



**IMAGING COVER SHEET**

NAIC #: 11019

NAIC Group Code: 000

Company Name: N.E.W. HOME WARRANTY SERVICES 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):

QUARTERLY STATEMENT  
For the Quarter Ended June 30, 2002  
of the condition and affairs of

THE N.E.W. HOME WARRANTY SERVICES OF OHIO, INC.

Employer's ID No: 54-1909904

Organized under the Laws of the State of Ohio, made to the  
INSURANCE DEPARTMENT OF THE STATE OF Ohio, pursuant to the laws  
thereof.

Incorporated June 3, 1998 Commenced Business Not yet

Home Office 22894 Pacific Blvd. Sterling, VA 20166  
(Street and Number) (City or Town, State and Zip Code)

Mail Address 22894 Pacific Blvd. Sterling, VA 20166  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office (703)-375-8100  
(Area Code and Telephone Number)

Primary Location of Books 22894 Pacific Blvd. Sterling, VA 20166  
(Street) (City, State and Zip Code) (Telephone)

Contact Person and Phone Number Clifford A. White (703) 375-8100

RECEIVED  
AUG 13 2002  
O.F.R.S.

OFFICERS\*\*

Anthony P. Nader (President) Martin V. Bloom (Vice President) \_\_\_\_\_ (Vice President)

Jeffrey Kramp (Secretary) \_\_\_\_\_ (Vice President) \_\_\_\_\_ (Vice President)

Clifford A. White (Treasurer) \_\_\_\_\_ (Vice President) \_\_\_\_\_ (Vice President)

DIRECTORS OR TRUSTEES\*\*

Fredrick Schaufeld \_\_\_\_\_  
Anthony P. Nader \_\_\_\_\_  
Clifford A. White \_\_\_\_\_  
Martin V. Bloom \_\_\_\_\_

State of Virginia  
County of Loudoun SS.

Anthony P. Nader (President), Jeffrey Kramp (Secretary), Clifford A. White (Treasurer)

of the N.E.W. Home Warranty Services of Ohio, Inc., being duly sworn, each for  
himself deposes and says that they are the above described officers of the said company, and that on  
June 30, 2002, all of the herein described assets were the absolute property  
of the said company, free and clear from any liens of claims thereon, except as herein stated, and that this  
quarterly statement, together with related exhibits, schedules and explanations therein contained, annexed  
or referred to are a full and true statement of all the assets and liabilities and of the condition and affairs of  
the said company as of June 30, 2002, and of its income and deductions  
therefrom for the quarter ended on that date, according to the best of their information, knowledge and  
belief, respectively.

Subscribed and sworn to before me this

13th day of August, 2002

Danny B. Little  
(seal)

Anthony P. Nader President  
Jeffrey Kramp Secretary  
Clifford A. White Treasurer

My Commission Expires  
December 31, 2003

\*\* Or corresponding person having  
charge for the accounts of company

**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					
b. Cash on deposit	117,401.00			117,401.00	116,543.49
6. Other invested assets					
7. Home protection contract fees receivable					
8. Service fees receivable					
9. Receivable from affiliates					
10. Federal income tax recoverable					
11. Electronic data processing equipment					
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	117,401.00			117,401.00	116,543.49

**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	XXXXXXXXXXXX	XXXXXXXXXXXX	

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	Current Year To Date	Previous Year End
1. Unpaid contract claims in process of settlement		
2. Statutory reserve (pg. 13, 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)		
7. Borrowed money		
8. Interest payable		
9. Unearned contract fees		
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		
12. Ceded reinsurance balances payable		
13. All other liabilities:		
a. <u>Intercompany Payable</u>	0.00	0.00
b. _____		
c. _____		
14. Total liabilities (Items 1 to 13c)	0.00	0.00
15. a. Common capital stock	1.00	1.00
b. Preferred capital stock		
16. Gross paid-in and contributed surplus	101,999.00	101,999.00
17. Unassigned funds (surplus)	15,401.00	14,543.49
18. Less treasury stock, at cost		
19. Surplus as regards contractholders (Items 15 to 17 less 18)	117,401.00	116,543.49
20. Totals (Item 14 plus 19)	117,401.00	116,543.49

Line 19 to agree with Page 4, line 27.

**STATEMENT OF INCOME**

	Current Year To Date	Previous Year End
1. Contract fees earned		
DEDUCTIONS		
2. Claims incurred		
3. Claims adjustment expenses incurred		
4. Other underwriting expenses incurred	85.00	
5. _____		
6. Total deductions (Lines 2 to 5)	85.00	0.00
7. Net underwriting gain or loss (-) (Item 1 less 6)	(85.00)	0.00
INVESTMENT INCOME		
8. Net investment income earned	942.43	5,734.80
9. Net realized capital gains or losses	0.00	
10. Net investment gain or loss	942.43	5,734.80
OTHER INCOME		
11. _____		
12. _____		
13. Total other income (Lines 11 + 12)	0.00	0.00
14. Net income before federal income taxes (Lines 7 + 10 + 13)	857.43	5,734.80
15. Federal income taxes incurred		
16. Net income (Item 14 less 15)	857.43	5,734.80
CAPITAL AND SURPLUS ACCOUNT		
17. Surplus as regards contractholders, Dec. 31 Previous year	116,543.49	110,808.69
Gains (+) and Losses (-) in Surplus		
18. Net income (from item 16)	857.43	5,734.80
19. Net unrealized capital gains and losses	0.00	0.00
20. Change in non-admitted assets (Exhibit 2)	0.00	0.00
21. Capital changes:		
a. Paid in		
b. Transferred from surplus		
c. Transferred to surplus		
22. Surplus adjustments:		
a. Paid in		
b. Transferred to U.S. Treasury Bills*		
c. Transferred from capital		
23. Dividends to stockholders (cash)	0.00	0.00
24. Change in treasury stock	0.00	0.00
25. Change in Statutory reserve	0.00	0.00
26. Change in surplus as regards contractholders	857.43	5,734.80
27. Surplus as regards contractholders at statement date	117,400.92	116,543.49

**EXHIBIT 3 - RECONCILIATION OF LEDGER ASSETS**

Increase in ledger assets	
1. Contract fees written	
2. Interest, dividends and real estate income received	942.43
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)	942.43
Decrease in ledger assets	
9. Net contract claims paid	
10. Expenses paid	85.00
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. Adjustments in book value of ledger assets and depreciation	
14. Federal and foreign income taxes paid	
15. Dividends paid stockholders	
16. _____	
17. _____	
18. _____	
19. Total (Items 9 to 18)	85.00
Reconciliation between years	
20. Amount of ledger assets as per balance Dec.31 of previous year	116,543.49
21. Increase (+) or decrease (-) in ledger assets during the year (Item 8 less 19)	857.43
22. Balance = ledger assets as of statement date	117,400.92

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

**SCHEDULE A - PART 2**

**NOT APPLICABLE**

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
99998	Foreclosed Real Estate Acquired During Current Period Under Contract for Sale	XXXXX			
99999			Total		

**SCHEDULE A - PART 2**

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

No.	Location and Description of property or Nature of Additions and Improvements	Date Sold	Name of Vendor	1 Cost to Company	2 Book Value At Date of Sale Less Encumbrances	3 Profit on Sale	4 Loss on Sale
99999				Total			

**SCHEDULE A - VERIFICATION****NOT APPLICABLE**

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

**SCHEDULE BA - VERIFICATION BETWEEN YEARS**

Other Invested Assets Included in Schedule BA

	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				
2. Cost of acquisitions, current period				
3. Increase by adjustment, current period				
4. Profit on disposition				
5. TOTAL				
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.				

## SCHEDULE BA - PART 2

Showing all Long - Term Invested Assels 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
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
1299999 TOTALS						



NOT APPLICABLE

**SCHEDULE D - PART 2**

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

CUSIP	Description (Give a 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)	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
2499999	Total				0	0	0	0

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

**NOT APPLICABLE**

**SCHEDULE D - PART 3**  
 Showing all BONDS and STOCKS 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*
2499999	Total				0	0	0	0	0	0	0	XXX

STATEMENT AS OF JUNE 30, 2002 OF THE N.E.W. HOME WARRANTY SERVICES OF OHIO, INC.**SCHEDULE N**

## Month End Depository Balances

1 Depository	2	3	4	Book 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			
1.64 % CD, matures 12/1/2003, Bank One, NA Columbus, Ohio	1.64%	112.41		25,000.00	25,000.00	25,000.00
Cash on deposit		0.00		2,174.00	2,158.00	2,158.00
Charles Schwab Value Advantage Money Fund	1.67%	367.67		89,993.00	90,113.00	90,243.00
199998 Deposits in depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX					
0199999 Total Open Depositories	XXX	480.08	0.00	117,167.00	117,271.00	117,401.00
0299998 Deposits in...depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	XXX					
0299999 Total Suspended Depositories	XXX	0.00	0.00	0.00	0.00	0.00
0199999 Grand Totals		480.08	0.00	117,167.00	117,271.00	117,401.00

**REPORT 1 - RESERVE CALCULATIONS**

	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.	\$ 0.00	0.00	1.
2. Less: Reinsurance ceded	- 0.00	0.00	2.
3. Net contract fees	0.00	0.00	3.
	x 0.40	0.40	
4. Sub-total reserve amount	0.00	0.00	4.
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.	0.00	0.00	5.
6. Current statutory reserve**	\$ 0.00	0.00	6.

\*\* 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	

  

1. Total contracts issued or renewed (1996)	1.	
2. Less 1,000 contracts	2. - 1,000	Xxxxxxxxxxxxxxxxxx
3. Additional contracts	3.	
4. Divided by 500	4. / 500	/ 500
5. Surplus factor (round up; no decimal)	5.	
6. Multiply by \$20,000	6. x \$20,000	x \$20,000
7. Additional surplus required	7.	
8. Plus \$50,000 minimum	8. + \$50,000	

STATEMENT AS OF JUNE 30, 2002 OF THE N.E.W. HOME WARRANTY SERVICES OF OHIO, INC.

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9. Total minimum surplus required - Ohio Business (line 7 + 8)	9.	\$	50,000.00
10. Total surplus required - Non-Ohio business (line 7, Col. 2)	10.	\$	0.00
11. Total (lines 9 + 10)	11.	\$	50,000.00
12. Enter amount from page 3, line 19	12.	\$	117,401.00
13. Difference (line 12 - line 11)	13.	\$	67,401.00

**NOT APPLICABLE**

**CONTRACT FEES WRITTEN**  
Allocated by States and Territories

**No contracts issued or renewed**

1 STATES		2 Number of Contracts Written Year to date	3 Direct Fees Written Year to Date	4 Direct Claims Paid Year to Date	5 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			
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				