	Year Ended December 31, 2004	Year Ended December 31, 2003	Year Ended December 31, 2002
Net income, as reported	$186,899	$249,225	$208,177
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects	308	190	—
Deduct: Total stock-based compensation expense determined under fair value based method for all awards, net of related tax effects	(681)	(564)	(283)
Pro forma net income, basic earnings per share	186,526	248,851	207,894
Effect of dilutive securities, 4.375% Convertible Senior Debentures interest, net of tax	3,128	3,128	1,740
Pro forma net income, dilutive earnings per share	$189,654	$251,979	$209,634
Net income per common share:			
As reported:			
Basic	$ 2.90	$ 3.85	$ 3.22
Diluted	2.71	3.59	3.09
Pro forma:			
Basic	$ 2.90	$ 3.84	$ 3.21
Diluted	2.71	3.59	3.09

In December 2004, the Financial Accounting Standards Board ("FASB") issued SFAS 123R, "Share-Based Payment." This Statement is a revision of SFAS 123, "Accounting for Stock-Based Compensation," and supersedes APB 25 and its related implementation guidance. SFAS 123R focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. The statement requires entities to recognize stock compensation expense for awards of equity instruments to employees based on the grant-date fair value of those awards (with limited exceptions). SFAS 123R is effective for the first interim or annual reporting period that begins after June 15, 2005. In addition, SFAS 123R requires that excess tax benefits related to stock compensation expense to be reported as a financing cash inflow rather than as a reduction of taxes paid in cash flow from operations.

The Company is evaluating the two methods of adoption allowed by SFAS No. 123R: the modified-prospective transition method and the modified-retrospective transition method, and the related financial statement impact.

(m) Payments of claims by the Company, as reinsurer, to a broker on behalf of a reinsured company, are recorded on the Company's books as a paid loss at the time the cash is disbursed. The payment is treated as a paid claim to the reinsured. Premiums due the Company from the reinsured are recorded as receivables from the reinsured until the cash is received by the Company, either directly from the reinsured or from the broker.