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BAXTER INTERNATIONAL INC

Form 11-K

June 28, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 11-K

X ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE
----- SECURITIES EXCHANGE ACT OF 1934

For the year ended December 31, 2001

OR

----- TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____

Commission file number 1-4448

A. Full title of the plan and the address of the plan, if different from that
of the issuer named below:

Baxter International Inc. and Subsidiaries
Incentive Investment Plan

B. Name of issuer of the securities held pursuant to the plan and the address
of its principal executive office:

Baxter International Inc.
One Baxter Parkway
Deerfield, IL 60015
(847) 948-2000

Baxter International Inc.
and Subsidiaries
Incentive Investment Plan

Financial Statements and Supplemental Schedule

December 31, 2001 and 2000

Baxter International Inc. and Subsidiaries
Incentive Investment Plan

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Supplemental Schedule:*

Schedule I: Schedule of Assets Held for Investment Purposes as of December 31, 2001

* Other schedules required by the Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.

Report of Independent Accountants

To the Administrative Committee of
the Baxter International Inc. and
Subsidiaries Incentive Investment Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Baxter International Inc. and Subsidiaries Incentive Investment Plan (the "Plan") at December 31, 2001 and 2000, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. 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 of these statements in accordance with auditing standards generally accepted in the United States of America, which 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of Assets Held for Investment Purposes is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is 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. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly

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stated in all material respects in relation to the basic financial statements taken as a whole.

PricewaterhouseCoopers LLP
Chicago, Illinois

June 14, 2002

Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Statements of Net Assets Available for Benefits
As of December 31, 2001 and 2000

	2001	2000
Assets		
Investments:		
At fair value		
Cash and cash equivalents	\$ 46,162,512	\$ 22,746,053
Common stock	544,830,422	493,147,686
Fixed income securities	60,867,679	76,830,248
Commingled investments	178,841,650	230,525,351
Participant loans	29,458,270	27,235,800
	-----	-----
	860,160,533	850,485,138
At contract value		
Guaranteed investment contracts	477,487,900	438,480,211
	-----	-----
Total investments	1,337,648,433	1,288,965,349
	-----	-----
Receivables:		
Employer's contribution	-	139,995
Participants' contributions	-	307,278
Accrued interest and dividends	3,727,571	3,683,600
Due from brokers for securities sold	2,296,837	3,239,971
Other	356,353	458,854
	-----	-----
	6,380,761	7,829,698
	-----	-----
Total assets	1,344,029,194	1,296,795,047
	-----	-----
Liabilities		
Accounts payable	1,422,909	1,470,071
Due to brokers for securities purchased	537,625	7,511,974
	-----	-----
Total liabilities	1,960,534	8,982,045
	-----	-----
Net assets available for benefits	\$1,342,068,660	\$ 1,287,813,002
	-----	-----

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

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Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2001 and 2000

	2001	2000

Additions to net assets attributed to:		
Investment income:		
Interest	\$ 34,286,941	\$ 35,555,733
Participant loan interest	2,639,075	2,360,087
Dividends	6,747,872	7,022,019
Net appreciation in fair value of assets	5,815,811	43,048,946
	-----	-----
	49,489,699	87,986,785
	-----	-----
Contributions:		
Employer's	17,941,866	16,376,304
Participants'	48,313,693	41,796,106
	-----	-----
	66,255,559	58,172,410
	-----	-----
Transfers from other plans	11,803,992	-
	-----	-----
Total additions	127,549,250	146,159,195
	-----	-----
Deductions from net assets attributed to:		
Benefits paid	68,713,637	118,965,546
Plan expenses	4,579,955	4,193,026
Transfers to other plans	-	129,920,265
	-----	-----
Total deductions	73,293,592	253,078,837
	-----	-----
Net increase (decrease)	54,255,658	(106,919,642)
	-----	-----
Net assets available for plan benefits:		
Beginning of year	1,287,813,002	1,394,732,644
	-----	-----
End of year	\$ 1,342,068,660	\$ 1,287,813,002
	-----	-----

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

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Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Notes to Financial Statements

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1. General Description of the Plan

The following description of the Baxter International Inc. and Subsidiaries Incentive Investment Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

The Plan allows tax deferred contributions in compliance with Section 401(k) of the Internal Revenue Code. Eligible participants may make pre-tax contributions of up to 12% of their eligible annual compensation within certain limitations. The Plan sponsor, Baxter International Inc. ("Baxter"), matches participant contributions up to a maximum of 3% of the employees' compensation. Participant contributions are fully vested at all times. Vesting in the Plan sponsor matching contributions is based on years of continuous service. A participant vests in annual increments of 20% and, therefore, is 100% vested after five years of credited service. Participants may borrow up to the lesser of \$50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at variable rates as outlined in the Plan.

When certain terminations of participation in the Plan occur, the nonvested portion of the participant's account, as defined by the Plan, represents a forfeiture. Forfeitures are utilized to reduce Baxter matching contributions for the plan year. However, if the participant is re-employed and fulfills certain requirements, as defined in the Plan, the participant's account will be reinstated. Forfeitures utilized for the periods ended December 31, 2001 and 2000 were \$490,233 and \$565,348, respectively.

Upon enrollment in the Plan, a participant may direct contributions in any of eight investment options: Stable Income Fund, Baxter Common Stock Fund, Composite Fund, General Equity Fund, S&P 500 Equity Index Fund, International EAFE Equity Index Fund, Small Cap Fund and the Self-Managed Fund. In addition, certain participants may maintain shares received (the "Allegiance Shares") in connection with Baxter's 1996 spin-off of Allegiance Corporation ("Allegiance"). The Allegiance Shares were subsequently converted to common shares of Cardinal Health Inc. ("Cardinal") upon Cardinal's acquisition of Allegiance in 1999. The Cardinal shares are maintained in the Cardinal Health Common Stock Fund.

On March 31, 2000, Baxter spun-off its Cardiovascular Business Group in the form of a tax-free distribution to shareholders. As a result, approximately \$130 million of assets were transferred from the Plan to Edwards Lifesciences Corporation 401(k) Savings and Investment Plan. In addition, certain participants received shares in Edwards Lifesciences Corporation, which were placed into the Edwards Lifesciences Common Stock Fund. Participants are not able to make contributions to the Cardinal Health Common Stock Fund or the Edwards Lifesciences Common Stock Fund.

2. Summary of Significant Accounting Policies

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting. Accordingly, investment income is recognized when earned and expenses are recognized when incurred. The valuation of Plan investments is determined as follows:

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Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Notes to Financial Statements, Continued

U.S. government and government agency issues	Value based on the last reported sale national security exchange on the val
Corporate and other bonds	Value based on the last reported sale national security exchange on the val
Common stock:	
Traded on national exchanges	Value based on composite pricing of a closing sales prices on the valuation
Traded on over-the-counter market	Value based on last reported sale pri to bid quotations
Commingled investments	Value based on closing prices of the securities on the valuation date
Guaranteed Investment Contracts	Value based on contract value
Short term investments	Value based on cost which approximate
Loan fund	Value based on cost which approximate value

Plan investment return includes dividend and interest income, gains and losses on sales of investments and unrealized appreciation or depreciation of investments. The financial statements reflect the net appreciation in the fair value of the Plan's investments. This net appreciation consists of realized gains and losses calculated as the difference between proceeds from a sales transaction and cost determined on a moving average basis, and unrealized gains and losses calculated as the change in the fair value between beginning of the year (or purchase date if later) and the end of the year.

The Plan's Guaranteed Investment Accounts under two contracts are maintained in deposit accounts which are credited monthly with earnings on the underlying investments and charged for Plan withdrawals and expenses. These contracts are fully benefit-responsive and are reported in the financial statements at contract value, which approximates fair value. Contract value represents contributions made under the contracts, plus earnings, less withdrawals and expenses. There are no reserves for credit risk of the contract issuer or otherwise. The average yield was 5.2% and 6.9% and the average crediting interest rate was 6.4% and 6.9% for the investment contracts for 2001 and 2000, respectively. The crediting interest rates are based on an agreed-upon formula with the issuer, which are reset monthly and cannot be less than zero percent. The Plan's two contracts, Baxter Global Wrap Account and Pacific Investment Management Company, utilize a wrapper contract issued by Aegon Institutional Markets and State Street Bank and Trust Company, respectively.

Employee contributions and matching contributions are recorded in the period in which they are earned by participants.

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Due from or due to brokers for securities sold or purchased, respectively, represent the cash value of security trades initiated but not yet settled at each respective year-end.

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Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Notes to Financial Statements, Continued

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Changes in such estimates may affect amounts reported in future periods.

3. Eligibility Requirements

Employees become eligible to participate in the Plan as of the first day of the month following the completion of thirty days of employment. Eligible employees are those who meet the following requirements:

1. U.S. employees of Baxter or its subsidiaries which have adopted the Plan.
2. U.S. employees not covered by a collective bargaining agreement unless the agreement provides for coverage under the Plan.
3. U.S. employees who are not leased employees.

4. Administration of the Plan

State Street Bank and Trust Company serves as trustee and CitiStreet LLC serves as record keeper for the Plan.

The Administrative Committee administers the Plan. The Investment Committee has authority, responsibility and control over the management of the assets of the Plan. Members of both committees are appointed by the Board of Directors of Baxter and are employees of Baxter.

Substantially all investment manager, trustee and administrative fees incurred in the administration of the Plan were paid from the assets of the Plan.

5. Investments

Investments representing five percent or more of the Plan's assets at December 31, 2001 and 2000 are summarized as follows:

	2001	2000
Baxter Common Stock, 4,217,818 shares and 3,662,262* shares at December 31, 2001 and 2000, respectively	\$ 226,202,673	\$ 161,711,715
S&P 500 Equity Index Fund	139,339,773	187,971,229

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* Share information has been restated for the May 30, 2001 two-for-one stock split.

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Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Notes to Financial Statements, Continued

Investments as of December 31, 2001 and 2000 are segregated into various investment funds as follows:

	2001	2000
Cash	\$ 581,218	\$ -
Stable Income Fund	506,852,358	448,854,534
Baxter Common Stock Fund	231,083,106	164,299,832
Composite Fund	167,268,052	178,058,540
General Equity Fund	178,529,291	205,527,048
Cardinal Health Common Stock Fund	22,448,072	25,288,692
S&P 500 Equity Index Fund	139,339,773	187,971,229
International EAFE Equity Index Fund	19,461,724	31,516,656
Loan Fund	29,458,270	27,235,800
Edwards Lifesciences Common Stock Fund	12,402,950	9,175,553
Small Cap Fund	12,964,513	11,037,465
Self-Managed Fund	17,259,106	-
	-----	-----
Total Investments	\$ 1,337,648,433	\$ 1,288,965,349
	=====	=====

The fund amounts above include \$45,581,294 and \$22,746,053 of cash and cash equivalents at December 31, 2001 and 2000, respectively, which are awaiting investment in their respective portfolios.

Net appreciation (depreciation) for each respective year is comprised of:

	2001	2000
Baxter common stock unrealized appreciation, net	\$ 10,247,204	\$ 27,019,307
Other unrealized depreciation, net	(42,323,977)	(72,193,926)
Baxter common stock realized gain, net	33,011,937	32,693,562
Other realized gain, net	4,880,647	55,530,003
	-----	-----
	\$ 5,815,811	\$ 43,048,946
	=====	=====

Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Notes to Financial Statements, Continued

Net appreciation (depreciation) in fair value for each significant class of investment, which includes realized and unrealized gains and losses, is as follows:

	2001	2000
U.S. government and government agency issues	\$ 427,347	\$ 2,946,782
Corporate and other bonds	388,249	438,343
Commingled investments	(28,492,957)	(22,932,925)
Common stock	33,493,172	62,596,746
	-----	-----
	\$ 5,815,811	\$ 43,048,946
	=====	=====

6. Distribution Priorities Upon Termination of the Plan

Upon termination of the Plan, the account balance of each participant will become 100% vested and all assets, net of expenses, will be distributed to the participants or beneficiaries.

7. Tax Status of the Plan

The Internal Revenue Service has determined and informed the Company by a letter dated May 4, 1999 that the Plan is designed in accordance with applicable sections of the Internal Revenue Code. The Plan has not been amended since receiving the determination letter.

8. Related Parties

At December 31, 2001 and 2000, the Plan held units of participation in certain common/collective trust funds and short term investment funds of State Street Bank and Trust Company, the Plan trustee, shares of common stock of Baxter, the Plan sponsor, loans with participants, and shares of common stock and fixed income securities in CitiGroup Inc., CitiBank Mortgage Securities Inc., CitiBank Credit Card Issuance Trust and CitiBank Credit Card Master Trust I, which are all affiliated with CitiStreet LLC, the record keeper. These transactions are allowable party-in-interest transactions under the Employee Retirement Income Security of 1974 and the regulations promulgated thereunder.

9. Plan Merger

In March 2000, Baxter acquired Althin Medical, Inc. As a result the Althin Medical, Inc. 401(k) Plan was merged into the Plan effective March 1, 2001. As a result of the merger, total assets of approximately \$11.8 million

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(including loans) were transferred into the Plan.

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Baxter International Inc. and Subsidiaries
 Incentive Investment Plan
 Form 5500, Schedule H, Part IV 4i-Schedule of Assets Held for
 Investment Purposes
 December 31, 2001

Schedule I
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Identity of Issue -----	Description of Investment -----
Cash & cash equivalents:	
* State Street Bank & Trust Co.	Short Term Investment Fund
Common stocks:	
3Com Corp	Common Stock
3DO Company	Common Stock
800 Travel Systems Inc	Common Stock
Abbott Laboratories	Common Stock
Aberdeen Asia Pacific Income FD Inc	Common Stock
Acln Limited	Common Stock
Actrade Finl Tech Ltd	Common Stock
Adaptive Broadband Corp	Common Stock
Adc Telecommunications Inc	Common Stock
Adobe Sys Inc	Common Stock
Advanced Micro Devices Inc	Common Stock
Aeroflex Inc	Common Stock
Aetna Inc	Common Stock
Affymetrix Inc	Common Stock
Aflac Inc Nfsc	Common Stock
Aksys Ltd	Common Stock
Alaris Medical Inc	Common Stock
Alcoa Inc	Common Stock
Alliance Pharmaceutical Corp	Common Stock
Allianz Aktiengesell Schaft Sponsores	Common Stock
Allied Capital Corp	Common Stock
Allstate Corp	Common Stock
Alpharma Inc	Common Stock
Amazon.com Inc	Common Stock
Ambac Finl Group Inc	Common Stock
Amdocs Limited	Common Stock
Amerada Hess Corp	Common Stock
American Elec Pwr Inc	Common Stock
American Express Co	Common Stock
American Home Products Corp	Common Stock
American Intl Group Inc	Common Stock
American Mtg Accep Co	Common Stock
Americredit Corp	Common Stock
Ameritrade Hldg Corp	Common Stock
Amgen Inc	Common Stock
Amr Corp	Common Stock
Amylin Pharm Inc	Common Stock

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Anheuser Busch Cos	Common Stock
AOL Time Warner Inc	Common Stock
AOL Time Warnter Inc	Common Stock
Aon Corp	Common Stock
Apache Corp	Common Stock
Apple Computer Inc	Common Stock
Applera Corp	Common Stock
Applied Digital Solutions Inc	Common Stock
Applied Innovation Inc	Common Stock
Applied Materials Inc	Common Stock
Applied Micro Circuits Corp	Common Stock
Arch Coal Inc	Common Stock
Archer Daniels Midland	Common Stock
Aremissoft Corp	Common Stock
Ariba Inc	Common Stock
Arm Holdings Plc Spons	Common Stock
Arrow Electrs Inc	Common Stock
Arrow Finl Corp	Common Stock
Artemis Intl Solutions Corp	Common Stock
Ascential Software Corp	Common Stock
Asia Pulp & Paper Co	Common Stock
Astrazeneca Plc- Spons	Common Stock
Astronics Corp	Common Stock
Astropower Inc	Common Stock
AT & T Corp	Common Stock
At Home Corp	Common Stock
AT&T Wireless Svcs Inc	Common Stock
Atlas Pipeline Partners	Common Stock
Atmel Corp	Common Stock

Baxter International Inc. and Subsidiaries
 Incentive Investment Plan
 Form 5500, Schedule H, Part IV 4i-Schedule of Assets Held for
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Atsi Communications Inc	Common Stock
Audiocodes Ltd	Common Stock
Avici Sys Inc	Common Stock
Avnet Inc	Common Stock
Backweb Technologies Ltd	Common Stock
Baker Hughes Inc	Common Stock
Ballard Pwr Sys Inc	Common Stock
Bank Amer Corp	Common Stock
Bank One Corp	Common Stock
* Baxter International Inc.	Common Stock
Bea Systems Inc	Common Stock
Berkshire Hathaway Inc	Common Stock
Beyond Corp Com	Common Stock
Biolase Tech Inc	Common Stock
Biomerica Inc	Common Stock
Black & Decker Corp	Common Stock
Black Box Corp	Common Stock
Blue Martini Software Inc	Common Stock
Boeing Co Nfsc	Common Stock
Bonso Electrs Intl	Common Stock

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Boston Biomedica Inc	Common Stock
Boston Scientific Corp	Common Stock
BP Amoco Plc	Common Stock
Bradley Pharmacetls Inc	Common Stock
Breakaway Solutions Inc	Common Stock
Bristol Myers Squibb	Common Stock
Britesmile Inc	Common Stock
Broadband Holdrs	Common Stock
Broadcom Corp	Common Stock
Broadvision Inc	Common Stock
Brocade Communications Sys Inc	Common Stock
Brown Tom Inc Com	Common Stock
Burlington Northn Santa Fe	Common Stock
Cable & Wireless Plc	Common Stock
Cabot Microelectronics Crp	Common Stock
California Amplifier	Common Stock
Calpine Corp	Common Stock
Canadian 88 Energy Corp	Common Stock
Canadian Natural Resources Ltd	Common Stock
Candies Inc	Common Stock
Capstone Turbine Corp	Common Stock
Cardinal Health Inc	Common Stock
Cardinal Health Inc	Common Stock
Caremark Rx Inc	Common Stock
Carreker Antinori Inc	Common Stock
Cdw Computer Ctrs	Common Stock
Celestica Inc	Common Stock
Cell Genesys Inc	Common Stock
Cendant Corp	Common Stock
Cendant Corp	Common Stock
Central European Distr Corp	Common Stock
Centurytel Inc	Common Stock
Charter Comm Inc	Common Stock
Check Point Software Tech Ltd	Common Stock
Chesapeake Energy Corporation Oklahoma	Common Stock
Chevrontexaco Corp	Common Stock
Chiquita Brands Intl Inc	Common Stock
Chubb Corp	Common Stock
Ciena Corp	Common Stock
Cisco Sys Inc	Common Stock
* CitiGroup Inc	Common Stock
Citizens Communications Co	Common Stock
Clear Channel Communications	Common Stock
cmg Information Svcs Inc	Common Stock
Coca Cola Co	Common Stock
Colgate Palmolive Co	Common Stock
Colorado Medtech Inc	Common Stock
Comcast Corp	Common Stock
Comcast Corp	Common Stock
Comdisco Inc	Common Stock
Commerce One Inc	Common Stock
Commtouch Software Ltd	Common Stock
Compaq Computer Co	Common Stock
Conagra Inc	Common Stock

Baxter International Inc. and Subsidiaries
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Investment Purposes
December 31, 2001

Conagra Inc	Common Stock
Concord EFS Inc	Common Stock
Concur Technologies Inc	Common Stock
Conexant Sys Inc	Common Stock
Conoco Inc Common	Common Stock
Conseco Inc	Common Stock
Constellation Energy Group Inc	Common Stock
Continental Aircls Inc	Common Stock
Convergys Corp	Common Stock
Cooper Tire & Rubber Co	Common Stock
Corecomm Ltd	Common Stock
Corning Inc	Common Stock
Corvis Corp	Common Stock
Covad Communications Group Inc	Common Stock
Creative Host Services Inc	Common Stock
Crown Cork & Seal Inc	Common Stock
CSX Corp	Common Stock
Cyber-Care Inc	Common Stock
Cymer Inc	Common Stock
Cytogen Corp	Common Stock
Daimlerchrysler	Common Stock
Dana Corp	Common Stock
Data Race Inc	Common Stock
Datastream Systems Inc	Common Stock
Deere & Company	Common Stock
Dell Computer Corp	Common Stock
Delta Air Lines	Common Stock
Denbury Res Inc	Common Stock
Digital Lightwave Inc	Common Stock
Discovery Partners Intl Inc	Common Stock
Disney Walt Co	Common Stock
Divine Inc	Common Stock
Dollar Gen Corp	Common Stock
Dot Hill Sys Corp	Common Stock
Dover Corp	Common Stock
Dow Chem Co	Common Stock
Dow Chem Co	Common Stock
Dsl.net Inc	Common Stock
Du Pont E I De Nemours & Co	Common Stock
Ducati Motor Holding	Common Stock
Duke Energy Co	Common Stock
Duke Energy Co	Common Stock
Dycom Inds Inc	Common Stock
Dynegy Inc	Common Stock
E Loan Inc	Common Stock
E M C Corp	Common Stock
E*Trade Group Inc.	Common Stock
E.Piphany Inc	Common Stock
Eastman Chem Co	Common Stock
Eastman Kodak Co	Common Stock
Eaton Corp	Common Stock
EB2B Commerce Inc	Common Stock
Echostar Communications	Common Stock
Edge Pete Corp	Common Stock
Edwards A G	Common Stock
Edwards Lifesciences Corp	Common Stock

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El Paso Corp	Common Stock
Elan Corp Plc	Common Stock
Electronic Data System Corp	Common Stock
Electronics Arts	Common Stock
Engelhard Corp	Common Stock
Enron Corp Oregon	Common Stock
Epicor Software Corp	Common Stock
Epimmune Inc	Common Stock
Equifax Inc	Common Stock
Ericsson L M Tel Co	Common Stock
Exodus Communications Inc	Common Stock
Exxon Mobil Corp	Common Stock
Fannie Mae	Common Stock
Federal Home Ln Mtg Corp	Common Stock
Federal Natl Mtg Assn	Common Stock
Federated Dept Stores Inc	Common Stock
Fedex Corp	Common Stock
First Data Corp	Common Stock

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Fmc Corp	Common Stock
Food Technology Svcs Inc	Common Stock
Ford Mtr Co	Common Stock
Freddie Mac	Common Stock
Frontier Airlines Inc	Common Stock
Gateway Inc	Common Stock
Gemstar Tv Guide Intl Inc	Common Stock
Genentech Inc	Common Stock
General Elec Co	Common Stock
General Motors Corp	Common Stock
Genuine Parts Co	Common Stock
Georgia Pac Corp	Common Stock
Getty Images Inc	Common Stock
Gilead Sciences Inc	Common Stock
Global Crossing Ltd	Common Stock
Global Telesystems Group Inc	Common Stock
Goldman Sachs Group Inc	Common Stock
Goldman Sachs Group Inc	Common Stock
Goodyear Tire & Rubber	Common Stock
Guidant Corp	Common Stock
Guilford Pharmaceutical Inc	Common Stock
Gulf Island Fabrication Inc	Common Stock
H Pwr Corp	Common Stock
Haemonetics Corp	Common Stock
Halliburton Co Holding Co	Common Stock
Harley Davidson Inc	Common Stock
Harley Davidson Inc	Common Stock
Harmony Gold Mining Co	Common Stock
HCA Inc	Common Stock
Headwaters Inc	Common Stock
Healthcare Rlty Tr	Common Stock
Henry Jack & Assoc Inc	Common Stock

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Hewlett Packard Co	Common Stock
Home Depot	Common Stock
Honeywell Intl Inc	Common Stock
Household Intl Inc	Common Stock
Human Genome Sciences Inc	Common Stock
I2 Tech Inc	Common Stock
Identix Inc	Common Stock
Immunex Corp	Common Stock
Immunogen Inc	Common Stock
Impco Technologies Inc	Common Stock
Infospace Com Inc	Common Stock
Ingram Micro Inc	Common Stock
Inktomi Corporation	Common Stock
Innodata Corp	Common Stock
Integrated Circuit System Inc	Common Stock
Integrated Device Tech Inc	Common Stock
Intel Corp	Common Stock
Interlink Electrs	Common Stock
International Business Machs	Common Stock
International Paper Co	Common Stock
Internet Cap Group Inc	Common Stock
Interpublic Group Cos Inc	Common Stock
Intershop Comm	Common Stock
Interwave Comm Intl Inc	Common Stock
Intl Fibercom Inc	Common Stock
Intl Paper Co	Common Stock
Investors Financial Services Corp	Common Stock
Ion Networks Inc	Common Stock
Iridex Corp	Common Stock
Ishares Inc Msci Australia Index Fund	Common Stock
Ishares Tr Dow Jones U S Healthcare Sector Index	Common Stock
Ishares TR Dow Jones US Finl Sector Index Fd	Common Stock
Ishares TR S&P Euro Plus 350 Index Fund	Common Stock
Ishares TR S&P/Topix 150 Index Fd	Common Stock
J D Edwards & Co	Common Stock
J P Morgan Chase & Co	Common Stock
Jabil Circuit Inc	Common Stock
Jds Uniphase Corp	Common Stock
Jni Corp	Common Stock
Johnson & Johnson	Common Stock
Jones Apparel Group Inc	Common Stock
Juniper Networks Inc	Common Stock

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K Mmart Corp	Common Stock
Kana Software Inc	Common Stock
Kcs Energy Inc Frmlly Kcs Group	Common Stock
Key3Media Group Inc	Common Stock
Kimberly Clark Corp	Common Stock
Kimberly Clark Corp	Common Stock
Kinder Morgan Inc	Common Stock

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Kla-Tencor Corp	Common Stock
Knight Trading Group Inc	Common Stock
Koala Corp	Common Stock
Kohls Corp	Common Stock
Kraft Foods Inc	Common Stock
Krispy Kreme Doughnuts Inc	Common Stock
Kroger Co	Common Stock
Lajolla Pharmaceutical Co	Common Stock
Lear Corp	Common Stock
Lehmanh Brothers Hldgs Inc	Common Stock
Level 3 Communications Inc	Common Stock
Liberate Techs Inc	Common Stock
Liberty Media Corp	Common Stock
Lifecell Corp	Common Stock
Lightpath Tech Inc	Common Stock
Lilly Eli & Co	Common Stock
Lincare Hldgs Inc	Common Stock
Linuxwizardry Sys Inc	Common Stock
Lockheed Martin Corp	Common Stock
London Pac Group Ltd	Common Stock
Loudcloud Inc	Common Stock
Lowes Companies	Common Stock
Lsi Logic Corp	Common Stock
Lubrizol Corp	Common Stock
Lucent Tech Inc	Common Stock
Lyondell Chemical Co	Common Stock
Marathon Oil Corp	Common Stock
Marchfirst Inc	Common Stock
Marconi Plc	Common Stock
Mattel Inc	Common Stock
Maxcor Financial Grp Inc	Common Stock
Maxim Integrated Prods Inc	Common Stock
Maximus Inc	Common Stock
May Dept Stores Co	Common Stock
MBIA Inc	Common Stock
MBNA Corp	Common Stock
MCDATA Corp	Common Stock
McDonalds Corp	Common Stock
Mead Corp	Common Stock
Medical Advisory Sys Inc	Common Stock
Medimmune Inc	Common Stock
Medtronic Inc	Common Stock
Mercator Software Inc	Common Stock
Merck & Co Inc	Common Stock
Mercury Interactive Corp	Common Stock
Merge Technologies Inc	Common Stock
Merrill Lynch & Co Inc	Common Stock
Merrill Lynch & Co Inc	Common Stock
Metlife Inc	Common Stock
Metro Goldwyn Mayer Inc	Common Stock
Metromedia Fiber Network Inc	Common Stock
Micromuse Inc	Common Stock
Microsoft Corp	Common Stock
Microstrategy Inc	Common Stock
Millennium Chemicals Inc	Common Stock
Millennium Pharm Inc	Common Stock
MIM Corp	Common Stock
Mirant Corp Nfs Llc	Common Stock
Morgan ST Dean Witter Discover & Co	Common Stock
Morgan Stanley Dean Witter & Co	Common Stock
Motient Corp	Common Stock
Motorola Inc	Common Stock

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MRV Communications	Common Stock
Murphy Oil Corp	Common Stock
Mylan Labs Inc	Common Stock
Myriad Genetics Inc	Common Stock
Nasdaq 100 TR Unit Ser 1	Common Stock

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National City Corp	Common Stock
Neoforma	Common Stock
Netsilicon Inc	Common Stock
Network Appliance Corp	Common Stock
New Millennium Media	Common Stock
Newell Rubbermaid Inc	Common Stock
Newmark Homes Corp	Common Stock
Nexell Therapeutics Inc	Common Stock
Nextel Comm Inc	Common Stock
Nokia Corp	Common Stock
Nokia Corp	Common Stock
Nordic American Tanker Shipping Ltd	Common Stock
Norfolk Southn Corp	Common Stock
Nortel Networks Corp	Common Stock
Nortel Networks Corp	Common Stock
Northfield Laboratories Inc	Common Stock
Novell Inc	Common Stock
Nuance Communication	Common Stock
O Charleys Inc	Common Stock
O Reilly Automotive Inc	Common Stock
Occidental Pete Corp	Common Stock
Occidental Petroleum Corp	Common Stock
OM Group Inc	Common Stock
OmniCare Inc	Common Stock
Opentv Corp	Common Stock
Oplink Communications Inc	Common Stock
Oracle Corporation	Common Stock
Orchid Biosciences Inc	Common Stock
Osi Systems Inc	Common Stock
Owens ILL Inc	Common Stock
Oxford Health Plans Inc	Common Stock
P & O Princess Cruises PLC	Common Stock
P F Changs China Bistro Inc	Common Stock
Pacificare Health Systems	Common Stock
Palm Inc	Common Stock
Paradyne Networks Inc	Common Stock
Parametric Tech Corp	Common Stock
Parker Drilling Co	Common Stock
Paychex Inc	Common Stock
PDI Inc	Common Stock
Pfizer Inc	Common Stock
Pharmacia Corp	Common Stock
Philip Morris Cos Inc	Common Stock

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Phillips Pete Co	Common Stock
PLC Sys Inc	Common Stock
Plum Creek Timber Co Inc	Common Stock
Pmc-Sierra Inc	Common Stock
Portal Software Inc	Common Stock
Priceline.com Inc	Common Stock
Proctor & Gamble Co	Common Stock
Prudential Finl Inc	Common Stock
Psinet Inc	Common Stock
Purchasepro.com Inc	Common Stock
Qlogic Corp	Common Stock
Qualcomm Inc	Common Stock
Quanta Services Inc	Common Stock
Quantum Corp	Common Stock
Qwest Communications Intl Inc	Common Stock
Radioshack Corp	Common Stock
Rainbow Technologies Inc	Common Stock
Rambus Inc	Common Stock
Rare Medium Group Inc	Common Stock
Rational Software Cp	Common Stock
Red Hat Inc	Common Stock
Redback Networks Inc	Common Stock
Repeater Technologie Inc	Common Stock
Repligen Corp	Common Stock
Republic Svcs Inc	Common Stock
Return Assured Inc	Common Stock
RF Micro Devices Inc	Common Stock
Rite Aid Corp	Common Stock
S & P 500 Depository Receipt	Common Stock
Saba Software Inc	Common Stock
Safeway Inc	Common Stock

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Sandisk Corp	Common Stock
Sanmina Corp	Common Stock
Savvis Commun Corp	Common Stock
SBC Communications	Common Stock
Scana Corp	Common Stock
Scansoft Inc	Common Stock
Schering Plough Corp	Common Stock
Schwab Charles Corp	Common Stock
Scientific Atlanta	Common Stock
Sears Roebuck & Co	Common Stock
Seitel Inc	Common Stock
Seracare Life Sciences Inc	Common Stock
Serena Software Inc	Common Stock
Sherwood Brands Inc	Common Stock
Shurgard Storage CTR Inc	Common Stock
Sicor Inc	Common Stock
Siebel Systems Inc	Common Stock
Slilcon Storage Tech Inc	Common Stock

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Silicon VY Bancshrs	Common Stock
Singing Machine Co Inc	Common Stock
Sirius Satellilte Radio Inc	Common Stock
Sketchers USA Inc	Common Stock
Smurfit Stone Container Corp	Common Stock
Socket Comm Inc	Common Stock
Solectron Corp	Common Stock
Solectron Corp Delaware	Common Stock
Sonus Networks Inc	Common Stock
Southern Co	Common Stock
Southwest Airlns Co	Common Stock
Spectranetics Corp	Common Stock
Sprint Corp	Common Stock
SPX Corp	Common Stock
ST Joe Corp	Common Stock
Stein Mart Inc	Common Stock
Stemcells Inc	Common Stock
Stilwell Financial Inc	Common Stock
Storagenetworks Inc	Common Stock
Stratos Lightwave Inc	Common Stock
Sun Microsystems Inc	Common Stock
Surebeam Corp	Common Stock
Sycamore Networks Inc	Common Stock
Taiwan Semiconductor Manufacturing Co	Common Stock
Target Corp	Common Stock
Targeted Genetics Corp	Common Stock
Taylor Devices Inc	Common Stock
Tech Data Corp	Common Stock
Technitrol Inc	Common Stock
Telephone & Data Sys Inc	Common Stock
Tellabs Inc	Common Stock
Tellium Inc NFS Llc	Common Stock
Temple Inland Inc	Common Stock
Tenet Healthcare Corp	Common Stock
Tenet Healthcare Corp	Common Stock
Terayon Comm Sys	Common Stock
Texas Biotech Corp	Common Stock
Texas Instruments Inc	Common Stock
Textron Inc	Common Stock
The Keith Companies Inc	Common Stock
Thermo Electron Corp	Common Stock
Tioga Technologies Ltd	Common Stock
Tivo Inc	Common Stock
TJX Cos Inc	Common Stock
TMP Worldwide Inc	Common Stock
Torchmark Inc	Common Stock
Transwitch Corp	Common Stock
TRC COS Inc	Common Stock
Triad Hosp Inc	Common Stock
Trimeddyne Inc	Common Stock
Tripath Technology Inc	Common Stock
Triquint Semiconductor Inc	Common Stock
TVX Gold Inc	Common Stock
Tyco Intl	Common Stock
Tyco Intl Ltd	Common Stock
U S Phusical Therapy Inc	Common Stock

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UnitedHealth Group Inc	Common Stock
US Airways Grp Inc	Common Stock
US Bancorp	Common Stock
Usinternetworking Inc	Common Stock
Utstarcom Inc	Common Stock
V F Corp	Common Stock
V I Technologies Inc	Common Stock
Valero Energy Corp	Common Stock
Varian Inc	Common Stock
Verisign Inc	Common Stock
Veritas Software Corp	Common Stock
Verizon Communications	Common Stock
Verticalnet Inc	Common Stock
Viacom Inc	Common Stock
Viasystems Group Inc	Common Stock
Video Network Communications Inc	Common Stock
Vintage Pete Inc	Common Stock
Viryanet Ltd	Common Stock
Vitesse Semiconductr Corp	Common Stock
Vodafone Group Plc	Common Stock
Vodafone Group PLC	Common Stock
Vsource Inc	Common Stock
Wachovia Corp 2nd New	Common Stock
Walmart Stores Inc	Common Stock
Walgreen Co	Common Stock
Washington Mut Inc	Common Stock
Washington Mut Inc	Common Stock
Weatherford Intl Inc	Common Stock
Wellpoint Health Networks Inc	Common Stock
Wendys Intl Inc	Common Stock
Westell Tecnologies Inc	Common Stock
Western Digital Corp	Common Stock
Westvaco Corp	Common Stock
Whirlpool Corp	Common Stock
Wild Oats Markets Inc	Common Stock
Williams Cos Inc	Common Stock
Wire One Technologies Inc	Common Stock
Wisconsin Energy Corp	Common Stock
Worldcom Inc/Worldcom Grp	Common Stock
Wrigley WM JR Co	Common Stock
WRP Corp	Common Stock
Xerox Corp	Common Stock
XM Satellitel Radio Hldgs Inc	Common Stock
XO Communications Inc	Common Stock
XOMA Ltd	Common Stock
XTO Energy Inc	Common Stock
Yahoo Inc	Common Stock
Zebra Technologies Corp	Common Stock
Zimmer Hldgs Inc	Common Stock
Zoll Medical Corp	Common Stock

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Fixed income securities:

Alberta Energy	9.50% 09/30/2048
Anheuser Busch Cos Inc	Deb 6.800 8/20/2032
Boeing Cap Corp	Sr NT 5.650 5/15/2006
Calpine Corp	8.500 2/15/2011
CitiGroup Inc	Global Sr NT 5.750 5/10/2006
CMS Energy Corp	8.75% 07/01/2002
Coca Cola Enterprises Inc	Deb 6.950 11/15/2026
Commercial Mtg Accep Corp	Ser 1998 C2 Cla 2 6.030 3/15/2008
Continental Aircls	Pass Thru CTF Ser 1997 4 6.900 1/02/2018
Continental Aircls	Pass Thru Ser 1998 1 C1 A 6.648 9/15/2017
Countrywide Fdg Corp Mtn	Tranche Tr 00244 5.250 6/15/2004
Devon Fing Corp U L C	Deb 144A 7.875 9/30/2031
Enron Corp	SER A 9%
Erac USA Fin Co	GTD NT 144A 7.350 6/15/2008
Fed Hm Ln Pc	6.000 3/01/2031
Fed Hm Ln Pc	6.500 10/01/2016
Fed Hm Ln Pc	6.500 3/01/2031
Federal Natl Mtg Assn	6.000 5/15/2011
Federal Natl Mtg Assn	7.250 1/15/2010

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FNBC 1993 A Pass Thru Tr	Pass Thru CTF Ser 1993 A 8.080 1/05/2018
FNMA Pool	6.000 12/01/2013
FNMA Pool	6.000 4/01/2028
FNMA Pool	6.000 5/01/2016
FNMA Pool	6.000 5/01/2031
FNMA Pool	6.000 8/01/2031
FNMA Pool	6.500 10/01/2028
FNMA Pool	6.500 12/01/2031
FNMA Pool	6.500 5/01/2031
FNMA Pool	6.500 5/01/2031
FNMA Pool	6.500 9/01/2031
FNMA Pool	7.000 3/01/2015
Ford Cr Auto Owner Tr	Ser 2001 B C1 A4 5.120 10/15/2004
Ford Mtr Cr Co	Global Landmark Secs Globls 6.875 2/01/2006
Gap Inc	NT 144A 8.800 12/15/2008
General Elec Cap Corp Mtn	Tranche Tr 00482 6.125 2/22/2011
General Mtrs Accep Corp	NT 6.875 9/15/2011
Georgia Pac Corp	NT 7.500 5/15/2006
GMAC Coml Mtg Sec Inc	Mtg Pass CTF 1998 C2 C1 A2 6.420 5/15/2035
GNMA Pool	6.500 12/15/2030
GNMA Pool	6.500 6/20/2031
LB Coml Conduit Mtg Tr	1999 C1 C1 A2 Mtg Pass Thru 6.780 6/15/2031
Lehmanh Brothers Hldg	7.000 2/01/2008

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Merrill Lynch Mtg Invs Inc	Mtg Ctf Ser 1998 C2C1 A 1 6.220 2/15/2030
Mirant Americas Generation LLC	Sr NT 8.300 5/01/2011
Mirant Americas Generation LLC - 144A	Sr NT 144 A 7.200 10/01/2008
Nova Chem Corp	9.50% 12/31/2047
Petroleum Goe Svcs A/A	NT 7.500 3/31/2007
Qwest Cap Fdg Inc	GTD NT 144A 7.000 8/03/2009
Southwestern Pub Svc Co	NT DTD 5.125 11/01/2006
Texaco Cap Inc	GTDNT 7.090 2/01/2007
Toys R Us Inc	NT 144A 7.625 8/01/2011
Transocean Sedco Forex Inc	NT 7.500 4/15/2031
Tyson Foods Inc	NT 144A 8.250 10/01/2011
United States Treas Bds	6.625 2/15/2027
United States Treas Bds	7.250 8/15/2022
United States Treas Bds	7.500 11/15/2016
United States Treas Nts	5.500 2/28/2003
United States Treas Nts	5.875 11/15/2004
United States Treas Nts	6.375 8/15/2002
United States Treas Nts	6.500 2/15/2010
United States Treas Nts	6.875 5/15/2006
US West Cap Fdg Inc	Deb 6.875 7/15/2028
Viacom Inc	Sr Deb 7.875 7/30/2030
Worldcom Inc GA New	NT 8.250 5/15/2031

Baxter Global Wrap Account

Cash & Cash Equivalents:

Canadian Dollar	Cash
Euro Currency	Cash
Pound Sterling	Cash
* State Street Bank & Trust Co.	Short Term Investment Fund
US Treas Bills	0.010 06/20/2002

Fixed Income Securities:

Abbey Natl PLC	Deb 7.950 10/26/2029
Abbey Natl PLC	Sub Reset Cap Secs Prep 1.000 06/29/2049
Abbott Labs	NT 5.625 7/01/2006
Abitibi Consolidated Inc	Deb 8.850 8/01/2030
Advanta Mtg Ln Tr	Ctf Cl A 4 7.750 10/25/2026
AES Corp	SR NT 9.375 9/15/2010
AFC Home Equity Ln Tr	Ser 1993 2 Cl A 1.000 1/20/2013
Ahold Fin USA Inc	GTD NT 8.250 7/15/2010
Ahold Fin USA Inc	NT 6.250 5/01/2009
Albertsons Inc	NT 7.500 2/15/2011
Albertsons Inc	SR Deb 7.450 8/01/2029
All Tel Oh Ltd Partnership	GTD NT 144A 8.000 8/15/2010
Allied Waste North America Inc	SR NT 7.375 1/01/2004
AMB Ppty LP	2008 NT 7.100 6/30/2008

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Amerada Hess Corp	NT 7.300 8/15/2031
American Elec Pwr Inc	Sr NT Ser A 6.125 5/15/2006
American Gen Fin Corp Mtn	Tranche Tr 00324 6.550 6/24/2002
Americredit Automobile Recs	Ser 2001 D NT CL A 4 4.410 11/12/2008
Americredit Automobile Recs	TR 20001 C NT CL A 4 5.010 7/14/2008
Amerisourcebergen Corp	SR NT 144A 8.125 9/01/2008
Amvescap Plc	SR NT 144 A 5.900 1/15/2007
Amvescap Plc	SR NT 6.600 5/15/2005
AOL Time Warner Inc	Deb 7.625 4/15/2031
Aramark Svcs Inc	GTD NT 6.750 8/01/2004
Aramark Svcs Inc	GTD NT 7.000 7/15/2006
Associates Corp North Amer	Sr NT 6.250 11/01/2008
AT&T Corp	USD Sr NT 144A 6.500 11/15/2006
AT&T Corp	USD Sr NT 144A 7.300 11/15/2011
Avalon Pptys Inc	NT 7.375 9/15/2002
Avalonbay Cmnty Inc	Tranche Tr 00005 6.625 9/15/2011
Bank One Corp	7.875 8/01/2010
BankBoston NA MTN	6.375 3/25/2008
Bear Stearns Cos Inc	Sr NT 6.250 7/15/2005
Boeing Cap Corp	SR NT 5.750 2/15/2007
Bombardier Cap Inc Mtn	Tranche Tr 00007 144 A 6.125 6/29/2006
Brascan Ltd	NT 7.375 10/01/2002
Bristol Myers Squibb Co	4.750 10/01/2006
Burlington Northn Santa Fe	7.125 12/15/2010
Canadian Treas Bill	5.550 4/12/2001
Canadian Treas Bill	5.760 3/01/2001
Canadian Treas Bill	5.870 2/01/2001
Capital Auto Receivables Asset	2001 Asset Bkd NT Cl A 4 5.000 12/15/2006
Capital One	2001 7 BKD CTF CL A 3.850 8/15/2007
Centex Home Equity Ln	2000 C Cl A4 7.720 5/25/2029
Chase Manhattan Auto Owner	2001 B Asset BKD NT CL A 4 3.800 5/15/2008
Chase Manhattan Auto Owner Tr	Ser 2000 A Cl A3 6.210 12/15/2004
Chase Manhattan Corp New	6.000 11/01/2005
Chilgener SA	NT 6.500 1/15/2006
Chubb Corp	NT Dtd 20Nov 01 6.000 11/15/2011
* CitiGroup Inc Mt Sr Nts	Tranche Sr 00051 5.625 5/17/2004
* Citibank Cr Card Issuance	2001 A8 NT 4.100 12/07/2006
* Citibank Cr Card Issuance	NT CL 2001 A6 5.650 6/16/2008
* CitiBank Cr Card Issuance	Tr NT Cl 2001 A6 5.650 6/16/2008
* CitiBank Cr Card Master	Tr 1 1997 6 Partn CTG Cl A ZCP 6.323 8/15/2008
* Citibank Cr card Master Tr I	199902 Partn CTF Cl A 5.875 3/10/2011
* CitiGroup Inc	7.250 10/01/2010
* CitiGroup Inc	7.250 10/10/2010
* CitiGroup Inc	NT 6.750 12/01/2005
Citizens Communications Co	Sr NT 144A 6.375 8/15/2004
CK Witco Corp	SR NT 8.500 3/15/2005
Clear Channel Communications	SR NT 7.875 6/15/2005
Clear Channel Communications	Sr NT 7.875 6/15/2005
Cleveland Elec Illum	Secd NT Ser B 7.670 7/01/2004
CNH Equity Tr	2001 A Asset Bkd NT Cl A 4 5.380 8/15/2007
Coastal Corp	NT 6.200 5/15/2004
Coca Cola Enterprises Inc	8.500 01Feb22 8.500 2/01/2022
Columbia/Healthcare Coep	NT 8.360 4/15/2024
Community Program Ln	Tr 1987 A Cl A Ser 87 A 4 4.500 10/01/2018
Conagra Inc	6.000 9/15/2006
Conoco Fdg Co	NT 5.450 10/15/2006

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Conoco Fdg Co	NT 5.450 10/15/2006
Conoco Fdg Co	NT 6.350 10/15/2011
Conoco Inc	NT 6.350 4/15/2009
Consolidated Nat Gas Co	5.375 11/01/2006
Cox Communications Inc New	NT 7.700 8/15/2004
Cox Communications Inc New	NT 7.750 11/01/2010
CS First Boston Mgt Secs Corp	Ser 2001 CKN5 C1 A4 5.435 7/15/2011
CSX Corp	NT 6.250 10/15/2008
DaimlerChrysler Auto	2001 D Asset Bkd NT C1 A 4 3.780 2/06/2007
Daimlerchrysler Auto Tr	2000 C Asset Bkd NT C1 A 3 6.820 9/06/2004
Daimlerchrysler Na Hldg	NT 6.400 5/15/2006
Delhaize Amer Inc	NT 8.125 4/15/2011
Dial Corp	SR NT 7.000 8/15/2006
Disney Walt Co New Mtn Book	Tranche Tr 00042 4.875 7/02/2004
DJL Coml Corp	COML MTG Passthru CTF 1999 CG 6.080 7/10/20
Domtar Inc	2016 Deb 9.500 8/01/2016
Domtar Inc	NT 8.750 8/01/2006
Donahue Fst Prods Inc	SR NT 7.625 5/15/2007

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Donaldson, Lufkin & Jenrette Inc	2005 Sr NT 6.875 11/01/2005
DTE Energy Co	NT 7.050 6/01/2011
Duke Cap Corp	Sr NT 7.500 10/01/2009
Duke Energy Co	SR NT SER A 6.000 12/01/2028
Duke Realty Ltd Partnership	NT 7.375 9/22/2005
Duke Weks Realty Corp	NT 6.950 3/15/2011
Edperbrascan Corp	NT 7.125 12/16/2003
EOP Oper Ltd Partnership	NT 7.750 11/15/2007
EOP Oper Ltd Partnership	NT 7.875 7/15/2031
Erac USA Fin Co	GTD NT 144 A 7.350 6/15/2008
Erac USA Fin Co	NT 144A 8.250 5/01/2005
Erac USA Fin Co	GTD NT 144A 7.350 6/15/2008
Erac USA Fin Co	NT 144A 6.950 3/01/2004
Fed Hm Ln Pc	G00924 8.000 3/01/2028
Federal Home Ln Mtg Corp	5.250 1/15/2006
Federal Home Ln Mtg Corp	Deb 3.250 12/15/2003
Federal Home Ln Mtg Corp	Deb 5.000 5/15/2004
Federal Home Ln Mtg Corp	Deb 5.250 2/15/2004
Federal Home Ln Mtg Corp	Preassign 00249 6.000 7/15/2027
Federal Home Ln Mtg Corp	Reference NT 5.500 9/15/2011
Federal Home Ln Mtg Corp	Deb 6.875 1/15/2005
Federal Home Ln Mtg Corp - Ser 1819 C1 1819 E	Ser 1819 C1 1819 E 6.000 2/15/2011
Federal Home Ln Mtg Corp - Ser 2059 C1 Ha	Ser 2059 C1 HA 5.750 12/15/2025
Federal Home Ln Mtg Corp - Ser 2078 C1 Pa	Ser 2078 C1 Pa 6.000 12/15/2018
Federal Home Ln Mtg Corp GTD - Preassign 00392	Preassign 00392 6.000 4/15/2025
Federal Home Ln Mtg PC GTD	Ser 1404 FA 4.500 11/15/2007
Federal Home Ln Mtg PC GTD	Ser 1629 C1 1629 HA 3.500 12/15/2021
Federal Home Ln Mtg PC GTD	Ser 1673 C1 1673 H 6.000 11/15/2022
Federal Home Ln Mtg PC GTD	Ser 1861 C1 1861 G 6.500 11/15/2021

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Federal Home Ln Mtg PC GTD	Ser 1921 Cl 1921 C 6.500 7/15/2024
Federal Natl Mtg Assn	4.375 10/15/2006
Federal Natl Mtg Assn	4.750 3/15/2004
Federal Natl Mtg Assn	5.000 1/15/2007
Federal Natl Mtg Assn	5.375 11/15/2011
Federal Natl Mtg Assn	5.625 5/14/2004
Federal Natl Mtg Assn	6.000 5/15/2011
Federal Natl Mtg Assn	7.000 7/15/005
Federal Natl Mtg Assn	Benchmark NT 5.125 2/13/2004
Federal Natl Mtg Assn	NT 6.000 5/15/2008
Federal Natl Mtg Assn - Preassign 00418	Preassign 00418 6.000 7/25/2026
Federal Natl Mtg Assn - Remic Tr 1999 28 Cl Ph	Remic TR 1999 28 Cl Ph 6.000 3/25/2023
Federal Natl Mtg Assn - Ser 1996 7 Cl H	Ser 1996 7 Cl H 6.500 12/25/2023
Federal Natl Mtg Assn GTD	Remic Tr 1998 30 Cl B 6.500 8/20/2024
Federal Natl Mtg Assn GTD - Remic Tr 1998 40 Cl C	Remic TR 1998 40 CL C 6.500 4/18/2026
Federal Natl Mtg Assn Mtn	6.060 2/03/2006
Federal Natl Mtg Assn Remic	Remic Tr 1994 63 Cl Pg 6.750 5/25/2021
FHLMC	TBA Feb 15 Gold Single 6.000
FHLMC	TBA Feb 15 Gold Single 6.500
FHLMC	TBA Feb 15 Gold Single 7.000
FHLMC	TBA Jan 30 Gold Single 6.000
First Data Corp	Sr NT 5.625 11/01/2011
FirstBank PR	Sub Cap NT 7.625 12/20/2005
Firstenergy Corp	NT Ser B 6.450 11/15/2011
Fleet Cr Card Master	2001 C CTF Cl A 144A 3.860 3/15/2007
Fleetboston Finl Corp	Sr NT 4.875 12/01/2006
Fleetboston Finl Corp	Sr NT 7.250 9/15/2005
FNMA	TBA Jan 15 Single Fam 6.500
FNMA	TBA Jan 15 Single Fam 6.000
FNMA	TBA Jan 15 Single Fam 7.000
FNMA	TBA Jan 30 Single Fam 6.000
FNMA	TBA Jan 30 Single Fam 6.500
FNMA Pool	254088 5.500 12/01/2016
FNMA Pool	323348 8.500 6/01/2012
FNMA Pool	5.500 4/01/2011
FNMA Pool	5.500 5/01/2011
FNMA Pool	6.000 12/1/2028
FNMA Pool	6.000 5/01/2028
FNMA Pool	6.000 8/01/2031
Ford Cr Auto Owner	2000 C NT Cl A 5 7.260 7/15/2004
Ford Cr Auto Owner	Ser 2001 E Cl A4 4.010 3/15/2006
Ford Cr Auto Owner Tr	1999 D Asset Bkd NT Cl B 6.870 01/15/2004
Ford Mtr Co Del	BD 6.375 2/01/2029
Ford Mtr Cr Co	CDT 5.800 1/12/2009
Ford Mtr Cr Co	Global NT 7.600 8/01/2005

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Ford Mtr Cr Co
 Ford Mtr Cr Co

Globalo Landmark Secs Globls 6.500 1/25/200
 Global Landmark Secs Globls 6.700 7/16/2004

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General Elec Cap Corp Mtn	Tranche Tr 00462 6.750 9/11/2003
General Elec Cap Corp Mtn	Tranche Tr 00473 6.875 11/15/2010
General Mtrs Accep Corp	NT 6.875 9/15/2011
General Mtrs Accep Corp	NT 6.875 9/15/2011
General Mtrs Accep Corp Mtn	Tranche Tr 00596 6.380 1/30/2004
GNMA I	TBA Jan 30 Single Fam 6.500 12/15/2099
GNMA Pool	358726 8.000 8/15/2023
GNMA Pool	538285 6.500 12/15/2031
GNMA Pool	552247 6.500 12/15/2031
GNMA Pool	567214 6.500 10/15/2031
Goldman Sachs Group Inc	NT Ser B 7.800 1/28/2010
Green Tree Finl Corp - 1999 2 Mfd Hsg Sr Sub Pa	1999 2 MFD HSG Sr Sub PA 6.080 12/01/2030
GS Escrow Corp	SR NT 7.000 8/01/2003
GS Escrow Corp	SR NT 7.125 8/01/2005
HCA Healthcare Co	NT 8.750 9/01/2010
Household Fin Corp	NT 5.875 09/25/2004
Household Fin Corp	NT 6.500 11/15/2008
International Flavors & Frag	NT 6.450 5/15/2006
International Paper Co	NT 6.750 09/01/2011
International Paper Co	NT 6.750 9/01/2011
Intl Bk For Recon & Dev	US Global NT 5.000 3/28/2006
JP Morgan Chase	6.750 2/01/2011
JP Morgan Chase Coml Mts Secs 2001 CIBC1 Passthru	2001 Cibcl Mtg Passthru Cl A3 6.260 03/15/20
Kellogg Co	Deb Ser B 7.450 4/01/2031
Keyspan Corp	7.250 11/15/2005
Kraft Foods Inc	Global NT 4.625 11/01/2006
Kraft Foods Inc	Global NT 5.625 11/01/2011
Kroger Co	SR NT 7.625 9/15/2006
LB UBS Coml Mtg	2001 C3 Mtg CTF Cl A 1 6.058 6/15/2020
Lear Corp	SR NT Ser B 7.960 5/15/2005
Lehman Brothers Inc - NT	NT 6.500 4/15/2008
Lehman Brothers Inc - SR Sub NT	Sr Sub NT 7.360 12/15/2003
Liberty Media Corp	SR Deb 8.250 2/01/2030
Lockheed Martin Corp	Deb 8.500 12/01/2029
MBNA Cr Cardf Master Nt Tr	2001 1 NT Cl A 5.750 10/15/2008
Merey Sweeny LP	SV BD 144A 8.850 12/18/2019
Merrill Lynch & Co Inc	Tranch Tr 00218 5.350 6/15/2004
Merrill Lynch & Co Mtn	Tranche Tr 00012 7.250 7/26/2002
Meyer Fred Inc Del	NT 7.450 3/01/2008
Morgan Stanley Cap I Inc	Coml Mtg Ctf 1999 RM1 Cl E 1.000 12/15/2031
Morgan Stanley Dean Witter Cap	2001 IQ Mtg Ctf Cl A 1 4.570 12/18/2032
Morgan Stanley Group Inc	6.100 4/15/2006
Morgan Stanley Group Inc	6.100 4/15/2006
Mortan Stanley Group Inc	6.750 4/15/2011
Motorola	NT 6.750 02/01/2006
National City Corp	Sub Deb 6.875 5/15/019
National Westminster Bk Plc	Reset Sub NT 7.750 4/29/2049
News Amer Hldgs Inc	GTD Sr Deb 9.500 7/15/2024
Niagara Mohawk Pwr Corp	1st Mtg DTD 5/15/95 7.750 5/15/2006
Nisource Fin Corp	GTD NT 7.625 11/15/2005
Nisource Fin Corp	GTD NT 7.875 11/15/2010
Nomura Asset Secs Corp - 94 2 Cl 2A	94 2 CL 2A 7.500 5/25/2024
Norfolk Southn Corp	NT 7.800 5/15/2027
Norfolk Southn Corp	SR NT 7.250 2/15/2031
Nortel Networks Ltd	NT 6.125 2/15/2006
Northrop Grumman Corp	Deb 7.750 2/15/2031
NWA Tr	No 1 Sr Aircraft NT Cl A 8.260 3/10/2006
NWA Tr	No 1 Sr Aircraft NT Cl B 9.360 3/10/2006
Occidental Pete Corp	SR NT 8.450 2/15/2029
Ontario Prov CDA	BD 5.500 10/1/2008
PDVSA Fin Ltd	NT 144A 6.800 11/15/2008
Petrleos Mexicanos Medium Term	Tranche Tr 00003 8.625 12/01/2023

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Philip Morris Cos Inc	NT 6.375 2/01/2006
Phillips Pete Co	Deb 6.650 7/15/2018
Pinnacle One Partners LP	SR NT 144A 8.830 8/15/2004
Pioneer Nat Res Co	Sr NT 6.500 1/15/2008
Principal Residential Mtg Cap	2001 3 Term NT Cl A 1 144 A 4.550 12/20/2008
Progress Energy Inc	Sr NT 5.850 10/30/2008
Progress Energy Inc	SR NT 7.100 3/01/2011
Protective Life US Fdg Tr	Fdg Agreement Backed NT 144A 5.875 8/15/2008
Provident Cos Inc	Sr NT 6.375 7/15/2005

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Prudential Ins Co Amer	Sr NT 144A 6.375 7/23/2006
PSEG Energy Hldgs Inc	Sr NT 8.500 6/15/2011
Pseg Energy Hldgs Inc	Sr NT 9.125 2/10/2004
Pulte Homes Inc	SR NT 144A 7.875 8/01/2011
Quest Diagnostics Inc	SR NT 6.750 7/12/2006
Qwest Cap Fdg Inc	NT 7.250 2/15/2011
Qwest Communications Intl Inc	SR NT 7.500 11/01/2008
Raytheon Co	Deb 6.000 12/15/2010
Republic Svcs Inc	6.750 8/15/2011
Royal Carribbean Cruises Ltd	SR NT 7.000 10/15/2007
Royal Carribbean Cruises Ltd	SR NT 8.750 2/02/2011
Sears Roebuck Accep Corp	NT 6.250 5/01/2009
Sears Roebuck Accep Corp	NT 6.750 8/15/2011
Simon Ppty Group LP	NT 6.375 11/15/2007
Skandinaviska Enskilda Banken	Sub NT Step Up 144A 6.5 12/29/2049
South Africa Rep	NT 8.500 6/23/2017
Southern Natl Corp N C	7.050 5/23/2003
Sprint Cap Corp	7.625 1/30/2011
Sprint Cap Corp	NT 6.125 11/15/2008
Sprint Cap Corp	NT 6.875 11/15/2028
Sprint Cap Corp	NT DTD 6.000 1/15/2007
Sprint Cap Corp	5.700 11/15/2003
Sprint Cap Corp - NT	NT 6.875 11/15/2028
Stagecoach Hldgs Plc	NT 8.625 11/15/2009
Standish, Ayer & Wood Invt	Intl Fixed Income FD
* State Street Bank & Trust Co - ST Investment Fund	1.000 12/30/2030
Telekom Malaysia Berhad	Deb 144A 7.875 8/01/2025
Telus Corp	NT 7.500 6/01/2007
Telus Corp	NT 8.000 6/01/2011
Tenet Healthcare Corp	SR NT 144A 5.375 11/15/2006
Tricon Global Restaurants Inc	SR NT 7.650 5/15/2008
Tricon Global Restaurants Inc	SR NT 8.875 4/15/2011
TRW Inc	Deb 7.750 6/01/2029
TRW Inc	NT 6.050 1/15/2005
TRW Inc	NT 6.625 6/01/2004
TRW Inc	NT 7.125 6/01/2009
TXU Corp	Sr NT 6.375 6/15/2006

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Tyco Intl Group SA	GTD NT 6.375 2/15/2006
Tyco Intl Group SA	GTD NT 6.375 2/15/2006
Tyco Intl Group SA	GTD NT 6.875 1/15/2029
Union Planters Corp	Sub NT 7.750 3/01/2011
United States Treas Bds	5.375 2/15/2031
United States Treas Bds	6.250 5/15/2030
United States Treas Bds	8.000 11/15/2021
United States Treas Nts	2.750 10/31/2003
United States Treas Nts	3.000 11/30/2003
United States Treas Nts	4.625 5/15/2006
United States Treas Nts	5.125 12/31/2002
United States Treasury Nts	3.000 11/30/2003
United States Treasury Nts	3.500 11/15/2006
United States Treasury Nts	5.000 8/15/2011
Univision Communications Inc	SR NT 7.850 7/15/2011
Unum Corp	NT 6.750 12/15/2028
US Bancorp Mtn Bk Ent	Medium Term NTS Book Entry 6.875 12/01/2004
US Bancorp Mtn Bk Ent	Tranche TR 00119 6.000 5/15/2004
US Treas Bds	10.375 11/15/2012
US Treas Nts	5.000 8/15/2011
US Treas Nts	5.750 8/15/2003
US Treas Nts	5.875 11/15/2004
US Treas Nts	6.500 10/15/2006
US Treas Nts	6.500 5/31/2002
US West Cap Fdg Inc	NT 6.125 7/15/2002
US West Cap Fdg Inc	NT 6.375 7/15/2008
USAA Auto Owner	2001 2 Asset Bkd NT Cl A 4 3.910 4/16/2007
Verizon Global Fdg Corp	NT 7.250 12/01/2010
Verizon Global Fdg Corp	NT 7.750 12/01/2030
Verizon New Eng Inc	Deb 6.500 9/15/2011
Verizon Wireless Cap LLC	NT 144A 1.000 12/17/2003
Viacom Inc	SR NT 6.400 1/30/2006
Wal Mart Stores Inc	NT 6.875 8/10/2009
Washington Mut Fin Corp	Sr NT 6.250 5/15/2006
Washington Mut Fin Corp	Sr NT 6.875 5/15/2011
Waste Mgmt Inc Del	SR NT 6.500 11/15/2008
Waste Mgmt Inc Del	SR NT 6.875 5/15/2009

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Waste Mgmt Inc Del	SR NT 7.375 8/01/2010
Wells Fargo & Co	NT 6.625 7/15/2004
Wells Fargo Bk NA	NT Dtd 6.450 2/01/2011
Wellsford Residential Ppty	NT 9.375 2/01/2002
Westinghouse Cr Corp	8.875 6/14/2014
Westinghouse Elec Corp	NT 8.375 6/15/2002
Westvaco Corp	Deb 7.950 2/15/2031
Westvaco Corp	Deb 8.200 1/15/2030
WFS Finl Owner	Ser 2001 C Cl A4 5.180 3/20/2009
Worldcom Inc	NT 6.500 5/15/2004

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Worldcom Inc	NT 8.000 5/15/2006
Worldcom Inc	NT 8.250 5/15/2031
Worldcom Inc GA	NT 6.400 8/15/2005
Worldcom Inc Ga New	NT 7.500 5/15/2011

Pacific Investment Management Co.

Fixed income securities:

American Resid Mtg Ln	Tr 98 1 AssBkd CTF Cl A 1.000 5/25/2029
Bear Stearns Arm Tr	2001 9 Mtg Pass Thru Cl IA VA 1.000 1/25/2005
British Telecommunications Plc	7.875 12/15/2005
* CitiCorp Mtg Secs Inc	2001 18 RMC Pthru Ctf Cl IA 1 4.150 12/25/2003
Columbia/HCA Healthcare Corp	Tranche Tr 00003 8.130 8/4/2003
CRD Dft Swp Worldcom	SWPC01518 B 1.450 11/2/2002
CRD Dft Swp Worldcom 1.45PCT	SWPC01518 A 1.450 11/25/2002
El Paso Corp	Sr NT 7.000 5/15/2011
Federal Home Ln Mtg Corp	Preassign 00070 5.750 6/15/2021
Federal Home Ln Mtg PC GTD	Remic Ser 32 Cla PH 6.500 9/25/2022
Federal Natl Mtg Assn	Remic Tr 1999 27 Cl Cb 6.000 7/25/2019
Govt Natl Mtg Assn GTD	Ser 2001 12 Clz 6.681 7/16/2040
Govt Natl Mtg Assn GTD Remic	Remic Tr 1999 38 Sec Cl Cb 6.750 5/16/2026
Mid St Tr IV	Asset Backed NT 8.330 4/01/2030
Occidental Pete Corp	Sr NT 1.000 4/01/2003
Pimco Fds Pac Invt Mgmt	Private Acct Portfolio
Pimco Fds Pac Invt Mgmt Ser	High Yield Portfolio Instl Cl
Pimco Fds Pac Invt Mgmt Ser	Intl Portfolio Instl Cl
Pimco Fds Pac Invt Mgmt Ser	Invt Grade Corp Port Instl Cl
Pimco Fds Pac Invt Mgmt Ser	Mtg Portfolio Instl Cl
Pimco Fds Pac Invt Mgmt Ser	Real Return BD Portfolio Cl
Small Business Admin	Deb Ser 1999 20 K 7.060 11/01/2019
Small Business Admin	Deb Ser 1999 20 L 7.190 12/01/2019
* State Street Bank & Trust Co - ST Investment Fund	1.000 12/31/2030
United Airls Pass Thru TRS	Pass Thru CTF Ser 1995 A2 9.560 10/19/2018
US Treas Bds	5.500 8/15/2028
US Treas Nts	3.875 1/15/2009
US Treas Nts	Inflation Indexed 3.375 1/15/2007
US Treas Nts	Inflation Indexed 3.625 1/15/2008

Benefit responsive interest rate wrapper contracts:

Aegon Institutional Markets	open ended maturity
* State Street Bank & Trust Co.	open ended maturity

Commingled investments:

American Century 20th Century Ultra	Commingled investments
American Century Small Cap Value	Commingled investments
Ameristock Mutual Fund	Commingled investments
Ariel Growth Class A	Commingled investments

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Artisan Internat'l	Commingled investments
ARTISAN MID CAP VALUE	Commingled investments
Artisan MID CAP Value	Commingled investments
Berger MID CAP Value	Commingled investments
Berger Small CAP Val Retail	Commingled investments
Berkshire Focus Fund	Commingled investments
Bjurman All CAP Growth	Commingled investments
Bjurman Micro CAP Growth	Commingled investments

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Black Oak Emerging Technology Fund	Commingled investments
Brazos Micro CAP Growth	Commingled investments
Bridgeway Aggressive Growth	Commingled investments
Buffalo Small CAP Growth	Commingled investments
Calamos Growth Class A	Commingled investments
Calvert Income Fund Class A	Commingled investments
Clipper	Commingled investments
Columbia Strategic Value FD	Commingled investments
Dodge & Cox Stock	Commingled investments
Dredner RCM Biotechnology N	Commingled investments
Dredner RCM Global Health Care N	Commingled investments
Dredner RCM Global Technology Class N	Commingled investments
Dredner RCM Technology Fund	Commingled investments
Dreyfus Midcap Value Fund	Commingled investments
Dreyfus S&P 500 Index Fund	Commingled investments
Eaton Vance Worldwide Health Sciences Class A	Commingled investments
Evergreen Healthcare Class C	Commingled investments
Excelsior Income Business & Indl Restructing FD	Commingled investments
Excelsior Real Estate	Commingled investments
Fidelity Convertible Securities	Commingled investments
Fidelity Diversified International	Commingled investments
Fidelity Dividend Growth	Commingled investments
Fidelity Equity Income II	Commingled investments
Fidelity Export & Multinational	Commingled investments
Fidelity Growth & Income	Commingled investments
Fidelity Large Capital Stock	Commingled investments
Fidelity MID CAP Stock	Commingled investments
Fidelity Real Estate Investment	Commingled investments
Fidelity Small Cap Stock	Commingled investments
Fidelity Worldwide	Commingled investments
Firsthand Global Technology	Commingled investments
Firsthand Technology Value	Commingled investments
Franklin Biotech Discovery Fund A	Commingled investments
Fundamental Investors	Commingled investments
Growth Fund of America	Commingled investments
Heartland Group Value Plus	Commingled investments
Icon Technology	Commingled investments
Invesco Dynamics N/C	Commingled investments
Invesco Technology N/C	Commingled investments
Invesco Telecomm #39 N/C	Commingled investments

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Janus Fund 2	Commingled investments
Janus Inv't Balanced	Commingled investments
Janus Inv't Mercury	Commingled investments
Janus Strategic Value Fund	Commingled investments
Liberty Acorn Class Z N/C	Commingled investments
Loomis Sayles Bond	Commingled investments
Lord Abbett Affiliated Class C	Commingled investments
Lord Abbett Research Small CAP Class C	Commingled investments
Masters Select Equity	Commingled investments
Matthews Intl FDS PAC Tiger FD	Commingled investments
Muhlenkamp Fund	Commingled investments
Navellier Perf Fund AGG Small Cap Equity	Commingled investments
Needham Growth Fund	Commingled investments
Neuberger & Berman Genesis Trust	Commingled investments
Oakmark Balanced	Commingled investments
Oakmark Fund	Commingled investments
Oakmark Global Fund 1	Commingled investments
Oakmark Internat'l	Commingled investments
Oakmark sSelect	Commingled investments
Oakmark Small CAP	Commingled investments
PBHG Large CAP 20	Commingled investments
PBHG Large CAP Value	Commingled investments
PBHG Mid CAP Value	Commingled investments
PBHG Small Cap Value	Commingled investments
Pimco Real Return Bond Class D	Commingled investments
Pin Oak Aggressive Stock	Commingled investments
Potomac Internet Short Fund	Commingled investments
Putnam Health Sciences Trust CL B	Commingled investments
Putnam New Opportunities CL B	Commingled investments
Rainier INVT Fund Small MID CAP Equity	Commingled investments
Red Oak Technology Select	Commingled investments
Royce Low Priced Stock Fund	Commingled investments
Royce Opportunity Fund	Commingled investments
Royce Total Return	Commingled investments

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RS Global Natural Resources N/C	Commingled investments
RS Partners N/C	Commingled investments
Rydex Biotechnology INV Class	Commingled investments
Safeco Growth	Commingled investments
Select Electronics	Commingled investments
Selected American Shares	Commingled investments
Spartan Market Index	Commingled investments
SSGA Money Market Fund	Commingled investments
* State Street Bank & Trust Co.	International EAFE Equity Index Fund
* State Street Bank & Trust Co.	S & P 500 Equity Index Fund
* State Street Bank & Trust Co.	Small Cap Fund
Strong Index 500	Commingled investments
Strong Limited Resources	Commingled investments

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Strong Opportunity Income	Commingled investments
T Rowe Price Balanced	Commingled investments
T Rowe Price Science & Technology	Commingled investments
T Rowe Price Small CAP Stock	Commingled investments
TCW Galileo Value Opport Class 1	Commingled investments
Third Avenue Real Estate Value	Commingled investments
Third Avenue Value FD	Commingled investments
Tweedy Browne Global Value Fund	Commingled investments
Value Line Convertible	Commingled investments
Value Line Leveraged Growth Income	Commingled investments
Vanguard Bond index Total Market	Commingled investments
Vanguard GNMA Fixed Income Securities	Commingled investments
Vanguard High Yield Bond Fixed Income	Commingled investments
Vanguard Index Trust S&P 500 Port	Commingled investments
Vanguard Inflation Protected Secs	Commingled investments
Vanguard intermdiaate Term Treasury Admiral	Commingled investments
Vanguard Reit Index Fund	Commingled investments
Vanguard Specialized Enenergy Port	Commingled investments
Vanguard Total Stock Market	Commingled investments
Vanguard US Growth Portfolio	Commingled investments
Vanguard/Wellesley Income Income	Commingled investments
Vanguard/Windsor II Portfolio	Commingled investments
Wasatch Aggressive Equity	Commingled investments
Wasatch Growth	Commingled investments
Wasatch Microcap Value	Commingled investments
Weitz Partners Value	Commingled investments
Weitz Value	Commingled investments
White Oak Growth Stock	Commingled investments
Whitehall Growth	Commingled investments
Yacktman Focused FD	Commingled investments

* Participant Loans

Interest rate range from 5.75%
to to 10.67%

* Party-in-interest

Note - Cost information is omitted for participant directed investments.

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

BAXTER INTERNATIONAL INC. AND SUBSIDIARIES
INCENTIVE INVESTMENT PLAN

Date: June 27, 2002

By: /S/ Brian P. Anderson

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Brian P. Anderson
Senior Vice President and
Chief Financial Officer

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (Nos. 2-82667, 2-86993, 2-97607, 33-8812, 33-8813, 33-15523, 33-15787, 33-28428, 33-33750, 33-54069, 333-43563, 333-47019, 333-71553, 333-80403, 333-88257, 333-48906 and 333-62820) of Baxter International Inc. of our report dated June 14, 2002 relating to the financial statements of Baxter International Inc. and Subsidiaries Incentive Investment Plan, which appears in this Form 11-K.

PricewaterhouseCoopers LLP

Chicago, Illinois
June 27, 2002