# UNITED STATES 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, 2002

Commission file number: 1-15659

**Illinois Power Company** 

**Incentive Savings Plan** 

(Full title of the plan)

Dynegy Inc.

1000 Louisiana

**Suite 5800** 

Houston, Texas 77002

(Name of issuer of the securities held pursuant to the plan and the address of its principal executive office)

# INCENTIVE SAVINGS PLAN

# INDEX TO FINANCIAL STATEMENTS

# AND SUPPLEMENTAL INFORMATION,

# **DECEMBER 31, 2002 AND 2001**

	Page
	No.
INDEPENDENT AUDITORS REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits as of December 31, 2002 and 2001	3
Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2002 and 2001	4
NOTES TO FINANCIAL STATEMENTS	5
SUPPLEMENTAL INFORMATION	
Schedule H, Line 4i Schedule of Assets (Held at End of Year) as of December 31, 2002	16
Schedule H, Line 4j Schedule of Reportable Transactions for the year ended December 31, 2002	20
Note: Other schedules required by 29 CFR 2520.103-10 of the Department of Labor s Rules and Regulations for reporting and disclosure under ERISA have been omitted because they are not applicable.	
SIGNATURE	21
EXHIBIT 23.1 CONSENT OF INDEPENDENT ACCOUNTANTS	
EXHIBIT 99.1 CERTIFICATION OF PLAN ADMINISTRATOR PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002	

#### INDEPENDENT AUDITORS REPORT

To the Dynegy Inc. Benefit Plans Committee for the

Illinois Power Company Incentive Savings Plan

We have audited the accompanying statements of net assets available for benefits of Illinois Power Company Incentive Savings Plan (the Plan ) as of December 31, 2002 and 2001, and the related statements of changes in net assets available for benefits for the years then ended. 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 auditing standards generally accepted in the United States of America. 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 Illinois Power Company Incentive Savings Plan as of December 31, 2002 and 2001, and the changes in its net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information included in the supplemental schedules of (1) assets (held at end of year), and (2) reportable transactions, together referred to as supplemental information, 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

1

Income Security Act of 1974. This supplemental information is the responsibility of the Plan s management. The supplemental information has
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/ McConnell & Jones LLP

Houston, Texas

June 20, 2003

# ILLINOIS POWER COMPANY INCENTIVE SAVINGS PLAN

# STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

# **DECEMBER 31, 2002 AND 2001**

		2002		2001
ASSETS:				
Investments:				
Cash and temporary cash investments	\$	2,267	\$	519,595
Investments at fair value:				
Plan interest in master trust	11.	,804,529		
Employer securities				38,494,414
Registered investment companies	46.	,018,414	(	68,021,319
Common collective trust	13.	,580,980		19,364,643
Common stock		936,651		2,863,793
Participant loans	1.	,656,037		1,971,113
Total investments	73.	,998,878	13	31,234,877
Receivables:				
Dividends and interest receivable				2,179
Due from broker for securities sold		13,346		
Employer contributions receivable				102,965
Total receivables		13,346		105,144
				· ·
TOTAL ASSETS	74.	,012,224	1:	31,340,021
LIABILITIES:				
Accrued expenses				85
Due to broker for securities purchased		23,086		65
Due to broker for securities purchased		23,000	_	
TOTAL LIABILITIES		23,086		85
NET ASSETS AVAILABLE FOR BENEFITS	\$ 73	989,138	\$ 1°	31,339,936
INDI AUGLIO AVAILADEE FOR DENEITIO	φ 73.	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	φ1.	31,337,730

The accompanying notes are an integral part of the financial statements

#### ILLINOIS POWER COMPANY INCENTIVE SAVINGS PLAN

# STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

# FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
ADDITIONS:		
Additions to net assets attributed to:		
Contributions:		
r · J · ·	\$ 4,468,263	\$ 5,111,427
Employer	1,323,628	1,464,595
Total contributions	5,791,891	6,576,022
Investment income:		
Dividend and interest income	1,616,717	3,311,640
Interest on participant loans	142,133	182,217
Total investment income	1,758,850	3,493,857
TOTAL ADDITIONS	7,550,741	10,069,879
DEDUCTIONS:		
Deductions from net assets attributed to:		
Net depreciation in fair value of investments	53,549,366	67,703,211
Benefit payments	11,925,414	28,175,122
Administrative expenses	4,350	14,886
TOTAL DEDUCTIONS	65,479,130	95,893,219
DECREASE IN NET ASSETS BEFORE TRANSFERS	(57,928,389)	(85,823,340)
TRANSFERS, NET	577,591	
PLAN-TO-PLAN TRANSFERS, NET		2,389,381
NET DECREASE	(57,350,798)	(83,433,959)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	131,339,936	214,773,895
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	\$ 73,989,138	\$ 131,339,936

The accompanying notes are an integral part of the financial statements

#### INCENTIVE SAVINGS PLAN

#### NOTES TO FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

#### 1. DESCRIPTION OF PLAN

The following description of the Illinois Power Company Incentive Savings Plan (the Plan ) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan s provisions.

#### General

The Illinois Power Company Incentive Savings Plan is sponsored and administered by Dynegy Inc. (the Company) for certain eligible employees of Illinois Power Company (IP) and Dynegy Midwest Generation, Inc. (DMG; IP and DMG are each referred to herein as the Employer). The Dynegy Inc. Benefit Plans Committee serves as the Plan Administrator for the Plan. The Plan became effective as of June 1, 1984. Assets of the Plan are held and managed by a trustee. Effective January 1, 2002, Vanguard Fiduciary Trust Company (Vanguard or the Trustee) became trustee and custodian. The purpose of the Plan is to enable participants to invest a portion of their salaries in tax-deferred savings pursuant to Section 401(k) of the Internal Revenue Code (IRC) and to otherwise help participants prepare financially for their retirement. The plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) as amended.

### **Participation**

All employees of the Employer are eligible to participate in the Plan other than (a) employees covered by a collective bargaining agreement, (b) certain nonresident aliens, (c) leased employees, (d) employees who have waived participation in the Plan, and (e) individuals who are deemed to be employees under certain Department of Treasury regulations. Although participation in the Plan commences immediately upon employment as an eligible employee, a participant s election to make before-tax and/or after-tax contributions to the Plan is voluntary. Active participation ceases upon termination of employment with the Employer. Former employees can choose to liquidate their accounts or to leave them in the Plan, except that an automatic lump sum distribution will be made upon termination of employment if the participant s aggregate account balance (excluding the portion thereof attributable to rollover contributions) is not in excess of \$5,000. Earnings will continue to accrue on undistributed accounts. All accounts, whether for active or former employees, are fully vested.

#### Plan Changes and Amendments

Effective January 1, 2002, the Plan was amended and restated. The Plan also changed recordkeepers and trustees from Fidelity Management Trust Company to Vanguard. As a result, the investment options offered to the Plan s participants changed. In order to facilitate this transition, it was necessary to impose a Quiet Period as adopted in an amendment dated November 30, 2001. The Quiet Period commenced on December 20, 2001 (November 30, 2001 for hardship withdrawals) and ended on January 18, 2002. During this period, requests for, and processing of, distributions, withdrawals, changes in participant contribution rates, and loans were temporarily suspended. In addition, participants were unable to change investment designations with respect to future or existing allocations.

#### Participant Accounts

Each participant s accounts are credited with the participant s contribution and allocations of the Employer s contribution and Plan earnings. For participants with loans, a loan administrative fee is charged to their account.

#### Contributions

Participants may make before-tax contributions by payroll deduction up to the legal dollar limit. Participants may also make after-tax contributions in cash or by payroll deduction. Total contributions are limited to the extent required by law. A participant may also roll-over into the Plan amounts previously invested in another retirement plan.

Participants have the option of investing their contributions in any or all of the investment funds in the proportions they choose. They may change their investment options or transfer amounts from fund to fund at any time.

The Employer contributes a monthly match to the Plan equal to 50% of the participant s monthly before-tax contributions that are not in excess of 6% of the participant s compensation for the month. In addition, for each calendar year the Employer makes a true-up matching contribution on behalf of each participant who was an eligible employee on the last day of the year. The true-up matching contribution equals the difference, if any, between (a) 50% of the before-tax contributions made during the year by the eligible participant that were not in excess of 6% of his or her compensation for the year and (b) the aggregate amount of monthly matching contributions made on behalf of such eligible participant during the year. All Employer matching contributions are made in shares of Dynegy common stock and are contained in the Dynegy Stock Fund (the Dynegy Stock Fund ) in the Master Trust. Dividends on stock held in the Dynegy Stock Fund are also invested in the Dynegy Stock Fund. See Notes 4 and 6 for more information.

In addition, the Employer may make a discretionary contribution for a calendar year that is allocated based on compensation to (a) participants who are eligible employees on the last day of the year and (b) participants who terminated employment during the year on or after attaining age 65 or by reason of death or disability. The discretionary contribution is made in shares of Dynegy common stock which are initially held in the Dynegy Stock Fund. Dividends earned on these shares are also invested in the Dynegy Stock Fund. No contributions were made under this arrangement for plan years 2002 and 2001.

#### Vesting

Participants have an immediate 100% vested and nonforfeitable interest in the employee and Employer contributions plus actual earnings thereon.

#### **ESOP**

In October 1990, the Plan was amended to provide for the implementation of an Employee Stock Ownership Plan (ESOP) arrangement. Under this arrangement, a predecessor to the Company, pursuant to authorization granted by the Illinois Commerce Commission (ICC), loaned \$35 million to the trustee of the ESOP in January 1991. The loan proceeds were used to purchase 1,079,048 shares of Illinova Corporation common stock on the open market. The shares (which were converted into shares of Dynegy in connection with the February 1, 2000, combination of Illinova Corporation and Dynegy) were allocated to the accounts of eligible participating employees as they were earned through the match or incentive compensation features of the Plan. The loan was paid-off during 2000 and the remaining unallocated shares were allocated to eligible employees during 2001. Total shares allocated to salaried employees for matching contributions and company incentive contributions totaled 585,599 and 493,449 as of December 31, 2001, respectively. The Plan continues to have an ESOP feature, but there is currently no Dynegy stock that has been acquired with the proceeds of a currently outstanding loan.

#### **Distributions**

Distributions as provided for in the Plan are made to Plan participants or their beneficiaries upon the participant s termination of employment or death. Distributions must begin by April 1st of the calendar year following the later of the calendar year in which the employee reaches age 70 1/2 or the calendar year in which the employee retires. All distributions are made in the form of cash and/or Dynegy common stock.

#### **Forfeitures**

Each participant is responsible for supplying the Company with a current address. In the case of a benefit payable on behalf of a participant, if the Plan Administrator is unable to locate the participant or beneficiary to whom such benefit is payable, upon the Plan Administrator s determination thereof, such benefit shall be deemed a forfeiture and shall be used to reduce matching contributions and/or to pay Plan administrative expenses.

During plan year 2002, employer contributions were reduced by \$29,181 from forfeited accounts.

#### Loans

The Plan allows participants to borrow from their Plan accounts an amount not to exceed the lesser of \$50,000 (reduced by the excess of the highest outstanding balance of loans during the one-year period before the date the loan is made over the outstanding balance of loans on the date the loan is made) or 50% of the vested account balance (other than the portion of such account balance that is invested under the directed brokerage investment fund option). Interest is charged on these loans at a rate commensurate with interest rates charged by persons in the business of lending money for similar type loans. For 2002, the interest rate was 5.25% to 10.50%. The rate for 2001 ranged from 7.75% to 10.50%.

All loans made will mature and be payable in full no earlier than one year and no later than five years from the date of the loan. An exception exists when the loan is used by the participant to acquire his or her principal residence. In this case, the loan will mature and be payable in full no earlier than one year and no later than ten years from the date of the loan. Loan repayments are made by payroll deductions authorized by the participant while the participant remains employed by the Employer or an affiliate. After termination of employment and before receiving a distribution from the Plan, a participant may continue to make loan payments directly to the Trustee. Interest paid on the loan is credited to the participant s account. The Trustee maintains a Loan Fund to hold the balances of participants loans.

#### Plan-to-Plan Transfers

Amounts are transferred to or from the Illinois Power Company Incentive Savings Plan for Employees Covered Under A Collective Bargaining Agreement as participants shift out of or into positions covered by a collective bargaining agreement. These transfers are shown on the Statement of Changes in Net Assets Available for Benefits as plan-to-plan transfers.

#### Plan Termination

Subject to certain limitations, the right to amend, modify or terminate the Plan is reserved by the Company.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The accompanying Plan financial statements are prepared on the accrual basis of accounting.

#### **Investments**

Participant loans included in the loan fund are valued at cost, which approximates fair value. Other investments are stated at fair value based on the latest quoted market price. Shares of mutual funds are valued at the net asset value of shares held by the Plan at the year end. Purchases and sales of investments are recorded on a trade date basis.

The investments held in the Master Trust are stated at fair value as determined by the Trustee based on the latest quoted market values of the underlying securities. Securities for which no quoted market value is available are valued at fair value as determined in good faith by or under the direction of the Trustee. The Trustee determines the Plan s interest in the market value of the Master Trust s net assets in accordance with a computational method agreed upon between the Plan Administrator and the Trustee. The Dynegy Stock Fund and the Stable Value Fund, however, are identified with each plan on an actual basis. At December 31, 2002 the Plan s interest in the Master Trust was approximately 27.5%.

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 at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the Statement of Net Assets Available for Benefits.

#### **Income**

Net appreciation (depreciation) of investments is comprised of realized and unrealized gains and losses. Realized gains or losses represent the difference between proceeds received upon sale and the average cost of the investment. Unrealized gain or loss is the difference between market value and cost of investments retained in the Plan (at the financial statement date). For the purpose of allocation to participants, the Dynegy Stock Fund is valued by the Plan at its unit price (comprised of market price plus uninvested cash position) on the date of allocation and current unit price is used at the time of distribution to participants resulting in a realized gain or loss and is reflected in the income from the Plan s investment in the Master Trust.

Investment income from the Plan s investment in the Master Trust consists of the Plan s proportionate share of the Master Trust s interest and dividend income and investment income from net appreciation (depreciation) in fair value of investments.

10
Certain prior year balances have been reclassified to conform to current year presentation.
Reclassification
Distributions of benefits are recorded when paid.
Distribution of Benefits
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from these estimates.
<u>Use of Estimates</u>
The Internal Revenue Service has determined and informed the Company by a letter dated August 29, 2002 that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has not been amended since receiving the determination letter and the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan s financial statements.
Income Taxes
Most expenses incurred in the administration of the Plan and the related trust are paid by the Employer. These expenses include fees and expenses of the Trustee, fund managers, consultants, auditors, and legal personnel.
Expenses
The Trustee records dividend income as of the ex-dividend date and accrues interest income as earned. Realized gains and losses on security sales are computed on an average cost basis. Purchases and sales of securities are recorded on a trade-date-basis.

#### 3. INVESTMENTS

Plan investments are received, invested and held by the Trustee. Individual investments that represent 5% or more of the Plan s net assets available for benefits include:

	Fair value at December 31		
Investments at fair value as determined by quoted market price	2002	2001	
Plan interest in Master Trust *	\$ 11,804,529	\$	
Dynegy Common Stock *		38,494,368	
Fidelity Equity Income Fund		21,754,808	
Fidelity Independence Fund		28,951,253	
Fidelity Management Income Portfolio		14,432,409	
AFG Fundamental Investors Fund	16,107,026		
Vanguard Growth Equity Fund	17,372,574		
Vanguard Retirement Savings Trust	13,580,980		

<sup>\*</sup> Includes both participant-directed and non-participant directed amounts. See Note 6.

The Plan s investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by \$53,549,366 and \$67,703,211 during 2002 and 2001 as follows:

	2002	2001
	Φ 27, 725, 992	ф
Plan interest in Master Trust	\$ 36,625,882	•
Employer Securities		48,792,249
Registered Investment Companies	16,923,484	18,910,962
	\$ 53,549,366	\$ 67,703,211

#### 4. PARTICIPATION IN MASTER TRUST

Effective January 1, 2002, the Plan began participating in a master trust investment agreement, with the Illinois Power Company Incentive Savings Plan for Employees Covered Under A Collective Bargaining Agreement, Dynegy Inc. 401(k) Savings Plan and Extant Inc. 401(k) Plan.

The following information is presented for the Master Trust:

#### DYNEGY INC. MASTER TRUST

# STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

#### **DECEMBER 31, 2002**

ASSETS:	
Cash and temporary cash investments	859
Investments at fair value:	
Employer securities	14,877,915
Registered investment companies	28,121,323
Total investments	43,000,097
Receivables:	
Fund units receivable	8,055
TOTAL ASSETS	43,008,152
LIABILITIES:	
Accrued expenses	5,859
Fund units payable	22,145
TOTAL LIABILITIES	28,004
NET ASSETS AVAILABLE FOR BENEFITS	\$ 42,980,148

Investment loss for the Master Trust is as follows:

	December 31, 2002
Investment income (loss):	
Depreciation in fair value of investments:	
Employer securities	\$ 147,237,890

Registered investment companies	5,213,753
Total depreciation, net Dividends and interest	152,451,643 1,670,367
Total investment loss, net	\$ 150,781,276

#### 5. TRANSACTIONS WITH PARTIES-IN-INTEREST

Certain Plan investments are shares of mutual funds managed by Vanguard Fiduciary Trust Company. Vanguard Fiduciary Trust Company is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest. Fees paid during the year for legal, accounting, and other professional services rendered by parties-in-interest were based on customary and reasonable rates for such services.

#### 6. NONPARTICIPANT-DIRECTED INVESTMENTS

All funds in the Plan are participant directed, with the exception that Employer matching and discretionary contributions are initially invested in the Dynegy Stock Fund. Participants may diversify the investment of Employer matching and discretionary contributions after such amounts are initially credited to their accounts. Information about the net assets available for benefits and the significant components of the changes in net assets available for benefits relating to the Dynegy Stock Fund is as follows:

#### STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

#### DYNEGY STOCK FUND

	Decen	nber 31,
	2002	2001
ASSETS:		
Investments:		
Cash and temporary cash investments	\$	\$ 380,247
Investments at fair value	2,953,782	38,494,368
Total investments	2,953,782	38,874,615
Receivables:		
Dividends and interest receivable		2,179
Employer contributions receivable		102,965
Total receivables		105,144
TOTAL ASSETS	2,953,782	38,979,759
LIABILITIES:	2,565,762	50,575,765
Accrued expenses		85
NET ASSETS AVAILABLE FOR BENEFITS	\$ 2,953,782	\$ 38,979,674

# STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

# DYNEGY STOCK FUND

	Year ended	Year ended December 31	
	2002	2001	
ADDITIONS:			
Additions to net assets attributed to:			
Contributions:			
Employee	\$ 339,508	\$ 529,412	
Employer	1,323,629	1,464,595	
Total contributions	1,663,137	1,994,007	
Investment income:			
Dividend and interest income	206,701	513,445	
Other	28,407	24,190	
Total investment income	235,108	537,635	
Loan repayments	54,010	140,267	
TOTAL ADDITIONS	1,952,255	2,671,909	
	-		
DEDUCTIONS:			
Deductions from net assets attributed to:			
Net depreciation in fair value of investments	36,575,114	48,289,382	
Benefit payments	2,706,517	7,169,923	
Loan withdrawals	111,541	74,051	
Administrative expenses	1,316	1,836	
TOTAL DEDUCTIONS	39,394,488	55,535,192	
DECREASE IN NET ASSETS BEFORE TRANSFERS	(37,442,233)	(52,863,283)	
PLAN-TO-PLAN TRANSFERS, NET		647,872	
FUND TO FUND TRANSFERS, NET	1,416,341	117,322	
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	38,979,674	91,077,763	
NET ASSETS AVAILABLE FOR DENEFTTS, DECIMINING OF TEAR	30,979,074	91,077,703	
NET ACCETS AVAILABLE FOR DENIEFITS END OF VEAD	\$ 2,953,782	\$ 38,979,674	
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	φ 2,933,782	\$ 30,979,074	

#### 7. COMMITMENTS AND CONTINGENCIES

On July 24, 2002 the Plan Administrator received notification from the US Department of Labor (DOL), Employee Benefits Security Administration, of an investigation of the Plan under section 504 of the Employee Retirement Income Security Act of 1974 (ERISA). The investigation relates to the plan year ended December 31, 1998 and subsequent years, and is in progress as of the date of this report.

# 8. SUBSEQUENT EVENT

Subsequent to December 31, 2002, the per share market price of Dynegy Inc. common stock increased from \$1.18 as of December 31, 2002 to \$4.25 as of June 20, 2003. As of May 31, 2003, the fair value of the Plan s investments totaled \$91,766,830 including \$13,812,107 in the Dynegy Stock Fund.

# INCENTIVE SAVINGS PLAN

EIN: 74-2928353 PN: 005

Schedule H, Line 4(i): Schedule of Assets (Held at End of Year)

# As of December 31, 2002

[a]	[b]	[c] Description of Investment including	[d]	[e]	
Party-in- interest	Identity of Issuer, Borrower, Lessor or Similar Party	Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value	
*	Interest in Master Trust	Master Trust	\$ 22,743,034	\$ 11,804,529	
*	American Funds EuroPacific Growth	Registered Investment Company	**	2,121,931	
*	Janus Worldwide Fund	Registered Investment Company	**	62,562	
*	PIMCO Total Return Bond	Registered Investment Company	**	3,547,483	
*	AFG Fundamental Investors Fund	Registered Investment Company	**	16,107,026	
*	Vanguard Capital Opportunity	Registered Investment Company	**	1,644,250	
*	Vanguard Growth Equity Fund	Registered Investment Company	**	17,372,574	
*	Vanguard Total Stock Mkt Inv	Registered Investment Company	**	3,741,056	
*	Vanguard Retirement Savings Trust	Common/Collective Trust	**	13,580,980	
		Various maturities and interest rates			
*	Loan Fund	ranging from 5.25%-10.50%	**	1,656,037	
Self-directed Brol	kerage Account:			, ,	
*	Cash	Currency	**	2,267	
*	3com Corp	Common Stock	**	4,620	
*	ABB Ltd Sponsored Adr	Common Stock	**	2,870	
*	Abercrombie & Fitch Co Cl A	Common Stock	**	10,230	
*	Advanced Micro Devices Inc	Common Stock	**	3,230	
*	Agere Sys Inc Cl A	Common Stock	**	3	
*	Agere Sys Inc Cl B Com	Common Stock	**	73	
*	Amazon Com Inc	Common Stock	**	1,888	
*	American Internatl Petroleum Corp	Common Stock	**	57	
*	Amkor Technology Inccom	Common Stock	**	2,375	
*	AOL Time Warner Inc Com	Common Stock	**	3,275	
*	Applied Materials Inc	Common Stock	**	26,060	
*	Applied Micro Circuits Corp Cdt	Common Stock	**	3,770	
*	Aquila Inc Del New Com	Common Stock	**	1,770	
*	Archer Daniels Midland Co	Common Stock	**	12,164	
*	AT&T Corp Com	Common Stock	**	4,700	
*	AT&T Wireless Svcs Inc Com	Common Stock	**	1,633	
*	Ballard Pwr Sys Inc Com	Common Stock	**	1,108	
*	Barnes & Noble Inc Com	Common Stock	**	1,084	
*	Bio Technology General Corp	Common Stock	**	640	
*	Bristol-Myers Squibbco Com	Common Stock	**	3,473	
*	Broadvision Inc Com New	Common Stock	**	7	

*	Calpine Corp Com	Common Stock	**	6,520
*	Capital One Finl Corp Com	Common Stock	**	2,972
*	Charter Communications Inc	Common Stock	**	117
*	Chiquita Brands Intl Inc Com	Common Stock	**	278
*	Cisco Systems Inc	Common Stock	**	19,635
*	Citigroup Inc Com	Common Stock	**	63,342
*	CMGI Inc Com	Common Stock	**	78
*	Comcast Corp Cl A Com	Common Stock	**	6,832
*	Commerce One Inc Delcom New	Common Stock	**	1,360
*	Computer Sciences Corp	Common Stock	**	3,445
*	Conagra Foods Inc	Common Stock	**	2,501
*	Conocophillips	Common Stock	**	4,500
*	Corel Corp	Common Stock	**	1,600

# INCENTIVE SAVINGS PLAN

EIN: 74-2928353 PN: 005

Schedule H, Line 4(i): Schedule of Assets (Held at End of Year)

# As of December 31, 2002

# (continued)

Interest   Identity of Issuer, Borrower, Lessor or Similar Party   Interest, Collateral, Par or Maturity Value   Cost   Value	[a]	[b]	[c] Description of Investment including Maturity Date, Rate	[d]	[e] Current
* Countrywide Cr Inds Delaware Common Stock ** 30,990  * Cybercare Inc Com Common Stock ** 8  * Dell Computer Corp Common Stock ** 8  * Dell Computer Corp Common Stock ** 48,204  * Delphi Automotive System Corp Com Common Stock ** 322  * Diamonds Tr Unit Ser I Common Stock ** 16,702  * Digital Lightwave Inc Com Common Stock ** 62  * Duke Energy Corp Com Common Stock ** 3,908  * Dynegy Inc New Cl A Common Stock ** 7,091  * E Trade Group Inc Com Common Stock ** 7,091  * E Trade Group Inc Com Common Stock ** 7,091  * E Trade Group Inc Com Common Stock ** 3,908  * El Paso Corp Com Common Stock ** 4,930  * El Paso Corp Com Common Stock ** 3007  * Emulex Corp Com Common Stock ** 307  * Emulex Corp Com Common Stock ** 307  * Emulex Corp Com Common Stock ** 307  * Emulex Corp Com Common Stock ** 16,002  * Finova Grip Inc Common Stock ** 16,002  * Foundry Networks Incom Common Stock ** 14,408  * Frontier Airlines Inc Common Stock ** 14,408  * Frontier Airlines Inc Common Stock ** 19,299  * Foundry Networks Incom Common Stock ** 19,290  * Gateway Inc Com Common Stock ** 1,408  * General Electric Co Com Common Stock ** 1,408  * General Electric Co Com Common Stock ** 19,526  * Glatosmithkline Ple Spons Adr Common Stock ** 1,107  * Hewlett-Packard Ca Common Stock ** 1,307  * Hewlett-Packard Ca Common Stock ** 1,307  * Hewlett-Packard Ca Common Stock ** 1,307  * Hewlett-Packard Ca Common Stock ** 1,107  * Independent Energy Hidgs Ple Spon Adr Common Stock ** 1,107  * Independent Energy Hidgs Ple Spon Adr Common Stock ** 1,108  * International Business Machs Corp Common Stock ** 1,108  * International Business Machs Corp Common Stock ** 1,108  * International Business Machs Corp Common Stock ** 1,108  * International Business Machs Corp Common Stock ** 1,080  * JDS Uniphase Corp Common Stock ** 5,635	•			Cost	
* Countrywide Cr Inds Delaware Common Stock ** 30,990  * Cybercare Inc Com Common Stock ** 8  * Dell Computer Corp Common Stock ** 8  * Dell Computer Corp Common Stock ** 48,204  * Delphi Automotive System Corp Com Common Stock ** 322  * Diamonds Tr Unit Ser I Common Stock ** 16,702  * Digital Lightwave Inc Com Common Stock ** 62  * Duke Energy Corp Com Common Stock ** 3,908  * Dynegy Inc New Cl A Common Stock ** 7,091  * E Trade Group Inc Com Common Stock ** 7,091  * E Trade Group Inc Com Common Stock ** 7,091  * E Trade Group Inc Com Common Stock ** 3,908  * El Paso Corp Com Common Stock ** 4,930  * El Paso Corp Com Common Stock ** 3007  * Emulex Corp Com Common Stock ** 307  * Emulex Corp Com Common Stock ** 307  * Emulex Corp Com Common Stock ** 307  * Emulex Corp Com Common Stock ** 16,002  * Finova Grip Inc Common Stock ** 16,002  * Foundry Networks Incom Common Stock ** 14,408  * Frontier Airlines Inc Common Stock ** 14,408  * Frontier Airlines Inc Common Stock ** 19,299  * Foundry Networks Incom Common Stock ** 19,290  * Gateway Inc Com Common Stock ** 1,408  * General Electric Co Com Common Stock ** 1,408  * General Electric Co Com Common Stock ** 19,526  * Glatosmithkline Ple Spons Adr Common Stock ** 1,107  * Hewlett-Packard Ca Common Stock ** 1,307  * Hewlett-Packard Ca Common Stock ** 1,307  * Hewlett-Packard Ca Common Stock ** 1,307  * Hewlett-Packard Ca Common Stock ** 1,107  * Independent Energy Hidgs Ple Spon Adr Common Stock ** 1,107  * Independent Energy Hidgs Ple Spon Adr Common Stock ** 1,108  * International Business Machs Corp Common Stock ** 1,108  * International Business Machs Corp Common Stock ** 1,108  * International Business Machs Corp Common Stock ** 1,108  * International Business Machs Corp Common Stock ** 1,080  * JDS Uniphase Corp Common Stock ** 5,635					
**         Cybercare Inc Com         Common Stock         **         48, 204           **         Dell Computer Corp         Common Stock         **         48, 204           ***         Delphi Automotive System Corp Com         Common Stock         **         322           ***         Diamonds Tr Unit Ser 1         Common Stock         **         16,702           ***         Digital Lightwave Inc Com         Common Stock         **         62           ***         Duke Energy Corp Com         Common Stock         **         7,091           ***         E Trade Group Inc Com         Common Stock         **         7,091           ***         E Trade Group Inc Com         Common Stock         **         7,776           ***         E Trade Group Inc Com         Common Stock         **         7,776           ***         E Trade Group Inc Com         Common Stock         **         362           ***         E Trade Group Inc Com         Common Stock         **         37,706           ***         E Trade Group Inc Com         Common Stock         **         362           ****         E Trade Group Inc Com         Common Stock         **         371,100           ****         E Trade Group Inc	*	Corning Inc Com	Common Stock	**	3,476
** Dell Computer Corp         Common Stock         ** 48,204           ** Delphi Automotive System Corp Com         Common Stock         ** 322           ** Diamonds Tr Unit Ser 1         Common Stock         ** 16,702           ** Digital Lightwave Inc Com         Common Stock         ** 62           ** Duke Energy Corp Com         Common Stock         ** 3,908           ** Dynegy Inc New CI A         Common Stock         ** 7,776           ** E Trade Group Inc Com         Common Stock         ** 7,776           ** Earthshell Corp Com         Common Stock         ** 4,930           ** EI Paso Corp Com         Common Stock         ** 4,930           ** El Paso Corp Com         Common Stock         ** 362           ** Emulex Corp Com New         Common Stock         ** 37,100           ** Emulex Corp Com New         Common Stock         ** 37,100           ** Enron Corp         Common Stock         ** 65           ** Finova Grp Ine         Common Stock         ** 16,00           ** Finova Grp Ine         Common Stock         ** 1,408           ** Foundry Networks Incom         Common Stock         ** 1,408           ** Frontier Airlines Inc         Common Stock         ** 1,408           ** Foundry Networks Incom         Common Stock	*	Countrywide Cr Inds Delaware	Common Stock	**	30,990
** Delphi Automotive System Corp Com         Common Stock         ***         322           ** Diamonds Tr Unit Ser 1         Common Stock         ***         16,702           ** Digital Lightwave Inc Com         Common Stock         ***         62           ** Duke Energy Corp Com         Common Stock         ***         3,908           ** Dynegy Inc New Cl A         Common Stock         ***         7,091           ** E Trade Group Inc Com         Common Stock         ***         4,930           ** E Earthshell Corp Com         Common Stock         ***         362           ** Earth	*		Common Stock	**	8
**         Diamonds Tr Unit Ser 1         Common Stock         **         16,702           **         Digital Lightwave Inc Com         Common Stock         **         62           **         Duke Energy Corp Com         Common Stock         **         3,908           **         Duynegy Inc New Cl A         Common Stock         **         7,091           **         E Trade Group Inc Com         Common Stock         **         7,776           **         E Trade Group Inc Com         Common Stock         **         4,930           **         E Trade Group Inc Com         Common Stock         **         362           **         Earthshell Corp Com         Common Stock         **         362           **         Emc Corp Com         Common Stock         **         362           **         Emc Corp (Mass) Com         Common Stock         **         362           **         Emro Corp Gom         Common Stock         **         365           **         Emro Corp Mew         Common Stock         **         465           **         Finova Grp Inc         Common Stock         **         465           **         Finova Grp Inc         Common Stock         **         1,408 </td <td>*</td> <td>Dell Computer Corp</td> <td>Common Stock</td> <td>**</td> <td>48,204</td>	*	Dell Computer Corp	Common Stock	**	48,204
**         Digital Lightwave Inc Com         Common Stock         **         62           **         Duke Energy Corp Com         Common Stock         **         3,908           **         Dynegy Inc New Cl A         Common Stock         **         7,091           **         E Trade Group Inc Com         Common Stock         **         7,776           **         Earthshell Corp Com         Common Stock         **         4,930           **         El Paso Corp Com         Common Stock         **         362           **         Emc Corp (Mass) Com         Common Stock         **         307           **         Emro Corp Com New         Common Stock         **         37,100           **         Enron Corp         Common Stock         **         465           **         Finova Grp Inc         Common Stock         **         45           **         FINMA Com         Common Stock         **         16,29           **         FNMA Com         Common Stock         **         14,08           **         Frontier Airlines Inc         Common Stock         **         14,224           **         Gateway Inc Com         Common Stock         **         19,226	*	Delphi Automotive System Corp Com	Common Stock	**	322
Duke Energy Corp Com	*	Diamonds Tr Unit Ser 1	Common Stock	**	16,702
** Duke Energy Corp Com         Common Stock         ** 3,908           ** Dynegy Ine New Cl A         Common Stock         ** 7,091           ** E Trade Group Inc Com         Common Stock         ** 7,776           ** Earthshell Corp Com         Common Stock         ** 4,930           ** El Paso Corp Com         Common Stock         ** 362           ** Emc Corp (Mass) Com         Common Stock         ** 37,100           ** Enron Corp         Common Stock         ** 65           ** Finova Grp Inc         Common Stock         ** 160           ** FNMA Com         Common Stock         ** 19,299           ** Foundry Networks Inccom         Common Stock         ** 16,224           ** Gateway Inc Com         Common Stock         ** 19,299           ** Gateway Inc Com         Common Stock         ** 19,296           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 19,296           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 19,296           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 19,296           ** Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 19,246           ** Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           ** Independent Energy Hldgs Plc	*	Digital Lightwave Inc Com	Common Stock	**	62
** Dynegy In New Cl A         Common Stock         ** 7,091           ** E Trade Group Inc Com         Common Stock         ** 7,776           ** Earthshell Corp Com         Common Stock         ** 4,930           ** El Paso Corp Com         Common Stock         ** 362           ** Emc Corp (Mass) Com         Common Stock         ** 307           ** Emulex Corp Com New         Common Stock         ** 37,100           ** Enron Corp         Common Stock         ** 65           ** Finova Grp Inc         Common Stock         ** 160           ** FNMA Com         Common Stock         ** 19,299           ** Foundry Networks Inccom         Common Stock         ** 14,408           ** Frontier Airlines Inc         Common Stock         ** 16,224           ** Gateway Inc Com         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 1,107           ** Hewlett-Packard Ca         Common Stock         ** 1,107           ** Hexcel Corp New Com         Common Stock         ** 20           ** Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           ** Independent Energy Hldgs Plc Spon Adr         Common	*		Common Stock	**	3,908
**         E Trade Group Inc Com         Common Stock         ** 7,776           **         Earthshell Corp Com         Common Stock         ** 4,930           **         EI Paso Corp Com         Common Stock         ** 362           **         Emc Corp (Mass) Com         Common Stock         ** 307           **         Emulex Corp Com New         Common Stock         ** 37,100           **         Enron Corp         Common Stock         ** 65           **         Finova Grp Inc         Common Stock         ** 160           **         FNMA Com         Common Stock         ** 19,299           **         Foundry Networks Inccom         Common Stock         ** 14,48           **         Foundry Networks Inccom         Common Stock         ** 14,48           **         Gateway Inc Com         Common Stock         ** 19,224           **         Gateway Inc Com <t< td=""><td>*</td><td></td><td>Common Stock</td><td>**</td><td></td></t<>	*		Common Stock	**	
** Earthshell Corp Com         Common Stock         ** 4,930           ** EI Paso Corp Com         Common Stock         ** 362           ** Emc Corp (Mass) Com         Common Stock         ** 307           ** Emulex Corp Com New         Common Stock         ** 37,100           ** Enron Corp         Common Stock         ** 160           ** Finova Grp Inc         Common Stock         ** 19,299           * FNMA Com         Common Stock         ** 19,299           * Foundry Networks Inccom         Common Stock         ** 16,224           * Foundry Networks Inccom         Common Stock         ** 16,224           * Gateway Inc Com         Common Stock         ** 16,224           * Gateway Inc Com         Common Stock         ** 19,526           * Glaxosmithkline Plc Spons Adr         Common Stock         ** 19,526           * Glaxosmithkline Plc Spons Adr         Common Stock         ** 937           * Hewlett-Packard Ca         Common Stock         ** 1,107           * Hexcel Corp New Com         Common Stock         ** 300           * Human Genome Sciences Inc Common         Common Stock         ** 793           * Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           * Independent Energy Hldgs Plc Spon Adr         Common	*		Common Stock	**	
**         El Paso Corp (Omass) Com         Common Stock         **         362           **         Emc Corp (Mass) Com         Common Stock         **         307           **         Emulex Corp Com New         Common Stock         **         37,100           **         Enron Corp         Common Stock         **         65           **         Finova Grp Inc         Common Stock         **         160           **         FNMA Com         Common Stock         **         19,299           **         Foundry Networks Inccom         Common Stock         **         1,408           **         Frontier Airlines Inc         Common Stock         **         1,408           **         Frontier Airlines Inc         Common Stock         **         16,224           **         Gateway Inc Com         Common Stock         **         19,256           **         Galaxosmithkline Plc Spons Adr         Common Stock         <	*		Common Stock	**	
** Emuc Corp (Mass) Com         Common Stock         ** 307           ** Emulex Corp Com New         Common Stock         ** 37,100           ** Enron Corp         Common Stock         ** 65           ** Finova Grp Inc         Common Stock         ** 160           ** FNMA Com         Common Stock         ** 19,299           ** Foundry Networks Inccom         Common Stock         ** 1,408           ** Frontier Airlines Inc         Common Stock         ** 16,224           ** Gateway Inc Com         Common Stock         ** 314           ** General Electric Co Com         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 300           ** Hewlett-Packard Ca         Common Stock         ** 300           ** Hexcel Corp New Com         Common Stock         ** 300           ** Human Genome Sciences Inc Common         Common Stock         ** 793           Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 793           ** Indevus Pharmaceuticals Inc         Common Stock         ** 990           ** International Brands Inc Com         Common Stock         ** 17,154           ** International Business Machs Corp<	*	•	Common Stock	**	
** Emulex Corp Com New         Common Stock         ** 37,100           ** Enron Corp         Common Stock         ** 65           ** Finova Grp Inc         Common Stock         ** 160           ** FNMA Com         Common Stock         ** 19,299           ** Foundry Networks Inccom         Common Stock         ** 1,408           ** Frontier Airlines Inc         Common Stock         ** 16,224           ** Gateway Inc Com         Common Stock         ** 314           ** General Electric Co Com         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 937           ** Hewlett-Packard Ca         Common Stock         ** 300           ** Hexcel Corp New Com         Common Stock         ** 300           ** Human Genome Sciences Inc Common         Common Stock         ** 793           ** Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           ** Indevus Pharmaceuticals Inc         Common Stock         ** 990           ** Intel Corp Com         Common Stock         ** 990           ** Intel Corp Com         Common Stock         ** 17,154           ** International Brands Inc Com         Common Stock         ** 31,110           ** International Brands Inc Com         Common	*			**	
**         Enron Corp         Common Stock         **         65           **         Finova Grp Inc         Common Stock         **         160           **         FNMA Com         Common Stock         **         19,299           **         Foundry Networks Inccom         Common Stock         **         1,408           **         Frontier Airlines Inc         Common Stock         **         16,224           *         Gateway Inc Com         Common Stock         **         314           **         General Electric Co Com         Common Stock         **         19,526           **         Glaxosmithkline Ple Spons Adr         Common Stock         **         937           **         Hewlett-Packard Ca         Common Stock         **         1,107           **         Hexcel Corp New Com         Common Stock         **         300           **         Human Genome Sciences Inc Common         Common Stock         **         793           **         Independent Energy Hldgs Ple Spon Adr         Common Stock         **         414           **         Infonet Sves Corp Cl B         Common Stock         **         414           **         Infonet Sves Corp Cl B         Common Stock	*		Common Stock	**	
** Finova Grp Inc         Common Stock         ** 160           ** FNMA Com         Common Stock         ** 19,299           ** Foundry Networks Inccom         Common Stock         ** 1,408           ** Frontier Airlines Inc         Common Stock         ** 16,224           ** Gateway Inc Com         Common Stock         ** 314           ** General Electric Co Com         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 937           ** Hewlett-Packard Ca         Common Stock         ** 300           ** Hexcel Corp New Com         Common Stock         ** 300           ** Human Genome Sciences Inc Common         Common Stock         ** 793           ** Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           ** Indevus Pharmaceuticals Inc         Common Stock         ** 414           ** Infonet Svcs Corp Cl B         Common Stock         ** 990           ** Intel Corp Com         Common Stock         ** 17,154           ** International Brands Inc Com         Common Stock         ** 31,110           ** International Business Machs Corp         Common Stock         ** 31,110           ** Intraware Inc Com         Common Stock         ** 1,080           ** JDS Uniphase Corp <td>*</td> <td></td> <td>Common Stock</td> <td>**</td> <td></td>	*		Common Stock	**	
** FNMA Com         Common Stock         ** 19,299           ** Foundry Networks Inccom         Common Stock         ** 1,408           ** Frontier Airlines Inc         Common Stock         ** 16,224           ** Gateway Inc Com         Common Stock         ** 314           ** General Electric Co Com         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 937           ** Hewlett-Packard Ca         Common Stock         ** 300           ** Hexcel Corp New Com         Common Stock         ** 300           ** Human Genome Sciences Inc Common         Common Stock         ** 793           ** Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           ** Indevus Pharmaceuticals Inc         Common Stock         ** 414           ** Infonet Svcs Corp Cl B         Common Stock         ** 990           ** Intel Corp Com         Common Stock         ** 17,154           ** International Brands Inc Com         Common Stock         ** 40           ** International Business Machs Corp         Common Stock         ** 31,110           ** Intraware Inc Com         Common Stock         ** 1,080           ** JDS Uniphase Corp         Common Stock         ** 5,635	*	ı		**	160
** Foundry Networks Inccom         Common Stock         ** 1,408           ** Frontier Airlines Inc         Common Stock         ** 16,224           ** Gateway Inc Com         Common Stock         ** 314           ** General Electric Co Com         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 937           ** Hewlett-Packard Ca         Common Stock         ** 300           ** Hexcel Corp New Com         Common Stock         ** 300           ** Human Genome Sciences Inc Common         Common Stock         ** 793           ** Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           ** Indevus Pharmaceuticals Inc         Common Stock         ** 414           ** Infonet Svcs Corp Cl B         Common Stock         ** 499           ** Intel Corp Com         Common Stock         ** 17,154           ** International Brands Inc Com         Common Stock         ** 40           ** International Business Machs Corp         Common Stock         ** 31,110           ** Intraware Inc Com         Common Stock         ** 1,080           ** JDS Uniphase Corp         Common Stock         ** 5,635	*	*		**	
**         Frontier Airlines Inc         Common Stock         **         16,224           **         Gateway Inc Com         Common Stock         **         314           **         General Electric Co Com         Common Stock         **         19,526           *         Glaxosmithkline Plc Spons Adr         Common Stock         **         937           **         Hewlett-Packard Ca         Common Stock         **         1,107           **         Hexcel Corp New Com         Common Stock         **         300           *         Human Genome Sciences Inc Common         Common Stock         **         793           *         Independent Energy Hldgs Plc Spon Adr         Common Stock         **         20           *         Indevus Pharmaceuticals Inc         Common Stock         **         414           *         Infonet Sves Corp Cl B         Common Stock         **         490           *         Intel Corp Com         Common Stock         **         40           *         International Business Machs Corp         Common Stock         **         31,110           *         Intraware Inc Com         Common Stock         **         1,080           *         JDS Uniphase Corp	*			**	- ,
**         Gateway Inc Com         Common Stock         ** 314           **         General Electric Co Com         Common Stock         ** 19,526           **         Glaxosmithkline Plc Spons Adr         Common Stock         ** 937           **         Hewlett-Packard Ca         Common Stock         ** 300           **         Hexcel Corp New Com         Common Stock         ** 300           *         Human Genome Sciences Inc Common         Common Stock         ** 793           *         Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           *         Indevus Pharmaceuticals Inc         Common Stock         ** 414           *         Infonet Svcs Corp Cl B         Common Stock         ** 990           *         Intel Corp Com         Common Stock         ** 17,154           *         International Brands Inc Com         Common Stock         ** 40           *         International Business Machs Corp         Common Stock         ** 31,110           *         Intraware Inc Com         Common Stock         ** 1,080           *         JDS Uniphase Corp         Common Stock         ** 5,635	*	•	Common Stock	**	
** General Electric Co Com         Common Stock         ** 19,526           ** Glaxosmithkline Plc Spons Adr         Common Stock         ** 937           ** Hewlett-Packard Ca         Common Stock         ** 1,107           ** Hexcel Corp New Com         Common Stock         ** 300           ** Human Genome Sciences Inc Common         Common Stock         ** 793           * Independent Energy Hldgs Plc Spon Adr         Common Stock         ** 20           * Indevus Pharmaceuticals Inc         Common Stock         ** 414           * Infonet Svcs Corp Cl B         Common Stock         ** 990           * Intel Corp Com         Common Stock         ** 17,154           * International Brands Inc Com         Common Stock         ** 40           * International Business Machs Corp         Common Stock         ** 31,110           * Intraware Inc Com         Common Stock         ** 1,080           * JDS Uniphase Corp         Common Stock         ** 5,635	*	Gateway Inc Com	Common Stock	**	
* Glaxosmithkline Plc Spons Adr Common Stock ** 937  * Hewlett-Packard Ca Common Stock ** 1,107  * Hexcel Corp New Com Common Stock ** 300  * Human Genome Sciences Inc Common Common Stock ** 793  * Independent Energy Hldgs Plc Spon Adr Common Stock ** 20  * Indevus Pharmaceuticals Inc Common Stock ** 414  * Infonet Svcs Corp Cl B Common Stock ** 990  * Intel Corp Com Common Stock ** 17,154  * International Brands Inc Com Common Stock ** 40  * International Business Machs Corp Common Stock ** 40  * Intraware Inc Com Common Stock ** 31,110  * Intraware Inc Com Common Stock ** 1,080  * JDS Uniphase Corp Common Stock ** 5,635	*			**	
**         Hewlett-Packard Ca         Common Stock         **         1,107           **         Hexcel Corp New Com         Common Stock         **         300           **         Human Genome Sciences Inc Common         Common Stock         **         793           *         Independent Energy Hldgs Plc Spon Adr         Common Stock         **         20           *         Indevus Pharmaceuticals Inc         Common Stock         **         414           *         Infonet Svcs Corp Cl B         Common Stock         **         990           *         Intel Corp Com         Common Stock         **         17,154           *         International Brands Inc Com         Common Stock         **         40           *         International Business Machs Corp         Common Stock         **         31,110           *         Intraware Inc Com         Common Stock         **         1,080           *         JDS Uniphase Corp         Common Stock         **         5,635	*			**	- )
**         Hexcel Corp New Com         Common Stock         **         300           **         Human Genome Sciences Inc Common         Common Stock         **         793           *         Independent Energy Hldgs Plc Spon Adr         Common Stock         **         20           *         Indevus Pharmaceuticals Inc         Common Stock         **         414           *         Infonet Svcs Corp Cl B         Common Stock         **         990           *         Intel Corp Com         Common Stock         **         17,154           *         International Brands Inc Com         Common Stock         **         40           *         International Business Machs Corp         Common Stock         **         31,110           *         Intraware Inc Com         Common Stock         **         1,080           *         JDS Uniphase Corp         Common Stock         **         5,635	*			**	
* Human Genome Sciences Inc CommonCommon Stock**793* Independent Energy Hldgs Plc Spon AdrCommon Stock**20* Indevus Pharmaceuticals IncCommon Stock**414* Infonet Svcs Corp Cl BCommon Stock**990* Intel Corp ComCommon Stock**17,154* International Brands Inc ComCommon Stock**40* International Business Machs CorpCommon Stock**31,110* Intraware Inc ComCommon Stock**1,080* JDS Uniphase CorpCommon Stock**5,635	*			**	
* Independent Energy Hldgs Plc Spon Adr Common Stock ** 20  * Indevus Pharmaceuticals Inc Common Stock ** 414  * Infonet Svcs Corp Cl B Common Stock ** 990  * Intel Corp Com Common Stock ** 17,154  * International Brands Inc Com Common Stock ** 40  * International Business Machs Corp Common Stock ** 31,110  * Intraware Inc Com Common Stock ** 1,080  * JDS Uniphase Corp Common Stock ** 5,635	*	•		**	
* Indevus Pharmaceuticals Inc Common Stock ** 414  * Infonet Svcs Corp Cl B Common Stock ** 990  * Intel Corp Com Common Stock ** 17,154  * International Brands Inc Com Common Stock ** 40  * International Business Machs Corp Common Stock ** 31,110  * Intraware Inc Com Common Stock ** 1,080  * JDS Uniphase Corp Common Stock ** 5,635	*			**	
*         Infonet Svcs Corp Cl B         Common Stock         **         990           *         Intel Corp Com         Common Stock         **         17,154           *         International Brands Inc Com         Common Stock         **         40           *         International Business Machs Corp         Common Stock         **         31,110           *         Intraware Inc Com         Common Stock         **         1,080           *         JDS Uniphase Corp         Common Stock         **         5,635	*			**	
*         Intel Corp Com         Common Stock         **         17,154           *         International Brands Inc Com         Common Stock         **         40           *         International Business Machs Corp         Common Stock         **         31,110           *         Intraware Inc Com         Common Stock         **         1,080           *         JDS Uniphase Corp         Common Stock         **         5,635	*			**	
* International Brands Inc Com  * International Business Machs Corp  * Intraware Inc Com  * JDS Uniphase Corp  Common Stock  ** 40  Common Stock  ** 31,110  Common Stock  ** 1,080  Common Stock  ** 5,635	*			**	
* International Business Machs Corp Common Stock ** 31,110  * Intraware Inc Com Common Stock ** 1,080  * JDS Uniphase Corp Common Stock ** 5,635	*			**	
* Intraware Inc Com  * JDS Uniphase Corp  Common Stock  ** 1,080  Common Stock  ** 5,635	*			**	
* JDS Uniphase Corp Common Stock ** 5,635	*	•		**	
· · · · · · · · · · · · · · · · · · ·	*			**	,
	*			**	

*	K Mart Corp	Common Stock	**	2,020
*	Knight Trading Groupinc Com	Common Stock	**	1,458
*	Kohls Corporation	Common Stock	**	27,975
*	Koninklijke Philips Electrs N V	Common Stock	**	6,860
*	Kroger Co	Common Stock	**	3,090
*	Limited Inc	Common Stock	**	3,065
*	LTC Properties Inc	Common Stock	**	3,360
*	Lucent Technologies Inc Com	Common Stock	**	5,922
*	Marimba Inc Com	Common Stock	**	4,890
*	MBNA Corp	Common Stock	**	2,853
*	McData Corp Cl A	Common Stock	**	7
*	Medtronic Inc	Common Stock	**	9,120
*	Mercury Computer Sysinc Com	Common Stock	**	763
*	Microsoft Corp	Common Stock	**	1,551
*	Millennium Pharmaceuticals Inc	Common Stock	**	232
*	Mirant Corp Com	Common Stock	**	3,740

# INCENTIVE SAVINGS PLAN

EIN: 74-2928353 PN: 005

Schedule H, Line 4(i): Schedule of Assets (Held at End of Year)

# As of December 31, 2002

# (continued)

[a]	[b] [c] Description of Investment including Maturity Date, Rate of Identity of Issuer, Borrower, Lessor or Similar Party Interest, Collateral, Par or Maturity Value		[d]	[e] Current
Party-in- interest			Cost	Value
*	Morgan Stanley Dean Witter & Co Com New	Common Stock	**	15,968
*	Motorola Inc	Common Stock	**	10,572
*	Nasdaq 100 Shares	Common Stock	**	8,530
*	Nextel Communs Inc Class A	Common Stock	**	5,765
*	Nokia Corp Sponsored Adr	Common Stock	**	6,200
*	Nortel Networks Corpnew Com	Common Stock	**	161
*	Novell Inc	Common Stock	**	3,420
*	Oracle Corp Com	Common Stock	**	17,280
*	Pfizer Inc	Common Stock	**	18,342
*	Philip Morris Cos Inc	Common Stock	**	64,848
*	Provident Energy Tr Tr Unit	Common Stock	**	6,174
*	Qiao Xing Universal Telephone Inc Com	Common Stock	**	2,420
*	Qualcomm Inc	Common Stock	**	8,719
*	Quanta Svcs Inc Com	Common Stock	**	1,204
*	Reliant Res Inc Com	Common Stock	**	3,200
*	Rite Aid Corp	Common Stock	**	735
*	Sapient Corp	Common Stock	**	820
*	Sei Investments Co Com	Common Stock	**	8,172
*	Service Corp Intl	Common Stock	**	9,960
*	Solectron Corp Com	Common Stock	**	2,130
*	Sprint Corp Pcs Grp	Common Stock	**	4,380
*	Standard Commercial Corp	Common Stock	**	39,820
*	Storagenetworks Inc Com	Common Stock	**	2,320
*	Sun Microsystems Inc	Common Stock	**	13,020
*	Telular Corp Com New	Common Stock	**	7,020
*	Tesco Corp	Common Stock	**	1,181
*	Texas Instruments Inc	Common Stock	**	3,605
*	Travelers Ppty Cas Corp New Cl A	Common Stock	**	1,128
*	Travelers Ppty Cas Corp New Cl B	Common Stock	**	2,315
*	Triquint Semiconductor Inc	Common Stock	**	4,260
*	Tyco Intl Ltd New	Common Stock	**	42,700
*	United Parcel Svc Inc Cl B	Common Stock	**	2,839
*	Uniview Technologiescorp Com Par	Common Stock	**	4
*	Us Bancorp Del Com New	Common Stock	**	2,122

*	Va Software Corp (Formerly Va Linux	Common Stock	**	182
*	Vertical Computer Sys Inc Com New	Common Stock	**	198
*	Wal Mart Stores Inc	Common Stock	**	48,502
*	Yahoo Inc Com	Common Stock	**	1,306
*	Chiquita Brands Intl Inc Wt Exp 12/31/09	Warrants	**	1,310
*	Vanguard Gnma Fund Investor Shares	Registered Investment	**	20,780
*	Vanguard Intermediate-Term Treasury Fund	Registered Investment	**	12,194
*	Alliance Institutional Reserves Prime	Registered Investment	**	158,707
*	Baron Asset Fund: Baron Asset Fund	Registered Investment	**	6,405
*	Baron Small Cap Fund	Registered Investment	**	12,013
*	Dodge & Cox Income Fund	Registered Investment	**	134,936
*	Dodge & Cox Stock Fund	Registered Investment	**	252,007
*	Dreyfus Founders Funds, Inc.: Dreyfus Fo	Registered Investment	**	19,374
*	Fidelity Concord Street Trust: Spartan T	Registered Investment	**	27,138
*	Fidelity Equity-Income Fund	Registered Investment	**	4,669
*	Fidelity Hastings Street Trust: Contrafu	Registered Investment	**	12,993

# INCENTIVE SAVINGS PLAN

EIN: 74-2928353 PN: 005

Schedule H, Line 4(i): Schedule of Assets (Held at End of Year)

# As of December 31, 2002

# (continued)

[a]	[b] [c] Description of Investment including Maturity Date,		[d]	[e]
Party-in- interest	Identity of Issuer, Borrower, Lessor or Similar Party	Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
*	Fidelity Hastings Street Trust: Fidelity	Registered Investment	**	11,593
*	Fidelity Independence Fund	Registered Investment	**	17,449
*	Fidelity Japan Fund	Registered Investment	**	5,295
*	Fidelity Japan Small Companies Fund	Registered Investment	**	5,209
*	Fidelity Mt. Vernon Street Trust: Fideli	Registered Investment	**	7,866
*	Fidelity Select Construction & Housing P	Registered Investment	**	3,925
*	Fidelity Select Energy Services Portfoli	Registered Investment	**	3,929
*	Fidelity Select Natural Gas Fund	Registered Investment	**	3,440
*	Fidelity Select Portfolios: Biotechnolog	Registered Investment	**	4,034
*	Fidelity Select Portfolios: Computers Po	Registered Investment	**	9,917
*	Fidelity Select Portfolios: Developing C	Registered Investment	**	3,677
*	Fidelity Select Portfolios: Electronics	Registered Investment	**	27,531
*	Fidelity Select Portfolios: Technology P	Registered Investment	**	15,461
*	Fidelity Select Portfolios: Utilities Gr	Registered Investment	**	519
*	Fidelity Strategic Income Fund	Registered Investment	**	15,836
*	Gabelli Westwood Funds: Gabelli Westwood	Registered Investment	**	38,540
*	Harris Associates Investment Trust: Oakm	Registered Investment	**	27,020
*	Janus 2 Fund	Registered Investment	**	1,021
*	Janus Enterprise Fund	Registered Investment	**	6,372
*	Janus Investment Fund: Janus Global Life	Registered Investment	**	12,324
*	Janus Investment Fund: Janus Mercury Fun	Registered Investment	**	13,765
*	Janus Investment Fund: Janus Twenty Fund	Registered Investment	**	7,401
*	Janus Special Equity Fund	Registered Investment	**	21,814
*	Julius Baer Investment Funds: Internatio	Registered Investment	**	137,977
*	Kobren Insight Funds: Kobren Delphi Valu	Registered Investment	**	14,321
*	Marsico Investment Fund: Marsico Focus F	Registered Investment	**	25,494
*	Oakmark Fund	Registered Investment	**	2,397
*	Olstein Financial Alert Fund	Registered Investment	**	8,156
*	Pimco Funds: Pacific Investment Manageme	Registered Investment	**	6,229
*	Profunds: Ultraote Profund; Investor Sha	Registered Investment	**	2,076
*	RS Investment Trust: RS Emerging Growth	Registered Investment	**	17,719
*	Rydex Series Trust: Over-The-Counter Fun	Registered Investment	**	15,763
*	The Gabelli Growth Fund; Class AAA Share	Registered Investment	**	14,230
*	Vanguard Health Care Fund Investor Share	Registered Investment	**	21,216

*	Vanguard Mid-Cap Index Fund Investor Shares	Registered Investment	**	4,315
*	Vanguard Precious Metals Fund	Registered Investment	**	13,503
*	Vanguard Reit Index Fund Investor Shares	Registered Investment	**	11,260
*	Vanguard Windsor II Fund Investor Shares	Registered Investment	**	4,472
*	Weitz Series Fund, Inc.: Value Portfolio	Registered Investment	**	197,250
	Total assets held for investment purposes			\$ 73,998,878

A party-in-interest to the Plan Cost not required for participant directed investments

# INCENTIVE SAVINGS PLAN

EIN: 74-2928353 PN: 005

Schedule H, Line 4(j): Schedule of Reportable Transactions

For the year ended December 31, 2002

[a]	[b]  Description of Asset (include interest rate	[c]	[d] Selling	[g] Historical Cost of	[h] Current Value of Asset on Transaction	[i] Historical
Identity of Party Involved	and maturity in the case of a loan)	Price	Price	Asset	Date	Gain (Loss)
The Vanguard Group	* AFG Fundamental Investors Fund	\$ 23,802,290			\$ 23,802,290	
The Vanguard Group	* AFG Fundamental Investors Fund		3,430,397	3,865,387	3,430,397	(434,990)
The Vanguard Group	* Vanguard Growth Equity Fund	33,598,307			33,598,307	
The Vanguard Group	* Vanguard Growth Equity Fund		6,449,850	8,021,166	6,449,850	(1,571,316)
The Vanguard Group	* Vanguard Total Stock Mkt Inv	5,980,133			5,980,133	
The Vanguard Group	* Vanguard Total Stock Mkt Inv		1,098,223	1,232,467	1,098,223	(134,244)
The Vanguard Group	* Vanguard Retirement Savings Trust	13,741,462			13,741,462	
The Vanguard Group	* Vanguard Retirement Savings Trust		160,482	160,482	160,482	
The Vanguard Group	* Stable Value Fund	18,520,283			18,520,283	
The Vanguard Group	* Stable Value Fund		4,965,166	4,965,166	4,965,166	
The Vanguard Group	* Strategic Mod Growth Fund	7,266,053			7,266,053	
The Vanguard Group	* Strategic Mod Growth Fund		1,339,670	1,476,969	1,339,670	(137,299)
The Vanguard Group	* Dynegy Stock Fund	19,885,473			19,885,473	
The Vanguard Group	* Dynegy Stock Fund		5,070,567	6,748,014	5,070,567	(1,677,447)

<sup>\*</sup> A party-in-interest to the Plan

Note: Items (e) and (f) are not applicable.

#### **SIGNATURE**

*Illinois Power Company Incentive Savings Plan.* Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf of the undersigned hereunto duly authorized.

Illinois Power Company

Incentive Savings Plan

By: /s/ R. Blake Young

R. Blake Young

Designated Member - Dynegy Inc.

Benefit Plans Committee

Date: June 30, 2003