

QUARTERLY STATEMENT

OF THE

MONROE TITLE INSURANCE CORPORATION

of _____ **ROCHESTER**
in the state of _____ **NEW YORK**

TO THE

Insurance Department

OF THE

STATE OF

NEW YORK

FOR THE QUARTER ENDED

September 30, 2008

TITLE

2008

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	9,135,804		9,135,804	9,262,563
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	4,333,856		4,333,856	4,625,613
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)	1,353,881		1,353,881	1,359,386
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 601,486), cash equivalents (\$ 0), and short-term investments (\$ 273,614)	875,100		875,100	3,385,766
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets	233,340		233,340	246,706
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	15,931,981		15,931,981	18,880,034
11. Title plants less \$ 0 charged off (for Title insurers only)	755,727		755,727	799,949
12. Investment income due and accrued	123,194		123,194	106,775
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	1,315,211	511,738	803,473	686,139
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	1,407,349	1,228,260	179,089	197,221
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software	142,967	51,191	91,776	112,544
19. Furniture and equipment, including health care delivery assets (\$ 0)	180,558	180,558		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	41,992		41,992	19,759
22. Health care (\$ 0) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	114,872	114,872		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	20,013,851	2,086,619	17,927,232	20,802,421
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	20,013,851	2,086,619	17,927,232	20,802,421

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. Prepaid Expenses	114,872	114,872	
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)	114,872	114,872	

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31 Prior Year
1. Known claims reserve	477,200	802,300
2. Statutory premium reserve	6,103,192	6,040,094
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)	567,364	523,293
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	(640)	320
8.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	67,789	117,915
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	81,886	1,819,530
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	6,700	98
19. Payable for securities		
20. Aggregate write-ins for other liabilities		
21. Total liabilities (Lines 1 through 20)	7,303,491	9,303,550
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	250,000	250,000
24. Preferred capital stock		
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus	610,139	610,139
28. Unassigned funds (surplus)	9,763,602	10,638,732
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)	10,623,741	11,498,871
31. Totals	17,927,232	20,802,421

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. Accrued reinsurance		
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)		
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	10,466,206	9,425,738	12,853,104
1.2 Escrow and settlement services			
1.3 Other title fees and service charges	5,086,959	5,074,127	6,581,075
2. Aggregate write-ins for other operating income	261,074	273,719	366,872
3. Total Operating Income (Lines 1 through 2)	15,814,239	14,773,584	19,801,051
DEDUCT:			
4. Losses and loss adjustment expenses incurred	284,721	188,585	577,627
5. Operating expenses incurred	15,709,589	14,881,764	19,752,264
6. Aggregate write-ins for other operating deductions			
7. Total Operating Deductions	15,994,310	15,070,349	20,329,891
8. Net operating gain or (loss) (Lines 3 minus 7)	(180,071)	(296,765)	(528,840)
INVESTMENT INCOME			
9. Net investment income earned	377,434	571,675	503,477
10. Net realized capital gains (losses) less capital gains tax of \$ 47,366	64,655	453,239	327,125
11. Net investment gain (loss) (Lines 9 + 10)	442,089	1,024,914	830,602
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)	262,018	728,149	301,762
14. Federal and foreign income taxes incurred	(2,760)	149,527	(145,209)
15. Net income (Lines 13 minus 14)	264,778	578,622	446,971
CAPITAL AND SURPLUS ACCOUNT			
16. Surplus as regards policyholders, December 31 prior year	11,498,870	13,957,721	13,957,721
17. Net income (from Line 15)	264,778	578,622	446,971
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	(1,404,428)	61,710	20,672
19. Change in net unrealized foreign exchange capital gain (loss)			
20. Change in net deferred income taxes	358,732	695,687	501,182
21. Change in nonadmitted assets	(265,792)	(610,641)	(427,676)
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		(3,000,000)	(3,000,000)
29. Change in treasury stock			
30. Aggregate write-ins for gains and losses in surplus	171,580		
31. Change in surplus as regards policyholders (Lines 17 through 30)	(875,130)	(2,274,622)	(2,458,851)
32. Surplus as regards policyholders as of statement date (Lines 16 plus 31)	10,623,740	11,683,099	11,498,870

DETAILS OF WRITE-IN LINES			
0201. Miscellaneous Income	53,083	88,220	114,775
0202. Other Abstract Fees	184,001	178,731	233,370
0203. Reinsurance fees reimbursed from agents	23,990	6,768	18,727
0298. Summary of remaining write-ins for Line 02 from overflow page			
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 02 above)	261,074	273,719	366,872
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. Prior period error in deferred tax calculation	171,580		
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)	171,580		

CASH FLOW

	1	2
	Current Year To Date	Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	13,761,284	19,372,530
2. Net investment income	285,273	431,127
3. Miscellaneous income	245,444	358,213
4. Total (Lines 1 to 3)	14,292,001	20,161,870
5. Benefit and loss related payments	609,821	306,827
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	15,592,071	20,142,243
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)		(27,890)
10. Total (Lines 5 through 9)	16,201,892	20,421,180
11. Net cash from operations (Line 4 minus Line 10)	(1,909,891)	(259,310)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	650,840	1,980,281
12.2 Stocks	2,265,901	2,305,430
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets	150,000	132,000
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)	3,066,741	4,417,711
13. Cost of investments acquired (long-term only):		
13.1 Bonds	528,056	1,747,677
13.2 Stocks	3,189,518	1,283,994
13.3 Mortgage loans		
13.4 Real estate	51,596	32,395
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	3,769,170	3,064,066
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)	(702,429)	1,353,645
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		(4,316)
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		3,000,000
16.6 Other cash provided (applied)	101,654	92,561
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	101,654	(2,911,755)
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)	(2,510,666)	(1,817,420)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	3,385,766	5,203,186
19.2 End of period (Line 18 plus Line 19.1)	875,100	3,385,766

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

20.0001		
20.0002		
20.0003		

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Practices

The accompanying financial statements of Monroe Title Insurance Corporation (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the Insurance Department of the State of New York (the Department).

The Department recognizes only statutory accounting practices prescribed or permitted by the state of New York (the State) for determining and reporting the financial condition and results of operations of a title insurance company and for determining its solvency under the New York State Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted, with certain exceptions, as a component of prescribed or permitted practices by the State. The accounting practices not adopted by the State include, but are not limited to, those described in certain paragraphs of the Statements of Statutory Accounting Principles' (SSAP) No. 10 *Income Taxes*, SSAP No. 16 *Electronic Data Processing Equipment and Software* and SSAP No. 57 *Title Insurance*. The New York State Superintendent of Insurance has the right to permit other specific practices that deviate from prescribed practices.

A reconciliation of the Company's net income/(loss) and capital and surplus between the NAIC SAP and practices prescribed and permitted by the State as of and for the six months ended September 30, 2008 is shown below:

	<u>Net Income</u>	<u>Capital And Surplus</u>
Balance, NYS Basis	\$ 264,778	\$ 10,623,740
Amortization of title plant	74,407	1,725,504
Depreciation of EDP Equipment	(3,140)	17,162
Release of statutory premium reserve	71,073	849,026
Balance, NAIC SAP Basis	<u>\$ 407,118</u>	<u>\$ 13,215,432</u>

Use of Estimates in the Preparation of the Financial Statements and Significant Accounting Policies – NO MATERIAL CHANGES

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS – NOT APPLICABLE

3. BUSINESS COMBINATIONS AND GOODWILL - NOT APPLICABLE

4. DISCONTINUED OPERATIONS - NOT APPLICABLE

5. INVESTMENTS – NO MATERIAL CHANGES

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES – NO MATERIAL CHANGES

7. INVESTMENT INCOME – NO MATERIAL CHANGES

8. DERIVATIVE INSTRUMENTS - NOT APPLICABLE

9. INCOME TAXES – NO MATERIAL CHANGES

The New York Department of Insurance has adopted SSAP #10 and reported in accordance with Regulation 172 of New York Insurance Law.

A. The net deferred tax asset/(liability) at September 30, 2008 and the change from the prior year are comprised of the following components:

	6/30/08	2007	Change
(1) Total gross deferred tax assets	1,345,151	1,569,797	(224,646)
(2) Total deferred tax liabilities	197,307	521,181	323,874
(3) Net deferred tax asset	1,147,844	1,048,617	99,227
(4) Deferred tax assets nonadmitted in accordance with SSAP No. 10	(970,566)	(851,395)	(119,171)
(5) Admitted deferred tax asset	177,278	197,221	(19,944)

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

	6/30/08	2007	Change
(1) Net deferred tax asset	1,147,844	1,048,617	99,227
(2) Tax effect of unrealized gains and losses	(197,307)	(1,489,088)	1,291,781
(3) Net tax effect without unrealized gains and losses	1,345,151	2,537,705	(1,192,554)
(4) Change in deferred income tax			(1,192,554)

NOTES TO FINANCIAL STATEMENTS

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:

	6/30/08	2007
(1) Current year tax expense (benefit) (exclusive of items 2 and 3 below)	(77,853)	53,138
(2) Tax credits	-	-
(3) Federal income tax on net capital gains	(31,106)	(176,144)
(4) Prior year adjustment	-	(22,203)
(5) Current income taxes incurred	(108,959)	(145,209)

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

	6/30/08	2007
Deferred tax assets:		
(1) Discounting of Reserves	535,820	571,803
(2) Fixed Assets	(7,416)	140,258
(3) Other	816,747	857,736
(4) Total deferred tax assets	1,345,151	1,569,797
(5) Nonadmitted deferred tax assets	(970,556)	(851,395)
(6) Admitted deferred tax assets	374,584	718,402
Deferred tax liabilities:		
(7) Stock Unrealized gains	(197,307)	(521,181)
(8) Other	-	-
(9) Total deferred tax liabilities	(197,307)	(521,181)
(10) Net admitted deferred tax asset (liability)	177,278	197,221

- 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:

	2008
(1) Income before taxes	110,044
(2) Income tax expense (benefit) at 35% statutory rate	38,515
(3) Increase (decrease) in tax resulting from:	
a. Dividends received deduction	(15,534)
b. Nondeductible expenses for meals, penalties and lobbying	10,942
c. Tax-exempt income	(55,261)
d. Deferred tax benefit on nonadmitted assets	(25,170)
e. Foreign income taxes	-
f. Federal income taxes on capital gains	(31,106)
g. Other	1,161,209
(4) Total income tax expected	1,083,596
(5) Current income taxes incurred (without tax on realized gains and losses)	(108,959)
(6) Change in deferred income tax (without tax on unrealized gains and losses)	1,192,554
(7) Total income tax reported	1,083,596

E. Operating loss carryforward:

- (1) As of December 31, 2007, the Company had no operating loss carryforwards.
(2) The amount of federal income taxes incurred and available for recoupment in the event of future net losses is \$53,138 for 2007 and \$32,636 for 2006 and \$142,918 for 2005.

F. Consolidated federal income tax return.

Effective with the merger date, February 3, 2006, the Company's federal income tax return is consolidated with Stewart Information Services Corporation and other subsidiaries listed on the attached schedule.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES – NO MATERIAL CHANGES

11. DEBT – NO MATERIAL CHANGES

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS – NOT APPLICABLE

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS – NO MATERIAL CHANGES

NOTES TO FINANCIAL STATEMENTS

14. CONTINGENCIES – NO MATERIAL CHANGES
15. LEASES – NO MATERIAL CHANGES
16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK - NOT APPLICABLE
17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES – NOT APPLICABLE
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 PREMIUMS WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS - NOT APPLICABLE
20. SEPTEMBER 11 EVENTS – NOT APPLICABLE
21. OTHER ITEMS – NOT APPLICABLE
22. EVENTS SUBSEQUENT - NOT APPLICABLE
23. REINSURANCE - NOT APPLICABLE
24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION - NOT APPLICABLE
25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES – NO MATERIAL CHANGES
26. INTERCOMPANY POOLING ARRANGEMENTS - NOT APPLICABLE
27. STRUCTURED SETTLEMENTS - NOT APPLICABLE
28. SUPPLEMENTAL RESERVE – NOT APPLICABLE

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? Yes [X] No []
If yes, complete the Schedule Y – Part 1 – organizational chart.
- 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? Yes [] No [X] N/A []
If yes, attach an explanation.
- 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. _____ 12/31/2001
- 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). _____ 05/15/2003
- 6.4 By what department or departments?
State of New York Insurance Department

- 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: \$ _____ 5,094

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	\$ 246,706	\$ 233,340
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 246,706	\$ 233,340
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
Bank of America	1 East Avenue, Rochester, New York 14604
HSBC Bank	1 HSBC Plaza, Rochester, New York 14639

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
DTC 913	Bank of America	1 East Avenue, Rochester, New York 14604
DTC 2165	HSBC Bank	1 HSBC Plaza, Rochester, New York 14639

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
 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
 If yes, attach an explanation.

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

3.2 If yes, give full and complete information thereto:

.....

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

4.2 If yes, complete the following schedule:

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	\$	<u>6,109,518</u>
5.12 Short-term investments	\$	
5.13 Mortgages	\$	
5.14 Cash	\$	<u>170,585</u>
5.15 Other admissible invested assets	\$	
5.16 Total	\$	<u>6,280,103</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:	\$	<u>3,202,062</u>
These funds consist of:		
5.22 In cash on deposit	\$	<u>3,202,062</u>
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	N						
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	10,617,818	9,521,043	546,221	94,152	477,200	531,100
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)		10,617,818	9,521,043	546,221	94,152	477,200	531,100

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
0340	Stewart	50035	FL	65-0685696	Alliance Title of America-SISCO,STG
0340	Stewart	50156	IL	34-0805709	National Land Title Insurance Company
0340	Stewart	50725	AR	71-0560086	Arkansas Title Insurance Company-NLTIC
0340	Stewart	51420	NY	76-0233294	Stewart Title Insurance Company-STIC
0340	Stewart	51063	NY	16-0557455	Monroe Title Insurance Corporation-STIC
0340	Stewart	50036	OR	91-1800766	Stewart Title Insurance Co. of Oregon
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)
0000		00000	TX	74-0923770	Stewart Title Co. of Galveston-STC
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	77-0354503	Asset Preservation Inc.-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	NV	20-8217543	Stewart Title Nevada Holdings Inc.-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 Lenders 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	3,933,608	5,292,993	142,366	1.54	0.54
2. Agency operations:					
2.1 Non-affiliated agency operations	6,399,377	54,916	32,246	0.50	0.61
2.2 Affiliated agency operations	284,833	125	1,091	0.38	(7.52)
3. Totals	10,617,818	5,348,034	175,703	1.10	0.43

PART 2 – DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Direct operations	1,399,556	3,933,608	4,139,218
2. Agency operations:			
2.1 Non-affiliated agency operations	2,365,315	6,399,377	5,127,771
2.2 Affiliated agency operations	124,236	284,833	254,054
3. Totals	3,889,107	10,617,818	9,521,043

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION**Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,359,386	1,404,390
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions	51,595	32,395
2.2 Additional investment made after acquisitions		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation	57,100	77,399
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)	1,353,881	1,359,386
10. Deduct total nonadmitted amount		
11. Statement value at end of current period (Line 9 minus Line 10)	1,353,881	1,359,386

SCHEDULE B - VERIFICATION**Mortgage Loans**

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions		
2.2 Additional investment made after acquisitions		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Deduct total nonadmitted accounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

NONE

SCHEDULE BA - VERIFICATION**Other Long-Term Invested Assets**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	246,706	224,126
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions		
2.2 Additional investment made after acquisitions		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	136,634	154,580
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	150,000	132,000
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	233,340	246,706
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	233,340	246,706

SCHEDULE D - VERIFICATION**Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	13,888,177	14,622,976
2. Cost of bonds and stocks acquired	3,717,574	3,031,671
3. Accrual of discount		
4. Unrealized valuation increase (decrease)	(1,232,848)	20,675
5. Total gain (loss) on disposals	17,289	503,267
6. Deduct consideration for bonds and stocks disposed of	2,916,741	4,285,711
7. Deduct amortization of premium	3,792	4,701
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	13,469,659	13,888,177
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	13,469,659	13,888,177

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	9,162,052		24,964	(1,285)	8,812,000	9,162,052	9,135,803	9,262,564
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	9,162,052		24,964	(1,285)	8,812,000	9,162,052	9,135,803	9,262,564
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	9,162,052		24,964	(1,285)	8,812,000	9,162,052	9,135,803	9,262,564

S102

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated, short-term and cash-equivalent bonds by NAIC designation:

NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999	273,614	X X X	273,614	22,294	19,129

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,100,885	410,578
2. Cost of short-term investments acquired	3,317,021	4,726,235
3. Accrual of discount		
4. Unrealized valuation increase (decrease)	22,294	38,352
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	4,166,585	4,074,280
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	273,615	1,100,885
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	273,615	1,100,885

SCHEDULE DB - PART F - SECTION 1

Replicated (Synthetic) Assets Open

Replicated (Synthetic) Asset					Components of the Replicated (Synthetic) Asset						
1	2	3	4	5	Derivative Instruments Open		Cash Instrument(s) Held				
Replication RSAT Number	Description	NAIC Designation or Other Description	Statement Value	Fair Value	6	7	8	9	10	11	12
					Description	Fair Value	CUSIP	Description	Statement Value	Fair Value	NAIC Designation or Other Description
					NONE						

SCHEDULE DB - PART F - SECTION 2

Reconciliation of Replicated (Synthetic) Assets Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date	
	1	2	3	4	5	6	7	8	9	10
	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory										
2. Add: Opened or Acquired Transactions										
3. Add: Increases in Replicated Asset Statement Value	XXX									
4. Less: Closed or Disposed of Transactions										
5. Less: Positions Disposed of for Failing Effectiveness Criteria										
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	XXX									
7. Ending Inventory										

NONE

505

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of cash equivalents acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		

NONE

NONE Schedule B - Part 2 and 3

NONE Schedule BA - Part 2 and 3

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
165167-10-7	Chesapeake Energy Corp		09/24/2008	HSBC	966.000	39,403			L
6699999	Total Common Stock Public Utilities (Unaffiliated)				X X X	39,403	X X X		X X X
002824-10-0	Abbott Labs		09/30/2008	HSBC	1,162.000	69,146			L
035229-10-3	Anheuser Busch Cos Inc		07/02/2008	HSBC	941.000	58,455			L
00206R-10-2	AT&T Inc		08/27/2008	HSBC	2,427.000	75,722			L
42809H-10-7	Hess Corporation		09/24/2008	HSBC	343.000	29,782			L
6899999	Total Common Stock Industrial and Miscellaneous (Unaffiliated)				X X X	233,105	X X X		X X X
7299997	Total Common Stock Part 3				X X X	272,508	X X X		X X X
7299998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X
7299999	Total Common Stock				X X X	272,508	X X X		X X X
7399999	Total Preferred and Common Stock				X X X	272,508	X X X		X X X
7499999	Totals				X X X	272,508	X X X		X X X

E04

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues 0.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Forfeign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)	
88275M-QK-3	Texas St Pub Fin		09/10/2008	HSBC		25,250	25,000.00	24,906	24,960		4		4		24,964		286	286	1,382	02/01/2015	1FE	
1799999	Total - Bonds - States, Territories and Possessions				X X X	25,250	25,000.00	24,906	24,960		4		4		24,964		286	286	1,382	X X X	X X X	
6099997	Total - Bonds - Part 4				X X X	25,250	25,000.00	24,906	24,960		4		4		24,964		286	286	1,382	X X X	X X X	
6099998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
6099999	Total Bonds				X X X	25,250	25,000.00	24,906	24,960		4		4		24,964		286	286	1,382	X X X	X X X	
026874-10-7	American International Group		09/29/2008	HSBC	723.00	3,032		28,501		28,501			28,501		28,501		(25,469)	(25,469)	304		L	
026874-10-7	American International Group		09/29/2008	HSBC	1,000.00	4,170		48,050		48,050			48,050		48,050		(43,880)	(43,880)	420		L	
057224-10-7	Baker Hughes Inc		08/22/2008	HSBC	100.00	7,833		7,325	8,110	(785)		(785)		7,325		508	508	41		L		
171232-10-1	Chubb Corp		07/17/2008	HSBC	440.00	20,861		16,565	24,015	(7,450)		(7,450)		16,565		4,296	4,296	418		L		
126650-10-0	CVS Caremark Corp		07/25/2008	HSBC	200.00	7,672		2,407	7,950	(5,543)		(5,543)		2,407		5,265	5,265	38		L		
126650-10-0	CVS Caremark Corp		08/22/2008	HSBC	500.00	18,755		6,264	19,875	(13,611)		(13,611)		6,264		12,491	12,491	30		L		
30231G-10-2	Exxon Mobil Corporation		07/25/2008	HSBC	50.00	4,149		1,771	4,685	(2,913)		(2,913)		1,771		2,378	2,378	94		L		
30231G-10-2	Exxon Mobil Corporation		08/22/2008	HSBC	200.00	15,582		7,086	18,738	(11,652)		(11,652)		7,086		8,496	8,496	380		L		
313586-10-9	FNMA		09/11/2008	HSBC	650.00	443		18,766		18,766			18,766		18,766		(18,323)	(18,323)	331		L	
313586-10-9	FNMA		09/11/2008	HSBC	1,415.00	920		41,983		41,983			41,983		41,983		(41,063)	(41,063)	495		L	
42809H-10-7	Hess Corporation		07/25/2008	HSBC	100.00	9,868		4,844	10,086	(5,242)		(5,242)		4,844		5,024	5,024	20		L		
42809H-10-7	Hess Corporation		09/30/2008	HSBC	743.00	68,620		49,159	74,939	(25,780)		(25,780)		49,159		19,461	19,461	222		L		
713448-10-8	Pepsico Inc		07/25/2008	HSBC	100.00	6,590		3,249	7,590	(4,341)		(4,341)		3,249		3,341	3,341	117		L		
713448-10-8	Pepsico Inc		08/22/2008	HSBC	400.00	28,036		12,994	30,360	(17,366)		(17,366)		12,994		15,042	15,042	484		L		
755111-50-7	Raytheon Company		07/25/2008	HSBC	97.00	5,485		2,754	5,888	(3,134)		(3,134)		2,754		2,731	2,731	79		L		
939322-10-3	Washington Mutual Inc.		07/17/2008	HSBC	3,911.00	16,856		39,025		39,025			39,025		39,025		(22,169)	(22,169)			L	
6899999	Total - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	218,872	X X X	290,743	212,236	78,508			78,508		290,743		(71,871)	(71,871)	3,473	X X X	X X X	
7299997	Total - Common Stock - Part 4				X X X	218,872	X X X	290,743	212,236	78,508			78,508		290,743		(71,871)	(71,871)	3,473	X X X	X X X	
7299998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
7299999	Total Common Stocks				X X X	218,872	X X X	290,743	212,236	78,508			78,508		290,743		(71,871)	(71,871)	3,473	X X X	X X X	
7399999	Total Preferred and Common Stocks				X X X	218,872	X X X	290,743	212,236	78,508			78,508		290,743		(71,871)	(71,871)	3,473	X X X	X X X	
7499999	Totals					244,122	X X X	315,649	237,196	78,508	4		78,512		315,707		(71,585)	(71,585)	4,855	X X X	X X X	

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues 0.

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Acquisition	6 Exchange or Counterparty	7 Cost/ Option Premium	8 Book Value	9 *	10 Statement Value	11 Fair Value	12 Year to Date Increase/ (Decrease) by Adjustment	13 Used to Adjust Basis of Hedged Item	14 Other Investment/ Miscellaneous Income
NONE													

E06

SCHEDULE DB - PART B - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Issuance/ Purchase	6 Exchange or Counterparty	7 Consideration Received	8 Book Value	9 *	10 Statement Value	11 Fair Value	12 Year to Date Increase/ (Decrease) by Adjustment	13 Used to Adjust Basis	14 Other Investment/ Miscellaneous Income
NONE													

SCHEDULE DB - PART C - SECTION 1

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

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

E07

SCHEDULE DB - PART D - SECTION 1

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

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
									10	11	12	
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	Recognized	Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure
NONE												

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories - Section (A) - Segregated Funds Held for Others								
HSBC Bank USA Rochester, NY					131,435	1,629,100	959,002	
Bank of America Rochester, NY					1,112,559	1,303,110	2,243,060	
0199998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	X X X	X X X						X
0199999 Total - Segregated Funds Held for Others	X X X	X X X			1,243,994	2,932,210	3,202,062	X
Open Depositories - Section (B) - General Funds								
HSBC Bank USA Rochester, NY					159,138	63,396	130,368	
HSBC Bank USA Rochester, NY					9,018	8,218	5,019	
HSBC Bank USA Rochester, NY			2,410		216,650	362,811	462,949	
0299998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	X X X	X X X						X
0299999 Total - General Funds	X X X	X X X	2,410		384,806	434,425	598,336	X
Open Depositories - Section (C) - Reinsurance Reserve Funds								
0399998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	X X X	X X X						X
0399999 Total - Reinsurance Reserve Funds	X X X	X X X						X
0499999 Total - Open Depositories	X X X	X X X	2,410		1,628,800	3,366,635	3,800,398	X
Suspended Depositories - Section (A) - Seg. Funds Held for Others								
0599998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	X X X	X X X						X
0599999 Total - Segregated Funds Held for Others	X X X	X X X						X
Suspended Depositories - Section (B) - General Funds								
0699998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	X X X	X X X						X
0699999 Total - General Funds	X X X	X X X						X
Suspended Depositories - Section (C) - Reinsurance Reserve Funds								
0799998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	X X X	X X X						X
0799999 Total - Reinsurance Reserve Funds	X X X	X X X						X
0899999 Total Suspended Depositories	X X X	X X X						X
0999999 Total Cash on Deposit	X X X	X X X	2,410		1,628,800	3,366,635	3,800,398	X
1099999 Cash in Company's Office	X X X	X X X	X X X	X X X	3,150	3,150	3,150	X
1199999 Total Cash	X X X	X X X	2,410		1,631,950	3,369,785	3,803,548	X

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
NONE							