

QUARTERLY STATEMENT

OF THE

ARKANSAS TITLE INSURANCE COMPANY

of **LITTLE ROCK**
in the state of **ARKANSAS**

TO THE

Insurance Department

OF THE

STATE OF

ARKANSAS

FOR THE QUARTER ENDED

September 30, 2008

TITLE

2008



50725200820100103

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2008
OF THE CONDITION AND AFFAIRS OF THE
Arkansas Title Insurance Company

NAIC Group Code 0340 (Current Period) 0340 (Prior Period) NAIC Company Code 50725 Employer's ID Number 71-0560086
Organized under the Laws of ARKANSAS State of Domicile or Port of Entry ARKANSAS
Country of Domicile UNITED STATES OF AMERICA
Incorporated/Organized: May 3, 1982 Commenced Business: May 3, 1982
Statutory Home Office: 17300 CHENAL PARKWAY, LITTLE ROCK, AR 72223
Main Administrative Office: 17300 CHENAL PARKWAY, LITTLE ROCK, AR 72223
Mail Address: Post Office Box 242810, LITTLE ROCK, AR 72223
Primary Location of Books and Records: 17300 CHENAL PARKWAY, LITTLE ROCK, AR 72223
Internet Website Address: www.arkansastitle.com
Statutory Statement Contact: DEBRA L. KAHOUN, 847-885-3000-304

OFFICERS

Table with 2 columns: Name, Title. Rows include THOMAS J. SAGEHORN (PRESIDENT & TREASURER), KIMBERLY K. MAJORS (EXECUTIVE VICE PRESIDENT & COO), EILEEN W. VAN ROEYEN (VICE PRESIDENT, SECRETARY & GENERAL C).

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. Rows include DEBRA L. KAHOUN (VICE PRESIDENT), EILEEN W. VAN ROEYEN (VICE PRESIDENT), KATHY W. JONES (VICE PRESIDENT), KIM K. MAJORS (EXECUTIVE VICE-PRESIDENT).

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Rows include THOMAS J. SAGEHORN, RICKY D. DICKENS, JERRY D. NIXON, KATHY W. JONES, JIMMY D DILL, KIM K. MAJORS, CRAIG D. GILL.

State of ARKANSAS
County of PULASKI 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) THOMAS J. SAGEHORN (Signature) KIMBERLY K. MAJORS (Signature) EILEEN W. VAN ROEYEN
(Printed Name) 1. PRESIDENT 2. EXECUTIVE VICE PRESIDENT 3. VICE PRESIDENT
(Title)

Subscribed and sworn to before me this day of OCTOBER, 2008

a. Is this an original filing? [X] Yes [] No
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds				
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 4,647,482), cash equivalents (\$ 296,403), and short-term investments (\$ 0)	4,943,885		4,943,885	4,708,359
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets				
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	4,943,885		4,943,885	4,708,359
11. Title plants less \$ 0 charged off (for Title insurers only)				
12. Investment income due and accrued				
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	120,683	56,806	63,877	224,638
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				
16.2 Net deferred tax asset	215,237	188,336	26,901	26,220
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software				
19. Furniture and equipment, including health care delivery assets (\$ 0)	20,371	20,371		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	751	751		27,463
22. Health care (\$ 0) and other amounts receivable				
23. Aggregate write-ins for other than invested assets				2,605
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	5,300,927	266,264	5,034,663	4,989,285
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	5,300,927	266,264	5,034,663	4,989,285

DETAILS OF WRITE-IN LINES			
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			2,605
2302.			
2303.			
2398. Summary of remaining write-ins for Line 23 from overflow page			
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)			2,605

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31 Prior Year
1. Known claims reserve	261,930	316,110
2. Statutory premium reserve	2,183,833	2,093,610
3. Aggregate of other reserves required by law		
4. Supplemental reserve		
5. Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers		
6. Other expenses (excluding taxes, licenses and fees)	44,218	39,874
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	51,455	54,188
8.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	84,371	87,653
8.2 Net deferred tax liability		
9. Borrowed money \$ 0 and interest thereon \$ 0		
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		
15. Provision for unauthorized reinsurance		
16. Net adjustments in assets and liabilities due to foreign exchange rates		
17. Drafts outstanding		
18. Payable to parent, subsidiaries and affiliates		6,501
19. Payable for securities		
20. Aggregate write-ins for other liabilities	1,316	2,826
21. Total liabilities (Lines 1 through 20)	2,627,123	2,600,762
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	100,000	100,000
24. Preferred capital stock		
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus	145,000	145,000
28. Unassigned funds (surplus)	2,162,540	2,143,523
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)	2,407,540	2,388,523
31. Totals	5,034,663	4,989,285

DETAILS OF WRITE-INS		
0301.		
0302.		
0303.		
0398. Summary of remaining write-ins for Line 03 from overflow page		
0399. Totals (Lines 0301 through 0303 plus 0398) (Line 03 above)		
2001. Reinsurance payable to Affiliated Company	1,316	2,826
2002.		
2003.		
2098. Summary of remaining write-ins for Line 20 from overflow page		
2099. Totals (Lines 2001 through 2003 plus 2098) (Line 20 above)	1,316	2,826
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 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
OPERATING INCOME			
1. Title insurance and related income:			
1.1 Title insurance premiums earned	5,408,722	5,933,916	8,026,817
1.2 Escrow and settlement services			
1.3 Other title fees and service charges			
2. Aggregate write-ins for other operating income	30,735	39,170	52,298
3. Total Operating Income (Lines 1 through 2)	5,439,457	5,973,086	8,079,115
DEDUCT:			
4. Losses and loss adjustment expenses incurred	301,308	72,609	155,822
5. Operating expenses incurred	4,895,545	5,566,876	7,549,382
6. Aggregate write-ins for other operating deductions			
7. Total Operating Deductions	5,196,853	5,639,485	7,705,204
8. Net operating gain or (loss) (Lines 3 minus 7)	242,604	333,601	373,911
INVESTMENT INCOME			
9. Net investment income earned	137,200	156,782	220,890
10. Net realized capital gains (losses) less capital gains tax of \$	0		
11. Net investment gain (loss) (Lines 9 + 10)	137,200	156,782	220,890
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)	379,804	490,383	594,801
14. Federal and foreign income taxes incurred	137,608	187,579	223,492
15. Net income (Lines 13 minus 14)	242,196	302,804	371,309
CAPITAL AND SURPLUS ACCOUNT			
16. Surplus as regards policyholders, December 31 prior year	2,388,523	2,258,577	2,258,577
17. Net income (from Line 15)	242,196	302,804	371,309
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0		
19. Change in net unrealized foreign exchange capital gain (loss)			
20. Change in net deferred income taxes	(490)	21,979	17,854
21. Change in nonadmitted assets	(22,689)	9,952	(34,217)
22. Change in provision for unauthorized reinsurance			
23. Change in supplemental reserves			
24. Change in surplus notes			
25. Cumulative effect of changes in accounting principles			
26. Capital Changes:			
26.1 Paid in			
26.2 Transferred from surplus (Stock Dividend)			
26.3 Transferred to surplus			
27. Surplus Adjustments:			
27.1 Paid in			
27.2 Transferred to capital (Stock Dividend)			
27.3 Transferred from capital			
28. Dividends to stockholders	(200,000)	(75,000)	(225,000)
29. Change in treasury stock			
30. Aggregate write-ins for gains and losses in surplus			
31. Change in surplus as regards policyholders (Lines 17 through 30)	19,017	259,735	129,946
32. Surplus as regards policyholders as of statement date (Lines 16 plus 31)	2,407,540	2,518,312	2,388,523

DETAILS OF WRITE-IN LINES			
0201. Other Operating Income	2,735	3,170	4,298
0202. Management fees	28,000	36,000	48,000
0203.			
0298. Summary of remaining write-ins for Line 02 from overflow page			
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 02 above)	30,735	39,170	52,298
0601.			
0602.			
0603.			
0698. Summary of remaining write-ins for Line 06 from overflow page			
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 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.			
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)			

CASH FLOW

	1	2
	Current Year To Date	Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	5,620,168	8,139,029
2. Net investment income	137,200	220,890
3. Miscellaneous income	30,735	52,298
4. Total (Lines 1 to 3)	5,788,103	8,412,217
5. Benefit and loss related payments	355,488	131,778
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	4,856,199	7,525,607
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	140,890	175,706
10. Total (Lines 5 through 9)	5,352,577	7,833,091
11. Net cash from operations (Line 4 minus Line 10)	435,526	579,126
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)		
13. Cost of investments acquired (long-term only):		
13.1 Bonds		
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)		
14. Net increase (or decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)		
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		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	200,000	225,000
16.6 Other cash provided (applied)		
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(200,000)	(225,000)
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)	235,526	354,126
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	4,708,359	4,354,233
19.2 End of period (Line 18 plus Line 19.1)	4,943,885	4,708,359

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

20.0001		
20.0002		
20.0003		

NOTES TO FINANCIAL STATEMENTS

1. Accounting Practices

- A. The financial statements of Arkansas Title Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Arkansas Department of Insurance.

The Arkansas Department of Insurance recognizes statutory accounting practices prescribed or permitted by the state of Arkansas for determining and reporting the financial condition and results of operations of a title insurance company, for determining its solvency under the Arkansas Insurance Law. The National Association of Insurance Commissioners' (the NAIC) *Accounting Practices and Procedures* manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Arkansas. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. Specifically, Arkansas Title Insurance Company was granted special approval by the state in 1986 regarding its reserving method.

The Company, with the explicit permission of the Commissioner of Insurance of the state of Arkansas, records the SPR at a reduced rate. If the SPR were calculated at the regular rate, the statutory surplus would decrease by \$2,140,975 and \$2,041,271 as of September 30, 2008 and December 31, 2007, respectively. Additionally, net income would be decreased by \$99,703 and \$182,481 for September 30, 2008 and December 31, 2007, respectively.

	<u>09/30/2008</u>	<u>12/31/2007</u>
Net Income, Arkansas State Basis	\$ 242,197	\$ 371,309
State Prescribed Practices:	\$ 0	\$ 0
State Permitted Practices;	\$ (99,703)	\$ (182,481)
Net Income, NAIC SAP	\$ 142,494	\$ 188,827
Statutory Surplus, Arkansas State Basis	\$ 2,407,540	\$ 2,388,523
State Prescribed Practices:	\$ 0	\$ 0
State Permitted Practices:	\$(2,140,975)	\$(2,041,271)
Statutory Surplus, NAIC SAP	\$ 266,565	\$ 347,251

- 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 Policies

Revenue recognition and related expenses - Premiums are earned at the time of the closing of the related real estate transaction. Premiums on title insurance policies written by agents are recognized primarily when policies are reported to the Company. The Company ceded reinsurance with Stewart Title Guaranty Company, on an individual basis, utilizing standard facultative agreements provided by the American Land Title Association. Statutory Premium Reserves (SPR) are established to protect title insurance policyholders in the event of insolvency or dissolution of a title insurer. SPR is computed based on Section 23-63-610 of the Arkansas Insurance Code. Permission has been granted by the Arkansas Insurance commissioner in a letter dated February 27, 1986, to reduce the "risk premium" on which reserves are calculated by the amount retained by agents/abstractors. Provided that the total credit not exceed 60% of the premium stated in the title insurance contract. Expenses incurred in connection with issuing the policies are charged to operations as an expense for premiums retained by agents.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the effective yield interest method.-None
- (3) Common stocks are stated at market except investments in stocks that are not publicly traded, are valued at zero or cost.- None
- (4) Investments in Preferred stock, excluding investments in preferred stock of subsidiary, controlled, or affiliated entities – None.
- (5) Mortgage loans on real estate are stated at the aggregate unpaid balance- None
- (6) Loan-backed securities- None
- (7) N.A
- (8) Joint ventures and limited liability companies-None.
- (9) Derivatives – None

NOTES TO FINANCIAL STATEMENTS

- (10) Anticipated investment income used as a factor in the premium deficiency calculation. – None
- (11) Unpaid losses and loss adjustment expenses include an amount for known claims and a formula-driven statutory premium reserve. Known claim reserves consist of a reserve for payment of the loss and costs of defense of the insured and other costs expected to be paid to other parties in the defense, settlement, or processing of the claim under the terms of the title insurance policy for each specific known claim.

A statutory premium reserve is based on Section 23-63-610 of the Arkansas Insurance Code. Section 23-63-610 requires the Company to reserve an amount equal to 10% of the total amount of the risk premiums for title policies written or retained for the calendar year. See note 1 part C for the definition of risk premium. The reserve is subsequently reduced by 5% of the addition in the first year succeeding the year of addition, and continuing for 20 years.

2. Accounting Changes and Corrections of Errors

- A. There was no material change in accounting principle.
- B. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Arkansas. Effective January 1, 2001, the State of Arkansas required that insurance companies domiciled in the State of Arkansas prepare their statutory basis financial statements in accordance with the NAIC *Accounting Practices and Procedures* manual subject to any deviations prescribed or permitted by the State of Arkansas insurance commissioner.

Accounting changes adopted to conform to the provisions of the NAIC *Accounting Practices and Procedures* manual are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. The Company reported no changes of as a result of change in accounting principle, for the current year.

3. Business Combinations and Goodwill – Not Applicable

4. Discontinued Operations – Not Applicable

5. Investments

- A. Mortgage Loans- None
- B. Debt Restructuring- Not applicable
- C. Reverse Mortgages – None
- D. Loan-Backed Securities – None
- E. Repurchase Agreements – None
- F. Real Estate – None

6. Joint Ventures, Partnerships and Limited Liability Companies- None

7. Investment Income

- A. Due and accrued income is excluded from surplus on the following bases:
All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgages loans in default and all interest accrued on unsecured notes and certificates of deposits.
- B. The total amount excluded was \$ 0.

8. Derivative Instruments – None

9. Income Taxes

- A. The net deferred tax asset/(liability) at September 30 and the change from the prior year are comprised of the following components:

	09/30/08	12/31/07	Change
(1) Total gross deferred tax assets	215,237	215,727	(490)
(2) Total deferred tax liabilities	0	0	0
(3) Net deferred tax asset (liability)	215,237	215,727	(490)
Deferred tax assets nonadmitted in accordance with SSAP No.			
(4) 10	(188,336)	(189,505)	1,169
(5) Admitted deferred tax asset (liability)	26,901	26,222	(679)

NOTES TO FINANCIAL STATEMENTS

The change in deferred income taxes reported in surplus before consideration of nonadmitted assets is comprised of the following components:

	09/30/08	12/31/07	Change
(1) Net deferred tax asset (liability)	215,237	215,727	(490)
(2) Tax-effect of unrealized gains and losses	0	0	0
(3) Net tax effect without unrealized gains and losses	215,237	215,727	(490)
(4) Change in deferred income tax			(490)

B. Unrecognized deferred tax liabilities

- (1) There are no temporary differences for which deferred tax liabilities are not recognized.

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

	09/30/08	12/31/07
(1) Current year tax expense (benefit) (exclusive of items 2 and 3 below)	137,608	220,793
(2) Tax credits	0	0
(3) Prior year adjustments	0	2,699
(4) Current income taxes incurred	137,608	223,492

Deferred income tax assets and liabilities consist of the following major components:

	09/30/08	12/31/07
Deferred tax assets:		
(1) SPR	203,523	204,706
(2) Other	11,714	11,020
(3) Total deferred tax assets	215,237	215,726
(4) Nonadmitted deferred tax assets	(188,336)	(189,506)
(5) Admitted deferred tax assets	26,901	26,220
(6) Total deferred tax liabilities	0	0
(7) Net admitted deferred tax asset (liability)	26,901	26,220

D. The Company's income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before income taxes as follows:

	09/30/08
(1) Income before taxes	379,804
(2) Income tax expense (benefit) at 35% statutory rate	132,932
(3) Increase (decrease) in tax resulting from:	
a. Dividends received deduction	0
b. Nondeductible expenses for meals, penalties, and lobbying	0
c. Tax-exempt income	0
d. Tax adjustment for IMR	0
e. Deferred tax benefit on other nonadmitted assets	2,347
f. Tax credits	0
g. Other	2,819
(4) Total income tax expected	138,098
(5) Current income taxes incurred (without tax on realized gains and losses)	137,608
(6) Change in deferred income tax (without tax on unrealized gains and losses)	490
(7) Total income tax reported	138,098

NOTES TO FINANCIAL STATEMENTS

E. Operating loss carryforward

- (1) As of December 31, 2007, the Company had no net operating loss carryforwards available for tax purposes.
- (2) The amount of Federal income taxes incurred that are available for recoupment in the event of future net losses are \$164,651 for 2005, \$201,447 for 2006 and \$220,793 for 2007.

F. Consolidated federal income tax return

- (1) The Company's federal Income Tax return is consolidated with the following entities: Stewart Information Services Corporation, Ortem Investments, Inc., Stewart Solutions, LLC and Stewart Title Guaranty Company and subsidiaries.
- (2) The method of allocation is detailed in the Fifth Restated Federal Income Tax Return Settlement Agreement dated April 12, 2006, under Holding Company Section #34923.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. The Company paid Common stock dividends of \$100,000 each to the parent company on May 12, 2008 and September 15, 2008.
- B. None
- C. None
- D. Amounts due from or payable to related parties at September 30, 2008 are \$751 and \$1,316, respectively. The terms of settlement are within 30 days.
- E. None
- F. The Company has agreed to provide National Land Title Insurance Company certain management and accounting services as described in the Cost Allocation Agreement with Stewart Information Services Corporation dated January 1, 1974, as amended by Amendment No. 1, dated January 1, 1980, Amendment No. 2 dated January 1, 1986, Amendment No. 3, dated January 1, 1991, Amendment No. 4, dated January 1, 1996, and Amendment No. 5, dated January 1, 2001.

The Company has entered into a service agreement with Stewart Title Guaranty Company, a Texas Corporation, for certain administrative services as described in the Services Agreement dated July 1, 2001. Such Agreement was filed with the Arkansas Insurance Department on February 15, 2002.

The Company has entered into a service agreement with National Land Title Insurance Company for certain administrative services as described in the Administrative Services Agreement dated February 22, 2006. Such Agreement was filed with the Arkansas Insurance Department on March 27, 2006.

- G. On January 1, 2006 all outstanding shares of the Company were transferred by Stewart Title Guaranty Company to National Land Title Insurance Company, domiciled in the State of Illinois, a wholly owned subsidiary of Stewart Title Guaranty Company, upon approval by the Illinois Department of Financial and Professional Regulation and the Arkansas Insurance Commissioner.
- H. None
- I. None
- J. None

11. Debt – None

12. Retirement Plans, Deferred Compensation, Post employment Benefits and Compensated Absences and Other Postretirement Benefit Plans

- A. None
- B. The Company sponsors a defined contribution benefit plan in which all employees and its participating subsidiaries who have completed six months of service are eligible to participate.

In general, a participant in the defined contribution plan may elect to defer on a tax-free basis, in accordance with Section 401(k) of the Internal Revenue Code, a specified percentage of their compensation. Contribution by participants whose compensation is in the highly compensated group of all employees are subject to certain additional limitations under Section 401(k) of the Internal Revenue Code. Deferred compensation is contributed to a trust managed for the benefit of the participants.

The Company makes matching contributions up to \$1,500 per year for each participant in an amount equal to 50% of the first 6% of the participant's compensation. Such percentage is subject to an annual re-determination by the Company's Board of Directors.

The Company's net contributions to the plan as of September 30, 2008 is \$3,308.

- C. None
- D. None

NOTES TO FINANCIAL STATEMENTS

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

The Company has 1,000,000 shares of common stock authorized, and 100,000 issued and outstanding. The par value per share is \$1.

The maximum amount of dividends which can be paid by a State of Arkansas insurance company without prior approval from the Insurance Commissioner is subject to restrictions relating to statutory surplus and net income from prior year. Statutory surplus at December 31, 2007 is \$2,388,523. The maximum dividend payout which may be made without prior approval in 2008 is \$238,852.

The portion of unassigned funds (surplus) represented or reduced by each of the following items:

A. Unrealized gains and losses -	\$	0
B. Nonadmitted assets values -	\$	266,264
C. Provision for reinsurance -	\$	0

The Company has no surplus notes or quasi-reorganizations.

14.

- A. Contingent Commitments – None
- B. Assessments – None
- C. All other Contingencies - None
- D. Gain Contingency – None

15. Leases – On December 1, 2006, the Company moved its offices from Sheridan to Little Rock and entered into a long-term, noncancellable operating lease expiring December 31, 2009. At the same time, the Company entered into sublease agreements with two affiliates. The Company recognizes rent expense on the straight-line basis, including provision for free rent and escalating lease payments. Net rent expense for 2007 totaled \$24,174. The future minimum lease payments are summarized as follows:

	Gross	Net of Subleases
2008	78,068	24,720
2009	80,410	25,462
	<u>\$158,478</u>	<u>\$50,182</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 - None

18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans – Not Applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators. - Not Applicable

20. Other Items –

A. – E. - None

F. Subprime Exposure

- 1) Direct exposure though investments in subprime mortgage loans - none
- 2) Indirect exposure to subprime mortgage risk through investments in the following securities:
 - a. Residential mortgage backed securities – none
 - b. Collateralized debt obligations – none
 - c. Structured securities – none
 - d. Debt securities of companies with significant subprime exposure – The Company has regular overnight sweep investments in the commercial paper of US Bank. While US Bank reports some exposure to subprime lending, Management believes that the risk from its commercial paper is low. At September 30, 2008, the Company held commercial paper with Book adjusted carrying value, Fair Value and Actual cost each of \$296,403. This holding was redeemed at Book adjusted carrying value plus interest on October 1, 2008. The Company continues to make daily purchases and redemptions that may be more or less than the amount at September 30, 2008.
 - e. Equity securities of companies with significant subprime exposure – none
 - f. Other assets - none

21. Events Subsequent – None

NOTES TO FINANCIAL STATEMENTS

22. Reinsurance

- A. Unsecured Reinsurance Recoverable – None
- B. Reinsurance Recoverable in Dispute - None
- C. Reinsurance Assumed and Ceded – None
- D. Uncollectible Reinsurance – None
- E. Commutation of Ceded Reinsurance – None
- F. Retroactive Reinsurance – None
- G. Reinsurance Counted as a Deposit - None

23. Retrospectively Rated Contracts- Not Applicable

24. Change in Incurred Losses and Loss Adjustment Expenses – Not Applicable

25. Intercompany Pooling Arrangements – None

26. Structured Settlements - Not applicable

27. Supplemental Reserve - None

GENERAL INTERROGATORIES

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

PART 1 – COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No [X]

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 [X]

2.2 If yes, date of change: _____

3. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y – Part 1 – organizational chart. Yes [] No [X]

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

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation. Yes [] No [X] N/A []

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. _____ 12/31/2006

6.2 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. _____ 12/31/2006

6.3 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). _____ 01/31/2008

6.4 By what department or departments?
ARKANSAS DEPARTMENT OF INSURANCE
.....
.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

7.2 If yes, give full information
.....
.....

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

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

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES (Continued)

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules, and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code. Yes No

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes No

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ _____ 751

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ _____

13. Amount of real estate and mortgages held in short-term investments: \$ _____

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ _____	\$ _____
14.22 Preferred Stock	\$ _____	\$ _____
14.23 Common Stock	\$ _____	\$ _____
14.24 Short-Term Investments	\$ _____	\$ _____
14.25 Mortgage Loans on Real Estate	\$ _____	\$ _____
14.26 All Other	\$ _____	\$ _____
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ _____	\$ _____
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ _____	\$ _____

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
 If no, attach a description with this statement. Yes No

16. 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

GENERAL INTERROGATORIES (Continued)

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

1 Name of Custodian(s)	2 Custodian Address
.....

16.2 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)
.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
.....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes [X] No []

17.2 If no, list exceptions:

.....
.....

GENERAL INTERROGATORIES

PART 2 - TITLE

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [] N/A [X]
 If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
 If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

3.2 If yes, give full and complete information thereto:

.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses discounted to present value at a rate of interest greater than zero? Yes [] No [X]

4.2 If yes, complete the following schedule:

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

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

5.11 Bonds	\$ _____
5.12 Short-term investments	\$ _____
5.13 Mortgages	\$ _____
5.14 Cash	\$ <u>2,283,834</u>
5.15 Other admissible invested assets	\$ _____
5.16 Total	\$ <u>2,283,834</u>

5.2 List below segregated 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 1 and the "From Separate Accounts, Segregated Accounts and Protected Cell Accounts" line on Page 2 except for escrow funds held by Title insurers)

5.21 Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of:	\$ _____
These funds consist of:	
5.22 In cash on deposit	\$ _____
5.23 Other forms of security	\$ _____

NONE Schedule F

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year To Date - Allocated by States and Territories

States, Etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		Active Status	2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama	AL	N						
2. Alaska	AK	N						
3. Arizona	AZ	N						
4. Arkansas	AR	L	5,521,648	6,118,869	355,488	114,220	261,930	250,453
5. California	CA	N						
6. Colorado	CO	N						
7. Connecticut	CT	N						
8. Delaware	DE	N						
9. District of Columbia	DC	N						
10. Florida	FL	N						
11. Georgia	GA	N						
12. Hawaii	HI	N						
13. Idaho	ID	N						
14. Illinois	IL	N						
15. Indiana	IN	N						
16. Iowa	IA	N						
17. Kansas	KS	N						
18. Kentucky	KY	N						
19. Louisiana	LA	N						
20. Maine	ME	N						
21. Maryland	MD	N						
22. Massachusetts	MA	N						
23. Michigan	MI	N						
24. Minnesota	MN	N						
25. Mississippi	MS	N						
26. Missouri	MO	N						
27. Montana	MT	N						
28. Nebraska	NE	N						
29. Nevada	NV	N						
30. New Hampshire	NH	N						
31. New Jersey	NJ	N						
32. New Mexico	NM	N						
33. New York	NY	N						
34. North Carolina	NC	N						
35. North Dakota	ND	N						
36. Ohio	OH	N						
37. Oklahoma	OK	N						
38. Oregon	OR	N						
39. Pennsylvania	PA	N						
40. Rhode Island	RI	N						
41. South Carolina	SC	N						
42. South Dakota	SD	N						
43. Tennessee	TN	N						
44. Texas	TX	N						
45. Utah	UT	N						
46. Vermont	VT	N						
47. Virginia	VA	N						
48. Washington	WA	N						
49. West Virginia	WV	N						
50. Wisconsin	WI	N						
51. Wyoming	WY	N						
52. American Samoa	AS	N						
53. Guam	GU	N						
54. Puerto Rico	PR	N						
55. U.S. Virgin Islands	VI	N						
56. Northern Mariana Islands	MP	N						
57. Canada	CN	N						
58. Aggregate Other Alien	OT	X X X						
59. Totals	(a) 1		5,521,648	6,118,869	355,488	114,220	261,930	250,453

DETAILS OF WRITE-INS							
5801.		X X X					
5802.		X X X					
5803.		X X X					
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X					
5899.	Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X					

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

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

PART 1 - ORGANIZATIONAL CHART

NAIC Group Code	Group Name	NAIC Company Code	State of Domicile	Federal ID Number	Company Name
0000		00000	DE	74-1677330	Stewart Information Services Corporation
0340	Stewart	50121	TX	74-0924290	Stewart Title Guaranty Company-STG(SISCO)
0340	Stewart	50035	FL	65-0685696	Alliance Title of America(SISCO-86%)(STG)
0340	Stewart	50156	IL	34-0805709	National Land Title Insurance Company-NL
0340	Stewart	50725	AR	71-0560086	Arkansas Title Insurance Company(NLTIC)
0340	Stewart	51420	NY	76-0233294	Stewart Title Insurance Company-STIC(STG)
0340	Stewart	51063	NY	16-0557455	Monroe Title Insurance Corporation(STIC)
0340	Stewart	50036	OR	91-1800766	Stewart Title Insurance Co. of Oregon(ST
0340	Stewart	32336	VT	03-0311175	Title Reinsurance Company(STG)
0000		00000	MX	AA-2734105	Stewart Title Guaranty De Mexico(STG)
0000		00000	EN	AA-1124112	Stewart Title Limited (United Kingdom)(S
0000		00000	TX	74-0923770	Stewart Title Co. of Galveston-STC(STG)
0000		00000	TX	74-2327609	Stewart Title of Austin(STC)
0000		00000	TX	74-2783918	Stewart Title Corpus Christi(STC)
0000		00000	TX	75-2258899	Stewart Title Dallas Inc.(STC)
0000		00000	OK	73-1093494	Stewart Abstract of Oklahoma(STC)
0000		00000	FL	59-1285458	Stewart Title of Jacksonville Inc.(STC)
0000		00000	NM	85-0446018	Stewart Title LLC(STC)
0000		00000	NM	85-0432768	Santa Fe Abstract(STC)
0000		00000	AR	71-0798379	Stewart Title of Arkansas(STC)
0000		00000	WA	91-1918234	Stewart Title of Washington(STC)
0000		00000	AZ	86-0223200	Stewart Title & Trust of Phoenix(STC)
0000		00000	CA	95-4607898	Stewart Title of California (STC)
0000		00000	CA	94-1311451	California Land Title of Marin(STC)
0000		00000	CA	94-2812125	Consolidated Title (STC)
0000		00000	FL	59-3138251	Tampa Cypress Partners(STC)
0000		00000	MT	81-0529591	Stewart Title of Montana(STC)
0000		00000	PL	99-9999999	Stewart International Spolka Z Organizon
0000		00000	TN	20-1624648	Stewart Title of Tennessee(STC)
0000		00000	TX	76-0450977	Stewart Lender Services(STC)
0000		00000	TX	20-5764898	Property Information Corporation
0000		00000	TX	03-0575225	Stewart REI Group Inc.
0000		00000	TX	20-1820620	StarTex(STC)
0000		00000	TX	20-5795343	Stewart Border Title LLC(STC)
0000		00000	CO	20-2815427	Stewart Title of Colorado(STC)
0000		00000	TX	75-1551938	Central Texas Title Corp.(STC)
0000		00000	CO	84-1517419	Stewart Water Information LLC(STC)
0000		00000	DE	76-0570062	Electronic Closing Services Inc.(STC)
0000		00000	WA	68-0304246	Real Property Information(STC)
0000		00000	VG	98-0371673	Stewart Latin America Inc.(STC)

PART 1 – LOSS EXPERIENCE

	Current Year to Date				5 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Written	2 Other Income (Page 4, Lines 1.2 + 1.3 + 2)	3 Direct Losses Incurred	4 Direct Loss Percentage Cols. 3 / (1 + 2)	
1. Direct operations					
2. Agency operations:					
2.1 Non-affiliated agency operations	4,808,620		109,851	2.28	(0.39)
2.2 Affiliated agency operations	713,028	30,735	191,457	25.74	11.65
3. Totals	5,521,648	30,735	301,308	5.43	1.18

PART 2 – DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Direct operations			
2. Agency operations:			
2.1 Non-affiliated agency operations	1,759,804	4,808,620	5,322,009
2.2 Affiliated agency operations	304,726	713,028	796,860
3. Totals	2,064,530	5,521,648	6,118,869

- NONE Schedule A, B, BA and D Verification**
- NONE Schedule D - Part 1B**
- NONE Schedule DA - Part 1 and Verification**
- NONE Schedule DB - Part F - Section 1**
- NONE Schedule DB - Part F - Section 2**
- NONE Schedule E Verification**
- NONE Schedule A - Part 2 and 3**
- NONE Schedule B - Part 2 and 3**
- NONE Schedule BA - Part 2 and 3**
- NONE Schedule D - Part 3**
- NONE Schedule D - Part 4**
- NONE Schedule DB - Part A and B - Section 1**
- NONE Schedule DB - Part C and D - Section 1**

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
US Bank Commercial Paper Sweep Acct		09/30/2008	1.490	10/01/2008	296,403		5,354
0299999 Bonds - U.S. Governments - Single Class Mortgage-Backed/Asset-Backed Securities					296,403		5,354
0399999 Subtotals - U.S. Government Bonds					296,403		5,354
5599999 Total Bonds - Subtotals - Single Class Mortgage-Backed/Asset-Backed Securities					296,403		5,354
6099999 Total Bonds - Subtotals - Bonds					296,403		5,354
8799999 Total Cash Equivalents					296,403		5,354

E09