

**QUARTERLY STATEMENT**

**OF THE**

**STEWART**

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**Title Guaranty Company**

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**of HOUSTON**

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**in the state of TEXAS**

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**TO THE**

**Insurance Department**

**OF THE**

**STATE OF**

**FOR THE QUARTER ENDED**

**March 31, 2017**

**TITLE**

**2017**



50121201720100101

# QUARTERLY STATEMENT

AS OF MARCH 31, 2017  
OF THE CONDITION AND AFFAIRS OF THE

## Stewart Title Guaranty Company

**NAIC Group Code** 0340 , 0340 **NAIC Company Code** 50121 **Employer's ID Number** 74-0924290  
(Current Period) (Prior Period)

**Organized under the Laws of** Texas **State of Domicile or Port of Entry** TX

**Country of Domicile** US

**Incorporated/Organized** February 20, 1908 **Commenced Business** March 11, 1913

**Statutory Home Office** 1980 Post Oak Boulevard , Houston, TX US 77056  
(Street and Number) (City or Town, State, Country and Zip Code)

**Main Administrative Office** 1980 Post Oak Boulevard  
(Street and Number)  
Houston, TX US 77056 713-625-8599  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

**Mail Address** P. O. Box 2029 , Houston, TX US 77252  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

**Primary Location of Books and Records** 1980 Post Oak Boulevard Houston, TX US 77056 713-625-8038  
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

**Internet Website Address** stewart.com

**Statutory Statement Contact** Kim Peterson 713-625-8044  
(Name) (Area Code) (Telephone Number) (Extension)  
kpeterson@stewart.com 713-629-2330  
(E-Mail Address) (Fax Number)

### OFFICERS

	Name	Title
1.	<u>Matthew W Morris</u>	<u>President and CEO</u>
2.	<u>Denise Carraux</u>	<u>Secretary</u>
3.	<u>Ken Anderson Jr.</u>	<u>Treasurer</u>

### VICE-PRESIDENTS

Name	Title	Name	Title
<u>Joseph A Berryman</u>	<u>Chief Financial Officer</u>	<u>John L Killea</u>	<u>General Counsel and Chief Compliance Offi</u>
<u>Brad Rable</u>	<u>Chief Information Officer</u>	<u>Ann Manal</u>	<u>Chief Human Resources Officer</u>
<u>Timothy J Okrie</u>	<u>Chief Operating Officer</u>	<u>Merton F Bernabi</u>	<u>Chief Procurement Officer</u>
<u>Jay Milligan</u>	<u>Chief Revenue Officer</u>	<u>Genady Vishnevetsky</u>	<u>Chief Information Security Officer</u>
<u>Brian K Glaze</u>	<u>Corporate Controller</u>	<u>Scott McBee</u>	<u>Sr. Vice President - Chief Claims Counsel</u>
<u>James L Gosdin</u>	<u>Sr. Vice President - Chief Underwriting Cou</u>	<u>David Y Stutts</u>	<u>Sr. Vice President - Chief Risk Officer</u>
<u>Pamela B OBrien</u>	<u>Sr. Vice President - Chief Litigation Counsel</u>	<u>Bruce E Hawley</u>	<u>Executive Vice President-Commercial</u>
<u>Dave Fauth</u>	<u>Group President-Direct Operations</u>	<u>Steven M Lessack</u>	<u>Group President-International Operations</u>
<u>Patrick Beall</u>	<u>Group President-Agency Operations</u>	<u>Cynthia J Madole</u>	<u>Deputy General Counsel</u>

### DIRECTORS OR TRUSTEES

<u>Malcolm S Morris</u>	<u>Charles F Howard</u>	<u>Matthew W Morris</u>	<u>Stewart Morris</u>
<u>Stewart Morris Jr</u>	<u>Allen Berryman</u>	<u>John L Killea</u>	

State of Texas

County of Harris 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.

<u>(Signature)</u>	<u>(Signature)</u>	<u>(Signature)</u>
<u>Matthew W Morris</u>	<u>Denise Carraux</u>	<u>Ken Anderson Jr.</u>
<u>(Printed Name)</u>	<u>(Printed Name)</u>	<u>(Printed Name)</u>
<u>1.</u>	<u>2.</u>	<u>3.</u>
<u>President and CEO</u>	<u>Secretary</u>	<u>Treasurer</u>
<u>(Title)</u>	<u>(Title)</u>	<u>(Title)</u>

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2017

- a. Is this an original filing?  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	483,460,899		483,460,899	469,817,354
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	439,464,156		439,464,156	436,841,244
3. Mortgage loans on real estate:				
3.1 First liens	387,465		387,465	390,669
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)	2,011		2,011	2,011
5. Cash (\$ 40,676,020), cash equivalents (\$ 0), and short-term investments (\$ 0)	40,676,020		40,676,020	69,321,494
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets	904,986	194,260	710,726	715,890
9. Receivables for securities				525,000
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	964,895,537	194,260	964,701,277	977,613,662
13. Title plants less \$ 0 charged off (for Title insurers only)	6,738,646	100,001	6,638,645	6,638,645
14. Investment income due and accrued	4,004,666	49,664	3,955,002	5,103,685
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	33,257,606	4,777,651	28,479,955	27,514,526
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts	420,027	586	419,441	517,632
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	717,160		717,160	288,647
18.2 Net deferred tax asset	31,084,904	12,043,998	19,040,906	19,253,555
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	977,337	538,962	438,375	839,689
21. Furniture and equipment, including health care delivery assets (\$ 0)	3,045,997	834,812	2,211,185	2,115,708
22. Net adjustment in assets and liabilities due to foreign exchange rates	9,008,844		9,008,844	9,639,321
23. Receivables from parent, subsidiaries and affiliates	12,841,389		12,841,389	3,289,059
24. Health care (\$ 0) and other amounts receivable	1,487,706		1,487,706	561,619
25. Aggregate write-ins for other than invested assets	6,378,725	5,488,184	890,541	871,538
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,074,858,544	24,028,118	1,050,830,426	1,054,247,286
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	1,074,858,544	24,028,118	1,050,830,426	1,054,247,286

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Other nonadmitted assets	5,095,071	5,095,071		
2502. Other Assets & deposits	1,283,654	393,113	890,541	871,538
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	6,378,725	5,488,184	890,541	871,538

NONE

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31 Prior Year
1. Known claims reserve	58,527,785	61,815,135
2. Statutory premium reserve	438,809,754	439,543,902
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)	16,618,484	25,433,340
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	3,470,055	6,390,421
8.1 Current federal and foreign income taxes (including \$ 158,878 on realized capital gains (losses))	11,679,122	8,906,962
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	21,467	21,467
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 and certified reinsurance		
16. Net adjustments in assets and liabilities due to foreign exchange rates		
17. Drafts outstanding		
18. Payable to parent, subsidiaries and affiliates	179,930	1,838,186
19. Derivatives		
20. Payable for securities	267,894	
21. Payable for securities lending		
22. Aggregate write-ins for other liabilities	92,613	368,390
23. Total liabilities (Lines 1 through 22)	529,667,104	544,317,803
24. Aggregate write-ins for special surplus funds	501,405	501,405
25. Common capital stock	8,500,000	8,500,000
26. Preferred capital stock		
27. Aggregate write-ins for other than special surplus funds		
28. Surplus notes		
29. Gross paid in and contributed surplus	197,835,875	196,258,630
30. Unassigned funds (surplus)	314,326,042	304,669,448
31. Less treasury stock, at cost:		
31.1 0 shares common (value included in Line 25 \$ 0)		
31.2 0 shares preferred (value included in Line 26 \$ 0)		
32. Surplus as regards policyholders (Lines 24 to 30 less 31)	521,163,322	509,929,483
33. Totals (Page 2, Line 28, Col. 3)	1,050,830,426	1,054,247,286

DETAILS OF WRITE-INS		
0301.		
0302.	<b>NONE</b>	
0303.		
0398. Summary of remaining write-ins for Line 03 from overflow page		
0399. Totals (Lines 0301 through 0303 plus 0398) (Line 03 above)		
2201. Reinsurance payable	92,613	368,390
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)	92,613	368,390
2401. Surplus arising from increase in book value of title plants	501,384	501,384
2402. Mineral interest-assigned value	21	21
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page		
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	501,405	501,405
2701.		
2702.	<b>NONE</b>	
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)		

## OPERATIONS AND INVESTMENT EXHIBIT

STATEMENT OF INCOME	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>OPERATING INCOME</b>			
1. Title insurance and related income:			
1.1 Title insurance premiums earned	312,848,154	291,219,092	1,373,351,056
1.2 Escrow and settlement services	4,075,853	5,722,810	21,078,937
1.3 Other title fees and service charges	9,000,799	8,574,316	36,416,254
2. Aggregate write-ins for other operating income			64,752
3. Total Operating Income (Lines 1 through 2)	325,924,806	305,516,218	1,430,910,999
<b>EXPENSES:</b>			
4. Losses and loss adjustment expenses incurred	18,159,184	14,662,716	73,026,185
5. Operating expenses incurred	301,942,380	286,864,965	1,304,067,480
6. Aggregate write-ins for other operating expenses			
7. Total Operating Expenses	320,101,564	301,527,681	1,377,093,665
8. Net operating gain or (loss) (Lines 3 minus 7)	5,823,242	3,988,537	53,817,334
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	3,592,091	3,266,022	15,694,777
10. Net realized capital gains (losses) less capital gains tax of \$ 158,878	295,061	184,500	3,339,654
11. Net investment gain (loss) (Lines 9 + 10)	3,887,152	3,450,522	19,034,431
<b>OTHER INCOME</b>			
12. Aggregate write-ins for miscellaneous income or (loss) or other deductions	250,443	215,874	1,398,463
13. Net income, after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12)	9,960,837	7,654,933	74,250,228
14. Federal and foreign income taxes incurred	3,875,223	3,070,023	20,602,772
15. Net income (Lines 13 minus 14)	6,085,614	4,584,910	53,647,456
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
16. Surplus as regards policyholders, December 31 prior year	509,929,483	501,799,271	501,799,271
17. Net income (from Line 15)	6,085,614	4,584,910	53,647,456
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	2,500,872	3,879,439	(23,650,271)
19. Change in net unrealized foreign exchange capital gain (loss)	957,671	4,689,285	1,953,231
20. Change in net deferred income taxes	(198,961)	(798,115)	(7,480,039)
21. Change in nonadmitted assets	311,398	(889,325)	304,859
22. Change in provision for unauthorized and certified 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	1,577,245	1,382,483	2,411,600
27.2 Transferred to capital (Stock Dividend)			
27.3 Transferred from capital			
28. Dividends to stockholders			(20,000,000)
29. Change in treasury stock			
30. Aggregate write-ins for gains and losses in surplus			943,376
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)	11,233,839	12,848,677	8,130,212
32. Surplus as regards policyholders as of statement date (Lines 16 plus 31)	521,163,322	514,647,948	509,929,483

DETAILS OF WRITE-IN LINES			
0201. Other Income			64,752
0202.			
0203.			
0298. Summary of remaining write-ins for Line 02 from overflow page			
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 02 above)			64,752
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. Title Plant rent income	201,950	201,957	967,370
1202. Ceded reimbursement from agents	33,585	19,277	445,257
1203. Miscellaneous income	14,908	(8,742)	
1298. Summary of remaining write-ins for Line 12 from overflow page		3,382	(14,164)
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)	250,443	215,874	1,398,463
3001. True-up of current taxes owed the company pursuant to tax sharing agreement			943,376
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)			943,376

NONE

**CASH FLOW**

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance	311,297,197	287,624,745	1,379,885,574
2. Net investment income	5,759,559	5,361,814	22,112,730
3. Miscellaneous income	13,327,094	14,523,889	57,669,398
4. Total (Lines 1 to 3)	330,383,850	307,510,448	1,459,667,702
5. Benefit and loss related payments	19,333,534	18,017,836	70,236,323
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	325,402,765	309,601,415	1,308,447,645
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	1,372,698	1,426,255	18,050,705
10. Total (Lines 5 through 9)	346,108,997	329,045,506	1,396,734,673
11. Net cash from operations (Line 4 minus Line 10)	(15,725,147)	(21,535,058)	62,933,029
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	27,311,949	9,559,549	75,504,936
12.2 Stocks	793,373	328,841	7,469,717
12.3 Mortgage loans	3,204	3,812	197,205
12.4 Real estate			
12.5 Other invested assets	2,342	11,131	964,396
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)	28,110,868	9,903,333	84,136,254
13. Cost of investments acquired (long-term only):			
13.1 Bonds	39,879,505	40,165,605	131,470,675
13.2 Stocks	1,151,690	434,271	37,045,408
13.3 Mortgage loans			3,396
13.4 Real estate			
13.5 Other invested assets			237,600
13.6 Miscellaneous applications			
13.7 Total investments acquired (Lines 13.1 to 13.6)	41,031,195	40,599,876	168,757,079
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)	(12,920,327)	(30,696,543)	(84,620,825)
<b>Cash from Financing and Miscellaneous Sources</b>			
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			20,000,000
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)			(20,000,000)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(28,645,474)	(52,231,601)	(41,687,796)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	69,321,494	111,009,290	111,009,290
19.2 End of period (Line 18 plus Line 19.1)	40,676,020	58,777,689	69,321,494

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

20.0001	Line 13.2 includes non-cash contribution to affiliate		11,576
20.0002			
20.0003			

## NOTES TO FINANCIAL STATEMENTS

### 1. Accounting Practices

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

The Texas Department of Insurance recognizes statutory accounting practices prescribed or permitted by the State of Texas for determining and reporting the financial condition and results of operations of a title insurance company, for determining its solvency under the Texas 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 Texas. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. Specifically, (A) home office furniture and fixtures acquired after December 31, 2000 is an admitted asset as permitted by Texas Administrative Code 7.18 section (c)(3), depreciated in full over a period not to exceed five years. Home office fixed assets acquired prior to January 1, 2001 are an admitted asset as permitted by Texas Insurance Code Articles 3.01, 6.12, 8.07 and any other applicable laws, and shall be depreciated in full over a period not to exceed ten years. In NAIC SAP 19, furniture and fixtures are not admissible. (B) real estate owned prior to October 1, 1967 continue to qualify as an admitted asset per Texas Insurance Code Article 2551.151. In NAIC SAP 40, appraisals must be no more than five years old or the property will not be admitted.

	SSAP #	F/S Page	F/S Line#		3/31/2017		12/31/2016	
Net Income(loss), Texas State Basis	XXX	XXX	XXX	\$	6,085,614	\$	53,647,096	
State Prescribed Practices:					\$	-	\$	-
State Permitted Practices:					\$	-	\$	-
Net Income(loss), NAIC SAP	XXX	XXX	XXX	\$	6,085,614	\$	53,647,096	
Statutory Surplus, Texas State Basis				\$	521,163,322	\$	509,929,483	
State Prescribed Practices:								
(1)Furniture & Fixtures	19	1	21	\$	2,211,185	\$	2,115,708	
(2)Real Estate	40	1	4.3	\$	2,011	\$	2,011	
State Permitted Practices:					\$	-	\$	-
Statutory Surplus, NAIC SAP	XXX	XXX	XXX	\$	518,950,126	\$	507,811,764	

### 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. In addition, where reasonable estimates can be made, the Company accrues for policies issued but not reported until after period end. The Company believes that reasonable estimates can be made when recent and consistent policy issuance information is available. Estimates are based on historical reporting patterns and other information obtained about agencies, as well as current trends in direct operations and in the title industry. In this accrual, future transactions are not being estimated. The Company is estimating revenues on policies that have already been issued by agencies but not yet reported to or received by the Company. The Company has consistently followed the same basic method of estimating unreported policy revenues for more than 10 years. The Company assumes and cedes reinsurance with various title companies, on an individual basis, utilizing standard facultative agreements provided by the American Land Title Association and also has in effect several excess reinsurance agreements wherein the Company assumes or may cede liability automatically under the terms of the treaty. In addition, the Company has in place an excess of loss ceded reinsurance agreement which is on a claims made basis. 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 Article 2251.253 of the Texas Insurance Code. Expenses incurred in connection with issuing the policies are charged to operations as an expense in the current period.

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 scientific method.

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## NOTES TO FINANCIAL STATEMENTS

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- (3) Common stocks are stated at market except investments in stocks that are not publicly traded, are valued at zero or cost.
- (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.
- (6) Loan-backed securities, if any, are valued at amortized cost using the retrospective method.
- (7) The Company owns 100% of the common stock of Stewart Title Company, a non-insurance company. This stock is valued on the audited GAAP equity basis as described in the *NAIC Accounting Practices and Procedures Manual* SSAP 97, section 8(b)(iii).

The Company owns 100% of Stewart Title Insurance Company, a title insurance company, which is valued based on SSAP 97, Section 8(b)(i) of the *NAIC Accounting Practices and Procedures Manual*.

The Company owns 100% of Stewart Title Limited (UK) and 99.99% of Stewart Title Guaranty de Mexico, S.A., which are foreign title insurance companies. These investments are valued based on SSAP 97, Section 8(b)(iv) of the *NAIC Accounting Practices and Procedures Manual*.

The Company owns 10.16% of Title Reinsurance Company, a reinsurance company that provides primary liability insurance, which is valued based on SSAP 97, Section 8(b)i.

The Company owns 30% of Western America Title Service, LLC, which is valued based on SSAP 48 (6).

- (8) The Company has minor ownership interests in one joint venture and two limited liability companies. These investments are valued based on SSAP 48 (7).
- (9) Derivatives – None
- (10) Anticipated investment income used as a factor in the premium deficiency calculation. – Not applicable
- (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.

The statutory premium reserve is based on Section 2551.253 of the Texas Insurance Code, which was amended with an effective date of September 1, 2005. The amended Section 2551.253 requires the Company to reserve an amount equal to 18.5 cents per \$1,000 of net retained liability assumed for policies written on or after January 1, 2005. Previously, the required reserve was 6.2% of total charges for title policies written or assumed for calendar year 1997 and 25 cents per \$1,000 in net retained liability assumed on or after January 1, 1998 and before January 1, 2005.

The reserve is subsequently reduced by 26% of the addition in the first year succeeding the year of addition, 20% in the second year, 10% in the third year, 9% in the fourth year, 5% in the fifth and sixth years, 3% in the seventh through the ninth year, 2% in the tenth through fourteenth year and 1% in the last six years.

At December 31, 2016 the total of the Company's known claims reserves and statutory premium reserve was \$91.6 million greater than the loss reserve as stated in Schedule P, column 24, on which the Company's appointed actuary has provided a loss reserve opinion.

- (12) The Company has not modified its capitalization policy from the prior period.

### **2. Accounting Changes and Corrections of Errors**

- A. There were no material changes in accounting principles.
- B. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Texas. The State of Texas requires that insurance companies domiciled in the State of Texas 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 Texas 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



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## NOTES TO FINANCIAL STATEMENTS

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retroactively for all prior periods. There were no material changes in accounting principles in 2016 or 2015.

**3. Business Combinations and Goodwill** – Not Applicable

**4. Discontinued Operations** – Not Applicable

**5. Investments**

A. Mortgage Loans

1. The maximum and minimum lending rates for real estate loans are 7.75% and 4.0%.
2. None
3. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 110%.

	<u>Current Year</u>	<u>Prior Year</u>
4. At March 31, 2017, the Company held mortgage loans with interest more than 180 days past due with a recorded investment excluding accrued interest of:	170,146	170,146
Total interest due on mortgages with interest more than 180 days past due equals:	-	-
5. Taxes, assessments and any amounts advances and not included in the mortgage loan total.	-	-
6. Current year impaired loans with related allowance for credit losses.	-	-
7. Impaired mortgage loans without an allowance for credit losses.	-	-
8. Average recorded investment in impaired loans.	-	-
9. Interest income recognized during the period on loans impaired.	-	-
10. Amount of interest income recognized on a cash basis during the period the loans were impaired.	-	-

11. Allowance for credit losses- None.

12. The company recognizes interest income on its impaired loans upon receipt.

B. Debt Restructuring- Not applicable

C. Reverse Mortgages – Not applicable

D. Loan-Backed Securities – Not applicable

E. Repurchase Agreements – Not applicable

F. Real Estate

(1) None

(2) In the ordinary course of business, the Company occasionally acquires real estate in settlement of claims. It is not the Company's intention to hold these properties for investment or administrative purposes, but rather to dispose of them as market condition warrant. These properties are disclosed on Schedule A, Part 1 of the Annual Statement.

(3) Not applicable

(4) Not applicable

(5) Not applicable

G. Low-Income Housing Tax Credits (LIHTC) – Not applicable.

H. Restricted Assets – Refer to General Interrogatories Part 2; No 5.2.

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

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

B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement period.

**7. Investment Income**

A. 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 deposit are excluded from surplus.

## NOTES TO FINANCIAL STATEMENTS

B. The total amount excluded at March 31, 2017 was \$49,664.

### 8. Derivative Instruments – None

### 9. Income Taxes

A. Components of the net deferred tax asset or net deferred tax liability	3/31/2017			12/31/2016		
	Ordinary	Capital	Total	Ordinary	Capital	Total
1.						
(a) Total gross deferred tax assets	35,464,674	6,258,381	41,723,055	35,070,941	6,674,416	41,745,357
(b) Statutory Valuation Allowance Adjustments	0	0	0	0	0	0
(c) Adjusted gross deferred tax assets	35,464,674	6,258,381	41,723,055	35,070,941	6,674,416	41,745,357
(d) Deferred tax assets nonadmitted	(5,785,617)	(6,258,381)	(12,043,998)	(5,355,894)	(6,674,416)	(12,030,310)
(e) Subtotal net admitted deferred tax assets	29,679,057	0	29,679,057	29,715,047	0	29,715,047
(f) Deferred tax liabilities	(8,541,777)	(2,096,374)	(10,638,151)	(8,339,887)	(2,121,604)	(10,461,491)
(g) <b>Net admitted deferred tax assets (net deferred tax liabilities)</b>	<b>21,137,280</b>	<b>(2,096,374)</b>	<b>19,040,906</b>	<b>21,375,159</b>	<b>(2,121,604)</b>	<b>19,253,555</b>
	Change Ordinary	Change Capital	Change Total			
(a) Total gross deferred tax assets	393,733	(416,035)	(22,302)			
(b) Statutory Valuation Allowance Adjustments	0	0	0			
(c) Adjusted gross deferred tax assets	393,733	(416,035)	(22,302)			
(d) Deferred tax assets nonadmitted	(429,723)	416,035	(13,688)			
(e) Subtotal net admitted deferred tax assets	(35,990)	0	(35,990)			
(f) Deferred tax liabilities	(201,890)	25,230	(176,660)			
(g) <b>Net admitted deferred tax assets (net deferred tax liabilities)</b>	<b>(237,879)</b>	<b>25,230</b>	<b>(212,649)</b>			
2.						
<b>Admission Calculation Components under ¶11.a.-¶11.c.</b>						
(a) Federal income taxes paid in prior years recoverable through loss carrybacks admitted under ¶11.a.	13,925,305	0	13,925,305	9,275,790	0	9,275,790
(b) Adjusted gross DTAs expected to be realized under ¶11.b.i.	5,115,601	0	5,115,601	9,977,765	0	9,977,765
(c) Adjusted gross DTAs allowed per limitation threshold under ¶11.b.ii.	75,588,176	0	75,588,176	76,165,544	0	76,165,544
(d) Adjusted gross DTAs admitted under ¶11.b. (lessor of ¶11.b.i. or ¶11.b.ii. above)	5,115,601	0	5,115,601	9,977,765	0	9,977,765
(e) Adjusted gross DTAs offset by gross DTLs under ¶11.c.	10,638,151	0	10,638,151	10,461,491	0	10,461,491
(f) <b>Net admitted deferred tax asset/liability under ¶11.a.- ¶11.c.</b>	<b>29,715,046</b>	<b>0</b>	<b>29,715,046</b>	<b>29,715,046</b>	<b>0</b>	<b>29,715,046</b>
	Change Ordinary	Capital	Change Total			
(a) Federal income taxes paid in prior years recoverable through loss carrybacks admitted under ¶11.a.	4,469,515	0	4,469,515			
(b) Adjusted gross DTAs expected to be realized under ¶11.b.i.	(4,862,164)	0	(4,862,164)			
(c) Adjusted gross DTAs allowed per limitation threshold under ¶11.b.ii.	(577,368)	0	(577,368)			
(d) Adjusted gross DTAs admitted under ¶11.b. (lessor of ¶11.b.i. or ¶11.b.ii. above)	(4,862,164)	0	4,862,164)			
(e) Adjusted gross DTAs offset by gross DTL under ¶11.c.	176,660	0	176,660			
(f) <b>Net admitted deferred tax asset/liability under ¶11.a. - ¶11.c.</b>	<b>(35,989)</b>	<b>0</b>	<b>(35,989)</b>			

## NOTES TO FINANCIAL STATEMENTS

**3. Disclosure of ratios used for threshold limitation for ¶11.b.above**

	<u>3/31/2017</u>	<u>12/31/2016</u>	<u>Change</u>
(a) Ratio percentage used to determine recovery period and threshold limitation amount in ¶11.b. above.	15%	15%	0%
(b) Other Non-RBC reporting Entities Adj Gross DTA/Adj Capital & Surplus%	8%	8%	0%
(c) Amount of adjusted capital and surplus used to determine recovery period threshold limitation in ¶11.b. above	503,921,173	507,770,295	(3,849,122)

**4. Impact of Tax Planning Strategies  
On the Determination of : Section  
4. Is not applicable**

	<u>3/31/2017</u>			<u>12/31/2016</u>		
	Ordinary Percentage	Capital Percentage	Total Percentage	Ordinary Percentage	Capital Percentage	Total Percentage
(a) Adjusted Deferred Tax Assets (Percentage of Total Adjusted Gross Deferred Tax Assets)	N/A	N/A	0	N/A	N/A	0
(b) Net Admitted Adjusted Gross Deferred Tax Assets (Percentage of Total Net Admitted Adjusted Gross Deferred Tax Assets)	N/A	N/A	0	N/A	N/A	0
	<u>Change</u>					
	Ordinary Percentage	Capital Percentage	Total Percentage			
(a) Adjusted Deferred Tax Assets (Percentage of Total Adjusted Gross Deferred Tax Assets)	N/A	N/A	0			
(b) Net admitted Adjusted Gross Deferred Tax Assets (Percentage of Total Net Admitted Adjusted Gross Deferred Tax Assets)	N/A	N/A	0			
(c) Does the Company's tax-planning strategies include reinsurance?	Yes		No <u>X</u>			

**B. Unrecognized Deferred Tax Liabilities:**

- There are no temporary differences for which deferred tax liabilities are not recognized.
- The cumulative amount of each type of temporary difference is -0-.
- There is no unrecognized DTL for temporary differences in investments in foreign subsidiaries and corporate JV's that are permanent in duration.
- The amount of the DTL for temporary differences other than those in item (3) above that is not recognized is -0-.

**C. The significant components of income taxes incurred and the changes in DTAs and DTLs include:**

	<u>3/31/2017</u>	<u>12/31/2016</u>	<u>Change</u>
1. Current tax expenses incurred:			
(a) Current year federal tax expense(benefit)- ordinary income	2,613,282	12,127,030	(9,513,748)
(b) Current year foreign tax expense(benefit)- ordinary income	1,261,941	5,383,995	(4,122,054)
(c) Subtotal	3,875,223	17,511,025	(13,635,802)
(d) Current year tax expense(benefit)- net realized capital gains(losses)	158,878	1,798,275	(1,639,397)
(e) Change in estimate of income taxes recoverable	0	0	0
(f) True-up current taxes	0	3,091,747	(3,091,747)
(g) Federal and foreign income taxes incurred	<u>4,034,101</u>	<u>22,401,047</u>	<u>(18,366,946)</u>

## NOTES TO FINANCIAL STATEMENTS

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

Deferred tax assets:	<b>3/31/2017</b>	<b>12/31/2016</b>	<b>Change</b>
<u>Ordinary</u>			
(a) Discounting Statutory Premium Reserve	16,914,461	16,878,230	36,231
(b) Discounting Loss Reserve	382,693	389,496	(6,803)
(c) Fixed Assets	666,301	461,447	204,854
(d) Canadian Reserves	5,726,426	5,366,504	359,922
(e) Litigation Reserves	202,418	243,725	(41,307)
(f) Bonus Accrual	5,109,897	5,109,897	0
(g) Nonadmitted Assets	4,194,442	4,308,223	(113,780)
(h) Other Accruals	1,226,591	1,271,974	(45,383)
(i) Other	1,041,444	1,041,444	0
(j) Subtotal	<u>35,464,674</u>	<u>35,070,941</u>	<u>393,733</u>
(k) Statutory Valuation allowance Adjustment	0	0	0
(l) Nonadmitted ordinary deferred tax assets	(5,785,617)	(5,355,894)	(429,723)
(m) Admitted ordinary deferred tax assets	<u>29,679,057</u>	<u>29,715,047</u>	<u>(35,990)</u>
<u>Capital</u>			
(n) Investments	449,838	530,688	(80,850)
(o) Unrealized Capital Gains	5,808,543	6,143,728	(335,185)
(p) Subtotal	<u>6,258,381</u>	<u>6,674,416</u>	<u>(416,035)</u>
(q) Nonadmitted capital deferred tax assets	(6,258,381)	(6,674,416)	416,035
(r) Admitted capital deferred tax assets	0	0	0
(s) Admitted deferred tax assets	<u>29,679,057</u>	<u>29,715,047</u>	<u>(35,990)</u>

3. Deferred tax liabilities:

Deferred tax liabilities:	<b>3/31/2017</b>	<b>12/31/2016</b>	<b>Change</b>
<u>Ordinary</u>			
(a) Section 481(a) Bonus	(830,444)	(1,107,259)	276,815
(b) U.S. Deferred offset to Canadian Deferred Tax asset	(7,531,940)	(7,053,235)	(478,705)
(c) Intangibles	(179,394)	(179,394)	0
(d) Fixed Assets	0	0	0
(e) Subtotal	<u>(8,541,777)</u>	<u>(8,339,887)</u>	<u>(201,890)</u>
<u>Capital</u>			
(f) Unrealized Capital Gains	(2,096,374)	(2,121,604)	25,230
(g) Investments	0	0	0
(h) Subtotal	<u>(2,096,374)</u>	<u>(2,121,604)</u>	<u>25,230</u>
(i) Deferred tax liabilities	<u>(10,638,151)</u>	<u>(10,461,491)</u>	<u>(176,660)</u>

4. **Net deferred tax assets (liabilities)**

<b>19,040,906</b>	<b>19,253,555</b>	<b>(212,649)</b>
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The change in the net deferred income taxes is comprised of the following (this analysis is exclusive of the nonadmitted DTAs as the Change in Nonadmitted Assets is reported separately from the Charge in Net Deferred Income Taxes in the surplus section of the Annual Statement).

	<b>3/31/2017</b>	<b>12/31/2016</b>	<b>Change</b>
Total deferred tax assets	41,723,055	41,745,357	(22,302)
Total deferred tax liabilities	(10,638,151)	(10,461,491)	(176,660)
Net deferred tax assets/liabilities	31,084,904	31,283,865	(198,962)
Statutory valuation allowance adjustment	0	0	0
Net deferred tax assets/liabilities after SVA	31,084,904	31,283,865	(198,962)
Tax effect of unrealized gains(loses)	0	0	0
Statutory valuation allowance adjustment allocated to unrealized	0	0	0
Net deferred tax assets( liabilities)	<u>31,084,904</u>	<u>31,283,865</u>	<u>(198,962)</u>

## NOTES TO FINANCIAL STATEMENTS

### D. Reconciliation of federal income tax rate to actual effective rate:

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing the difference are as follows:

	3/31/2017	12/31/2016
Income before taxes	10,119,714	76,048,502
Effective tax rate	35%	35%
Tax Effect	3,541,900	26,616,976
Dividends received deduction	(43,916)	(868,051)
Nondeductible expenses	247,674	1,032,985
Tax-exempt interest income	(68,303)	(243,228)
Foreign income tax expense	1,261,941	5,431,729
Return-to-provision and other true up adjustments	113,395	3,408,095
Currency translation adjustment	335,185	683,631
U.S. foreign tax credit	(1,261,941)	(5,431,729)
Change in deferred taxes on non-admitted assets	113,780	(393,399)
Other	(6,651)	(355,922)
Total	4,233,063	29,881,085
Federal and foreign income taxes incurred	3,875,223	20,602,772
Tax on capital gains(losses)	158,878	1,798,275
Change in net deferred taxes	198,962	7,480,038
Total statutory taxes	4,233,063	29,881,085

### E Carryforward recoverable taxes and IRC section 6603 deposits:

The amount of Federal income taxes incurred that are available for recoupment in the event of future losses is:

	Ordinary	Capital	Total
2017	2,772,160		2,772,160
2016	13,925,305	0	13,925,305
2015	6,956,843	0	6,956,843
Total	23,654,308	0	23,654,308

The aggregate amount of deposits admitted under Section 6603 of the Internal Revenue code is \$0.

### F. Consolidated federal income tax return

The Company's Federal income tax return is consolidated with Stewart Information Services Corporation and subsidiaries (SISCO). The method of allocation is detailed in the Eighth Restated Consolidated Federal Income Tax Return Settlement Agreement effective for the tax year 2011 and subsequent years. Such Agreement was filed previously with the Texas Department of Insurance.

SISCO's (and therefore the Company's) Federal income tax returns open to examination are for calendar years 2013, 2014 and 2015. SISCO's 2016 Federal income tax return will be filed during September 2017. The Company expects no material adjustments from any tax return examination.

## 10. Information Concerning Parent, Subsidiaries and Affiliates

### A.

The Company paid a common stock dividend of \$20,000,000 to its parent company, Stewart Information Services Corporation, in the fourth quarter of 2016. No dividend has been paid in 2017.

As of March 31, 2017, our parent, Stewart Information Services Corporation, has made noncash capital contributions to us in the amount of \$1,577,245.

### B and C. –

As of March 31, 2017, the Company made noncash capital contributions in the amount of \$146,856 to Stewart Title Company. The Company also made noncash capital contributions to Stewart Title Insurance Company in the amount of \$16,646.

### D.

Amounts due from and amounts payable to related parties at March 31, 2017 are \$12,841,389 and \$179,930, respectively.

In March 2017, the Company advanced \$10,000,000 to its wholly owned subsidiary, Stewart Title Company ("STC") under an unsecured line of credit. The terms of the loan require payments of interest only on June 1st, September 1st, December 1st, and March 1st at published LIBOR rates plus 2% on each of those dates. As of March 31, 2017 the entire amount of \$10,000,000 and all accrued interest remained outstanding. During the

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## NOTES TO FINANCIAL STATEMENTS

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first quarter of 2016, \$10,000,000 was advanced to STC under the same line of credit. This amount was reclassified as a capital contribution to Stewart Title Company during the fourth quarter of 2016. There was no outstanding balance on the line of credit at December 31, 2016.

E. None

F.

The Company has agreed to provide Stewart Information Services Corporation 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, Amendment No. 5, dated January 1, 2001, Amendment No.6, dated June 6, 2005 (HCS # 34302) and Amendment No. 7, dated September 8, 2010 (HCS # 38937).

The Company has agreed to provide Stewart Title Company certain management and accounting services as described in the Cost Allocation Agreement with Stewart Title Company and subsidiaries dated October 29, 2013 (HCS #940066).

The Company has entered into a sublease agreement with Western American Title Services, LLC. Such agreement was filed with the Texas Insurance Department on November 8, 2011, under Holding Company Section #40132.

The Company has entered into a service agreement with Landata Systems, Inc. for certain computer and software services as described in the Service Agreement dated January 1, 2000 which replaced the original service agreement, dated February 16, 1978. Such Agreement was filed with the Texas Insurance Department on February 3, 2000, under Holding Company Section # 30240. The Service Agreement was further amended effective March 12, 2004, under HCS # 33340, and effective October 1, 2004, under HCS # 33907. On September 17, 2007 the Texas Department of Insurance approved the name change from Landata Systems, Inc. to Property Info Corporation.

The Company has entered into a service agreement with Ultima Corporation for a certain computer and Software services as described in the Service Agreement dated April 16, 2004. Such agreement was filed with the Texas Insurance Department on April 19, 2004, under Holding Company Section # 33342. On September 17, 2007 the Texas Department of Insurance approved the name change from Ultima Corporation to Property Info Corporation.

The Company has entered into a service agreement with Stewart International Spolka Z Orgraniconza dated June 30, 2004. Such agreement was filed with the Texas Insurance Department on May 1, 1998, under Holding Company Section # 33570.

The Company has entered into a service agreement with Stewart Lender Services covering issued title policies which require conversion from paper documents to compute image for storage and retrieval. Such agreement was filed with the Texas Insurance Department on May 1, 1998, under Holding Company Section # 28563, as amended by Amendment No. 2 under HCS # 32547, dated December 21, 2002, and Amendment No. 3, under HCS # 33616 dated July 24, 2004.

The Company has entered into a service agreement with First Data Systems, Inc. for a computer related services as described in the Service Agreement dated April 13, 2004. Such agreement was filed with the Texas Insurance Department on April 16, 2004, under Holding Company Section # 33343. On September 17, 2007 the Texas Department of Insurance approved the name change from First Data Systems, Inc. to Property Info Corporation.

The Company has entered into a service agreement with Stewart Transactions Solutions, Inc. for a computer related services as described in the Service Agreement dated March 12, 2004. Such agreement was filed with the Texas Insurance Department on April 16, 2004, under Holding Company Section # 33341. On September 17, 2007 the Texas Department of Insurance approved the name change from Stewart Transaction Solutions, Inc. to Property Info Corporation.

The Company has entered into a hosted service agreement with Stewart Transactions Solutions, Inc. for a hosted tech related services as described in the Service Agreement dated September 15, 2006. Such agreement was filed with the Texas Insurance Department on September 15, 2006, under Holding Company Section # 35343. On September 17, 2007 the Texas Department of Insurance approved the name change from Stewart Transactions Solutions, Inc. to Property Info Corporation.

The Company has entered into a service agreement with REI Data, Inc. for a converting title policies from paper documents into computer image as described in the Service Agreement dated July 13, 2005. Such agreement was filed with the Texas Insurance Department on July 15, 2005, under Holding Company Section # 34337. On September 17, 2007 the Texas Department of Insurance approved the name change from REI Data, Inc. to Property Info Corporation.

The Company has entered into a service agreement with REI Data, Inc. for a computer related services as

## NOTES TO FINANCIAL STATEMENTS

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described in the Service Agreement dated May 6, 2005. Such agreement was filed with the Texas Insurance Department on May 11, 2005, under Holding Company Section # 34216, as amended by Amendment No. 1 and 2, dated August 2, 2006 (HCS # 35205). On September 17, 2007 the Texas Department of Insurance approved the name change from REI Data, Inc. to Property Info Corporation.

The Company has entered into a service agreement with REI Data, Inc. for a subscription service as described in the Service Agreement dated October 4, 2006. Such agreement was filed with the Texas Insurance Department on October 10, 2006, under Holding Company Section # 35368 as amended February 22, 2008 under Holding Company Section # 36551. On September 17, 2007 the Texas Department of Insurance approved the name change from REI Data, Inc. to Property Info Corporation.

The Company has entered into an agreement with Stewart Title Limited, a United Kingdom insurance corporation, as described in the Net Worth Maintenance Agreement dated March 13, 2006. Such agreement was filed with the Texas Insurance Department on July 19, 2006, under Holding Company Section # 35118.

The Company has entered into a sublease agreement with Stewart Lender Services, Inc. Such agreement was filed with the Texas Insurance Department on April 4, 2007, under Holding Company Section # 35818, as amended by Amendment No. 1 dated July 9, 2009 under Holding Company Section # 37726.

The Company has entered into a shared service agreement with Stewart Lender Services, Inc. Such agreement was filed with the Texas Insurance Department on April 21, 2010, under Holding Company Section # 38524, dated January 28, 2010, as amended by Amendment No. 1 dated December 15, 2010 under Holding Company Section # 39311.

The Company has entered into a title plant conveyance agreement and service agreement with Property Info Corporation for computer related services and sale of copies of back title plants in Bexar County, Texas as described in the agreement dated February 12, 2008. Such agreement was filed with the Texas Insurance Department on February 28, 2008, under Holding Company Section # 36550.

The Company has entered into a service agreement with Property Info Corporation for computer related services as described in the agreement dated August 27, 2007. Such agreement was filed with the Texas Insurance Department on September 1, 2007, under Holding Company Section # 36180.

The Company has entered into an agreement with Property Info Corporation for title search services in Florida dated July 14, 2011. Such agreement was filed with the Texas Insurance Department on August 4, 2011, under Holding Company Section # 39880.

The Company has entered into a title plant agreement with Property Info Corporation dated August 27, 2010. Such agreement was approved with the Texas Insurance Department on September 28, 2010, under Holding Company Section # 38962.

The Company has entered into a sublease agreement with The Guarantee Title Company, LLC. Such agreement was filed with the Texas Insurance Department on November 18, 2010, under Holding Company Section # 39234.

The Company has entered into a title plant posting agreement with Property Info Corporation dated February 3, 2011. Such agreement was filed with the Texas Insurance Department on February 7, 2011, under Holding Company Section # 39430.

The Company has entered into an account reconciliation services agreement with Stewart Financial Services dated June 20, 2011. Such agreement was filed with the Texas Insurance Department on August 4, 2011, under Holding Company Section # 39821.

The Company has entered into a cost allocation agreement with Stewart Title Insurance Company dated July 1, 2012. Such agreement was filed with the Texas Insurance Department on October 22, 2012, under Holding Company Section # 40916.

The Company has entered into a shared service agreement with Stewart Title Insurance Company and affiliates for title insurance and loan closing services dated March 12, 2013. Such agreement was filed with the Texas Insurance Department on April 3, 2013, under Holding Company Section # 939040.

The Company has entered into a title plant lease with Stewart Title LLC dated November 1, 1997. Such agreement was filed with the Texas Insurance Department under Holding Company Section #27610.

The Company has entered into a shared services agreement with Bonneville Superior Title Company dated May 27, 2008. Such agreement was filed with the Texas Insurance Department under Holding Company Section #36728.

The Company has entered into a title plant lease agreement with Stewart Title Company in Hardin County, Texas dated July 13, 2009. Such agreement was filed with the Texas Insurance Department under Holding Company Section #37856.

## NOTES TO FINANCIAL STATEMENTS

The Company has entered into a title plant lease agreement with Stewart Title Company, Arkansas dated June 7, 2010. Such agreement was filed with the Texas Insurance Department under Holding Company Section #38794.

The Company has entered into a sublease agreement with Western American Title Service, LLC dated January 28, 2016. Such agreement was filed with the Texas Insurance Department on January 13, 2016 under Holding Company Section #991407.

- G. All outstanding shares of the Company are owned by Stewart Information Services Corporation, an insurance holding company, domiciled in the State of Delaware.
- H. The Company owns no shares of stock of its ultimate parent company.
- I. The Company owns a 100% interest in Stewart Title Company, a non-insurance company, whose carrying value exceeds 10% of the admitted assets of the Company. The Company carries Stewart Title Company at GAAP equity adjusted for the elimination of parent company stock. The statement value and GAAP equity value of Stewart Title Company as of December 31, 2016 and 2015 was \$325,219,000 and \$311,884,179.
- J. The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.
- K. and L. – Not applicable
- M. All SCA Investments

(1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8A Entities	X X X			
b. SSAP No. 97 8b(ii) Entities				
Total SSAP No. 97 8b(ii) Entities	X X X			
c. SSAP No. 97 8b(iii) Entities				
01. Stewart Title Company	100.000%	\$ 325,365,856	\$ 325,365,856	\$ -
Total SSAP No. 97 8b(iii) Entities	X X X	\$ 325,365,856	\$ 325,365,856	\$ -
d. SSAP No. 97 8b(iv) Entities				
01. Stewart Title Limited	100.000%	\$ 28,460,536	\$ 28,460,536	\$ -
02. Stewart Title Guaranty de Mexico	99.990%	2,138,691	2,138,691	-
Total SSAP No. 97 8b(iv) Entities	X X X	\$ 30,599,227	\$ 30,599,227	\$ -
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b + c +	X X X	\$ 355,965,083	\$ 355,965,083	\$ -
f. Aggregate Total (a + e)	X X X	\$ 355,965,083	\$ 355,965,083	\$ -

(2) NAIC Filing Response Information

None of the above listed entities were required to be filed with the NAIC.

N. Investment in Insurance SCAs – Not applicable

**11. Debt** – None

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

A. Defined Benefit Plan - None

B. The Company sponsors a defined contribution benefit plan in which all employees and its participating subsidiaries are eligible to participate upon their date of hire.

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 is subject to certain additional limitations under Section 401(k) of the Internal Revenue Code. Deferred



## NOTES TO FINANCIAL STATEMENTS

compensation is contributed to a trust managed for the benefit of the participants. The Plan also offers a Roth 401(k) feature where the participant can choose to make after-tax contributions.

At March 31, 2017 plan assets totaled \$340,989,736 including vested benefits of \$339,796,4811.

- C. None
- D. None
- E. None
- F. None

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

1. The Company has 2,000 shares of common stock authorized, issued and outstanding. The par value per share is \$3,500.

The Company has 750,000 shares of Class B common stock authorized, issued and outstanding. The par value per share is \$2.

2. The Company has no preferred stock.
3. The Company cannot pay a dividend without the approval of the Texas Insurance Commissioner. The maximum dividend to the Company's parent that can be paid after such approval in 2017 is \$102.0 million.
4. The Company has not paid a shareholder dividend during 2017. Dividends totaling \$20,000,000 were paid by the Company in 2016.
- 5.-9. Not applicable
10. The portion of unassigned funds (surplus) represented by cumulative unrealized gains and losses is \$48,465,985.
- 11 – 13. The Company has no surplus notes or quasi-reorganizations.

### 14. Contingencies

- A. Contingent Commitments – None
- B. Assessments – None
- C. Gain Contingencies – None
- D. Claims related extra contractual and bad faith losses stemming from lawsuits-

The company paid the following amounts in the reporting period to settle claims related to extra contractual obligations or bad faith claims stemming from law suits:

Claims related to ECO and bad faith losses paid during the reporting period	Direct \$0
---	---------------

Number of claims where amounts were paid to settle claims related to extra contractual obligations or bad faith claims resulting from law suits during the reporting period

(a) 0-25 Claims	(b) 26-50 Claims	(c) 51-100 Claims	(d) 101-500 Claims	(e) More than 500 Claims
X				

The claim count information is on a per claim basis. The above amounts were accumulated by reviewing all settled claims with loss and loss adjustment expenses totaling more than \$400,000.

## NOTES TO FINANCIAL STATEMENTS

### E. All Other Contingencies

#### **Regulatory and legal developments**

The Company is subject to claims and lawsuits arising in the ordinary course of its business, most of which involve disputed policy claims. In some of these lawsuits, the plaintiff seeks exemplary or treble damages in excess of policy limits. The Company does not expect that any of these proceedings will have a material adverse effect on its consolidated financial condition or results of operations. Along with the other major title insurance companies, the Company is party to a number of class action lawsuits concerning the title insurance industry. The Company believes that it has adequate reserves for the various litigation matters and contingencies discussed above and that the likely resolution of these matters will not materially affect its financial condition or results of operations.

The Company is subject to administrative actions and litigation relating to the basis on which premium taxes are paid in certain states. Additionally, the Company has received various other inquiries from governmental regulators concerning practices in the insurance industry. Many of these practices do not concern title insurance. The Company believes that it has adequately reserved for these matters and does not anticipate that the outcome of these inquiries will materially affect its financial condition or results of operations.

The Company is subject to various other administrative actions and inquiries into its business conduct in certain of the states in which it operates. While the Company cannot predict the outcome of the various regulatory and administrative matters, it believes that it has adequately reserved for these matters and does not anticipate that the outcome of any of these matters will materially affect its financial condition or results of operations.

#### **15. Leases**

The Company's expense for leased offices was \$8,777,991 in 2016 and \$8,130,856 in 2015. The Company is obligated under various non-cancelable leases (with initial or remaining lease terms in excess of one year). The future minimum lease payments are summarized as follows:

2018	-----	\$ 9,038,000
2019	-----	7,908,000
2020	-----	4,610,000
2021	-----	4,251,000
2022 and thereafter	-----	8,000
Total	-----	\$ 25,815,000

#### **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. Fair Value Measurements**

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 – observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data; and
- Level 3 – unobservable inputs that are supported by little or no market activity and that are significant to the fair values of the assets or liabilities, including certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

## NOTES TO FINANCIAL STATEMENTS

A.

## (1) Fair Value Measurements at Reporting Date

(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) (level 4)
a. Assets At Fair Value				
Common Stock- Unaffiliated Industrial and Misc.	35,872,986			
Total Assets At Fair Value	35,872,986			
b. Liabilities at Fair Value				
None				
Total Liabilities At fair Value				

(2) – (5) Not applicable

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Common Stock Industrial and Misc.	35,872,986	35,872,986	35,872,986			
Bonds:						
U.S. Governments	12,634,714	12,794,908		12,634,714		
Canadian Securities	154,654,066	154,257,729		154,654,066		
Foreign	8,875,505	8,504,532		8,875,505		
Municipals	43,281,707	43,294,333		43,281,707		
Corporate and Utilities	269,994,981	264,609,397		269,994,981		
Total Bonds	489,440,973	469,817,354		489,440,973		
Real Estate Mortgage Loans						
Total	\$ 525,313,959	519,333,885	35,872,986	489,440,973		

**21. Other Items**

A. Extraordinary Items - None

B. Troubled Debt Restructuring - None

C. The Company holds \$284,347,092 at March 31, 2017 in segregated escrow bank accounts pending the closing of real estate transactions. This results in a contingent liability to the Company. These accounts are excluded from the financial statements of admitted assets, liabilities and surplus as regards policyholders.

Cash and investments in the amount of \$169,081,589 and \$144,551,276 at March 31, 2017 and December 31, 2016, respectively, were on deposit with government authorities or trustees as required by law.

D. – E. None or Not Applicable

F. State Transferable and Non-Transferable Tax Credits - Immaterial for disclosure.

G. Subprime Mortgage Related Risk Exposure

We have reviewed our investment portfolio as of March 31, 2017 and determined that we do not hold any investments that we believe will be materially impaired as a result of the decline in financing activity related to the subprime lending market or being backed by subprime loans.

**22. Events Subsequent** - None**23. Reinsurance**- Not applicable

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## **NOTES TO FINANCIAL STATEMENTS**

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**24. Retrospectively Rated Contracts** – Not Applicable

**25. Changes in Incurred Losses and Loss Adjustment Expenses**

Known claims reserves were \$58,527,785 and \$61,815,135 as of March 31, 2017 and December 31, 2016, respectively. As of March 31, 2017 \$19,188,269 has been paid for incurred losses and loss adjustment expenses as attributable to insured events of prior years. Reserves remaining for prior years are now \$58,461,111 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$15,834,246 unfavorable prior-year development since December 31, 2016. The increase is generally the result of prior year policy claims reported in the current year as well as re-estimation of existing unpaid claims. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

**26. Intercompany Pooling Arrangements** – Not Applicable

**27. Structured Settlements** – None

**28. Supplemental Reserve** – The Company is not required to carry a supplemental reserve.

# GENERAL INTERROGATORIES

## 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 [ ]

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: \_\_\_\_\_

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]

If yes, complete Schedule Y, Parts 1, and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
 .....  
 .....  
 .....

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. \_\_\_\_\_ 12/31/2015 \_\_\_\_\_

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. \_\_\_\_\_ 12/31/2010 \_\_\_\_\_

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). \_\_\_\_\_ 04/30/2012 \_\_\_\_\_

6.4 By what department or departments?  
 Texas and Delaware .....

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]

## GENERAL INTERROGATORIES

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 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 FDIC	6 SEC
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....

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 [X] 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 [X] No [ ]

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

Update of previous Code to include developments since the date of the last Code and to include geographic specific rules and guidelines for our international group.

.....  
 .....

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

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 [X] No [ ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 4,176

### 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 [X]

## GENERAL INTERROGATORIES

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 .....	\$ 401,241,194	\$ 403,591,169
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) .....	\$ 401,241,194	\$ 403,591,169
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. For the reporting entity's security lending program, state the amount of the following as current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.3 Total payable for securities lending reported on the liability page	\$ _____

17. Excluding items in Schedule E - Part 3 - Special Deposits, 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 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes  No

17.1 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
Compass Bank .....	P. O. Box 4886 Houston, TX 77210-4886 .....
Bank of Nova Scotia .....	130 King Street, 20th Floor Toronto, CN .....

17.2 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)
.....	.....	.....
.....	.....	.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes  No

## GENERAL INTERROGATORIES

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

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

17.5 Investment management - Identify all investment advisors, investment managers, broker/dealers. Including individuals that have the authority to make investments decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["..that have access to the investment accounts";"..handle securities"]

1 Name of Firm or Individual	2 Affiliation
Vaughn Nelson Investment Management	U
Chicasaw Capital Management	U

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes  No

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes  No

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
106975	Vaughn Nelson Investment Man	None	SEC	NO
127398	Chickasaw Capital Management	None	SEC	NO

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes  No

18.2 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 [ X ] 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 [ 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
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Total</b>										

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>438,809,754</u>
5.12 Short-term investments	\$ _____
5.13 Mortgages	\$ _____
5.14 Cash	\$ _____
5.15 Other admissible invested assets	\$ _____
5.16 Total	\$ <u>438,809,754</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>284,347,092</u>
These funds consist of:	
5.22 In cash on deposit	\$ <u>284,347,092</u>
5.23 Other forms of security	\$ _____

**NONE    Schedule F**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN****Current Year To Date - By States and Territories**

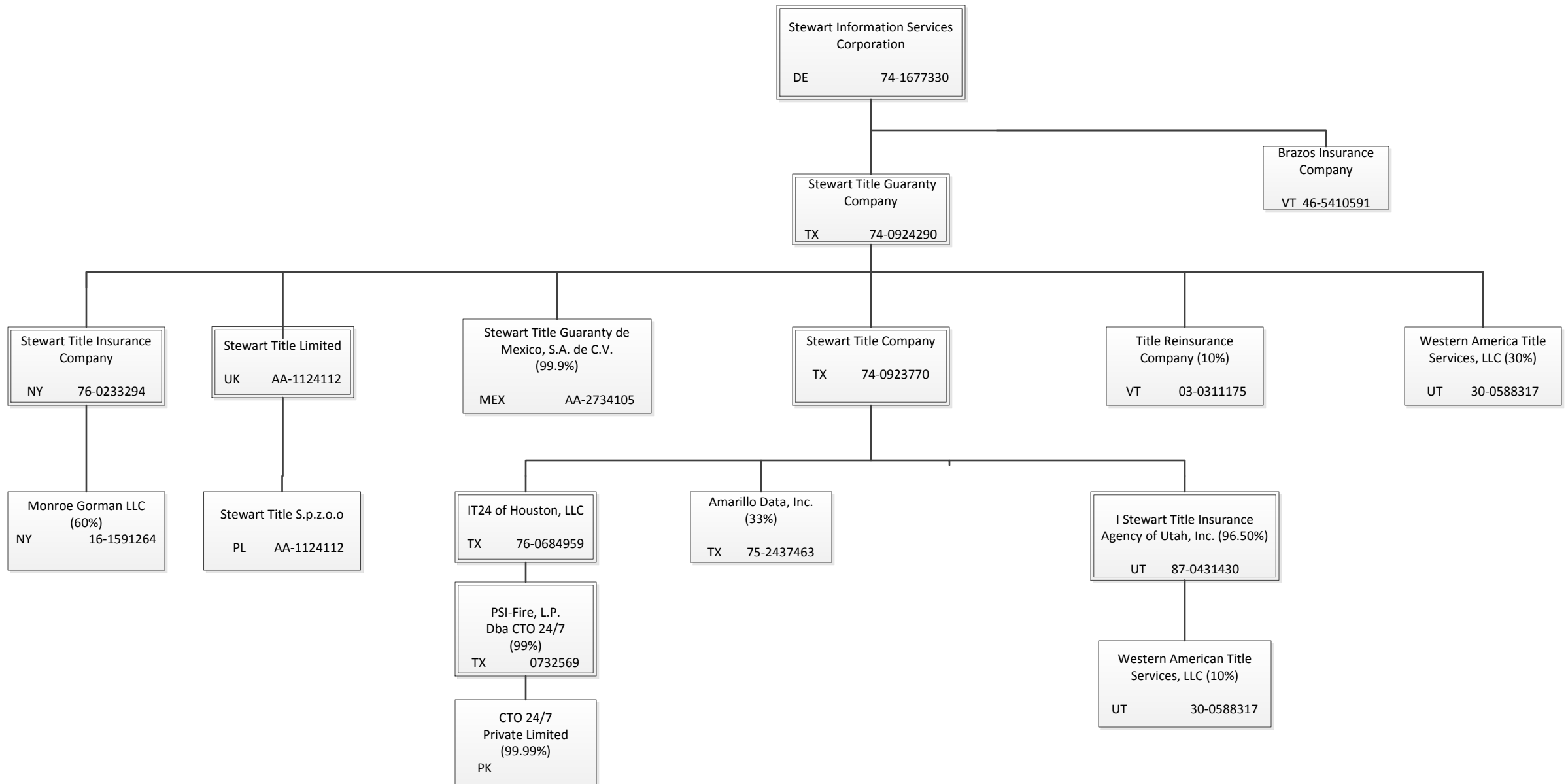
States, Etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Known Claim Reserve		
		Active Status	2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama	AL	L	4,569,970	3,301,141	78,235	169,473	794,944	655,704
2. Alaska	AK	L	2,979,494	2,978,218	688	13,898	34,556	57,434
3. Arizona	AZ	L	6,549,572	5,727,516	33,431	172,889	93,013	267,926
4. Arkansas	AR	L	1,734,100	2,407,801	382,665	124,262	504,750	658,532
5. California	CA	L	20,675,355	18,987,840	8,121,617	3,257,744	4,361,481	8,010,962
6. Colorado	CO	L	10,937,811	9,008,946	136,666	(116,572)	1,062,889	399,966
7. Connecticut	CT	L	2,142,764	3,088,516	46,055	13,713	315,345	406,742
8. Delaware	DE	L	2,098,992	2,319,026	(99,538)	75,927	88,630	141,859
9. District of Columbia	DC	L	817,575	934,901	43,708	27,007	468,443	468,010
10. Florida	FL	L	17,105,510	17,501,407	1,036,346	1,616,432	4,714,805	4,579,365
11. Georgia	GA	L	6,922,299	6,533,065	490,382	(58,194)	836,954	1,114,155
12. Hawaii	HI	L	1,190,344	1,101,314	392,780	825	98,530	54,311
13. Idaho	ID	L	1,781,787	2,257,076	38,277	22,708	43,620	95,438
14. Illinois	IL	L	5,027,062	5,189,797	631,241	1,356,701	3,396,085	3,279,792
15. Indiana	IN	L	3,049,533	3,255,928	168,532	142,381	668,495	648,503
16. Iowa	IA	N	118,870	156,914	21,488	8,120		32,666
17. Kansas	KS	L	1,486,324	1,795,981	1,627	(5,764)	165,672	62,098
18. Kentucky	KY	L	2,373,127	1,325,254	26,474	469,803	183,575	311,963
19. Louisiana	LA	L	3,264,813	3,361,775	48,022	131,366	576,474	1,295,402
20. Maine	ME	L	760,162	826,549	27,223	75,988	300,994	275,192
21. Maryland	MD	L	5,550,598	7,381,899	31,862	183,886	308,102	775,976
22. Massachusetts	MA	L	6,927,375	7,498,219	57,585	861,221	1,520,338	1,351,299
23. Michigan	MI	L	9,000,724	7,713,479	(97,990)	18,885	688,317	428,706
24. Minnesota	MN	L	8,245,719	5,579,620	453,319	107,373	920,580	1,017,660
25. Mississippi	MS	L	997,741	994,183	137,585	89,722	648,908	391,228
26. Missouri	MO	L	689,803	342,878	51,413	63,428	648,367	905,213
27. Montana	MT	L	1,494,236	1,360,384	449,509	72,109	73,061	198,004
28. Nebraska	NE	L	861,223	657,816	2,470	54,435	20,865	24,702
29. Nevada	NV	L	2,711,226	2,375,168	62,279	76,201	2,186,944	203,368
30. New Hampshire	NH	L	1,191,112	864,735	(57,244)	346,864	249,247	282,373
31. New Jersey	NJ	L	10,688,163	7,295,861	118,777	1,226,065	3,348,291	1,938,756
32. New Mexico	NM	L	3,178,344	2,882,089	18,053	201,424	105,407	465,724
33. New York	NY	Q						
34. North Carolina	NC	L	2,360,540	1,137,767	224,509	108,094	1,196,457	1,261,196
35. North Dakota	ND	L	816,335	1,311,697	601	10,907	13,627	13,688
36. Ohio	OH	L	10,946,706	8,189,891	11,402	76,643	1,011,428	1,409,165
37. Oklahoma	OK	L	1,599,935	1,732,292	103,198	100,182	175,734	164,284
38. Oregon	OR	L	3,538,660	3,766,226	13,933	22,810	48,519	38,009
39. Pennsylvania	PA	L	9,688,157	7,107,465	524,360	115,005	1,277,019	1,263,163
40. Rhode Island	RI	L	351,407	428,454	1,260	37,519	593,084	756,873
41. South Carolina	SC	L	4,626,624	4,113,236	147,451		788,465	661,369
42. South Dakota	SD	L	1,267,027	587,922	424	128,168	30,076	2,300
43. Tennessee	TN	L	5,095,834	4,557,984	6,543	(34,065)	1,237,652	444,593
44. Texas	TX	L	69,501,722	67,124,761	(32,971)	1,970,101	4,850,509	4,884,799
45. Utah	UT	L	10,530,071	10,356,879	29,973	88,014	1,358,741	365,852
46. Vermont	VT	L	294,302	247,492	7,451	73,749	16,878	148,222
47. Virginia	VA	L	10,665,083	10,396,331	305,708	489,672	887,806	860,766
48. Washington	WA	L	8,105,260	8,645,271	315,204	54,610	376,502	269,753
49. West Virginia	WV	L	402,908	296,066	15,432	86,805	156,669	43,299
50. Wisconsin	WI	L	2,698,747	3,815,712	43,443	38,705	456,418	164,317
51. Wyoming	WY	L	1,070,684	799,135	(4,181)	5,000	14,257	25,000
52. American Samoa	AS	N						
53. Guam	GU	L	619,150	661,646	817	7,375	19,183	7,625
54. Puerto Rico	PR	L	1,373,607	326,164	87,508	48,721	2,396,742	1,882,579
55. U.S. Virgin Islands	VI	L	223,557	60,080	3,138	2,730		7,446
56. Northern Mariana Islands	MP	L	31,243	71,271		33		3,044
57. Canada	CAN	L	18,359,742	14,372,082	4,650,681	3,695,175	12,007,390	9,969,146
58. Aggregate Other Alien	OT	X X X					184,012	
59. Totals	(a)	53	311,289,029	287,111,120	19,309,421	17,926,273	58,524,850	55,445,517

DETAILS OF WRITE-INS							
58001. BHS Bahamas		X X X					15,000
58002. DOM Dominican Republic		X X X					9,345
58003. CRI Costa Rica		X X X					159,667
58998. Summary of remaining write-ins for Line 58 from overflow page		X X X					
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)		X X X					184,012

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG;(R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (other than their state of domicile – see DSLI); (D) DSLI – Domestic Surplus Lines Insurer (DSLI) Lines in the st – Reporting entities authorized to write Surplus.

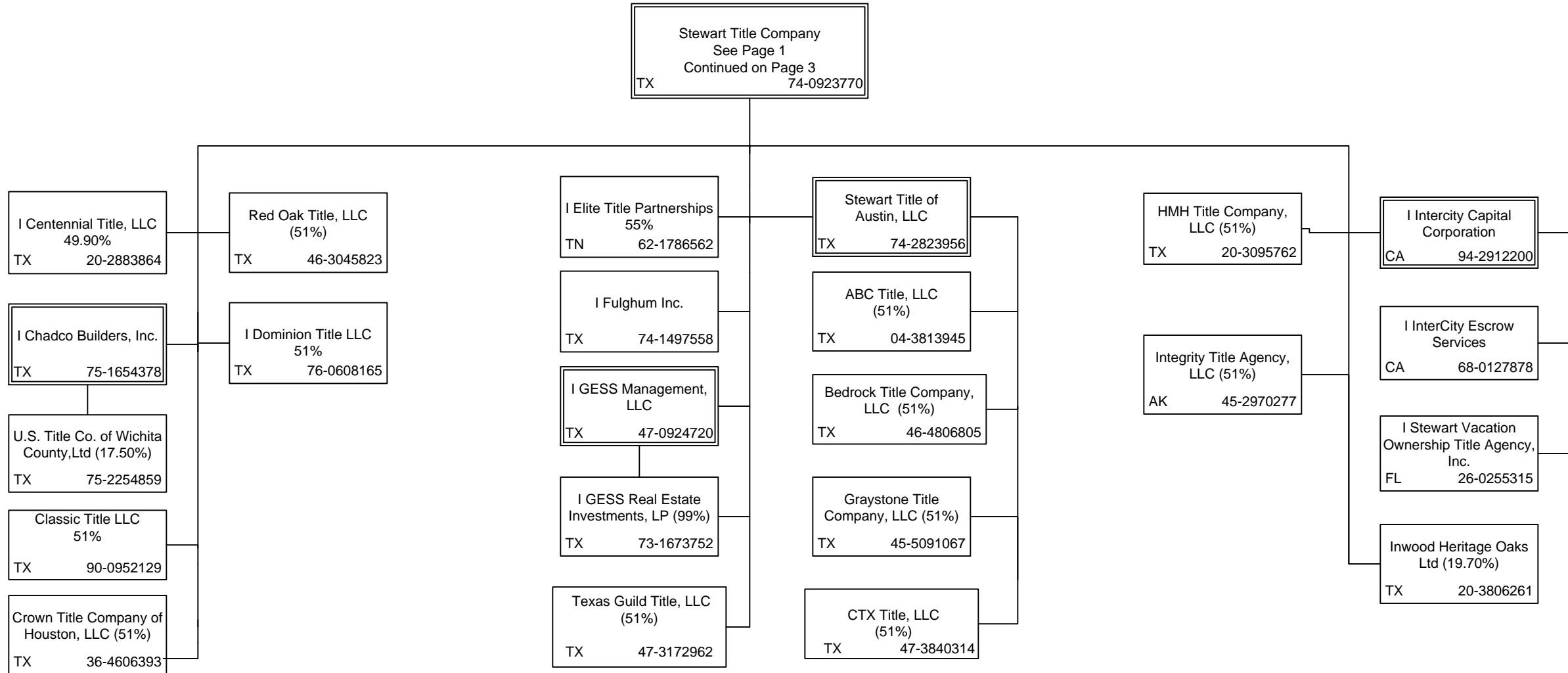
## SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

### PART 1 - ORGANIZATIONAL CHART



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

### PART 1 - ORGANIZATIONAL CHART



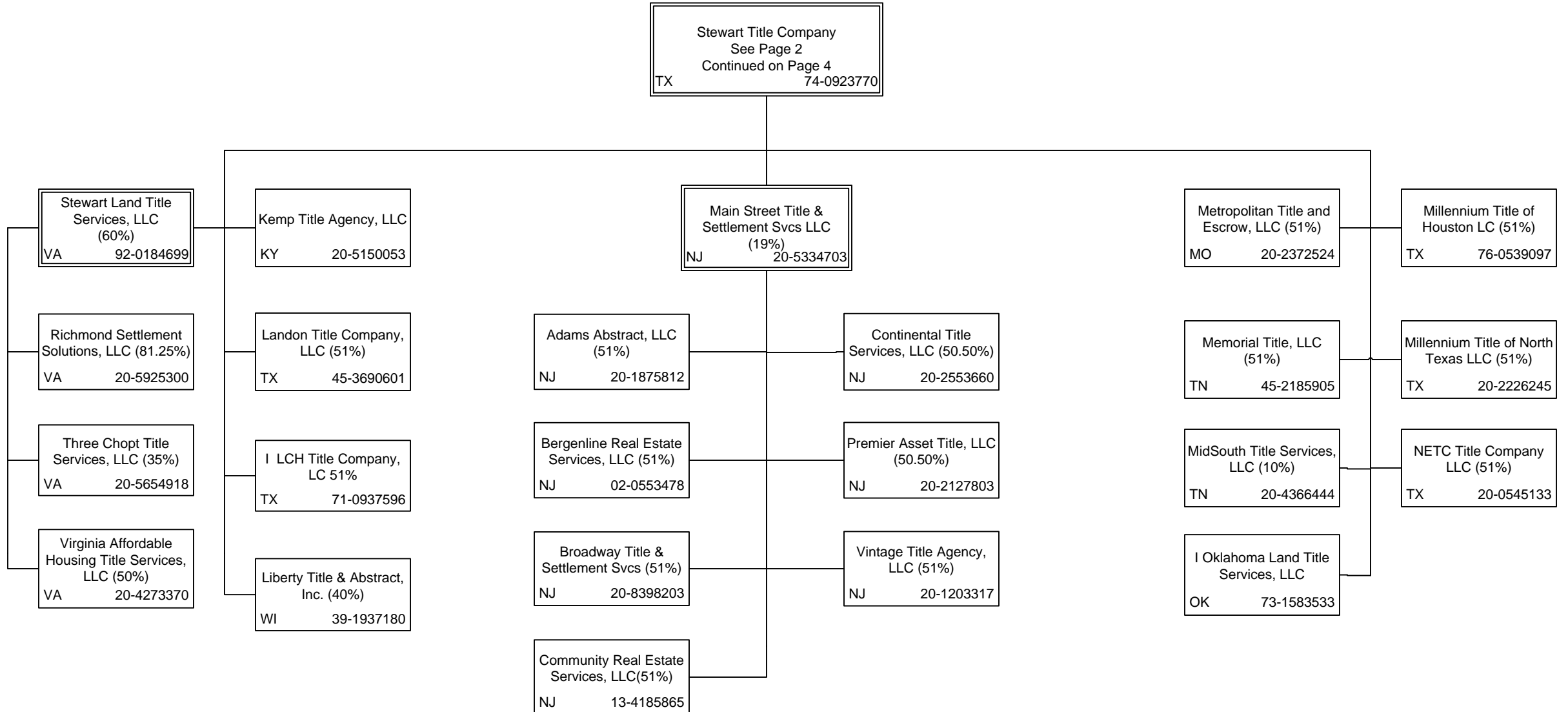
11.1

Unless otherwise noted, all ownership is 100%  
I Denotes inclusion in consolidated Federal Income Tax

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

### PART 1 - ORGANIZATIONAL CHART

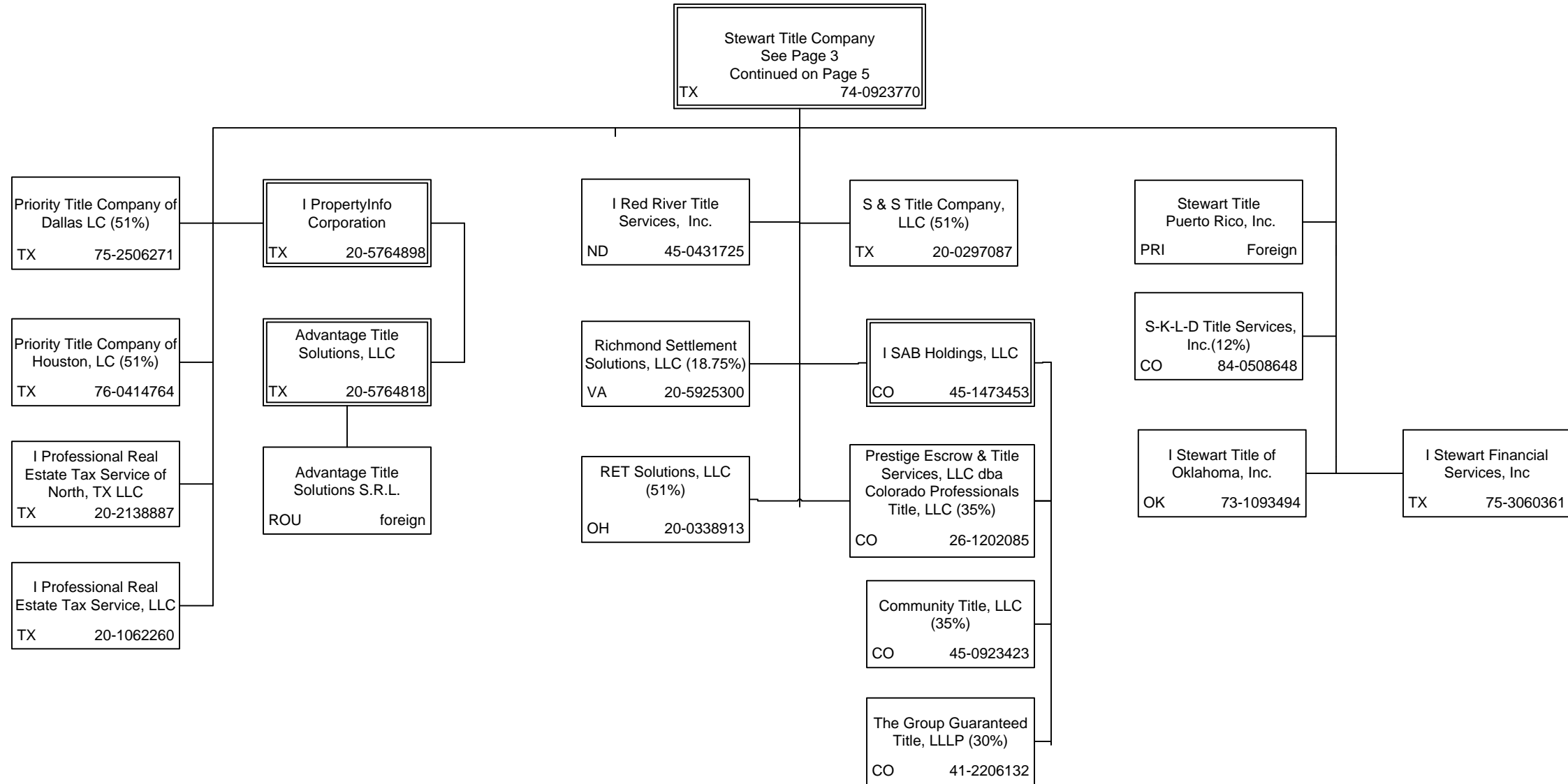
11.2



Unless otherwise noted, all ownership is 100%  
I Denotes inclusion in consolidated Federal Income Tax

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

### PART 1 - ORGANIZATIONAL CHART

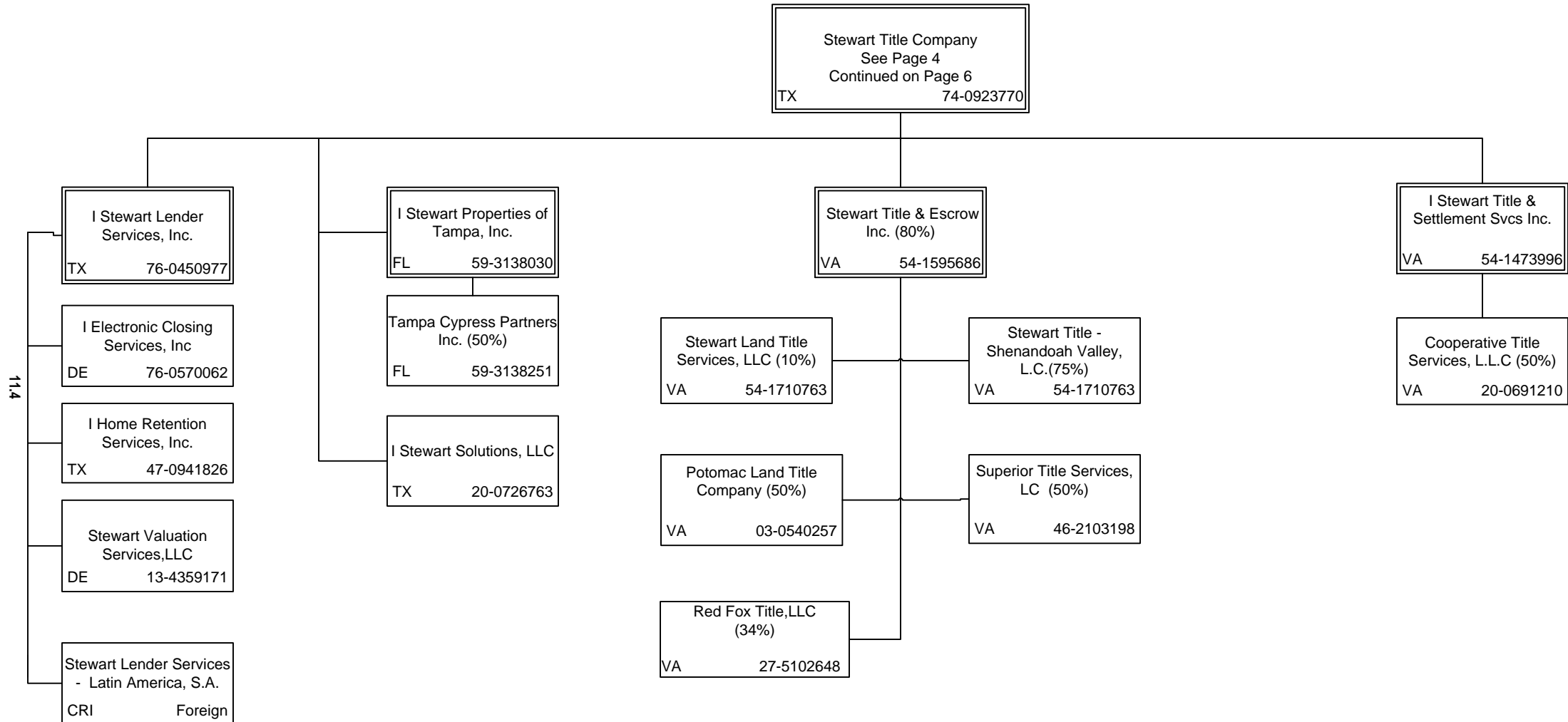


113

Unless otherwise noted, all ownership is 100%  
I Denotes inclusion in consolidated Federal Income Tax

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

### PART 1 - ORGANIZATIONAL CHART



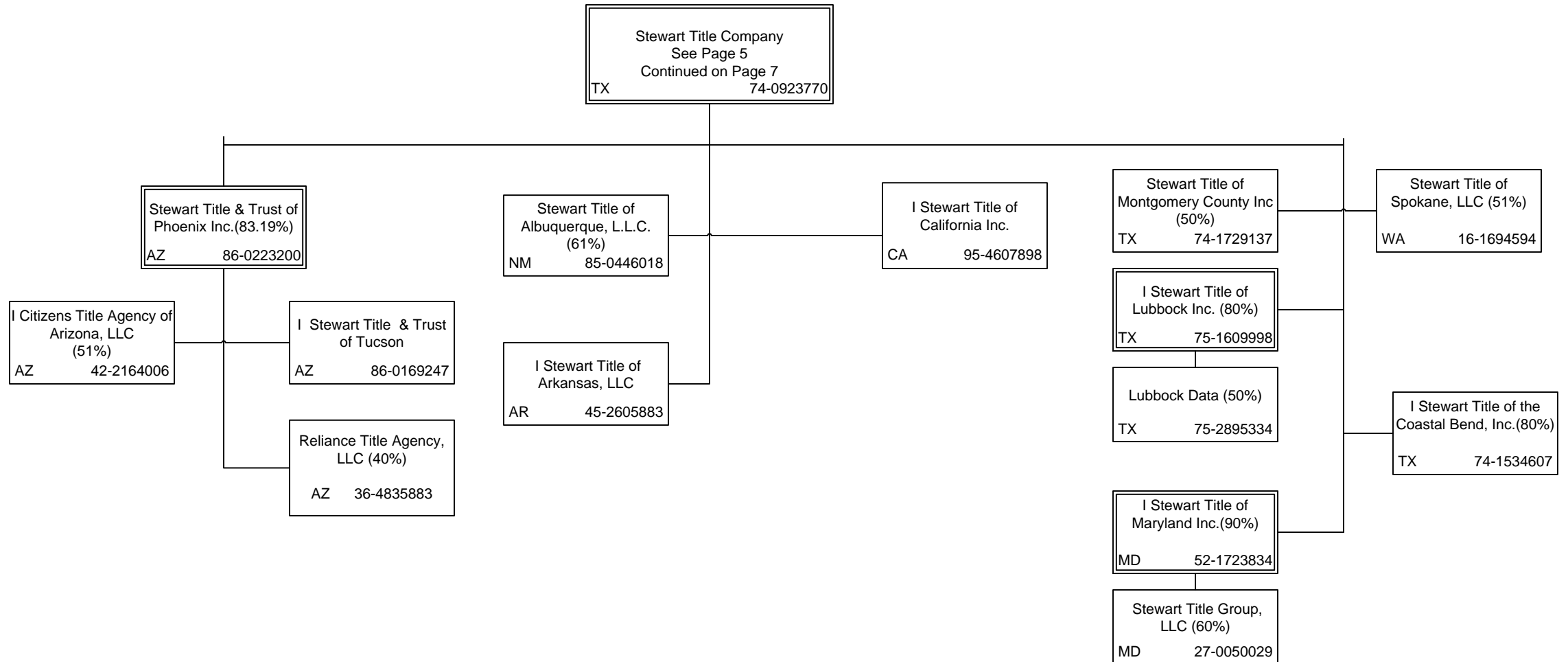
114

Unless otherwise noted, all ownership is 100%  
I Denotes inclusion in consolidated Federal Income Tax



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

### PART 1 - ORGANIZATIONAL CHART

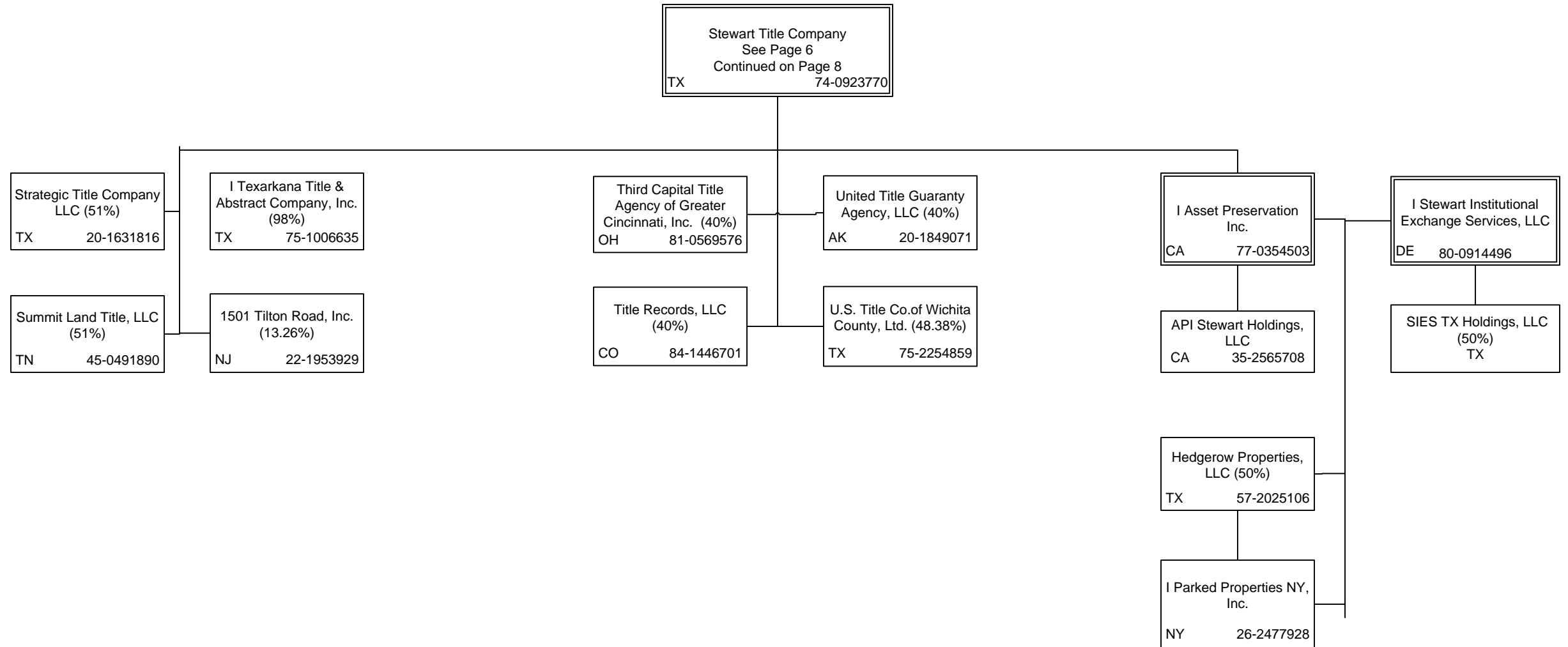


11.5

Unless otherwise noted, all ownership is 100%  
I Denotes inclusion in consolidated Federal Income Tax

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

### PART 1 - ORGANIZATIONAL CHART

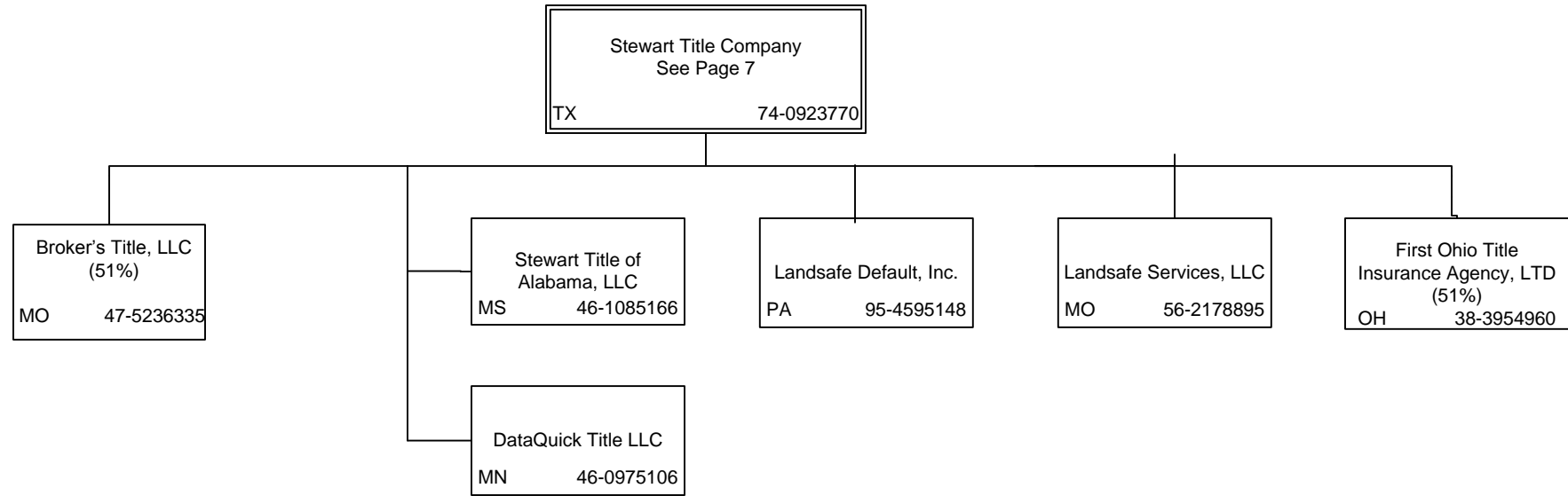


116

Unless otherwise noted, all ownership is 100%  
I Denotes inclusion in consolidated Federal Income Tax

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

## PART 1 - ORGANIZATIONAL CHART



11.7

Unless otherwise noted, all ownership is 100%  
I Denotes inclusion in consolidated Federal Income Tax

# SCHEDULE Y

## PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
		00000	74-1677330		00000943	NYSE	Stewart Information Services Corporation	DE	UDP					0	0
		00000	46-5410591				Brazos Insurance Company	VT	IA	Stewart Information Services Corporation	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	76-0684959				IT24 of Houston, LLC	TX	NIA	Stewart Title Comany	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	76-0732569				Psi - Fire, LP dba CTO 24/7	TX	NIA	Stewart Title Company	Ownership	99.0	Stewart Information Services Corpora	0	0
		00000					Stewart Title S.p.z.o.o.	PL	NIA	Stewart Title Limited	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000					CTO 24/7 Private Limited	PK	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	46-1085166				Stewart Title of Alabama, LLC	MS	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	46-0975106				DataQuick Title, LLC	MN	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	95-4595148				LandSafe Default, Inc.	PA	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	56-2178895				LandSafe Services, LLC	MO	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		50121	74-0924290				Stewart Title Guaranty Company	TX	IA	Stewart Information Services Corporation	Ownership	100.0	Stewart Information Services Corpora	0	0
		51420	76-0233294				Stewart Title Insurance Company	NY	IA	Stewart Title Guaranty Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	16-1591264				Monroe Gorman LLC	NY	NIA	Stewart Title Insurance Company	Ownership	60.0	Stewart Information Services Corpora	0	0
		00000	AA-2734105				Stewart Title Guaranty de Mexico, S.A. de C.V.	MEX	IA	Stewart Title Guaranty Company	Ownership	99.9	Stewart Information Services Corpora	0	0
		00000	AA-1124112				Stewart Title Limited	UK	IA	Stewart Title Guaranty Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		32336	03-0311175				Title Reinsurance Company	VT	IA	Stewart Title Guaranty Company	Ownership	10.0	Stewart Information Services Corpora	0	0
		00000	30-0588317				Western America Title Services, LLC	UT	NIA	Stewart Title Guaranty Company	Ownership	30.0	Stewart Information Services Corpora	0	0
		00000	74-0923770				Stewart Title Company	TX	NIA	Stewart Title Guaranty Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	87-0431430				Stewart Title Insurance Agency of Utah, Inc.	UT	NIA	Stewart Title Company	Ownership	96.5	Stewart Information Services Corpora	0	0
		00000	30-0588317				Western America Title Services, LLC	UT	NIA	Stewart Title Insurance Agency of Utah, Inc.	Ownership	10.0	Stewart Information Services Corpora	0	0
		00000	20-2883864				Centennial Title, LLC	TX	NIA	Stewart Title Company	Ownership	49.9	Stewart Information Services Corpora	0	0
		00000	75-1654378				Chadco Builders, Inc.	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	75-2254859				U.S. Title Company of Wichita County, Ltd	TX	NIA	Chadco Builders, Inc.	Ownership	17.5	Stewart Information Services Corpora	0	0
		00000	90-0952129				Classic Title, LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	36-4606393				Crown Title Company of Houston, LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	76-0608165				Dominion Title LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	74-1497558				Fulghum Inc.	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	47-0924720				GESS Management LLC	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	73-1673752				GESS Real Estate Investments, LP	TX	NIA	Stewart Title Company	Ownership	99.0	Stewart Information Services Corpora	0	0
		00000	74-2823956				Stewart Title of Austin, LLC	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	04-3813945				ABC Title, LLC	TX	NIA	Gracy Title Company LC	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	45-5091067				Graystone Title Company, LLC	TX	NIA	Gracy Title Company LC	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	46-4806805				Bedrock Title Company, LLC	TX	NIA	Gracy Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-3095762				HMH Title Company, LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	45-2970277				Integrity Title Agency, LLC	AK	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	94-2912200				Intercity Capital Corporation	CA	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	68-0127878				InterCity Escrow Services	CA	NIA	Intercity Capital Corporation	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	26-0255315				Stewart Vacation Ownership Title Agency, Inc.	FL	NIA	Intercity Capital Corporation	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	20-3806261				Inwood Heritage Oaks Ltd	TX	NIA	Stewart Title Company	Ownership	19.7	Stewart Information Services Corpora	0	0
		00000	92-0184699				Stewart Land Title Services, LLC	VA	NIA	Stewart Title Company	Ownership	60.0	Stewart Information Services Corpora	0	0
		00000	20-5925300				Richmond Settlement Solutions, LLC	VA	NIA	Stewart Land Title Services, LLC	Ownership	81.3	Stewart Information Services Corpora	0	0
		00000	20-5654918				Three Chopt Title Services, LLC	VA	NIA	Stewart Land Title Services, LLC	Ownership	35.0	Stewart Information Services Corpora	0	0

# SCHEDULE Y

## PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
		00000	20-4273370				Virginia Affordable Housing Title Services, LLC	VA	NIA	Stewart Land Title Services, LLC	Ownership	50.0	Stewart Information Services Corpora	0	0
		00000	20-5150053				Kemp Title Agency, LLC	KY	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	45-3690601				Landon Title Company, LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	71-0937596				LCH Title Company, LC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	39-1937180				Liberty Title & Abstract, Inc.	WI	NIA	Stewart Title Company	Ownership	40.0	Stewart Information Services Corpora	0	0
		00000	20-1875812				Adams Abstract, LLC	NJ	NIA	Main Street Title & Settlement Svcs LLC	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	02-0553478				Bergenline Real Estate Services, LLC	NJ	NIA	Main Street Title & Settlement Svcs LLC	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-8398203				Broadway Title & Settlement Services, LLC	NJ	NIA	Main Street Title & Settlement Svcs LLC	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	13-4185865				Community Real Estate Services, LLC	NJ	NIA	Main Street Title & Settlement Svcs LLC	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-2553660				Continental Title Services, LLC	NJ	NIA	Main Street Title & Settlement Svcs LLC	Ownership	50.5	Stewart Information Services Corpora	0	0
		00000	20-2127803				Premier Asset Title, LLC	NJ	NIA	Main Street Title & Settlement Svcs LLC	Ownership	50.5	Stewart Information Services Corpora	0	0
		00000	20-1203317				Vintage Title Agency, LLC	NJ	NIA	Main Street Title & Settlement Svcs LLC	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	45-2185905				Memorial Title, LLC	TN	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-2372524				Metropolitan Title and Escrow, LLC	MO	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	47-5236335				Broker's Title, LLC	MO	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-4366444				MidSouth Title Services II, LLC	TN	NIA	Stewart Title Company	Ownership	10.0	Stewart Information Services Corpora	0	0
		00000	76-0539097				Millennium Title of Houston LC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-2226245				Millennium Title of North Texas LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-0545133				NETC Title Company LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	73-1583533				Oklahoma Land Title Services, LLC	OK	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	75-2506271				Priority Title Company of Dallas LC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	76-0414764				Priority Title Company of Houston, LC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-2138887				Professional Real Estate Tax Service of North, TX LLC	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	20-1062260				Professional Real Estate Tax Service, LLC	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	20-5764898				PropertyInfo Corporation	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	47-3172962				Texas Guild Title, LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	47-3840314				CTX Title, LLC	TX	NIA	Gracy Title	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-5764818				Advantage Title Solutions, LLC	TX	NIA	PropertyInfo Corporation	Ownership	60.0	Stewart Information Services Corpora	0	0
		00000					Advantage Title Solutions S.R.L.	ROU	NIA	Advantage Title Solutions, LLC	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	46-3045823				Red Oak Title, LLC	TX	IA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	45-0431725				Red River Title Services Inc	ND	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	20-5925300				Richmond Settlement Solutions, LLC	VA	NIA	Stewart Title Company	Ownership	18.8	Stewart Information Services Corpora	0	0
		00000	20-0338913				RET Solutions, LLC	OH	NIA	RT Holdings, Ltd.	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	20-0297087				S & S Title Company, LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	45-1473453				SAB Holdings, LLC	CO	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	26-1202085				Prestige Escrow & Title Services, LLC dba Colorado Profe	CO	NIA	SAB Holdings, LLC	Ownership	35.0	Stewart Information Services Corpora	0	0
		00000	45-0923423				Community Title, LLC	CO	NIA	SAB Holdings, LLC	Ownership	35.0	Stewart Information Services Corpora	0	0
		00000	41-2206132				The Group Guaranteed Title, LLLP	CO	NIA	SAB Holdings, LLC	Ownership	30.0	Stewart Information Services Corpora	0	0
		00000					Stewart Title Puerto Rico, Inc.	PRI	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	84-0508648				S-K-L-D Title Services, Inc.	CO	NIA	Stewart Title Company	Ownership	12.0	Stewart Information Services Corpora	0	0
		00000	73-1093494				Stewart Title of Oklahoma, Inc.	OK	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	75-3060361				Stewart Financial Services, Inc	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0

# SCHEDULE Y

## PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
		00000	76-0450977				Stewart Lender Services, Inc.	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	76-0570062				Electronic Closing Services, Inc.	PA	NIA	Stewart Lender Services, Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	47-0941826				Home Retention Services, Inc.	TX	NIA	Stewart Lender Services, Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	13-4359171				Stewart Valuation Services, LLC	DE	NIA	Stewart Lender Services, Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000					Stewart Lender Services - Latin America, S.A.	CRI	NIA	Stewart Lender Services, Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	59-3138030				Stewart Properties of Tampa, Inc.	FL	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	59-3138251				Tampa Cypress Partners Inc.	FL	NIA	Stewart Properties of Tampa, Inc.	Ownership	50.0	Stewart Information Services Corpora	0	0
		00000	20-0726763				Stewart Solutions, LLC	TX	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	54-1595686				Stewart Title & Escrow Inc.	VA	NIA	Stewart Title Company	Ownership	80.0	Stewart Information Services Corpora	0	0
		00000	92-0184699				Stewart Land Title Services, LLC	VA	NIA	Stewart Title & Escrow Inc.	Ownership	10.0	Stewart Information Services Corpora	0	0
		00000	03-0540257				Potomac Land Title Company	VA	NIA	Stewart Title & Escrow Inc.	Ownership	50.0	Stewart Information Services Corpora	0	0
		00000	27-5102648				Red Fox Title, LLC	VA	NIA	Stewart Title & Escrow Inc.	Ownership	34.0	Stewart Information Services Corpora	0	0
		00000	54-1723012				Signature & Stewart Settlements, L.C.	VA	NIA	Stewart Title & Escrow Inc.	Ownership	80.0	Stewart Information Services Corpora	0	0
		00000	54-1710763				Stewart Title-Shenandoah Valley, L.C.	VA	NIA	Stewart Title & Escrow Inc.	Ownership	75.0	Stewart Information Services Corpora	0	0
		00000	46-2103198				Superior Title Services, LC	VA	NIA	Stewart Title & Escrow Inc.	Ownership	50.0	Stewart Information Services Corpora	0	0
		00000	54-1473996				Stewart Title & Settlement Services, Inc.	VA	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	20-0691210				Cooperative Title Services, L.L.C.	VA	NIA	Stewart Title & Settlement Services, Inc.	Ownership	50.0	Stewart Information Services Corpora	0	0
		00000	86-0223200				Stewart Title & Trust of Phoenix, Inc.	AZ	NIA	Stewart Title Company	Ownership	83.2	Stewart Information Services Corpora	0	0
		00000	42-2164006				Citizens Title Agency of Arizona, LLC	AZ	NIA	Stewart Title & Trust of Phoenix Inc.	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	86-0192318				Citizens Title & Trust	AZ	NIA	Stewart Title & Trust of Phoenix Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	86-0435889				Safford Title Agency, Inc.	AZ	NIA	Stewart Title & Trust of Phoenix Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	86-0169247				Stewart Title & Trust of Tucson	AZ	NIA	Stewart Title & Trust of Phoenix Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	36-4835883				Reliance Title Agency, LLC	AZ	NIA	Stewart Title & Trust of Phoenix Inc.	Ownership	40.0	Stewart Information Services Corpora	0	0
		00000	85-0446018				Stewart Title of Albuquerque, LLC	NM	NIA	Stewart Title Company	Ownership	61.0	Stewart Information Services Corpora	0	0
		00000	45-2605883				Stewart Title of Arkansas, LLC	AR	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	95-4607898				Stewart Title of California Inc.	CA	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	75-1609998				Stewart Title of Lubbock Inc.	TX	NIA	Stewart Title Company	Ownership	80.0	Stewart Information Services Corpora	0	0
		00000	75-2895334				Lubbock Data, Inc.	TX	NIA	Stewart Title of Lubbock Inc.	Ownership	50.0	Stewart Information Services Corpora	0	0
		00000	52-1723834				Stewart Title of Maryland Inc.	MD	NIA	Stewart Title Company	Ownership	90.0	Stewart Information Services Corpora	0	0
		00000	27-0050029				Stewart Title Group, LLC	MD	NIA	Stewart Title of Maryland Inc.	Ownership	60.0	Stewart Information Services Corpora	0	0
		00000	74-1729137				Stewart Title of Montgomery County, Inc	TX	NIA	Stewart Title Company	Ownership	50.0	Stewart Information Services Corpora	0	0
		00000	16-1694594				Stewart Title of Spokane, LLC	WA	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	74-1534607				Stewart Title of the Coastal Bend, Inc.	TX	NIA	Stewart Title Company	Ownership	80.0	Stewart Information Services Corpora	0	0
		00000	20-1631816				Strategic Title Company LLC	TX	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	45-0491890				Summit Land Title, LLC	TN	NIA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000	75-1006635				Texarkana Title & Abstract Company, Inc.	TX	NIA	Stewart Title Company	Ownership	98.0	Stewart Information Services Corpora	0	0
		00000	22-1953929				1501 Tilton Road, Inc.	NJ	NIA	Stewart Title Company	Ownership	13.3	Stewart Information Services Corpora	0	0
		00000	81-0569576				Third Capital Title Agency of Greater Cincinnati, Inc.	OH	NIA	Stewart Title Company	Ownership	40.0	Stewart Information Services Corpora	0	0
		00000	84-1446701				Title Records, LLC	CO	NIA	Stewart Title Company	Ownership	40.0	Stewart Information Services Corpora	0	0
		00000	75-2254859				U.S. Title Company of Wichita County I, Ltd	TX	NIA	Stewart Title Company	Ownership	48.4	Stewart Information Services Corpora	0	0
		00000	20-1849071				United Title Guaranty Agency, LLC	AK	NIA	Stewart Title Company	Ownership	40.0	Stewart Information Services Corpora	0	0
		00000	71-0922599				Yankton Title Company, Inc.	SD	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0

## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
		00000	77-0354503				Asset Preservation, Inc.	CA	NIA	Stewart Title Company	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	35-2565708				API Stewart Holdings, LLC	CA	NIA	Asset Preservation, Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	57-2025106				Hedgerow Properties, LLC	TX	NIA	Asset Preservation, Inc.	Ownership	50.0	Stewart Information Services Corpora	0	0
		00000	26-2477928				Parked Properties NY, Inc.	NY	NIA	Asset Preservation, Inc.	Ownership	100.0	Stewart Information Services Corpora	0	0
		00000	38-3954960				First Ohio Title Insurance Agency, LTD	OH	IA	Stewart Title Company	Ownership	51.0	Stewart Information Services Corpora	0	0
		00000					SIES TX Holdings, LLC	TX	NIA	Stewart Institutional Exchange Service	Ownership	50.0	Stewart Information Services Corpora	0	0





**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	46,954,867	6,735,422	6,891,694	12.80	13.30
2. Agency operations:					
2.1 Non-affiliated agency operations	183,254,536	6,341,230	6,913,965	3.60	4.50
2.2 Affiliated agency operations	81,079,626		4,353,525	5.40	1.00
3. Totals	311,289,029	13,076,652	18,159,184	5.60	4.90

**PART 2 – DIRECT PREMIUMS WRITTEN**

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Direct operations	46,954,867	46,954,867	37,722,921
2. Agency operations:			
2.1 Non-affiliated agency operations	183,254,536	183,254,536	165,257,088
2.2 Affiliated agency operations	81,079,626	81,079,626	84,131,111
3. Totals	311,289,029	311,289,029	287,111,120

**Page 4 - Continuation****STATEMENT OF INCOME**

	1	2	3
<b>REMAINING WRITE-INS AGGREGATED AT LINE 12 FOR MISCELLANEOUS INCOME OR (LOSS)</b>	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1204. Realized gains(losses) on fixed assets		14,271	12,566
1205. Fines and penalties		(10,889)	(26,730)
1297. Totals (Lines 1204 through 1296) (Page 4, Line 1298)		3,382	(14,164)

**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	2,011	2,011
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
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		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)	2,011	2,011
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)	2,011	2,011

**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	390,669	584,478
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		3,396
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	3,204	197,205
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)	387,465	390,669
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	387,465	390,669
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)	387,465	390,669

**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	912,491	338,402
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		237,600
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	(5,164)	(670)
6. Total gain (loss) on disposals		1,301,555
7. Deduct amounts received on disposals	2,341	964,396
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)	904,986	912,491
12. Deduct total nonadmitted amounts	194,260	196,601
13. Statement value at end of current period (Line 11 minus Line 12)	710,726	715,890

**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	906,658,597	841,951,052
2. Cost of bonds and stocks acquired	41,824,089	172,503,314
3. Accrual of discount	47,917	155,590
4. Unrealized valuation increase (decrease)	2,114,387	(22,413,494)
5. Total gain (loss) on disposals	452,510	3,831,062
6. Deduct consideration for bonds and stocks disposed of	28,105,322	86,352,422
7. Deduct amortization of premium	1,387,918	5,714,412
8. Total foreign exchange change in book/adjusted carrying value	1,320,795	2,697,907
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)	922,925,055	906,658,597
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	922,925,055	906,658,597

## SCHEDULE D - PART 1B

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

S102

NAIC Designation	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
<b>BONDS</b>								
1. NAIC 1 (a)	425,387,498	38,328,977	18,348,247	831,899	446,200,127			425,387,498
2. NAIC 2 (a)	44,429,851	2,343,421	9,376,314	(136,191)	37,260,767			44,429,851
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	469,817,349	40,672,398	27,724,561	695,708	483,460,894			469,817,349
<b>PREFERRED STOCK</b>								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	469,817,349	40,672,398	27,724,561	695,708	483,460,894			469,817,349

(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 \$ 3,167,957; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

### SCHEDULE DA - PART 1

#### Short-Term Investments

	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
9199999					

NONE

### 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		9,517,965
2. Cost of short-term investments acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		10,003,049
7. Deduct amortization of premium		35,425
8. Total foreign exchange change in book/adjusted carrying value		520,509
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    Schedule DB - Part A and B Verification**
- NONE    Schedule DB - Part C - Section 1**
- NONE    Schedule DB - Part C - Section 2**
- NONE    Schedule DB - Verification**
- NONE    Schedule E Verification**
- NONE    Schedule A - Part 2 and 3**

### SCHEDULE B - PART 2

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisitions	9 Value of Land and Buildings
	2 City	3 State						
<b>NONE</b>								
3399999 Totals				X X X	X X X			

EO2

### SCHEDULE B - PART 3

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment						14 Book Value/Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization) / Accretion	10 Current Year's Other than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)	13 Total Foreign Exchange Change in Book Value					
280004	Fernley	NV		09/23/2014	03/31/2017	151,832							151,056	776			
090200	Lakeland	FL		02/22/2011	03/31/2017	170,146							170,146				
300080	Plainfield	NJ		12/28/2008	03/31/2017	68,691							66,263	2,428			
0299999 Mortgages with partial repayments						390,669							387,465	3,204			
0599999 Totals						390,669							387,465	3,204			

### SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Desig- nation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
<b>NONE</b>												
4699999 Totals												X X X

EO3

### SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value					15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)						
00000-00-0	Asian II Realty Partners	Chicago	IL	Asian II Realty Parters	05/09/2002	03/31/2017	87,048	(5,164)				(5,164)	81,884					
2399999 Surplus Debentures - Unaffiliated							87,048	(5,164)				(5,164)	81,884					
00000-00-0	New England Title, LLC	Portland	ME	New England Title, LLC	11/22/2011	03/31/2017	196,602						194,260	2,342				
2599999 Collateral Loans - Unaffiliated							196,602						194,260	2,342				
4499999 Total Unaffiliated							283,650	(5,164)				(5,164)	276,144	2,342				
4699999 Totals							283,650	(5,164)				(5,164)	276,144	2,342				



### 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)
013051-DR-5	ALBERTA, PROVINCE OF		03/28/2017	RBC CAPITAL MARKETS		1,119,585	1,121,495.33	4,606	1FE
110709-FM-9	BRITISH COLUMBIA, PROVINCE OF		03/27/2017	RBC CAPITAL MARKETS		1,274,624	1,121,327.65	15,486	1FE
135087-A6-1	CANADA (GOVERNMENT)		03/03/2017	RBC CAPITAL MARKETS		12,283,071	12,174,172.83	48,581	1FE
13509P-DL-4	CANADA HOUSING TRUST NO 1		03/28/2017	RBC CAPITAL MARKETS		1,170,229	1,121,495.33	7,813	1FE
44810Z-BR-0	HYDRO ONE INC		03/27/2017	RBC CAPITAL MARKETS		1,148,972	1,121,327.65	2,894	1FE
563469-UG-8	MANITOBA, PROVINCE OF		03/27/2017	RBC CAPITAL MARKETS		1,133,170	1,121,327.65	1,229	1FE
614853-CV-9	MONTREAL, VILLE DE		03/28/2017	RBC CAPITAL MARKETS		1,214,314	1,121,495.33	3,225	1FE
642869-AF-8	NEW BRUNSWICK, PROVINCE OF		03/27/2017	RBC CAPITAL MARKETS		1,179,275	1,121,327.65	10,333	1FE
651333-FW-1	NEWFOUNDLAND & LABRADOR, PROVINCE OF		03/28/2017	RBC CAPITAL MARKETS		1,129,439	1,121,495.33	376	1FE
669827-GA-9	NOVA SCOTIA, PROVINCE OF		03/27/2017	RBC CAPITAL MARKETS		1,078,953	1,121,327.65	7,678	1FE
68323A-BN-3	ONTARIO, PROVINCE OF		03/27/2017	RBC CAPITAL MARKETS		1,183,963	1,121,327.65	10,333	1FE
74814Z-EL-3	QUEBEC, PROVINCE OF		03/27/2017	RBC CAPITAL MARKETS		1,226,333	1,121,327.65	12,797	1FE
803854-JW-9	SASKATCHEWAN, PROVINCE OF		03/27/2017	RBC CAPITAL MARKETS		1,204,834	1,121,327.65	11,504	1FE
1099999	Subtotal - Bonds - All Other Governments				X X X	26,346,762	25,630,775.35	136,855	X X X
E04 756843-XU-7	RED OAK TEX INDPT SCH DIST		02/01/2017	BOSC INC.		992,764	825,000.00	4,125	1FE
2499999	Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions				X X X	992,764	825,000.00	4,125	X X X
44244C-GL-5	HOUSTON TEX UTIL SYS REV		02/10/2017	RAYMOND JAMES/FI		1,899,048	1,590,000.00	19,875	1FE
3199999	Subtotal - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations				X X X	1,899,048	1,590,000.00	19,875	X X X
060505-ES-9	BANK OF AMERICA CORP		03/27/2017	RBC CAPITAL MARKETS		1,170,056	1,121,327.65	9,720	2FE
06367V-HF-5	BANK OF MONTREAL		03/27/2017	RBC CAPITAL MARKETS		1,154,355	1,121,327.65	1,677	1FE
064151-PQ-0	BANK OF NOVA SCOTIA		03/27/2017	RBC CAPITAL MARKETS		1,125,286	1,121,327.65	6,889	1FE
07813Z-BT-0	BELL TELEPHONE COMPANY OF CANADA OR BELL		03/27/2017	RBC CAPITAL MARKETS		1,173,364	1,121,327.65	3,054	2FE
48128B-AB-7	JPMORGAN CHASE & CO		01/18/2017	Morgan Stanley		2,605,523	2,625,000.00	9,752	1FE
780085-8C-3	ROYAL BANK OF CANADA		03/27/2017	RBC CAPITAL MARKETS		1,159,727	1,121,327.65	13,094	1FE
891160-LV-3	TORONTO-DOMINION BANK		03/27/2017	RBC CAPITAL MARKETS		738,959	747,551.77	2,776	1FE
89353Z-BY-3	TRANSCANADA PIPELINES LTD		03/27/2017	RBC CAPITAL MARKETS		1,187,305	1,121,327.65	7,300	1FE
949746-SG-7	WELLS FARGO & CO		03/27/2017	RBC CAPITAL MARKETS		1,119,252	1,121,327.65	11,872	1FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	11,433,827	11,221,845.32	66,134	X X X
8399997	Subtotal - Bonds - Part 3				X X X	40,672,401	39,267,620.67	226,989	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
8399999	Total - Bonds				X X X	40,672,401	39,267,620.67	226,989	X X X

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

### 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)
257454-10-8	DOMINION MIDSTREAM PARTNERS UNIT		03/08/2017	Morgan Stanley	5,000.000	151,550			L
293792-10-7	ENTERPRISE PRODUCTS PARTNERS UNIT		03/30/2017	RBC CAPITAL MARKETS	9,900.000	267,894			L
46625H-10-0	JPMORGAN CHASE ORD		01/26/2017	INSTINET	6,550.000	568,744			L
9099999	Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	988,188	X X X		X X X
86046#-10-1	Stewart Title Company		03/31/2017	Capital Contribution		146,856			K
86047#-11-8	Stewart Title Company		03/31/2017	Capital Contribution		16,647			K
9199999	Subtotal - Common Stock - Parent, Subsidiaries and Affiliates				X X X	163,503	X X X		X X X
9799997	Subtotal - Common Stock - Part 3				X X X	1,151,691	X X X		X X X
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X
9799999	Total - Common Stock				X X X	1,151,691	X X X		X X X
9899999	Total - Preferred and Common Stock				X X X	1,151,691	X X X		X X X
9999999	Totals				X X X	41,824,092	X X X	226,989	X X X

E04.1

(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 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
135087-ZV-9	CANADA (GOVERNMENT)		03/01/2017	Maturity @ 100.0		11,876,173	11,899,390.93	13,466,875	11,797,710		(14,688)		(14,688)	93,151	11,876,173				89,071	03/01/2017	1FE	
1099999	Subtotal - Bonds - All Other Governments				X X X	11,876,173	11,899,390.93	13,466,875	11,797,710		(14,688)		(14,688)	93,151	11,876,173				89,071	X X X	X X X	
235219-FH-0	DALLAS TEX		02/15/2017	Maturity @ 100.012		5,000	5,000.00	5,765	5,026		(26)		(26)	5,000					125	02/15/2017	1FE	
235219-FQ-0	DALLAS TEX		02/15/2017	Maturity @ 100.011		1,920,000	1,920,000.00	2,213,581	1,930,023		(10,023)		(10,023)	1,920,000					48,000	02/15/2017	1FE	
280659-SG-9	EDINA MINN INDPT SCH DIST NO 273		02/01/2017	Maturity @ 100.0		1,000,000	1,000,000.00	1,137,590	1,003,371		(3,371)		(3,371)	1,000,000					25,000	02/01/2017	Z	
2499999	Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions				X X X	2,925,000	2,925,000.00	3,356,936	2,938,420		(13,420)		(13,420)	2,925,000					73,125	X X X	X X X	
914301-J3-1	UNIVERSITY HOUSTON TEX UNIV RE		03/13/2017	ROBERT W. BAIRD & C		364,140	340,000.00	395,019	355,070		(1,379)		(1,379)	353,692		10,448	10,448		9,917	02/15/2023	1FE	
3199999	Subtotal - Bonds - U.S. Special Revenue and Special Assessment Non-Guaranteed O				X X X	364,140	340,000.00	395,019	355,070		(1,379)		(1,379)	353,692		10,448	10,448		9,917	X X X	X X X	
026874-CU-9	AMERICAN INTERNATIONAL GROUP		03/13/2017	CITIGROUP SALOMON		9,563,756	8,920,000.00	9,647,959	9,392,216		(15,902)		(15,902)	9,376,314		187,442	187,442		125,623	06/01/2022	2FE	
46625H-HQ-6	JPMORGAN CHASE & CO		01/18/2017	Morgan Stanley		2,582,880	2,400,000.00	2,607,120	2,479,880		(1,412)		(1,412)	2,478,468		104,412	104,412		38,940	03/25/2020	1FE	
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	12,146,636	11,320,000.00	12,255,079	11,872,096		(17,314)		(17,314)	11,854,782		291,854	291,854		164,563	X X X	X X X	
8199999	Subtotal - Bonds - SVO Identified Funds				X X X															X X X	X X X	
8399997	Subtotal - Bonds - Part 4				X X X	27,311,949	26,484,391	29,473,909	26,963,296		(46,801)		(46,801)	93,151	27,009,647		302,302	302,302		336,676	X X X	X X X
8399998	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
8399999	Total - Bonds				X X X	27,311,949	26,484,390.93	29,473,909	26,963,296		(46,801)		(46,801)	93,151	27,009,647		302,302	302,302		336,676	X X X	X X X
72651A-10-8	PLAINS GP HOLDINGS CL A ORD		02/01/2017	Adjustment	(0.21)			(5)					(5)						5			L
949746-10-1	WELLS FARGO ORD		01/26/2017	INSTINET	10,000.00	572,465	445,281	551,100	(105,819)				(105,819)	445,281		127,184	127,184					L
969457-10-0	WILLIAMS ORD		03/28/2017	JP MORGAN SECS INC	7,700.00	220,908	197,890	239,778	(41,888)				(41,888)	197,890		23,018	23,018		2,310			L
9099999	Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	793,373		643,166	790,878	(147,707)			(147,707)	643,166		150,207	150,207		2,310	X X X	X X X	
9799997	Subtotal - Common Stock - Part 4				X X X	793,373	X X X	643,166	790,878	(147,707)			(147,707)	643,166		150,207	150,207		2,310	X X X	X X X	
9799998	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

(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 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
9799999	Total - Common Stocks				X X X	793,373	X X X	643,166	790,878	(147,707)			(147,707)		643,166		150,207	150,207	2,310	X X X	X X X
9899999	Total - Preferred and Common Stocks				X X X	793,373	X X X	643,166	790,878	(147,707)			(147,707)		643,166		150,207	150,207	2,310	X X X	X X X
9999999	Totals					28,105,322	X X X	30,117,075	27,754,174	(147,707)	(46,801)		(194,508)	93,151	27,652,813		452,509	452,509	338,986	X X X	X X X

E05.1

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

- NONE    Schedule DB - Part A - Section 1**
- NONE    Schedule DB - Part B - Section 1**
- NONE    Schedule DB - Part D - Section 1**
- NONE    Schedule DB - Part D - Section 2**
- NONE    Schedule DL - Part 1**
- NONE    Schedule DL - Part 2**

**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								
M & T Bank					571,157	2,456,616	420,929	
Wells Fargo Bank, N.A.					1,938,169	1,847,653	1,892,972	
Bank of America					2,409,099	1,512,208	1,784,165	
Bank of America					2,591,876	2,591,912	1,341,889	
PNC Bank					251,688	147,205	255,534	
TD Bank					3,272,070	3,590,828	3,633,367	
Wells Fargo Bank, N.A.					25,769,818	32,674,097	30,873,596	
BBVA Compass					19,787,358	18,534,673	38,025,423	
BBVA Compass					6,778,319	18,142,394	18,700,822	
BBVA Compass					23,030,012	17,379,154	24,258,358	
JP Morgan Chase					4,147,369	9,897,020	42,625,108	
US Bank					326,960	410,960	445,960	
Wells Fargo Bank, N.A.					34,813,888	27,952,605	21,661,110	
Bank United						6,196,479	19,041,750	
JP Morgan Chase					4,120,983	3,207,511	3,961,666	
Wells Fargo Bank, N.A.					2,973,853	4,321,209	5,930,101	
Wells Fargo Bank, N.A.					8,947,146	6,516,147	4,926,686	
Wells Fargo Bank, N.A.					224,838	368,086	605,685	
Wells Fargo Bank, N.A.					43,048,411	20,547,230	16,643,865	
Wells Fargo Bank, N.A.					245,281	245,087	310,438	
Wells Fargo Bank, N.A.					2,076,448	1,717,107	2,743,394	
Wells Fargo Bank, N.A.					6,625,697	9,048,043	8,382,972	
Wells Fargo Bank, N.A.					3,284,299	983,260	932,338	
Wells Fargo Bank, N.A.					10,456,436	9,167,730	11,527,872	
Wells Fargo Bank, N.A.					14,305,150	11,091,158	11,353,655	
Wells Fargo Bank, N.A.					55,093	53,802	544,451	
Wells Fargo Bank, N.A.					144,447	2,161,848	506,580	
Wells Fargo Bank, N.A.					1,420,841	871,985	9,295,951	
Wells Fargo Bank, N.A.					33,168,488	11,442,181	921,568	
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			1,866,942	786,264	798,887	X
0199999 Total Segregated Funds Held for Others	X X X	X X X			258,652,136	225,862,452	284,347,092	X
Open Depositories - Section (B) - General Funds								
JP Morgan Chase					12,768,979	10,176,687	8,437,129	
Wells Fargo Bank, N.A.					3,538,386	2,835,845	5,394,106	
Bank of Montreal - General					1,299,293	432,667	703,048	
Bank of Montreal - BPRS			46,520		35,881,483	35,294,027	8,386,673	
Bank of Nova Scotia							3,140,104	
Republic Bank		0.070	28		250,857	250,869	250,880	
Compass Custody		0.050	1,608		1,688,104	3,343,715	2,384,543	
Compass Bank		0.057	131		119,574	272,074	358,052	
Canadian Imperial Bank		0.950		7,503	1,628,983	1,613,630	1,599,716	
Bank of Nova Scotia		1.000		719	415,303	411,400	407,852	
Royal Bank of Canada		1.000		11,811	1,583,654	1,568,728	1,555,201	
Toronto-Dominion Bank		0.400	9,160		2,343,534	2,321,447		
Toronto-Dominion Bank		0.500		252			2,310,635	
Bank of Nova Scotia		0.500		17,275	2,063,047	2,043,603	2,025,983	
Canadian Imperial Bank		0.950		9,009	1,610,445	1,595,267	1,581,512	
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	7,197	1,409	2,200,282	3,405,760	2,140,398	X
0299999 Total General Funds	X X X	X X X	64,644	47,978	67,391,924	65,565,719	40,675,832	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	64,644	47,978	326,044,060	291,428,171	325,022,924	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



**NONE    Schedule E - Part 2**