

QUARTERLY STATEMENT

OF THE

STEWART TITLE

INSURANCE COMPANY

of **NEW YORK**

in the state of **NEW YORK**

TO THE

Insurance Department

OF THE

STATE OF

NEW YORK

FOR THE QUARTER ENDED

September 30, 2016

TITLE

2016



51420201620100103

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2016
OF THE CONDITION AND AFFAIRS OF THE

Stewart Title Insurance Company

| | | | | | | |
|--|---------------------------------|----------------|--------------------------|--|-----------------------------|------------|
| NAIC Group Code | 0340 | 0340 | NAIC Company Code | 51420 | Employer's ID Number | 76-0233294 |
| | (Current Period) | (Prior Period) | | | | |
| Organized under the Laws of | United States | | | State of Domicile or Port of Entry New York | | |
| Country of Domicile | New York | | | | | |
| Incorporated/Organized | October 26, 1987 | | | Commenced Business December 2, 1987 | | |
| Statutory Home Office | 300 East 42nd Street 10th Floor | | | New York, NY US 10017 | | |
| | (Street and Number) | | | (City or Town, State, Country and Zip Code) | | |
| Main Administrative Office | 300 East 42nd Street 10th Floor | | | 212-922-0050 | | |
| | (Street and Number) | | | (Area Code) (Telephone Number) | | |
| | New York, NY US 10017 | | | (City or Town, State, Country and Zip Code) | | |
| Mail Address | 300 East 42nd Street 10th Floor | | | New York, NY US 10017 | | |
| | (Street and Number or P.O. Box) | | | (City or Town, State, Country and Zip Code) | | |
| Primary Location of Books and Records | 300 East 42nd Street 10th Floor | | | New York, NY US 10017 212-922-0050 | | |
| | (Street and Number) | | | (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number) | | |
| Internet Website Address | www.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. | Julie A. Curlen | President |
| 2. | Jackie Denise Carraux | Secretary |
| 3. | David Y Stutts | Treasurer |

VICE-PRESIDENTS

| Name | Title | Name | Title |
|-------------------------|-------------------------|----------------------|--------------------------|
| Joseph A. Berryman | Chief Financial Officer | John A. Frates | Executive Vice President |
| Brian K. Glaze | Controller | Craig H. Goldenberg | Senior Vice President |
| John M. Foley | Senior Vice President | Thomas J. Vinci | Senior Vice President |
| Norman J. Sloane | Senior Vice President | Kenneth Anderson | Vice President |
| Barry C. Balonek | Vice President | Paul Bugoni | Vice President |
| Kristin V. Bellouny | Vice President | Harold Boxer | Vice President |
| Peter E. Bryant | Vice President | Katherine A. Colucci | Vice President |
| John Cruz | Vice President | Joseph C. Decutiis | Vice President |
| Kathleen Hennessy-Moran | Vice President | Peter L. Iannini | Vice President |

DIRECTORS OR TRUSTEES

| | | | |
|------------------|------------------|----------------|----------------|
| Glenn Clements | Julie A. Curlen | Patrick Beall | John L. Killea |
| Matthew J. Leeds | Richard A. Nardi | Steven Lessack | |
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State of New York

County of New York ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

| | | |
|-------------------------|-----------------------|----------------|
| (Signature) | (Signature) | (Signature) |
| John L. Killea | Jackie Denise Carraux | David Y Stutts |
| (Printed Name) | (Printed Name) | (Printed Name) |
| 1. | 2. | 3. |
| Chief Executive Officer | Secretary | Treasurer |
| (Title) | (Title) | (Title) |

Subscribed and sworn to before me this _____ day of _____, 2016

- 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 | 86,924,494 | | 86,924,494 | 83,966,044 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | | |
| 2.2 Common stocks | | | | |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | | |
| 3.2 Other than first liens | | | | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ 0 encumbrances) | 869,513 | | 869,513 | 918,546 |
| 4.2 Properties held for the production of income (less \$ 0 encumbrances) | | | | |
| 4.3 Properties held for sale (less \$ 0 encumbrances) | | | | |
| 5. Cash (\$ 19,003,944), cash equivalents (\$ 0), and short-term investments (\$ 0) | 19,003,944 | | 19,003,944 | 9,285,291 |
| 6. Contract loans (including \$ 0 premium notes) | | | | |
| 7. Derivatives | | | | |
| 8. Other invested assets | 185,922 | | 185,922 | 202,308 |
| 9. Receivables for securities | | | | |
| 10. Securities lending reinvested collateral assets | | | | |
| 11. Aggregate write-ins for invested assets | | | | |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 106,983,873 | | 106,983,873 | 94,372,189 |
| 13. Title plants less \$ 0 charged off (for Title insurers only) | 72,054 | | 72,054 | 235,053 |
| 14. Investment income due and accrued | 837,326 | | 837,326 | 1,204,312 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 6,032,061 | 843,776 | 5,188,285 | 5,801,143 |
| 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 | | | | |
| 17. Amounts receivable relating to uninsured plans | | | | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | | |
| 18.2 Net deferred tax asset | 6,007,396 | 3,169,059 | 2,838,337 | 2,714,811 |
| 19. Guaranty funds receivable or on deposit | | | | |
| 20. Electronic data processing equipment and software | 33,799 | | 33,799 | 36,243 |
| 21. Furniture and equipment, including health care delivery assets (\$ 0) | 256,176 | 256,176 | | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | | |
| 23. Receivables from parent, subsidiaries and affiliates | 236,797 | | 236,797 | 287,192 |
| 24. Health care (\$ 0) and other amounts receivable | | | | |
| 25. Aggregate write-ins for other than invested assets | 1,730,504 | 1,505,654 | 224,850 | 233,286 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 122,189,986 | 5,774,665 | 116,415,321 | 104,884,229 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. Total (Lines 26 and 27) | 122,189,986 | 5,774,665 | 116,415,321 | 104,884,229 |

| 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. Prepays | 1,379,730 | 1,379,730 | | |
| 2502. Deposits | 192,987 | | 192,987 | 192,987 |
| 2503. Leasehold Improvements | 125,924 | 125,924 | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 31,863 | | 31,863 | 40,299 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 1,730,504 | 1,505,654 | 224,850 | 233,286 |

NONE

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 | 2 |
|---|---------------------------|---------------------------|
| | Current Statement Date | December 31 Prior Year |
| 1. Known claims reserve | 9,466,281 | 8,900,567 |
| 2. Statutory premium reserve | 52,827,687 | 51,102,180 |
| 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) | 2,108,930 | 3,384,972 |
| 7. Taxes, licenses and fees (excluding federal and foreign income taxes) | (117,369) | 304,624 |
| 8.1 Current federal and foreign income taxes (including \$ 28,158 on realized capital gains (losses)) | 10,849,710 | 6,603,443 |
| 8.2 Net deferred tax liability | | |
| 9. Borrowed money \$ 0 and interest thereon \$ 0 | | |
| 10. Dividends declared and unpaid | | |
| 11. Premiums and other consideration received in advance | | |
| 12. Unearned interest and real estate income received in advance | | |
| 13. Funds held by company under reinsurance treaties | | |
| 14. Amounts withheld or retained by company for account of others | | |
| 15. Provision for unauthorized 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 | 768,370 | 831,603 |
| 19. Derivatives | | |
| 20. Payable for securities | | |
| 21. Payable for securities lending | | |
| 22. Aggregate write-ins for other liabilities | 201,259 | 230,219 |
| 23. Total liabilities (Lines 1 through 22) | 76,104,868 | 71,357,608 |
| 24. Aggregate write-ins for special surplus funds | | |
| 25. Common capital stock | 1,100,000 | 1,100,000 |
| 26. Preferred capital stock | | |
| 27. Aggregate write-ins for other than special surplus funds | | |
| 28. Surplus notes | | |
| 29. Gross paid in and contributed surplus | 25,829,744 | 23,825,476 |
| 30. Unassigned funds (surplus) | 13,380,709 | 8,601,145 |
| 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) | 40,310,453 | 33,526,621 |
| 33. Totals (Page 2, Line 28, Col. 3) | 116,415,321 | 104,884,229 |

| DETAILS OF WRITE-INS | | |
|---|---------|---------|
| 0301. | | |
| 0302. | | |
| 0303. | | |
| 0398. Summary of remaining write-ins for Line 03 from overflow page | | |
| 0399. Totals (Lines 0301 through 0303 plus 0398) (Line 03 above) | | |
| 2201. Deferred Rents | 201,259 | 230,219 |
| 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) | 201,259 | 230,219 |
| 2401. | | |
| 2402. | | |
| 2403. | | |
| 2498. Summary of remaining write-ins for Line 24 from overflow page | | |
| 2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above) | | |
| 2701. | | |
| 2702. | | |
| 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 |
|---|------------------------------|----------------------------|--------------------------------------|
| OPERATING INCOME | | | |
| 1. Title insurance and related income: | | | |
| 1.1 Title insurance premiums earned | 149,115,506 | 171,863,901 | 225,969,976 |
| 1.2 Escrow and settlement services | 640,186 | 484,804 | 825,182 |
| 1.3 Other title fees and service charges | 11,035,406 | 12,024,845 | 16,040,215 |
| 2. Aggregate write-ins for other operating income | | | |
| 3. Total Operating Income (Lines 1 through 2) | 160,791,098 | 184,373,550 | 242,835,373 |
| EXPENSES: | | | |
| 4. Losses and loss adjustment expenses incurred | 5,324,159 | 5,904,072 | 8,486,887 |
| 5. Operating expenses incurred | 145,720,288 | 163,118,629 | 216,138,848 |
| 6. Aggregate write-ins for other operating expenses | | | |
| 7. Total Operating Expenses | 151,044,447 | 169,022,701 | 224,625,735 |
| 8. Net operating gain or (loss) (Lines 3 minus 7) | 9,746,651 | 15,350,849 | 18,209,638 |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned | 1,946,834 | 2,092,669 | 2,844,525 |
| 10. Net realized capital gains (losses) less capital gains tax of \$ 28,158 | 52,292 | 520,707 | 612,396 |
| 11. Net investment gain (loss) (Lines 9 + 10) | 1,999,126 | 2,613,376 | 3,456,921 |
| OTHER INCOME | | | |
| 12. Aggregate write-ins for miscellaneous income or (loss) or other deductions | 4,729 | 173,451 | 175,440 |
| 13. Net income, after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12) | 11,750,506 | 18,137,676 | 21,841,999 |
| 14. Federal and foreign income taxes incurred | 4,768,110 | 6,575,666 | 8,087,563 |
| 15. Net income (Lines 13 minus 14) | 6,982,396 | 11,562,010 | 13,754,436 |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 16. Surplus as regards policyholders, December 31 prior year | 33,526,621 | 39,440,583 | 39,440,583 |
| 17. Net income (from Line 15) | 6,982,396 | 11,562,010 | 13,754,436 |
| 18. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0 | (16,386) | 33,018 | 78,979 |
| 19. Change in net unrealized foreign exchange capital gain (loss) | | | |
| 20. Change in net deferred income taxes | 403,910 | 159,633 | 7,090 |
| 21. Change in nonadmitted assets | (611,589) | (127,615) | 198,375 |
| 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 | 2,004,268 | 39,233 | 47,158 |
| 26.2 Transferred from surplus (Stock Dividend) | | | |
| 26.3 Transferred to surplus | | | |
| 27. Surplus Adjustments: | | | |
| 27.1 Paid in | | | |
| 27.2 Transferred to capital (Stock Dividend) | | | |
| 27.3 Transferred from capital | | | |
| 28. Dividends to stockholders | (1,978,767) | (15,000,000) | (20,000,000) |
| 29. Change in treasury stock | | | |
| 30. Aggregate write-ins for gains and losses in surplus | | | |
| 31. Change in surplus as regards policyholders for the year (Lines 17 through 30) | 6,783,832 | (3,333,721) | (5,913,962) |
| 32. Surplus as regards policyholders as of statement date (Lines 16 plus 31) | 40,310,453 | 36,106,862 | 33,526,621 |

| DETAILS OF WRITE-IN LINES | | | |
|---|-------|---------|---------|
| 0201. | | | |
| 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) | | | |
| 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. Miscellaneous | 4,729 | 173,838 | 175,440 |
| 1202. Fines and Penalties | | (387) | |
| 1203. | | | |
| 1298. Summary of remaining write-ins for Line 12 from overflow page | | | |
| 1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above) | 4,729 | 173,451 | 175,440 |
| 3001. Miscellaneous | | | |
| 3002. Due to Merger | | | |
| 3003. Prior year adjustment | | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | | | |
| 3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above) | | | |

CASH FLOW

| | 1 | 2 | 3 |
|--|-------------------------|-----------------------|---------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance | 151,253,391 | 172,601,777 | 227,822,043 |
| 2. Net investment income | 3,270,732 | 3,137,502 | 3,931,407 |
| 3. Miscellaneous income | 11,680,321 | 12,993,823 | 17,351,558 |
| 4. Total (Lines 1 to 3) | 166,204,444 | 188,733,102 | 249,105,008 |
| 5. Benefit and loss related payments | 3,408,445 | 5,981,960 | 8,350,608 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 148,741,466 | 164,972,757 | 217,231,801 |
| 8. Dividends paid to policyholders | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses) | 521,843 | 2,086,734 | 6,825,580 |
| 10. Total (Lines 5 through 9) | 152,671,754 | 173,041,451 | 232,407,989 |
| 11. Net cash from operations (Line 4 minus Line 10) | 13,532,690 | 15,691,651 | 16,697,019 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 6,474,460 | 21,254,863 | 24,725,612 |
| 12.2 Stocks | | | |
| 12.3 Mortgage loans | | | |
| 12.4 Real estate | | | 38,583 |
| 12.5 Other invested assets | 151,784 | 90,890 | 90,890 |
| 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) | 6,626,244 | 21,345,753 | 24,855,085 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | 10,440,281 | 19,726,387 | 19,726,387 |
| 13.2 Stocks | | | |
| 13.3 Mortgage loans | | | |
| 13.4 Real estate | | | |
| 13.5 Other invested assets | | | |
| 13.6 Miscellaneous applications | | | |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 10,440,281 | 19,726,387 | 19,726,387 |
| 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) | (3,814,037) | 1,619,366 | 5,128,698 |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | | | |
| 16.2 Capital and paid in surplus, less treasury stock | | | |
| 16.3 Borrowed funds | | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | | |
| 16.5 Dividends to stockholders | | 15,000,000 | 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) | | (15,000,000) | (20,000,000) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) | 9,718,653 | 2,311,017 | 1,825,717 |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 9,285,291 | 7,459,574 | 7,459,574 |
| 19.2 End of period (Line 18 plus Line 19.1) | 19,003,944 | 9,770,591 | 9,285,291 |

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

| | | | | |
|---------|---|-----------|--|--|
| 20.0001 | Line 16.5 excludes a non-cash dividend to Parent (bond) | 1,978,767 | | |
| 20.0002 | | | | |
| 20.0003 | | | | |

NOTES TO FINANCIAL STATEMENTS

1. Accounting Practices

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

The New York Department of Insurance recognizes statutory accounting practices prescribed or permitted by the State of New York for determining and reporting the financial condition and results of operations of a title insurance company, for determining its solvency under the New York Insurance Law. The National Association of Insurance Commissioners' (the NAIC) *Accounting Practices and Procedures* manual, version effective January 1, 2001 (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of New York. The state has adopted certain prescribed accounting practices, which differ from those found in NAIC SAP, in accordance with Regulation 172 of the New York State Insurance Law.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of New York is shown below:

| | Nine Months Ended 9/30/2016 | Year Ended 12/31/2015 |
|--|--|----------------------------------|
| 1 Net Income New York Basis | 6,982,396 | 13,754,436 |
| 2 State Prescribed/Permitted Practices (Income) | | |
| Title Plant Amortization, net of tax | 105,949 | 149,568 |
| Release of statutory premium reserve, net of tax | 878,703 | 1,029,579 |
| 3 Net Income, NAIC SAP | 7,967,048 | 14,933,583 |
| 4 Statutory Surplus, New York basis | 40,310,453 | 33,526,621 |
| 5 State Prescribed/Permitted Practices (Surplus) | | |
| Title Plants Amortization, net of Tax | 3,463,496 | 3,357,547 |
| Release of statutory premium reserve | 17,796,822 | 16,918,119 |
| 6 Statutory Surplus, NAIC SAP | 61,570,771 | 53,802,287 |

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 the policies are issued. Premiums on title insurance policies written by agents are recognized primarily when policies are reported to the Company. The Company also accrues for unreported policies where reasonable estimates can be made based on historical reporting patterns of agents, current trends and known information about agents. The Company assumed and ceded reinsurance with various title companies, on an individual basis, utilizing standard facultative agreements provided by the American Land Title Association and also has one excess reinsurance agreements wherein the Company assumes liability automatically under the terms of the treaty. Statutory Premium Reserves (SPR) are established to protect title insurance policyholders in the event of insolvency or dissolution of a title insurer. SPR is computed based on Section 6405(a)(1) of the New York Insurance Law. Expenses incurred in connection with issuing the policies are charged to operations as an expense for premiums retained by agents.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the scientific method.
- (3) Investments in Common stocks. – None
- (4) Investments in Preferred stock, excluding investments in preferred stock of subsidiary, controlled, or affiliated entities - None.
- (5) Mortgage loans. - None
- (6) Loan-backed securities- None

NOTES TO FINANCIAL STATEMENTS

- (7) Investments in subsidiaries controlled and affiliated companies. – The Company has ownership in one subsidiary. This investment is valued based on the equity method.
- (8) Investments in joint ventures, partnerships and liability companies - None
- (9) Derivatives - None
- (10) Utilization of anticipated investment income used as a factor in the premium deficiency calculation.-None
- (11) Unpaid losses and loss adjustment expenses include an amount for known claims and a formula driven statutory premium reserve. Known claim reserves consist of a reserve for payment of the loss and costs of defense of the insured and other costs expected to be paid to other parties in the defense, settlement, or processing of the claim under the terms of the title insurance policy for each specific known claim.

A statutory premium reserve is based on Section 6405 (a)(1) of the New York Insurance Law. Section 6405(a)(1) requires the Company to reserve an amount equal to one dollar fifty cents for each risk assumed under a binder or policy of insurance or any certificate or agreement issued under either of them, plus one-eightieth of one percent of the face amount of insurance effected thereby and three percent of the gross fees and premiums received by it for guaranteed certificates of title, guaranteed searches and guaranteed abstracts of title. The reserve is subsequently reduced by 5% of the addition in the first year succeeding the year of addition, and 5% every year thereafter.

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

2. Accounting Changes and Corrections of Errors

- A. None.
- B. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of New York. Effective January 1, 2001, the State of New York required that insurance companies domiciled in the State of New York 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 New York insurance commissioner.

Accounting changes adopted to conform to the provisions of the NAIC *Accounting Practices and Procedures* manual are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods.

3. Business Combinations and Goodwill – Not Applicable

4. Discontinued Operations – Not Applicable

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring- Not Applicable
- C. Reverse Mortgages – Not Applicable
- D. Loan-Backed Securities – Not Applicable
- E. Repurchase Agreements and /or Securities Lending Transactions – Not Applicable
- F. Real Estate – The Company has reported values of \$869,513 in real estate.
- G. Investments in low-income housing tax credits (LIHTC) – Not Applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets
- B. The Company did not recognize any impairment write down for its investment in Joint Ventures, Partnerships and Limited Liability Company during this statement period.

NOTES TO FINANCIAL STATEMENTS

7. Investment Income

1. Due and accrued income is excluded from surplus on the following bases:

All investment income due and accrued has been admitted.

2. The total amount excluded was \$ 0.

8. Derivative Instruments – Not Applicable

9. Income Taxes

The 9/30/2016 and 12/31/15 balances are calculated and presented pursuant to SSAP 101.

| A. | Components of the net deferred tax asset or net deferred tax liability; | 9/30/2016 | | | 12/31/2015 | | |
|----------|---|--------------------|-------------------|------------------|------------------|----------|------------------|
| | | Ordinary | Capital | Total | Ordinary | Capital | Total |
| 1 | | | | | | | |
| (a) | Total gross deferred tax assets | 6,245,584 | 11,720 | 6,257,304 | 6,059,821 | 13,710 | 6,073,532 |
| (b) | Statutory Valuation Allowance Adjustments | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Adjusted gross deferred tax assets (1a-1b) | 6,245,584 | 11,720 | 6,257,304 | 6,059,821 | 13,710 | 6,073,532 |
| (d) | Deferred tax assets nonadmitted | (3,157,339) | (11,720) | (3,169,059) | (2,874,965) | (13,710) | (2,888,675) |
| (e) | Subtotal net admitted deferred tax assets | 3,088,245 | 0 | 3,088,245 | 3,184,856 | 0 | 3,184,856 |
| (f) | Deferred tax liabilities | (249,908) | 0 | (249,908) | (470,045) | 0 | (470,045) |
| (g) | Net admitted deferred tax assets (net deferred tax liabilities) | 2,838,337 | 0 | 2,838,337 | 2,714,811 | 0 | 2,714,811 |
| | | Change Ordinary | Change Capital | Change Total | | | |
| (a) | Total gross deferred tax assets | 185,763 | (1,990) | 183,773 | | | |
| (b) | Statutory Valuation Allowance Adjustments | 0 | 0 | 0 | | | |
| (c) | Adjusted gross deferred tax assets (1a-1b) | 185,763 | (1,990) | 183,773 | | | |
| (d) | Deferred tax assets nonadmitted | (282,374) | 1,990 | (280,384) | | | |
| (e) | Subtotal net admitted deferred tax assets | (96,611) | 0 | (96,611) | | | |
| (f) | Deferred tax liabilities | 220,137 | 0 | 220,137 | | | |
| (g) | Net admitted deferred tax assets (net deferred tax liabilities) | 123,526 | 0 | 123,526 | | | |
| 2 | Admission Calculation Components under ¶11.a - ¶11.c. | | | | | | |
| (a) | Federal income taxes paid in prior years recoverable through loss carrybacks admitted under ¶11.a. | 2,470,750 | 0 | 2,470,750 | 2,365,385 | 0 | 2,365,385 |
| (b) | Adjusted gross DTAs expected to be realized under ¶11.b.i. | 367,587 | 0 | 367,587 | 349,426 | 0 | 349,426 |
| (c) | Adjusted gross DTAs allowed per limitation threshold under ¶11.b.ii. | 5,829,041 | 0 | 5,829,041 | 5,308,748 | 0 | 5,308,748 |
| (d) | Adjusted gross DTAs admitted under ¶11.b. (lessor of ¶11.b.i. or ¶11.b.ii. above). | 367,587 | 0 | 367,587 | 349,426 | 0 | 349,426 |
| (e) | Adjusted gross DTAs offset by gross DTLs under ¶11.c. | 249,908 | 0 | 249,908 | 470,045 | 0 | 470,045 |
| (f) | Net admitted deferred tax asset/liability under ¶11.a. - ¶11.c. | 3,088,245 | 0 | 3,088,245 | 3,184,856 | 0 | 3,184,856 |
| | | Change Ordinary | Change Capital | Change Total | | | |
| (a) | Federal income taxes paid in prior years recoverable through loss carrybacks admitted under ¶11.a. | 105,365 | 0 | 105,365 | | | |
| (b) | Adjusted gross DTAs expected to be realized under ¶11.b.i. | N/A | N/A | 18,161 | | | |
| (c) | Adjusted gross DTAs allowed per limitation threshold under ¶11.b.ii. | N/A | N/A | 520,293 | | | |
| (d) | Adjusted gross DTAs admitted under ¶11.b. (lessor of ¶11.b.i. or ¶11.b.ii. above). | 18,161 | 0 | 18,161 | | | |
| (e) | Adjusted gross DTAs offset by gross DTLs under ¶11.c. | (220,137) | 0 | (220,137) | | | |
| (f) | Net admitted deferred tax asset/liability under ¶11.a. - ¶11.c. | (96,611) | 0 | (96,611) | | | |
| 3 | Disclosure of ratios used for threshold limitation for ¶11.b above. | | | | | | |
| (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% | 16% | 19% | -3% | | | |
| (c) | Amount of adjusted capital and surplus used to determine recovery period threshold limitation in ¶11.b. above | 38,860,276 | 31,765,467 | 7,094,809 | | | |

NOTES TO FINANCIAL STATEMENTS

4 Impact of Tax Planning Strategies On the Determination of:

| | 9/30/2016 | | | 12/31/2015 | | |
|---|------------------------|-----------------------|---------------------|------------------------|-----------------------|---------------------|
| | Ordinary Percentage | Capital Percentage | Total Percentage | Ordinary Percentage | Capital Percentage | Total Percentage |
| (a) Adjusted Gross 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% |

| | Change | | |
|---|------------------------|-----------------------|---------------------|
| | Ordinary Percentage | Capital Percentage | Total Percentage |
| (a) Adjusted Gross Deferred Tax Assets (Percentage of Total Adjusted Gross Deferred Tax Assets) | N/A | N/A | 0.00% |
| (b) Net Admitted Adjusted Gross Deferred Tax Assets- (Percentage of Total Net Admitted Adjusted Gross Deferred Tax Assets) | N/A | N/A | 0.00% |

- (c) State whether the tax-planning strategies include the use of reinsurance-related tax planning strategies.
Does the Company's tax-planning strategies include the use of reinsurance?
Yes ___ No **X** ___

B. Unrecognized deferred tax liabilities

- 1 There are no temporary differences for which deferred tax liabilities are not recognized.
- 2 The cumulative amount of each type of temporary difference is is -0-.
- 3 There is no unrecognized DTL for temporary differences related to investments in foreign subsidiaries and corporate JVs that are permanent in duration.
- 4 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;

| | 9/30/2016 | 12/31/2015 | Change |
|---|------------------|------------------|--------------------|
| 1 Current tax expense incurred | | | |
| (a) Current year federal tax expense (benefit)- ordinary income | 4,696,436 | 8,359,550 | (3,663,114) |
| (b) Current year foreign tax expense (benefit)- ordinary income | 0 | 0 | 0 |
| (c) Subtotal | 4,696,436 | 8,359,550 | (3,663,114) |
| (d) Current year tax expense (benefit) - net realized capital gains(losses) | 28,158 | 329,893 | (301,735) |
| (e) Utilization of operating loss carry forwards | 0 | 0 | 0 |
| (f) Utilization of capital loss carry forwards | 0 | 0 | 0 |
| (g) Return to provision and prior year adjustments | 71,674 | (271,987) | 343,661 |
| (h) Federal and foreign income taxes incurred | 4,796,267 | 8,417,455 | (3,621,188) |

2 Deferred income tax assets and liabilities consist of:

| | 9/30/2016 | 12/31/2015 | Change |
|--|------------------|------------------|-----------------|
| Deferred tax assets: | | | |
| | Ordinary | | |
| (a) Discounting Statutory Premium Reserve | 3,147,138 | 3,115,770 | 31,367 |
| (b) Discounting Loss Reserve | 74,028 | 72,868 | 1,160 |
| (c) Fixed assets | 25,517 | 0 | 25,517 |
| (d) Accruals | 1,054,262 | 1,066,114 | (11,852) |
| (e) Intangible Assets | 1,032,677 | 1,009,029 | 23,649 |
| (f) Other Receivables | 0 | 0 | 0 |
| (g) Nonadmitted Assets | 911,962 | 796,040 | 115,922 |
| (h) Other Receivables | 0 | 0 | 0 |
| (i) Valuation Allowance | 0 | 0 | 0 |
| (j) Subtotal | 6,245,584 | 6,059,821 | 185,763 |
| (k) Nonadmitted ordinary deferred tax assets | (3,157,339) | (2,874,965) | (282,374) |
| (l) Admitted ordinary deferred tax assets | 3,088,245 | 3,184,856 | (96,611) |
| | Capital | | |
| (m) Investments | 11,720 | 13,710 | (1,990) |
| (n) Subtotal | 11,720 | 13,710 | (1,990) |
| (o) Nonadmitted capital deferred tax assets | (11,720) | (13,710) | 1,990 |
| (p) Admitted capital deferred tax assets | 0 | 0 | 0 |
| (q) Admitted deferred tax assets | 3,088,245 | 3,184,856 | (96,611) |

NOTES TO FINANCIAL STATEMENTS

| | | | |
|------------------------------------|---|-------------------------|-------------------------|
| 3 Deferred tax liabilities: | | | |
| | Ordinary | | |
| | <u> </u> | 9/30/2016 | 12/31/2015 |
| (a) | Fixed Assets | 0 | (70,193) |
| (b) | Bonus Accrual Section 481(a) adjustment | (249,908) | (399,852) |
| (c) | Other (separately disclose items >5%) | 0 | 0 |
| (d) | Subtotal | <u>(249,908)</u> | <u>(470,045)</u> |
| | Capital | | |
| | <u> </u> | | |
| (e) | Subtotal | 0 | 0 |
| (f) | Deferred tax liabilities | <u>(249,908)</u> | <u>(470,045)</u> |
| 4 | Net deferred tax asset (liability) | <u>2,838,337</u> | <u>2,714,811</u> |
| | | <u>123,526</u> | |

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 change in Net Deferred Income Taxes in the Surplus section of the Annual Statements);

| | | | |
|---|-------------------------|-------------------------|-----------------------|
| | 9/30/2016 | 12/31/2015 | Change |
| Total deferred tax assets | 6,257,304 | 6,073,532 | 183,773 |
| Total deferred tax liabilities | (249,908) | (470,045) | 220,137 |
| Net deferred tax assets/liabilities | 6,007,396 | 5,603,486 | 403,910 |
| Statutory valuation allowance adjustment | 0 | 0 | 0 |
| Net deferred tax assets/liabilities after SVA | 6,007,396 | 5,603,486 | 403,910 |
| Tax effect of unrealized gains/(losses) | 0 | 0 | 0 |
| SVA adjustment allocated to unrealized | 0 | 0 | 0 |
| Change in net deferred income tax | <u>6,007,396</u> | <u>5,603,486</u> | <u>403,910</u> |

D. Reconciliation of federal income tax rate to actual 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 this difference are as follows;

| | | |
|--|------------------|-------------------|
| | 9/30/2016 | 12/31/2015 |
| Income before taxes | 11,778,664 | 22,171,892 |
| Effective tax rate | 0.35 | 0.35 |
| Tax Effect | <u>4,122,532</u> | <u>7,760,162</u> |
| Tax-exempt interest | (160,916) | (205,080) |
| Nondeductible Expenses | 541,045 | 891,244 |
| Change in Def. Taxes - Non-Admitted Assets | (115,922) | 85,816 |
| True-up for prior year taxes and other balance adjustments | 5,617 | (121,777) |
| Total | <u>4,392,357</u> | <u>8,410,365</u> |
| Federal and foreign income taxes incurred | 4,796,267 | 8,417,455 |
| Change in net deferred taxes | <u>(403,910)</u> | <u>(7,090)</u> |
| Total statutory taxes | <u>4,392,357</u> | <u>8,410,365</u> |

E. Carryforward, recoverable taxes and IRC section 6603 deposits;

As of September 30, 2016, there are no net operating loss, net capital loss or tax credit carryforwards available for tax purposes.

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

| | | | |
|------|-----------------|----------------|--------------|
| | <u>Ordinary</u> | <u>Capital</u> | <u>Total</u> |
| 2016 | 4,724,593 | | 4,724,593 |
| 2015 | 8,761,116 | | 8,761,116 |
| 2014 | 1,001,707 | | 1,001,707 |

The aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Code are -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 New York Insurance Department.

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

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

The Company paid a cash dividend of \$20,000,000 to the parent company, Stewart Title Guaranty Company in 2015. In the third quarter of 2016, the Company paid a non-cash dividend to its parent totaling \$1,978,767 in the form of a security which was part of an inter-company bond exchange.

Amounts due from and amounts payable to related party at September 30, 2016 is \$236,797 and \$768,370 respectively. The terms of the settlement require that these amounts are settled within 30 or 60 days.

All outstanding shares of the Company are owned by Stewart Title Guaranty Company, an insurance company domiciled in the State of Texas.

NOTES TO FINANCIAL STATEMENTS

The Company has entered into a cost allocation agreement with Stewart Title Guaranty Company dated July 1, 2012. Such agreement was filed with the New York State Department of Financial Services on August 20, 2012.

11. Debt – Not Applicable

12. Retirement Plans, Deferred Compensation, Post-employment 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. Contributions by participants whose compensation is in the highly compensated group of all employees are subject to certain additional limitations under Section 401(k) of the Internal Revenue Code. Deferred compensation is contributed to a trust managed for the benefit of the participants. The Plan also offers a Roth 401(k) feature where the participant can choose to make after-tax contributions.

At September 30, 2016 plan assets totaled \$19,524,470, including vested benefits of \$19,505,416.

C. None

D. None

E. None

F. None

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

1. The Company has 100,000 shares of common stock authorized, issued and outstanding. The par value per share is \$2.

The Company has 90,000 shares of Class B common stock authorized issued and outstanding. The par value per share is \$10.

2. Preferred Stock - None

3. Under New York law, the company cannot pay a dividend to shareholders in excess of certain limits without the approval from the New York State Insurance Commissioner. The Company shall not declare or pay any cash or property dividend to shareholders which, together with all such dividends declared or paid by it during the next preceding twelve months, exceeds 10% of its then outstanding capital shares unless, after deducting such dividends, it has surplus to policyholders at least equal to 50% of its reinsurance reserve (statutory premium reserve) or a surplus at least equal to 50% of the minimum capital required of such insurer to transact the business of title insurance, whichever shall be greater. In addition, dividends may be paid only out of earned surplus, surplus not attributable to contributions made to surplus within five years next preceding or to appreciation in value of investments not sold or otherwise disposed of. Surplus as regards policyholders as of September 30, 2016 was \$40,310,453.

4. Dividends paid - In the third quarter of 2016, the Company paid a non-cash dividend to its parent company, Stewart Title Guaranty Company totaling \$1,978,767 in the form of a security which was part of an inter-company bond exchange.

5-9 Not Applicable

10. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$64,082.

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 lawsuit - None
- E. All other Contingencies - None

NOTES TO FINANCIAL STATEMENTS

15. Leases

The Company is obligated under various noncancelable leases (with initial or remaining lease terms in excess of one year). The future minimum lease payments under such leases are (in thousands):

| Year Ending December 31: | |
|--------------------------|-------|
| 2017 | 1,543 |
| 2018 | 1,537 |
| 2019 | 593 |
| 2020 | 316 |
| 2021 and After | 26 |
| Total | 4,015 |

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.

A-B Not applicable

C.

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) |
|------------------------------|----------------------|-------------------|-----------|-------------------|-----------|
| 1 Foreign Bond | 1,199,568 | 1,163,245 | - | 1,199,568 | - |
| 2 Municipals | 29,704,287 | 28,141,629 | - | 29,704,287 | - |
| 3 Corporate | 60,315,523 | 57,619,620 | - | 60,315,523 | - |
| Total | 91,219,378 | 86,924,494 | - | 91,219,378 | - |

D - Not applicable

21. Other Items –

- A. Extraordinary Items - None
- B. Trouble Debt Restructuring – None
- C. The Company holds \$76,279,899 at September 30, 2016 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 regard to policyholders.
- D - F Not applicable
- G. Subprime Mortgage Related Risk Exposure – We have reviewed our investment portfolio as of September 30, 2016 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

NOTES TO FINANCIAL STATEMENTS

23. Reinsurance – Not Applicable

24. Retrospectively Rated Contracts & Contract subject to Redetermination - (N/A-Title)

25. Changes in Incurred Losses and Loss Adjustment Expenses

Known claims reserves were \$9,466,281 and \$9,115,883 as of September 30, 2016 and 2015, respectively. As of September 30, 2016 \$3,365,678 has been paid for losses and loss adjustment expenses as attributable to insured events of prior years as compared to \$5,890,319 at September 30, 2015. Incurred losses on prior policy years were \$3,885,658 as of September 30, 2016 as compared to \$4,454,931 as of September 30, 2015. Incurred losses on prior years are a result of re-estimation of unpaid claims and claim adjustment expenses and prior year policy claims reported in the current year. 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 does not use discounting in the calculation of its 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 [] N/A [X]
 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. _____ 12/31/2013 _____

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). _____ 10/27/2014 _____

6.4 By what department or departments?
 New York State Department of Financial Services

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 [] No [X]

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

.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [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: \$ 16,333

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 | \$ _____ | \$ _____ |
| 14.24 Short-Term Investments | \$ _____ | \$ _____ |
| 14.25 Mortgage Loans on Real Estate | \$ _____ | \$ _____ |
| 14.26 All Other | \$ 202,308 | \$ 185,922 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ 202,308 | \$ 185,922 |
| 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 |
| | |
| | |

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

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|--|---------------------------------------|---|
| 106975 | Vaughan, Nelson Investment Management | 600 Travis Street, Suite 6300 Houston, TX 77002 |
| | | |

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 [] N/A [X]
 If yes, attach an explanation.

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

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

3.2 If yes, give full and complete information thereto:

.....

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

4.2 If yes, complete the following schedule:

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

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

| | |
|---------------------------------------|----------------------|
| 5.11 Bonds | \$ <u>52,827,687</u> |
| 5.12 Short-term investments | \$ _____ |
| 5.13 Mortgages | \$ _____ |
| 5.14 Cash | \$ _____ |
| 5.15 Other admissible invested assets | \$ _____ |
| 5.16 Total | \$ <u>52,827,687</u> |

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

| | |
|---|----------------------|
| 5.21 Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of: | \$ _____ |
| These funds consist of: | |
| 5.22 In cash on deposit | \$ <u>76,279,899</u> |
| 5.23 Other forms of security | \$ _____ |

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|----------------------|-----------|-------------------|-----------------------------|-------------------------|---|---|
| NAIC Company Code | ID Number | Name of Reinsurer | Domiciliary Jurisdiction | Type of Reinsurer | Certified Reinsurer Rating (1 through 6) | Effective Date of Certified Reinsurer Rating |
| NONE | | | | | | |

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year To Date - By States and Territories

| States, Etc. | 1 Active Status | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Known Claim Reserve | | |
|------------------------------|--------------------|-------------------------|--------------------|--|--------------------|----------------------------|--------------------|-----------|
| | | 2 | 3 | 4 | 5 | 6 | 7 | |
| | | Current Year to Date | Prior Year to Date | Current Year to Date | Prior Year to Date | Current Year to Date | Prior Year to Date | |
| 1. Alabama | AL | N | | | | | | |
| 2. Alaska | AK | N | | | | | | |
| 3. Arizona | AZ | N | | | | | | |
| 4. Arkansas | AR | N | | | | | | |
| 5. California | CA | N | | | | | | |
| 6. Colorado | CO | N | | | | | | |
| 7. Connecticut | CT | N | | | | | | |
| 8. Delaware | DE | N | | | | | | |
| 9. District of Columbia | DC | N | | | | | | |
| 10. Florida | FL | N | | | | | | |
| 11. Georgia | GA | N | | | | | | |
| 12. Hawaii | HI | N | | | | | | |
| 13. Idaho | ID | N | | | | | | |
| 14. Illinois | IL | N | | | | | | |
| 15. Indiana | IN | N | | | | | | |
| 16. Iowa | IA | N | | | | | | |
| 17. Kansas | KS | N | | | | | | |
| 18. Kentucky | KY | N | | | | | | |
| 19. Louisiana | LA | N | | | | | | |
| 20. Maine | ME | N | | | | | | |
| 21. Maryland | MD | N | | | | | | |
| 22. Massachusetts | MA | N | | | | | | |
| 23. Michigan | MI | N | | | | | | |
| 24. Minnesota | MN | N | | | | | | |
| 25. Mississippi | MS | N | | | | | | |
| 26. Missouri | MO | N | | | | | | |
| 27. Montana | MT | N | | | | | | |
| 28. Nebraska | NE | N | | | | | | |
| 29. Nevada | NV | N | | | | | | |
| 30. New Hampshire | NH | N | | | | | | |
| 31. New Jersey | NJ | N | | | | | | |
| 32. New Mexico | NM | N | | | | | | |
| 33. New York | NY | N | 154,357,726 | 177,719,741 | 3,408,445 | 5,981,960 | 9,466,281 | 9,115,883 |
| 34. North Carolina | NC | N | | | | | | |
| 35. North Dakota | ND | N | | | | | | |
| 36. Ohio | OH | N | | | | | | |
| 37. Oklahoma | OK | N | | | | | | |
| 38. Oregon | OR | N | | | | | | |
| 39. Pennsylvania | PA | N | | | | | | |
| 40. Rhode Island | RI | N | | | | | | |
| 41. South Carolina | SC | N | | | | | | |
| 42. South Dakota | SD | N | | | | | | |
| 43. Tennessee | TN | N | | | | | | |
| 44. Texas | TX | N | | | | | | |
| 45. Utah | UT | N | | | | | | |
| 46. Vermont | VT | N | | | | | | |
| 47. Virginia | VA | N | | | | | | |
| 48. Washington | WA | N | | | | | | |
| 49. West Virginia | WV | N | | | | | | |
| 50. Wisconsin | WI | N | | | | | | |
| 51. Wyoming | WY | N | | | | | | |
| 52. American Samoa | AS | N | | | | | | |
| 53. Guam | GU | N | | | | | | |
| 54. Puerto Rico | PR | N | | | | | | |
| 55. U.S. Virgin Islands | VI | N | | | | | | |
| 56. Northern Mariana Islands | MP | N | | | | | | |
| 57. Canada | CAN | N | | | | | | |
| 58. Aggregate Other Alien | OT | X X X | | | | | | |
| 59. Totals | (a) | | 154,357,726 | 177,719,741 | 3,408,445 | 5,981,960 | 9,466,281 | 9,115,883 |

| DETAILS OF WRITE-INS | | | | | | | |
|--|-------|--|--|--|--|--|--|
| 58001. | X X X | | | | | | |
| 58002. | X X X | | | | | | |
| 58003. | X X X | | | | | | |
| 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 | | | | | | |

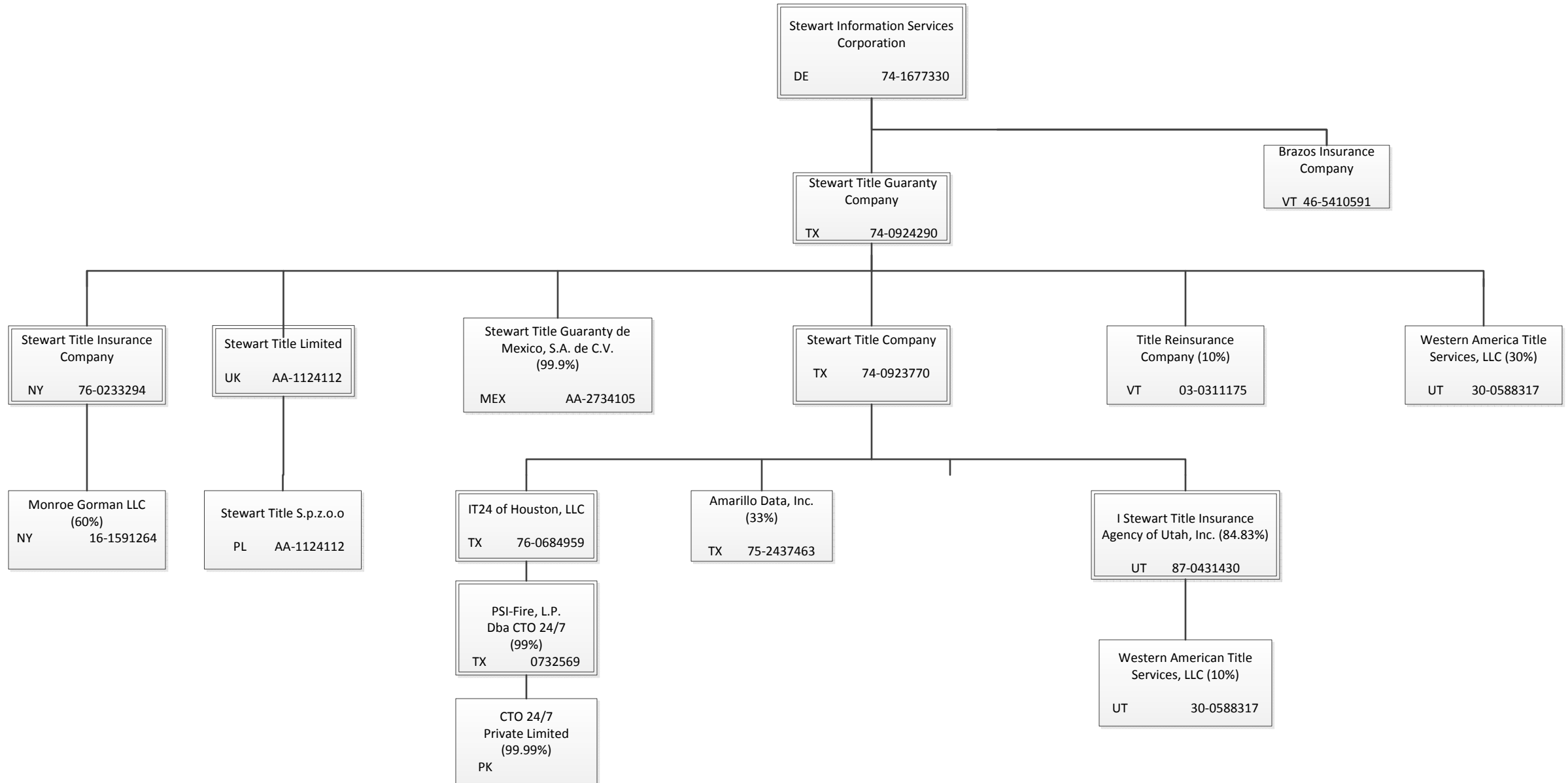
NONE

(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; (N) None of the above - Not allowed to write business in the state.

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

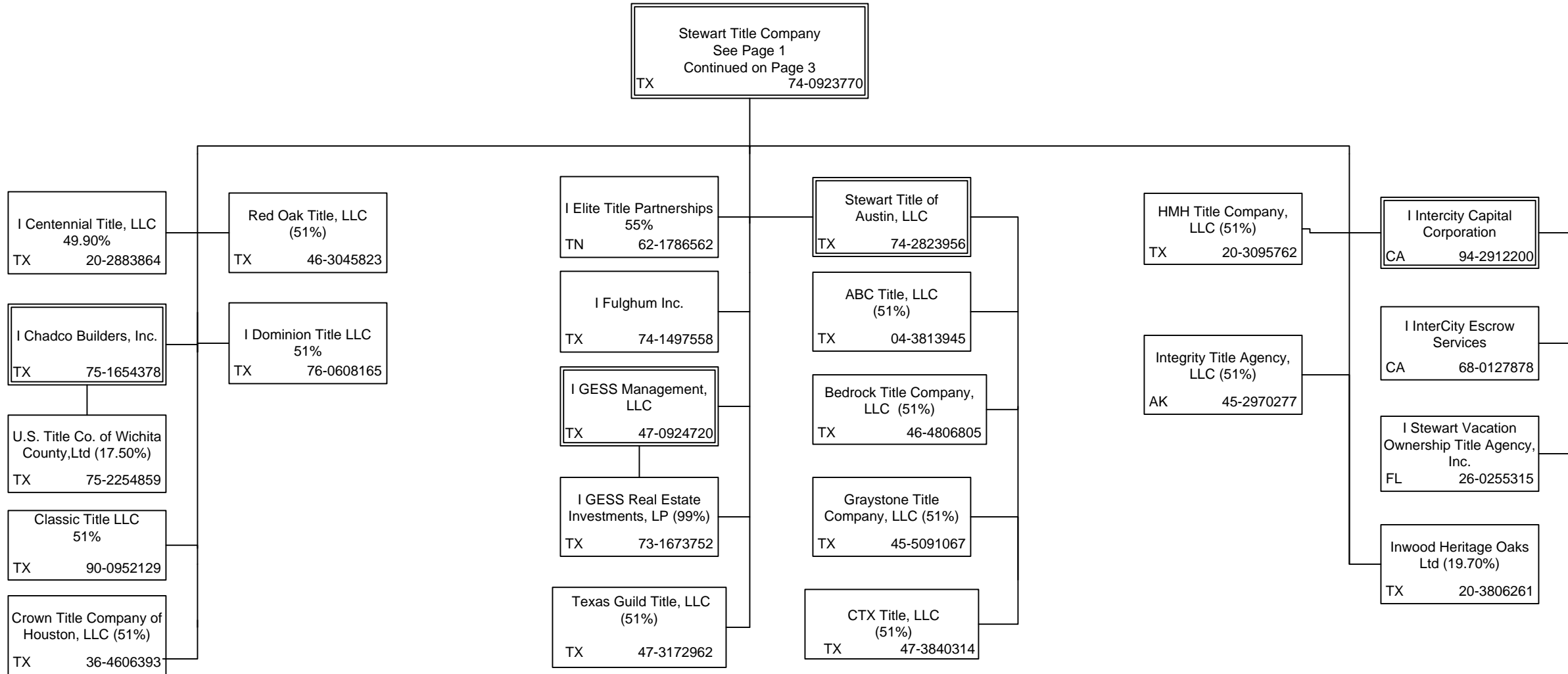
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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

PART 1 - ORGANIZATIONAL CHART



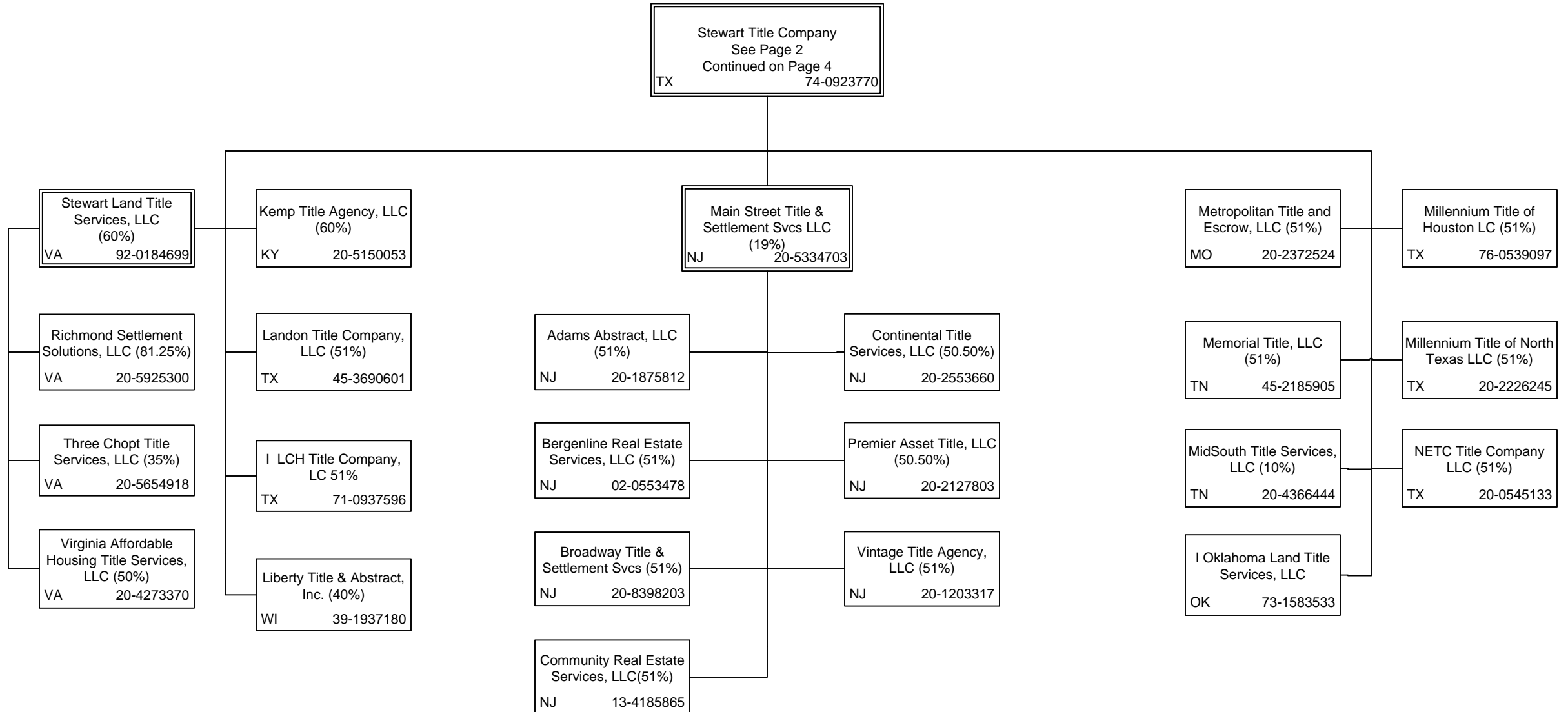
11.1

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

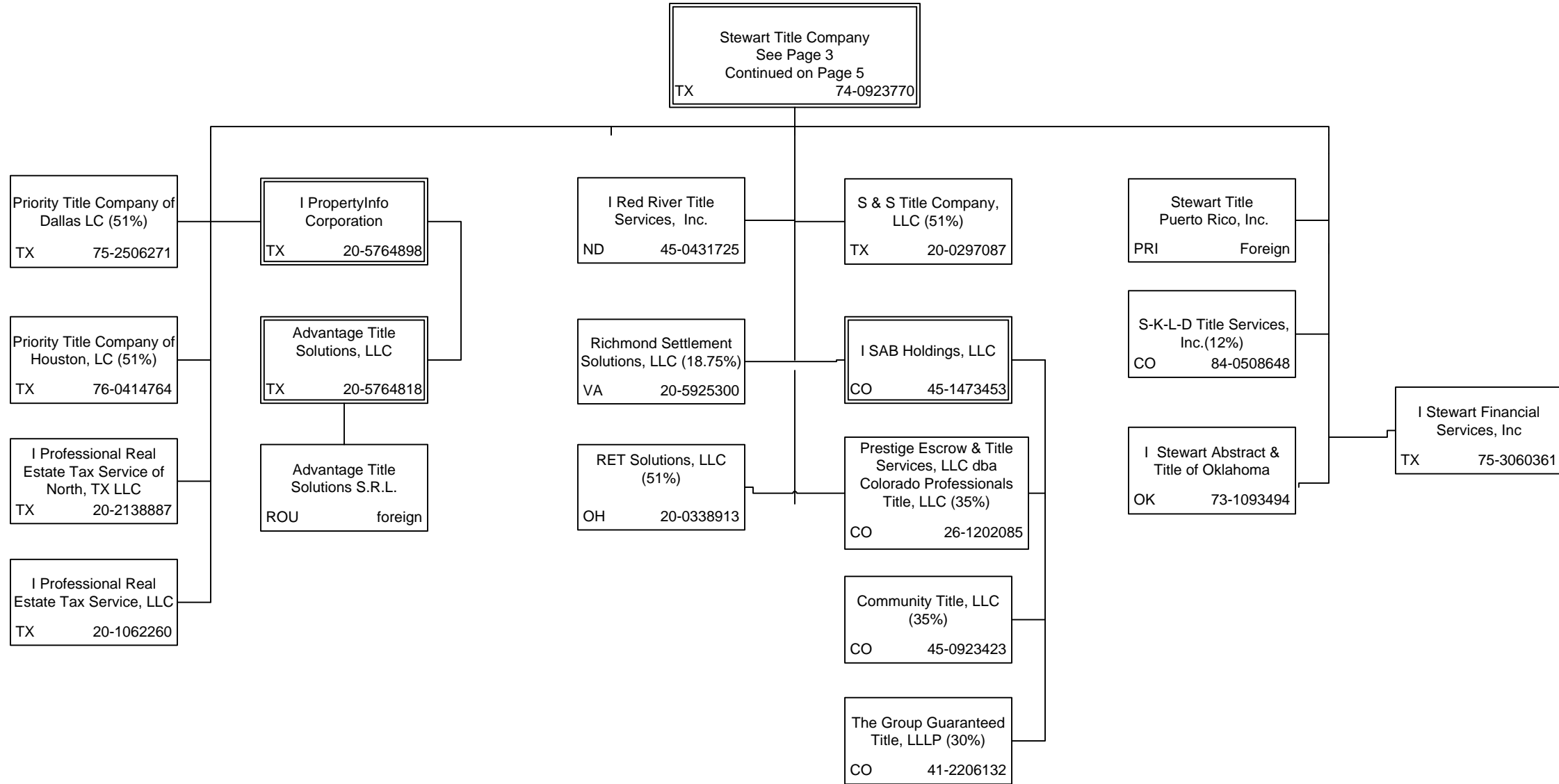
11.2



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

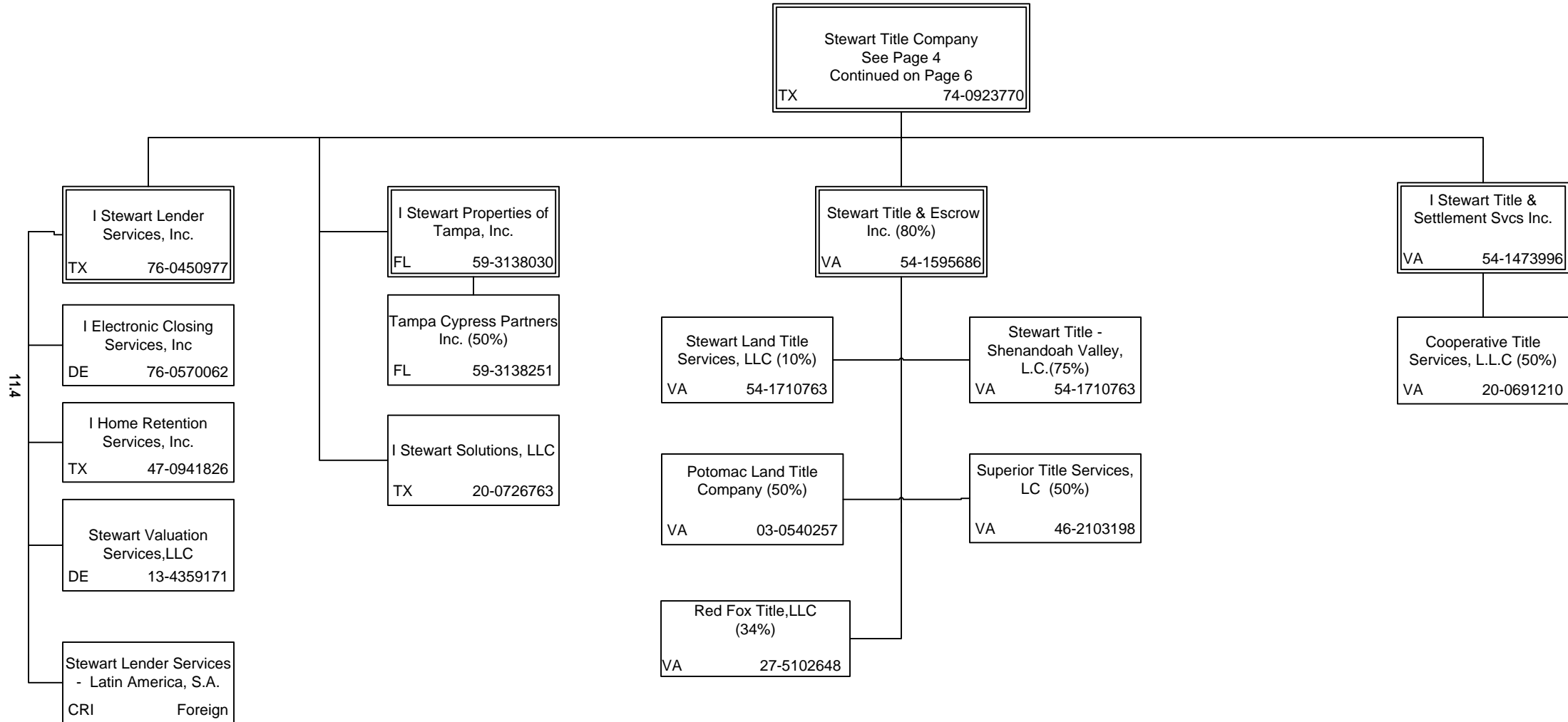


113

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

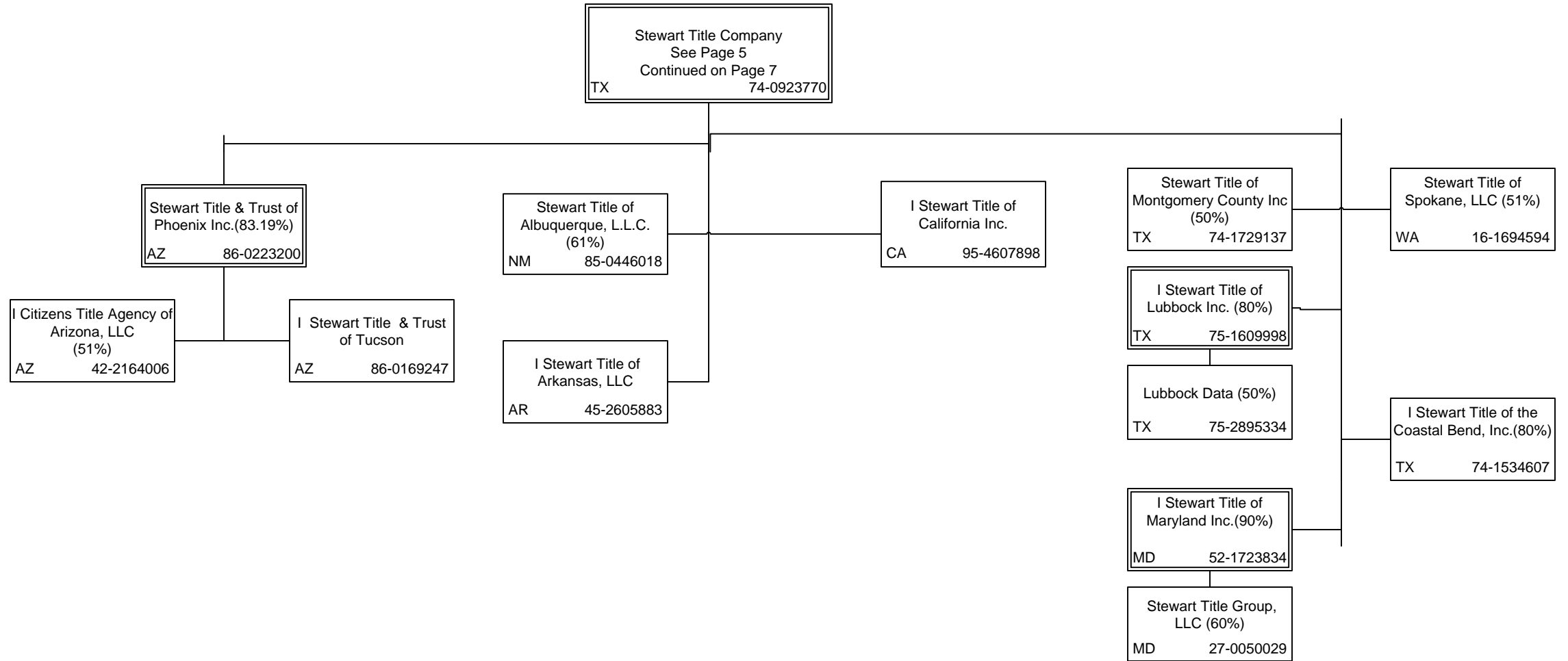


114

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

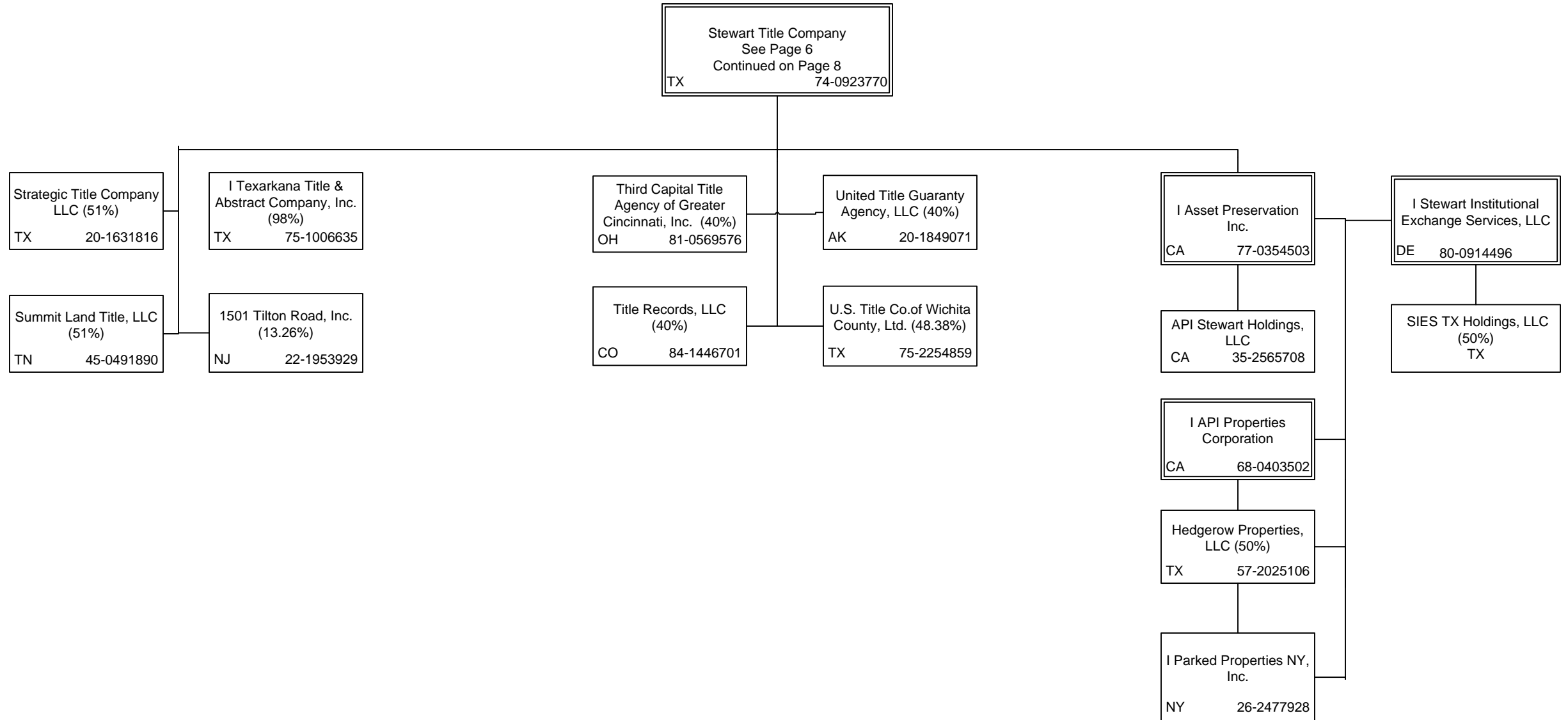


11.5

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

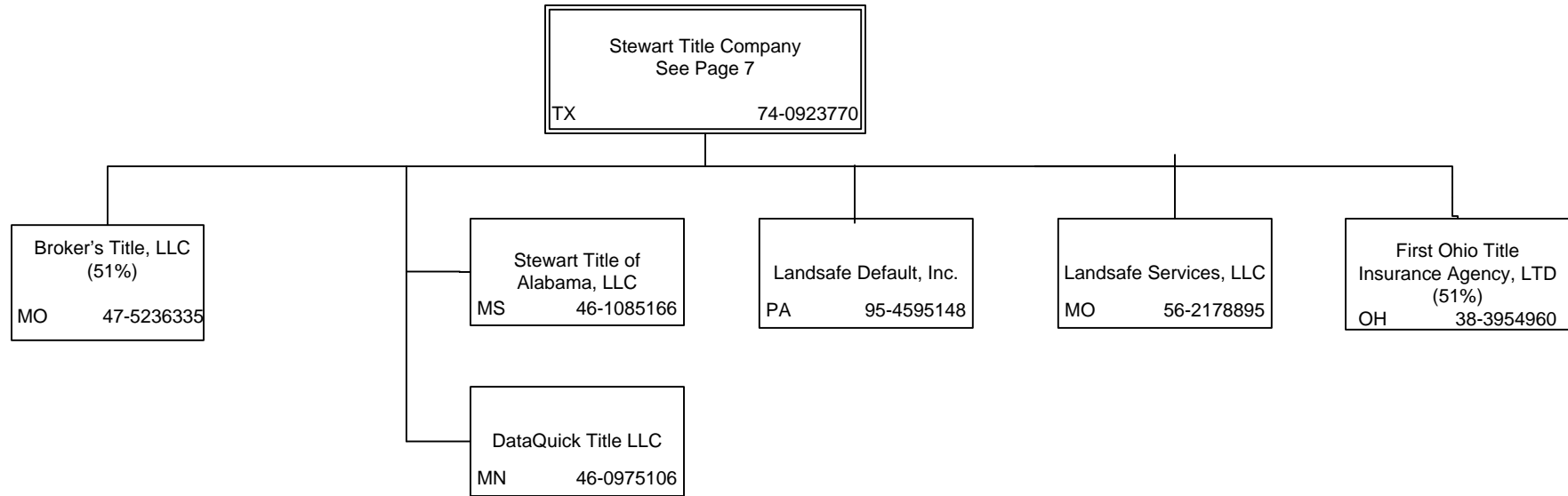


11.6

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



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 |
|------------|------------|-------------------|------------|--------------|----------|--|--|----------------------|----------------------------------|--|--|--|--|----|
| 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) | * |
| | | 00000 | 74-1677330 | | 00000943 | NYSE | Stewart Information Services Corporation | DE | UDP | | | | | 0 |
| | | 00000 | 46-5410591 | | | | Brazos Insurance Company | VT | IA | Stewart Information Services Corporation | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 76-0684959 | | | | IT24 of Houston, LLC | TX | NIA | Stewart Title Comany | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 76-0732569 | | | | Psi - Fire, LP dba CTO 24/7 | TX | NIA | Stewart Title Company | Ownership | 99.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | | | | | Stewart Title S.p.z.o.o. | PL | NIA | Stewart Title Limited | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | | | | | CTO 24/7 Private Limited | PK | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 46-1085166 | | | | Stewart Title of Alabama, LLC | MS | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 46-0975106 | | | | DataQuick Title, LLC | MN | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 95-4595148 | | | | LandSafe Default, Inc. | PA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 56-2178895 | | | | LandSafe Services, LLC | MO | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 50121 | 74-0924290 | | | | Stewart Title Guaranty Company | TX | IA | Stewart Information Services Corporation | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 51420 | 76-0233294 | | | | Stewart Title Insurance Company | NY | IA | Stewart Title Guaranty Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 16-1591264 | | | | Monroe Gorman LLC | NY | NIA | Stewart Title Insurance Company | Ownership | 60.0 | Stewart Information Services Corporati | 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 Corporati | 0 |
| | | 00000 | AA-1124112 | | | | Stewart Title Limited | UK | IA | Stewart Title Guaranty Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 32336 | 03-0311175 | | | | Title Reinsurance Company | VT | IA | Stewart Title Guaranty Company | Ownership | 10.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 30-0588317 | | | | Western America Title Services, LLC | UT | NIA | Stewart Title Guaranty Company | Ownership | 30.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 74-0923770 | | | | Stewart Title Company | TX | NIA | Stewart Title Guaranty Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 87-0431430 | | | | Stewart Title Insurance Agency of Utah, Inc. | UT | NIA | Stewart Title Company | Ownership | 84.8 | Stewart Information Services Corporati | 0 |
| | | 00000 | 30-0588317 | | | | Western America Title Services, LLC | UT | NIA | Stewart Title Insurance Agency of Utah, Inc. | Ownership | 10.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-2883864 | | | | Centennial Title, LLC | TX | NIA | Stewart Title Company | Ownership | 49.9 | Stewart Information Services Corporati | 0 |
| | | 00000 | 75-1654378 | | | | Chadco Builders, Inc. | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 75-2254859 | | | | U.S. Title Company of Wichita County,LLd | TX | NIA | Chadco Builders, Inc. | Ownership | 17.5 | Stewart Information Services Corporati | 0 |
| | | 00000 | 90-0952129 | | | | Classic Title, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 36-4606393 | | | | Crown Title Company of Houston, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 76-0608165 | | | | Dominion Title LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 74-1497558 | | | | Fulghum Inc. | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 47-0924720 | | | | GESS Management LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 73-1673752 | | | | GESS Real Estate Investments, LP | TX | NIA | Stewart Title Company | Ownership | 99.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 74-2823956 | | | | Stewart Title of Austin, LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 04-3813945 | | | | ABC Title, LLC | TX | NIA | Gracy Title Company LC | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-5091067 | | | | Graystone Title Company, LLC | TX | NIA | Gracy Title Company LC | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 46-4806805 | | | | Bedrock Title Company, LLC | TX | NIA | Gracy Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-3095762 | | | | HMH Title Company, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-2970277 | | | | Integrity Title Agency, LLC | AK | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 94-2912200 | | | | Intercity Capital Corporation | CA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 68-0127878 | | | | InterCity Escrow Services | CA | NIA | Intercity Capital Corporation | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 26-0255315 | | | | Stewart Vacation Ownership Title Agency, Inc. | FL | NIA | Intercity Capital Corporation | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-3806261 | | | | Inwood Heritage Oaks Ltd | TX | NIA | Stewart Title Company | Ownership | 19.7 | Stewart Information Services Corporati | 0 |
| | | 00000 | 92-0184699 | | | | Stewart Land Title Services, LLC | VA | NIA | Stewart Title Company | Ownership | 60.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-5925300 | | | | Richmond Settlement Solutions, LLC | VA | NIA | Stewart Land Title Services, LLC | Ownership | 81.3 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-5654918 | | | | Three Chopt Title Services, LLC | VA | NIA | Stewart Land Title Services, LLC | Ownership | 35.0 | Stewart Information Services Corporati | 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 |
|------------|------------|-------------------|------------|--------------|-----|--|--|----------------------|----------------------------------|--|--|--|--|----|
| 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) | * |
| | | 00000 | 20-4273370 | | | | Virginia Affordable Housing Title Services, LLC | VA | NIA | Stewart Land Title Services, LLC | Ownership | 50.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-5150053 | | | | Kemp Title Agency, LLC | KY | NIA | Stewart Title Company | Ownership | 60.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-3690601 | | | | Landon Title Company, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 71-0937596 | | | | LCH Title Company, LC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 39-1937180 | | | | Liberty Title & Abstract, Inc. | WI | NIA | Stewart Title Company | Ownership | 40.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-1875812 | | | | Adams Abstract, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 02-0553478 | | | | Bergeline Real Estate Services, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-8398203 | | | | Broadway Title & Settlement Services, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 13-4185865 | | | | Community Real Estate Services, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-2553660 | | | | Continental Title Services, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 50.5 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-2127803 | | | | Premier Asset Title, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 50.5 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-1203317 | | | | Vintage Title Agency, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-2185905 | | | | Memorial Title, LLC | TN | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-2372524 | | | | Metropolitan Title and Escrow, LLC | MO | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 47-5236335 | | | | Broker's Title, LLC | MO | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-4366444 | | | | MidSouth Title Services II, LLC | TN | NIA | Stewart Title Company | Ownership | 10.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 76-0539097 | | | | Millennium Title of Houston LC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-2226245 | | | | Millennium Title of North Texas LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-0545133 | | | | NETC Title Company LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 73-1583533 | | | | Oklahoma Land Title Services, LLC | OK | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 75-2506271 | | | | Priority Title Company of Dallas LC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 76-0414764 | | | | Priority Title Company of Houston, LC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-2138887 | | | | Professional Real Estate Tax Service of North, TX LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-1062260 | | | | Professional Real Estate Tax Service, LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-5764898 | | | | PropertyInfo Corporation | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 47-3172962 | | | | Texas Guild Title, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 47-3840314 | | | | CTX Title, LLC | TX | NIA | Gracy Title | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-5764818 | | | | Advantage Title Solutions, LLC | TX | NIA | PropertyInfo Corporation | Ownership | 60.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | | | | | Advantage Title Solutions S.R.L. | ROU | NIA | Advantage Title Solutions, LLC | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 46-3045823 | | | | Red Oak Title, LLC | TX | IA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-0431725 | | | | Red River Title Services Inc | ND | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-5925300 | | | | Richmond Settlement Solutions, LLC | VA | NIA | Stewart Title Company | Ownership | 18.8 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-0338913 | | | | RET Solutions, LLC | OH | NIA | RT Holdings, Ltd. | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-0297087 | | | | S & S Title Company, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-1473453 | | | | SAB Holdings, LLC | CO | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 26-1202085 | | | | Prestige Escrow & Title Services, LLC dba Colorado Profess | CO | NIA | SAB Holdings, LLC | Ownership | 35.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-0923423 | | | | Community Title, LLC | CO | NIA | SAB Holdings, LLC | Ownership | 35.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 41-2206132 | | | | The Group Guaranteed Title, LLLP | CO | NIA | SAB Holdings, LLC | Ownership | 30.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | | | | | Stewart Title Puerto Rico, Inc. | PRI | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 84-0508648 | | | | S-K-L-D Title Services, Inc. | CO | NIA | Stewart Title Company | Ownership | 12.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 73-1093494 | | | | Stewart Abstract & Title of Oklahoma | OK | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 75-3060361 | | | | Stewart Financial Services, Inc | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 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 |
|------------|------------|-------------------|------------|--------------|-----|--|--|----------------------|----------------------------------|--|--|--|--|----|
| 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) | * |
| | | 00000 | 76-0450977 | | | | Stewart Lender Services, Inc. | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 76-0570062 | | | | Electronic Closing Services, Inc. | PA | NIA | Stewart Lender Services, Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 47-0941826 | | | | Home Retention Services, Inc. | TX | NIA | Stewart Lender Services, Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 13-4359171 | | | | Stewart Valuation Services, LLC | DE | NIA | Stewart Lender Services, Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | | | | | Stewart Lender Services - Latin America, S.A. | CRI | NIA | Stewart Lender Services, Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 59-3138030 | | | | Stewart Properties of Tampa, Inc. | FL | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 59-3138251 | | | | Tampa Cypress Partners Inc. | FL | NIA | Stewart Properties of Tampa, Inc. | Ownership | 50.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-0726763 | | | | Stewart Solutions, LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 54-1595686 | | | | Stewart Title & Escrow Inc. | VA | NIA | Stewart Title Company | Ownership | 80.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 92-0184699 | | | | Stewart Land Title Services, LLC | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 10.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 03-0540257 | | | | Potomac Land Title Company | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 50.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 27-5102648 | | | | Red Fox Title, LLC | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 34.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 54-1723012 | | | | Signature & Stewart Settlements, L.C. | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 80.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 54-1710763 | | | | Stewart Title-Shenandoah Valley, L.C. | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 75.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 46-2103198 | | | | Superior Title Services, LC | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 50.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 54-1473996 | | | | Stewart Title & Settlement Services, Inc. | VA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-0691210 | | | | Cooperative Title Services, L.L.C. | VA | NIA | Stewart Title & Settlement Services, Inc. | Ownership | 50.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 86-0223200 | | | | Stewart Title & Trust of Phoenix, Inc. | AZ | NIA | Stewart Title Company | Ownership | 83.2 | Stewart Information Services Corporati | 0 |
| | | 00000 | 42-2164006 | | | | Citizens Title Agency of Arizona, LLC | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 86-0192318 | | | | Citizens Title & Trust | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 86-0435889 | | | | Safford Title Agency, Inc. | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 86-0169247 | | | | Stewart Title & Trust of Tucson | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 85-0446018 | | | | Stewart Title of Albuquerque, LLC | NM | NIA | Stewart Title Company | Ownership | 61.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-2605883 | | | | Stewart Title of Arkansas, LLC | AR | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 95-4607898 | | | | Stewart Title of California Inc. | CA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 75-1609998 | | | | Stewart Title of Lubbock Inc. | TX | NIA | Stewart Title Company | Ownership | 80.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 75-2895334 | | | | Lubbock Data, Inc. | TX | NIA | Stewart Title of Lubbock Inc. | Ownership | 50.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 52-1723834 | | | | Stewart Title of Maryland Inc. | MD | NIA | Stewart Title Company | Ownership | 90.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 27-0050029 | | | | Stewart Title Group, LLC | MD | NIA | Stewart Title of Maryland Inc. | Ownership | 60.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 74-1729137 | | | | Stewart Title of Montgomery County, Inc | TX | NIA | Stewart Title Company | Ownership | 50.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 16-1694594 | | | | Stewart Title of Spokane, LLC | WA | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 74-1534607 | | | | Stewart Title of the Coastal Bend, Inc. | TX | NIA | Stewart Title Company | Ownership | 80.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-1631816 | | | | Strategic Title Company LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 45-0491890 | | | | Summit Land Title, LLC | TN | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 75-1006635 | | | | Texarkana Title & Abstract Company, Inc. | TX | NIA | Stewart Title Company | Ownership | 98.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 22-1953929 | | | | 1501 Tilton Road, Inc. | NJ | NIA | Stewart Title Company | Ownership | 13.3 | Stewart Information Services Corporati | 0 |
| | | 00000 | 81-0569576 | | | | Third Capital Title Agency of Greater Cincinnati, Inc. | OH | NIA | Stewart Title Company | Ownership | 40.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 84-1446701 | | | | Title Records, LLC | CO | NIA | Stewart Title Company | Ownership | 40.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 75-2254859 | | | | U.S. Title Company of Wichita County I, Ltd | TX | NIA | Stewart Title Company | Ownership | 48.4 | Stewart Information Services Corporati | 0 |
| | | 00000 | 20-1849071 | | | | United Title Guaranty Agency, LLC | AK | NIA | Stewart Title Company | Ownership | 40.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 71-0922599 | | | | Yankton Title Company, Inc. | SD | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 77-0354503 | | | | Asset Preservation, Inc. | CA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corporati | 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 |
|------------|------------|-------------------|------------|--------------|-----|--|---|----------------------|----------------------------------|--|--|--|--|----|
| 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) | * |
| | | 00000 | 68-0403502 | | | | API Properties Corporation | CA | NIA | Asset Preservation, Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 35-2565708 | | | | API Stewart Holdings, LLC | CA | NIA | Asset Preservation, Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 57-2025106 | | | | Hedgerow Properties, LLC | TX | NIA | Asset Preservation, Inc. | Ownership | 50.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 26-2477928 | | | | Parked Properties NY, Inc. | NY | NIA | Asset Preservation, Inc. | Ownership | 100.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | 38-3954960 | | | | First Ohio Title Insurance Agency, LTD | OH | IA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corporati | 0 |
| | | 00000 | | | | | SIES TX Holdings, LLC | TX | NIA | Stewart Institutional Exchange Service | Ownership | 50.0 | Stewart Information Services Corporati | 0 |

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| Asterik | Explanation |
|---------|--|
| | <p style="text-align: center;">NONE</p> |

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 | 25,689,501 | 11,516,843 | 474,162 | 1.30 | 1.40 |
| 2. Agency operations: | | | | | |
| 2.1 Non-affiliated agency operations | 128,496,037 | 158,749 | 4,849,997 | 3.80 | 3.60 |
| 2.2 Affiliated agency operations | 172,188 | | | | |
| 3. Totals | 154,357,726 | 11,675,592 | 5,324,159 | 3.20 | 3.10 |

PART 2 – DIRECT PREMIUMS WRITTEN

| | 1 Current Quarter | 2 Current Year to Date | 3 Prior Year Year to Date |
|--------------------------------------|-------------------------|------------------------------|---------------------------------|
| 1. Direct operations | 7,861,105 | 25,689,501 | 30,031,494 |
| 2. Agency operations: | | | |
| 2.1 Non-affiliated agency operations | 48,698,151 | 128,496,037 | 147,461,550 |
| 2.2 Affiliated agency operations | 44,355 | 172,188 | 226,697 |
| 3. Totals | 56,603,611 | 154,357,726 | 177,719,741 |

OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation

ASSETS

| | Current Year | | | Prior Year |
|---|--------------|-----------------------|---|------------------------|
| | 1 | 2 | 3 | 4 |
| REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS | Assets | Nonadmitted Assets | Net Admitted Assets (Cols. 1 - 2) | Net Admitted Assets |
| 2504. Goodwill | 31,863 | | 31,863 | 40,299 |
| 2597. Totals (Lines 2501 through 2596) (Page 2, Line 2598) | 31,863 | | 31,863 | 40,299 |

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 | 918,546 | 1,010,360 |
| 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 | | (262) |
| 5. Deduct amounts received on disposals | | 38,583 |
| 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 | 49,033 | 52,969 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8) | 869,513 | 918,546 |
| 10. Deduct total nonadmitted amounts | | |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 869,513 | 918,546 |

SCHEDULE B - VERIFICATION**Mortgage Loans**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | | |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | | |
| 8. Deduct amortization of premium and mortgage interest points and commitment fees | | |
| 9. Total foreign exchange change in book value/recorded investment excluding accrued interest | | |
| 10. Deduct current year's other than temporary impairment recognized | | |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) | | |
| 12. Total valuation allowance | | |
| 13. Subtotal (Line 11 plus Line 12) | | |
| 14. Deduct total nonadmitted amounts | | |
| 15. Statement value at end of current period (Line 13 minus Line 14) | | |

NONE**SCHEDULE BA - VERIFICATION****Other Long-Term Invested Assets**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 202,308 | 123,243 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | 135,398 | 169,955 |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | 151,784 | 90,890 |
| 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) | 185,922 | 202,308 |
| 12. Deduct total nonadmitted amounts | | |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 185,922 | 202,308 |

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 | 83,966,044 | 89,458,490 |
| 2. Cost of bonds and stocks acquired | 10,440,281 | 19,726,387 |
| 3. Accrual of discount | 10,240 | 15,975 |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | 80,450 | 942,556 |
| 6. Deduct consideration for bonds and stocks disposed of | 6,474,461 | 24,725,612 |
| 7. Deduct amortization of premium | 1,098,061 | 1,451,752 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other than temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 86,924,493 | 83,966,044 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 86,924,493 | 83,966,044 |

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 |
|-----------------------------------|---|--|--|--|---|--|---|---|
| BONDS | | | | | | | | |
| 1. NAIC 1 (a) | 79,345,130 | 3,651,755 | 1,291,815 | 373,939 | 80,793,211 | 79,345,130 | 82,079,009 | 79,074,619 |
| 2. NAIC 2 (a) | 6,789,357 | | 1,210,238 | (733,634) | 4,876,262 | 6,789,357 | 4,845,485 | 4,891,425 |
| 3. NAIC 3 (a) | | | | | | | | |
| 4. NAIC 4 (a) | | | | | | | | |
| 5. NAIC 5 (a) | | | | | | | | |
| 6. NAIC 6 (a) | | | | | | | | |
| 7. Total Bonds | 86,134,487 | 3,651,755 | 2,502,053 | (359,695) | 85,669,473 | 86,134,487 | 86,924,494 | 83,966,044 |
| PREFERRED STOCK | | | | | | | | |
| 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 | 86,134,487 | 3,651,755 | 2,502,053 | (359,695) | 85,669,473 | 86,134,487 | 86,924,494 | 83,966,044 |

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

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

- NONE Schedule DA - Part 1 and Verification**
- 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**
- NONE Schedule B - Part 2 and 3**
- NONE Schedule BA - Part 2 and 3**

SCHEDULE D - PART 3

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

| 1 CUSIP Ident- ification | 2 Description | 3 Foreign | 4 Date Acquired | 5 Name of Vendor | 6 Number of Shares of Stock | 7 Actual Cost | 8 Par Value | 9 Paid for Accrued Interest and Dividends | 10 NAIC Designation or Market Indicator (a) |
|-----------------------------------|---|--------------|--------------------|------------------------|--------------------------------------|------------------|----------------|--|--|
| 084670-BJ-6 | BERKSHIRE HATHAWAY INC | | 08/18/2016 | WELLS FARGO BROKERAGE | | 798,833 | 750,000.00 | 500 | 1FE |
| 59217G-BV-0 | METROPOLITAN LIFE GLOBAL FUNDING I | | 09/13/2016 | CANTOR FITZGERALD & CO | | 896,886 | 900,000.00 | 39 | 1FE |
| 695114-CH-9 | PACIFICORP | | 08/15/2016 | Transfer in | | 1,309,092 | 1,225,000.00 | 5,768 | 1FE |
| 69349L-AM-0 | PNC BANK NA | | 09/01/2016 | Transfer | | (1,518,716) | (1,450,000.00) | (9,030) | 1FE |
| 91159H-HM-5 | U.S. BANCORP | | 09/01/2016 | Transfer | | (1,274,885) | (1,275,000.00) | (329) | 1FE |
| 3899999 | Total Bonds Industrial and Miscellaneous (Unaffiliated) | | | | X X X | 211,210 | 150,000.00 | (3,052) | X X X |
| 69349L-AM-0 | PNC BANK NA | | 09/01/2016 | Transfer | | 1,518,716 | 1,450,000.00 | 9,030 | 1FE |
| 91159H-HM-5 | U.S. BANCORP | | 09/01/2016 | Transfer | | 1,921,829 | 1,922,000.00 | 6,402 | 1FE |
| 4899999 | Total Bonds Hybrid Securities | | | | X X X | 3,440,545 | 3,372,000.00 | 15,432 | X X X |
| 8399997 | Total Bonds Part 3 | | | | X X X | 3,651,755 | 3,522,000.00 | 12,380 | 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 | 3,651,755 | 3,522,000.00 | 12,380 | X X X |
| 9999999 | Totals | | | | X X X | 3,651,755 | X X X | 12,380 | X X X |

E04

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

SCHEDULE D - PART 4

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

| 1 CUSIP Identification | 2 Description | 3 F o r e i g n | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 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 Designation or Market Indicator (a) | |
|----------------------------|---|--------------------------------------|--------------------------|-------------------------|--------------------------------|----------------------|----------------------------|----------------------|---|--|---|---|--|--|---|--|--|-------------------------------------|--|--|--|-------|
| | | | | | | | | | | 11 Unrealized Valuation Increase/(Decrease) | 12 Current Year's (Amortization)/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. | | | | | | | | |
| 406216-AH-4 59217G-AZ-2 | Halliburton Company METROPOLITAN LIFE GLOBAL FUNDI | | 08/12/2016 09/13/2016 | Transfer out VARIOUS | | 1,928,459 579,704 | 1,566,000.00 575,000.00 | 2,183,973 571,429 | 1,964,241 573,044 | | | (35,783) 550 | (35,783) 550 | | 1,928,459 573,595 | | 6,109 | 6,109 | 118,821 7,906 | 02/15/2021 06/22/2018 | 2FE 1FE | |
| 3899999 | Total - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | X X X | 2,508,163 | 2,141,000.00 | 2,755,402 | 2,537,285 | | | (35,233) | (35,233) | | 2,502,054 | | 6,109 | 6,109 | 126,727 | X X X | X X X | |
| 8399997 | Total - Bonds - Part 4 | | | | X X X | 2,508,163 | 2,141,000.00 | 2,755,402 | 2,537,285 | | | (35,233) | (35,233) | | 2,502,054 | | 6,109 | 6,109 | 126,727 | 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 | X X X |
| 8399999 | Total Bonds | | | | X X X | 2,508,163 | 2,141,000.00 | 2,755,402 | 2,537,285 | | | (35,233) | (35,233) | | 2,502,054 | | 6,109 | 6,109 | 126,727 | X X X | X X X | |
| 9999999 | Totals | | | | | 2,508,163 | X X X | 2,755,402 | 2,537,285 | | | (35,233) | (35,233) | | 2,502,054 | | 6,109 | 6,109 | 126,727 | X X X | X X X | |

ES

(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 | | | | | | | | |
| JP Morgan Chase | | | | | 250 | 22,150 | 17,750 | |
| Citibank, N.A | | | | | 6,051,503 | 4,855,402 | 5,104,695 | |
| JP Morgan Chase | | | | | 254,196 | 254,300 | 254,300 | |
| JP Morgan Chase | | | | | 4,403,641 | 3,749,923 | 3,353,806 | |
| JP Morgan Chase | | | | | 1,838,749 | 1,838,749 | 1,838,749 | |
| JP Morgan Chase | | | | | 220,176 | 249,309 | 229,200 | |
| Citibank, N.A | | | | | 13,017 | 41,036 | 74,679 | |
| Citibank, N.A | | | | | 2,796,432 | 3,767,222 | 3,878,653 | |
| Citibank, N.A | | | | | 747,630 | 949,963 | 964,342 | |
| Citibank, N.A | | | | | 969,136 | 908,897 | 916,984 | |
| Bank of America | | | | | 4,039,103 | 21,939,874 | 442,608 | |
| JP Morgan Chase | | | | | 12,824,895 | 13,301,589 | 13,778,246 | |
| Citibank, N.A | | | | | 27,554,763 | 27,566,338 | 23,089,003 | |
| JP Morgan Chase | | | | | 4,233,231 | 4,233,618 | 4,233,881 | |
| Investors Bank | | | | | 859,126 | 859,274 | 859,566 | |
| Bank of America | | | | | 3,736,157 | 3,809,545 | 3,392,807 | |
| JP Morgan Chase | | | | | 5,198,841 | 13,798,919 | 13,800,617 | |
| Citibank, N.A | | | | | 110,054 | 50,009 | 50,013 | |
| 0199998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories | X X X | X X X | | | | | | X |
| 0199999 Total Segregated Funds Held for Others | X X X | X X X | | | 75,850,900 | 102,196,117 | 76,279,899 | X |
| Open Depositories - Section (B) - General Funds | | | | | | | | |
| Citibank, N.A | | | | | (41,134) | (41,134) | (27,134) | |
| JP Morgan Chase | | | | | 6,847 | 6,847 | 6,847 | |
| JP Morgan Chase | | | | | 14,495,460 | 16,667,123 | 18,245,461 | |
| Bank of America | | | | | 585,231 | 101,389 | 79,410 | |
| Compass Bank | | | | | 298,035 | 277,831 | 351,748 | |
| Compass Bank | | | | | 291,747 | 234,590 | 268,385 | |
| JP Morgan Chase | | | | | (59,193) | (72,769) | (57,480) | |
| 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 | 330 | | 129,465 | 129,465 | 129,465 | X |
| 0299999 Total General Funds | X X X | X X X | 330 | | 15,706,458 | 17,303,342 | 18,996,702 | 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 | 330 | | 91,557,358 | 119,499,459 | 95,276,601 | X |
| Suspended Depositories - Section (A) - Seg. Funds Held for Others | | | | | | | | |
| 0599998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories | X X X | X X X | | | | | | X |
| 0599999 Total Segregated Funds Held for Others | X X X | X X X | | | | | | X |
| Suspended Depositories - Section (B) - General Funds | | | | | | | | |
| 0699998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories | X X X | X X X | | | | | | X |
| 0699999 Total General Funds | X X X | X X X | | | | | | X |
| Suspended Depositories - Section (C) - Reinsurance Reserve Funds | | | | | | | | |
| 0799998 Deposits in () depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories | X X X | X X X | | | | | | X |
| 0799999 Total Reinsurance Reserve Funds | X X X | X X X | | | | | | X |
| 0899999 Total Suspended Depositories | X X X | X X X | | | | | | X |
| 0999999 Total Cash on Deposit | X X X | X X X | 330 | | 91,557,358 | 119,499,459 | 95,276,601 | X |
| 1099999 Cash in Company's Office | X X X | X X X | X X X | X X X | 7,243 | 7,243 | 7,243 | X |
| 1199999 Total Cash | X X X | X X X | 330 | | 91,564,601 | 119,506,702 | 95,283,844 | X |

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 Description | 2 Code | 3 Date Acquired | 4 Rate of Interest | 5 Maturity Date | 6 Book/Adjusted Carrying Value | 7 Amount of Interest Due & Accrued | 8 Amount Received During Year |
|--|-----------|--------------------|-----------------------|--------------------|-----------------------------------|---------------------------------------|----------------------------------|
| | | | NONE | | | | |
| <div style="display: flex; justify-content: space-between;"> E13 8699999 Total Cash Equivalents </div> | | | | | | | |