

**ANNUAL STATEMENT**

**OF THE**

**Chicago Title**

**Insurance Company**

**of** **Omaha**

**in the state of** **Nebraska**

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF Nebraska**

**FOR THE YEAR ENDED**  
**December 31, 2007**

**TITLE**

**2007**



50229200720100100

ANNUAL STATEMENT  
For the Year Ended December 31, 2007  
OF THE CONDITION AND AFFAIRS OF THE  
Chicago Title Insurance Company

NAIC Group Code

0670

0670

NAIC Company Code

50229

Employer's ID Number

36-2468956

(Current Period)

(Prior Period)

Organized under the Laws of

NE

, State of Domicile or Port of Entry

NE

Country of Domicile

US

Incorporated/Organized:

August 30, 1961

Commenced Business:

August 31, 1961

Statutory Home Office:

2201 Farnam Street

Omaha, NE

68102

(Street and Number)

(City, State and Zip Code)

Main Administrative Office:

601 Riverside Ave

Jacksonville, FL

32204

904-854-8100

(Street and Number)

(City, State and Zip Code)

(Area Code)(Telephone Number)

Mail Address:

601 Riverside Ave

Jacksonville, FL

32204

(Street and Number)

(City, State and Zip Code)

Primary Location of Books and Records:

171 North Clark Street

Chicago , IL

60601

312-223-2000

(Street and Number)

(City, State and Zip Code)

(Area Code)(Telephone Number)

Internet Website Address:

www.fnf.com

Statutory Statement Contact:

Jan R. Wilson

904-854-8100

(Name)

(Area Code)(Telephone Number)(Extension)

jan.wilson@fnf.com

904-357-1066

(E-Mail Address)

(Fax Number)

OFFICERS

Name	Title
1. Raymond Randall Quirk	Chairman President & CEO
2. Todd Chliveny Johnson	SVP & Corporate Secretary
3. Anthony John Park	EVP & Chief Financial Officer

Vice-Presidents

Name	Title	Name	Title
Christopher (NMN) Abbinante	President Eastern Operations	Roger Scott Jewkes	President Western Operations
Erika (NMN) Meinhardt	President National Agency Operations	John Gilbert Ernst	EVP
Thomas Edgar Evans, Jr.	EVP	Patrick Gerard Farenga	SVP & Treasurer
Harry Statten Geer, Jr	EVP	Jeffrey Raymond Knudson	EVP
Paul Ignatius Perez #	EVP	Peter Tadeusz Sadowski	EVP
Alan Lynn Stinson	EVP	Gary Robert Urguhart	EVP
Frank Patrick Willey	EVP	Charles Hyman Wimer	EVP
John Arthur Wunderlich	EVP		

DIRECTORS OR TRUSTEES

Christopher (NMN) Abbinante	Harry Statten Geer, Jr #	Roger Scott Jewkes	Theodore Leroy Kessner #
Erika (NMN) Meinhardt	Anthony John Park	Raymond Randall Quirk	Alan Lynn Stinson
John Arthur Wunderlich			

State of Florida  
County of Duval ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of 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 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. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)

Raymond Randall Quirk

(Printed Name)

1.

Chairman President & CEO

(Title)

(Signature)

Todd Chliveny Johnson

(Printed Name)

2.

SVP & Corporate Secretary

(Title)

(Signature)

Anthony John Park

(Printed Name)

3.

EVP & Chief Financial Officer

(Title)

Subscribed and sworn to before me this  
day of , 2008

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

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	1,031,320,568		1,031,320,568	1,059,960,126
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	65,145,855		65,145,855	119,540,380
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	20,373,745	142,530	20,231,215	16,380,624
3.2 Other than first liens	1,838,133	1,838,133		
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	298,573		298,573	1,309,228
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)	3,180,087	202,234	2,977,853	1,901,874
5. Cash (\$ 53,828,537 , Schedule E-Part 1), cash equivalents (\$ 213,600,427 Schedule E-Part 2) and short-term investments (\$ 41,592,373 , Schedule DA)	309,021,337		309,021,337	359,565,961
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets (Schedule BA)	9,536,441	9,179,524	356,917	411,908
8. Receivables for securities	346,155		346,155	
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	1,441,060,894	11,362,421	1,429,698,473	1,559,070,101
11. Title plants less \$ 0 charged off (for Title insurers only)	38,650,653	242,186	38,408,467	38,177,394
12. Investment income due and accrued	13,213,220		13,213,220	15,101,827
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	68,634,645	30,448,056	38,186,589	29,233,834
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon				2,073,902
16.2 Net deferred tax asset	169,163,543	143,988,697	25,174,846	23,621,312
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software	282,156		282,156	557,973
19. Furniture and equipment, including health care delivery assets (\$ 0 )	1,297,734	1,297,734		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	34,491,571	1,297,079	33,194,492	10,843,626
22. Health care (\$ 0 ) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	290,962,510	290,962,510		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	2,057,756,926	479,598,683	1,578,158,243	1,678,679,969
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	2,057,756,926	479,598,683	1,578,158,243	1,678,679,969

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)				
2301. Other Assets	266,600,909	266,600,909		
2302. Prepaid Expenses	23,977,202	23,977,202		
2303. Title plant improvements	294,799	294,799		
2398. Summary of remaining write-ins for Line 23 from overflow page	89,600	89,600		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	290,962,510	290,962,510		

LIABILITIES, SURPLUS AND OTHER FUNDS		
	1	2
	Current Year	Prior Year
1. Known claims reserve (Part 2B, Line 3, Col. 4)	131,009,849	123,549,755
2. Statutory premium reserve (Part 1B, Line 2.5, Col. 1)	825,712,387	747,540,196
3. Aggregate of other reserves required by law		
4. Supplemental reserve (Part 2B, Col. 4, Line 12)		
5. Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers		
6. Other expenses (excluding taxes, licenses and fees)	107,566,458	107,292,470
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	7,207,382	17,132,097
8.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	10,469,034	
8.2 Net deferred tax liability		
9. Borrowed money \$ 0 and interest thereon \$ 0	44,737	96,592
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	5,688,902	6,868,106
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	1,229,367	1,190,990
19. Payable for securities		5,337,484
20. Aggregate write-ins for other liabilities	214,747,589	240,204,912
21. Total liabilities (Lines 1 through 20)	1,303,675,705	1,249,212,602
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	2,000,000	2,000,000
24. Preferred capital stock		
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus	104,916,792	104,916,792
28. Unassigned funds (surplus)	167,565,746	322,550,575
29. Less treasury stock, at cost:		
29.1 0 shares common (value included in Line 23 \$ 0 )		
29.2 0 shares preferred (value included in Line 24 \$ 0 )		
30. Surplus as regards policyholders (Lines 22 to 28 less 29)(Page 4, Line 32)	274,482,538	429,467,367
31. Totals (Page 2, Line 26, Col. 3)	1,578,158,243	1,678,679,969

DETAILS OF WRITE-INS		
0301.		
0302.		
0303.		
0398. Summary of remaining write-ins for Line 3 from overflow page		
0399. Totals (Lines 0301 through 0303 plus 0398) (Line 3 above)		
2001. Reinsurance ceded payable	1,147,162	1,059,092
2002. Payable under securities lending agreements	213,600,427	239,145,820
2003.		
2098. Summary of remaining write-ins for Line 20 from overflow page		
2099. Totals (Lines 2001 through 2003 plus 2098) (Line 20 above)	214,747,589	240,204,912
2201.		
2202.		
2203.		
2298. Summary of remaining write-ins for Line 22 from overflow page		
2299. Totals (Lines 2201 through 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 through 2503 plus 2598) (Line 25 above)		

OPERATIONS AND INVESTMENT EXHIBIT STATEMENT OF INCOME		
	1	2
	Current Year	Prior Year
OPERATING INCOME		
1. Title insurance and related income (Part 1):		
1.1 Title insurance premiums earned (Part 1B, Line 3, Col. 1)	1,806,353,030	2,211,041,286
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4)	111,308,296	111,762,485
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4)	190,775,984	160,566,795
2. Aggregate write-ins for other operating income		
3. Total Operating Income (Lines 1 through 2)	2,108,437,310	2,483,370,566
DEDUCT:		
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4)	194,183,381	107,527,162
5. Operating expenses incurred (Part 3, Line 24, Cols. 4 and 6)	1,874,565,198	2,185,961,461
6. Aggregate write-ins for other operating deductions		
7. Total Operating Deductions	2,068,748,579	2,293,488,623
8. Net operating gain or (loss) (Lines 3 minus 7)	39,688,731	189,881,943
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	115,113,277	132,129,816
10. Net realized capital gains (losses) less capital gains tax of \$ 3,883,815 (Exhibit of Capital Gains (Losses))	7,212,799	510,834
11. Net investment gain (loss) (Lines 9 + 10)	122,326,076	132,640,650
OTHER INCOME		
12. Aggregate write-ins for miscellaneous income or (loss)		
13. Net income after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12)	162,014,807	322,522,593
14. Federal and foreign income taxes incurred	32,768,138	88,431,815
15. Net income (Lines 13 minus 14)	129,246,669	234,090,778
CAPITAL AND SURPLUS ACCOUNT		
16. Surplus as regards policyholders, December 31 prior year (Page 3, Line 30, Column 2)	429,467,367	385,826,750
17. Net income (from Line 15)	129,246,669	234,090,778
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	(64,234,389)	(19,305,018)
19. Change in net unrealized foreign exchange capital gain (loss)		
20. Change in net deferred income tax	27,907,305	19,501,485
21. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)	(104,527,531)	(64,165,022)
22. Change in provision for unauthorized reinsurance (Page 3, Line 15, Cols. 2 minus 1)		
23. Change in supplemental reserves (Page 3, Line 4, Cols. 2 minus 1)		
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	(146,000,000)	(125,800,000)
29. Change in treasury stock (Page 3, Lines (29.1) and (29.2), Cols. 2 minus 1)		
30. Aggregate write-ins for gains and losses in surplus	2,623,117	(681,606)
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)	(154,984,829)	43,640,617
32. Surplus as regards policyholders, December 31 current year (Lines 16 plus 31) (Page 3, Line 30)	274,482,538	429,467,367

DETAILS OF WRITE-INS		
0201.		
0202.		
0203.		
0298. Summary of remaining write-ins for Line 2 from overflow page		
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 2 above)		
0601.		
0602.		
0603.		
0698. Summary of remaining write-ins for Line 6 from overflow page		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)		
1201.		
1202.		
1203.		
1298. Summary of remaining write-ins for Line 12 from overflow page		
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)		
3001. Adjustment for pension and other post retirement benefit plans	2,623,117	(681,606)
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	2,623,117	(681,606)

CASH FLOW

	1	2
Cash from Operations	Current Year	Prior Year
1. Premiums collected net of reinsurance	1,881,996,829	2,265,524,841
2. Net investment income	127,341,328	142,864,672
3. Miscellaneous income	302,084,280	272,329,280
4. Total (Lines 1 through 3)	2,311,422,437	2,680,718,793
5. Benefit and loss related payments	186,723,287	129,288,388
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	1,884,127,845	2,194,136,930
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	25,662,551	83,802,869
10. Total (Lines 5 through 9)	2,096,513,683	2,407,228,187
11. Net cash from operations (Line 4 minus Line 10)	214,908,754	273,490,606
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,233,488,435	532,790,124
12.2 Stocks	485,986,677	268,687,152
12.3 Mortgage loans	971,269	640,787
12.4 Real estate	6,441,432	1,369,983
12.5 Other invested assets	2,129,683	15,316,999
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		5,663,521
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,729,017,496	824,468,566
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,215,757,870	552,721,030
13.2 Stocks	438,804,179	293,537,446
13.3 Mortgage loans	1,383,469	20,066,346
13.4 Real estate	1,241,850	1,567,674
13.5 Other invested assets	53,337,223	3,221,257
13.6 Miscellaneous applications	5,683,639	
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,716,208,230	871,113,753
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	12,809,266	(46,645,187)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds	(51,855)	(50,225)
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	146,000,000	125,800,000
16.6 Other cash provided (applied)	(132,210,788)	26,405,465
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(278,262,643)	(99,444,760)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(50,544,623)	127,400,659
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	359,565,960	232,165,301
19.2 End of year (Line 18 plus Line 19.1)	309,021,337	359,565,960

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001. Distribution of net assets received from new subsidiary, Line 12.2	100,000,000	
20.0002. Distribution of net assets received from new subsidiary, Line 13.5	13,516,906	
20.0003. Distribution of net assets received from new subsidiary, Line 16.6	(86,483,094)	

OPERATIONS AND INVESTMENT EXHIBIT

PART 1A - SUMMARY OF TITLE INSURANCE PREMIUMS WRITTEN AND RELATED REVENUES

	1	Agency Operations		4	5
		2	3		
	Direct Operations	Non-Affiliated Agency Operations	Affiliated Agency Operations	Current Year Total (Cols. 1 + 2 + 3)	Prior Year Total
1. Direct premiums written	477,816,470	1,033,035,988	376,443,234	1,887,295,692	2,277,603,876
2. Escrow and settlement service charges	111,308,296	X X X	X X X	111,308,296	111,762,485
3. Other title fees and service charges (Part 1C, Line 5)	190,775,984	X X X	X X X	190,775,984	160,566,795
4. Totals (Lines 1 + 2 + 3)	779,900,750	1,033,035,988	376,443,234	2,189,379,972	2,549,933,156

PART 1B - PREMIUMS EARNED EXHIBIT

	1	2
	Current Year	Prior Year
1. Title premiums written:		
1.1 Direct (Part 1A, Line 1)	1,887,295,684	2,277,603,872
1.2 Assumed	3,442,321	2,591,374
1.3 Ceded	6,212,780	3,101,870
1.4 Net title premiums written (Lines 1.1 + 1.2 - 1.3)	1,884,525,225	2,277,093,376
2. Statutory premium reserve:		
2.1 Balance at December 31 prior year	747,540,197	681,488,106
2.2 Additions during the current year	145,341,657	147,088,069
2.3 Withdrawals during the current year	67,169,466	81,035,978
2.4 Other adjustments to statutory premium reserves		
2.5 Balance at December 31 current year	825,712,388	747,540,197
3. Net title premiums earned during year (Lines 1.4 - 2.2 + 2.3)	1,806,353,034	2,211,041,285

PART 1C - OTHER TITLE FEES AND SERVICE CHARGES

	1	2
	Current Year	Prior Year
1. Title examinations	42,689,191	46,697,221
2. Searches and abstracts	52,744,018	52,599,327
3. Surveys	601,739	609,094
4. Aggregate write-ins for service charges	94,741,036	60,661,153
5. Totals	190,775,984	160,566,795

DETAILS OF WRITE-INS		
0401. Other income	56,258,074	35,536,673
0402. Intercompany referral fees	38,482,962	25,124,480
0403.		
0498. Summary of remaining write-ins for Line 4 from overflow page		
0499. Total (Lines 0401 through 0403 plus 0498) (Line 4 above)	94,741,036	60,661,153

OPERATIONS AND INVESTMENT EXHIBIT

PART 2A - LOSSES PAID AND INCURRED

	1	Agency Operations		4	5
		2	3		
	Direct Operations	Non-Affiliated Agency Operations	Affiliated Agency Operations	Total Current Year (Cols. 1+2+3)	Total Prior Year
1. Losses and allocated loss adjustment expenses paid - direct business, less salvage	103,755,451	68,785,158	3,338,546	175,879,155	118,381,424
2. Losses and allocated loss adjustment expenses paid - reinsurance assumed, less salvage					
3. Total (Line 1 plus Line 2)	103,755,451	68,785,158	3,338,546	175,879,155	118,381,424
4. Deduct: Recovered during year from reinsurance					
5. Net payments (Line 3 minus Line 4)	103,755,451	68,785,158	3,338,546	175,879,155	118,381,424
6. Known claims reserve - current year (Page 3, Line 1, Column 1)	69,601,226	57,820,395	3,588,227	131,009,848	123,549,754
7. Known claims reserve - prior year (Page 3, Line 1, Column 2)	65,736,998	53,707,952	4,104,804	123,549,754	145,310,981
8. Losses and allocated Loss Adjustment Expenses incurred (Ln 5 + Ln 6 - Ln 7)	107,619,679	72,897,601	2,821,969	183,339,249	96,620,197
9. Unallocated loss adjustment expenses incurred (Part 3, Line 24, Column 5)	6,397,219	4,241,066	205,844	10,844,129	10,906,962
10. Losses and loss adjustment expenses incurred (Line 8 plus Line 9)	114,016,898	77,138,667	3,027,813	194,183,378	107,527,159



OPERATIONS AND INVESTMENT EXHIBIT  
PART 2B - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

	1  Direct Operations	Agency Operations		4  Total Current Year (Cols. 1 + 2 + 3)	5  Total Prior Year
		2  Non-Affiliated Agency Operations	3  Affiliated Agency Operations		
1. Loss and allocated LAE reserve for title and other losses of which notice has been received:					
1.1 Direct (Schedule P, Part 1, Line 12, Col. 17)	69,601,226	57,820,395	3,588,227	131,009,848	123,549,754
1.2 Reinsurance assumed (Schedule P, Part 1, Line 12, Col. 18)					
2. Deduct reinsurance recoverable from authorized and unauthorized companies (Schedule P, Part 1, Line 12, Col. 19)					
3. Known claims reserve (Line 1.1 plus Line 1.2 minus Line 2)	69,601,226	57,820,395	3,588,227	131,009,848	123,549,754
4. Incurred But Not Reported:					
4.1 Direct (Schedule P, Part 1, Line 12, Col. 20)	278,186,000	178,224,787	9,188,213	465,599,000	405,650,000
4.2 Reinsurance assumed (Schedule P, Part 1, Line 12, Col. 21)					
4.3 Reinsurance ceded (Schedule P, Part 1, Line 12, Col. 22)					
4.4 Net incurred but not reported	278,186,000	178,224,787	9,188,213	465,599,000	405,650,000
5. Unallocated LAE reserve (Schedule P, Part 1, Line 12, Col. 23)	X X X	X X X	X X X	71,183,000	X X X
6. Less discount for time value of money, if allowed (Sch. P, Part 1, Line 12, Col. 33)	X X X	X X X	X X X		X X X
7. Total Schedule P reserves (Lines 3 + 4.4 + 5 - 6)(Sch. P, Part 1, Line 12, Col. 35)	X X X	X X X	X X X	667,791,848	X X X
8. Statutory premium reserve at year end	X X X	X X X	X X X	825,712,387	X X X
9. Aggregate of other reserves required by law	X X X	X X X	X X X		X X X
10. Gross supplemental reserve (a) (Lines 7 - (3 + 8 + 9))	X X X	X X X	X X X		X X X
11. Unrecognized Schedule P transition obligation	X X X	X X X	X X X		X X X
12. Net recognized supplemental reserve (Lines 10 - 11)	X X X	X X X	X X X		X X X

(a) If the sum of Lines 3 + 8 + 9 is greater than Line 7, place a "0" in this Line.

OPERATIONS AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	Title and Escrow Operating Expenses				5  Unallocated Loss Adjustment Expenses	6  Other Operations	7  Investment Expenses	Totals	
	1  Direct Operations	Agency Operations		4  Total (Cols. 1 + 2 + 3)				8  Current Year (Cols. 4 + 5 + 6 + 7)	9  Prior Year
		2  Non-affiliated Agency Operations	3  Affiliated Agency Operations						
1. Personnel costs:									
1.1 Salaries	272,454,276	55,365,504	890,552	328,710,332	7,374,008			336,084,340	331,990,904
1.2 Employee relations and welfare	23,130,832	4,952,294	121,471	28,204,597	672,336			28,876,933	30,088,877
1.3 Payroll taxes	17,511,684	3,414,109	57,601	20,983,394	531,362			21,514,756	20,758,074
1.4 Other personnel costs	1,090,245	189,273	14,099	1,293,617	32,532			1,326,149	1,502,999
1.5 Total personnel costs	314,187,037	63,921,180	1,083,723	379,191,940	8,610,238			387,802,178	384,340,854
2. Amounts paid to or retained by title agents		793,538,000	327,595,282	1,121,133,282				1,121,133,282	1,456,798,095
3. Production services (purchased outside):									
3.1 Searches, examinations and abstracts	37,328,315	9,953,139		47,281,454	10,844			47,292,298	44,228,828
3.2 Surveys									
3.3 Other	34,846,618	205,833	193	35,052,644				35,052,644	16,703,266
4. Advertising	2,046,810	539,238	(32,781)	2,553,267				2,553,267	3,534,641
5. Boards, bureaus and associations	575,949	306,655	10,224	892,828				892,828	972,937
6. Title plant rent and maintenance	8,067,938	799,381	113,586	8,980,905				8,980,905	5,297,451
7. Claim adjustment services									
8. Amounts charged off, net of recoveries	848,063	378,888	4,181	1,231,132				1,231,132	798,486
9. Marketing and promotional expenses	2,602,431	1,130,731	7,488	3,740,650				3,740,650	4,596,260
10. Insurance	1,671,776	569,867	(29,786)	2,211,857	43,377			2,255,234	5,500,689
11. Directors' fees									
12. Travel and travel items	16,153,065	5,247,922	182,430	21,583,417	227,727			21,811,144	22,576,209
13. Rent and rent items	39,961,690	6,683,900	291,839	46,937,429	1,182,010			48,119,439	47,581,968
14. Equipment	17,911,301	4,103,021	602,030	22,616,352	151,818			22,768,170	22,422,084
15. Cost or depreciation of EDP equipment and software	20,898,208	4,767,774	887,747	26,553,729	54,221			26,607,950	28,146,343
16. Printing, stationery, books and periodicals	11,234,452	2,125,753	114,410	13,474,615	271,103			13,745,718	13,958,754
17. Postage, telephone, messengers and express	17,910,746	3,180,267	244,023	21,335,036	195,194			21,530,230	20,001,458
18. Legal and auditing	19,185,231	4,060,884	784,591	24,030,706	65,065			24,095,771	35,680,394
19. Totals (Lines 1.5 to 18)	545,429,630	901,512,433	331,859,180	1,778,801,243	10,811,597			1,789,612,840	2,113,138,717
20. Taxes, licenses and fees:									
20.1 State and local insurance taxes	6,902,518	14,923,198	5,438,084	27,263,800				27,263,800	35,003,882
20.2 Insurance department licenses and fees	672,249	971,243	254,654	1,898,146				1,898,146	1,493,660
20.3 Gross guaranty association assessments									
20.4 All other (excluding federal income and real estate)	2,159,507	627,044	124,833	2,911,384				2,911,384	6,711,047
20.5 Total taxes, licenses and fees (Lines 20.1 + 20.2 + 20.3 + 20.4)	9,734,274	16,521,485	5,817,571	32,073,330				32,073,330	43,208,589
21. Real estate expenses							107,601	107,601	83,083
22. Real estate taxes									97,843
23. Aggregate write-ins for miscellaneous expenses	47,321,789	16,269,206	99,621	63,690,616	32,532			63,723,148	40,521,120
24. Total expenses incurred (Lines 19 + 20.5 + 21 + 22 + 23)	602,485,693	934,303,124	337,776,372	1,874,565,189	10,844,129		107,601	(a) 1,885,516,919	2,197,049,352
25. Less unpaid expenses - current year	30,811,415	66,614,072	24,274,485	121,699,972				121,699,972	132,351,766
26. Add unpaid expenses - prior year	26,325,251	74,318,182	31,708,333	132,351,766				132,351,766	143,818,572
27. TOTAL EXPENSES PAID (Lines 24 - 25 + 26)	597,999,529	942,007,234	345,210,220	1,885,216,983	10,844,129		107,601	1,896,168,713	2,208,516,158
DETAILS OF WRITE-INS									
2301. Amortization of Intangibles	7,261,156			7,261,156				7,261,156	6,473,444
2302. Referral Fee Expense	2,696,563	805,091		3,501,654				3,501,654	2,842,496
2303. Intercompany Referral Fees	28,152,993	14,635,236	(2,223)	42,786,006				42,786,006	29,279,592
2398. Summary of remaining write-ins for Line 23 from overflow page	9,211,077	828,879	101,844	10,141,800	32,532			10,174,332	1,925,588
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	47,321,789	16,269,206	99,621	63,690,616	32,532			63,723,148	40,521,120

(a) Includes management fees of \$ 0 to affiliates and \$ 0 to non-affiliates.

OPERATIONS AND INVESTMENT EXHIBIT

PART 4 - NET OPERATING GAIN/LOSS EXHIBIT

	1	Agency Operations		4	5	Totals	
		2	3			6	7
	Direct Operations	Non-affiliated Agency Operations	Affiliated Agency Operations	Total (Cols. 1 + 2 + 3)	Other Operations	Current Year (Cols. 4 + 5)	Prior Year
1. Title insurance and related income (Part 1):							
1.1 Title insurance premiums earned (Part 1B, Line 3, Col. 1)	457,323,796	988,730,961	360,298,274	1,806,353,031		1,806,353,031	2,211,041,288
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4)	111,308,296			111,308,296		111,308,296	111,762,485
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4)	190,775,984			190,775,984		190,775,984	160,566,795
2. Aggregate write-ins for other operating income							
3. Total Operating Income (Lines 1.1 through 1.3 + 2)	759,408,076	988,730,961	360,298,274	2,108,437,311		2,108,437,311	2,483,370,568
DEDUCT:							
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4)	114,016,898	77,138,667	3,027,813	194,183,378		194,183,378	107,527,159
5. Operating expenses incurred (Part 3, Line 24, Cols. 1 to 3 + 6)	602,485,699	934,303,124	337,776,372	1,874,565,195		1,874,565,195	2,185,961,464
6. Aggregate write-ins for other operating deductions							
7. Total Operating Deductions (Lines 4 + 5 + 6)	716,502,597	1,011,441,791	340,804,185	2,068,748,573		2,068,748,573	2,293,488,623
8. Net operating gain or (loss) (Lines 3 minus 7)	42,905,479	(22,710,830)	19,494,089	39,688,738		39,688,738	189,881,945
DETAILS OF WRITE-INS							
0201.							
0202.							
0203.							
0298. Summary of remaining write-ins for Line 2 from overflow page							
0299. Totals (Lines 0201 through 0203 plus 0298)							
0601.							
0602.							
0603.							
0698. Summary of remaining write-ins for Line 6 from overflow page							
0699. Totals (Lines 0601 through 0603 plus 0698)							

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U.S. Government bonds	(a) 16,578,312	15,229,227
1.1 Bonds exempt from U.S. tax	(a) 18,134,817	18,916,719
1.2 Other bonds (unaffiliated)	(a) 11,427,877	11,592,518
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	337,054	337,054
2.21 Common stocks of affiliates	48,948,048	48,948,048
3. Mortgage loans	(c) 1,764,598	1,764,598
4. Real estate	(d) 2,160,632	2,160,632
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 21,558,980	21,554,906
7. Derivative instruments	(f)	
8. Other invested assets	6,450,085	6,450,085
9. Aggregate write-ins for investment income	29,453	32,301
10. Total gross investment income	127,389,856	126,986,088
11. Investment expenses		(g) 522,745
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 7,735
13. Interest expense		(h) 11,242,466
14. Depreciation on real estate and other invested assets		(i) 99,866
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		11,872,812
17. Net investment income (Line 10 minus Line 16)		115,113,276
DETAILS OF WRITE-INS		
0901. Promissory Notes	26,896	32,301
0902. Ground Rent	2,557	
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	29,453	32,301
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		
(a) Includes \$ 427,844 accrual of discount less \$ 10,767,827 amortization of premium and less \$ 6,957,748 paid for accrued interest on purchases.		
(b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.		
(c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.		
(e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.		
(g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.		
(h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.		
(i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	1,881,750		1,881,750		
1.1 Bonds exempt from U.S. tax	(274,572)		(274,572)		
1.2 Other bonds (unaffiliated)	(822,792)		(822,792)	(1,353,936)	
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	5,216,564	(574,670)	4,641,894	3,191,639	
2.21 Common stocks of affiliates	356,351		356,351	(16,071,119)	
3. Mortgage loans					
4. Real estate	5,325,680		5,325,680		
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets				(50,000,972)	
9. Aggregate write-ins for capital gains (losses)	(11,697)		(11,697)		
10. Total capital gains (losses)	11,671,284	(574,670)	11,096,614	(64,234,388)	
DETAILS OF WRITE-INS					
0901. Broker Disgorgement	102		102		
0902. Loss on Sale of Title Plant	(4,837)		(4,837)		
0903. Loss on Sale of Misc Asset	(6,962)		(6,962)		
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	(11,697)		(11,697)		

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	142,530	3,918,907	3,776,377
3.2 Other than first liens	1,838,133	1,470,146	(367,987)
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale	202,234	241,336	39,102
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Other invested assets (Schedule BA)	9,179,519	5,955,256	(3,224,263)
8. Receivables for securities			
9. Aggregate write-ins for invested assets			
10. Subtotals, cash and invested assets (Lines 1 to 9)	11,362,416	11,585,645	223,229
11. Title plants ( for Title insurers only )	242,186	242,186	
12. Investment income due and accrued			
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	30,448,056	36,872,419	6,424,363
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
13.3 Accrued retrospective premiums			
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers			
14.2 Funds held by or deposited with reinsured companies			
14.3 Other amounts receivable under reinsurance contracts			
15. Amounts receivable relating to uninsured plans			
16.1 Current federal and foreign income tax recoverable and interest thereon			
16.2 Net deferred tax asset	143,988,697	117,850,494	(26,138,203)
17. Guaranty funds receivable or on deposit			
18. Electronic data processing equipment and software			
19. Furniture and equipment, including health care delivery assets	1,297,734	1,689,563	391,829
20. Net adjustment in assets and liabilities due to foreign exchange rates			
21. Receivables from parent, subsidiaries and affiliates	1,297,079	6,420,061	5,122,982
22. Health care and other amounts receivable			
23. Aggregate write-ins for other than invested assets	290,962,510	200,410,779	(90,551,731)
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	479,598,678	375,071,147	(104,527,531)
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
26. Total (Lines 24 and 25)	479,598,678	375,071,147	(104,527,531)

DETAILS OF WRITE-INS			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)			
2301. Goodwill	134,074,940	134,074,940	
2302. Other Assets	132,525,969	48,835,835	(83,690,134)
2303. Prepaid Expenses	23,977,202	17,149,626	(6,827,576)
2398. Summary of remaining write-ins for Line 23 from overflow page	384,399	350,378	(34,021)
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	290,962,510	200,410,779	(90,551,731)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

After completing the necessary regulatory filings and obtaining appropriate approvals, on October 1, 2007, Chicago Title Insurance Company (“the Company”, or “CTI”) transferred its legal domicile from the State of Missouri to the State of Nebraska. The financial statements for the year ended December 31, 2007 are presented on the basis of accounting practices prescribed or permitted by the State of Nebraska Department of Insurance. The financial statements for the year ended December 31, 2006 are presented on the basis of accounting practices prescribed or permitted by the State of Missouri Department of Insurance.

A. Accounting Practices:

To the extent possible, the accompanying financial statements have been prepared in substantial conformity with the NAIC Accounting Practices and Procedures manual, except where the laws of the State of Nebraska or the State of Missouri, as applicable, differ. Under Statutory Accounting Principles (SAP) as described in this manual, recovery rates for amounts set aside in the statutory premium reserves differ from those prescribed by laws of the State of Nebraska and the State of Missouri.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of domicile is shown below:

	12/31/2007	12/31/2006
Net Income, State Basis	129,246,669	234,090,778
State Prescribed/Permitted Practices (Income):		
Statutory Premium Reserve Recovery, net of tax	42,793,516	28,258,697
Net Income, NAIC SAP basis	172,040,185	262,349,475
Statutory Surplus, State	274,482,538	429,467,367
State Prescribed/Permitted Practices (Surplus):		
Statutory Premium Reserve	164,070,806	121,277,291
Title Plants	0	0
Statutory Surplus, NAIC SAP Basis	438,553,344	550,744,658

B. Use of Estimates in the Preparation of the Financial Statements:

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy:

A portion of title insurance premiums written, escrow fees and other title fees is deferred and set aside in the statutory premium reserve which is computed and amortized in accordance with accounting practices prescribed by the state of domicile. The remaining portion of title insurance premiums, escrow fees and other title fees are recognized at the time of the closing of the related real estate transaction.

Amounts paid to or retained by title agents are recognized as an expense when incurred.

In addition, the company uses the following accounting policies:

- (1) Short term investments are stated at amortized cost.
- (2) Bonds are stated at amortized cost using the effective interest method with exception to those bonds with a NAIC designation of 3-6, which are stated at the lower of amortized cost or market value.
- (3) Unaffiliated common stock holdings are stated at NAIC market value.
- (4) Preferred stocks are stated at NAIC market value with exception to the preferred stock with a NAIC designation of 3-6, which are stated at the lower of cost or market.
- (5) Mortgage Loans on Real Estate are stated at the aggregate carrying value less accrued interest.
- (6) Loan-backed securities are stated at amortized cost or the lower of amortized cost or market value.
- (7) Investment in Subsidiaries, Controlled or Affiliated Companies are valued using the underlying statutory equity, as adjusted, or audited GAAP equity, adjusted for certain non-admitted assets, as appropriate for each individual investment.
- (8) Interest in Joint Ventures are valued based on the underlying audited GAAP equity of the investee, and may include adjustments for certain non-admitted assets depending on the ownership interest in the investee and the nature of the joint venture.

NOTES TO FINANCIAL STATEMENTS

- (9) Derivatives - None
- (10) Anticipated investment income to be used as a factor in a premium deficiency calculation - None
- (11) Unpaid losses and loss adjustment expense include an amount determined from individual case estimates and loss reports. Such liabilities are necessarily based on assumptions and estimates. While management believes the amount is adequate, the ultimate liability maybe in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.

2. **Accounting Changes and Correction of Errors:**

Not applicable

3. **Business Combinations and Goodwill:**

Non-applicable.

4. **Discontinued Operations:**

Non-applicable.

5. **Investments:**

- A. Mortgage Loans – At December 31, 2007 and December 31, 2006, the Company had mortgage loans receivable consisting of promissory notes secured by first deeds of trust on real estate, with installments due monthly through 2036 in 2007 and 2006, or upon sale of real estate securing such promissory notes. Interest rates range from 0% to 9.65% in 2007 and 2006.
- B. Debt Restructuring – Non-applicable
- C. Reverse Mortgages – Non-applicable
- D. Loan Backed Securities

Prepayment assumptions for single class and multi-class mortgage backed/asset backed securities were obtained from broker dealer survey values or internal estimates.

A broker market analysis was used in determining the market value of its loan-back securities.

- E. Repurchase Agreements – Non Applicable

6. **Joint Ventures, Partnerships and Limited Liability Companies:**

The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

7. **Investment Income:**

There was no due and accrued income excluded in the financial statements.

8. **Derivative Instruments:**

None

9. **Income Taxes:**

- A. The components of the net DTA recognized in the Company's Assets, Liabilities, Surplus and Other Funds are as follows:

	12.31.07	Dec. 31, 2006
(1) Total of gross deferred tax assets	172,739,686	145,381,279
(2) Total of deferred tax liabilities	(3,576,144)	(3,909,474)
Net deferred tax asset	169,163,542	141,471,805
(3) Deferred tax asset nonadmitted	(143,988,697)	(117,850,494)
(4) Net admitted deferred tax asset	25,174,846	23,621,311
(5) Increase(decrease) in nonadmitted asset	26,138,203	

- B. N/A

NOTES TO FINANCIAL STATEMENTS

C. Current income taxes incurred consist of the following major components:

	12.31.07	Dec. 31, 2006
Federal	32,768,138	88,431,815
Foreign	0	0
Sub-total	32,768,138	88,431,815
Capital Gains Tax	3,883,815	275,064
Federal income taxes incurred	36,651,953	88,706,879

The main components of the deferred tax amounts are as follows:

	Statutory	Tax	Difference	Tax Effect
Deferred tax assets:				
Discounting of reserves		227,726,390	(227,726,390)	79,704,237
Reserve Accruals	(15,478,672)		(15,478,672)	5,417,535
Employee Benefits	(12,292,471)		(12,292,471)	4,302,365
Pension and Retiree Benefits	(6,513,305)		(6,513,305)	2,279,657
Unrealized Loss	(2,468,428)		(2,468,428)	863,950
Partnership	(7,494,130)		(7,494,130)	2,622,946
Gain/Loss Sale of Investments	4,318,346		4,318,346	(1,511,421)
Other	(221,568,565)		(221,568,565)	77,548,998
Total deferred tax assets	(261,497,225)	227,726,390	(489,223,615)	172,739,686
Nonadmitted deferred tax assets			411,396,276	143,988,697
Admitted deferred tax assets			(77,827,339)	28,750,990
Deferred tax liabilities:				
Gain/Loss Sale of Assets	3,493,352		3,493,352	(1,222,673)
Unrealized Gain	0		0	0
Amortization/Depreciation		(2,761,121)	2,761,121	(966,392)
Market Discount	3,963,081		3,963,081	(1,387,078)
Other	0		0	0
Total deferred tax liabilities	7,456,433	(2,761,121)	10,217,554	(3,576,144)
Net admitted deferred tax asset			(67,609,785)	25,174,846

The changes in main components of DTAs and DTLs are as follows:

	12.31.07	Dec. 31, 2006	Change
Deferred tax assets:			
Discounting of reserves	79,704,237	75,041,109	4,663,128
Reserve Accruals	5,417,535	7,049,447	(1,631,912)
Employee Benefits	4,302,365	3,964,099	338,266
Pension plan	2,279,657	4,316,206	(2,036,549)
Gain/Loss Sale of Assets	863,950	1,381,269	(517,319)
Partnership	2,622,946	1,658,265	964,681
Other	77,548,998	51,970,884	25,578,114
Total deferred tax assets	172,739,686	145,381,279	27,358,407
Nonadmitted deferred tax assets	(143,988,697)	(117,850,494)	(26,138,203)
Admitted deferred tax assets	28,750,990	27,530,785	1,220,205
Deferred tax liabilities:			
Gain/Loss Sale of Assets	(1,222,673)	(821,241)	(401,432)
Unrealized Gain	0	0	0
Amortization/Depreciation	(966,392)	(1,773,864)	807,472
Market Discount	(1,387,078)	(1,248,232)	(138,846)
Other	0	(66,137)	66,137
Total deferred tax liabilities	(3,576,144)	(3,909,474)	333,330
Net admitted deferred tax asset	25,174,846	23,621,311	1,553,535

D. Among the more significant book to tax adjustments were the following:

	Amount	Tax Effect
Income before taxes	162,014,817	56,705,186
Capital (Gain)/Loss Adjustment	(7,212,799)	(2,524,480)
Tax exempt income deduction	15,882,174)	(5,558,761)
Dividends received deduction	50,574,084)	(17,700,929)
Nondeductible goodwill	0	0
Meals & Entertainment	3,874,279	1,355,998



NOTES TO FINANCIAL STATEMENTS

Other non deductible adjustments	(1,123,179)	(393,113)
Subtotal after permanent differences	91,096,861	31,883,901
Temporary differences and prior year adjustments	2,526,390	884,236
Taxable Income/Current Tax	93,623,251	32,768,138

E.     The Company does not have any capital loss or operating loss carry forwards.  
(1)

E.(2)   The amount of Federal income taxes incurred and available for recoupment in the event of future net losses is:

a.   2007	36,651,953
b.   2006	88,706,879
c.   2005	103,716,387

F.       The Company is included in a consolidated federal income tax return with its parent company, Fidelity National Financial, Inc. (See organizational chart on Schedule Y for a complete listing of the Fidelity National Financial consolidated group). The Company has a written agreement, approved by the Company's Board of Directors, which set forth the manner in which the total combined federal income tax is allocated to each entity that is a party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. The written agreement also provides that each entity in Fidelity's consolidated group compute their tax as though the entity pays tax on a stand alone basis.

10. Information Concerning Parent, Subsidiaries and Affiliates:

A.   The Company is a member of a holding company group, as disclosed on Schedule Y Part 1 of this Annual Statement.

During 2006, following appropriate corporate and regulatory approvals, the Board of Directors of FNF effectuated a corporate restructuring which eliminated the existing holding company of FNF. On October 24, 2006, FNF transferred insurance and other assets to FNT, in exchange for shares of FNT stock. FNF shareholders then received all shares of FNT stock owned by FNF upon the closing of the transaction. FNT became a stand alone public company. On November 9, 2006, FNF merged with and into its remaining subsidiary, Fidelity National Information Services (FIS), and subsequently FNT changed its name to Fidelity National Financial, Inc (new FNF) on November 10, 2006. Both FIS and the new FNF are now separate publicly traded companies. This restructuring did not have a material effect on the financial condition of the Company.

B.   A summary of material transactions between the Company and its parent, subsidiaries and affiliates is disclosed on Schedule Y Part 2 of the Annual Statement.

On March 31, 2006, the outstanding collateral loan receivable from Chicago Title and Trust Company, with a remaining principal balance of \$3,180,000 was repaid in full. On June 30, 2006, the outstanding collateral loan receivable from Fidelity National Financial Inc, with a remaining principal balance of \$9,900,000 was repaid in full.

On February 1, 2006, the Company loaned \$19,182,520 to Village Resorts, LLC, an affiliate, secured by a deed of trust on certain real estate in Riverside, California. This transaction was the result of a settlement of a policy claim.

On March 1, 2006, the Company contributed net assets of approximately \$2.8 million to its wholly owned LLC, Asset Link, LLC.

On July 31, 2006, the Company recorded the voluntary dissolution of TPO, Inc, a subsidiary with a statutory value of \$0 at dissolution date.

On August 10, 2007, the Company acquired 100% of the stock of ATM Holdings, Inc, a provider of nationwide mortgage vendor management services to the loan origination industry, for \$100,000,000. Immediately thereafter, ATM Holdings distributed its net assets to the Company.

On September 30, 2007, the Company’s subsidiary, Chicago Title Insurance Company of Puerto Rico was dissolved. Following the statutory notice period, the net assets of the subsidiary, totaling \$732,559, were transferred to the Company.

C.   The dollar amount of material transactions between the Company and its parent, subsidiaries and affiliates is disclosed on Schedule Y Part 2 of the Annual Statement.

D.   At December 31, 2007 and December 31, 2006, the Company had a receivable from the parent and/or other related parties totaling \$33,194,492 and \$10,843,626, respectively, and a payable to the parent and/or other

## NOTES TO FINANCIAL STATEMENTS

related parties of \$1,229,367 and \$1,190,990, respectively. Intercompany balances are generally settled on a monthly basis.

- E. There are no guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party that could result in a material contingent exposure of the reporting entity's or any related party's assets or liabilities.
- F. The Company has service agreements and cost sharing arrangements with its subsidiaries and affiliates. These arrangements are based on a straight pass-through allocation of actual costs incurred by the insurer. The balances on these arrangements are shown on Schedule Y.
- G. Chicago Title and Trust Company, domiciled in the State of Illinois, owns 100% of the outstanding shares of the Company.
- H. The Company owns no stock in its ultimate parent company.
- I. The Company owns no shares of stock of affiliated or related parties that exceeds 10% of the admitted assets of the Company. All investments in affiliate company stocks are disclosed on Schedule D Part 6.
- J. Impairment write downs – None
- K. Foreign insurance company subsidiaries – not applicable

### 11. Debt:

In connection with the acquisition of the assets and liabilities of Service Link LP on August 1, 2005, the Company acquired a note payable with the following terms: The note is dated August 29, 2003, with an original principal amount of \$250,000, bearing interest at 3.375%. Proceeds from the note were used to purchase fixtures located at a Company facility in Pennsylvania, and a security interest in these fixtures was granted to the lender. The note is repaid in equal monthly installments over 60 months, beginning November 1, 2003. The balance on the note at December 31, 2007 was \$44,737. Interest paid through December 31, 2007, totals \$2,461.

### 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans:

- A. Defined Benefit Plan - None
- B. Defined Contribution Plan – None
- C. Multi-employer Plan – None
- D. Consolidated/Holding Company Plans – The Company's employees are covered under a qualified voluntary contributory savings plan ("401(k) Plan") sponsored by FNF. Under the plan, participating employees make contributions of up to 40% from pre-tax annual compensation, up to the amount allowed pursuant to the Internal Revenue Code, into individual accounts that are generally not available until the employee reaches age 59 ½. The Company matches participants' contributions at a rate of 50% of the first 6% of compensation. Matching contributions of \$5,539,097 and \$5,699,462 were made in 2007 and 2006, respectively.

The Company's employees are covered to participate in an Employee Stock Purchase Plan ("ESPP"). Under this plan, eligible employees may voluntarily purchase, at current market prices, shares of FNF's common stock through payroll deduction. Pursuant to the ESPP Plans, employees may contribute an amount between 3% and 15% of their base salary and certain commissions. The Company contributes varying amounts as specified in the ESPP Plan. The Company's cost of its employer matching contributions for the years 2007 and 2006 were \$2,630,703 and \$2,705,743, respectively.

Certain Company officers are participants in the 1987, 1991, 1993, 1998, 2001 and 2004 Executive Incentive Stock Option Plans and the 2005 Omnibus Incentive Plan (the "Plans") sponsored by FNF. Under the Plans, participants have the option to purchase shares of FNF stock at annually declining share prices. Options granted under these plans expire within a specified period from the grant date. The 2005 Plan provides for the grant of stock options, stock appreciation rights, restricted stock, and other cash and stock-based awards and dividend equivalents. There is no material effect on the Company's financial statements as a result of the creation of these Plans.

In connection with the acquisition of its parent by FNF in 2000, FNF assumed the options outstanding under CT&T's existing stock option plans: the 1998 Long-term Incentive Plan and the Directors Stock Option Plan. Pursuant to the acquisition agreement, options under these plans became fully vested on March 20, 2000. The options granted in accordance with these two plans generally have a term of five to ten years.

In connection with the acquisition of its parent by FNF, FNF also assumed CT&T's noncontributory

## NOTES TO FINANCIAL STATEMENTS

defined benefit plan (the "Pension Plan"). The Pension Plan covers certain CT&T and subsidiary employees. The benefits are based on years of service and the employee's average monthly compensation in the highest 60 consecutive calendar months during 120 months ending at retirement or termination. The parent company's funding policy is to contribute annual at least the minimum required contribution under the Employee Retirement Income Security Act (ERISA). Contributions are intended to provide not only for benefits accrued to date, but also for those expected to be earned in the future. Each year the Company is allocated net periodic pension expense from CT&T based on employee count for plan participants. Effective January 1, 2001, the Pension Plan was frozen and future contributions of Pension Plan benefits will terminate. The Company's net periodic pension expense associated with this plan in 2007 and 2006 was \$946,956 and \$1,242,428, respectively. The accrued pension liability at December 31, 2007 and December 31, 2006 was \$878,931 and \$3,857,632 respectively. Other disclosures required by generally accepted accounting principles are not calculated on a separate company basis.

The Company recorded an adjustment to statutory equity in the amount of \$2,623,117 and \$(681,607) during 2007 and 2006, respectively, to adjust the funded status of the pension and other post retirement benefit plans.

FNF assumed certain health care and life insurance benefits for retired CT&T and subsidiary employees in connection with the CT&T acquisition. The cost of these benefit plans are accrued during the periods the employees render service. CT&T is self insured for its post retirement health care and life insurance benefit plans, and the plans are not funded. The health care plans provide for insurance benefits after retirement and are generally contributory, with contributions adjusted annually. Post retirement life insurance benefits are contributory, with coverage amounts declining with increases in a retiree's age. The current expenses of these plans are charged to participating subsidiaries on a pass through cost basis. The Company experienced net health care and life insurance cost of approximately \$534,845 and \$(174,834) respectively, after retiree contributions during 2007 and 2006.

Certain Company employees and directors may be eligible to participate in a non-qualified deferred compensation plan sponsored by the Company's ultimate parent, FNF. Selected participants may elect to defer an annual amount of salary, bonus, commissions and/or directors' fees for a minimum of \$25,000 and a maximum of 100%. Plan assets are maintained by a trust established by the sponsor, and there is no expense to the Company in connection with this plan.

### 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations:

- A. The Company has 25,000 shares of common stock authorized, 20,000 shares issued and outstanding. The par value per share is \$100.00.
- B. The Company has no preferred stock outstanding.
- C. The maximum amount of dividends which can be paid by State of Nebraska Insurance companies to shareholders without prior approval of the Insurance Commissioner is limited and can only be made from earned surplus unless prior approval is received from the Nebraska Insurance Commissioner. The maximum amount of dividends that may be paid is also subject to restrictions relating to statutory surplus and net income. For 2008, the maximum amount that may be paid without prior regulatory approval is \$167,565,746. The Company paid \$125,800,000 in cash dividends during 2006, and \$146,000,000 in 2007. Prior notice of dividends was filed with the appropriate domiciliary Department of Insurance for these dividends, and all dividends in both years were ordinary dividends.
- D. Within the limitations of (C) above, there are no restrictions on the portion of the Company's profits that may be paid as ordinary dividends to shareholders.
- E. The Company has no restrictions placed on unassigned funds (surplus).
- F. Advances to surplus not repaid – Non-applicable.
- G. The Company holds no stock for any option or employee benefit plans.
- H. Changes in balances in special surplus funds – Non-applicable
- I. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$(252,330,489).
- J. Surplus Notes – None
- K. Quasi-reorganization – Non-applicable

### 14. Contingencies:

- A. Contingent Commitments – Outstanding loan guarantees made on behalf of Company agents at December 31, 2007 and December 31, 2006 totaled \$8,590 and \$72,537, respectively.

## NOTES TO FINANCIAL STATEMENTS

B. Assessments – Non-applicable

C. Gain Contingencies – None

D. All Other Contingencies:

In the ordinary course of business, we are involved in various pending and threatened litigation matters related to our operations, some of which include claims for punitive or exemplary damages. We believe that no actions, other than those listed below, depart from customary litigation incidental to its business and that the resolution of all pending and threatened litigation will not have a material effect on our results of operations, financial position or liquidity.

As background to the disclosure below, please note the following:

These matters raise difficult and complicated factual and legal issues and are subject to many uncertainties and complexities, including but not limited to the underlying facts of each matter, novel legal issues, variations between jurisdictions in which matters are being litigated, differences in applicable laws and judicial interpretations, the length of time before many of these matters might be resolved by settlement or through litigation and, in some cases, the timing of their resolutions relative to other similar cases brought against other companies, the fact that many of these matters are putative class actions in which a class has not been certified and in which the purported class may not be clearly defined, the fact that many of these matters involve multi-state class actions in which the applicable law for the claims at issue is in dispute and therefore unclear, and the current challenging legal environment faced by large corporations and insurance companies.

In these matters, plaintiffs seek a variety of remedies including equitable relief in the form of injunctive and other remedies and monetary relief in the form of compensatory damages. In most cases, the monetary damages sought include punitive or treble damages. Often more specific information beyond the type of relief sought is not available because plaintiffs have not requested more specific relief in their court pleadings. In addition, the dollar amount of damages sought is frequently not stated with specificity. In those cases where plaintiffs have made a statement with regard to monetary damages, they often specify damages either just above or below a jurisdictional limit regardless of the facts of the case. These limits represent either the jurisdictional threshold for bringing a case in federal court or the maximum they can seek without risking removal from state court to federal court. In our experience, monetary demands in plaintiffs' court pleadings bear little relation to the ultimate loss, if any, we may experience.

For the reasons specified above, it is not possible to make meaningful estimates of the amount or range of loss that could result from these matters at this time. We review these matters on an on-going basis and follow the provisions of SFAS No. 5, "Accounting for Contingencies" when making accrual and disclosure decisions. When assessing reasonably possible and probable outcomes, we base our decision on our assessment of the ultimate outcome following all appeals.

In the opinion of management, while some of these matters may be material to our operating results for any particular period if an unfavorable outcome results, none will have a material adverse effect on our overall financial condition.

A class action in Pennsylvania (Cohen v. Chicago Title Insurance Company, filed on January 27, 2006 in the Court of Common Pleas of Philadelphia County, Pennsylvania), alleges that the Company failed to provide notice of premium discounts to consumers refinancing their mortgages, and failed to give discounts in refinancing transactions in violation of the filed rates. The action seeks refunds of the premiums charged and punitive damages. Our motion to dismiss was denied and the class was certified. The parties are proceeding with discovery. We intend to vigorously defend this action.

A class action in Texas (Arevalo v. Chicago Title Insurance Company and Ticor Title Insurance Company, filed on March 24, 2006 in the U.S. District Court for the Western District of Texas, San Antonio Division) alleges that the Company overcharged for recording fees in Arizona, California, Colorado, Oklahoma and Texas. The suit seeks to recover the recording fees for the class that was overcharged, interest and attorney's fees. Plaintiff's motion for class certification and the Company's motions to dismiss and for summary judgment are under submission. A similar suit is pending in Kansas (Doll v. Chicago Title Insurance Company, filed on September 28, 2006 in the U.S. District Court for the District of Kansas) alleging that the Company charged consumers more than the County Recorder charges to record their documents in conjunction with closing transactions. Plaintiff's motion to certify the class was denied and plaintiffs have moved to dismiss the action.. We intend to vigorously defend these actions.

Two class actions filed in Illinois (Chultem v. Fidelity National Financial, Inc., Chicago Title and Trust Company and Ticor Title Insurance Company and Colella v. Fidelity National Financial, Inc., Chicago Title and Trust Company and Ticor Title Insurance Company, each filed on May 11, 2006 in the Circuit Court of Cook County, Illinois, County Department, Chancery Division) allege the Companies violated the Illinois Title Insurance Act, the Illinois Consumer Fraud Act and have been unjustly enriched through the practice of paying Illinois attorney's agency fees. The complaint alleges the payments are in exchange for the referral of

NOTES TO FINANCIAL STATEMENTS

business and the attorneys do not perform any “core title services”. Although the Company’s motions to dismiss and for summary judgment were granted, plaintiffs were permitted to and did amend their complaints. Plaintiffs motion for class certification is fully briefed and will be heard February 22, 2008. . We intend to vigorously defend these actions.

The Company gets inquiries and requests for information from state insurance departments, attorneys general and other regulatory agencies from time to time about various matters relating to its business. Sometimes these take the form of civil investigative subpoenas. The Company attempts to cooperate with all such inquiries. From time to time, the Company is assessed fines for violations of regulations or other matters or enters into settlements with such authorities which require the Company to pay money or take other actions.

In January 2007, the California Insurance Commissioner submitted to the California Office of Administrative Law (the “OAL”) proposed regulations (the “Proposed Regulations”) that would have significant effects on the title insurance industry in California. On February 21, 2007, the OAL disapproved the Proposed Regulations. On June 28, 2007, the California Department of Insurance (the “CDI”) submitted a modified version of the Proposed Regulations to the OAL. The only substantive change in this modified version of the Proposed Regulations was to delay the implementation dates by approximately one year. The OAL approved the modified version of the Proposed Regulations on July 26, 2007 (as approved, the “Regulations”) and filed them with the California Secretary of State. Notwithstanding the promulgation of the Regulations, we, as well as others, have been engaged in discussions with the CDI regarding possible industry reforms that may result in the CDI’s decision to modify or repeal the Regulations prior to their implementation. In the event that the CDI does not modify or repeal the Regulations prior to their implementation, the Regulations are expected to have significant effects on the title insurance industry in California. Among other things, the Regulations set “maximum” rates, effective as of October 1, 2010, for title and escrow using industry data to be reported through the statistical plan described below and published by the CDI. In addition, the Regulations establish an interim reduction of all title and escrow rates effective October 1, 2010 if the CDI is unable to publish the data necessary for the calculation of the maximum rates by August 1, 2010. These interim rate reductions are intended to roll rates back so that, in effect, premiums would be charged on the basis of real property values from the year 2000. Title insurers would be required to reduce their rates to a level below their 2000 rates, with the amount of the reduction determined by a formula adjusting for real estate appreciation and inflation. We are concerned that the reduced rates set by the Regulations will significantly reduce the title and escrow rates that are charged in California, while precluding title insurers from seeking relief from those reduced or maximum rates. In addition, the Regulations create a detailed statistical plan, and require each title insurer, underwritten title company, and controlled escrow company to collect data at the individual transaction level beginning on January 1, 2009, and to report such data to the CDI on an annual basis beginning April 30, 2010.

Compliance with the data collection and reporting requirements of the Regulations would necessitate a significant revision and augmentation of our existing data collection and accounting systems before January 1, 2009, and would require a significant expenditure to comply with the April 30, 2010 reporting deadline. The required rate reductions and maximum rates would significantly reduce the title insurance rates that our subsidiaries can charge, and would likely have a significant negative impact on our California revenues. In addition, the increased cost of compliance with the statistical data collection and reporting requirements would negatively impact our cost of doing business in California. California is the largest source of revenue for the title insurance industry, including for us.

We continue to meet with the CDI to discuss possible modifications to the Regulations and alternatives that could result in the repeal of the Regulations prior to their initial implementation. On October 5, 2007, the California Insurance Commissioner sent a letter to the title insurance industry outlining a series of acts that he has agreed to undertake in an effort to minimize the impact of the Regulations and to lay further groundwork for a possible resolution involving the modification or repeal of the Regulations prior to their initial implementation. Among other things, the California Insurance Commissioner stated in such letter that: (i) the CDI will propose substantial changes to the data collection and reporting requirements of the Regulations that are designed to minimize compliance costs, (ii) the CDI will delay all effective dates in the Regulations by one year, which will have the effect of deferring the date on which the industry would be required to submit its first statistical report under the Regulations to April 30, 2011, and deferring the first possible rate reduction under the Regulations to October 1, 2011, and (iii) if the industry works with the CDI to enact substantive alternative reforms, the CDI is willing to eliminate the maximum rate formula altogether. In addition, we are exploring litigation alternatives in the event that the CDI does not modify or repeal the Regulations, including a possible lawsuit challenging the CDI’s authority to promulgate rate regulations and statistical plan regulations related thereto.

15. Leases:

The Company is a party to a number of long-term non-cancelable operating leases for certain facilities, furniture and equipment which expire at various times through 2014. Rental expense for the years 2007 and 2006 was \$48,438,927 and \$46,758,482 respectively. At December 31, 2007, the minimum rental commitments under all such leases with initial or remaining terms of more than one year, exclusive of any additional amounts that may become due under escalation clauses, are:

2008	34,382,954
2009	24,840,969
2010	16,613,132

NOTES TO FINANCIAL STATEMENTS

2011	10,350,638
2012 & beyond	5,129,714
	<u>91,317,407</u>

16. **Information About Financial Instruments With Off Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk:**

None

17. **Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities:**

**Securities Lending Activity:**

The Company has entered into a Securities Lending Agreement (“the Agreement”) with Bank of New York (“BNY”), whereby it lends certain securities to certain BNY customers. The loaned securities remain assets of the Company. The Company receives cash collateral having a fair market value as of the transaction date at least equal to 102% of the fair value of loaned securities. A liability is established for the return of the collateral.

As of December 31, 2007, the fair value of securities loaned was as follows: Long term bonds, \$207,436,746.

As of December 31, 2007, the Company held the following collateral associated with securities lending transactions: cash equivalents, \$213,600,427.

18. **Gains or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans:**

Non-applicable

19. **Direct Premium Written/Produced by Managing General Agents/Third Party Administrators:**

Non-applicable

20. **Other Items:**

- A. Extraordinary Items – None
- B. Troubled Debt Restructuring – None
- C. Other Disclosures:

(1) Assets in the approximate amount of \$37,290,190 at December 31, 2007 were on deposit with government authorities or trustees as required by law.

(2) In conducting its operations, the Company routinely holds customers’ assets in trust, pending completion of real estate transactions. Such amounts are maintained in segregated bank accounts and have not been included in the accompanying statutory financial statements. At December 31, 2007 and December 31, 2006, the Company held approximately \$2,569,481,395 and \$3,014,574,012, respectively, of such assets in trust and has a contingent liability relating to the proper disposition of these assets for its customers.
- D. Uncollectible Balances – Not applicable
- E. Business Interruption Insurance Recoveries – Not applicable
- F. State Transferable Tax Credits – None
- G. Amount of Deposits under Section 6603 of IRS Code – None
- H. Hybrid Securities – Not applicable
- I. Subprime Exposure

The subprime lending sector, also referred to as B-paper, near-prime, or second chance lending, is the sector of the mortgage lending industry which lends to borrowers who do not qualify for prime market interest rates because of poor or insufficient credit history. The term also refers to paper taken on property that cannot be sold on the primary market, including loans on certain types of investment properties and certain types of self-employed individuals. Instability in the domestic and international credit markets due to problems in the subprime sector dictates the need for additional information related to exposure to subprime mortgage related risk.

For purposes of this disclosure, subprime exposure is defined as the potential for financial loss through direct

NOTES TO FINANCIAL STATEMENTS

investment, indirect investment, or underwriting risk associated with risk from the subprime lending sector. For purposes of this note, subprime exposure is not limited solely to the risk associated with holding direct mortgage loans, but also includes any indirect risk through investments in debt securities, asset backed or structured securities, hedge funds, common stock, subsidiaries and affiliates, and insurance product issuance. Although it can be difficult to determine the indirect risk exposures, it should be noted that not only does it include expected losses, it also includes the potential for losses that could occur due to significantly depressed fair value of the related assets in an illiquid market.

As it relates to the exposure described above, the following information is disclosed:

- (1) Direct exposure through investments in subprime mortgage loans – None
- (2) Indirect exposure to subprime mortgage risk through investments in the following securities:

i. Residential mortgage backed securities

i. Actual Cost: \$33,248,930

Book Adjusted Carrying Value: \$33,248,930

Fair Value: \$31,755,272

No other than temporary impairment recognized to date
- (3) Underwriting exposure to subprime mortgage risk – None
- (4) The Company’s subprime-mortgage-related risk is comprised of direct investments in residential mortgage backed securities (RMBS). Subprime RMBS holdings’ book adjusted carrying value as of December 31, 2007 was \$33,248,930, with a fair value of \$31,755,272. All subprime RMBS holdings have AAA/Aaa ratings from S&P and Moody’s, respectively. The Company monitors the performance of these assets on a continuous basis. The monitoring process is comprised of an analysis of 30, 60, and 90 day delinquency rates, cumulative net losses and levels of subordination, all of which are updated on a monthly basis.

21. **Events Subsequent:**

None

22. **Reinsurance:**

- A. Unsecured Reinsurance Recoverable – None
- B. Reinsurance in Dispute – None
- C. Reinsurance Assumed or Ceded – Non-applicable
- D. Uncollectible Reinsurance – None
- E. Commutation of Ceded Reinsurance – None
- F. Retroactive Reinsurance – None
- G. Reinsurance Accounted for as Deposit - None

23. **Retrospectively Rated Contracts:**

None

24. **Change in Incurred Losses and Loss Adjustment Expenses:**

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased (decreased) by \$7,460,094 from \$123,549,755 in 2006 to \$131,009,849 in 2007 as a result of reestimation of unpaid losses and loss adjustment expenses. This increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

25. **Inter-company Pooling Arrangements:**

None

26. **Structured Settlements:**

None

27. **Supplemental Reserve:**

Non-applicable

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	62,624,433	4.380	62,624,433	4.380
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	17,613,988	1.232	17,613,988	1.232
1.22 Issued by U.S. government sponsored agencies	235,026,465	16.439	235,026,465	16.439
1.3 Foreign government (including Canada, excluding mortgage-backed securities)	15,462,518	1.082	15,462,518	1.082
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	434,320,906	30.378	434,320,906	30.378
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	1,914,902	0.134	1,914,902	0.134
1.43 Revenue and assessment obligations	10,650,494	0.745	10,650,494	0.745
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA				
1.512 Issued or guaranteed by FNMA and FHLMC				
1.513 All other				
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA				
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage- backed securities issued or guaranteed by agencies shown in Line 1.521				
1.523 All other				
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	253,706,860	17.745	253,706,860	17.745
2.2 Unaffiliated foreign securities				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds	5,585		5,585	
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated				
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated	37,324,296	2.611	37,324,296	2.611
3.4 Other equity securities:				
3.41 Affiliated	27,815,974	1.946	27,815,974	1.946
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties	1,048,695	0.073	1,048,695	0.073
4.4 Multifamily residential properties				
4.5 Commercial loans	19,182,520	1.342	19,182,520	1.342
4.6 Mezzanine real estate loans				
5. Real estate investments:				
5.1 Property occupied by company	298,573	0.021	298,573	0.021
5.2 Property held for production of income (including \$ 0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (including \$ 2,977,853 property acquired in satisfaction of debt)	2,977,853	0.208	2,977,853	0.208
6. Contract loans				
7. Receivables for securities	346,155	0.024	346,155	0.024
8. Cash, cash equivalents and short-term investments	309,021,337	21.614	309,021,337	21.614
9. Other invested assets	356,922	0.025	356,922	0.025
10. Total invested assets	1,429,698,476	100.000	1,429,698,476	100.000



GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐
- 1.3

State Regulating?

NE
- 2.1

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 ☐
- 2.2

If yes, date of change:

10/01/2007
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2005
- 3.2

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.

12/31/2005
- 3.3

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).

11/19/2007
- 3.4

By what department or departments?

MO Department of Insurance
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11

sales of new business?

Yes ☐ No ☒

4.12

renewals?

Yes ☐ No ☒
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21

sales of new business?

Yes ☐ No ☒

4.22

renewals?

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 the name of the 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

- 6.1

Has the 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?

Yes ☐ No ☒
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒
- 7.2

If yes,

7.21

State the percentage of foreign control

0 %

7.22

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1	2
Nationality	Type of Entity

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.



GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

19.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes ☐ No ☒

19.2

If yes, state the amount thereof at December 31 of the current year:

19.21

Rented from others

\$

0

19.22

Borrowed from others

\$

0

19.23

Leased from others

\$

0

19.24

Other

\$

0

20.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes ☐ No ☒

20.2

If answer is yes:

20.21

Amount paid as losses or risk adjustment

\$

0

20.22

Amount paid as expenses

\$

0

20.23

Other amounts paid

\$

0

21.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes ☒ No ☐

21.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$

33,194,492

INVESTMENT

22.1

Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits?

Yes ☐ No ☒

22.2

If no, give full and complete information, relating thereto

23.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1).

Yes ☒ No ☐

23.2

If yes, state the amount thereof at December 31 of the current year:

23.21

Loaned to others

\$

202,002,331

23.22

Subject to repurchase agreements

\$

0

23.23

Subject to reverse repurchase agreements

\$

0

23.24

Subject to dollar repurchase agreements

\$

0

23.25

Subject to reverse dollar repurchase agreements

\$

0

23.26

Pledged as collateral

\$

0

23.27

Placed under option agreements

\$

0

23.28

Letter stock or securities restricted as to sale

\$

0

23.29

On deposit with state or other regulatory body

\$

37,290,190

23.291

Other

\$

0

23.3

For category (23.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		0
		0
		0

24.1

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

Yes ☐ No ☒

24.2

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

Yes ☐ No ☐ N/A ☒

If no, attach a description with this statement.

25.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes ☐ No ☒

25.2

If yes, state the amount thereof at December 31 of the current year.

\$

0

26.

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 Section 3, III Conducting Examinations, G - Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook?

Yes ☒ No ☐

26.01

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

1 Name of Custodian(s)	2 Custodian's Address
BNY Western Trust	700 Flower Street Suite 200
	Los Angeles, CA 90017

26.02

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)

26.03

Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year?

Yes ☐ No ☒

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

26.04 If yes, give full and complete information relating thereto:

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

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

1	2	3
Central Registration Depository Number(s)	Name	Address
Managed in House	Matthew Hartman	601 Riverside Ave. Jacksonville, FL 32204
Managed in House	Sean Casey	601 Riverside Ave. Jacksonville, FL 32204

27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [ ☐ ] No [ ☒ ]

27.2 If yes, complete the following schedule:

1	2	3
CUSIP#	Name of Mutual Fund	Book/Adjusted Carrying Value
		0
		0
		0
		0
27.2999	Total	0

27.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
		0	
		0	
		0	
		0	

28. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
28.1 Bonds	1,072,912,939	1,086,211,111	13,298,172
28.2 Preferred stocks	0	0	0
28.3 Totals	1,072,912,939	1,086,211,111	13,298,172

28.4 Describe the sources or methods utilized in determining the fair values: Fair values determined based on guidelines set fourth in NAIC Valuation Manual NAIC Annual Statement Instructions, and when deemed necessary, information provided by market service organizations

29.1 Have all the filing requirements of the Purposes and Procedures manual of the NAIC Securities Valuation Office been followed? Yes [ ☒ ] No [ ☐ ]

29.2 If no, list exceptions:

OTHER

30.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 1,245,205

30.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1	2
Name	Amount Paid
American Land Title Association	\$ 315,281
Texas Land Title Association	\$ 387,983
	\$ 0

31.1 Amount of payments for legal expenses, if any? \$ 776,987

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

31.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	\$ 0
	\$ 0
	\$ 0

32.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 193,711

32.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Nick Kralj	\$ 137,390
	\$ 0
	\$ 0
	\$ 0

GENERAL INTERROGATORIES

PART 2-TITLE INTERROGATORIES

1.

Did any persons while an officer, director, trustee, or employee receive directly or indirectly, during the period covered by this statement, any compensation in addition to his/her regular compensation on account of the reinsurance transactions of the reporting entity?

YES [ ☐ ] NO [ ☒ ]

2.

Largest net aggregate amount insured in any one risk.

\$ 600,000,000

3.1

Has this reporting entity reinsured any risk with any other 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?

YES [ ☐ ] NO [ ☒ ]

3.2

If yes, give full information

4.

If the reporting entity has assumed risk from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

YES [ ☒ ] NO [ ☐ ]

5.1

Has this reporting entity guaranteed policies issued by any other entity and now in force?

YES [ ☐ ] NO [ ☒ ]

5.2

If yes, give full information

6.

Uncompleted building construction loans:

6.1

Amount already loaned

\$ 0

6.2

Balance to be advanced

\$ 0

6.3

Total amount to be loaned

\$ 0

7.1

Does the reporting entity issue bonds secured by certificates of participation in building construction loans prior to the completion of the buildings?

YES [ ☐ ] NO [ ☒ ]

7.2

If yes, give total amount of such bonds or certificates of participation issued and outstanding.

\$ 0

8.

What is the aggregate amount of mortgage loans owned by the reporting entity which consist of co-ordinate interest in first liens?

\$ 0

9.1

Reporting entity assets listed on Page 2 include the following segregated assets of the Statutory Premium Reserve or other similar statutory reserves:

9.11

Bonds

\$ 825,713,000

9.12

Short-term investments

\$ 0

9.13

Mortgages

\$ 0

9.14

Cash

\$ 0

9.15

Other admissible invested assets

\$ 0

9.16

Total

\$ 825,713,000

9.2

List below segregate funds held for others by the reporting entity, set apart in special accounts and excluded from entity assets and liabilities. (These funds are also included in Schedule E - Part 1D Summary and the "From Separate Accounts, Segregated Accounts and Protected Cell Accounts" line on Page 2 except for escrow funds held by Title insurers).

9.21

Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of:

\$ 2,569,481,395

These funds consist of:

9.22

In cash on deposit

\$ 2,569,481,395

9.23

Other forms of security

\$ 0

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2007	2 2006	3 2005	4 2004	5 2003
<b>Source of Direct Title Premiums Written</b> (Part 1A)					
1. Direct operations (Part 1A, Line 1, Col. 1)	477,816,470	453,023,752	392,634,345	411,400,304	555,288,091
2. Non-affiliated agency operations (Part 1A, Line 1, Col. 2)	1,033,035,988	1,278,920,450	1,196,407,981	1,200,925,725	1,074,665,489
3. Affiliated agency operations (Part 1A, Line 1, Col. 3)	376,443,234	545,659,674	690,092,532	640,122,744	693,379,560
4. Total	1,887,295,692	2,277,603,876	2,279,134,858	2,252,448,773	2,323,333,140
<b>Operating Income Summary</b> (Page 4 & Part 1)					
5. Premiums earned (Part 1B, Line 3)	1,806,353,034	2,211,041,285	2,210,574,885	2,184,215,898	2,233,828,719
6. Escrow and settlement service charges (Part 1A, Line 2)	111,308,296	111,762,485	96,812,180	95,926,513	105,765,954
7. Title examinations (Part 1C, Line 1)	42,689,191	46,697,221	48,371,201	48,882,197	55,738,603
8. Searches and abstracts (Part 1C, Line 2)	52,744,018	52,599,327	49,784,908	71,451,983	80,960,536
9. Surveys (Part 1C, Line 3)	601,739	609,094	616,833	651,188	718,887
10. Aggregate write-ins for service charges (Part 1C, Line 4)	94,741,036	60,661,153	31,045,736	30,794,448	37,313,269
11. Aggregate write-ins for other operating income (Page 4, Line 2)					
12. Total operating income (Page 4, Line 3)	2,108,437,314	2,483,370,565	2,437,205,743	2,431,922,227	2,514,325,968
<b>Statement of Income</b> (Page 4)					
13. Net operating gain or (loss) (Line 8)	39,688,735	189,881,943	134,204,153	220,084,661	318,257,573
14. Net investment gain or (loss) (Line 11)	122,326,076	132,640,650	132,311,787	135,123,601	166,309,593
15. Total other income (Line 12)					
16. Federal and foreign income taxes incurred (Line 14)	32,768,138	88,431,815	72,632,135	103,716,387	145,200,066
17. Net income (Line 15)	129,246,673	234,090,778	193,883,805	251,491,875	339,367,100
<b>Balance Sheet</b> (Pages 2 and 3)					
18. Title insurance premiums and fees receivable (Page 2, Line 13, Col. 3)	38,186,589	29,233,834	27,334,319	19,185,376	40,140,802
19. Total admitted assets excluding segregated accounts (Page 2, Line 24, Col. 3)	1,578,158,239	1,678,679,969	1,542,905,336	1,351,062,584	1,272,697,494
20. Known claims reserve (Page 3, Line 1)	131,009,849	123,549,755	145,310,981	87,329,575	90,965,327
21. Statutory premium reserve (Page 3, Line 2)	825,712,387	747,540,196	681,488,105	613,721,094	547,741,570
22. Total liabilities (Page 3, Line 21)	1,303,675,705	1,249,212,602	1,157,078,586	858,857,299	822,996,854
23. Capital paid up (Page 3, Lines 23 + 24)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
24. Surplus as regards policyholders (Page 3, Line 30)	274,482,538	429,467,367	385,826,750	492,205,285	449,700,640
<b>Cash Flow</b> (Page 5)					
25. Net cash from operations (Line 11)	214,908,754	273,490,606	354,606,034	259,201,753	429,184,628
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3)					
(Item divided by Page 2, Line 10, Col. 3) x 100.0					
26. Bonds (Line 1)	72.1	68.0	74.4	82.8	53.5
27. Stocks (Lines 2.1 & 2.2)	4.6	7.7	7.9	10.5	11.7
28. Mortgage loans on real estate (Line 3.1 and 3.2)	1.4	1.1			
29. Real estate (Lines 4.1, 4.2 & 4.3)	0.2	0.2	0.2	0.7	1.0
30. Cash, cash equivalents and short-term investments (Line 5)	21.6	23.1	16.4	4.7	32.3
31. Contract loans (Line 6)					
32. Other invested assets (Line 7)			1.0	1.2	1.4
33. Receivable for securities (Line 8)					0.1
34. Aggregate write-ins for invested assets (Line 9)					
35. Subtotals cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
36. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)					
37. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1)					
38. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 1)	27,815,976	43,594,089	63,506,234	143,651,318	137,713,643
39. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 7)					
40. Affiliated mortgage loans on real estate	19,182,520				
41. All other affiliated	7,179,579	5,955,256	51,576,448	56,950,989	85,057,298
42. Total of above Lines 36 to 41	54,178,075	49,549,345	115,082,682	200,602,307	222,770,941
43. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 42 above divided by Page 3, Line 30, Col. 1 x 100.0)	19.7	11.5	29.8	41.4	49.5

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2007	2 2006	3 2005	4 2004	5 2003
<b>Capital and Surplus Accounts</b> (Page 4)					
44. Net unrealized capital gains or (losses) (Line 18)	(64,234,389)	(19,305,018)	(42,765,357)	(90,374,099)	(51,211,571)
45. Change in nonadmitted assets (Line 21)	(104,527,531)	(64,165,022)	(168,680,683)	116,491,321	(112,158,556)
46. Dividends to stockholders (Line 28)	(146,000,000)	(125,800,000)	(145,000,000)	(239,524,316)	(55,700,000)
47. Change in surplus as regards policyholders for the year (Line 31)	(154,984,820)	43,640,617	(106,378,533)	42,504,646	155,501,198
<b>Losses Paid and Incurred</b> (Part 2A)					
48. Net payments (Line 5, Col. 4)	175,879,155	118,381,424	109,208,752	109,887,782	88,263,688
49. Losses and allocated LAE incurred (Line 8, Col. 4)	183,339,249	96,620,197	167,190,159	106,252,029	98,416,011
50. Unallocated LAE incurred (Line 9, Col. 4)	10,844,129	10,906,962			
51. Losses and loss adjustment expenses incurred (Line 10, Col. 4)	194,183,378	107,527,159	167,190,159	106,252,029	98,416,011
<b>Operating Expenses to Total Operating Income</b> (Part 3)(%) (Line item divided by Page 4, Line 3 x 100.0)					
52. Personnel costs (Part 3, Line 1.5, Col. 4)	18.0	15.1	14.2	14.4	14.2
53. Amount paid to or retained by title agents (Part 3, Line 2, Col. 4)	53.2	58.7	62.0	61.1	57.2
54. All other operating expenses (Part 3, Lines 24 minus 1.5 minus 2, Col. 4)	17.7	14.2	11.4	11.1	12.0
55. Total (Lines 52 to 54)	88.9	88.0	87.6	86.6	83.4
<b>Operating Percentages</b> (Page 4) (Line item divided by Page 4, Line 3 x 100.0)					
56. Losses and loss adjustment expenses incurred (Line 4)	9.2	4.3	6.9	4.4	3.9
57. Operating expenses incurred (Line 5)	88.9	88.0	87.6	86.6	83.4
58. Aggregate write-ins for other operating deductions (Line 6)					
59. Total operating deductions (Line 7)	98.1	92.4	94.5	91.0	87.3
60. Net operating gain or (loss) (Line 8)	1.9	7.6	5.5	9.1	12.7
<b>Other Percentages</b> (Line item divided by Part 1B, Line 1.4 x 100.0)					
61. Losses and loss expenses incurred to net premiums written (Page 4, Line 4)	10.3	4.7	7.3	4.7	4.2
62. Operating expenses incurred to net premiums written (Page 4, Line 5)	99.5	96.0	93.7	93.6	90.3



SCHEDULE D - SUMMARY BY COUNTRY  
Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1	2	3	4
		Book/Adjusted Carrying Value	Fair Value	Actual Cost	Par Value of Bonds
<b>BONDS</b>  Governments (Including all obligations guaranteed by governments)	1. United States .....	315,264,886	324,936,725	321,477,227	311,281,000
	2. Canada .....	15,462,518	15,707,534	15,725,923	14,871,952
	3. Other Countries .....				
	4. Totals	330,727,404	340,644,259	337,203,150	326,152,952
States, Territories and Possessions (Direct and guaranteed)	5. United States .....	434,320,906	437,537,958	444,886,640	412,052,155
	6. Canada .....				
	7. Other Countries .....				
	8. Totals	434,320,906	437,537,958	444,886,640	412,052,155
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States .....	1,914,902	1,926,850	2,015,795	1,905,000
	10. Canada .....				
	11. Other Countries .....				
	12. Totals	1,914,902	1,926,850	2,015,795	1,905,000
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States .....	10,650,494	10,688,322	11,665,157	10,350,000
	14. Canada .....				
	15. Other Countries .....				
	16. Totals	10,650,494	10,688,322	11,665,157	10,350,000
Public Utilities (unaffiliated)	17. United States .....				
	18. Canada .....				
	19. Other Countries .....				
	20. Totals				
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States .....	253,706,860	253,201,663	260,967,778	252,748,000
	22. Canada .....				
	23. Other Countries .....				
	24. Totals	253,706,860	253,201,663	260,967,778	252,748,000
Parent, Subsidiaries and Affiliates	25. Totals				
	<b>26. Total Bonds</b>	1,031,320,566	1,043,999,052	1,056,738,520	1,003,208,107
<b>PREFERRED STOCKS</b>  Public Utilities (unaffiliated)	27. United States .....				
	28. Canada .....				
	29. Other Countries .....				
	30. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	31. United States .....				
	32. Canada .....				
	33. Other Countries .....				
	34. Totals				
Industrial and Miscellaneous (unaffiliated)	35. United States .....				
	36. Canada .....				
	37. Other Countries .....				
	38. Totals				
Parent, Subsidiaries and Affiliates	39. Totals			100,000	
	<b>40. Total Preferred Stocks</b>			100,000	
<b>COMMON STOCKS</b>  Public Utilities (unaffiliated)	41. United States .....				
	42. Canada .....				
	43. Other Countries .....				
	44. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	45. United States .....				
	46. Canada .....				
	47. Other Countries .....				
	48. Totals				
Industrial and Miscellaneous (unaffiliated)	49. United States .....	37,329,882	37,329,882	38,136,877	
	50. Canada .....				
	51. Other Countries .....				
	52. Totals	37,329,882	37,329,882	38,136,877	
Parent, Subsidiaries and Affiliates	53. Totals	27,815,976	27,815,976	224,404,784	
	<b>54. Total Common Stocks</b>	65,145,858	65,145,858	262,541,661	
	55. Total Stocks	65,145,858	65,145,858	262,641,661	
	56. Total Bonds and Stocks	1,096,466,424	1,109,144,910	1,319,380,181	

SCHEDULE D - VERIFICATION BETWEEN YEARS  
Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year .....	1,179,500,506	7. Amortization of premium .....	10,767,288
2. Cost of bonds and stocks acquired, Column 7, Part 3 .....	1,654,562,053	8. Foreign Exchange Adjustment:	
3. Accrual of discount .....	427,844	8.1 Column 15, Part 1 .....	
4. Increase (decrease) by adjustment:		8.2 Column 19, Part 2 Section 1 .....	
4.1 Columns 12 - 14, Part 1 .....	(1,353,936)	8.3 Column 16, Part 2, Section 2 .....	
4.2 Column 15 - 17, Part 2, Section 1 .....		8.4 Column 15, Part 4 .....	
4.3 Column 15, Part 2, Section 2 .....	(17,065,530)	9. Book/adjusted carrying value at end of current period .....	1,096,466,431
4.4 Column 11 - 13, Part 4 .....	4,280,593	10. Total valuation allowance .....	
5. Total gain (loss), Column 19, Part 4 .....	6,357,304	11. Subtotal (Lines 9 plus 10) .....	1,096,466,431
6. Deduct consideration for bonds and stocks disposed of Column 7, Part 4 .....	1,719,475,115	12. Total nonadmitted amounts .....	
		13. Statement value of bonds and stocks, current period .....	1,096,466,431

SCHEDULE P - PART 1 - SUMMARY  
(\$000 Omitted)

Years In Which Policies Were Written	1 Amount of Insurance Written in Millions	Premiums Written and Other Income					Loss and Allocated Loss Adjustment Expenses Payments					
		2 Direct Premium	3 Assumed Premium	4 Other Income	5 Ceded Premium	6 Net	Loss Payments			Allocated LAE Payments		
							7 Direct	8 Assumed	9 Ceded	10 Direct	11 Assumed	12 Ceded
1. Prior	X X X	11,712,570	70,979	2,865,784	109,548	14,539,785	737,876			592,968		
2. 1998	420,477	1,068,015	2,372	210,204	4,430	1,276,161	42,880			27,734		
3. 1999	449,451	1,133,335	2,542	184,050	5,700	1,314,227	44,931			24,234		
4. 2000	374,538	1,019,055	3,078	149,362	3,924	1,167,571	42,144			26,670		
5. 2001	549,228	1,302,579	3,188	141,044	3,194	1,443,617	47,186			24,662		
6. 2002	723,242	1,698,373	3,218	191,407	3,319	1,889,679	35,711			31,663		
7. 2003	950,571	2,323,333	2,190	280,497	2,765	2,603,255	54,981			37,752		
8. 2004	859,843	2,252,449	2,280	247,706	4,534	2,497,901	56,913			32,097		
9. 2005	928,483	2,279,135	1,891	226,631	2,684	2,504,973	58,238			23,435		
10. 2006	965,541	2,277,604	2,591	272,329	3,102	2,549,422	27,146			9,241		
11. 2007	929,884	1,887,296	3,442	302,084	6,213	2,186,609	3,777			836		
12. Totals	X X X	28,953,744	97,771	5,071,098	149,413	33,973,200	1,151,783			831,292		

	13  Salvage and Subrogation Received	14  Unallocated Loss Expense Payments	15  Total Net Loss and Expense Paid (Cols. 7+8+10+11 -9-12+14)	16  Number of Claims Reported (Direct)	Loss and Allocated Loss Adjustment Expenses Unpaid						23  Unallocated Loss Expense Unpaid
					Known Claim Reserves			IBNR Reserves			
					17  Direct	18  Assumed	19  Ceded	20  Direct	21  Assumed	22  Ceded	
1. Prior	175,521	1,197	1,332,041	202,119	14,423			66,598			23,647
2. 1998	8,152	472	71,086	14,030	2,286			8,136			1,262
3. 1999	8,900	212	69,377	14,233	2,415			9,426			1,232
4. 2000	10,437	465	69,279	11,366	5,031			9,450			1,230
5. 2001	10,128	454	72,302	5,631	3,509			15,257			1,284
6. 2002	12,619	1,450	68,824	5,724	14,446			19,136			1,222
7. 2003	7,464	3,293	96,026	6,371	16,592			30,769			5,264
8. 2004	15,213	3,858	92,868	6,777	23,840			43,034			5,208
9. 2005	21,332	5,222	86,895	6,968	25,305			48,927			8,661
10. 2006	4,868	3,978	40,365	4,801	16,817			99,664			14,953
11. 2007	190	1,148	5,761	1,328	6,345			115,202			7,220
12. Total	274,824	21,749	2,004,824	279,348	131,009			465,599			71,183

	24 Total Net Loss and LAE Unpaid (Cols. 17+18+20 +21-19 -22+23)	25 Number of Claims Outstanding (Direct)	Losses and Allocated Loss Expenses Incurred				Loss and LAE Ratio		32 Net Loss & LAE Per \$1000 Of Coverage ((Cols. 29+14 +23)/Col. 1)	33 Discount For Time Value of Money	34 Inter-company Pooling Participation Percentage	35 Net Reserves After Discount (Cols. 24-33)
			26 Direct (Cols. 7+10+17 +20)	27 Assumed (Cols. 8 +11+18 +21)	28 Ceded (Cols. 9 +12+19 +22)	29 Net	30 Direct Basis ((Cols. 14+ 23+26/ [Cols. 2+4])	31 Net Basis ((Cols. 14+23 +29)/Col.6)				
1. Prior	104,668	973	1,411,865			1,411,865	0.099	0.099	X X X			104,668
2. 1998	11,684	187	81,036			81,036	0.065	0.065	0.197			11,684
3. 1999	13,073	203	81,006			81,006	0.063	0.063	0.183			13,073
4. 2000	15,711	289	83,295			83,295	0.073	0.073	0.227			15,711
5. 2001	20,050	354	90,614			90,614	0.064	0.064	0.168			20,050
6. 2002	34,804	600	100,956			100,956	0.055	0.055	0.143			34,804
7. 2003	52,625	969	140,094			140,094	0.057	0.057	0.156			52,625
8. 2004	72,082	1,555	155,884			155,884	0.066	0.066	0.192			72,082
9. 2005	82,893	2,462	155,905			155,905	0.068	0.068	0.183			82,893
10. 2006	131,434	2,434	152,868			152,868	0.067	0.067	0.178			131,434
11. 2007	128,767	1,070	126,160			126,160	0.061	0.062	0.145			128,767
12. Total	667,791	11,096	2,579,683			2,579,683	X X X	X X X	X X X		X X X	667,791

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN  
Allocated by States and Territories

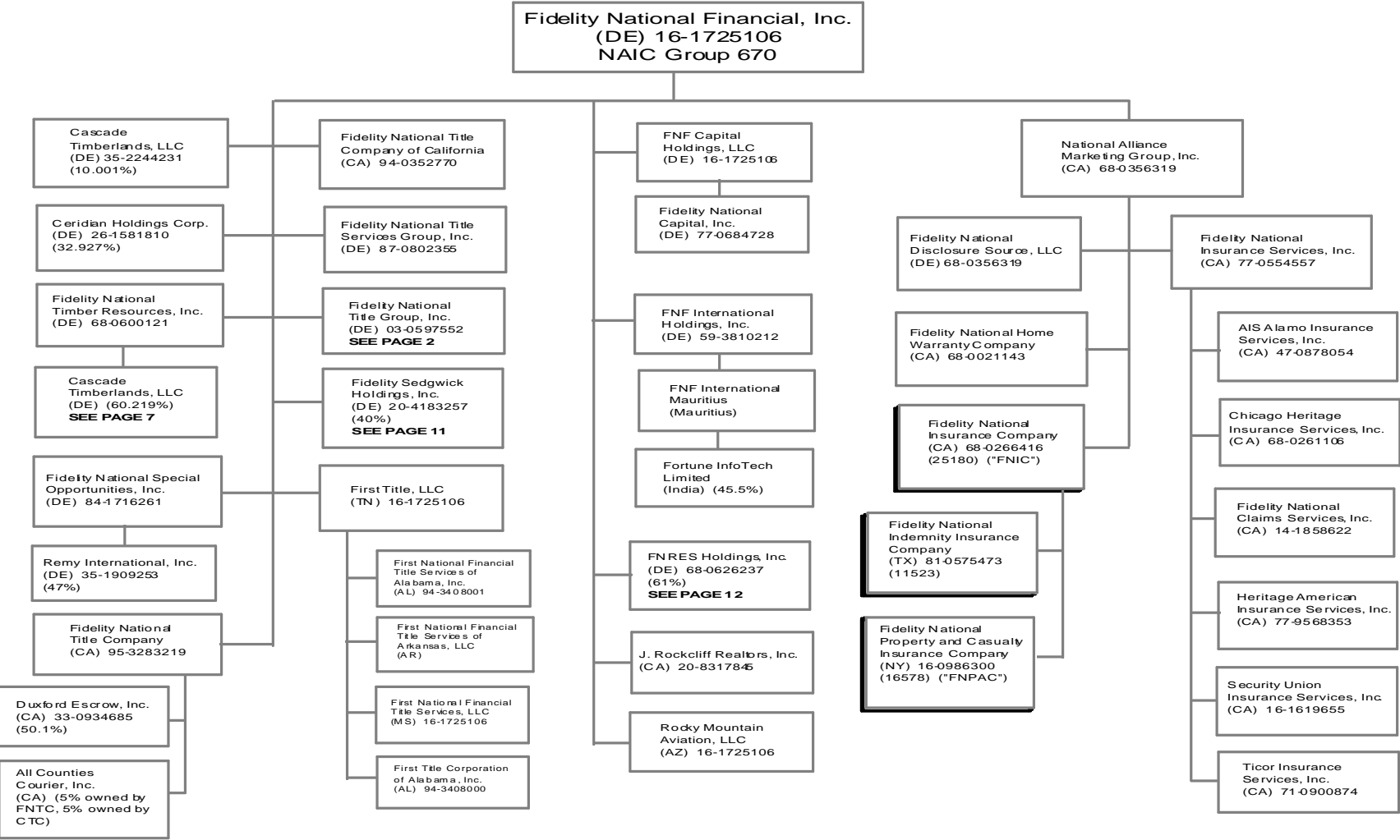
States, Etc.		1  Is Insurer Licensed ? (Yes or No)	2  Premium Rate (b)	Direct Premiums Written			6  Other Income	7  Direct Premiums Earned	8  Direct Losses Paid	9  Direct Losses Incurred	10  Direct Losses Unpaid
				3  Direct Operations	Agency Operations						
					4  Non-affiliated Agencies	5  Affiliated Agencies					
1. Alabama	AL	YES	R	822,687	14,651,793	1	928,823	14,783,735	618,945	804,269	780,852
2. Alaska	AK	YES	AI	189,934	1,060,681		914,177	1,188,224		(5,783)	
3. Arizona	AZ	YES	AI	27,717,915	5,337,847	669,788	13,366,384	31,664,173	2,054,039	2,455,709	1,709,346
4. Arkansas	AR	YES	R	182,592	8,740,951		494,279	8,565,168	650,758	741,364	379,671
5. California	CA	YES	AI	33,084,828	22,750,947	291,620,278	19,341,641	334,016,146	66,938,187	72,685,545	38,490,753
6. Colorado	CO	YES	AI	1,667,959	15,671,488	7,594,479	1,632,576	24,112,315	4,890,162	5,028,912	1,674,243
7. Connecticut	CT	YES	R	1,025,447	13,523,919		2,642,317	14,430,425	5,295,812	4,117,027	945,746
8. Delaware	DE	YES	R	19,063,578	1,611,763		866,380	13,969,804	4,548	10,287	25,967
9. Dist. Columbia	DC	YES	R	1,253,113	3,597,067		621,265	2,947,426	1,117,240	997,863	519,059
10. Florida	FL	YES	R	24,511,736	169,574,585	3,187,923	17,055,459	191,638,505	10,529,128	14,144,283	10,996,141
11. Georgia	GA	YES	R	2,925,671	48,451,197		7,559,234	48,873,880	5,635,683	6,974,220	3,168,388
12. Hawaii	HI	YES	AI	312,821	2,316,012		235,290	2,452,589	492,895	338,168	983,021
13. Idaho	ID	YES	AI	347,153	15,465,738		537,023	15,384,724	859,155	937,615	1,307,954
14. Illinois	IL	YES	R	28,585,340	57,607,733	11,301,183	57,355,852	98,942,053	11,383,563	14,255,658	9,858,728
15. Indiana	IN	YES	R	8,708,530	8,602,689		11,658,941	16,976,964	1,000,718	1,591,971	2,062,344
16. Iowa	IA	NO	O	65,022	176,753		486,348	232,980	11,848	232,937	299,828
17. Kansas	KS	YES	AI	4,201,408	3,743,189		2,612,107	7,759,408	187,930	207,224	312,028
18. Kentucky	KY	YES	R	1,409,710	8,381,073		1,717,833	9,517,376	456,114	515,431	331,654
19. Louisiana	LA	YES	R	379,662	6,927,022	2,242,807	961,252	9,227,250	120,211	122,489	32,820
20. Maine	ME	YES	R	99,218	4,578,388		289,781	4,547,220	1,019,738	1,122,131	425,035
21. Maryland	MD	YES	R	7,056,050	44,111,055		3,090,707	49,885,595	7,694,950	4,076,717	3,181,154
22. Massachusetts	MA	YES	R	613,287	19,166,204		1,238,961	18,750,309	2,721,268	2,429,285	1,432,391
23. Michigan	MI	YES	AI	745,507	19,082,506	12,133,652	1,641,540	31,485,664	2,127,474	846,989	3,031,151
24. Minnesota	MN	YES	R	2,863,665	17,741,918		3,288,728	19,895,897	4,029,572	4,340,428	3,212,760
25. Mississippi	MS	YES	R	227,211	4,756,036		582,595	4,735,841	275,485	253,164	63,948
26. Missouri	MO	YES	R	2,684,870	8,257,131		6,899,817	7,218,430	1,492,108	627,565	1,040,300
27. Montana	MT	YES	AI	3,194,940	4,266,801		1,252,098	7,224,335	366,807	287,312	356,426
28. Nebraska	NE	YES	AI	143,604	4,820,708		284,309	3,975,801	201,665	207,996	65,913
29. Nevada	NV	YES	AI	4,291,908	15,081,872	16,372,175	1,425,959	32,927,438	1,711,860	2,132,679	2,095,254
30. New Hampshire	NH	YES	R	187,123	5,135,840		456,121	5,252,687	975,043	1,146,132	522,738
31. New Jersey	NJ	YES	R	15,975,802	55,116,962		9,436,322	68,970,121	5,479,165	5,153,142	13,960,351
32. New Mexico	NM	YES	AI	280,111	4,873,672		636,220	5,065,702	312,259	105,935	183,806
33. New York	NY	YES	O	48,938,111	61,336,854		32,513,409	106,968,717	5,227,538	5,111,157	3,472,758
34. No. Carolina	NC	YES	R	306,610	30,004,341		3,804,702	28,817,631	3,302,348	5,997,210	4,404,361
35. No. Dakota	ND	YES	R	2,145	947,504		13,241	896,848	13,312	(18,392)	
36. Ohio	OH	YES	R	20,560,024	45,464,830	4,215,915	10,520,692	68,646,761	2,444,431	2,714,975	1,189,373
37. Oklahoma	OK	YES	R	26,599	1,360,037	6,542,605	249,641	8,034,884	391,717	347,806	174,587
38. Oregon	OR	YES	AI	491,566	2,283,429		418,336	2,870,276	142,013	228,942	86,929
39. Pennsylvania	PA	YES	O	16,407,906	26,803,885		6,119,205	41,842,649	2,343,310	1,889,524	1,302,924
40. Rhode Island	RI	YES	R	91,983	3,483,802		261,816	3,581,386	273,864	228,400	227,647
41. So. Carolina	SC	YES	R	587,785	39,082,136		384,220	37,601,308	2,338,894	1,660,151	1,091,328
42. So. Dakota	SD	YES	AI	25,112	2,082,505		55,678	2,102,390	57,480	142,481	149,794
43. Tennessee	TN	YES	AI	3,259,611	26,633,518		3,881,860	29,222,435	643,091	421,486	359,866
44. Texas	TX	YES	AI	115,031,241	87,495,654	560,361	19,344,567	198,414,815	9,147,849	8,493,180	4,248,091
45. Utah	UT	YES	AI	380,001	10,521,945		596,803	10,297,378	185,650	242,944	75,088
46. Vermont	VT	YES	R	79,236	1,048,472		237,190	1,080,008	29,851	58,683	322,655
47. Virginia	VA	YES	R	6,113,809	35,869,518		6,073,710	40,557,745	1,489,596	1,356,941	1,507,465
48. Washington	WA	YES	AI	58,298,376	15,905,442	4,174,073	39,481,188	72,561,299	4,452,553	2,965,453	3,928,908
49. West Virginia	WV	YES	R	492,668	1,912,565		612,161	2,312,877	(20,414)	(77,424)	133,803
50. Wisconsin	WI	YES	AI	7,761,876	15,859,841		5,698,912	20,839,937	2,318,641	2,475,659	3,341,682
51. Wyoming	WY	YES	AI	150,234	3,352,080		211,006	3,371,668	7,382	16,396	18,684
52. American Samoa	AS	NO	R								
53. Guam	GU	NO	R					222			
54. Puerto Rico	PR	YES	R	65,014	5,001,988		(9,930)	4,833,622	600,154	548,998	1,091,498
55. U.S. Virgin Islands	VI	YES	AI	66,847	677,804		(48,528)	709,930	66,388	56,223	30,478
56. Northern Mariana Islands	MP	NO									
57. Canada	CN	YES	R	3,857,639		15,827,994	154,062	13,473,361	(230,821)	(386,765)	402,160
58. Aggregate Other Alien	OT	X X X	X X X	3,675	726,300			696,702		(19,437)	
59. Totals	(a)	52	X X X	477,816,470	1,033,035,990	376,443,234	302,084,280	1,806,353,034	175,879,157	183,339,255	131,009,849

DETAILS OF WRITE-INS											
5801. Brazil	X X X		3,675					(2,902)			
5802. Bahamas	X X X			726,300				702,805			
5803. Mexico	X X X							(3,201)		(19,437)	
5898. Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X									
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X	3,675	726,300				696,702		(19,437)	

(a) Insert the number of yes responses except for Canada and Other Alien.  
(b) Insert "AI" if gross all-inclusive rate; "R" if gross risk rate; "O" if other and indicate rate type utilized:

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

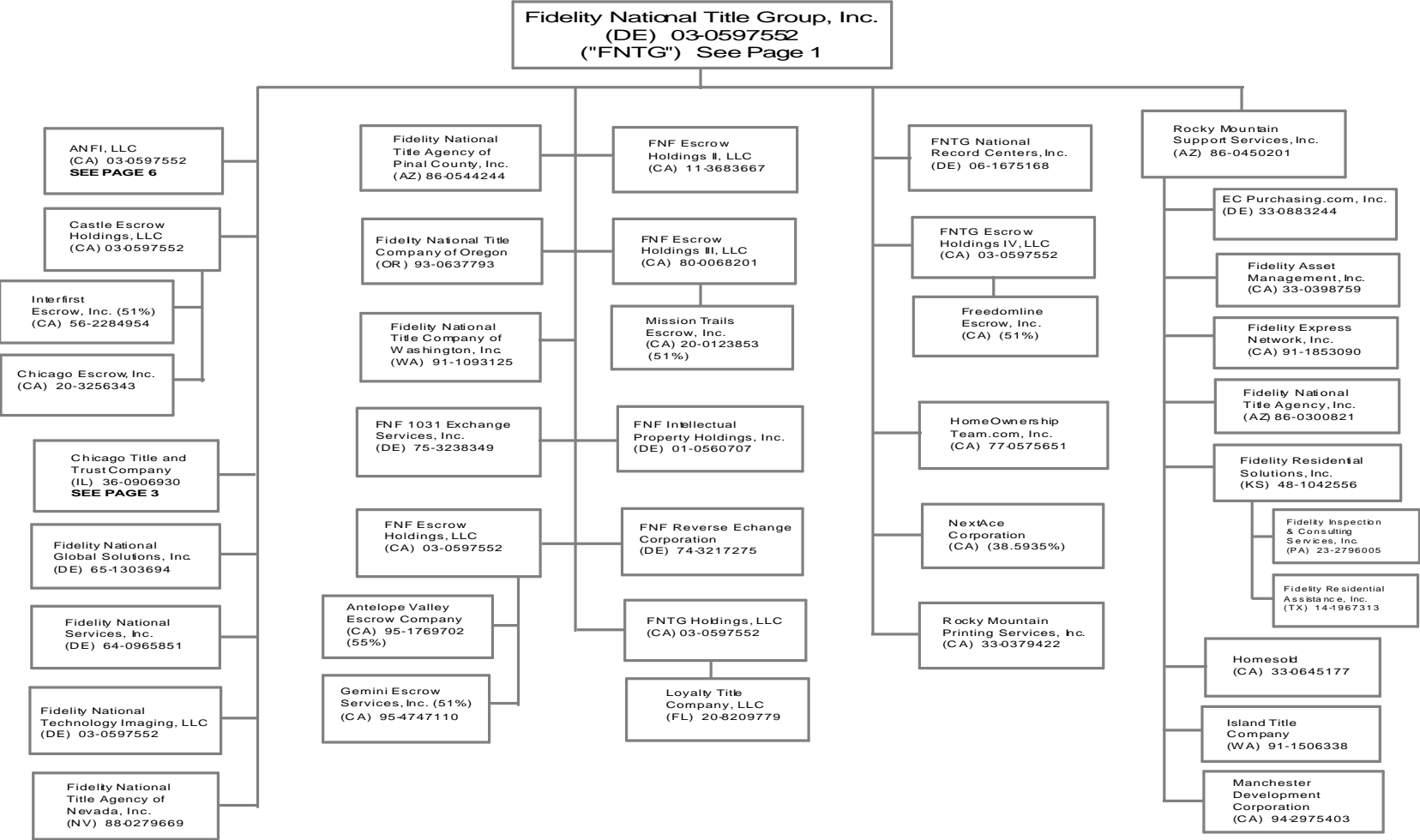
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PART 1 - ORGANIZATIONAL CHART

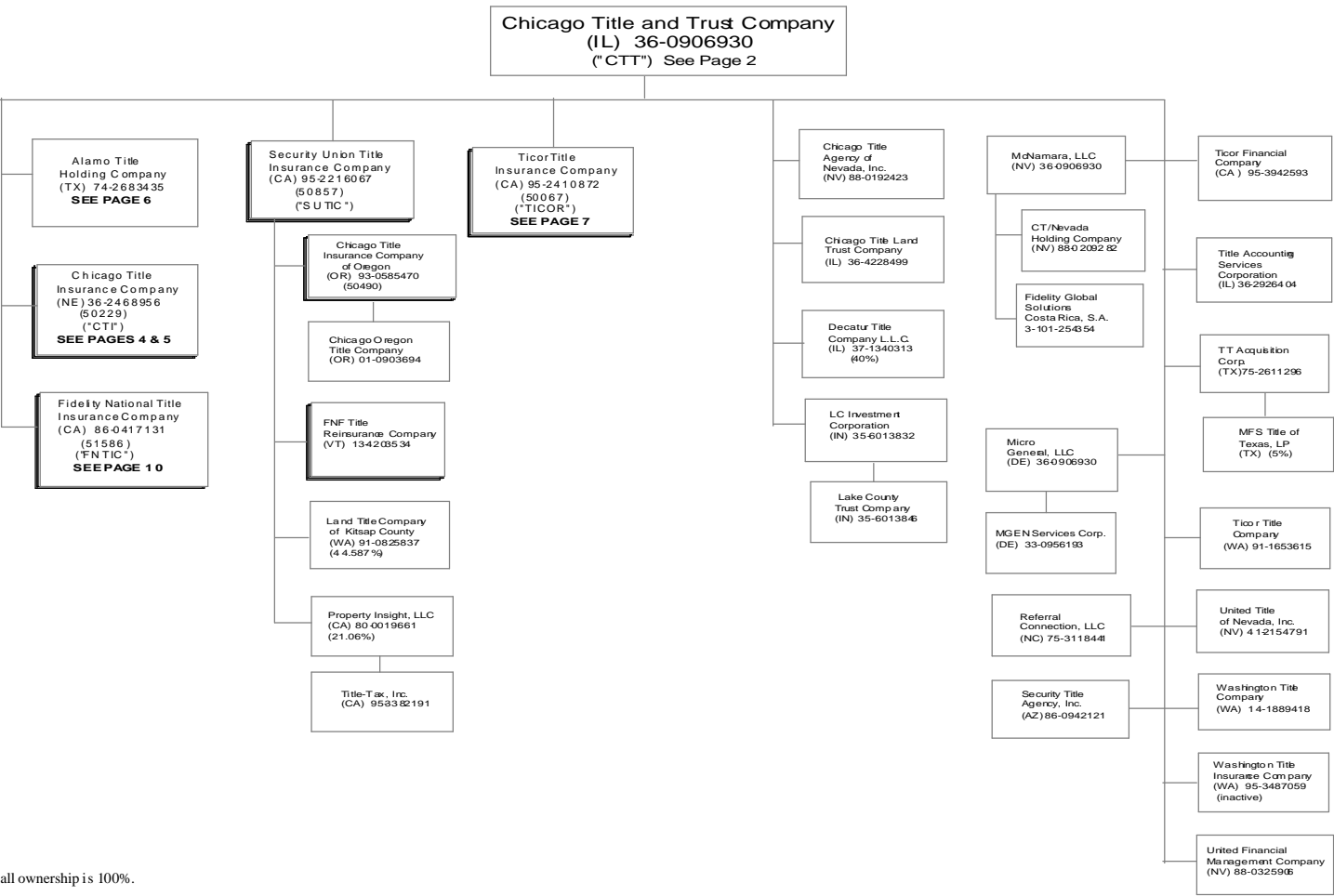
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PART 1 - ORGANIZATIONAL CHART

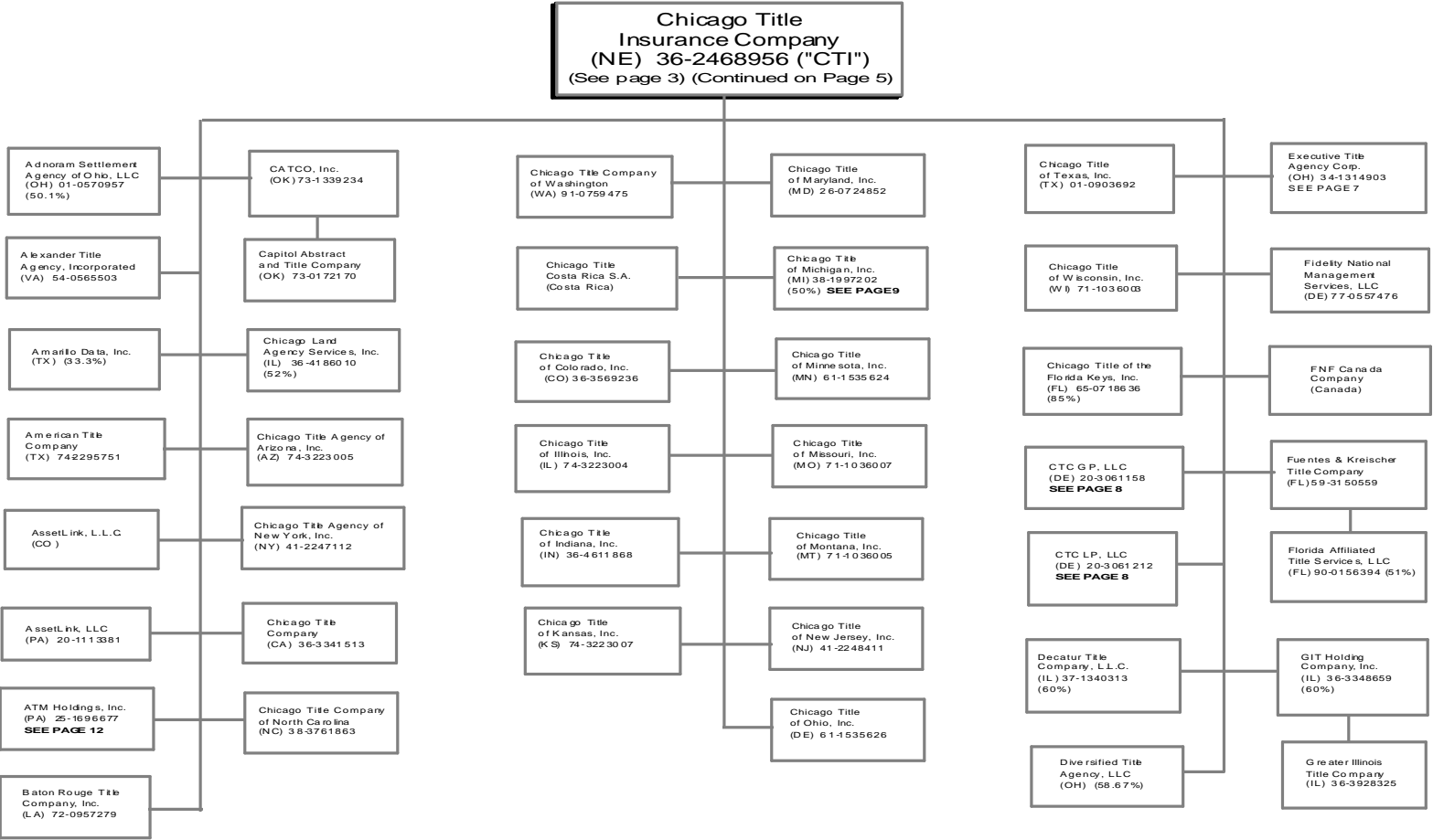
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PART 1 - ORGANIZATIONAL CHART

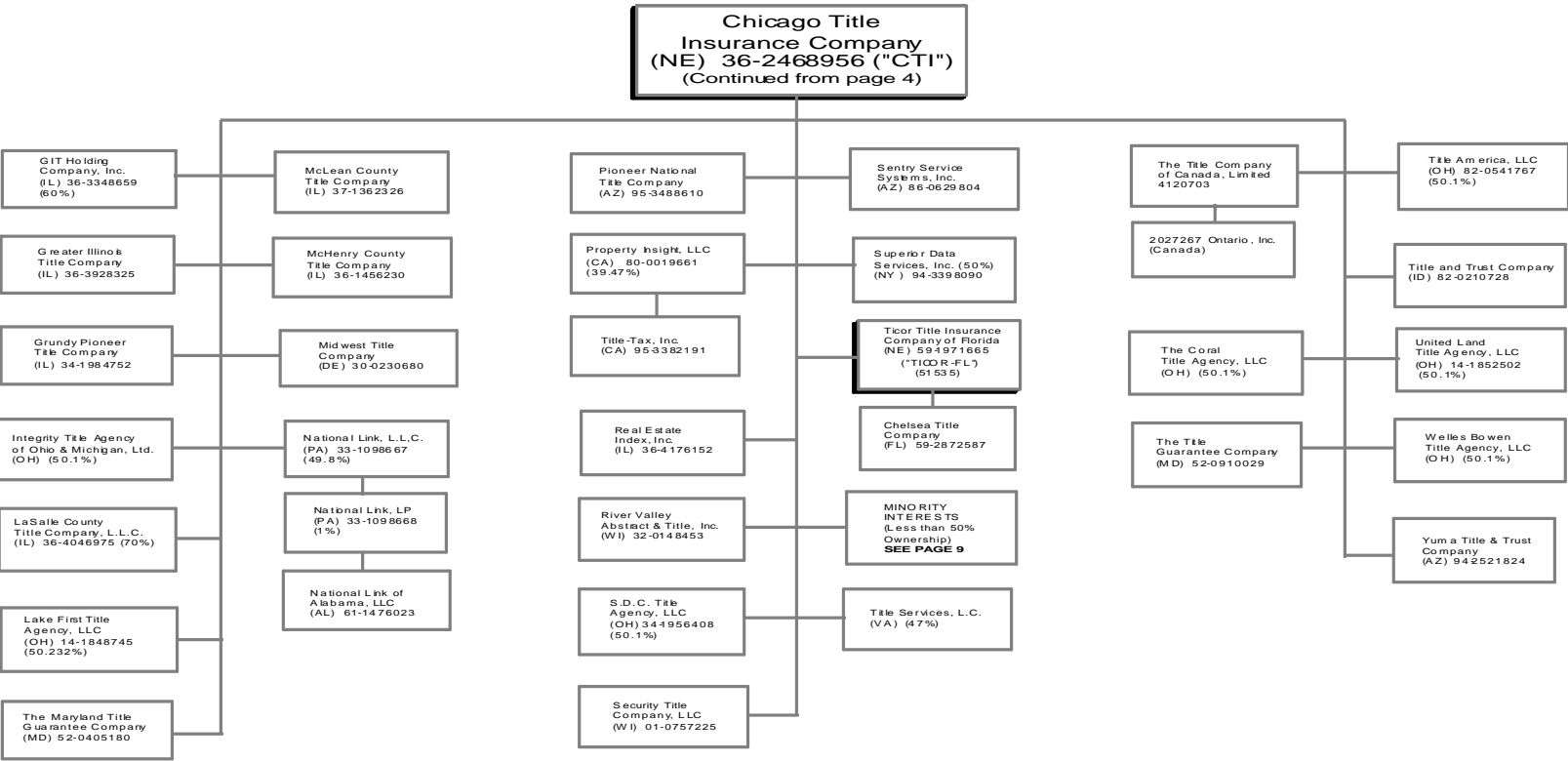
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PART 1 - ORGANIZATIONAL CHART

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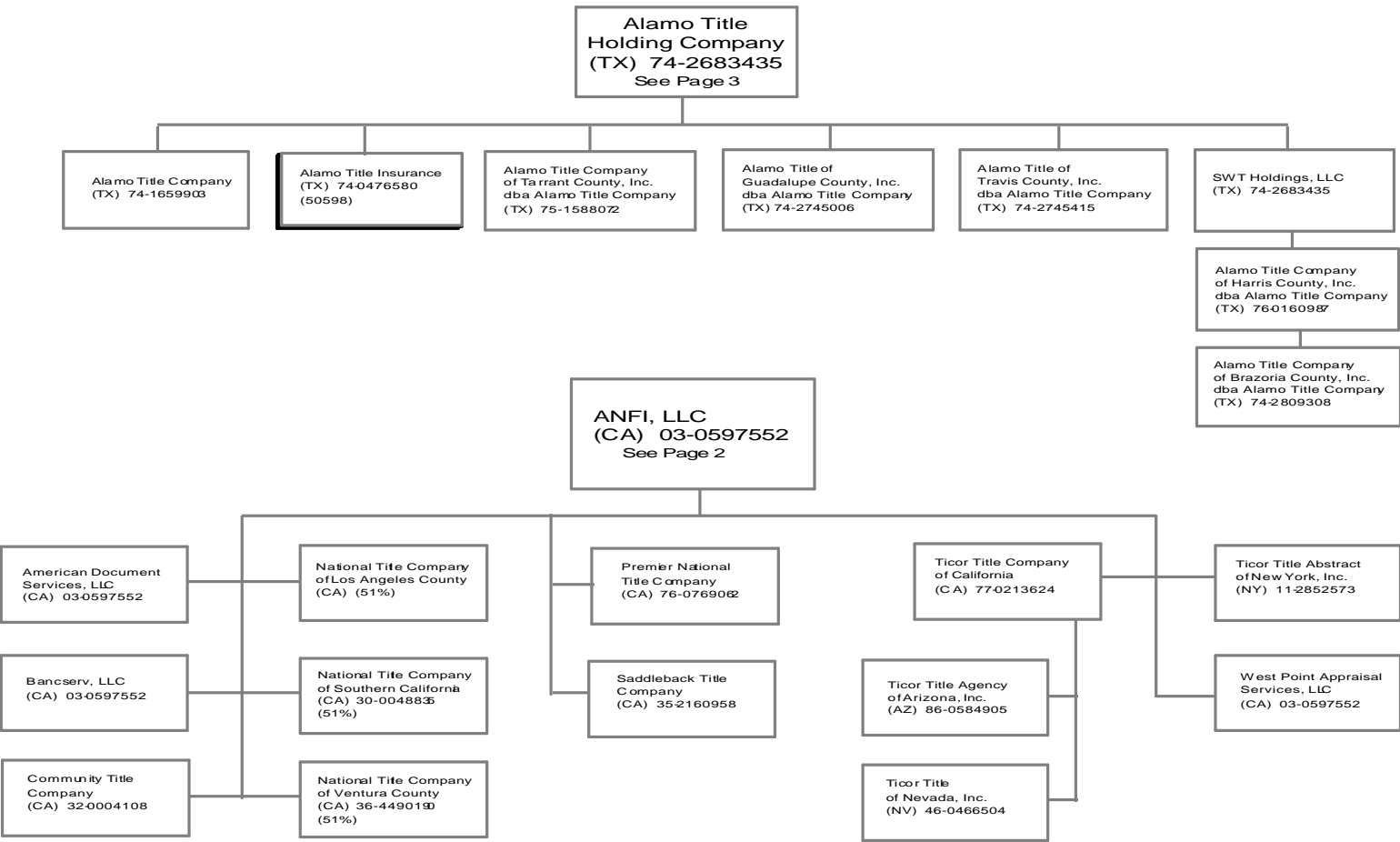


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PART 1 - ORGANIZATIONAL CHART

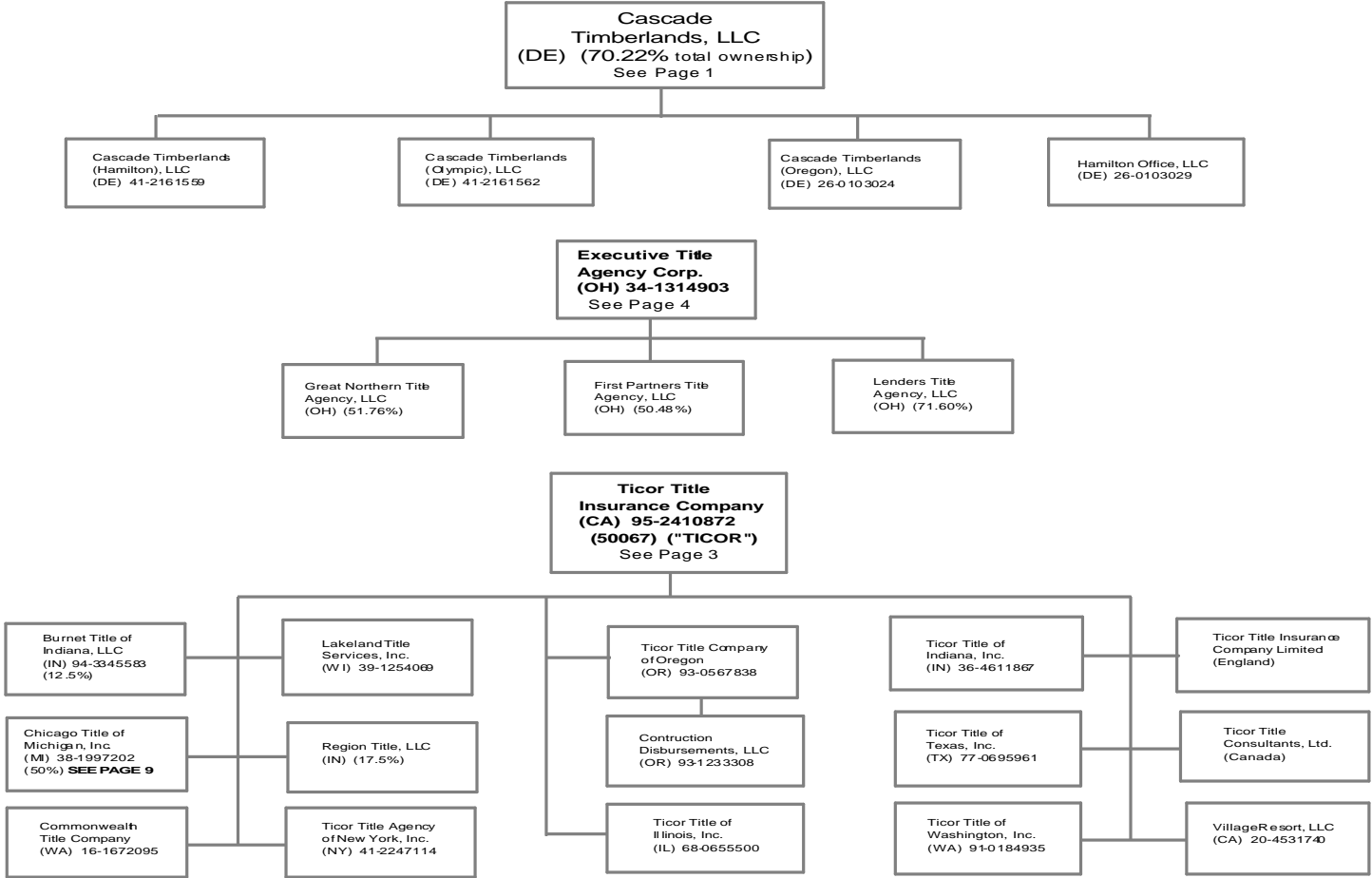
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PART 1 - ORGANIZATIONAL CHART

Page 7

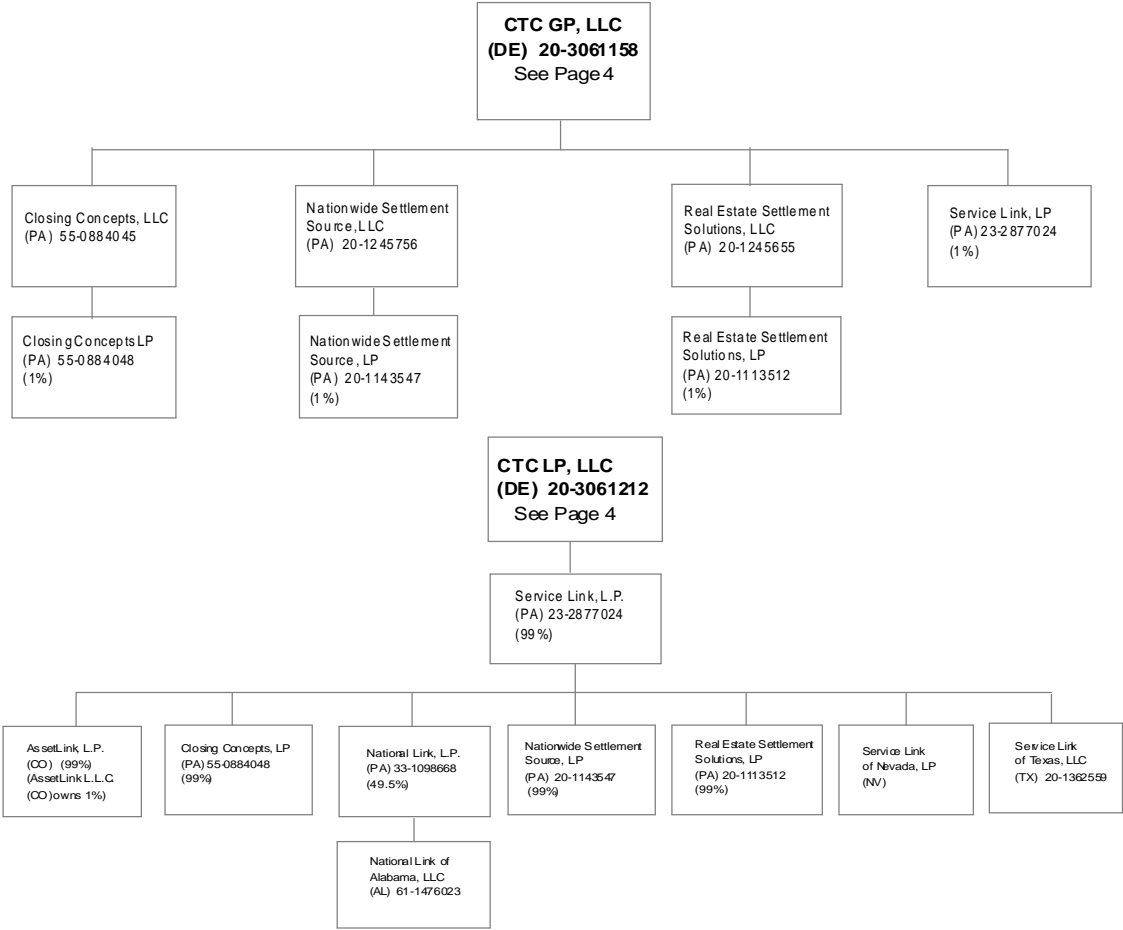


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SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

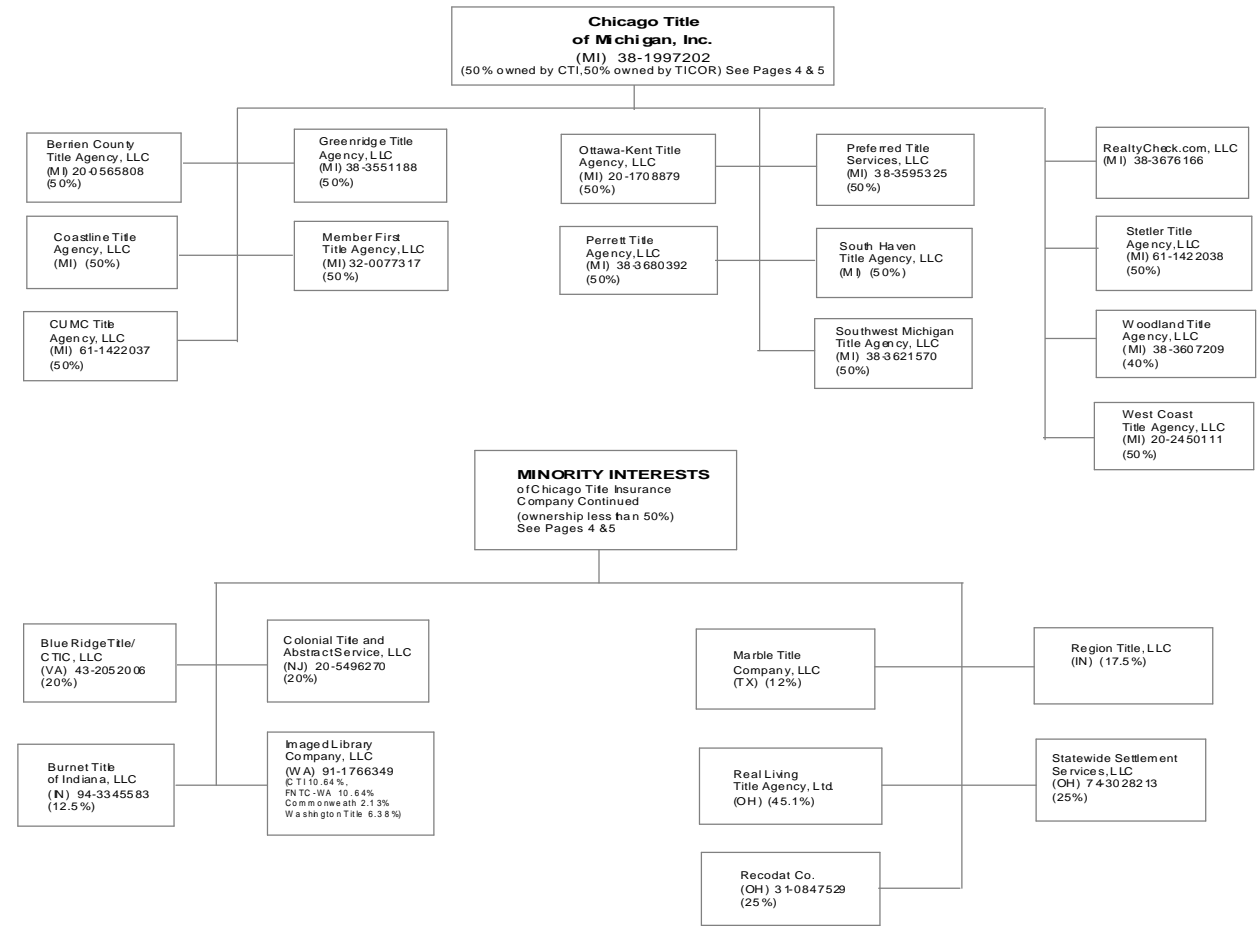
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SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

Page 9

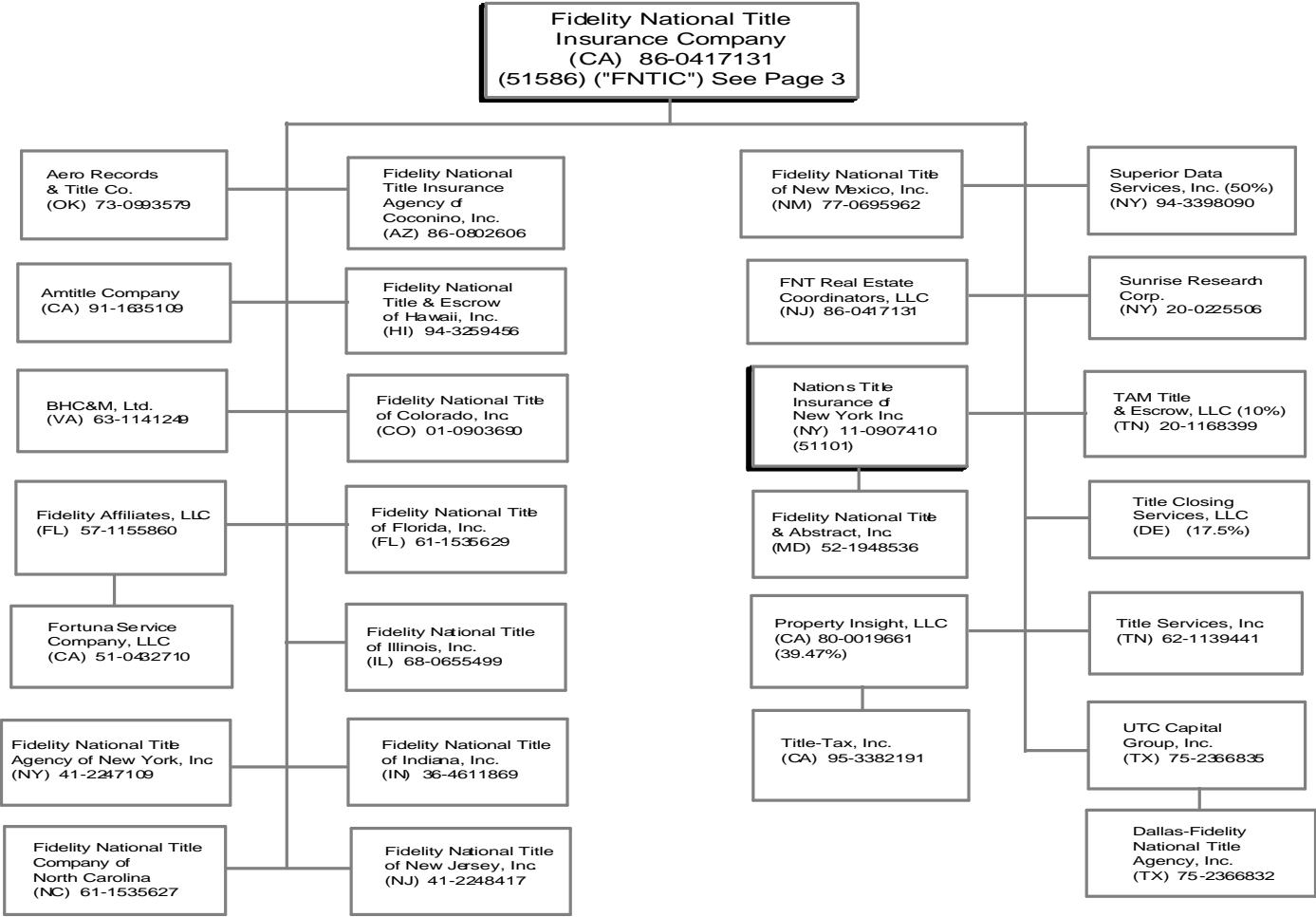


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SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

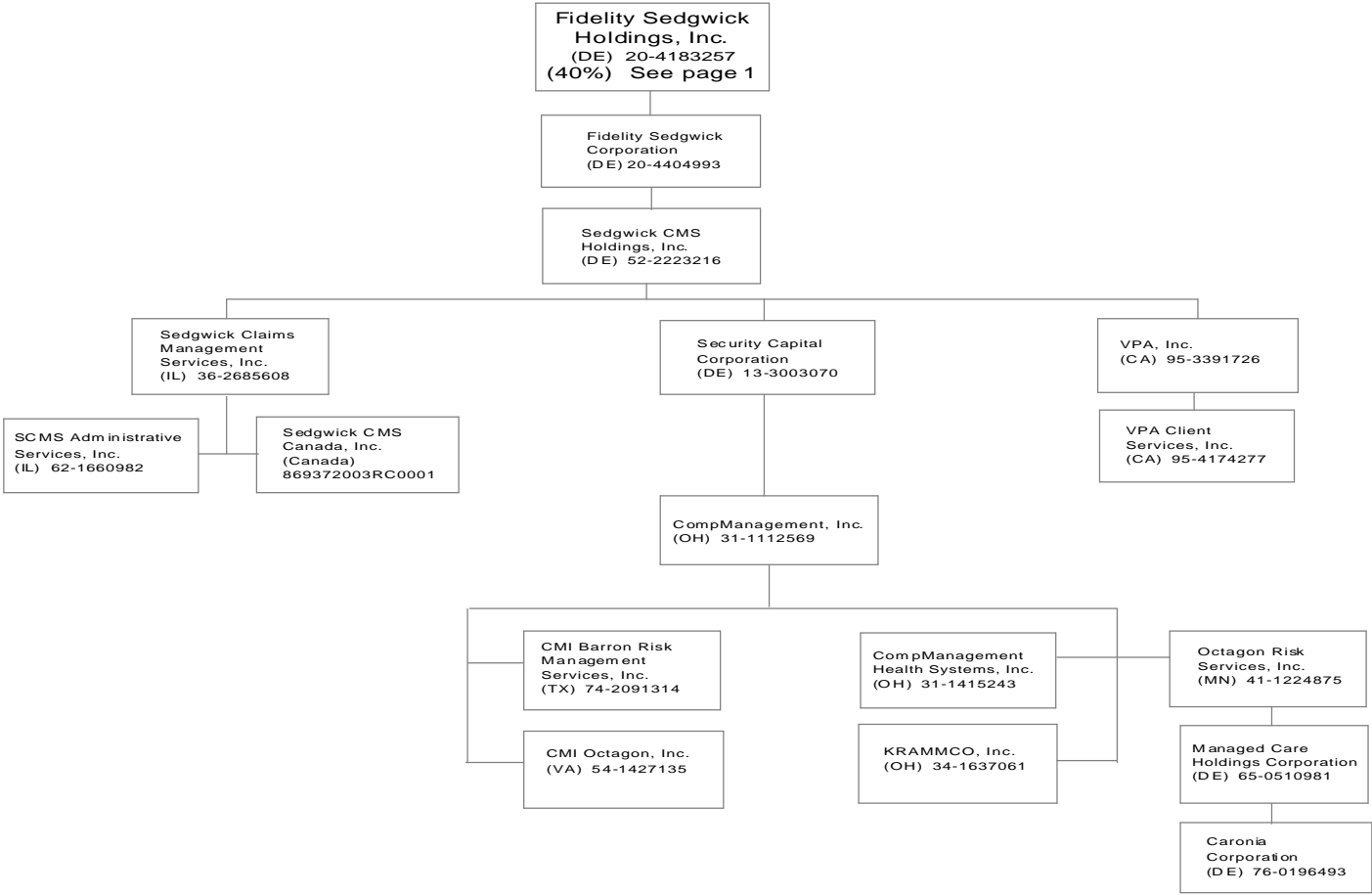
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SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

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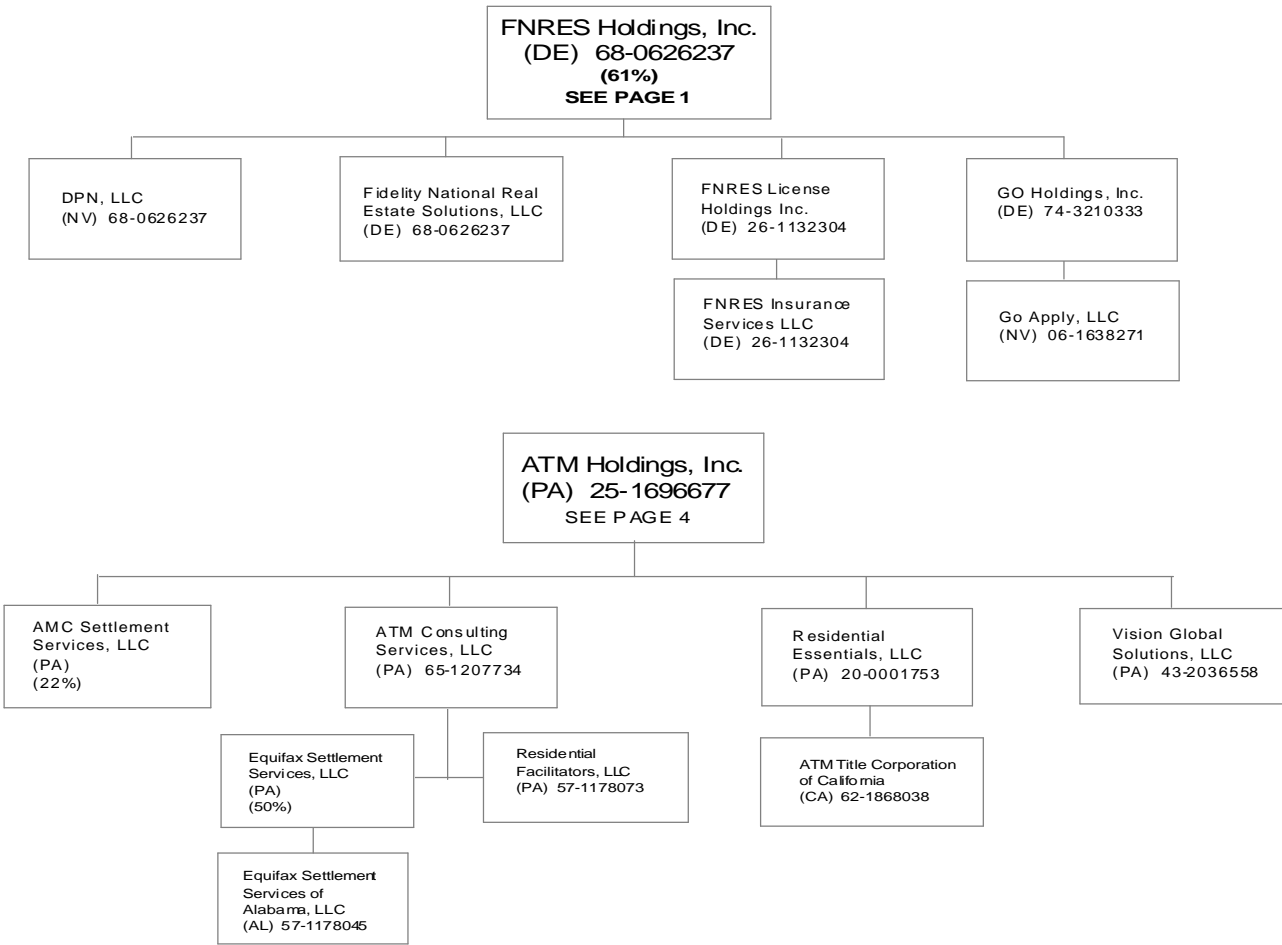


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SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

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OVERFLOW PAGE FOR WRITE-INS



OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation  
ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
REMAINING WRITE-INS AGGREGATED AT LINE 09 FOR INVESTED ASSETS				
0904.				
0905.				
0906.				
0907.				
0908.				
0909.				
0910.				
0911.				
0912.				
0913.				
0914.				
0915.				
0916.				
0917.				
0918.				
0919.				
0920.				
0921.				
0922.				
0923.				
0924.				
0925.				
0997. Totals (Lines 0904 through 0925) (Page 2, Line 0998)				
REMAINING WRITE-INS AGGREGATED AT LINE 23 FOR OTHER THAN INVESTED ASSETS				
2304. Ground rents	89,600	89,600		
2305.				
2306.				
2307.				
2308.				
2309.				
2310.				
2311.				
2312.				
2313.				
2314.				
2315.				
2316.				
2317.				
2318.				
2319.				
2320.				
2321.				
2322.				
2323.				
2324.				
2325.				
2397. Totals (Lines 2304 through 2325) (Page 2, Line 2398)	89,600	89,600		

OVERFLOW PAGE FOR WRITE-INS

Page 9 - Continuation  
OPERATIONS AND INVESTMENT EXHIBIT  
PART 3 - EXPENSES

	Title and Escrow Operating Expenses				5	6	7	Totals	
	1	Agency Operations		4				8	9
		2	3						
	Direct Operations	Non-affiliated Agency Operations	Affiliated Agency Operations	Total (Cols. 1 + 2 + 3)	Unallocated Loss Adjustment Expenses	Other Operations	Investment Expenses	Current Year (Cols. 4 + 5 + 6 + 7)	Prior Year
REMAINING WRITE-INS AGGREGATED AT LINE 23 FOR MISCELLANEOUS EXPENSES									
2304. Other Expenses	9,211,077	828,879	101,844	10,141,800	32,532			10,174,332	1,925,588
2305.									
2306.									
2307.									
2308.									
2309.									
2310.									
2311.									
2312.									
2313.									
2314.									
2315.									
2316.									
2317.									
2318.									
2319.									
2320.									
2321.									
2322.									
2323.									
2324.									
2325.									
2397. Totals (Lines 2304 through 2325) (Page 9, Line 2398)	9,211,077	828,879	101,844	10,141,800	32,532			10,174,332	1,925,588

OVERFLOW PAGE FOR WRITE-INS

Page 12 - Continuation  
EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Non-admitted Assets (Col. 2 - Col. 1)
REMAINING WRITE-INS AGGREGATED AT LINE 09 FOR INVESTED ASSETS			
0904.			
0905.			
0906.			
0907.			
0908.			
0909.			
0910.			
0911.			
0912.			
0913.			
0914.			
0915.			
0916.			
0917.			
0918.			
0919.			
0920.			
0921.			
0922.			
0923.			
0924.			
0925.			
0997. Totals (Lines 0904 through 0925) (Page 12, Line 0998)			
REMAINING WRITE-INS AGGREGATED AT LINE 23 FOR OTHER THAN INVESTED ASSETS			
2304. Title plant improvements	294,799	260,778	(34,021)
2305. Ground Rents	89,600	89,600	
2306.			
2307.			
2308.			
2309.			
2310.			
2311.			
2312.			
2313.			
2314.			
2315.			
2316.			
2317.			
2318.			
2319.			
2320.			
2321.			
2322.			
2323.			
2324.			
2325.			
2397. Totals (Lines 2304 through 2325) (Page 12, Line 2398)	384,399	350,378	(34,021)

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