

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. 3

The undersigned registrant hereby amends the following items, financial statements, exhibits or other portions of its ANNUAL REPORT FOR 1997 on Form 10-K as set forth in the pages attached hereto: (List all such items, financial statements, exhibits or other portions amended)

FORM 11-K

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 15, 1998

By: /s/ Paul D. Adams

(Signature)
Paul Dennis Adams
Senior Vice President,
Chief Financial Officer
and Treasurer

Total Pages: 25

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT

Pursuant to Section 15(d) of the
Securities Exchange Act of 1934

For The Fiscal Year Ended December 31, 1997

BITUMINOUS 401(k) SAVINGS PLAN
(Formerly Known as BITCO Savings Plan)

Item 1 - Changes in the Plan

Incorporated by reference from Exhibit 5 and Exhibit 6 included herein.

Item 2 - Changes in Investment Policy

Incorporated by reference from Exhibit 5 and Exhibit 6 included herein. (See also Item 8 below.)

Item 3 - Contributions under the Plan

The Company's contributions are measured by reference to the employee's contributions and are not discretionary.

Item 4 - Participating Employees

There were approximately 406 participants who are currently making contributions in the plan as of December 31, 1997 out of approximately 551 eligible employees.

Item 5 - Administration of the Plan

(a) The Bituminous 401(k) Savings Plan (the "Plan"), formerly known as the Bitco Savings Plan, provides that Bituminous Casualty Corporation, ("Bituminous"), an affiliate of Bitco Corporation ("Bitco"), shall appoint Committee Members (the "Committee") to administer the Plan. The committee formulates and carries out all rules necessary to operate the Plan, makes decisions regarding the interpretation or application of Plan provisions, and has the authority to act in its sole discretion when carrying out the provisions of the Plan. Any decision made by the committee in good faith is final and binding on all parties. The committee members presently are as follows:

Greg Ator
Bituminous Casualty Corporation
320 - 18th Street
Rock Island, IL 61201

Janine Happ
Bituminous Casualty Corporation
320 - 18th Street
Rock Island, IL 61201

Robert Rainey
Bituminous Casualty Corporation
320 - 18th Street
Rock Island, IL 61201

(b) The committee receives no compensation in that capacity.

Item 6 - Custodian of Investments

(a) The Committee has retained CG Trust Company, a trust company organized under the laws of the State of Illinois, as Trustee. The Trustee acts under a Trust Agreement with Bituminous that implements and forms a part of the Plan. In accordance with the Trust Agreement the Committee may, in their discretion, appoint one or more "Investment Managers" to direct the

investments to be made by the Trustees with any part or all of the Plan assets. CG Trust Company entered into Group Annuity Contract Number GA-10911 with Connecticut General Life Insurance Company (CGLIC), a legal reserve life insurance company, to provide record keeping services. CGLIC also serves as the investment manager of the following funds: CIGNA Guaranteed Government Securities Account, CIGNA Guaranteed Long-Term Account, CIGNA Separate Account - Fidelity Advisor Income and Growth Fund, CIGNA Stock Market Index Account and the CIGNA Separate Account - Fidelity Advisor Growth Opportunities Fund. The custodian of the ORI Stock Account (an Outside Market - Valued Fund) is National Financial Services Corporation.

Investment expense paid to CGLIC were \$0 and \$0 for the years ended December 31, 1997 and 1996.

(b) No bond was furnished by Connecticut General.

Item 7 - Reports to Participating Employees

Participants will receive a statement reflecting the condition of their respective accounts as of June 30 and December 31 of each year, following the June 30 and December 31 accounting dates, respectively. Participants may also receive additional information on a more frequent basis throughout the year on Answerline, a CGLIC automated voice response system.

Annually, each participant will receive a copy of financial statements filed herewith.

Item 8 - Investment of Funds

The trust fund will be divided into separate investment funds, and a participant's accounts will be invested in one or more of the investment funds. The investment funds will consist of the following:

CIGNA Guaranteed Government Securities Account. This fund will be invested primarily in short-term U.S. Treasury securities, obligations of governmental agencies and repurchase agreements collateralized by such Treasury or government agency obligations.

CIGNA Guaranteed Long-Term Account. This fund will be invested primarily in commercial mortgages, private placements and publicly traded bonds and short-term money market instruments for cash flow management.

CIGNA Separate Account - Fidelity Advisor Income and Growth Fund. This fund will be invested in the Fidelity Advisor Income and Growth Fund, which invests primarily in a combination of common and preferred stocks, convertible securities and bonds, but which may also invest in foreign securities.

CIGNA Stock Market Index Account. This fund will be invested primarily in common stocks reflecting the composition of the Standard and Poor's 500 Composite Stock Index.

CIGNA Separate Account - Fidelity Advisor Growth Opportunities Fund. This fund will be invested in the Fidelity Advisor Growth Opportunities Fund which invests primarily in common stocks and securities convertible into common stock, but which may also invest in all types of securities (including foreign securities).

ORI Stock Account. This fund will be invested in common or preferred stock of Old Republic International Corporation.

On March 11, 1985, Bitco merged into a subsidiary of Old Republic International Corporation. The combination resulted in a tax-free exchange of 0.4 (4/10th) share of Old Republic International Corporation voting Series E Cumulative Convertible Preferred Stock for each share of Bitco common stock included in the Bitco Common Stock Fund. The Old Republic International Corporation Series E Preferred Stock is convertible at any time at the option of the holder into 1.25 shares of Old Republic International Corporation common stock. The Plan exchanged 34,880 shares of Bitco stock on March 11, 1985.

In February 1987, all shares of the Series E Preferred Stock were converted to 29,994 shares of Old Republic International Corporation common stock. Since March 1987, the ORI Stock Account has invested solely in Old Republic International Corporation common stock. The committee does not anticipate purchasing any other type of Old Republic International Corporation stock other than common stock.

Item 9 - Financial Statements and Exhibits
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Financial Statements	Page No.
Report of Independent Accountants for the years ended December 31, 1997 and 1996	F-1
Statements of Net Assets Available for Benefits at December 31, 1997 and 1996	F-2
Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 1997 and 1996	F-3
Notes to Financial Statements	F-4 to F-10

Supplemental Schedules
 - - - - -

- Item 27A - Schedule of Assets Held for Investment Purposes
- Item 27D - Schedule of Reportable Transactions

Exhibits
 - - - - -

- Exhibit 1 - Agreement and Plan of Merger, dated as of December 21, 1984, as amended and restated, by and between Bitco Corporation and ROI, Inc.

 Incorporated by reference from Old Republic International Corporation's Form S-14 Registration Statement dated February 12, 1985, Exhibit A.
- Exhibit 2 - Supplemental Agreement dated as of December 21, 1984, as amended and restated, among Old Republic International Corporation, ROI, Inc. and Bitco Corporation.

 Incorporated by reference from Old Republic International Corporation's Form S-14 Registration Statement dated February 12, 1985, Exhibit B.
- Exhibit 3 - Second Amendment of Bitco Savings Plan and First Amendment of Bitco Savings Trust dated February 3, 1986.

Exhibit 4 - Third Amendment of Bitco Savings Plan and Second Amendment of Bitco Savings Trust dated June 22, 1989.

Exhibit 5 - Bituminous 401(k) Savings Plan, as amended and restated, effective January 1, 1994, formerly known as Bitco Savings Plan.

Exhibit 6 - Trust Agreement establishing the Bituminous 401(k) Savings Trust, by and between, Bituminous Casualty Corporation and CG Trust Company, effective January 1, 1994.

Exhibit 7 - First Amendment of Bituminous 401(k) Savings Plan, effective January 1, 1996.

Exhibit 8 - Revision to Exhibit A of Trust Agreement, effective April 1, 1996.

Exhibit 9 - Second Amendment of Bituminous 401(k) Savings Plan, effective October 1, 1997.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Committee Members have duly caused this annual report to be signed on behalf of the undersigned, thereunto duly authorized.

BITUMINOUS 401(K) SAVINGS PLAN, Registrant

By /s/ Greg Ator

Greg Ator, Committee Member

By /s/ Janine Happ

Janine Happ, Committee Member

By /s/ Robert Rainey

Robert Rainey, Committee Member

Dated: April 2, 1998

REPORT OF INDEPENDENT ACCOUNTANTS

Bituminous 401(k) Savings Plan
Bituminous Casualty Corporation:

We have audited the accompanying statements of net assets available for benefits of the Bituminous 401(k) Savings Plan (the "Plan") as of December 31, 1997 and 1996, and the related statements of changes in net assets available for benefits for the years ended December 31, 1997 and 1996. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1997 and 1996, and the changes in net assets available for benefits for the years ended December 31, 1997 and 1996, in conformity with generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of the Plan are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Coopers & Lybrand L.L.P.

Coopers & Lybrand, L.L.P.
Chicago, Illinois
April 2, 1998

BITUMINOUS 401(k) SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 1997 and 1996

	1997	1996
	----	----
ASSETS		
Investments, at fair value:		
Old Republic International Corporation common stock (cost: 1997 - \$2,151,340; 1996 - \$1,879,311)	\$6,289,111	\$4,598,138
Pooled separate accounts	3,885,821	2,551,433
Investment, at contract value:		
CGLIC general accounts	3,249,970	3,328,662
Participant loans	223,031	140,284
	-----	-----
	13,647,933	10,618,517
Cash	11,572	646
Contributions receivable	---	31,755
	-----	-----
Net assets available for benefits	\$13,659,505	\$10,650,918
	=====	=====

The accompanying notes are an integral part of the financial statements.

BITUMINOUS 401(k) SAVINGS PLAN
 STATEMENTS OF CHANGES IN NET ASSETS
 AVAILABLE FOR BENEFITS
 For the year ended December 31, 1997 and 1996

	1997	1996
	----	----
Additions:		
Employer contributions	\$ 148,704	\$ 164,025
Employee contributions	862,912	964,620
Rollover contributions	45,841	---
	-----	-----
Total contributions	1,057,457	1,128,645
	-----	-----
Investment income:		
Dividends from Old Republic International Corporation common stock	84,252	70,675
Net investment gain from pooled separate accounts	713,216	285,189
Income from CGLIC general accounts	181,991	176,176
Net appreciation of investments	1,752,963	521,841
Other interest from participant loans	17,718	8,297
	-----	-----
Total investment income	2,750,140	1,062,178
	-----	-----
Total additions	3,807,597	2,190,823
	-----	-----
Adjustments:		
Total adjustments	19	---
	-----	-----
Deductions:		
Benefits paid	799,029	563,226
	-----	-----
Total deductions	799,029	563,226
	-----	-----
Net additions	3,008,587	1,627,597
Net assets available for benefits:		
Beginning of year	10,650,918	9,023,321
	-----	-----
End of year	\$13,659,505	\$10,650,918
	=====	=====

The accompanying notes are an integral part of the financial statements.

BITUMINOUS 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The following description of the Bituminous 401(k) Savings Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

A. General

The Plan is a defined contribution plan covering substantially all of the employees of Bituminous Casualty Corporation (the "Company"), who prior to October 1, 1997, had completed one year of service, attained age twenty-one (age twenty-five in 1984) and had completed 1,000 hours of service during the 12 month period commencing on their date of hire or during a plan year. Subsequent to October 1, employees are eligible to participate in the plan on the last to occur: (A) Date of hire or (B) the start of the payroll period in which the employee attains age twenty-one. Participation in the Plan is optional. If an employee does not elect to join the plan on the first date he is eligible to do so, he may join the plan at the start of any subsequent payroll period. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended from time to time

B. Contributions

Participants may contribute up to 6 percent of their annual compensation on a before-tax basis. Effective January 1, 1997, the maximum participant contribution was increased to 9 percent. The Company provides a matching contribution equal to 25 percent of the participant's contribution on the first 6 percent of earnings. Participants may elect to have their voluntary contributions invested in any one or more of the six separate investment funds (CIGNA Guaranteed Long-Term Account, CIGNA Separate Account - Fidelity Advisor Income & Growth Fund, CIGNA Separate Account - Fidelity Advisor Growth Opportunities Fund, CIGNA Guaranteed Government Securities Account, CIGNA Stock Market Index Account and ORI Stock Account). The Company's matching contributions commencing in 1985 are invested in the ORI Stock Account.

C. Participant Accounts

Each participant's account is credited with the participant's contribution, an allocation of the Company's contribution and Plan earnings. Interest will be credited to the Guaranteed Long-Term Account and Guaranteed Government Securities Account (the "General Accounts") daily. Interest will be credited to each dollar in the General Accounts from the valuation date on which it is allocated to the General Accounts until the valuation date as of which it is transferred, distributed or disbursed from the General Accounts. The Fidelity Advisor Income & Growth Fund, Fidelity Advisor Growth Opportunities Fund and Stock Market Index Account (the "Separate Accounts") are each divided into units of participation. When an amount is allocated or transferred to the Separate Accounts, the number of units is increased and when an amount is withdrawn from the Separate Accounts, the number of units is decreased. Such increase or decrease in the number of units is determined by dividing the amount allocated to or withdrawn from the Separate Accounts by the then current Separate Account unit value. Cash dividends received with respect to Old Republic International Corporation stock previously credited to participants shall be applied to purchase additional shares of Old Republic International Corporation stock in the ORI Stock Account. Such dividends and the additional shares (including fractional shares) subsequently purchased with the dividends shall be allocated and credited to the accounts of participants, pro rata, according to the shares (including fractional shares) credited to the accounts of participants on the applicable dividend record date. Any Old Republic International Corporation stock received as a stock split or stock dividend or as a result of a reorganization or recapitalization of Old Republic International Corporation

BITUMINOUS 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, CONTINUED

1. Summary of significant Accounting Policies (continued)

International Corporation shall be allocated and credited to the accounts of participants in proportion to the Old Republic International Corporation stock previously credit to their accounts.

Participant's units are calculated on a daily basis. Quarterly participant unit values for these investment funds are as follows:

	1997					
	Guaranteed Long Term	Fidelity Income & Growth	Fidelity Growth Opport.	Guaranteed Government Securities	Stock Market Index	ORI Stock Account
First Quarter						
Allocating Units	55,231	48,745	22,190	14,769	11,579	168,401
Unit Value	\$58.46	\$22.80	\$48.50	\$12.23	\$37.12	\$25.63
Second Quarter						
Allocating Units	52,303	49,195	24,397	14,716	13,094	169,394
Unit Value	\$59.27	\$25.66	\$55.47	\$12.36	\$43.56	\$30.31
Third Quarter						
Allocating Units	51,355	55,039	24,649	14,693	14,466	169,212
Unit Value	\$60.12	\$26.90	\$59.63	\$12.49	\$46.67	\$39.00
Fourth Quarter						
Allocating Units	50,181	56,040	25,882	15,087	15,526	169,119
Unit Value	\$60.97	\$27.48	\$61.91	\$12.62	\$47.90	\$37.19
	1996					
	Guaranteed Long Term	Fidelity Income & Growth	Fidelity Growth Opport.	Guaranteed Government Securities	Stock Market Index	ORI Stock Account
First Quarter						
Allocating Units	58,121	46,494	18,473	13,870	6,153	112,744
Unit Value	\$55.08	\$20.47	\$41.51	\$11.69	\$31.15	\$32.50
Second Quarter						
Allocating Units	56,177	46,388	20,242	14,166	7,854	171,874
Unit Value	\$55.83	\$20.66	\$43.27	\$11.82	\$32.47	\$21.50
Third Quarter						
Allocating Units	54,098	47,190	22,473	14,204	9,160	169,387
Unit Value	\$56.59	\$21.18	\$44.36	\$11.95	\$33.40	\$24.75
Fourth Quarter						
Allocating Units	54,981	47,391	23,420	14,453	9,818	171,893
Unit Value	\$57.36	\$22.51	\$48.25	\$12.07	\$36.09	\$26.75

The percentage of any resigning or dismissed participant's employer contribution account balance which is not vested at the settlement date will be applied against future employer contributions.

D. Expense

It is the policy of Bituminous Casualty Corporation (a wholly-owned subsidiary of Bitco Corporation) to provide administrative support for the plan and to pay for administrative and trustee fees.

BITUMINOUS 401(k) SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS, CONTINUED

1. Summary of Significant Accounting Policies (continued)

E. Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Participants are immediately vested in the remainder of their accounts upon death, disability, attainment of normal retirement age or based on the participant's number of years of service using the following table:

Years of Service	Vested Percentage
Fewer than 1	0%
1	10%
2	20%
3	30%
4	40%
5	60%
6	80%
7 or More	100%

F. Participant Loans

Effective January 1, 1996, participants may borrow from their accounts a maximum amount equal to the lesser of \$50,000 or 50% of their vested account balance. Loan transactions are treated as a transfer to (from) the investment account from (to) the Participant Loans account. Loan terms shall not extend beyond five years. The loans are secured by the balance in the participant's account and bear interest at a rate which is based on the prevailing prime rate as published in The Wall Street Journal on the first business day of the month in which the loan is made plus one percentage point. Interest rates range from 9.25 percent to 9.50 percent. Principal and interest is paid ratably through bi-weekly payroll deductions.

G. Benefits Paid

On termination of service, retirement, or death, distribution of the net balance in the participant's accounts will be made for the benefit of the participant or his beneficiary, by one or more of the following methods

- * By payment in a lump sum.
- * By purchase of a retirement annuity from an insurance company.

Net assets at December 31, 1997, and 1996, include funds totaling \$1,446,337 and \$1,197,506, respectively, which represent the account balance of retired and terminated participants who have elected to leave the funds in the plan upon retirement or termination.

H. Basis of Accounting

The Plan presents in the statements of changes in net assets available for benefits the net appreciation in the fair value of the ORI Stock Account, which consists of the realized gains or losses and the unrealized appreciation (depreciation) of this investment.

1. Summary of Significant Accounting Policies (continued)

Net Assets reported in the Form 5500 do not agree to the Statement of Net Assets Available for Benefits as of December 31, 1997 and 1996 due to benefits payable to participants which are reflected only in the Form 5500. These payables, totaling \$41,910 for 1997 and \$3,517 for 1996, represent 4th quarter withdrawals not made until the next year. Similarly, benefits paid as reported in the Form 5500 differs from the Statement of Changes in Net Assets Available for Benefits by \$38,393 for 1997 and (\$33,933) for 1996.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make significant estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosures of contingent assets and liabilities at the date of the financial statements and the changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

J. Risks and Uncertainties

The Plan provides for various investment options in any combination of stocks, bonds, fixed income securities, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

2. Investments

Old Republic International Corporation stock is stated at the closing market value on the last business day of the year.

The Plan entered into a group annuity contract with Connecticut General Life Insurance Company (CGLIC). CGLIC maintains contributions in a contract holder's account and such contributions are allocated to separate investment funds (see note 3) according to participant elections. The accounts are credited with earnings on the underlying investments and charged for Plan benefits paid and deductions for investment expenses, risk, profit and annual management fees charged by CGLIC. The General Accounts are included in the financial statements at contract value and the Separate Accounts are included in the financial statements at fair value at December 31, 1997 and 1996 as reported to the Plan by CGLIC. Realized investment gains and losses in the separate investment funds are recognized in the year of sale.

BITUMINOUS 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, CONTINUED

3. Allocation of Net Assets for Benefits and Changes in Net Assets Available for Benefits

Six separate investment funds are maintained under the Plan for the benefit of participants. The allocation of net assets available for benefits to the separate investment funds is as follows:

As of December 31, 1997								
	Combined	Guaranteed Long Term	Fidelity Income & Growth	Fidelity Growth Opport.	Guaranteed Government Securities	Stock Market Index	ORI Stock Account	Participant Loans
Old Republic Int'l Stock	\$6,289,111	---	---	---	---	---	\$6,289,111	---
Pooled separate accounts	3,885,821	---	\$1,539,776	\$1,602,320	---	\$743,725	---	---
CGLIC general account	3,249,970	\$3,059,640	---	---	\$190,330	---	---	---
Participant loans	223,031	---	---	---	---	---	---	\$223,031
Employers' contributions	---	---	---	---	---	---	---	---
Employees' contributions	---	---	---	---	---	---	---	---
Cash	11,572	---	---	---	---	---	11,572	---
Net assets available for benefits	\$13,659,505	\$3,059,640	\$1,539,776	\$1,602,320	\$190,330	\$743,725	\$6,300,683	\$223,031

As of December 31, 1996								
	Combined	Guaranteed Long Term	Fidelity Income & Growth	Fidelity Growth Opport.	Guaranteed Government Securities	Stock Market Index	ORI Stock Account	Participant Loans
Old Republic Int'l Stock	\$4,598,138	---	---	---	---	---	\$4,598,138	---
Pooled separate accounts	2,551,433	---	\$1,066,675	\$1,130,298	---	\$354,460	---	---
CGLIC general account	3,328,662	\$3,154,145	---	---	\$174,517	---	---	---
Participant loans	140,284	---	---	---	---	---	---	\$140,284
Employers' contributions	6,351	---	---	---	---	---	6,351	---
Employees' contributions	25,404	---	---	---	---	---	25,404	---
Cash	646	---	---	---	---	---	646	---
Net assets available for benefits	\$10,650,918	\$3,154,145	\$1,066,675	\$1,130,298	\$174,517	\$354,460	\$4,630,539	\$140,284

BITUMINOUS 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, CONTINUED

3. Allocation of Net Assets for Benefits and Changes in Net Assets Available for Benefits (continued)

The allocation of changes in net assets available for benefits to the separate investment funds is as follows:

	For the year ended December 31, 1997							
	Combined	Guaranteed Long Term	Fidelity Income & Growth	Fidelity Growth Opport.	Guaranteed Government Securities	Stock Market Index	ORI Stock Account	Participant Loans
Dividend from ORI Stock	\$84,252	---	---	---	---	---	\$84,252	---
Net investment gain from pooled separate accounts	713,216	---	\$247,043	\$324,083	---	\$142,090	---	---
Income from CGLIC general accounts	181,991	\$174,493	---	---	\$7,498	---	---	---
Net appreciation of investments	1,752,963	---	---	---	---	---	1,752,963	---
Other interest from participant loans	17,718	7,935	1,678	2,489	375	1,741	3,500	---
Contributions:								
Employer	148,704	(529)	---	---	---	---	149,233	---
Employee	862,912	303,019	138,522	203,546	26,671	118,194	72,960	---
Rollover	45,841	11,373	5,362	4,034	1,812	20,897	2,363	---
Total additions	3,807,597	496,291	392,605	534,152	36,356	282,922	2,065,271	---
Benefits paid	(799,029)	(341,859)	(81,969)	(21,344)	(9,905)	(33,862)	(306,298)	(\$3,792)
Loans issued	---	(50,266)	(44,627)	(25,414)	(5,764)	(17,783)	(7,850)	151,704
Loan repayments	---	29,334	9,430	9,580	1,168	5,558	10,095	(65,165)
Transfer between accounts	---	(226,737)	197,040	(25,116)	(6,042)	151,935	(91,080)	---
Adjustments	19	(1,268)	622	164	---	495	6	---
Net incr. (decr.) in net assets avail. for benefits	3,008,587	(94,505)	473,101	472,022	15,813	389,265	1,670,144	82,747
Net assets available for benefits:								
Beginning of year	10,650,918	3,154,145	1,066,675	1,130,298	174,517	354,460	4,630,539	140,284
End of year	\$13,659,505	\$3,059,640	\$1,539,776	\$1,602,320	\$190,330	\$743,725	\$6,300,683	\$223,031

	For the year ended December 31, 1996							
	Combined	Guaranteed Long Term	Fidelity Income & Growth	Fidelity Growth Opport.	Guaranteed Government Securities	Stock Market Index	ORI Stock Account	Participant Loans
Dividend from ORI Stock	\$70,675	---	---	---	---	---	\$70,675	---
Net investment gain from pooled separate accounts	285,189	---	\$83,074	\$154,856	---	\$47,259	---	---
Income from CGLIC general accounts	176,176	\$168,976	---	---	\$7,200	---	---	---
Net appreciation of investments	521,841	---	---	---	---	---	521,841	---
Other interest from participant loans	8,297	4,371	959	1,094	281	435	1,157	---
Contributions:								
Employer	164,025	(772)	---	---	---	---	164,797	---
Employee	964,620	299,377	175,100	259,719	22,245	112,030	96,149	---
Total additions	2,190,823	471,952	259,133	415,669	29,726	159,724	854,619	---
Benefits paid	(563,226)	(273,565)	(26,099)	(13,536)	(4,739)	(1,197)	(244,090)	---
Loans issued	---	(138,411)	(5,582)	(7,251)	(8,858)	(2,908)	(27,902)	190,912
Loan repayments	---	20,738	3,143	5,276	722	3,195	17,554	(50,628)
Transfer between accounts	---	(117,603)	(41,841)	150,984	(4,316)	104,458	(91,682)	---
Net incr. (decr.) in net assets avail. for benefits	1,627,597	(36,889)	188,754	551,142	12,535	263,272	508,499	140,284
Net assets available for benefits:								
Beginning of year	9,023,321	3,191,034	877,921	579,156	161,982	91,188	4,122,040	---
End of year	\$10,650,918	\$3,154,145	\$1,066,675	\$1,130,298	\$174,517	\$354,460	\$4,630,539	\$140,284

BITUMINOUS 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, CONTINUED

4. Tax Status

The Internal Revenue Service issued a determination letter, received on October 19, 1983, stating that the Plan was qualified under the provisions of Section 401(a) and 401(k) of the Internal Revenue Code (IRC). An additional favorable determination letter dated October 26, 1994, was received on the endorsements to the Plan transferring Great West Casualty Participants from the Plan. The Plan's Committee Members believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

5. Assets Greater Than 5% of Plan Assets

Investments that represent 5% or more of the plan assets are as follows:

	December 31,	
	1997	1996
	----	----
Guaranteed Long-Term Account	\$3,059,640	\$3,154,145
ORI Stock Account	6,289,111	4,598,138
Fidelity Advisor Income and Growth Fund	1,539,776	1,066,675
Fidelity Advisor Growth Opportunities Fund	1,602,320	1,130,298
Stock Market Index	743,725	---

6. Contributions

Participants may elect to contribute to any one or more of the five funds established with Connecticut General Life Insurance Company and the ORI Stock Account. The number of participants with account balances at December 31, 1997 and 1996 was as follows:

	December 31,	
	1997	1996
	----	----
Number of participants with account balances	478	470

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contribution at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants shall become 100 percent vested in the accounts and are entitled to a distribution of their account balances.

BITUMINOUS 401(k) SAVINGS PLAN

SUPPLMENTAL SCHEDULE

ITEM 27A - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

As of December 31, 1997

Identify of Issue -----	Description of Investment including interest rate -----	Cost ----	Contract/ Current Value -----
CIGNA Guaranteed Long-Term Account	Long-term investment fund	\$3,059,640	\$3,059,640
CIGNA Separate Account Fidelity Advisor Income and Growth Fund	Pooled separate account	1,186,122	1,539,776
CIGNA Separate Account Fidelity Advisor Growth Opportunities Fund	Pooled separate account	1,104,093	1,602,320
CIGNA Guaranteed Government Securities Account	Short-term investment fund	190,330	190,330
CIGNA Stock Market Index Account	Pooled separate account	584,118	743,725
ORI Stock Account	Common stock	2,151,340	6,289,111
	Participant loans	---	223,031
Total		----- \$8,275,643 =====	----- \$13,647,933 =====

BITUMINOUS 401(k) SAVINGS PLAN

SUPPLMENTAL SCHEDULE

ITEM 27D - SCHEDULE OF REPORTABLE TRANSACTIONS

As of December 31, 1997

Number of Transactions	Identity of Party Involved	Description of Asset	Date of Transaction	Transaction Price	Cost of Asset	Gain on Sale
73	Connecticut General Life Insurance Company	Deposit in Guaranteed Long-Term Account	Various	\$688,804	\$688,804	N/A
81	Connecticut General Life Insurance Company	Sales of Guaranteed Long-Term Account	Various	957,802	957,802	---
46	Connecticut General Life Insurance Company	ORI Stock Account Purchases	Various	489,283	489,283	N/A
72	Connecticut General Life Insurance Company	ORI Stock Account Sales	Various	551,952	304,298	\$247,654

SECOND AMENDMENT
OF
BITUMINOUS 401(K) SAVINGS PLAN

(As Amended and Restated Effective January 1, 1994)

WHEREAS, Bituminous Casualty Corporation (the "corporation") maintains the Bituminous 401(k) Savings Plan (the "plan"); and

WHEREAS, the plan was amended and restated effective January 1, 1994, and has subsequently been further amended; and

WHEREAS, it now is considered desirable to further amend the plan;

NOW, THEREFORE, by virtue and in exercise of the power reserved to this corporation by subsection 11.1 of the plan, the plan, as previously amended, be and is hereby further amended in the following particulars:

1. By substituting the following for subsection 2.1 of the plan:

"2.1. Participation. Subject to the conditions and limitations of the plan, each employee of an employer who is a participant in the plan immediately preceding October 1, 1997 will continue as a participant on and after that date. Beginning October 1, 1997, each other employee of an employer will become eligible to enroll in the plan in accordance with subsection 2.2 and become a participant on the last to occur of October 1, 1997, his date of hire or the start of the payroll period in which he attains age 21 years."

2. By substituting the following for the third sentence of subsection 2.2 of the plan:

"If an employee does not elect to join the plan on the first date he is eligible to do so, he may join the plan at the start of any subsequent payroll period."

3. By adding the following sentence at the end of subsection 2.3 of the plan:

"Notwithstanding any provision of the plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Internal Revenue Code."

4. By substituting the following for subsection 2.5 of the plan:

"2.5. Employees and Leased Employees. For all purposes of the plan, an individual shall be an 'employee' or be 'employed' by an employer for any plan year only if such individual is treated by the employer for such plan year as its employee for purposes of employment taxes and wage withholding for Federal income taxes, regardless of any subsequent reclassification by the employer, any governmental agency or court. A leased employee (as defined below) shall not be eligible to participate in the plan. A 'leased employee' means any person who is not an employee of an employer, but who has provided services for the employer under primary direction or control by the employer, on a substantially full time basis for a period of at least one year, pursuant to an agreement between the employer and a leasing organization. The period during which a leased employee performs services for an employer shall be taken into account for purposes of subsection 7.2 of the plan if such leased employee becomes an employee of an employer unless (i) such leased employee is a participant in a money purchase pension plan maintained by the leasing organization which provides a non-integrated employer contribution rate of at least 10 percent of compensation, immediate participation for all employees and full and immediate vesting, and (ii) leased employees do not constitute more than 20 percent of the employer's nonhighly compensated workforce."

5. By substituting the words "nor more than nine percent" for the words "nor more than six percent" where the latter appear in the first sentence of subsection 3.1 of the plan.

6. By substituting the following for subsection 3.2 of the plan:

"3.2. Changes in Basic Contributions. A participant may elect to change his basic contribution rate (but not retroactively) within the limits specified above, as of the start of any payroll period. A participant also may elect to discontinue his basic contributions as of the start of any payroll period and, thereafter, to resume such contributions as of the start of any payroll period. Each such election must be in writing and filed with the committee at such time and in accordance with such rules and procedures as may be established by the committee."

7. By substituting the following for subsection 4.1 of the plan:

"4.1. Employer Contributions. Each employer will contribute to the trustee on behalf of each participant employed by the employer the amount of basic contributions made from the participant's earnings from that employer in accordance with the participant's basic contribution election then in effect. Each employer also will contribute to the trustee on behalf of each participant employed by the employer a 'matching contribution' equal to 25 percent of the participant's earnings (not to exceed six percent (6%)) that the participant elects to contribute to the plan as basic contributions for a payroll period that (effective October 1, 1997) ends on or after the first anniversary of his date of hire. Notwithstanding the foregoing, a participant who has elected to make basic contributions to the plan in excess of six percent of his earnings for a portion of a plan year shall receive employer matching contributions for any part of that plan year that such participant is unable to make basic contributions due solely to the limitation contained in subsection 3.4 (but is otherwise eligible to share in employer matching contributions) in the same amount as if such excess over six percent were contributed at the rate of six percent of earnings (until exhausted) during the period in which he is restricted from making basic contributions. Basic and matching contributions will be paid to the trustee as soon as practicable after the end of the payroll period to which they pertain, but no later than the 15th business day of the next following calendar month."

8. By substituting the following for the fifth sentence of subparagraph 4.2(a) of the plan:

"In applying the limitations of this subparagraph 4.2(a), the basic contributions of highly compensated employees will be reduced to the extent necessary in the order of their basic contribution amounts beginning with the largest amount."

9. By substituting the following for the sixth sentence of subparagraph 4.2(b) of the plan:

"In applying the limitations of this subparagraph 4.2(b), a highly compensated employee's voluntary after-tax contributions (if any) to another plan will be reduced first and then matching contributions allocated under this plan to the extent necessary, and any such reductions will be made in the order of aggregate contributions (subject to the limits of this subparagraph 4.2(b)) by each highly compensated employee beginning with the largest amount."

10. By substituting the following for the first sentence in subsection 4.2 that follows subparagraph (c) thereof:

"(d) Notwithstanding any provisions of this subsection 4.2 to the contrary, the limitations of subparagraphs (a) and (b) above shall be applied in plan years commencing on or after January 1, 1997 (or January 1, 1998, if the committee elects to defer the application of this subparagraph (d) until January 1, 1998) based upon the actual deferral percentage and contribution percentage of nonhighly compensated employees for the plan year immediately preceding the plan year for which such limitations are being applied to highly compensated employees."

For purposes of applying the limitations on contributions described in this subsection 4.2, a "highly compensated employee" means any present or former employee who:

(A) was a 5 percent owner of an employer or controlled group member during the current or immediately preceding plan year; or

(B) received compensation from an employer or controlled group member of more than \$80,000 (or such greater amount as may be determined by the Commissioner of Internal Revenue) during the immediately preceding plan year."

11. By substituting the following for the last sentence of subsection 4.3 of the plan:

"Solely for purposes of applying the actual deferral percentage and contribution percentage tests described in subparagraphs 4.2(a) and (b) above, the employers may elect for any plan year that compensation earned before the participant was eligible to make basic contributions (or share in employer matching contributions) be disregarded, and may include or not include all elective contributions made pursuant to Sections 125 and 401(k) of the Code; provided that, such elections are made on a consistent and uniform basis with respect to all employees for any such year."

12. By substituting the following for subsection 6.10 of the plan:

"6.10. Contribution Limitations. For each plan year, the 'annual addition' (as defined below) to a participant's accounts under this plan and under any other defined contribution plan maintained by the employer or controlled group member shall not exceed the lesser of (i) the sum of \$30,000 (or such greater amount as may be determined by the Commissioner of Internal Revenue for the calendar year which begins with or within that plan year) or (ii) 25 percent of the participant's compensation during that plan year. The term 'annual addition' for any plan year means the sum of the following amounts allocated to a participant's accounts under any such plans for that year:

- (a) employer contributions (including participant basic contributions);
- (b) participant after-tax contributions; and
- (c) remainders.

Participant after-tax contributions (plus earnings thereon) and secondly a participant's basic contributions (plus earnings thereon) for a plan year will be returned to the participant, if necessary, to comply with these limitations. Lastly, matching contributions which cannot be allocated to a participant because of the foregoing limitations shall be applied to reduce employer contributions in succeeding plan years, in order of time. In the case of any participant who was covered by both a defined benefit plan and a defined contribution plan of the employers, the benefits provided for him under both plans will be adjusted to the extent necessary (for years prior to January 1, 2000) to comply with the combined benefit and contribution limitations set forth in Section 415 of the Internal Revenue Code and Section 1106 of the Tax Reform Act of 1986. In making such adjustments, the benefits that otherwise would have been payable to the participant under the defined benefit plan will be limited first ."

13. By substituting the following for the third sentence of subsection 7.2 of the plan

"A 'year of service' shall mean any calendar year in which the participant has completed at least 1,000 hours of service, except that years of service before the year in which the participant attains age 18 shall be disregarded. An 'hour of service' means each hour for which an employee is directly or indirectly paid or entitled to payment by an employer or controlled group member for the performance of duties and for reasons other than the performance of duties, including each hour for which back pay, irrespective of mitigation of damages, has been either awarded or agreed to by an employer or controlled group member, determined and credited in accordance with Department of Labor Reg. Sec. 2530.200b-2."

14. By substituting the following for the first clause of the first sentence of subsection 7.4 of the plan:

"Within a reasonable time after a participant's settlement date, and subject to the conditions set forth below, at the participant's election, all or a portion of the net credit balances in the participant's accounts will be distributed to or for his benefit, or in the case of his death, to or for the benefit of his beneficiary, by one of the following methods:"

Particular 3 above shall be effective as of December 12, 1994 ; particulars 4, 5, 7, 8, 9, 10, 11, 12 and 14 above shall be effective as of January 1, 1997; and particulars 1, 2, 6 and 13 above shall be effective October 1, 1997.

IN WITNESS WHEREOF, the undersigned duly authorized officer of the corporation has caused this amendment to be executed this day of , 1997.

BITUMINOUS CASUALTY CORPORATION

By: _____

Its: _____

(Corporate Seal)

ATTEST:

Its: _____