

THE *First Akron Corporation*

611 WEST MARKET ST. • AKRON, OHIO 44303-1498

Ph: 330-376-6811

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Kathryn M. Hunter, President

November 14, 2002

Terrance A. Miller
OHIO DEPARTMENT OF INSURANCE
OFFICE OF FINANCIAL REGULATION SERVICES
2100 Stella Court
Columbus, OH 43215-1067

Dear Mr. Miller:

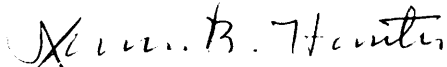
RE: **FIRST AKRON CORPORATION
TITLE INSURANCE COMPANY
NAIC #50385**

Thank you in advance for your efforts on our behalf to obtain an exception with regard to the bar code requirement. We are enclosing the Third Quarter, 2002 report as we have been doing it because we did not want it to be late.

As I explained, we are a very small operation and only use personal computers and small business software. Bar codes are not something we have ever done – or, candidly, even know how to begin doing. As we have been dormant for more than ten years, it is hoped that this exception may be granted. Of course, when we resume doing title business, or our title license is activated in any way, we would immediately add the computer hardware to handle the business, and the bar codes.

Please let me know as soon as a final determination has been made.

Sincerely,



James B. Hunter CPA
Vice President

Enclosure: Third Quarter, 2002 report

QUARTERLY STATEMENT

As of Sept. 30, 2002
OF THE CONDITION AND AFFAIRS OF THE

NAIC Group Code (none) (Current Period) NAIC Company Code 50385 Employer's ID Number 34-073000
(Prior Period)
Organized under the Laws of _____ State of Domicile or Port of Entry _____ Country of Domicile USA
Incorporated 3/6/46 Commenced Business 3/8/46
Statutory Home Office 611 West Market Street, Akron, OH 44303-1498
(Street and Number) (City or Town, State and Zip Code)
Main Administrative Office same
(Street and Number)
(City or Town, State and Zip Code) (Area Code) (Telephone Number)
Mail Address same
(Street and Number or P.O. Box) (City or Town, State and Zip Code)
Primary Location of Books and Records same
(Street and Number)
(City or Town, State and Zip Code) (Area Code) (Telephone Number)
Internet Website Address none
Statement Contact James B. Himter, CPA (330) 376-6813
(Name) (Area Code) (Telephone Number) (Extension)
jhunter@firstakroncorp.com (330) 376-7406
(E-Mail Address) (FAX Number)
Policyowner Relations Contact same as above
(Street and Number)
(City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

President Kathryn M. Hunter
Secretary Ann H. Durr
Treasurer _____

Vice-Presidents

David M. Hunter
James B. Hunter

DIRECTORS OR TRUSTEES

Kathryn M. Hunter
David M. Hunter
James B. Hunter
Ann H. Durr

State of Ohio
County of Summit

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 conditions 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 manual 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.

Kathryn M. Hunter
(Signature)
Kathryn M. Hunter
(Printed Name)
President

Ann H. Durr
(Signature)
Ann H. Durr
(Printed Name)
Secretary

James B. Hunter, CPA
(Signature)
James B. Hunter, CPA
(Printed Name)
Treasurer

Subscribed and sworn to before me this
14th day of November, 2002
Antonie T. White

RECEIVED

NOV 14 2002

ANTONIE T. WHITE, Notary Public
Residence - Summit County
State Wide Jurisdiction, Ohio
My Commission Expires May 6, 2007

STATEMENT AS OF 9.30.02 OF THE FIRST AKRON CORPORATION
ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	50,000		50,000	50,011
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	2,000,546		2,000,546	1,885,166
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens	-		-	
4. Real Estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)	-		-	25,025
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$103,838) and short-term investments (\$17,600)	121,438		121,438	182,132
6. Other invested assets				
7. Receivable for securities				
8. Subtotals, cash and invested assets (Lines 1 to 7)	2,171,984		2,171,984	2,142,334
9. Title plants, less \$ charged off				
10. Title insurance premiums and fees receivable				
11. Funds held by or deposited with reinsured companies				
12. Reinsurance recoverables on loss and loss adjustment expense payments				
13. Federal and foreign income tax recoverable and interest thereon (including \$ net deferred tax asset)				
14. Guaranty funds receivable or on deposit				
15. Electronic data processing equipment and software				
16. Interest, dividends and real estate income due and accrued	15,897	15,680	217	217
17. Net adjustments in assets and liabilities due to foreign exchange rates				
18. Receivable from parent, subsidiaries and affiliates	791,966	791,966	-	1,660
19. Other assets nonadmitted (Exhibit 1)	515	515	-	-
20. Aggregate write-ins for invested assets				
21. TOTALS (Lines 8 to 20)	2,980,362	808,161	2,172,201	2,144,211
2001. PREPAID INSURANCE	515	515	-	-
2002.				
2003.				
2098. Summary of remaining write-ins for Line 20 from overflow page.				
2099. Totals (Lines 2001 thru 2003 + 2098) (Line 20 above)	515	515	-	-

A. The above assets include the following segregated assets of the Statutory Premium Reserve or other similar statutory reserve: Bonds \$ 50,000, Short-term investments \$ 17,600, Mortgages \$ -, Cash \$ -, Total \$ 67,600

SEGREGATED FUNDS HELD FOR OTHERS BY THE COMPANY
(Set apart in special accounts and excluded from company assets and liabilities)

B. Custodial funds in the amount of \$, not included in the foregoing statement were held pursuant to the governing agreements of custody. These funds consist of \$ in cash on deposit and \$ in other forms of security.

LIABILITIES, SURPLUS AND OTHER FUNDS		1 Current Statement Date	2 December 31 Prior Year
1.	Known claims reserve		
2.	Statutory premium reserve	2,140	2,140
3.	Aggregate of other reserves required by law		
4.	Supplemental reserve		
5.	Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers		
6.	Other expenses (excluding taxes, licenses and fees)		14,878
7.	Taxes, licenses and fees (excluding federal and foreign income taxes)	762	1,145
8.	Federal and foreign income taxes (including \$ on realized capital gains (losses) (including \$ net deferred tax liability)		
9.	Borrowed money \$ and interest thereon \$	10,000	10,000
10.	Dividends declared and unpaid		
11.	Premiums and other consideration received in advance		
12.	Unearned interest and real estate income received in advance		
13.	Funds held by company under reinsurance treaties		
14.	Amounts withheld or retained by company for account of others	22,570	22,514
15.	Provision for unauthorized reinsurance		
16.	Net adjustment in assets and liabilities due to foreign exchange rates		
17.	Drafts outstanding		
18.	Payable to parent, subsidiaries and affiliates		
19.	Payable for securities		
20.	Aggregate write-ins for other liabilities		
21.	Total liabilities (Lines 1 through 20)	35,472	50,677
22.	Aggregate write-ins for special surplus funds		
23.	Common capital stock	117,000	117,000
24.	Preferred capital stock		
25.	Aggregate write-ins for other than special surplus funds		
26.	Surplus notes		
27.	Gross paid in and contributed surplus	56,317	56,317
28.	Unassigned funds (surplus)	1,963,412	1,929,217
29.	Less treasury stock, at cost:		
29.1	 shares common (value included in Line 23 \$)		
29.2	 shares preferred (value included in Line 24 \$)		
30.	Surplus as regards policyholders (Lines 22 to 28 less 29)	2,136,729	2,093,534
31.	Totals	2,172,201	2,144,211
DETAILS OF WRITE-INS			
0301.	.....		
0302.	.....		
0303.	.....		
0398.	Summary of remaining write-ins for Line 3 from overflow page		
0399.	Totals (Lines 0301 thru 0303 plus 0398) (Line 3 above)		
2001.	.....		
2002.	.....		
2003.	.....		
2098.	Summary of remaining write-ins for Line 20 from overflow page		
2099.	Totals (Lines 2001 thru 2003 plus 2098) (Line 20 above)		
2201.	.....		
2202.	.....		
2203.	.....		
2298.	Summary of remaining write-ins for Line 22 from overflow page		
2299.	Totals (Lines 2201 thru 2203 plus 2298) (Line 22 above)		
2501.	.....		
2502.	.....		
2503.	.....		
2598.	Summary of remaining write-ins for Line 25 from overflow page		
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)		

OPERATIONS AND INVESTMENT EXHIBIT STATEMENT OF INCOME		1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
OPERATING INCOME				
1.	Title insurance and related income:			
1.1	Title insurance premiums earned			
1.2	Escrow and settlement services			
1.3	Other title fees and service charges			
2.	Aggregate write-ins for other operating income. < LOSS >	< 89,705 >		< 225,075 >
3.	Total Operating Income (Lines 1 through 2) < LOSS >	< 89,705 >		< 225,075 >
DEDUCT:				
4.	Losses and loss adjustment expenses incurred	171,371		238,564
5.	Operating expenses incurred			
6.	Aggregate write-ins for other operating deductions	171,371		238,564
7.	Total Operating Deductions	< 261,076 >		< 463,631 >
8.	Net operating gain or (loss) (Lines 3 minus 7)			
INVESTMENT INCOME				
9.	Net investment income earned	66,018		100,597
10.	Net realized capital gains and (losses)	329,062		97,411
11.	Net investment gain or (loss) (Lines 9 + 10)	395,080		200,008
OTHER INCOME				
12.	Aggregate write-ins for miscellaneous income or (loss)	134,004		< 263,631 >
13.	Net income, before federal income taxes (Lines 8+11+12) < LOSS >			
14.	Federal and foreign income taxes incurred	134,004		< 263,631 >
15.	Net income (Lines 13 minus 14) < LOSS >			
CAPITAL AND SURPLUS ACCOUNT				
16.	Surplus as regards policyholders, December 31 prior year	2,093,534		2,356,865
GAINS AND (LOSSES) IN SURPLUS				
17.	Net income (from Line 15) < LOSS >	< 134,004 >		< 263,631 >
18.	Net unrealized capital gains or (losses)	< 144,966 >		< 64,368 >
19.	Change in net unrealized foreign exchange capital gain (loss)			
20.	Change in net deferred income taxes			
21.	Change in nonadmitted assets	54,157		64,658
22.	Change in provision for unauthorized reinsurance			
23.	Change in supplemental reserves			
24.	Change in surplus notes			
25.	Cumulative effect of changes in accounting principles			
26.	Capital Changes:			
26.1	Paid in			
26.2	Transferred from surplus (Stock Dividend)			
26.3	Transferred to surplus			
27.	Surplus Adjustments:			
27.1	Paid in			
27.2	Transferred to capital (Stock Dividend)			
27.3	Transferred from capital			
28.	Dividends to stockholders			
29.	Change in treasury stock			
30.	Aggregate write-ins for gains and losses in surplus			
31.	Change in surplus as regards policyholders for the year (Lines 17 through 30)	43,195		< 263,331 >
32.	Surplus as regards policyholders as of statement date (Lines 16 plus 31)	2,136,729		2,093,534
DETAILS OF WRITE-INS				
0201.	Mortgage Interest Income			
0202.	Equity Earnings of Subs. < LOSS >	< 89,705 >		< 225,075 >
0203.				
0298.	Summary of remaining write-ins from overflow page			
0299.	Totals (Lines 0201 through 0203 plus 0298) (Line 2 above)	< 89,705 >		< 225,075 >
0601.				
0602.				
0603.				
0698.	Summary of remaining write-ins from overflow page			
0699.	Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)			
1201.				
1202.				
1203.				
1298.	Summary of remaining write-ins from overflow page			
1299.	Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)			
3001.				
3002.				
3003.				
3098.	Summary of remaining write-ins from overflow page			
3099.	Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)			

STATEMENT AS OF 9.30.02 OF THE FIRST AKRON CORPORATION

CASH FLOW	1	2
	Current Year to Date	Prior Year End December 31
1. Premiums and other charges collected		—
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)		
3. Total operating expenses paid.. (171,371 + 515 + 16,023 - 762)	187,147	221,888
4. Cash from operations (Line 1 minus Line 2 minus Line 3)	<187,147>	<221,888>
5. Investment income (net of investment expense)	66,018	99,523
6. Other income received (expenses paid)		
7. Federal income taxes (paid) recovered	—	—
8. Net cash from operations (Lines 4 to 7)	<121,129>	<122,365>
9. Proceeds from investments sold, matured or repaid:		
9.1 Bonds	395,591	113,836
9.2 Stocks		
9.3 Mortgage loans		
9.4 Real estate		
9.5 Other invested assets		
9.6 Net gains or (losses) on cash and short-term investments	94,310	62,288
9.7 Miscellaneous proceeds <i>FROM NON-ADMITTED NOTES RECEIV.</i>	489,901	181,124
9.8 Total investment proceeds (Lines 9.1 to 9.7)		
10. Other cash provided:		
10.1 Net transfers from affiliates		
10.2 Borrowed funds received		
10.3 Capital paid-in		
10.4 Surplus paid in		
10.5 Other sources		
10.6 Total other cash provided (Lines 10.1 to 10.5)	—	—
11. Total (Line 8 plus Line 9.8 plus Line 10.6)	368,772	58,759
12. Cost of investments acquired (long-term only):		
12.1 Bonds	419,782	
12.2 Stocks		96,894
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets	9,684	
12.6 Miscellaneous applications	429,466	96,894
12.7 Total investments acquired (Lines 12.1 to 12.6)		
13. Other cash applied:		
13.1 Dividends to stockholders paid		
13.2 Net transfers to affiliates		
13.3 Borrowed funds repaid	—	5,535
13.4 Other applications <i>COST OF NON-ADMITTED ASSETS</i>	—	5,535
13.5 Total other cash applied (Lines 13.1 to 13.4)		
14. Total (Line 12.7 plus Line 13.5)	429,466	102,429
15. Net change in cash and short-term investments (Line 11 minus Line 14)	<60,694>	<43,670>
RECONCILIATION		
16. Cash and short-term investments:		
16.1 Beginning of year	182,132	225,802
16.2 End of period (Line 15 plus Line 16.1)	121,438	182,132

NOTES TO FINANCIAL STATEMENTS

NONE.

GENERAL INTERROGATORIES

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

PART I — 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 ☒
- 1.2 If yes, explain: N/A
- 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 ☒
- 2.2 If yes, has the report been filed with the domiciliary state? N/A

Yes [] No []
- 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 ☒
- 3.2 If yes, date of change: N/A

If not previously filed, furnish herewith a certified copy of the Instrument as amended.

Yes [] No ☒
4. Have there been any substantial changes in the organizational chart since the prior quarter end?

If yes attach an organizational chart.

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

Yes [] No ☒
- 5.2 If yes, provide 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.

N/A

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
N/A		

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 [] N/A ☒
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12.31.97
- 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.

12.31.97
- 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).

Feb., 1999
- 7.4 By what department or departments? Ohio Department of Insurance
- 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 ☒
- 8.2 If yes, give full information N/A

GENERAL INTERROGATORIES

(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 change in the reporting entity's own preferred or common stock?

Yes [] No ☒
- 9.2

If yes, explain N/A
- 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 ☒
- 10.2

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

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

\$ 0
12.

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

\$ 0
- 13.1

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

Yes ☒ No []
- 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	\$ 927,217	\$ 837,512
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)	\$ 927,217	\$ 837,512
13.28 Total Investment in Parent Included in Lines 13.21 to 13.26 above	\$ 927,217	\$ 837,512
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$ 1,660	\$ 0

- 14.1

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

Yes [] No ☒
- 14.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? N/A

Yes [] No []

If no, attach a description with this statement.
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 I General, Section IV. H-Custodial or Safekeeping Agreements of the NAAC Financial Condition Examiners Handbook?

Yes ☒ No []

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

1 Name of Custodian(s)	2 Custodian Address
McDonald & Company	Akron, Ohio

- 15.2

For all agreements that do not comply with the requirements of the NAAC 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 []
- 15.4

If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Merrill, Lynch Akron, Ohio	McDonald & Co. Akron, Ohio	July, 2002	- Changed brokers

- 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

PART 2 — TITLE

1.

If the reporting entity is a member of a pooling management, did the agreement or the reporting entity's participation change?
If yes, attach an explanation.

Yes [] No [] N/A ☒
2.

Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?
If yes, attach an explanation.

Yes [] No ☒
- 3.1

Have any of the reporting entity's primary reinsurance contracts been canceled?

N/A Yes [] No []
- 3.2

If yes, give full and complete information thereto.
.....
- 4.1

Are any of the liabilities for unpaid losses and loss adjustment expenses discounted to present value at a rate of interest greater than zero

Yes [] No ☒
- 4.2

If yes, complete the following schedule:

N/A

1	2	3	Total Discount				Discount Taken During Period			
			4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Disc. Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
Total										

STATEMENT AS OF 9.30.02 OF THE FIRST AKRON CORPORATION

SCHEDULE A — VERIFICATION

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period			25,025	25,025
2. Increase (decrease) by adjustment				
3. Cost of acquired				
4. Cost of additions to and permanent improvements			11,541	
5. Total profit (loss) on sales			36,566	
6. Increase (decrease) by foreign exchange adjustment				25,025
7. Amount received on sales				25,025
8. Book/adjusted carrying value at end of current period			-	25,025
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)			-	25,025
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)			-	25,025

SCHEDULE B — VERIFICATION

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest of mortgages owned, beginning of period			0	0
2. Amount loaned during period:				
2.1 Actual cost at time of acquisitions			0	0
2.2 Additional investment made after acquisitions				
3. Accrual of discount and mortgage interest points and commitment fees				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale			0	0
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period			0	0
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period			0	0

SCHEDULE BA — VERIFICATION

Other Invested Assets Included in Schedule BA

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period			0	0
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions				
2.2 Additional investment made after acquisitions				
3. Accrual of discount				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment			0	0
9. Book/adjusted carrying value of long-term invested assets at end of current period			0	0
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of long term invested assets at end of current period			0	0

SCHEDULE D — PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior 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 & Preferred Stock								

SCHEDULE DA — PART 1
Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
8099999 Totals	17,600	xxx	17,600	—	—

SCHEDULE DA — PART 2 — Verification
Short-Term Investments Owned

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period			54,447	79,371
2. Cost of short-term investments acquired				51,965
3. Increase (decrease) by adjustment				791
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				
6. Consideration received on disposal of short-term investments			<36,847>	
7. Book/adjusted carrying value, current period			17,600	132,127
8. Total valuation allowance				
9. Subtotals (Lines 7 plus 8)			17,600	132,127
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)			17,600	132,127
12. Income collected during period				791
13. Income earned during period			—	791

SCHEDULE DB — PART F — SECTION 2
Reconciliation of Replicated (Synthetic) Assets Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1 Number of Positions	2 Total Replicated (Synthetic) Assets Statement Value	3 Number of Positions	4 Total Replicated (Synthetic) Assets Statement Value	5 Number of Positions	6 Total Replicated (Synthetic) Assets Statement Value	7 Number of Positions	8 Total Replicated (Synthetic) Assets Statement Value	9 Number of Positions	10 Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory										
2. Add: Opened or Acquired Transactions										
3. Add: Increases in Replicated Asset Statement Value	XXX		XXX	<u>NONE</u>	XXX		XXX		XXX	
4. Less: Closed or Disposed of Transactions										
5. Less: Positions Disposed of for Failing Effectiveness Criteria										
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	XXX		XXX		XXX		XXX		XXX	
7. Ending Inventory										

SCHEDULE F — CEDED REINSURANCE
Showing all new reinsurers – Current year to date.

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
		NONE.		

SCHEDULE T — EXHIBIT OF PREMIUMS WRITTEN
Current Year to Date — Allocated by States and Territories

States, etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
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. District of Columbia	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		NONE.				
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. American Samoa	AS						
53. Guam	GU						
54. Puerto Rico	PR						
55. U.S. Virgin Islands	VI						
56. Canada	CN	xxx					
57. Aggregate Other Alien	OT						
58. Totals	(a)						
DETAILS OF WRITE-INS							
5701.	xxx						
5702.	xxx						
5703.	xxx						
5798. Summary of remaining write-ins for Line 57 from overflow page	xxx						
5799. TOTALS (Lines 5701 thru 5703 plus 5798) (Line 57 above)	xxx						

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

STATEMENT AS OF **9.30.02** OF THE FIRST AKRON CORPORATION

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

PART 1 — ORGANIZATIONAL CHART

N / A

PART 1 — LOSS EXPERIENCE

	Current Year to Date				5 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Written	2 Other Income (Page 4, Lines 1.2+1.3+2)	3 Direct Losses Incurred	4 Direct Loss Percentage Cols. 3/(1+2)	
1. Direct operations					
2. Agency operations:		NONE.			
2.1 Non-affiliated agency operations					
2.2 Affiliated agency operations					
3. Totals					

PART 2 — DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year to Date
1. Direct operations			
2. Agency operations:		NONE.	
2.1 Non-affiliated agency operations			
2.2 Affiliated agency operations			
3. Totals			

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.

	<u>RESPONSE</u>
1. Will the SVO Compliance Certification be filed with this statement?	<u>YES.</u>

EXPLANATIONS:

BAR CODE:

OVERFLOW PAGE FOR WRITE-INS

NONE.

FIRST AKRON CORPORATION

SCHEDULE DB – PART C – SECTION 1

Showing all Collar, Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	.	Statement Value	Fair Value	Year to Date Increase/(Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/Miscellaneous Income	Potential Exposure
							NONE.							
Subtotal – Hedging Transactions								xxx						
Subtotal – Other Derivative Transactions								xxx						
Totals								xxx						

SCHEDULE DB – PART D – SECTION 1

Showing all Futures Contracts and Insurance Futures Contracts Open at Current Statement Date

1	Description	2 Number of Contracts	3 Maturity Date	4 Original Value	5 Current Value	6 Variation Margin	7 Date of Opening Position	8 Exchange or Counterparty	9 Cash Deposit	Variation Margin Information			Potential Exposure
										10 Recognized	11 Used to Adjust Basis of Hedged Item	12 Deferred	
						NONE.							
2599999	Subtotal - Hedging Transactions						xxx	xxx					
2799999	Subtotal - Other Derivative Transactions						xxx	xxx					
9999999	Totals						xxx	xxx					

SCHEDULE E — PART 1 — CASH

Month End Depository Balances

1	2	3	4	Book Balance at End of Each Month During Current Quarter			8
				5	6	7	
Depository	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	7.31.02 First Month	8.31.02 Second Month	9.30.02 Third Month	*
OPEN DEPOSITORIES							
Section (A)—Segregated Funds Held for Others							
0199998	Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see Instructions)	XXX					XXX
0199999	Total Segregated Funds Held for Others	XXX					XXX
Section (B)—General Funds							
Merrill Lynch McDonald & Co. FirstMerit Bank (Akron) Valley Savings Bank:							
	Various	=	=	61,418	61,418	30,565	
	Various	=	=	5,549	38,032	50,529	
	Various	=	=	22,571	22,571	22,571	
0299998	*Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see Instructions)	XXX					XXX
0299999	Total General Funds	XXX		89,611	122,094	103,738	XXX
Section (C)—Reinsurance Reserve Funds							
0399998	Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see Instructions)	XXX					XXX
0399999	Total Reinsurance Reserve Funds	XXX		-	-	-	XXX
0499999	Total Open Depositories	XXX		89,611	122,094	103,738	XXX

SUSPENDED DEPOSITORIES							
Section (A)—Segregated Funds Held for Others							
0599998	Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see Instructions)	XXX					XXX
0599999	Total Segregated Funds Held for Others	XXX					XXX
Section (B)—General Funds							
0699998	Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see Instructions)	XXX					XXX
0699999	Total General Funds	XXX					XXX
Section (C)—Reinsurance Reserve Funds							
0799998	Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see Instructions)	XXX					XXX
0799999	Total Reinsurance Reserve Funds	XXX					XXX
0899999	Total Suspended Depositories	XXX					XXX
0999999	Total Cash on Deposit			89,611	122,094	103,738	
1099999	Cash in Company's Office	XXX	XXX	100	100	100	XXX
1199999	Total Cash	XXX		89,711	122,194	103,838	XXX

FIRST AKRON CORPORATION

SVO Compliance Certification

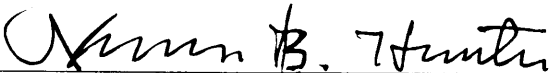
The undersigned is an officer of the insurer responsible for reporting investments to the SVO and/or with performing all filings with appropriate state regulatory officials and the NAIC and is, therefore, required to be familiar with the requirements of such filings. The undersigned officer certifies that to the best of my knowledge, information, and belief, all prices or NAIC Designations for the securities reported in this statement have been obtained directly from the SVO except as specifically identified below. The officer further certifies that to the best of my knowledge, information, and belief, since the last filing of a quarterly or annual statement:

- 1. All securities previously valued by the insurer and identified by a Z suffix have now been submitted to the SVO for a valuation or disposed of by sale or otherwise with the result that all prices and NAIC Designations reported in this statement have been provided by the SVO, except for new purchases identified in Schedule D and DA with a Z suffix or items submitted but not yet processed by the SVO.
- 2. Any newly purchased securities now identified with a Z suffix shall be submitted to the SVO within 120 days of purchase.
- 3. All necessary information on securities which have been previously designated NR (not rated due to lack of current information) by the SVO have either been submitted to the SVO by the insurer for a valuation or disposed of by the insurer.
- 4. All material issuer events (as defined below) have been reported to the SVO.

A material issuer event is a generic or transaction specific credit event of which the insurer is currently aware, which by its nature would signify to a reasonably prudent insurer that a material change in the credit quality or price of the investment or security has occurred.

As an illustration, and not by way of limitation, the following shall be deemed to constitute material issuer events:

- a. Recapitalizations or capital restructuring whether within or without Chapter 11 of the US Bankruptcy Code.
- b. Nonpayment, deferral, or payment in kind through waiver of any principal or contractual interest payment.
- c. Any change in the maturity of a security.
- d. Changes in the lender's collateral position, including releases of collateral, or the taking of a collateral position whether by operation of negative pledge covenant or otherwise.
- e. Events of a like character or a like effect, which would be considered material to an investment professional.
- f. Exceptions.



Signature of Investment Officer

JAMES B. HUNTER, CPA

Name of Investment Officer

VICE PRESIDENT

Title of Signature

NOVEMBER 14, 2002

Date

Attach certificate to each quarterly statement.