

ANNUAL STATEMENT

For the Year Ending December 31, 2002

OF THE CONDITION AND AFFAIRS OF THE

HOMETOWN INSURANCE GROUP, INC.

NAIC Group Code	3058 <small>(Current Period)</small>	0000 <small>(Prior Period)</small>	NAIC Company Code	11224	Employer's ID Number	34-1956845
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[X] Dental Service Corporation[] Other[]	Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X]	Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[]			
Date Incorporated or Organized	10/30/2001		Date Commenced Business	02/13/2002		
Statutory Home Office	100 Lillian Gish Blvd., Suite 301 <small>(Street and Number)</small>		Massillon, OH 44647 <small>(City, or Town, State and Zip Code)</small>			
Main Administrative Office	100 Lillian Gish Blvd., Suite 301 <small>(Street and Number)</small>					
	Massillon, OH 44647 <small>(City or Town, State and Zip Code)</small>		(877)236-2289 <small>(Area Code) (Telephone Number)</small>			
Mail Address	100 Lillian Gish Blvd., P.O. Box 4816 <small>(Street and Number or P.O. Box)</small>		Massillon, OH 44648 <small>(City, or Town, State and Zip Code)</small>			
Primary Location of Books and Records	100 Lillian Gish Blvd., Suite 301 <small>(Street and Number)</small>					
	Massillon, OH 44647 <small>(City, or Town, State and Zip Code)</small>		(877)236-2289 <small>(Area Code) (Telephone Number)</small>			
Internet Website Address	www.hometownhealthnet.com					
Statement Contact	John F. Strah <small>(Name)</small>		(330)834-2203 <small>(Area Code)(Telephone Number)(Extension)</small>			
	JStrah@Hometownhealthnet.com <small>(E-Mail Address)</small>		(330)834-2040 <small>(Fax Number)</small>			
Policyowner Relations Contact	100 Lillian Gish Blvd., P.O. Box 4816 <small>(Street and Number)</small>					
	Massillon, OH 44648 <small>(City, or Town, State and Zip Code)</small>		(877)236-2289 <small>(Area Code) (Telephone Number)(Extension)</small>			

OFFICERS

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

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Michael Gallucci Calvin Warren Jr., M.D. Alan J. Bleyer J. Gregory Feczko D.O. Ramon Martinez #	Clifford Isroff Thomas Stover M.D. William C. Epling Richard J. Streck M.D.
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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
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- a. Is this an original filing? Yes[X] No[]
 b. If no, 1. State the amendment number
 2. Date filed
 3. Number of pages attached

Subscribed and sworn to before me this _____ day of February, 2003

03/01/2003

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(Notary Public Signature)

E01	Schedule A - Part 1 Real Estate Owned -	NONE
E02	Schedule A - Part 2 Real Estate Aquired -	NONE
E03	Schedule A - Part 3 Real Estate Sold -	NONE
E04	Schedule B - Part 1 Mortgage Loans Owned -	NONE
E05	Schedule B - Part 2 Mortgage Loans Sold -	NONE
E06	Schedule BA - Part 1 Invested Assets Owned -	NONE
E07	Schedule BA - Part 2 Invested Assets Sold -	NONE
E08	Schedule D - Part 1 LT Bonds Owned -	NONE
E09	Schedule D - Part 2 Sn 1 Prfrd Stocks Owned -	NONE
E10	Schedule D - Part 2 Sn 2 Common Stocks Owned -	NONE
E11	Schedule D - Part 3 LT Bonds/Stock Aquired -	NONE
E12	Schedule D - Part 4 LT Bonds/Stock Sold -	NONE
E13	Schedule D - Part 5 LT Bonds/Stocks Aquired/Disp -	NONE
E14	Schedule D - Part 6 Sn 1 -	NONE
E14	Schedule D - Part 6 Sn 2 -	NONE

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENT Owned December 31, of Current Year

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	Interest		7 Maturity Date	8 Book/Adjusted Carrying Value	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment	11 Par Value	12 Actual Cost	Interest		15 Paid for Accrued Interest	16 NAIC Designation	17 Effective Rate of Interest
				5 Rate Of	6 How Paid							13 Amount Due and Accrued Dec. 31, of Current Year on Bond Not in Default	14 Gross Amount Received			
6099999 Subtotal - Bonds																
8099999 Total Short-term Investments																

(a) Includes \$..... other than accrual of discount and amortization of premium.

E16	Schedule DB - Part A Sn 1 Opt/Cap/Floor Owned -	NONE
E16	Schedule DB - Part A Sn 2 Opt/Cap/Floor Aquired -	NONE
E17	Schedule DB - Part A Sn 3 Opt/Cap/Floor Term -	NONE
E17	Schedule DB - Part B Sn 1 Opt/Cap/Floor In-force -	NONE
E18	Schedule DB - Part B Sn 2 Opt/Cap/Floor Written -	NONE
E18	Schedule DB - Part B Sn 3 Opt/Cap/Floor Term -	NONE
E19	Schedule DB - Part C Sn 1 Col/Swap/Frwr Open -	NONE
E19	Schedule DB - Part C Sn 2 Col/Swap/Frwr Opened -	NONE
E20	Schedule DB - Part C Sn 3 Col/Swap/Frwr Term -	NONE
E20	Schedule DB - Part D Sn 1 Futures Contracts Open -	NONE
E21	Schedule DB - Part D Sn 2 Futures Contracts Opened -	NONE
E21	Schedule DB - Part D Sn 3 Futures Contracts Term -	NONE
E22	Schedule DB - Part E Sn 1 Counterparty Exposure -	NONE
E23	Schedule DM -	NONE

SCHEDULE E - PART 1 - CASH

1	2	3	4	5	6
Depository	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
open depositories					
First Merit Operating account	0.929	10,057		3,057,002	
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories	X X X				...
0199999 Totals - Open Depositories	X X X	10,057		3,057,002	...
0299998 Deposits in depositories that 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	10,057		3,057,002	...
0499999 Cash in Company's Office	X X X	X X X	X X X		...
0599999 Total Cash	X X X	10,057		3,057,002	...

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	2,927,427	4. April	1,414,821	7. July	2,599,338	10. October	1,322,694
2. February	2,932,512	5. May	1,823,812	8. August	2,705,592	11. November	2,151,394
3. March	1,354,100	6. June	2,386,332	9. September	2,460,370	12. December	3,057,002

SCHEDULE E - PART 2 - SPECIAL DEPOSITS

1 Line Number	2 Type	3 Description of Deposit	4 Where Deposited and Purpose of Deposit	5 Par or Book Value	6 Statement Value (a)	7 Fair Value
Ohio						
OH00001	B	STATE DEPOSIT - CD	FIRSTMERIT BANK fbo Ohio Department of Insurance	100,000	100,000	100,000
OH99999	Subtotals - Ohio			100,000	100,000	100,000
XX99999	Subtotals - Special Deposits Not Held for the Benefit Of All Policyholders, Claimants and Creditors of the Company			100,000	100,000	100,000
9999999	Totals			100,000	100,000	100,000

(a) Including \$..... cash and short-term investments as defined in SSAP No.2 of the NAIC Accounting Practices and Procedures Manual.