)
 (\$ in Thousands)

| | ----- |
|--|---------|
| | 2002 |
| | ----- |
| Assets: | |
| Bonds and notes | \$ 1 |
| Cash | |
| Short-term investments | |
| Investments in, and indebtedness of related parties: | |
| Subsidiaries and affiliates, at equity | 3,12 |
| Indebtedness of affiliates | 13 |
| Other assets | 2 |
| | ----- |
| Total Assets | \$ 3,31 |
| | ===== |
| Liabilities, Preferred Stock and Common Shareholders' Equity: | |
| Liabilities: | |
| Accounts payable and accrued expenses | \$ 2 |
| Debt and debt equivalents | 11 |
| Indebtedness to affiliates and subsidiaries | 2 |
| Commitments and contingent liabilities | |
| | ----- |
| Total Liabilities | 15 |
| | ----- |
| Convertible preferred stock | |
| | ----- |
| Common Shareholders' Equity: | |
| Common stock | 12 |
| Additional paid-in capital | 25 |
| Retained earnings | 2,70 |
| Accumulated other comprehensive income | 11 |
| Treasury stock (at cost) | (3) |
| | ----- |
| Total Common Shareholders' Equity | 3,15 |

Total Liabilities, Preferred Stock and
and Common Shareholders' Equity

\$ 3,31
=====

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF REGISTRANT
STATEMENTS OF INCOME
OLD REPUBLIC INTERNATIONAL CORPORATION (PARENT COMPANY)
(\$ in Thousands)

| | Years Ende | |
|-------------------------------------|------------|----|
| | 2002 | 20 |
| Revenues: | | |
| Investment income from subsidiaries | \$ 4,595 | \$ |
| Real estate and other income | 3,673 | |
| Realized investment gains (losses) | (1,289) | |
| Other investment income | 1,237 | |
| Total Revenues | 8,217 | |
| Expenses: | | |
| Interest -- subsidiaries | 527 | |
| Interest -- other | 8,155 | |
| Real estate and other expenses | 2,936 | |
| General expenses, taxes and fees | 5,339 | |
| Total Expenses | 16,959 | |
| Revenues, net of expenses | (8,742) | |

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| | | |
|--|------------|-------|
| Federal income tax credits | (1,798) | |
| | ----- | ----- |
| Loss before equity in earnings of subsidiaries | (6,944) | |
| Equity in Earnings of Subsidiaries: | | |
| Dividends received | 139,170 | |
| Earnings in excess of dividends | 260,753 | |
| | ----- | ----- |
| Net Income | \$ 392,979 | \$ |
| | ===== | ===== |

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF REGISTRANT
STATEMENTS OF CASH FLOWS
OLD REPUBLIC INTERNATIONAL CORPORATION (PARENT COMPANY)
(\$ in Thousands)

| | |
|------|------------|
| | Years Ende |
| | ----- |
| 2002 | 20 |
| | ----- |

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| | | | |
|---|----|-----------|-------|
| Cash flows from operating activities: | | | |
| Net income | \$ | 392,979 | \$ |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Accounts receivable | | (293) | |
| Income taxes - net | | (10,461) | |
| Excess of equity in net income of subsidiaries over dividends received | | (260,753) | |
| Accounts payable, accrued expenses and other | | 6,645 | |
| | | ----- | ----- |
| Total | | 128,116 | |
| | | ----- | ----- |
| Cash flows from investing activities: | | | |
| Sales of equity securities | | 3,004 | |
| Sales of other investments | | 9 | |
| Sales of fixed assets for company use | | --- | |
| Purchases of fixed maturity securities | | (33,316) | |
| Purchases of equity securities | | (39,035) | |
| Purchases of fixed assets for company use | | (832) | |
| Investments in, and indebtedness of related parties - net | | (2,609) | |
| | | ----- | ----- |
| Total | | (72,780) | |
| | | ----- | ----- |
| Cash flows from financing activities: | | | |
| Issuance of preferred and common stock | | 22,005 | |
| Dividends on common shares | | (75,759) | |
| Dividends on preferred shares | | (2) | |
| Purchase of treasury stock | | (6) | |
| | | ----- | ----- |
| Total | | (53,762) | |
| | | ----- | ----- |
| Increase (decrease) in cash and short-term investments | | 1,573 | |
| Cash and short-term investments, beginning of year | | 12,340 | |
| | | ----- | ----- |
| Cash and short-term investments, end of year | \$ | 13,913 | \$ |
| | | ===== | ===== |

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
 SCHEDULE III - SUPPLEMENTARY INSURANCE INFORMATION
 For the years ended December 31, 2002, 2001 and 2000
 (\$ in Thousands)

| Column A | Column B | Column C | Column D |
|------------------------------------|---------------------------------------|--|-----------------------|
| Segment | Deferred Policy Acquisition Costs (b) | Future Policy Benefits, Losses, Claims and Loss Expenses | Unearned Premiums (b) |
| Year Ended December 31, 2002: | | | |
| Insurance Underwriting: | | | |
| General Insurance Group | \$90,092 | \$1,881,111 | \$580,571 |
| Mortgage Insurance Group | 63,440 | 185,410 | 42,373 |
| Title Insurance Group | --- | 225,659 | --- |
| Life Insurance Group | 44,294 | 74,198 | --- |
| Reinsurance Losses Recoverable (a) | --- | 1,413,885 | 86,442 |
| Total Insurance Underwriting | 197,827 | 3,780,264 | 709,387 |
| Corporate | --- | --- | --- |
| Consolidated | \$197,827 | \$3,780,264 | \$709,387 |
| Year Ended December 31, 2001: | | | |
| Insurance Underwriting: | | | |
| General Insurance Group | \$80,277 | \$1,755,597 | \$496,048 |
| Mortgage Insurance Group | 60,902 | 193,017 | 38,224 |
| Title Insurance Group | --- | 215,634 | --- |
| Life Insurance Group | 38,660 | 76,721 | --- |
| Reinsurance Losses Recoverable (a) | --- | 1,320,456 | 69,861 |
| Total Insurance Underwriting | 179,840 | 3,561,428 | 604,134 |
| Corporate | --- | --- | --- |
| Consolidated | \$179,840 | \$3,561,428 | \$604,134 |
| Year Ended December 31, 2000: | | | |
| Insurance Underwriting: | | | |
| General Insurance Group | \$53,934 | \$1,734,650 | \$307,227 |
| Mortgage Insurance Group | 57,654 | 183,457 | 37,265 |
| Title Insurance Group | --- | 212,083 | --- |
| Life Insurance Group | 36,516 | 82,567 | --- |
| Reinsurance Losses Recoverable (a) | --- | 1,297,393 | 53,087 |
| Total Insurance Underwriting | 148,105 | 3,510,152 | 397,580 |

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| | | | |
|--------------|-----------|-------------|-----------|
| Corporate | --- | --- | --- |
| Consolidated | \$148,105 | \$3,510,152 | \$397,580 |

Note: (a) Effective January 1, 1993, the Company adopted Financial Accounting Standard (FAS) No. 113 "Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts" which eliminates the reporting of assets and liabilities relating to reinsured contracts net of reinsurance ceded balances. Accordingly, reinsured losses and unearned premiums are to be reported as assets. Assets and liabilities were, as a result, increased by corresponding amounts of approximately \$1.5 billion at December 31, 2002, \$1.3 billion at December 31, 2001 and \$1.3 billion at December 21, 2000. FAS No. 113 did not have any effect on the Company's results of operations.

(b) Regulatory and related GAAP reclassifications that took effect at the beginning of 2001 pertained mostly to the recording of estimated premiums due subsequent to each balance sheet date and had the approximate effect of increasing accounts receivable by \$110.9 million, deferred acquisition costs by \$15.7 million and unearned premiums by \$110.9 million as of December 31, 2001. These changes had no effect on the Company's net income for 2001.

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
 SCHEDULE III - SUPPLEMENTARY INSURANCE INFORMATION
 For the years ended December 31, 2002, 2001 and 2000
 (\$ in Thousands)

| Column A | Column G | Column H | Column I |
|------------------------------------|-----------------------|--|---|
| Segment | Net Investment Income | Benefits, Claims, Losses and Settlement Expenses | Amortization of Deferred Policy Acquisition Costs |
| Year Ended December 31, 2002: | | | |
| Insurance Underwriting: | | | |
| General Insurance Group | \$172,577 | \$852,106 | \$219,957 |
| Mortgage Insurance Group | 65,866 | 52,934 | 49,126 |
| Title Insurance Group | 22,535 | 40,765 | --- |
| Life Insurance Group | 6,714 | 29,089 | 10,025 |
| Reinsurance Losses Recoverable (a) | --- | --- | --- |
| Total Insurance Underwriting | 267,693 | 974,895 | 279,108 |
| Corporate | 5,003 | --- | --- |
| Consolidated | \$272,697 | \$974,895 | \$279,108 |

Year Ended December 31, 2001:

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| | | | |
|------------------------------------|-----------|-----------|-----------|
| Insurance Underwriting: | | | |
| General Insurance Group | \$175,773 | \$748,096 | \$190,587 |
| Mortgage Insurance Group | 63,387 | 57,028 | 44,417 |
| Title Insurance Group | 22,750 | 25,163 | --- |
| Life Insurance Group | 7,625 | 30,248 | 8,376 |
| Reinsurance Losses Recoverable (a) | --- | --- | --- |
| ----- | | | |
| Total Insurance Underwriting | 269,536 | 860,537 | 243,380 |
| Corporate | 5,233 | --- | --- |
| ----- | | | |
| Consolidated | \$274,770 | \$860,537 | \$243,380 |
| ===== | | | |

Year Ended December 31, 2000:

| | | | |
|------------------------------------|-----------|-----------|-----------|
| ----- | | | |
| Insurance Underwriting: | | | |
| General Insurance Group | \$179,864 | \$665,048 | \$172,552 |
| Mortgage Insurance Group | 56,811 | 49,645 | 45,518 |
| Title Insurance Group | 24,002 | 17,560 | --- |
| Life Insurance Group | 8,588 | 29,017 | 10,277 |
| Reinsurance Losses Recoverable (a) | --- | --- | --- |
| ----- | | | |
| Total Insurance Underwriting | 269,266 | 761,272 | 228,348 |
| Corporate | 4,727 | --- | --- |
| ----- | | | |
| Consolidated | \$273,994 | \$761,272 | \$228,348 |
| ===== | | | |

Note: (a) Effective January 1, 1993, the Company adopted Financial Accounting Standard (FAS) No. 113 "Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts" which eliminates the reporting of assets and liabilities relating to reinsured contracts net of reinsurance ceded balances. Accordingly, reinsured losses and unearned premiums are to be reported as assets. Assets and liabilities were, as a result, increased by corresponding amounts of approximately \$1.5 billion at December 31, 2002, \$1.3 billion at December 31, 2001 and \$1.3 billion at December 21, 2000. FAS No. 113 did not have any effect on the Company's results of operations.

(b) Regulatory and related GAAP reclassifications that took effect at the beginning of 2001 pertained mostly to the recording of estimated premiums due subsequent to each balance sheet date and had the approximate effect of increasing accounts receivable by \$110.9 million, deferred acquisition costs by \$15.7 million and unearned premiums by \$110.9 million as of December 31, 2001. These changes had no effect on the Company's net income for 2001.

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
 SCHEDULE IV - REINSURANCE
 For the years ended December 31, 2002, 2001 and 2000
 (\$ in Thousands)

| | | | |
|----------|----------|----------|----------|
| ----- | | | |
| Column A | Column B | Column C | Column D |
| ----- | | | |
| | | Ceded | Assumed |

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| | Gross amount | to other companies | from other companies |
|-------------------------------|-----------------|-----------------------|-------------------------|
| | ----- | ----- | ----- |
| Year Ended December 31, 2002: | | | |
| ----- | | | |
| Life insurance in force | \$ 11,437,301 | \$ 4,053,693 | \$ --- |
| | ===== | ===== | ===== |
| Premium Revenues: | | | |
| General Insurance Group | \$ 1,550,929 | \$ 389,238 | \$ 22,440 |
| Mortgage Insurance Group | 432,483 | 57,333 | 1,131 |
| Title Insurance Group | 523,353 | (50) | 1,471 |
| Life Insurance Group: | | | |
| Life insurance | 32,540 | 8,227 | --- |
| Accident and health insurance | 47,334 | 22,061 | 548 |
| | ----- | ----- | ----- |
| Total Life Insurance Group | 79,875 | 30,289 | 548 |
| | ----- | ----- | ----- |
| Consolidating adjustments | --- | (548) | (548) |
| | ----- | ----- | ----- |
| Consolidated | \$ 2,586,642 | \$ 476,262 | \$ 25,044 |
| | ===== | ===== | ===== |
| Year Ended December 31, 2001: | | | |
| ----- | | | |
| Life insurance in force | \$ 11,575,791 | \$ 4,075,307 | \$ --- |
| | ===== | ===== | ===== |
| Premium Revenues: | | | |
| General Insurance Group | \$ 1,282,223 | \$ 318,823 | \$ 36,891 |
| Mortgage Insurance Group | 390,905 | 38,485 | 768 |
| Title Insurance Group | 381,465 | 141 | 1,376 |
| Life Insurance Group: | | | |
| Life insurance | 37,240 | 13,757 | --- |
| Accident and health insurance | 44,732 | 17,544 | 4 |
| | ----- | ----- | ----- |
| Total Life Insurance Group | 81,972 | 31,302 | 4 |
| | ----- | ----- | ----- |
| Consolidating adjustments | --- | (4) | (4) |
| | ----- | ----- | ----- |
| Consolidated | \$ 2,136,566 | \$ 388,748 | \$ 39,036 |
| | ===== | ===== | ===== |
| Year Ended December 31, 2000: | | | |
| ----- | | | |
| Life insurance in force | \$ 11,800,529 | \$ 4,951,352 | \$ --- |
| | ===== | ===== | ===== |
| Premium Revenues: | | | |
| General Insurance Group | \$ 1,084,463 | \$ 252,006 | \$ 25,382 |
| Mortgage Insurance Group | 359,039 | 29,478 | 1,929 |
| Title Insurance Group | 306,809 | 306 | 1,108 |
| Life Insurance Group: | | | |
| Life insurance | 35,501 | 13,470 | --- |
| Accident and health insurance | 45,296 | 13,899 | 3 |
| | ----- | ----- | ----- |
| Total Life Insurance Group | 80,797 | 27,369 | 3 |
| | ----- | ----- | ----- |
| Consolidating adjustments | --- | (3) | (3) |
| | ----- | ----- | ----- |

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| | | | |
|--------------|--------------|------------|-----------|
| Consolidated | \$ 1,831,110 | \$ 309,158 | \$ 28,419 |
|--------------|--------------|------------|-----------|

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
 SCHEDULE VI - SUPPLEMENTAL INFORMATION CONCERNING PROPERTY-CASUALTY INSURANCE OPERATIONS
 For the years ended December 31, 2002, 2001 and 2000
 (\$ in Thousands)

| Column A | Column B | Column C | Column D | Column E |
|--|---------------------------------------|--|---------------------------------------|-------------------|
| Affiliation With Registrant | Deferred Policy Acquisition Costs (c) | Reserves for Unpaid Claims and Claim Adjustment Expenses | Discount If Any, Deducted in Column C | Unearned Premiums |
| Year Ended December 31, 2002: | | | | |
| (a) Consolidated property-casualty entities (b) | \$90,092 | \$1,881,111 | \$145,737 | \$580,000 |
| (b) Unconsolidated property-casualty subsidiaries (a) | | | | |
| (c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a) | | | | |
| | \$90,092 | \$1,881,111 | \$145,737 | \$580,000 |
| Year Ended December 31, 2001: | | | | |
| (a) Consolidated property-casualty entities (b) | \$80,227 | \$1,755,597 | \$151,353 | \$496,000 |
| (b) Unconsolidated property-casualty subsidiaries (a) | | | | |
| (c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a) | | | | |
| | \$80,227 | \$1,755,597 | \$151,353 | \$496,000 |
| Year Ended December 31, 2000: | | | | |
| (a) Consolidated property-casualty entities (b) | \$53,934 | \$1,734,650 | \$151,765 | \$307,000 |
| (b) Unconsolidated property-casualty subsidiaries (a) | | | | |
| (c) Proportionate share of registrant | | | | |

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and its subsidiaries' 50%-or-less
owned property-casualty equity
investees (a)

| | | | |
|----------|-------------|-----------|--------|
| \$53,934 | \$1,734,650 | \$151,765 | \$307, |
|----------|-------------|-----------|--------|

- Note: (a) These amounts are immaterial and have, therefore, been omitted from this schedule.
 (b) See note (a) to Schedule III.
 (c) Regulatory and related GAAP reclassifications that took effect at the beginning of 2001 pertained mostly to the recording of estimated premiums due subsequent to each balance sheet date and had the approximate effect of increasing accounts receivable by \$110.9 million, deferred acquisition costs by \$15.7 million and unearned premiums by \$110.9 million as of December 31, 2001. These changes had no effect on the Company's net income for 2001.

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OLD REPUBLIC INTERNATIONAL CORPORATION AND SUBSIDIARIES
 SCHEDULE VI - SUPPLEMENTAL INFORMATION CONCERNING PROPERTY-CASUALTY INSURANCE OPERATIONS
 For the years ended December 31, 2002, 2001 and 2000
 (\$ in Thousands)

| Column A | Column H | | Column I | Column J |
|--|--------------|-------------|---|---|
| Affiliation With Registrant | Current Year | Prior Years | Amortization of Deferred Policy Acquisition Costs | Paid Claims and Claim Adjustment Expenses |
| Year Ended December 31, 2002: | | | | |
| (a) Consolidated property-casualty entities (b) | \$859,634 | (\$7,101) | \$219,957 | \$727,01 |
| (b) Unconsolidated property-casualty subsidiaries (a) | | | | |
| (c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a) | \$859,634 | (\$7,101) | \$219,957 | \$727,01 |
| Year Ended December 31, 2001: | | | | |
| (a) Consolidated property-casualty entities (b) | \$793,115 | (\$44,537) | \$190,587 | \$727,63 |

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- (b) Unconsolidated property-casualty subsidiaries (a)
- (c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a)

| | | | |
|-----------|------------|-----------|----------|
| \$793,115 | (\$44,537) | \$190,587 | \$727,63 |
|-----------|------------|-----------|----------|

Year Ended December 31, 2000:

- (a) Consolidated property-casualty entities (b)
- (b) Unconsolidated property-casualty subsidiaries (a)
- (c) Proportionate share of registrant and its subsidiaries' 50%-or-less owned property-casualty equity investees (a)

| | | | |
|-----------|------------|-----------|----------|
| \$730,744 | (\$66,606) | \$172,552 | \$700,31 |
|-----------|------------|-----------|----------|

Note: (a) These amounts are immaterial and have, therefore, been omitted from this schedule.

(b) See note (a) to Schedule III.

(c) Regulatory and related GAAP reclassifications that took effect at the beginning of 2001 pertained mostly to the recording of estimated premiums due subsequent to each balance sheet date and had the approximate effect of increasing accounts receivable by \$110.9 million, deferred acquisition costs by \$15.7 million and unearned premiums by \$110.9 million as of December 31, 2001. These changes had no effect on the Company's net income for 2001.