



IMAGING COVER SHEET

NAIC #: 10259

NAIC Group Code: 000

Company Name: HOMEGARD OF OHIO, INC.

Company Type: P&C Life HIC Frat Title MEWA HW MPA
 DOMESTIC FOREIGN

Form Type: STATEMENTS

Sub-form Type: QUARTERLY

Transaction # (if applicable):

Effective Date:

Additional Info: SECOND QUARTER, PERIOD ENDING JUNE 30, 2002

Date Scanned:

Scanned By (initials):

EXHIBIT 1 - ANALYSIS OF ASSETS

	Ledger Assets	Nonledger (include excess of MV over BV)	Asset not Admitted (include excess BV over MV)	Net Admitted Assets	Previous Year End
1. Bonds					
2. Stocks					
a. Preferred stocks					
b. Common stocks					
3. Real estate, less encumbrances					
4. Mortgage loans on real estate					
5. Cash on hand and on deposit					
a. Cash in company's office 1001	75			75	75
b. Cash on deposit 1002, 1010, 1016	1,152,587			1,152,587	996,845
6. Other invested assets 1305	28,094			28,094	25,000
7. Home protection contract fees receivable					
8. Service fees receivable					
9. Receivable from affiliates 1036	(22,569)			(22,569)	—
10. Federal income tax recoverable					
11. Electronic data processing equip					
12. Interest, dividends & real estate income due and accrued					
13. Reinsurance recoverable on loss payments					
14. Equip., furniture & supplies				XXXXXXXXXX	XXXXXXXXXX
15. Deferred acquisition cost				XXXXXXXXXX	XXXXXXXXXX
16. Other assets:					
a. _____					
b. _____					
c. _____					
17. Prepaid expenses:					
a. _____				XXXXXXXXXX	XXXXXXXXXX
b. _____				XXXXXXXXXX	XXXXXXXXXX
c. _____				XXXXXXXXXX	XXXXXXXXXX
18. Totals	1,158,187			1,158,187	1,021,920

EXHIBIT 2 - ANALYSIS OF NON-ADMITTED ASSETS

	2 End of Previous Year	3 End of Current Year	4 Change Increase - decrease + Col. 2-3
19. Company's stock owned			
20. Deposits in suspended depositories, less estimated amount recoverable			
21. Equip., furniture and supplies			
22. Prepaid expenses:			
a. _____			
b. _____			
c. _____			
23. Other assets not admitted:			
a. _____			
b. _____			
c. _____			
24. Total change	XXXXXXXXXX	XXXXXXXXXX	

NOTE: PER AUDIT BY STATE THE PRIOR YEAR BALANCE'S HAVE BEEN ADJUSTED TO PROPERLY REFLECT HOMEGARD'S STATEMENTS IN ACCORDANCE WITH SSAP. AS A RESULT HOMEGARD REQUIRES FINANCIALS TO NOT SHOW ANY NON-ADMITTED ASSETS AS OF DECEMBER 31, 2001 OR JUNE 30, 2002

Line 24 to agree with Page 4, line 20.

LIABILITIES, SURPLUS AND OTHER FUNDS

	Current Year To Date	Previous Year End
1. Unpaid contract claims in process of settlement		
2. Statutory reserve (pg. 14, Report 1, line 6, Col (1) + Col (2))		
3. Unpaid claims adjustment expense		
4. Other expenses (excluding taxes, licenses and fees)		
5. Taxes, licenses and fees (excluding federal and foreign income taxes)		
6. Federal and foreign income taxes (excluding deferred taxes)	93,423	-
7. Borrowed money		
8. Interest payable		
9. Unearned contract fees	804,309	755,715
10. Dividends declared and unpaid		
11. Reinsurance in unauthorized companies		
a. Unearned contract fees		
b. Reinsurance recoverable		
1. paid claims		
2. unpaid claims		
c. Reinsurance recoverable on paid & unpaid claims adjustment expense		
12. Ceded reinsurance balances payable		
13. All other liabilities:		
a. <u>VENDOR PAYABLE</u>	22,508	23,974
b. <u>PAYROLL</u>	4,261	4,262
c. <u>BROKER'S FEE</u>	19,000	
14. Total liabilities (Items 1 to 13c)	943,501	783,951
15. a. Common capital stock	500	500
b. Preferred capital stock		
16. Gross paid-in and contributed surplus	48,500	48,500
17. Unassigned funds (surplus)	192,186	215,469
18. Less treasury stock, at cost	(26,500)	(26,500)
19. Surplus as regards contractholders (Items 15 to 17 less 18)	214,686	237,969 (1)
20. Totals (Item 14 plus 19)	1,158,187	1,021,920

Line 19 to agree with Page 4, line 27.

SURPLUS PER DEC 31, 2001 ANNUAL STATEMENT	800,418
REVERSE OUT STATUTORY RESERVE PER AUDIT	221,502
RECORD UNEARNED CONTRACT FEE PER AUDIT	(755,715)
RECORD VENDOR PAYABLE AS REQUIRED BY SOAP	(23,974)
RECORD ACCRUED PAYROLL AS REQUIRED BY SOAP	(4,262)
ADJUSTED SURPLUS AT DEC 31, 2001	<u>237,969 (1)</u>

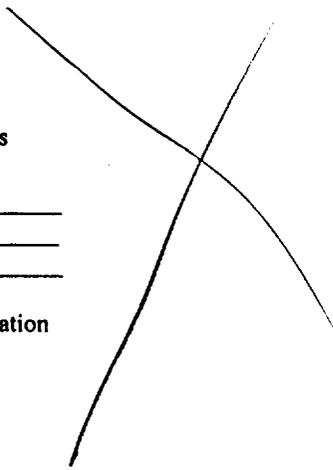
STATEMENT OF INCOME

UNDERWRITING INCOME	Current Year To Date	Previous Year End (1)
1. Contract fees earned	745,170	1,278,488
DEDUCTIONS		
2. Claims incurred	213,991	612,195
3. Claims adjustment expenses incurred	42,157	81,932
4. Other underwriting expenses incurred	127,381	253,967
5. _____		
6. Total deductions (Lines 2 to 5)	433,529	948,089
7. Net underwriting gain or loss (-) (Item 1 less 6)	311,641	330,399
INVESTMENT INCOME		
8. Net investment income earned	4,024	7,707
9. Net realized capital gains or losses	-	-
10. Net investment gain or loss	4,024	7,707
OTHER INCOME		
11. _____		
12. _____		
13. Total other income (Lines 11 + 12)		
14. Net income before federal income taxes (Lines 7 + 10 + 13)	315,665	338,106
15. Federal income taxes incurred	94,423	65,000
16. Net income (Item 14 less 15)	221,242	273,106
CAPITAL AND SURPLUS ACCOUNT		
17. Surplus as regards contractholders, Dec. 31 Previous year	237,969	646,437
18. Net income (from item 16)	221,242	273,106
19. Net unrealized capital gains and losses	-	
20. Change in non-admitted assets (Exhibit 2)	-	
21. Capital changes:		
a. Paid in	-	
b. Transferred from surplus	-	
c. Transferred to surplus	-	
22. Surplus adjustments:		
a. Paid in	-	
b. Transferred to capital	-	
c. Transferred from capital	-	
23. Dividends to stockholders (cash)	<244,525>	<681,624>
24. Change in treasury stock	-	
25. Change in Statutory reserve	-	
26. Change in surplus as regards contractholders	-	<408,518>
27. Surplus as regards contractholders at statement date	214,686	237,969

Line 27 to agree with Page 3, line 19. (1) See comments on Exhibit 2 page 2

EXHIBIT 3 - RECONCILIATION OF LEDGER ASSETS

Increase in ledger assets	
1. Contract fees written	
2. Interest, dividends and real estate income received	
3. From sale or maturity of ledger assets	
4. Other income items or increases:	
a. Funds held under reinsurance treaties (net)	
b. Borrowed money (gross)	
c. Amounts withheld or retained for account of others	
d. Ceded reinsurance balances	
e. _____	
f. _____	
g. _____	
5. Adjustment in book value of ledger assets	
6. Capital paid in	
7. Surplus paid in	
8. Total (Items 1 to 7)	
Decrease in ledger assets	
9. Net contract claims paid	
10. Expenses paid	
11. From sale or maturity of ledger assets	
12. Other disbursement items or decreases:	
a. Funds held under reinsurance treaties (net)	
b. Borrowed money (gross)	
c. Amounts withheld or retained for account of others	
d. Ceded reinsurance balances	
e. _____	
f. _____	
g. _____	
13. Adjustment in book value of ledger assets and depreciation	
14. Federal and foreign income taxes paid	
15. Dividends paid stockholders	
16. _____	
17. _____	
18. _____	
19. Total (Item 9 to 18)	
Reconciliation between years	
20. Amount of ledger assets as per balance Dec. 31 of previous year	
21. Increase (+) or decrease (-) in ledger assets during the year (Item 8 less 19)	
22. Balance = ledger assets as of statement date	



Line 22 to agree with Page 2, line 18, col 1.

SCHEDULE A - PART 2

Show all Real Estate Acquired by the Company During the Current Period

No.	Location and Description of Property (State if occupied or leased by company, parent, subsidiary, or affiliated)	Date Acquired	Name of Vendor	1 Amount of Encumbrances	2 Cost to Company
	N/A				
9999998	Foreclosed Real Estate Acquired During Current Period Under Contract for Sale	XXX			
9999999			Total		

SCHEDULE A - PART 3

Show all Real Estate Sold During the Current Period

No.	Location and Description of Property or Nature of Additions and Improvements	Date Sold	1 Cost to Company	2 Book Value At Date of Sale Less Encumbrances	3 Profit on Sale	4 Loss on Sale
	N/A					
0399999			Total	0	0	0

SCHEDULE A - VERIFICATION

Show all Real Estate Owned

	1	2	3	4
	Current Year as of 3/31	Current Year as of 6/30	Current Year as of 9/30	Previous Year Ending 12/31
1. Book value of real estate owned, previous period				
2. Increase, by adjustment				
3. Cost of acquired				
4. Cost of permanent improvements				
5. Profit on sales				
6. TOTAL				
7. Decrease, by adjustment				
8. Received on sales				
9. Loss on sales				
10. Book value of real estate owned, end of period				
11. Properties occupied by the company less encumbrances				
12. Properties acquired in satisfaction of debt less encumbrances				
13. Investment in real estate less encumbrances				

SCHEDULE B

Long - Term Mortgage Loans Held

	1	2	3	4
	Current Year as of 3/31	Current Year as of 6/31	Current Year as of 9/30	Previous Year Ending 12/31
1. Book value of mortgages held, previous period				0
2. Loans in cash or granted on disposal of real estate				0
3. Cost of mortgages (insured and other) purchased				0
4. Additional cash loaned on refunded mortgages				0
5. Interest covered by increase in, or refunding of mortgages				0
6. Taxes covered by increase in, or refunding of, mortgages				0
7. Other Items covered by increase in, or refunding of, mortgages				0
8. Accrual of discount on mortgages purchased				0
9. Transfers				0
10. Aggregate write - ins for increases				0
11. TOTALS				0
12. Payments on principal including cash on mortgages refunded				0
13. Mortgages foreclosed and transferred to real estate				0
14. Mortgages on properties acquired by deed, in lieu of foreclosure, and transferred to real estate				0
15. Decrease in book value of mortgages refunded or by adjustment in book value of mortgages				0
16. Amortization of premium on mortgages purchased				0
17. Transfers				0
18. Aggregate write - ins for decreases				0
19. Total deductions				0
20. Book value of mortgages owned, end of period				0
DETAILS OF WRITE - INS AGGREGATED AT LINE 10 FOR INCREASES				
1001.				0
1002.				0
1003.				0
1004.				0
1005.				0
1098. Summary of remaining write-ins for line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 thru 1005 plus 1098) (Schedules B, Line 10)	0	0	0	0
DETAILS OF WRITE-INS AGGREGATED AT LINE 18 FOR DECREASES				
1801.				0
1802.				0
1803.				0
1804.				0
1805.				0
1898. Summary of remaining write-ins for line 18 from overflow page	0	0	0	0
1899. Totals (lines 1801 thru 1805 plus 1898) (Schedule b, Line 18)	0	0	0	0

SCHEDULE BA - VERIFICATION BETWEEN YEARS
Other Invested Assets Included in Schedule BA

Description	1	2	3	4
	Current Year as of 3/31	Current Year as of 6/30	Current Year as of 9/30	Previous Year
1. Book value of other invested assets, beginning period	28,094			25,000
2. Cost of acquisitions, current period				
3. Increase by adjustment, current period				
4. Profit on disposition				
5. TOTAL	28,094			25,000
6. Deduct consideration on disposition				
7. Reductions in investment, current period				
8. Decrease by adjustment, current period				
9. Loss on disposition				
10. Book value of other invested assets	28,094			25,000

SCHEDULE BA - PART 2

Showing all Long-Term Invested Assets Acquired During the Current Period

1 Number of Units and Description	2 Date Acquired	3 Cost to Company	4 Consideration Paid During Current Year	5 Name of Vendor
N/A		0	0	XXX
1299999				

SCHEDULE BA - PART 3

Showing all Long-Term Invested Assets Disposed of During the Current Period

1 Number of Units and Description	2 Date Disposed of	3 Name of Purchaser Or Nature of Disposition	4 Consideration	5 Book Value at Date of Sale	6 Profit on Disposal	7 Loss on Disposal
N/A			0	0	0	0
1299999						

TOTALS

SCHEDULE D - PART 1

Showing the Acquisitions, Dispositions and Non - Trading Activity
During the Current Period for all Bonds and Preferred Stock by Rating Class

	1 Statement Value Beginning of Period	2 Acquisitions	3 Dispositions	4 Non - Trading Activity	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value End of Previous Year
BONDS								
1. Class 1								
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds								
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock								

SCHEDULE D - PART 2

Show All Bonds and Stock Acquired by the Company During the Current Period

CUSIP	Description <i>(Give complete and accurate description in each case, including the location of the issuing corporation, where necessary for identification, and also in case of serial issues the amount maturing each year)</i>	Date Acquired	Name of Vendor	1 Number of Shares of Stock	2 Actual Cost (Excluding Accrued Interest and Dividends)	3 Par Value of Bonds	4 Paid for Accrued Interest and Dividends	5 NAIC Designation
	N/A							
2499999	Total				0	0	0	0

* For all common stock bearing the NAIC designation "U" provide: the number of such issues

STATEMENT AS OF JUNE 30, 2002 OF THE HOMEWARD OF OHIO, INC.

SCHEDULED - PART 3

Showing all BONDS and STOCK Sold, Redeemed or Otherwise Disposed of by the Company During the Current Period

CUSIP	Description (Give complete and accurate description in each case, also in case of serial issues the amount maturing each year.)	Disposal Date	Name of purchaser (If matured or called, so state and give price at which called)	1 Number of Shares of Stock	2 Consideration (excluding accrued interest and dividends)	3 Par Value of bonds	4 Actual Cost (excluding accrued interest and dividends)	5 Book Value at Date of Disposal	6 Profit on Disposal	7 Loss on Disposal	8 Interest and Dividends Received	9 NAIC Designation*
	W/A											
2499999	Total				0	0	0	0	0	0	0	XXX

SCHEDULE N

Month End Depository Balances

1 Depository	2	3	4	5 Balance at end of Each Month During Current Quarter		
				5 First Month	6 Second Month	7 Third Month
Give Full Name and Location State if depository is a parent, subsidiary, or affiliate (Show rate of interest and maturity date in the case of certificates of deposit or time deposits.)	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued During Current Quarter	4/02	4/02	6/02
Checking account - Bank One Columbus, OH		12	13	10,903	10,807	10,811
Money Market Fund - One Group OH		504	0	231,723	231,933	232,074
Checking account - Fifth Third Bank		0	0	0	0	0
Checking account - Huntington National Bank		0	0	534,664	791,535	909,702
0199998 Deposits in depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX					
0199999 Total Open Depositories	XXX					
0299998 Deposits indepositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	XXX					
0299999 Total Suspended Depositories	XXX					
0399999 Grand Totals						

REPORT 1 - RESERVE CALCULATION

	Ohio Business (1)	Non-Ohio Business (2)
1. Contract fees collected - on contracts issued and renewed during the year and all other contracts in force (unexpired) at the end of current period.	\$	1.
2. Less: Reinsurance ceded	-	2.
3. Net contract fees		3.
4. Sub-total reserve amount	x .40	.40
5. Less: Claims paid during current year and prior years on contract policies issued or renewed during the year and all other contracts still in force (unexpired) at the end of current period.	-	5.
6. Current statutory reserve **	\$	6.

N/A PER AUDIT REPORT FROM DEPT OF INSURANCE

** Show line 6 (sum of Col. (1) + Col. (2)) on Page 3, line 2, current period, If line six is negative enter 0 (zero) on page 3 line 2, current year.

REPORT 2 - SURPLUS REQUIREMENT CALCULATION

Calculated company required surplus is based on contracts issued or renewed representing Ohio and Non-Ohio business in the preceding calendar year.

If company is commencing business for the first time, surplus is based on the projected number of contracts to be issued representing Ohio and Non-Ohio business.

Surplus	Number of Contracts
\$ 50,000 minimum	1,000
70,000	1,500
90,000	2,000
110,000	2,500
130,000	3,000
150,000	3,500
170,000	4,000
210,000	5,000
410,000	10,000
610,000	15,000

	Ohio Business (1)	Non-Ohio Business (2)
1. Total contracts issued or renewed (2000) 2000	1. 3,884	
2. Less 1,000 contracts	2. - 1,000	XXXXXXXXXXXXXXXXXXXXX x
3. Additional contracts	3. 2,884	
4. Divided by 500	4. / 500	/ 500
5. Surplus factor (round up; no decimal)	5. 6	
6. Multiply by \$20,000	6. x \$20,000	x \$20,000
7. Additional surplus required	7. 120,000	\$
8. Plus \$50,000 minimum	8. + \$50,000	

9. Total minimum surplus required - Ohio Business (lines 7 + 8,)	9.	<u>\$ 170,000</u>
10. Total surplus required - Non-Ohio business (line 7, Col. 2)	10.	<u>\$ -</u>
11. Total (lines 9 + 10)	11.	<u>\$ 170,000</u>
12. Enter amount from page 3, line 19	12.	<u>\$ 233,685</u>
13. Difference (line 12 - line 11)	13.	<u>\$ 63,685</u>

NOTE: MINIMUM SURPLUS PER MEMORANDUM OF UNDERSTANDING

CONTRACT FEES EARNED	
IN 2001	1,278,488
DIVIDE BY 6	213,081
PER LINE 12	<u>233,685</u>
EXCESS SURPLUS	<u><u>20,604</u></u>

CONTRACT FEES WRITTEN
Allocated by States and Territories

1	STATES		2	3	4	5
			Number of Contracts Written Year to Date	Direct Fees Written Year to Date	Direct Claims Paid Year to Date	Number of Contracts In Force (Unexpired)
1	Alabama	AL				
2	Alaska	AK				
3	Arizona	AZ				
4	Arkansas	AR				
5	California	CA				
6	Colorado	CO				
7	Connecticut	CT				
8	Delaware	DE				
9	Wash D.C.	DC				
10	Florida	FL				
11	Georgia	GA				
12	Hawaii	HI				
13	Idaho	ID				
14	Illinois	IL				
15	Indiana	IN				
16	Iowa	IA				
17	Kansas	KS				
18	Kentucky	KY				
19	Louisiana	LA				
20	Maine	ME				
21	Maryland	MD				
22	Massachusetts	MA				
23	Michigan	MI				
24	Minnesota	MN				
25	Mississippi	MS				
26	Missouri	MO				
27	Montana	MT				
28	Nebraska	NE				
29	Nevada	NV				
30	New Hampshire	NH				
31	New Jersey	NJ				
32	New Mexico	NM				
33	New York	NY				
34	North Carolina	NC				
35	North Dakota	ND				
36	Ohio	OH	2,157	745,170	263,991	4,270
37	Oklahoma	OK				
38	Oregon	OR				
39	Pennsylvania	PA				
40	Rhode Island	RI				
41	South Carolina	SC				
42	South Dakota	SD				
43	Tennessee	TN				
44	Texas	TX				
45	Utah	UT				
46	Vermont	VT				
47	Virginia	VA				
48	Washington	WA				
49	West Virginia	WV				
50	Wisconsin	WI				
51	Wyoming	WY				
52						
53						
54						
55	Totals					