



QUARTERLY STATEMENT  
AS OF MARCH 31, 2002  
OF THE CONDITION AND AFFAIRS OF THE  
HOMETOWN INSURANCE GROUP, INC.

NAIC Group Code	3058	NAIC Company Code	11224	Employer's ID Number	34-1956845
	(Current Period)		(Prior Period)		
Organized under the Laws of	Ohio	State of Domicile or Port of Entry	OH		
Country of Domicile	US				
Incorporated	10/30/2001	Commenced Business	02/13/2002		
Statutory Home Office	100 Lillian Gish Blvd., Suite 301	Massillon, OH 44647			
	(Street and Number)	(City, or Town, State and Zip Code)			
Main Administrative Office	100 Lillian Gish Blvd., Suite 301				
	(Street and Number)				
	Massillon, OH 44647	(877)236-2289-			
	(City or Town, State and Zip Code)	(Area Code) (Telephone Number)			
Mail Address	100 Lillian Gish Blvd., Suite 301	Massillon, OH 44647			
	(Street and Number or P.O. Box)	(City, or Town, State and Zip Code)			
Primary Location of Books and Records	100 Lillian Gish Blvd., Suite 301				
	(Street and Number)				
	Massillon, OH 44647	(877)236-2289-			
	(City, or Town, State and Zip Code)	(Area Code) (Telephone Number)			
Internet Website Address					
Statutory Statement Contact	John F. Strah	(330)834-2203-			
	(Name)	(Area Code)(Telephone Number)(Extension)			
	JStrah@Hometownhealthnet.com	(330)834-2040-			
	(E-Mail Address)	(Fax Number)			
Policyowner Relations Contact					
		(Street and Number)			
		(City, or Town, State and Zip Code)			
		(Area Code) (Telephone Number)(Extension)			

OFFICERS

President	William C. Epling #
Secretary	Richard J. Streck M.D. #
Treasurer	John F. Strah #
Actuary	

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Michael Gallucci #	Clifford Isroff #
Calvin Warren Jr., M.D. #	Thomas Stover M.D. #
Alan J. Bleyer #	Charles Clark #
William C. Epling #	Scott Abell #
J. Gregory Feczko D.O. #	Richard J. Streck M.D. #

State of Ohio  
County of Stark ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manuals except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

(Signature) William C. Epling (Printed Name) President	(Signature) Richard J. Streck, MD (Printed Name) Secretary	(Signature) John F. Strah (Printed Name) Treasurer
Subscribed and sworn to before me this 24th day of May, 2002	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[ ] 05/24/2002 37
(Notary Public Signature)		

**ASSETS**

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1-2)	December 31 Prior Year Net Admitted Assets
1.	Bonds .....				
2.	Stocks:				
2.1	Preferred stocks .....				
2.2	Common stocks .....				
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$..... encumbrances) .....				
4.2	Properties held for the production of income (less \$..... encumbrances) .....				
4.3	Properties held for sale (less \$..... encumbrances) ....				
5.	Policy loans .....				
6.	Premium notes, including \$..... for first year premiums .....				
7.	Cash (\$.....2,933,815) and short-term investments (\$.....) .....	2,933,815		2,933,815	
8.	Other invested assets .....				
9.	Receivable for Securities .....				
10.	Aggregate write-ins for invested assets .....				
11.	Subtotals, cash and invested assets (Lines 1 to 10) .....	2,933,815		2,933,815	
12.	Reinsurance ceded:				
12.1	Amounts recoverable from reinsurers .....				
12.2	Commissions and expense allowances due .....				
12.3	Experience rating and other refunds due .....				
12.4	Other amounts receivable under reinsurance contracts .....				
13.	Electronic data processing equipment and software .....				
14.	Federal and foreign income tax recoverable and interest thereon (including \$..... net deferred tax asset) .....				
15.	Guaranty funds receivable or on deposit .....				
16.	Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$..... loading) .....				
17.	Accident and health premiums due and unpaid .....				
18.	Investment income due and accrued .....				
19.	Net adjustment in assets and liabilities due to foreign exchange rates .....				
20.	Receivable from parent, subsidiaries and affiliates .....				
21.	Amounts receivable relating to uninsured accident and health plans ..				
22.	Amounts due from agents .....				
23.	Other assets nonadmitted .....				
24.	Aggregate write-ins for other than invested assets .....	100,000		100,000	
25.	TOTAL assets excluding Separate Accounts business (Lines 11 to 24) .....	3,033,815		3,033,815	
26.	From Separate Accounts Statement .....				
27.	TOTAL (Lines 25 and 26) .....	3,033,815		3,033,815	
Details Of Write-ins					
1001	.....				
1002	.....				
1003	.....				
1098.	Summary of remaining write-ins for Line 10 from overflow page .....				
1099.	TOTALS (Lines 1001 through 1003 plus 1098) (Line 10 above) .....				
2401.	State Deposit (ODI) .....	100,000		100,000	
2402	.....				
2403	.....				
2498.	Summary of remaining write-ins for Line 24 from overflow page .....				
2499.	TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	100,000		100,000	

State manner of presentation:

**LIABILITIES, SURPLUS AND OTHER FUNDS**

		1	2
		Current Statement Date	December 31 Prior Year
1.	Aggregate reserve for life policies and contracts \$..... less \$..... included in Line 6.3 (including \$..... Modco Reserve) .	.....	.....
2.	Aggregate reserve for accident and health contracts (including \$..... Modco Reserve) .....	.....	.....
3.	Liability for deposit-type contracts (including \$..... Modco Reserve) .....	.....	.....
4.	Contract claims:		
4.1	Life .....	.....	.....
4.2	Accident and health .....	.....	.....
5.	Policyholders' dividends \$..... and coupons \$..... due and unpaid .....	.....	.....
6.	Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1	Dividends apportioned for payment to ..... (including \$..... Modco Reserve) .....	.....	.....
6.2	Dividends not yet apportioned (including \$..... Modco Reserve) .....	.....	.....
6.3	Coupons and similar benefits (including \$..... Modco Reserve) .....	.....	.....
7.	Amount provisionally held for deferred dividend policies not included in Line 6 .....	.....	.....
8.	Premiums and annuity considerations for life and accident & health policies and contracts received in advance less \$..... discount; including \$..... accident and health premiums .....	.....	.....
9.	Contract liabilities not included elsewhere:		
9.1	Surrender values on canceled contracts .....	.....	.....
9.2	Provision for experience rating refunds, including \$..... A&H experience rating refunds .....	.....	.....
9.3	Other amounts payable on reinsurance; including \$..... assumed and \$..... ceded .....	.....	.....
9.4	Interest Maintenance Reserve .....	.....	.....
10.	Commissions to agents due or accrued-life and annuity contracts \$....., accident and health \$..... and deposit-type contract funds \$.....	.....	.....
11.	Commissions and expense allowances payable on reinsurance assumed .....	.....	.....
12.	General expenses due or accrued .....	3,000	.....
13.	Transfers to Separate Accounts due or accrued (net) (Including \$..... accrued for expense allowances recognized in reserves) .....	.....	.....
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes .....	.....	.....
15.	Federal and foreign income taxes, including \$..... on realized capital gains (losses) (Including \$..... net deferred tax liability) .	.....	.....
16.	Unearned investment income .....	.....	.....
17.	Amounts withheld or retained by company as agent or trustee .....	.....	.....
18.	Amounts held for agents' account, including \$..... agents' credit balances .....	.....	.....
19.	Remittances and items not allocated .....	.....	.....
20.	Net adjustment in assets and liabilities due to foreign exchange rates .....	.....	.....
21.	Liability for benefits for employees and agents if not included above .....	.....	.....
22.	Borrowed money \$..... and interest thereon \$.....	.....	.....
23.	Dividends to stockholders declared and unpaid .....	.....	.....
24.	Miscellaneous liabilities:		
24.1	Asset valuation reserve .....	.....	.....
24.2	Reinsurance in unauthorized companies .....	.....	.....
24.3	Funds held under reinsurance treaties with unauthorized reinsurers .....	.....	.....
24.4	Payable to parent, subsidiaries and affiliates .....	.....	.....
24.5	Drafts outstanding .....	.....	.....
24.6	Liability for amounts held under uninsured accident and health plans .....	.....	.....
24.7	Funds held under coinsurance .....	.....	.....
24.8	Payable for securities .....	.....	.....
24.9	Capital notes \$..... and interest thereon \$.....	.....	.....
25.	Aggregate write-ins for liabilities .....	.....	.....
26.	TOTAL Liabilities excluding Separate Accounts business (Lines 1 to 25) .....	3,000	.....
27.	From Separate Accounts Statement .....	.....	.....
28.	TOTAL LIABILITIES (Lines 26 and 27) .....	3,000	.....
29.	Common capital stock .....	.....	.....
30.	Preferred capital stock .....	.....	.....
31.	Aggregate write-ins for other than special surplus funds .....	.....	.....
32.	Surplus Notes .....	.....	.....
33.	Gross paid in and contributed surplus .....	3,010,000	.....
34.	Aggregate write-ins for special surplus funds .....	.....	.....
35.	Unassigned funds (surplus) .....	20,815	.....
36.	Less treasury stock, at cost:		
36.1	..... shares common (value included in Line 29 \$.....)	.....	.....
36.2	..... shares preferred (value included in Line 30 \$.....)	.....	.....
37.	Surplus (Lines 31 to 35, Less 36) (Including \$..... in Separate Accounts Statement) .....	3,030,815	.....
38.	TOTALS of Lines 29, 30 and 37 .....	3,030,815	.....
39.	TOTALS of Lines 28 and 38 .....	3,033,815	.....
DETAILS OF WRITE-INS			
2501	.....	.....	.....
2502	.....	.....	.....
2503	.....	.....	.....
2598.	Summary of remaining write-ins for Line 25 from overflow page .....	.....	.....
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	.....	.....
3101	.....	.....	.....
3102	.....	.....	.....
3103	.....	.....	.....
3198.	Summary of remaining write-ins for Line 31 from overflow page .....	.....	.....
3199.	TOTALS (Lines 3101 through 3103 plus 3198) (Line 31 above) .....	.....	.....
3401	.....	.....	.....
3402	.....	.....	.....
3403	.....	.....	.....
3498.	Summary of remaining write-ins for Line 34 from overflow page .....	.....	.....
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....	.....	.....

**SUMMARY OF OPERATIONS**  
**(Excluding Unrealized Capital Gains and Losses)**

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1.	Premiums and annuity considerations for life and accident and health policies and contracts .....			
2.	Considerations for supplementary contracts with life contingencies .....			
3.	Net investment income .....	13,152		
4.	Amortization of Interest Maintenance Reserve (IMR) .....			
5.	Separate Accounts net gain from operations excluding unrealized gains or losses .....			
6.	Commissions and expense allowances on reinsurance ceded .....			
7.	Reserve adjustments on reinsurance ceded .....			
8.	Miscellaneous Income:			
8.1	Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....			
8.2	Charges and fees for deposit-type contracts .....			
8.3	Aggregate write-ins for miscellaneous income .....			
9.	TOTALS (Lines 1 to 8.3) .....	13,152		
10.	Death benefits .....			
11.	Matured endowments (excluding guaranteed annual pure endowments) .....			
12.	Annuity benefits .....			
13.	Disability benefits and benefits under accident and health contracts .....			
14.	Coupons, guaranteed annual pure endowments and similar benefits .....			
15.	Surrender benefits and other fund withdrawals for life contracts .....			
16.	Group conversions .....			
17.	Interest and adjustments on contract or deposit-type contract funds .....			
18.	Payments on supplementary contracts with life contingencies .....			
19.	Increase in aggregate reserves for life and accident and health policies and contracts .....			
20.	TOTALS (Lines 10 to 19) .....			
21.	Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only) .....			
22.	Commissions and expense allowances on reinsurance assumed .....			
23.	General insurance expenses .....	1,471		
24.	Insurance taxes, licenses and fees, excluding federal income taxes .....			
25.	Increase in loading on deferred and uncollected premiums .....			
26.	Net transfers to or (from) Separate Accounts .....			
27.	Aggregate write-ins for deductions .....			
28.	TOTALS (Lines 20 to 27) .....	1,471		
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	11,681		
30.	Dividends to policyholders .....			
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	11,681		
32.	Federal and foreign income taxes incurred (excluding tax on capital gains) .....	2,400		
33.	Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	9,281		
34.	Net realized capital gains or (losses) less capital gains tax of \$..... (excluding taxes of \$..... transferred to the IMR) .....			
35.	Net Income (Line 33 plus Line 34) .....	9,281		
CAPITAL AND SURPLUS ACCOUNT				
36.	Capital and surplus, December 31, prior year .....			
37.	Net Income (Line 35) .....	9,281		
38.	Change in net unrealized capital gains or (losses) .....			
39.	Change in net unrealized foreign exchange capital gain (loss) .....			
40.	Change in net deferred income tax .....			
41.	Change in nonadmitted assets and related items .....			
42.	Change in liability for reinsurance in unauthorized companies .....			
43.	Change in reserve on account of change in valuation basis, (increase) or decrease .....			
44.	Change in asset valuation reserve .....			
45.	Change in treasury stock .....			
46.	Surplus (contributed to) withdrawn from Separate Accounts during period .....			
47.	Other changes in surplus in Separate Accounts Statement .....			
48.	Change in surplus notes .....			
49.	Cumulative effect of changes in accounting principles .....			
50.	Capital changes:			
50.1	Paid in .....			
50.2	Transferred from surplus (Stock Dividend) .....			
50.3	Transferred to surplus .....			
51.	Surplus adjustment:			
51.1	Paid in .....	3,021,534		
51.2	Transferred to capital (Stock Dividend) .....			
51.3	Transferred from capital .....			
51.4	Change in surplus as a result of reinsurance .....			
52.	Dividends to stockholders .....			
53.	Aggregate write-ins for gains and losses in surplus .....			
54.	Net change in capital and surplus (Lines 37 through 53) .....	3,030,815		
55.	Capital and surplus, as of statement date (Lines 36 + 54) .....	3,030,815		
DETAILS OF WRITE-INS				
08.301	.....			
08.302	.....			
08.303	.....			
08.398.	Summary of remaining write-ins for Line 8.3 from overflow page .....			
08.399.	TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above) .....			
2701	.....			
2702	.....			
2703	.....			
2798.	Summary of remaining write-ins for Line 27 from overflow page .....			
2799.	TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above) .....			
5301	.....			
5302	.....			
5303	.....			
5398.	Summary of remaining write-ins for Line 53 from overflow page .....			
5399.	TOTALS (Lines 5301 through 5303 plus 5398) (Line 53 above) .....			

**CASH FLOW**

		1	2
		Current Year To Date	Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1.	Premiums and annuity considerations for life and accident and health contracts .....		
2.	Charges and fees for deposit-type contracts .....		
3.	Considerations for supplementary contracts with life contingencies .....		
4.	Net investment income .....	13,152	
5.	Commissions and expense allowances on reinsurance ceded .....		
6.	Fees associated with investment management, administration and contract guarantee from Separate Accounts .....		
7.	Aggregate write-ins for miscellaneous income .....		
8.	TOTAL (Lines 1 to 7) .....	13,152	
9.	Death benefits .....		
10.	Matured endowments .....		
11.	Annuity benefits .....		
12.	Disability benefits and benefits under accident and health contracts .....		
13.	Coupons, guaranteed annual pure endowments and similar benefits .....		
14.	Surrender benefits and withdrawals for life contracts .....		
15.	Group conversions .....		
16.	Interest and adjustments on contract or deposit-type contract funds .....		
17.	Payments on supplementary contracts with life contingencies .....		
18.	TOTAL (Lines 9 to 17) .....		
19.	Commissions on premiums, annuity considerations, and deposit type contract funds .....		
20.	Commissions and expense allowances on reinsurance assumed .....		
21.	General insurance expenses .....	1,471	
22.	Insurance taxes, licenses and fees, excluding federal income taxes .....		
23.	Net transfers to or (from) Separate Accounts .....		
24.	Aggregate write-ins for deductions .....		
25.	TOTAL (Lines 18 to 24) .....	1,471	
26.	Dividends paid to policyholders .....		
27.	Federal income taxes (excluding tax on capital gains) .....	2,400	
28.	TOTAL (Lines 25 to 27) .....	3,871	
29.	Net cash from operations (Line 8 minus Line 28) .....	9,281	
<b>CASH FROM INVESTMENTS</b>			
30.	Proceeds from investments sold, matured or repaid:		
30.1	Bonds .....		
30.2	Stocks .....		
30.3	Mortgage loans .....		
30.4	Real estate .....		
30.5	Other invested assets .....		
30.6	Net gains or (losses) on cash and short-term investments .....		
30.7	Miscellaneous proceeds .....		
30.8	TOTAL investment proceeds (Lines 30.1 to 30.7) .....		
31.	Net tax on capital gains (losses) .....		
32.	TOTAL (Line 30.8 minus Line 31) .....		
33.	Cost of investments acquired (long-term only):		
33.1	Bonds .....		
33.2	Stocks .....		
33.3	Mortgage loans .....		
33.4	Real estate .....		
33.5	Other invested assets .....		
33.6	Miscellaneous applications .....		
33.7	TOTAL investments acquired (Lines 33.1 to 33.6) .....		
34.	Net increase (or decrease) in policy loans and premium notes .....		
35.	Net cash from investments (Line 32 minus Line 33.7 minus Line 34) .....		
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
36.	Cash provided:		
36.1	Surplus notes, capital and surplus paid in .....	3,010,000	
36.2	Borrowed money \$..... less amounts repaid \$.....		
36.3	Capital notes \$..... less amounts repaid \$.....		
36.4	Deposits on deposit-type contract funds and other liabilities without life or disability contingencies .....		
36.5	Other cash provided .....	14,534	
36.6	TOTAL (Lines 36.1 to 36.5) .....	3,024,534	
37.	Cash applied:		
37.1	Dividends to stockholders paid .....		
37.2	Interest on indebtedness .....		
37.3	Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies .....		
37.4	Other applications (net) .....	100,000	
37.5	TOTAL (Lines 37.1 and 37.4) .....	100,000	
38.	Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5) .....	2,924,534	
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>			
39.	Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38) .....	2,933,815	
40.	Cash and short-term investments:		
40.1	Beginning of year .....		
40.2	End of period (Line 39 plus Line 40.1) .....	2,933,815	
<b>DETAILS OF WRITE-INS</b>			
0701	.....		
0702	.....		
0703	.....		
0798.	Summary of remaining write-ins for Line 7 from overflow page .....		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....		
2401	.....		
2402	.....		
2403	.....		
2498.	Summary of remaining write-ins for Line 24 from overflow page .....		
2499.	TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above) .....		

**6     Exh 1 - Direct Prem and Dep-Type Con ..... NONE**

**7     Notes To Financial Statement..... NONE**

**GENERAL INTERROGATORIES**

**(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)**

**PART 1 - COMMON INTERROGATORIES**  
**GENERAL**

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes[ ] No[X]
- 1.2 If yes, explain:
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 2.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[X]
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 3.2 If yes, date of change:  
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. Have there been any substantial changes in the organizational since the prior quarter end?  
If yes attach an organizational chart.

Yes[ ] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....	.....	.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
If yes, attach an explanation.

Yes[ ] No[X] N/A[ ]
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).
- 7.4 By what department or departments?
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes[ ] No[X]
- 8.2 If yes, give full information

**GENERAL INTERROGATORIES (continued)**

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

**INVESTMENT**

- 9.1

Has there been any changes in the reporting entity's own preferred or common stock?

Yes[ ] No[X]
- 9.2

If yes, explain:
- 10.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 10.2

If yes, give full and complete information relating thereto:
11.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
12.

Amount of real estate and mortgages held in short-term investments:

\$
- 13.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[ ] No[X]
- 13.2

If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds .....		
13.22 Preferred Stock .....		
13.23 Common Stock .....		
13.24 Short-Term Investments .....		
13.25 Mortgages, Loans or Real Estate .....		
13.26 All Other .....		
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26) .....		
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above .....		
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....		

- 14.1

Does the reporting entity have any hedging transactions reported in Schedule DB?

Yes[ ] No[X]
- 14.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes[ ] No[X]
15.

Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV, H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[ ] No[X]
- 15.1

For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address

- 15.2

For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 15.3

Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year?

Yes[ ] No[X]
- 15.4

If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

- 15.5

Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

**GENERAL INTERROGATORIES (Continued)**

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

**PART 2 - LIFE & HEALTH**

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:	
1.1 Long-Term Mortgages in Good Standing	
1.11 Farm Mortgages	\$
1.12 Residential Mortgages	\$
1.13 Commercial Mortgages	\$
1.14 Total Mortgages in Good Standing	\$
1.2 Long-Term Mortgages in good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing	\$
1.3 Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months	
1.31 Farm Mortgages	\$
1.32 Residential Mortgages	\$
1.33 Commercial Mortgages	\$
1.34 Total Mortgages with Interest Overdue more than Three Months	\$
1.4 Long-Term Mortgage Loans in Process of Foreclosure	
1.41 Farm Mortgages	\$
1.42 Residential Mortgages	\$
1.43 Commercial Mortgages	\$
1.44 Total Mortgages in Process of Foreclosure	\$
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages	\$
1.62 Residential Mortgages	\$
1.63 Commercial Mortgages	\$
1.64 Total Mortgages Foreclosed and Transferred to Real Estate	\$

11	Schedule A Verification . . . . .	NONE
11	Schedule B Verification . . . . .	NONE
11	Schedule BA Verification. . . . .	NONE
12	Schedule D Part 1B . . . . .	NONE
13	Schedule DA Part 1. . . . .	NONE
13	Schedule DA Part 2 Verification . . . . .	NONE
14	Schedule DB Part F Section 1 . . . . .	NONE
15	Schedule DB Part F Section 2. . . . .	NONE
16	Schedule S Ceded Reinsurance . . . . .	NONE

**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

**Current Year To Date - Allocated by States and Territories**

States, Etc.			1  Is Insurer Licensed? (Yes or No)	Direct Business Only				
				Life Contracts		4  Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5  Deposit-Type Contract Funds	6  Other Considerations
				2  Life Insurance Premiums	3  Annuity Considerations			
1.	Alabama	AL .....	No .....					
2.	Alaska	AK .....	No .....					
3.	Arizona	AZ .....	No .....					
4.	Arkansas	AR .....	No .....					
5.	California	CA .....	No .....					
6.	Colorado	CO .....	No .....					
7.	Connecticut	CT .....	No .....					
8.	Delaware	DE .....	No .....					
9.	District of Columbia	DC .....	No .....					
10.	Florida	FL .....	No .....					
11.	Georgia	GA .....	No .....					
12.	Hawaii	HI .....	No .....					
13.	Idaho	ID .....	No .....					
14.	Illinois	IL .....	No .....					
15.	Indiana	IN .....	No .....					
16.	Iowa	IA .....	No .....					
17.	Kansas	KS .....	No .....					
18.	Kentucky	KY .....	No .....					
19.	Louisiana	LA .....	No .....					
20.	Maine	ME .....	No .....					
21.	Maryland	MD .....	No .....					
22.	Massachusetts	MA .....	No .....					
23.	Michigan	MI .....	No .....					
24.	Minnesota	MN .....	No .....					
25.	Mississippi	MS .....	No .....					
26.	Missouri	MO .....	No .....					
27.	Montana	MT .....	No .....					
28.	Nebraska	NE .....	No .....					
29.	Nevada	NV .....	No .....					
30.	New Hampshire	NH .....	No .....					
31.	New Jersey	NJ .....	No .....					
32.	New Mexico	NM .....	No .....					
33.	New York	NY .....	No .....					
34.	North Carolina	NC .....	No .....					
35.	North Dakota	ND .....	No .....					
36.	Ohio	OH .....	Yes .....					
37.	Oklahoma	OK .....	No .....					
38.	Oregon	OR .....	No .....					
39.	Pennsylvania	PA .....	No .....					
40.	Rhode Island	RI .....	No .....					
41.	South Carolina	SC .....	No .....					
42.	South Dakota	SD .....	No .....					
43.	Tennessee	TN .....	No .....					
44.	Texas	TX .....	No .....					
45.	Utah	UT .....	No .....					
46.	Vermont	VT .....	No .....					
47.	Virginia	VA .....	No .....					
48.	Washington	WA .....	No .....					
49.	West Virginia	WV .....	No .....					
50.	Wisconsin	WI .....	No .....					
51.	Wyoming	WY .....	No .....					
52.	American Samoa	AS .....	No .....					
53.	Guam	GU .....	No .....					
54.	Puerto Rico	PR .....	No .....					
55.	U.S. Virgin Islands	VI .....	No .....					
56.	Canada	CN .....	No .....					
57.	Aggregate other alien	OT .....	X X X .....					
58.	SUBTOTAL	(a) .....	1 .....					
90.	Reporting entity contributions for employee benefits plans	X X X .....						
91.	Dividends or refunds applied to purchase paid-up additions and annuities	X X X .....						
92.	Dividends or refunds applied to shorten endowment or premium paying period	X X X .....						
93.	Premium or annuity considerations waived under disability or other contract provisions	X X X .....						
94.	Aggregate other amounts not allocatable by State	X X X .....						
95.	TOTALS (Direct Business)	X X X .....						
96.	Plus Reinsurance Assumed	X X X .....						
97.	TOTALS (All Business)	X X X .....						
98.	Less Reinsurance Ceded	X X X .....						
99.	TOTALS (All Business) less Reinsurance Ceded	X X X .....						
DETAILS OF WRITE-INS								
5701		X X X .....						
5702		X X X .....						
5703		X X X .....						
5798.	Summary of remaining write-ins for Line 57 from overflow page	X X X .....						
5799.	TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above)	X X X .....						
9401		X X X .....						
9402		X X X .....						
9403		X X X .....						
9498.	Summary of remaining write-ins for Line 94 from overflow page	X X X .....						
9499.	TOTALS (Lines 9401 through 9403 plus 9498) (Line 94 above)	X X X .....						

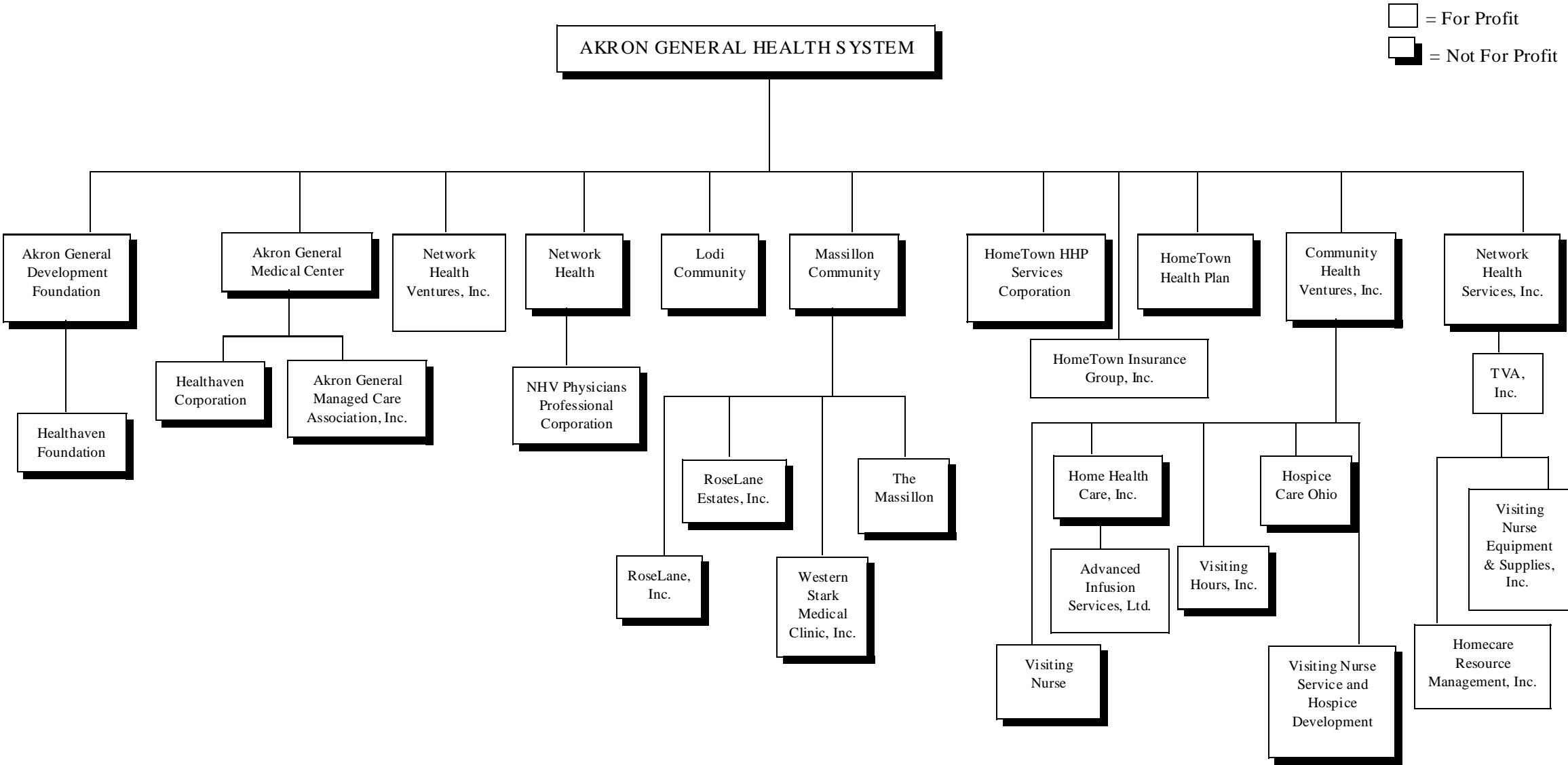
(a) Insert the number of yes responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

All insurer members of a Holding Company Group that has acquired and/or disposed of any domestic insurer (s) since filing the last annual or quarterly statement shall prepare a common schedule for inclusion in each of the individual quarterly statements

**PART 1 - ORGANIZATIONAL CHART**  
**AKRON GENERAL HEALTH SYSTEM ORGANIZATION CHART**

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# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	RESPONSES
1. Will the SVO Compliance Certification be filed with this statement?	Yes
2. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	No

Explanations:

Bar Codes:



**OVERFLOW PAGE FOR WRITE-INS**

E01	Schedule A Part 2. ....	NONE
E01	Schedule A Part 3. ....	NONE
E02	Schedule B Part 1. ....	NONE
E02	Schedule B Part 2. ....	NONE
E03	Schedule BA Part 1. ....	NONE
E03	Schedule BA Part 2 . ....	NONE
E04	Schedule D Part 3. ....	NONE
E05	Schedule D Part 4. ....	NONE
E06	Schedule DB Part A Section 1. ....	NONE
E06	Schedule DB Part B Section 1. ....	NONE
E07	Schedule DB Part C Section 1. ....	NONE
E07	Schedule DB Part D Section 1. ....	NONE

**SCHEDULE E - PART 1 - CASH**

1			2	3	4	Book Balance at End of Each Month During Current Quarter			8
Depository			Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	5	6	7	
						First Month	Second Month	Third Month	*
<b>open depositories</b>									
Advest, Inc. ....	Investment account .....			625		100	100	2,920,275	.
First Merit .....	Operating account .....		0.743	11,382		2,927,427	2,932,512	13,541	.
0199998 Deposits in ..... depositories which do not exceed the allowable limit in any one depository (See Instructions) - open depositories ....			X X X						.
0199999 Totals - Open Depositories .....			X X X	12,006		2,927,527	2,932,612	2,933,815	.
0299998 Deposits in ..... depositories which do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....			X X X						.
0299999 Totals - Suspended Depositories .....			X X X						.
0399999 Total Cash On Deposit .....			X X X	12,006		2,927,527	2,932,612	2,933,815	.
0499999 Cash in Company's Office .....			X X X	X X X	X X X				.
0599999 Total Cash .....			X X X	12,006		2,927,527	2,932,612	2,933,815	.

**TSS-1    Trusteed Surplus Affidavit. .... NONE**

**TSS-2    Trusteed Surplus Assets. .... NONE**

**TSS-2    Trusteed Surplus Assets (Cont.). .... NONE**

**TSS-3    Trusteed Surplus Liabilities. .... NONE**

**OVERFLOW PAGE FOR WRITE-INS**

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