

QUARTERLY STATEMENT

OF THE

STEWART

Title Guaranty Company

of HOUSTON

in the state of TEXAS

TO THE

Insurance Department

OF THE

STATE OF

FOR THE QUARTER ENDED

March 31, 2018

TITLE

2018

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 | 514,676,694 | | 514,676,694 | 526,975,400 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | | |
| 2.2 Common stocks | 460,110,299 | | 460,110,299 | 469,635,443 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | 203,680 | | 203,680 | 377,524 |
| 3.2 Other than first liens | | | | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ 0 encumbrances) | | | | |
| 4.2 Properties held for the production of income (less \$ 0 encumbrances) | | | | |
| 4.3 Properties held for sale (less \$ 0 encumbrances) | 2,011 | | 2,011 | 2,011 |
| 5. Cash (\$ 39,663,860), cash equivalents (\$ 0), and short-term investments (\$ 0) | 39,663,860 | | 39,663,860 | 38,215,575 |
| 6. Contract loans (including \$ 0 premium notes) | | | | |
| 7. Derivatives | | | | |
| 8. Other invested assets | 538,422 | 147,162 | 391,260 | 391,261 |
| 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) | 1,015,194,966 | 147,162 | 1,015,047,804 | 1,035,597,214 |
| 13. Title plants less \$ 0 charged off (for Title insurers only) | 6,738,646 | 100,001 | 6,638,645 | 6,638,645 |
| 14. Investment income due and accrued | 4,028,727 | 42,183 | 3,986,544 | 5,098,508 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 31,998,134 | 2,422,606 | 29,575,528 | 32,786,290 |
| 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 | 1,007,571 | 81,092 | 926,479 | 1,460,546 |
| 17. Amounts receivable relating to uninsured plans | | | | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | | 302,986 |
| 18.2 Net deferred tax asset | 17,055,228 | 7,461,208 | 9,594,020 | 9,746,974 |
| 19. Guaranty funds receivable or on deposit | | | | |
| 20. Electronic data processing equipment and software | 463,062 | 449,898 | 13,164 | 19,098 |
| 21. Furniture and equipment, including health care delivery assets (\$ 0) | 2,565,369 | 671,042 | 1,894,327 | 2,088,821 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | 6,992,121 | | 6,992,121 | 4,556,561 |
| 23. Receivables from parent, subsidiaries and affiliates | 12,056,995 | | 12,056,995 | 1,499,954 |
| 24. Health care (\$ 0) and other amounts receivable | 2,209,823 | | 2,209,823 | 2,559,541 |
| 25. Aggregate write-ins for other than invested assets | 12,102,873 | 10,266,750 | 1,836,123 | 3,559,361 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 1,112,413,515 | 21,641,942 | 1,090,771,573 | 1,105,914,499 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. Total (Lines 26 and 27) | 1,112,413,515 | 21,641,942 | 1,090,771,573 | 1,105,914,499 |

| DETAILS OF WRITE-IN LINES | | | | |
|---|------------|------------|-----------|-----------|
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | | | | |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) | | | | |
| 2501. Other nonadmitted assets | 8,615,874 | 8,615,874 | | |
| 2502. Other assets & deposits | 2,504,865 | 1,650,876 | 853,989 | 867,417 |
| 2503. State tax credits | 982,134 | | 982,134 | 2,691,944 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | | | | |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 12,102,873 | 10,266,750 | 1,836,123 | 3,559,361 |

NONE

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 | 2 |
|---|---------------------------|---------------------------|
| | Current Statement Date | December 31 Prior Year |
| 1. Known claims reserve | 54,473,141 | 56,347,557 |
| 2. Statutory premium reserve | 446,347,678 | 447,256,651 |
| 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) | 14,231,359 | 27,465,587 |
| 7. Taxes, licenses and fees (excluding federal and foreign income taxes) | 2,052,630 | 6,004,690 |
| 8.1 Current federal and foreign income taxes (including \$ 56,077 on realized capital gains (losses)) | 18,945,411 | 22,560,933 |
| 8.2 Net deferred tax liability | | |
| 9. Borrowed money \$ 0 and interest thereon \$ 0 | | |
| 10. Dividends declared and unpaid | | |
| 11. Premiums and other consideration received in advance | | 21,467 |
| 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 | 2,526,531 | 3,411,619 |
| 19. Derivatives | | |
| 20. Payable for securities | | |
| 21. Payable for securities lending | | |
| 22. Aggregate write-ins for other liabilities | 75,720 | 110,015 |
| 23. Total liabilities (Lines 1 through 22) | 538,652,470 | 563,178,519 |
| 24. Aggregate write-ins for special surplus funds | 501,405 | 501,405 |
| 25. Common capital stock | 8,500,000 | 8,500,000 |
| 26. Preferred capital stock | | |
| 27. Aggregate write-ins for other than special surplus funds | | |
| 28. Surplus notes | | |
| 29. Gross paid in and contributed surplus | 200,139,408 | 200,563,866 |
| 30. Unassigned funds (surplus) | 342,978,290 | 333,170,709 |
| 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) | 552,119,103 | 542,735,980 |
| 33. Totals (Page 2, Line 28, Col. 3) | 1,090,771,573 | 1,105,914,499 |

| 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. Reinsurance payable | 75,720 | 110,015 |
| 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) | 75,720 | 110,015 |
| 2401. Surplus arising from increase in book value of title plants | 501,384 | 501,384 |
| 2402. Mineral interest-assigned value | 21 | 21 |
| 2403. | | |
| 2498. Summary of remaining write-ins for Line 24 from overflow page | | |
| 2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above) | 501,405 | 501,405 |
| 2701. | | |
| 2702. | | |
| 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 | 308,892,367 | 312,848,154 | 1,361,709,934 |
| 1.2 Escrow and settlement services | 3,280,857 | 4,075,853 | 16,580,012 |
| 1.3 Other title fees and service charges | 10,393,887 | 9,000,799 | 36,291,311 |
| 2. Aggregate write-ins for other operating income | | | |
| 3. Total Operating Income (Lines 1 through 2) | 322,567,111 | 325,924,806 | 1,414,581,257 |
| EXPENSES: | | | |
| 4. Losses and loss adjustment expenses incurred | 13,390,284 | 18,159,184 | 66,810,089 |
| 5. Operating expenses incurred | 297,894,585 | 301,942,380 | 1,293,187,384 |
| 6. Aggregate write-ins for other operating expenses | | | |
| 7. Total Operating Expenses | 311,284,869 | 320,101,564 | 1,359,997,473 |
| 8. Net operating gain or (loss) (Lines 3 minus 7) | 11,282,242 | 5,823,242 | 54,583,784 |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned | 13,585,187 | 3,592,091 | 14,253,939 |
| 10. Net realized capital gains (losses) less capital gains tax of \$ 56,077 | 210,958 | 295,061 | 1,985,903 |
| 11. Net investment gain (loss) (Lines 9 + 10) | 13,796,145 | 3,887,152 | 16,239,842 |
| OTHER INCOME | | | |
| 12. Aggregate write-ins for miscellaneous income or (loss) or other deductions | 503,178 | 250,443 | 1,236,775 |
| 13. Net income, after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12) | 25,581,565 | 9,960,837 | 72,060,401 |
| 14. Federal and foreign income taxes incurred | 1,553,627 | 3,875,223 | 24,338,864 |
| 15. Net income (Lines 13 minus 14) | 24,027,938 | 6,085,614 | 47,721,537 |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 16. Surplus as regards policyholders, December 31 prior year | 542,735,980 | 509,929,483 | 509,929,483 |
| 17. Net income (from Line 15) | 24,027,938 | 6,085,614 | 47,721,537 |
| 18. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0 | (7,749,278) | 2,500,872 | 1,011,164 |
| 19. Change in net unrealized foreign exchange capital gain (loss) | (3,100,742) | 957,671 | 7,929,285 |
| 20. Change in net deferred income taxes | (1,159,889) | (198,961) | (13,068,748) |
| 21. Change in nonadmitted assets | (2,210,448) | 311,398 | 4,908,023 |
| 22. Change in provision for unauthorized and certified reinsurance | | | |
| 23. Change in supplemental reserves | | | |
| 24. Change in surplus notes | | | |
| 25. Cumulative effect of changes in accounting principles | | | |
| 26. Capital Changes: | | | |
| 26.1 Paid in | | | |
| 26.2 Transferred from surplus (Stock Dividend) | | | |
| 26.3 Transferred to surplus | | | |
| 27. Surplus Adjustments: | | | |
| 27.1 Paid in | (424,458) | 1,577,245 | 4,305,236 |
| 27.2 Transferred to capital (Stock Dividend) | | | |
| 27.3 Transferred from capital | | | |
| 28. Dividends to stockholders | | | (20,000,000) |
| 29. Change in treasury stock | | | |
| 30. Aggregate write-ins for gains and losses in surplus | | | |
| 31. Change in surplus as regards policyholders for the year (Lines 17 through 30) | 9,383,123 | 11,233,839 | 32,806,497 |
| 32. Surplus as regards policyholders as of statement date (Lines 16 plus 31) | 552,119,103 | 521,163,322 | 542,735,980 |

| 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. Ceded reimbursement from agents | 395,178 | 14,908 | 142,069 |
| 1202. Title Plant rent income | 171,177 | 201,950 | 851,409 |
| 1203. Miscellaneous income | 14,667 | | 58,302 |
| 1298. Summary of remaining write-ins for Line 12 from overflow page | (77,844) | 33,585 | 184,995 |
| 1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above) | 503,178 | 250,443 | 1,236,775 |
| 3001. True-up of current taxes owed the company pursuant to tax sharing agreement | | | |
| 3002. | | | |
| 3003. | | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | | | |
| 3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above) | | | |

CASH FLOW

| | 1 | 2 | 3 |
|--|-------------------------|-----------------------|---------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance | 312,049,939 | 311,297,197 | 1,362,171,741 |
| 2. Net investment income | 15,894,565 | 5,759,559 | 19,339,049 |
| 3. Miscellaneous income | 14,177,922 | 13,327,094 | 54,108,098 |
| 4. Total (Lines 1 to 3) | 342,122,426 | 330,383,850 | 1,435,618,888 |
| 5. Benefit and loss related payments | 13,074,700 | 19,333,534 | 63,517,667 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 331,349,774 | 325,402,765 | 1,294,553,742 |
| 8. Dividends paid to policyholders | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses) | 4,922,240 | 1,372,698 | 11,738,796 |
| 10. Total (Lines 5 through 9) | 349,346,714 | 346,108,997 | 1,369,810,205 |
| 11. Net cash from operations (Line 4 minus Line 10) | (7,224,288) | (15,725,147) | 65,808,683 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 11,894,535 | 27,311,949 | 92,882,946 |
| 12.2 Stocks | 2,171,176 | 793,373 | 8,634,466 |
| 12.3 Mortgage loans | 173,844 | 3,204 | 13,145 |
| 12.4 Real estate | | | 212,022 |
| 12.5 Other invested assets | 2,904 | 2,342 | 105,349 |
| 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) | 14,242,459 | 28,110,868 | 101,847,928 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | 5,560,552 | 39,879,505 | 141,839,978 |
| 13.2 Stocks | 9,334 | 1,151,690 | 36,922,552 |
| 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) | 5,569,886 | 41,031,195 | 178,762,530 |
| 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) | 8,672,573 | (12,920,327) | (76,914,602) |
| 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 | | | 20,000,000 |
| 16.6 Other cash provided (applied) | | | |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) | | | (20,000,000) |
| 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) | 1,448,285 | (28,645,474) | (31,105,919) |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 38,215,575 | 69,321,494 | 69,321,494 |
| 19.2 End of period (Line 18 plus Line 19.1) | 39,663,860 | 40,676,020 | 38,215,575 |

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

| | | | | |
|---------|---|-------|--|---------|
| 20.0001 | Line 13.2 includes non-cash contributions to affiliates | 9,334 | | 594,860 |
| 20.0002 | | | | |
| 20.0003 | | | | |

NOTES TO FINANCIAL STATEMENTS

1. Accounting Practices

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

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

| | SSAP# | F/S Page | F/S Line# | | <u>3/31/2018</u> | | <u>12/31/2017</u> |
|--------------------------------------|-------|-------------|--------------|----|------------------|----|-------------------|
| Net Income(loss), Texas State Basis | XXX | XXX | XXX | \$ | 24,027,938 | \$ | 47,721,537 |
| State Prescribed Practices: | | | | \$ | - | \$ | - |
| State Permitted Practices: | | | | \$ | - | \$ | - |
| Net Income(loss), NAIC SAP | XXX | XXX | XXX | \$ | 24,027,938 | \$ | 47,721,537 |
| Statutory Surplus, Texas State Basis | | | | \$ | 552,119,103 | \$ | 542,735,980 |
| State Prescribed Practices: | | | | | | | |
| (1)Furniture & Fixtures | 19 | 1 | 21 | \$ | 1,894,327 | \$ | 2,088,821 |
| (2)Real Estate | 40 | 1 | 4.3 | \$ | 2,011 | \$ | 2,011 |
| State Permitted Practices: | | | | \$ | - | \$ | - |
| Statutory Surplus, NAIC SAP | XXX | XXX | XXX | \$ | 550,222,765 | \$ | 540,645,148 |

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

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

C. Accounting Policies

Revenue recognition and related expenses - Premiums are earned at the time of the closing of the related real estate transaction. Premiums on title insurance policies written by agents are recognized primarily when policies are reported to the Company. In addition, where reasonable estimates can be made, the Company accrues for policies issued but not reported until after period end. The Company believes that reasonable estimates can be made when recent and consistent policy issuance information is available. Estimates are based on historical reporting patterns and other information obtained about agencies, as well as current trends in direct operations and in the title industry. In this accrual, future transactions are not being estimated. The Company is estimating revenues on policies that have already been issued by agencies but not yet reported to or received by the Company. The Company has consistently followed the same basic method of estimating unreported policy revenues for more than 10 years. The Company assumes and cedes reinsurance with various title companies, on an individual basis, utilizing standard facultative agreements provided by the American Land Title Association and also has in effect several excess reinsurance agreements wherein the Company assumes or may cede liability automatically under the terms of the treaty. In addition, the Company has in place an excess of loss ceded reinsurance agreement which is on a claims made basis. Statutory Premium Reserves (SPR) are established to protect title insurance policyholders in the event of insolvency or dissolution of a title insurer. SPR is computed based on Article 2251.253 of the Texas Insurance Code. Expenses incurred in connection with issuing the policies, including the establishment of statutory premium reserves, are charged to operations as an expense in the current period.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the scientific method.
- (3) Common stocks are stated at market except investments in stocks that are not publicly traded, are valued at zero or cost.

NOTES TO FINANCIAL STATEMENTS

- (4) Investments in Preferred stock, excluding investments in preferred stock of subsidiary, controlled, or affiliated entities – None.
- (5) Mortgage loans on real estate are stated at the aggregate unpaid balance.
- (6) Loan-backed securities, if any, are valued at amortized cost using the retrospective method.
- (7) The Company owns 100% of the common stock of Stewart Title Company, a non-insurance company. This stock is valued on the audited GAAP equity basis as described in the *NAIC Accounting Practices and Procedures Manual* SSAP 97, section 8(b)(iii).

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

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

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

The Company sold its 30% interest in Western America Title Service, LLC during the third quarter of 2017.

- (8) The Company has minor ownership interests in one joint venture and two limited liability companies. These investments are valued based on SSAP 48 (7).
- (9) Derivatives – None
- (10) Anticipated investment income used as a factor in the premium deficiency calculation. – Not applicable
- (11) Unpaid losses and loss adjustment expenses include an amount for known claims and a formula-driven statutory premium reserve. Known claim reserves consist of a reserve for payment of the loss and costs of defense of the insured and other costs expected to be paid to other parties in the defense, settlement, or processing of the claim under the terms of the title insurance policy for each specific known claim.

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

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

At December 31, 2017 the total of the Company's known claims reserves and statutory premium reserve was \$84.3 million greater than the loss reserve as stated in Schedule P, column 24, on which the Company's appointed actuary has provided a loss reserve opinion.

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

2. Accounting Changes and Corrections of Errors

- A. There were no material changes in accounting principles.
- B. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Texas. The State of Texas requires that insurance companies domiciled in the State of Texas prepare their statutory basis financial statements in accordance with the *NAIC Accounting Practices and Procedures* manual, subject to any deviations prescribed or permitted by the State of Texas insurance commissioner.

Accounting changes adopted to conform to the provisions of the *NAIC Accounting Practices and Procedures* manual are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. There were no material changes in accounting principles in 2017 or 2016.

3. Business Combinations and Goodwill – Not Applicable

4. Discontinued Operations – Not Applicable

NOTES TO FINANCIAL STATEMENTS

5. Investments

A. Mortgage Loans

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

| | <u>Current Year</u> | <u>Prior Year</u> |
|---|-------------------------|-----------------------|
| 4. At March 31, 2018, the Company held mortgage loans with interest more than 180 days past due with a recorded investment excluding accrued interest of: | - | 170,146 |
| Total interest due on mortgages with interest more than 180 days past due equals: | - | - |
| 5. Taxes, assessments and any amounts advances and not included in the mortgage loan total. | - | - |
| 6. Current year impaired loans with related allowance for credit losses. | - | - |
| 7. Impaired mortgage loans without an allowance for credit losses. | - | - |
| 8. Average recorded investment in impaired loans. | - | - |
| 9. Interest income recognized during the period on loans impaired. | - | - |
| 10. Amount of interest income recognized on a cash basis during the period the loans were impaired. | - | - |

11. Allowance for credit losses- None.

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

B. Debt Restructuring- Not applicable

C. Reverse Mortgages – Not applicable

D. Loan-Backed Securities – Not applicable

E. Repurchase Agreements – Not applicable

F. Real Estate

(1) None

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

(3) Not applicable

(4) Not applicable

(5) Not applicable

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

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

6. Joint Ventures, Partnerships and Limited Liability Companies

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

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

7. Investment Income

A. All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgages loans in default and all interest accrued on unsecured notes and certificates of deposit are excluded from surplus.

B. The total amount excluded at March 31, 2018 was \$42,183.

8. Derivative Instruments – None

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

| A. Components of the net deferred tax asset or net deferred tax liability | 3/31/2018 | | | 12/31/2017 | | |
|--|--------------------|------------------|--------------------|-------------------|--------------------|-------------------|
| | Ordinary | Capital | Total | Ordinary | Capital | Total |
| 1. | | | | | | |
| (a) Total gross deferred tax assets | 16,231,384 | 2,672,177 | 18,903,561 | 22,053,818 | 2,025,736 | 24,079,554 |
| (b) Statutory Valuation Allowance Adjustments | (222,806) | 0 | (222,806) | 0 | 0 | 0 |
| (c) Adjusted gross deferred tax assets | 16,008,578 | 2,672,177 | 18,680,755 | 22,053,818 | 2,025,736 | 24,079,554 |
| (d) Deferred tax assets nonadmitted | (4,789,032) | (2,672,177) | (7,461,208) | (6,442,408) | (2,025,736) | (8,468,143) |
| (e) Subtotal net admitted deferred tax assets | 11,219,546 | 0 | 11,219,546 | 15,611,411 | 0 | 15,611,411 |
| (f) Deferred tax liabilities | (858,769) | (766,757) | (1,625,526) | (4,689,945) | (1,174,492) | (5,864,437) |
| (g) Net admitted deferred tax assets (net deferred tax liabilities) | 10,360,777 | (766,757) | 9,594,020 | 10,921,466 | (1,174,492) | 9,746,974 |
| | Change Ordinary | Change Capital | Change Total | | | |
| (a) Total gross deferred tax assets | (5,822,434) | 646,441 | (5,175,993) | | | |
| (b) Statutory Valuation Allowance Adjustments | (222,806) | 0 | (222,806) | | | |
| (c) Adjusted gross deferred tax assets | (6,045,240) | 646,441 | (5,398,799) | | | |
| (d) Deferred tax assets nonadmitted | 1,653,376 | (646,441) | 1,006,936 | | | |
| (e) Subtotal net admitted deferred tax assets | (4,391,864) | 0 | (4,391,864) | | | |
| (f) Deferred tax liabilities | 3,831,176 | 407,735 | 4,238,911 | | | |
| (g) Net admitted deferred tax assets (net deferred tax liabilities) | (560,688) | 407,735 | (152,953) | | | |
| 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. | 7,767,892 | 0 | 7,767,892 | 828,725 | 0 | 828,725 |
| (b) Adjusted gross DTAs expected to be realized under ¶11.b.i. | 1,826,128 | 0 | 1,826,128 | 8,918,249 | 0 | 8,918,249 |
| (c) Adjusted gross DTAs allowed per limitation threshold under ¶11.b.ii. | 79,847,861 | 0 | 79,847,861 | 81,768,212 | 0 | 81,768,212 |
| (d) Adjusted gross DTAs admitted under ¶11.b. (lessor of ¶11.b.i. or ¶11.b.ii. above) | 1,826,128 | 0 | 1,826,128 | 8,918,249 | 0 | 8,918,249 |
| (e) Adjusted gross DTAs offset by gross DTLs under ¶11.c. | 1,625,526 | 0 | 1,625,526 | 5,864,437 | 0 | 5,864,437 |
| (f) Net admitted deferred tax asset/liability under ¶11.a.- ¶11.c. | 11,219,546 | 0 | 11,219,546 | 15,611,411 | 0 | 15,611,411 |
| | Change Ordinary | Capital | Change Total | | | |
| (a) Federal income taxes paid in prior years recoverable through loss carrybacks admitted under ¶11.a. | 6,939,167 | 0 | 6,939,167 | | | |
| (b) Adjusted gross DTAs expected to be realized under ¶11.b.i. | (7,092,121) | 0 | (7,092,121) | | | |
| (c) Adjusted gross DTAs allowed per limitation threshold under ¶11.b.ii. | (1,920,351) | 0 | (1,920,351) | | | |
| (d) Adjusted gross DTAs admitted under ¶11.b. (lessor of ¶11.b.i. or ¶11.b.ii. above) | (7,092,121) | 0 | (7,092,121) | | | |
| (e) Adjusted gross DTAs offset by gross DTL under ¶11.c. | (4,238,911) | 0 | (4,238,911) | | | |
| (f) Net admitted deferred tax asset/liability under ¶11.a. - ¶11.c. | (4,391,865) | 0 | (4,391,865) | | | |

NOTES TO FINANCIAL STATEMENTS

| | | | | |
|-----|---|------------------|-------------------|---------------|
| 3. | Disclosure of ratios used for threshold limitation for ¶11.b.above | <u>3/31/2018</u> | <u>12/31/2017</u> | <u>Change</u> |
| (a) | Ratio percentage used to determine recovery period and threshold limitation amount in ¶11.b. above. | 15% | 15% | 0% |
| (b) | Other Non-RBC reporting Entities Adj Gross DTA/Adj Capital & Surplus% | 4% | 4% | 0% |
| (c) | Amount of adjusted capital and surplus used to determine recovery period threshold limitation in ¶11.b. above | 532,319,076 | 545,121,410 | (12,802,334) |

| | | | | | | | |
|-----|--|------------------------|-----------------------|---------------------|------------------------|-----------------------|---------------------|
| 4. | Impact of Tax Planning Strategies On the Determination of : Section 4. Is not applicable | <u>3/31/2018</u> | | | <u>12/31/2017</u> | | |
| | | Ordinary Percentage | Capital Percentage | Total Percentage | Ordinary Percentage | Capital Percentage | Total Percentage |
| (a) | Adjusted Deferred Tax Assets (Percentage of Total Adjusted Gross Deferred Tax Assets) | N/A | N/A | 0 | N/A | N/A | 0 |
| (b) | Net Admitted Adjusted Gross Deferred Tax Assets (Percentage of Total Net Admitted Adjusted Gross Deferred Tax Assets) | N/A | N/A | 0 | N/A | N/A | 0 |
| | | <u>Change</u> | | | | | |
| | | Ordinary Percentage | Capital Percentage | Total Percentage | | | |
| (a) | Adjusted Deferred Tax Assets (Percentage of Total Adjusted Gross Deferred Tax Assets) | N/A | N/A | 0 | | | |
| (b) | Net admitted Adjusted Gross Deferred Tax Assets (Percentage of Total Net Admitted Adjusted Gross Deferred Tax Assets) | N/A | N/A | 0 | | | |
| (c) | Do the Company's tax-planning strategies include 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 -0-.
3. There is no unrecognized DTL for temporary differences in investments in foreign subsidiaries and corporate JV's 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:

| | | | | |
|-----|--|------------------|-------------------|---------------------|
| 1. | Current tax expenses incurred: | <u>3/31/2018</u> | <u>12/31/2017</u> | <u>Change</u> |
| (a) | Current year federal tax expense(benefit)- ordinary income | 339,527 | 21,521,368 | (21,181,841) |
| (b) | Current year foreign tax expense(benefit)- ordinary income | 1,214,099 | 3,091,356 | (1,877,257) |
| (c) | Subtotal | 1,553,626 | 24,612,724 | (23,059,098) |
| (d) | Current year tax expense(benefit)- net realized capital gains(losses) | 56,077 | 1,039,564 | (983,487) |
| (e) | Change in estimate of income taxes recoverable | 0 | 0 | 0 |
| (f) | True-up current taxes | 0 | (273,861) | 273,861 |
| (g) | Federal and foreign income taxes incurred | <u>1,609,704</u> | <u>25,378,428</u> | <u>(23,768,724)</u> |

NOTES TO FINANCIAL STATEMENTS

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

| Deferred tax assets: | <u>3/31/2018</u> | <u>12/31/2017</u> | <u>Change</u> |
|---|-------------------------|-------------------------|-------------------------|
| <u>Ordinary</u> | | | |
| (a) Discounting Statutory Premium Reserve | 8,740,820 | 10,268,509 | (1,527,689) |
| (b) Discounting Loss Reserve | 196,366 | 210,756 | (14,390) |
| (c) Fixed Assets | 351,679 | 278,786 | 72,893 |
| (d) Canadian Reserves | 954,297 | 5,806,440 | (4,852,143) |
| (e) Litigation Reserves | 160,800 | 212,962 | (52,162) |
| (f) Bonus Accrual | 967,928 | 967,928 | (0) |
| (g) Foreign Tax Credit Carryforward | 222,806 | 0 | 222,806 |
| (h) Nonadmitted Assets | 2,977,954 | 2,302,304 | 675,650 |
| (i) Other Accruals | 549,240 | 706,807 | (157,567) |
| (j) Other | 1,109,495 | 1,299,326 | (189,831) |
| (k) Subtotal | <u>16,231,384</u> | <u>22,053,818</u> | <u>(5,822,434)</u> |
| (l) Statutory Valuation allowance Adjustment | (222,806) | 0 | (222,806) |
| (m) Nonadmitted ordinary deferred tax assets | (4,789,032) | (6,442,408) | 1,653,376 |
| (n) Admitted ordinary deferred tax assets | <u>11,219,546</u> | <u>15,611,411</u> | <u>(4,391,864)</u> |
| <u>Capital</u> | | | |
| (o) Investments | 0 | 4,649 | (4,649) |
| (p) Unrealized Capital Gains | 2,672,177 | 2,021,087 | 651,090 |
| (q) Subtotal | 2,672,177 | 2,025,736 | 646,441 |
| (r) Nonadmitted capital deferred tax assets | (2,672,177) | (2,025,736) | (646,441) |
| (s) Admitted capital deferred tax assets | <u>0</u> | <u>0</u> | <u>0</u> |
| (t) Admitted deferred tax assets | <u>11,219,546</u> | <u>15,611,411</u> | <u>(4,391,864)</u> |
| 3. Deferred tax liabilities: | <u>3/31/2018</u> | <u>12/31/2017</u> | <u>Change</u> |
| <u>Ordinary</u> | | | |
| (a) U.S. Deferred offset to Canadian Deferred Tax asset | (751,133) | (4,582,309) | 3,831,176 |
| (b) Intangibles | (107,636) | (107,636) | 0 |
| (c) Subtotal | <u>(858,769)</u> | <u>(4,689,945)</u> | <u>3,831,176</u> |
| <u>Capital</u> | | | |
| (d) Unrealized Capital Gains | (678,377) | (1,174,492) | 496,115 |
| (e) Investments | (88,380) | 0 | (88,380) |
| (f) Subtotal | <u>(766,757)</u> | <u>(1,174,492)</u> | <u>407,735</u> |
| (g) Deferred tax liabilities | <u>(1,625,526)</u> | <u>(5,864,437)</u> | <u>4,238,911</u> |
| 4. Net deferred tax assets (liabilities) | <u>9,594,020</u> | <u>9,746,974</u> | <u>(152,954)</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 Charge in Net Deferred Income Taxes in the surplus section of the Annual Statement).

| | <u>3/31/2018</u> | <u>12/31/2017</u> | <u>Change</u> |
|--|-------------------|-------------------|--------------------|
| Total deferred tax assets | 18,903,561 | 24,079,554 | (5,175,993) |
| Total deferred tax liabilities | (1,625,526) | (5,864,437) | 4,238,911 |
| Net deferred tax assets/liabilities | 17,278,035 | 18,215,117 | (937,082) |
| Statutory valuation allowance adjustment | (222,806) | 0 | (222,806) |
| Net deferred tax assets/liabilities after SVA | 17,055,229 | 18,215,117 | (1,159,888) |
| Tax effect of unrealized gains(loses) | 0 | 0 | 0 |
| Statutory valuation allowance adjustment allocated to unrealized | 0 | 0 | 0 |
| Net deferred tax assets(liabilities) | 17,055,229 | 18,215,117 | (1,159,888) |

On December 22, 2017, the Tax Cuts and Jobs Act (the "2017 Act") was signed into law by President Trump. The 2017 Act significantly revised the U. S. corporate income tax regime by, among other things, lowering the U.S. tax rate from 35% to 21% effective January 1, 2018 and imposing a one-time transition tax on deemed repatriated earnings of foreign subsidiaries. As a result of the 2017 Act, the Company recorded in Q4 2017 (a) an \$8.3 million reduction to its net deferred tax assets from a one-time measurement and (b) a \$1.2 million income tax expense related to the transition tax on deemed repatriation of deferred foreign income. The 2018 current tax provision was computed using a 21% tax rate.

NOTES TO FINANCIAL STATEMENTS

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

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

| | 3/31/2018 | 12/31/2017 |
|---|-------------|-------------|
| Income before taxes | 25,637,642 | 73,099,966 |
| Effective tax rate | 21% | 35% |
| Tax Effect | 5,383,905 | 26,616,976 |
| Dividends received deduction | (2,119,408) | (192,556) |
| Nondeductible expenses | 183,534 | 951,872 |
| Tax-exempt interest income | (37,519) | (269,764) |
| U.S. tax reform impact from deemed repatriation | 0 | 1,213,362 |
| Foreign income tax expense | 1,214,099 | 3,091,356 |
| Return-to-provision and other true up adjustments | 524,853 | (265,715) |
| Currency translation adjustment | (651,090) | 2,775,250 |
| U.S. foreign tax credit | (991,293) | (3,091,356) |
| Tax reform rate reduction of 14% | 0 | 8,272,452 |
| Change in deferred taxes on non-admitted assets | (675,650) | 471,120 |
| Other | (61,839) | (93,832) |
| Total | 2,769,592 | 38,447,177 |
| Federal and foreign income taxes incurred | 1,553,626 | 24,338,865 |
| Tax on capital gains(losses) | 56,077 | 1,039,564 |
| Change in net deferred taxes | 1,159,888 | 13,068,748 |
| Total statutory taxes | 2,769,592 | 38,447,177 |

E Carryforward recoverable taxes and IRC section 6603 deposits:

As of March 31, 2018, the Company has the following foreign tax credit carryforward available for tax purposes:

| Origination Year | Expiration Year | Amount |
|------------------|-----------------|---------|
| 2018 | 2028 | 222,806 |
| Total | | 222,806 |

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

| | Ordinary | Capital | Total |
|-------|------------|---------|------------|
| 2018 | 395,605 | | 395,605 |
| 2017 | 22,560,933 | | 22,560,933 |
| 2016 | 10,019,293 | | 10,019,293 |
| Total | 32,975,830 | 0 | 32,975,830 |

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

F. Consolidated federal income tax return

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

SISCO's (and therefore the Company's) Federal income tax returns open to examination are for calendar years 2014, 2015 and 2016. SISCO's 2017 Federal income tax return will be filed during the third quarter of 2018. The Company expects no material adjustments from any tax return examination.

10. Information Concerning Parent, Subsidiaries and Affiliates

A.

The Company paid a common stock dividend of \$20,000,000 to its parent company, Stewart Information Services Corporation, in the fourth quarter of 2017. No dividend has been paid in 2018.

During the quarter ended March 31, 2018, our parent, Stewart Information Services Corporation, made reductions to previously recorded noncash capital contributions related to stock compensation. This resulted in a net decrease to surplus in the amount of \$424,458.

B and C. –

During the quarter ended March 31, 2018, the Company made noncash capital contributions in the amount of \$(12,217) to Stewart Title Company. The Company also made noncash capital contributions to Stewart Title Insurance Company in the amount of \$21,551.

NOTES TO FINANCIAL STATEMENTS

D.

Amounts due from and amounts payable to related parties at March 31, 2018 are \$13,064,566 and \$2,526,531, respectively.

In March 2017, the Company advanced \$10,000,000 to its wholly owned subsidiary, Stewart Title Company ("STC") under an unsecured line of credit. In June 2017, an additional \$10,000,000 was advanced to STC under the same line of credit, bringing the total to \$20,000,000. On June 30, 2017, STC made a repayment of \$10,000,000. In September 2017, an additional \$5,000,000 was advanced to STC. The terms of the loan require payments of interest only on June 1st, September 1st, December 1st, at published LIBOR rates plus 2% on each of those dates. During the fourth quarter of 2017, \$15,000,000 of principal and all accrued interest was reclassified as a capital contribution to STC. There was no outstanding balance on the line of credit at December 31, 2017.

During the first quarter of 2018, \$10,000,000 was advanced to STC under the same line of credit. This amount remained outstanding at March 31, 2018.

E. None

F.

The Company has agreed to provide Stewart Information Services Corporation certain management and accounting services as described in the Cost Allocation Agreement with Stewart Information Services Corporation dated January 1, 1974, as amended by Amendment No. 1, dated January 1, 1980, Amendment No. 2, dated January 1, 1986, Amendment No. 3, dated January 1, 1991, Amendment No. 4, dated January 1, 1996, Amendment No. 5, dated January 1, 2001, Amendment No.6, dated June 6, 2005 (HCS # 34302) and Amendment No. 7, dated September 8, 2010 (HCS # 38937).

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

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

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

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

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

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

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

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

The Company has entered into a hosted service agreement with Stewart Transactions Solutions, Inc. for a hosted tech related services as described in the Service Agreement dated September 15, 2006. Such agreement

NOTES TO FINANCIAL STATEMENTS

was filed with the Texas Insurance Department on September 15, 2006, under Holding Company Section # 35343. On September 17, 2007 the Texas Department of Insurance approved the name change from Stewart Transactions Solutions, Inc. to Property Info Corporation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Company has entered into a title plant lease with Stewart Title LLC dated November 1, 1997. Such

NOTES TO FINANCIAL STATEMENTS

agreement was filed with the Texas Insurance Department under Holding Company Section #27610.

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

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

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

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

- G. All outstanding shares of the Company are owned by Stewart Information Services Corporation, an insurance holding company, domiciled in the State of Delaware.
- H. The Company owns no shares of stock of its ultimate parent company.
- I. The Company owns a 100% interest in Stewart Title Company, a non-insurance company, whose carrying value exceeds 10% of the admitted assets of the Company. The Company carries Stewart Title Company at GAAP equity value adjusted for the elimination of parent company stock. The statement value and GAAP equity value of Stewart Title Company as of December 31, 2017 and 2016 was \$342,022,000 and \$324,233,000, respectively.
- J. The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.

K. and L. – Not applicable

M. All SCA Investments

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

| <u>SCA Entity</u> | Percentage of SCA <u>Ownership</u> | <u>Gross Amount</u> | <u>Admitted Amount</u> | <u>Nonadmitted Amount</u> | |
|--|--|-----------------------|------------------------|---------------------------|---|
| a. SSAP No. 97 8a Entities | | | | | |
| Total SSAP No. 97 8A Entities | X X X | | | | |
| b. SSAP No. 97 8b(ii) Entities | | | | | |
| Total SSAP No. 97 8b(ii) Entities | X X X | | | | |
| c. SSAP No. 97 8b(iii) Entities | | | | | |
| 01. Stewart Title Company | 100.000% | \$ 342,009,783 | \$ 342,009,783 | \$ | - |
| Total SSAP No. 97 8b(iii) Entities | X X X | <u>\$ 342,009,783</u> | <u>\$ 342,009,783</u> | \$ | - |
| d. SSAP No. 97 8b(iv) Entities | | | | | |
| 01. Stewart Title Limited | 100.000% | \$ 33,954,874 | \$ 33,954,874 | \$ | - |
| 02. Stewart Title Guaranty de Mexico | 99.990% | 2,710,280 | 2,710,280 | \$ | - |
| Total SSAP No. 97 8b(iv) Entities | X X X | <u>\$ 36,665,154</u> | <u>\$ 36,665,154</u> | \$ | - |
| e. Total SSAP No. 97 8b Entities (except 8bi entities) (b + c + d) | X X X | <u>\$ 378,674,937</u> | <u>\$ 378,674,937</u> | \$ | - |
| f. Aggregate Total (a + e) | X X X | <u>\$ 378,674,937</u> | <u>\$ 378,674,937</u> | \$ | - |

(2) NAIC Filing Response Information

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

N. Investment in Insurance SCAs – Not applicable

11. Debt – None

NOTES TO FINANCIAL STATEMENTS

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

A. Defined Benefit Plan - None

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

In general, a participant in the defined contribution plan may elect to defer on a tax-free basis, in accordance with Section 401(k) of the Internal Revenue Code, a specified percentage of their compensation.

Contribution by participants whose compensation is in the highly compensated group of all employees is subject to certain additional limitations under Section 401(k) of the Internal Revenue Code. Deferred compensation is contributed to a trust managed for the benefit of the participants. The Plan also offers a

Roth 401(k) feature where the participant can choose to make after-tax contributions.

At March 31, 2018 plan assets totaled \$375,482,785 including vested benefits of \$372,398,603.

C. None

D. None

E. None

F. None

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

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

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

2. The Company has no preferred stock.

3. The Company cannot pay a dividend to its parent in excess of certain limits without the approval of the Texas Insurance Commissioner. The Texas Insurance Commissioner must be notified of any dividend declared, and any dividend in excess of the statutory maximum of 20% of surplus would be, by regulation, considered extraordinary and subject to pre-approval. The maximum dividend to the Company's parent that can be paid after such approval in 2018 is \$108.5 million.

4. The Company paid a shareholder dividend of \$20,000,000 during 2017. No shareholder dividends have been paid by the Company in 2018.

5 - 9 Not applicable

10. The portion of unassigned funds (surplus) represented by cumulative unrealized gains and losses is \$43,097,871.

11 - 13 The Company has no surplus notes or quasi-reorganizations.

14. Contingencies

A. Contingent Commitments – None

B. Assessments – None

C. Gain Contingencies – None

D. Claims related extra contractual and bad faith losses stemming from lawsuits-

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

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

E. All Other Contingencies

Merger Agreement

Our parent company, Stewart Information Services Corporation (NYSE: STC) (“Stewart”) entered into a definitive agreement on March 18, 2018 to be acquired by Fidelity National Financial, Inc. (NYSE: FNF) (“Fidelity”), a leading provider of title insurance and transaction services to the real estate and mortgage industries. The proposed transaction is subject to approval by Stewart’s shareholders and regulatory authorities and the satisfaction of customary closing conditions. Stewart will be closely working with regulators to obtain the necessary approvals as soon as possible, and the transaction is expected to close by the first or second quarter of 2019.

Regulatory and legal developments

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

Additionally, the Company receives from time to time various other inquiries from governmental regulators concerning practices in the insurance industry. Many of these practices do not concern title insurance. To the extent the Company is in receipt of such inquiries, it believes that it has adequately reserved for these matters and does not anticipate that the outcome of these inquiries will materially affect its consolidated financial condition or results of operations.

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

15. Leases

The Company’s expense for leased offices was \$9,654,658 in 2017 and \$8,777,991 in 2016. The Company is obligated under various non-cancelable leases (with initial or remaining lease terms in excess of one year). The future minimum lease payments are summarized as follows:

| | | |
|---------------------------|---------------|--|
| 2019 ----- | \$ 9,083,133 | |
| 2020 ----- | 4,617,454 | |
| 2021 ----- | 3,300,784 | |
| 2022 ----- | 835,419 | |
| 2023 and thereafter ----- | - | |
| Total | \$ 17,836,790 | |

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

NOTES TO FINANCIAL STATEMENTS

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.

(1) Fair Value Measurements at Reporting Date

| (1) Description | (2) (Level 1) | (3) (Level 2) | (4) (Level 3) | (5) (level 4) |
|--|------------------|------------------|------------------|------------------|
| a. Assets At Fair Value | | | | |
| Common Stock- Unaffiliated Industrial and Misc. | 32,492,376 | | | |
| Total Assets At Fair Value | 32,492,376 | | | |
| b. Liabilities at Fair Value | | | | |
| None | | | | |
| Total Liabilities At fair Value | | | | |

(2) – (5) Not applicable

C.

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Not Practicable (Carrying Value) |
|--------------------------------------|----------------------|-----------------|------------|-------------|-----------|----------------------------------|
| Common Stock Industrial and Misc. | 32,492,376 | 32,492,376 | 32,492,376 | | | |
| Bonds: | | | | | | |
| U.S. Governments | 12,462,249 | 12,839,382 | | 12,462,249 | | |
| Canadian Securities | 193,157,707 | 196,517,051 | | 193,157,707 | | |
| Municipals | 37,532,661 | 37,839,895 | | 37,532,661 | | |
| Corporate and Utilities | 266,284,877 | 267,130,365 | | 266,284,877 | | |
| Total Bonds | 509,437,494 | 514,326,693 | | 509,437,494 | | |
| Real Estate Mortgage Loans | | | | | | |
| Total | \$ 541,929,870 | 546,819,069 | 32,492,376 | 509,437,494 | | |

21. Other Items

A. Unusual or Infrequent Items - None

B. Troubled Debt Restructuring - None

C. Other Disclosures:

The Company holds \$324,087,609 at March 31, 2018 in segregated escrow bank accounts pending the closing of real estate transactions. This results in a contingent liability to the Company. These accounts are

NOTES TO FINANCIAL STATEMENTS

excluded from the financial statements of admitted assets, liabilities and surplus as regards policyholders.

Cash and investments in the amount of \$211,249,848 and \$215,383,076 at March 31, 2018 and December 31, 2017, respectively, were on deposit with government authorities or trustees as required by law.

D. **Business Interruption Insurance Recoveries** – None

E. **State Transferable and Non-Transferable Tax Credits**

At December 31, 2017, the Company held \$1,607,533 in transferable and \$1,084,412 of non-transferable state tax credits which have been partially utilized during 2017. The Company held \$880,254 of transferable and \$101,880 of non-transferable state tax credits at March 31, 2018.

F. **Subprime Mortgage Related Risk Exposure**

We have reviewed our investment portfolio as of March 31, 2018 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.

G. **Insurance-Linked Securities (ILS) Contracts** – None

22. **Events Subsequent** - None

23. **Reinsurance**- Not applicable

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

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

Known claims reserves were \$54,473,141 and \$56,347,557 as of March 31, 2018 and December 31, 2017, respectively. As of March 31, 2018 \$12,991,759 has been paid for incurred losses and loss adjustment expenses as attributable to insured events of prior years. Reserves remaining for prior years are now \$54,430,385 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been an \$11,074,587 unfavorable prior-year development since December 31, 2017. The increase is generally the result of prior year policy claims reported in the current year as well as re-estimation of existing unpaid claims. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

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

27. **Structured Settlements** – None

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

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

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

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

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

2.2 If yes, date of change: _____

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

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

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

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

3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No []

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group 94344

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

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

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

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

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2015

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 01/26/2017

6.4 By what department or departments?

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: \$ _____

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 | \$ <u>432,759,477</u> | \$ <u>427,617,924</u> |
| 14.24 Short-Term Investments | \$ _____ | \$ _____ |
| 14.25 Mortgage Loans on Real Estate | \$ _____ | \$ _____ |
| 14.26 All Other | \$ _____ | \$ _____ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ <u>432,759,477</u> | \$ <u>427,617,924</u> |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ _____ | \$ _____ |

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

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

16. For the reporting entity's security lending program, state the amount of the following as current statement date:

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

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes No

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------|---|
| Compass Bank | P. O. Box 4886 Houston, TX 77210-4886 |
| Bank of Nova Scotia | 130 King Street, 20th Floor Toronto, CN |

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |
| | | |

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

GENERAL INTERROGATORIES

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

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

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

| 1 Name of Firm or Individual | 2 Affiliation |
|-------------------------------------|------------------|
| Vaughn Nelson Investment Management | U |
| Chickasaw Capital Management | U |

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

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

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

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

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

18.2 If no, list exceptions:

.....

19. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designated 5*GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities? Yes No

GENERAL INTERROGATORIES

PART 2 - TITLE

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

| 1 Line of Business | 2 Maximum Interest | 3 Discount Rate | Total Discount | | | | Discount Taken During Period | | | |
|-----------------------|-----------------------|--------------------|--------------------|-----------------|-----------|------------|------------------------------|-----------------|------------|-------------|
| | | | 4 Unpaid Losses | 5 Unpaid LAE | 6 IBNR | 7 TOTAL | 8 Unpaid Losses | 9 Unpaid LAE | 10 IBNR | 11 TOTAL |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| 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>446,347,678</u> |
| 5.12 Short-term investments | \$ _____ |
| 5.13 Mortgages | \$ _____ |
| 5.14 Cash | \$ _____ |
| 5.15 Other admissible invested assets | \$ _____ |
| 5.16 Total | \$ <u>446,347,678</u> |

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

| | |
|---|-----------------------|
| 5.21 Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of: | \$ <u>324,087,609</u> |
| These funds consist of: | |
| 5.22 In cash on deposit | \$ <u>324,087,609</u> |
| 5.23 Other forms of security | \$ _____ |

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year To Date - By States and Territories

| States, Etc. | 1 Active Status (a) | Direct Premiums Written | | Direct Losses and Allocated Loss Adjustment Expenses Paid (Deducting Salvage) | | Direct Known Claim Reserve | | |
|------------------------------|------------------------------|------------------------------|----------------------------|--|----------------------------|------------------------------|----------------------------|------------|
| | | 2 Current Year to Date | 3 Prior Year to Date | 4 Current Year to Date | 5 Prior Year to Date | 6 Current Year to Date | 7 Prior Year to Date | |
| | | 1. Alabama | AL | L | 3,569,270 | 4,569,970 | 105,150 | 78,235 |
| 2. Alaska | AK | L | 2,578,846 | 2,979,494 | | 688 | 53,622 | 34,556 |
| 3. Arizona | AZ | L | 5,664,131 | 6,549,572 | 50,572 | 33,431 | 154,211 | 93,013 |
| 4. Arkansas | AR | L | 1,552,534 | 1,734,100 | (7,913) | 382,665 | 349,587 | 504,750 |
| 5. California | CA | L | 22,778,151 | 20,675,355 | 860,303 | 8,121,617 | 3,884,729 | 4,361,481 |
| 6. Colorado | CO | L | 9,239,871 | 10,937,811 | (432,518) | 136,666 | 773,572 | 1,062,889 |
| 7. Connecticut | CT | L | 1,908,134 | 2,142,764 | 31,947 | 46,055 | 391,798 | 315,345 |
| 8. Delaware | DE | L | 2,202,707 | 2,098,992 | 11,697 | (99,538) | 75,514 | 88,630 |
| 9. District of Columbia | DC | L | 696,182 | 817,575 | 46,867 | 43,708 | 258,465 | 468,443 |
| 10. Florida | FL | L | 14,410,086 | 17,105,510 | 3,865,909 | 1,036,346 | 4,753,542 | 4,714,805 |
| 11. Georgia | GA | L | 6,744,816 | 6,922,299 | (57,885) | 490,382 | 839,797 | 836,954 |
| 12. Hawaii | HI | L | 1,764,455 | 1,190,344 | 56,346 | 392,780 | 173,446 | 98,550 |
| 13. Idaho | ID | L | 2,174,086 | 1,781,787 | 47,294 | 38,277 | 113,836 | 43,620 |
| 14. Illinois | IL | L | 4,641,982 | 5,027,062 | 76,535 | 631,241 | 3,518,795 | 3,396,085 |
| 15. Indiana | IN | L | 2,725,564 | 3,049,533 | 40,566 | 168,532 | 861,942 | 668,495 |
| 16. Iowa | IA | N | 202,476 | 118,870 | 182 | 21,488 | | |
| 17. Kansas | KS | L | 2,236,865 | 1,486,324 | 6,742 | 1,627 | 139,291 | 165,672 |
| 18. Kentucky | KY | L | 2,418,650 | 2,373,127 | 50,496 | 26,474 | 203,477 | 183,575 |
| 19. Louisiana | LA | L | 3,726,618 | 3,264,813 | 262,083 | 48,022 | 512,399 | 576,474 |
| 20. Maine | ME | L | 1,073,564 | 760,162 | 247 | 27,223 | 222,833 | 300,994 |
| 21. Maryland | MD | L | 5,526,147 | 5,550,598 | 52,738 | 31,862 | 986,904 | 308,102 |
| 22. Massachusetts | MA | L | 3,432,918 | 6,927,375 | 415,002 | 57,585 | 1,304,308 | 1,520,338 |
| 23. Michigan | MI | L | 8,126,067 | 9,000,724 | 119,154 | (97,990) | 429,436 | 688,317 |
| 24. Minnesota | MN | L | 6,612,298 | 8,245,719 | 84,317 | 453,319 | 629,839 | 920,580 |
| 25. Mississippi | MS | L | 942,753 | 997,741 | 100,044 | 137,585 | 255,395 | 648,908 |
| 26. Missouri | MO | L | 724,737 | 689,803 | (50,037) | 51,413 | 1,039,391 | 648,367 |
| 27. Montana | MT | L | 2,081,033 | 1,494,236 | 28,016 | 449,509 | 100,071 | 73,061 |
| 28. Nebraska | NE | L | 840,870 | 861,223 | 919 | 2,470 | 38,149 | 20,865 |
| 29. Nevada | NV | L | 3,081,406 | 2,711,226 | 119,457 | 62,279 | 2,074,498 | 2,186,944 |
| 30. New Hampshire | NH | L | 1,340,596 | 1,191,112 | 20,669 | (57,244) | 222,975 | 249,247 |
| 31. New Jersey | NJ | L | 9,832,729 | 10,688,163 | 120,696 | 118,777 | 2,453,469 | 3,348,291 |
| 32. New Mexico | NM | L | 3,092,414 | 3,178,344 | 23,534 | 18,053 | 107,736 | 105,407 |
| 33. New York | NY | Q | | | | | | |
| 34. North Carolina | NC | L | 1,952,291 | 2,360,540 | 87,524 | 224,509 | 543,367 | 1,196,457 |
| 35. North Dakota | ND | L | 885,582 | 816,335 | 7,587 | 601 | 21,157 | 13,627 |
| 36. Ohio | OH | L | 11,796,998 | 10,946,706 | 74,150 | 11,402 | 358,973 | 1,011,428 |
| 37. Oklahoma | OK | L | 1,849,175 | 1,599,935 | 95,565 | 103,198 | 201,552 | 175,734 |
| 38. Oregon | OR | L | 3,107,835 | 3,538,660 | 94,118 | 13,933 | 74,003 | 48,519 |
| 39. Pennsylvania | PA | L | 9,053,288 | 9,688,157 | 106,843 | 524,360 | 1,142,292 | 1,277,019 |
| 40. Rhode Island | RI | L | 199,894 | 351,407 | 25,702 | 1,260 | 591,770 | 593,084 |
| 41. South Carolina | SC | L | 5,113,425 | 4,626,624 | 270,373 | 147,451 | 749,054 | 788,465 |
| 42. South Dakota | SD | L | 1,196,290 | 1,267,027 | 8,343 | 424 | 51,193 | 30,076 |
| 43. Tennessee | TN | L | 5,061,990 | 5,095,834 | 189,899 | 6,543 | 350,241 | 1,237,652 |
| 44. Texas | TX | L | 75,082,763 | 69,501,722 | 606,313 | (32,971) | 4,034,712 | 4,850,509 |
| 45. Utah | UT | L | 10,429,656 | 10,530,071 | 475,793 | 29,973 | 756,696 | 1,358,741 |
| 46. Vermont | VT | L | 239,478 | 294,302 | 4,475 | 7,451 | 95,093 | 16,878 |
| 47. Virginia | VA | L | 9,375,597 | 10,665,083 | 212,538 | 305,708 | 1,212,390 | 887,806 |
| 48. Washington | WA | L | 8,524,073 | 8,105,260 | 244,455 | 315,204 | 550,749 | 376,502 |
| 49. West Virginia | WV | L | 335,585 | 402,908 | 16,373 | 15,432 | 163,241 | 156,669 |
| 50. Wisconsin | WI | L | 4,898,039 | 2,698,747 | 26,625 | 43,443 | 97,801 | 456,418 |
| 51. Wyoming | WY | L | 434,733 | 1,070,684 | 69,968 | (4,181) | 11,846 | 14,257 |
| 52. American Samoa | AS | N | | | | | | |
| 53. Guam | GU | L | 689,750 | 619,150 | 8,255 | 817 | 23,327 | 19,183 |
| 54. Puerto Rico | PR | L | 829,953 | 1,373,607 | 469,499 | 87,508 | 1,745,006 | 2,396,742 |
| 55. U.S. Virgin Islands | VI | L | 158,523 | 223,557 | | 3,138 | | |
| 56. Northern Mariana Islands | MP | L | 145,935 | 31,243 | | | | |
| 57. Canada | CAN | L | 16,972,670 | 18,359,742 | 3,926,073 | 4,650,681 | 13,765,739 | 12,007,390 |
| 58. Aggregate Other Alien | OT | X X X | | | 5,100 | | 121,772 | 184,012 |
| 59. Totals | X X X | | 306,276,479 | 311,289,029 | 13,074,700 | 19,309,421 | 54,473,142 | 58,524,850 |

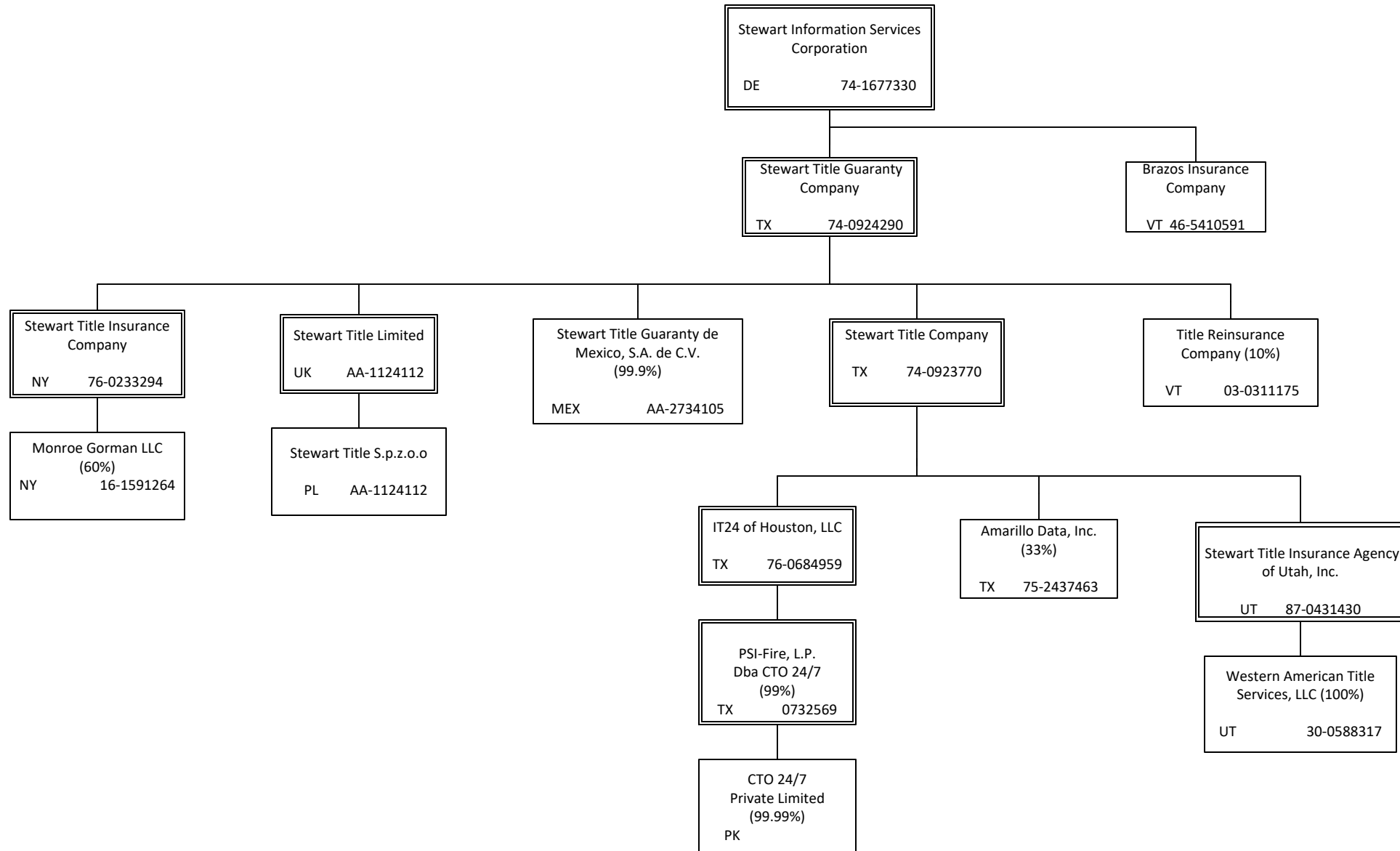
| DETAILS OF WRITE-INS | | | | | | | | |
|----------------------|--|-------|--|--|-------|--|---------|---------|
| 58001 | Costa Rica | X X X | | | 5,100 | | 112,428 | 159,667 |
| 58002 | Dominican Republic | X X X | | | | | 9,344 | 9,345 |
| 58003 | Bahamas | X X X | | | | | | 15,000 |
| 58998 | Summary 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 | | | 5,100 | | 121,772 | 184,012 |

(a) Active Status Counts

| | |
|--|-------|
| L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG | 54 |
| R - Registered - Non-domiciled RRGs | _____ |
| E – Eligible - Reporting entities eligible or approved to write surplus lines in the state | _____ |
| Q - Qualified - Qualified or accredited reinsurer | 1 |
| N – None of the above - Not allowed to write business in the state | 2 |

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

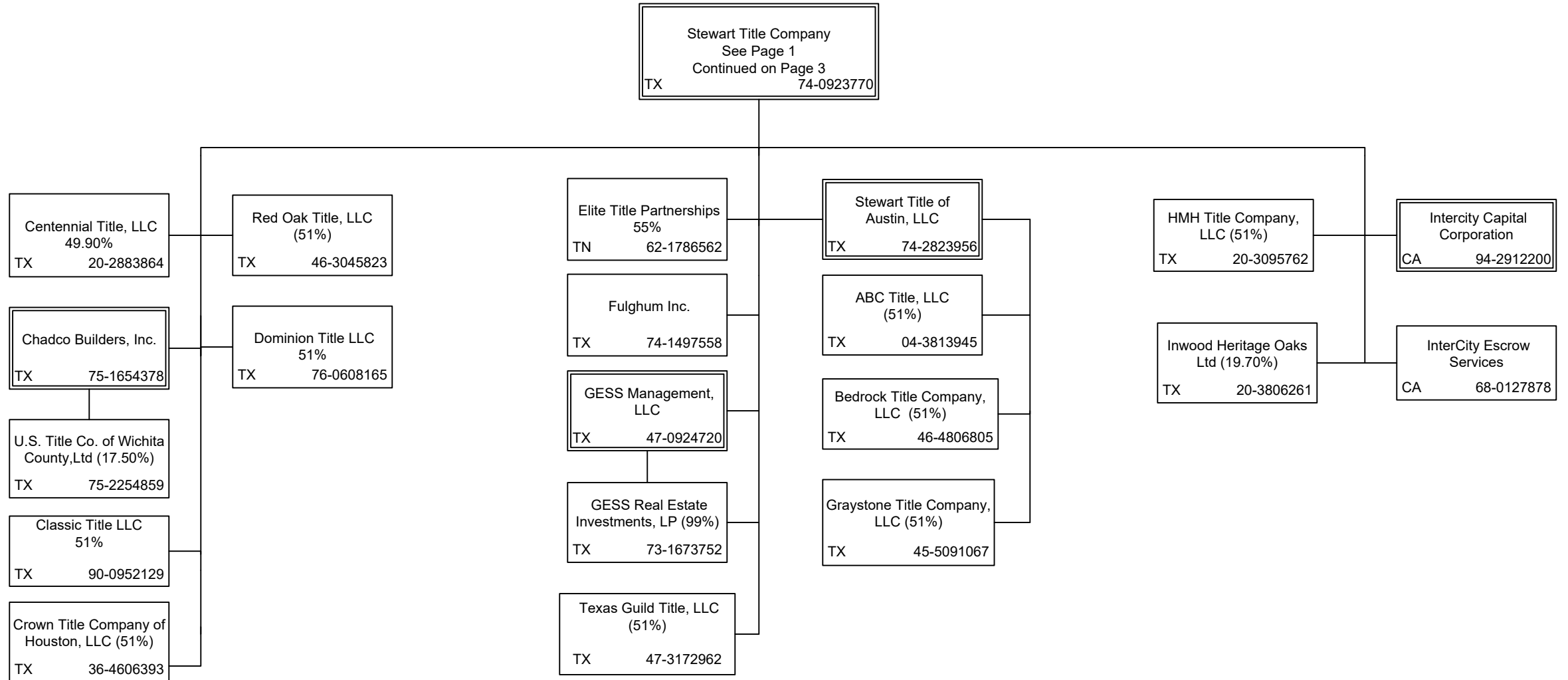
PART 1 - ORGANIZATIONAL CHART



11

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

PART 1 - ORGANIZATIONAL CHART



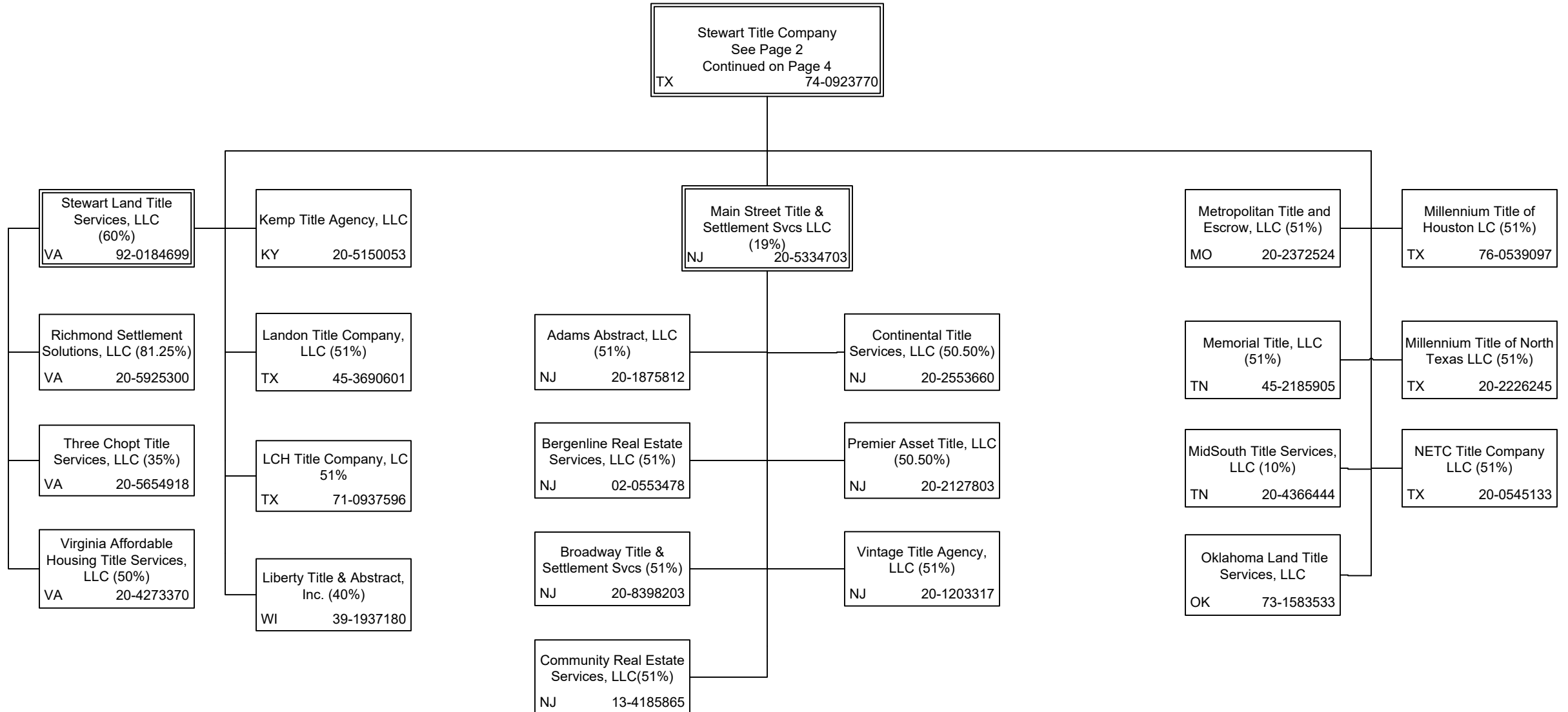
11.1

Unless otherwise noted, all ownership is 100%

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

PART 1 - ORGANIZATIONAL CHART

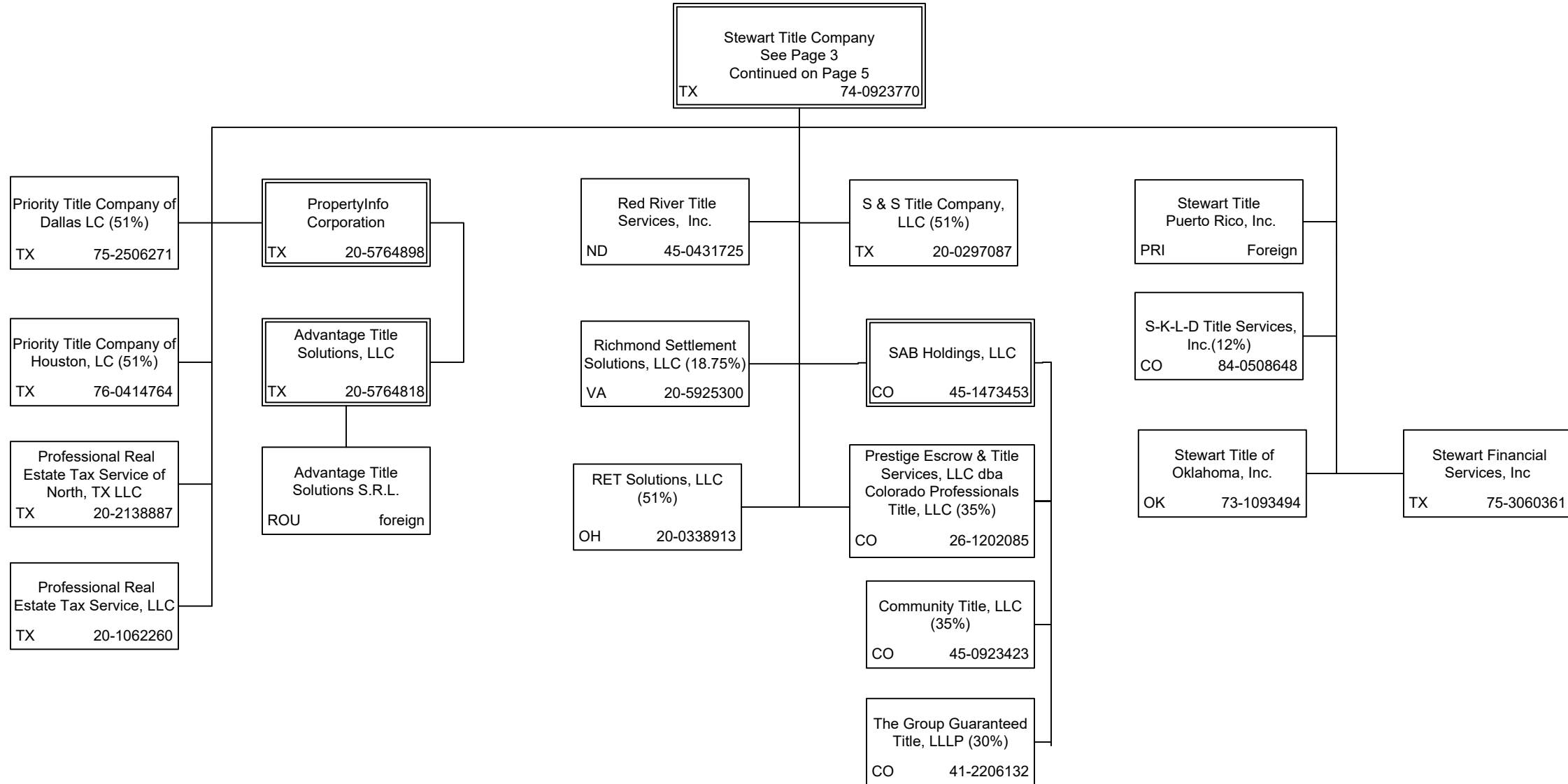
11.2



Unless otherwise noted, all ownership is 100%

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

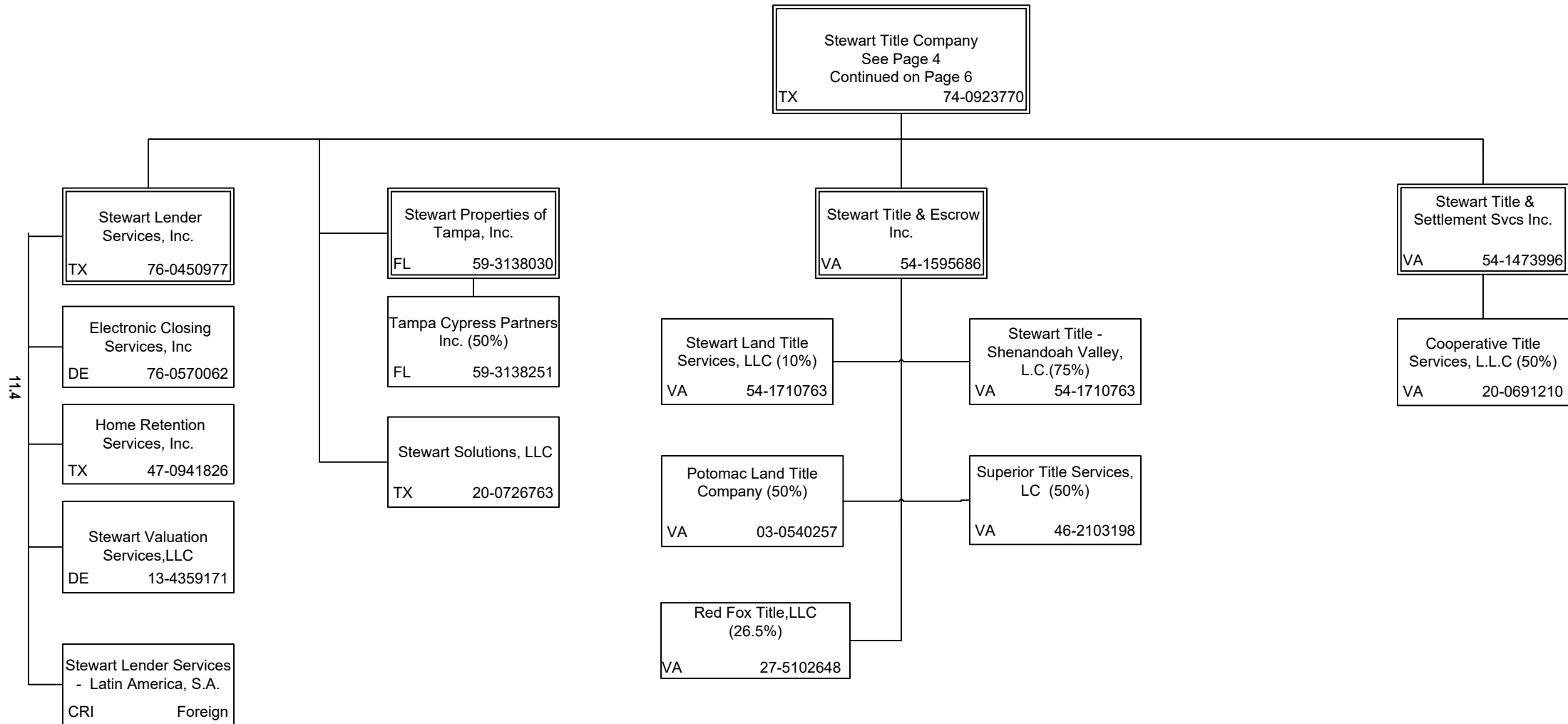
PART 1 - ORGANIZATIONAL CHART



113

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

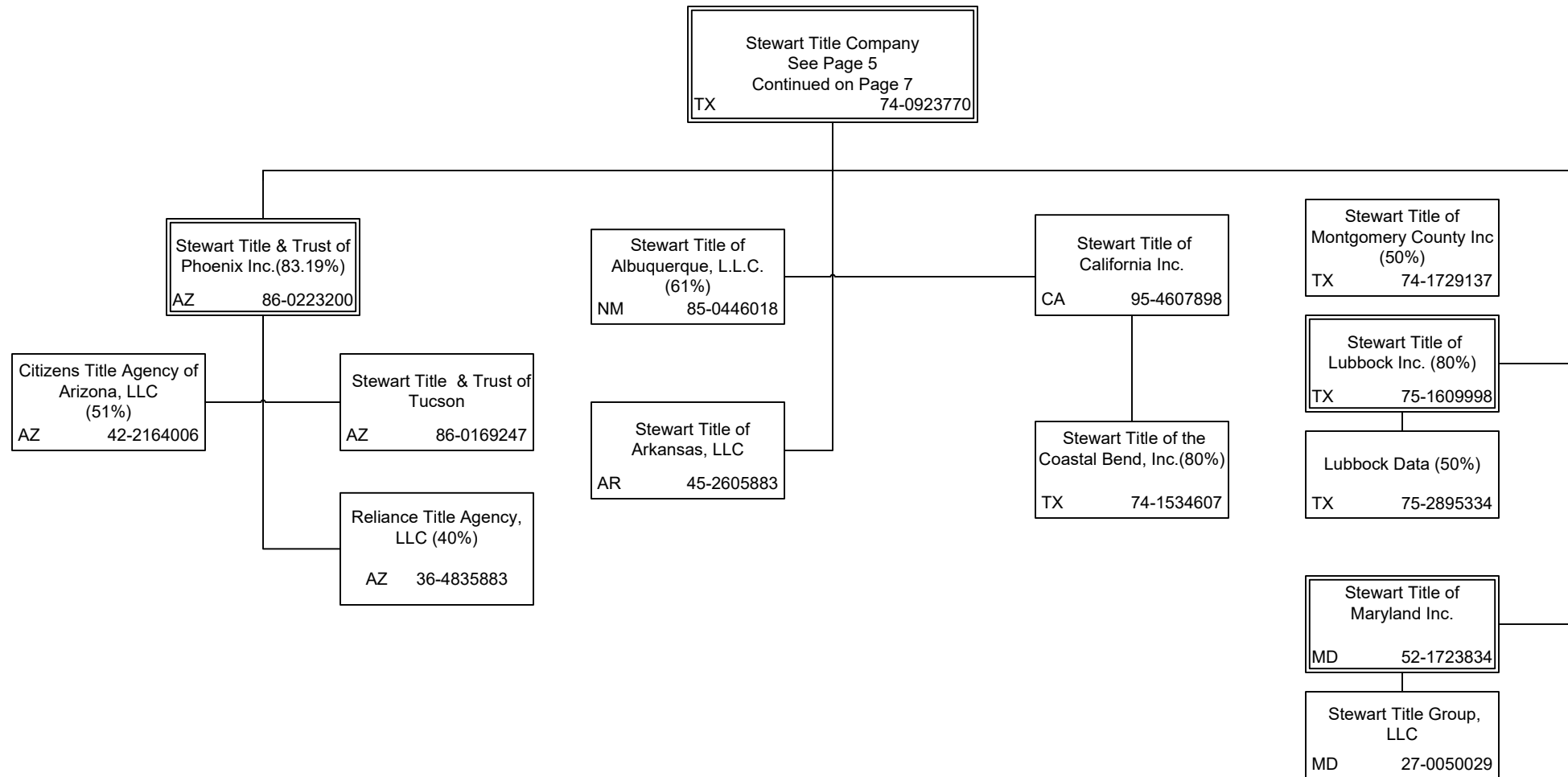
PART 1 - ORGANIZATIONAL CHART



114

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

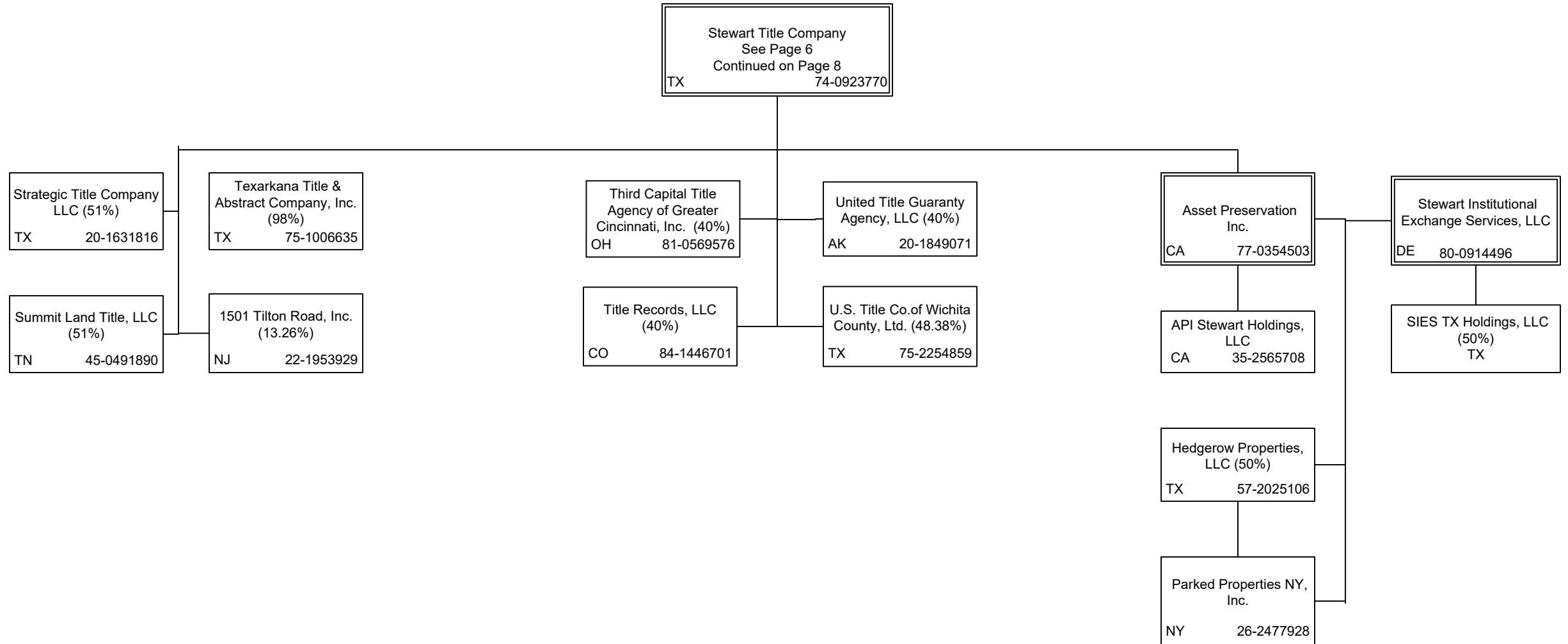
PART 1 - ORGANIZATIONAL CHART



11.5

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

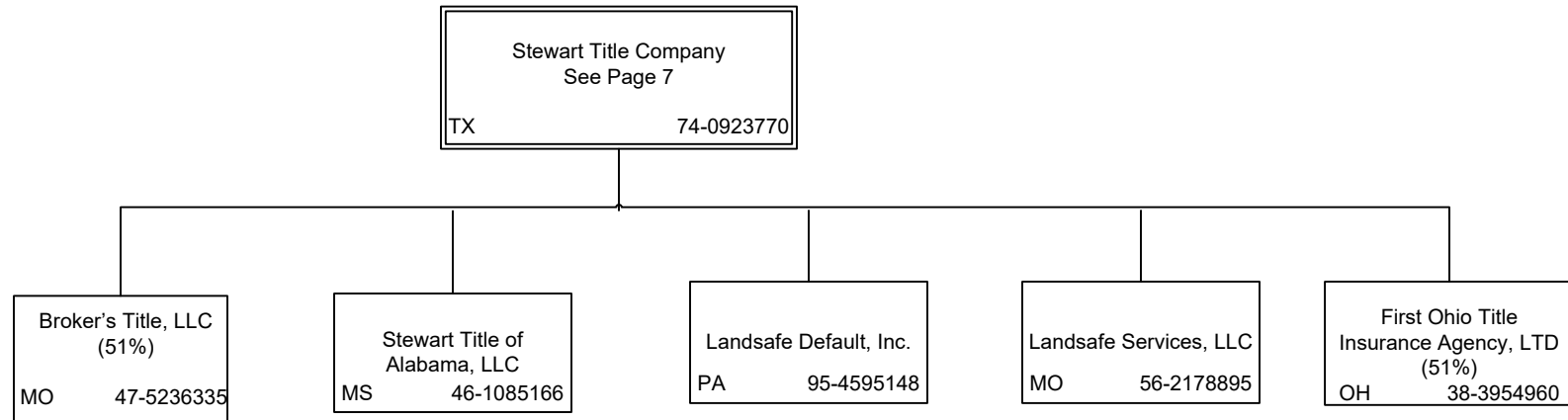
PART 1 - ORGANIZATIONAL CHART



11.6

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 | 16 |
|------------|------------|-------------------|------------|--------------|------------|--|---|----------------------|----------------------------------|--|--|--|--|----------------------------------|----|
| Group Code | Group Name | NAIC Company Code | ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries Or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity / Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/Person(s) | Is an SCA Filing Required? (Y/N) | * |
| | | 00000 | 74-1677330 | | 0000094344 | 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 Corpora | | 0 |
| | | 00000 | 76-0684959 | | | | IT24 of Houston, LLC | TX | NIA | Stewart Title Comany | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 76-0732569 | | | | Psi - Fire, LP dba CTO 24/7 | TX | NIA | Stewart Title Company | Ownership | 99.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | | | | | Stewart Title S.p.z.o.o. | PL | NIA | Stewart Title Limited | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | | | | | CTO 24/7 Private Limited | PK | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 46-1085166 | | | | Stewart Title of Alabama, LLC | MS | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 95-4595148 | | | | LandSafe Default, Inc. | PA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 56-2178895 | | | | LandSafe Services, LLC | MO | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 50121 | 74-0924290 | | | | Stewart Title Guaranty Company | TX | IA | Stewart Information Services Corporation | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 51420 | 76-0233294 | | | | Stewart Title Insurance Company | NY | IA | Stewart Title Guaranty Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 16-1591264 | | | | Monroe Gorman LLC | NY | NIA | Stewart Title Insurance Company | Ownership | 60.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | AA-2734105 | | | | Stewart Title Guaranty de Mexico, S.A. de C.V. | MEX | IA | Stewart Title Guaranty Company | Ownership | 99.9 | Stewart Information Services Corpora | | 0 |
| | | 00000 | AA-1124112 | | | | Stewart Title Limited | UK | IA | Stewart Title Guaranty Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 32336 | 03-0311175 | | | | Title Reinsurance Company | VT | IA | Stewart Title Guaranty Company | Ownership | 10.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 74-0923770 | | | | Stewart Title Company | TX | NIA | Stewart Title Guaranty Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 87-0431430 | | | | Stewart Title Insurance Agency of Utah, Inc. | UT | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 30-0588317 | | | | Western America Title Services, LLC | UT | NIA | Stewart Title Insurance Agency of Utah, Inc. | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 20-2883864 | | | | Centennial Title, LLC | TX | NIA | Stewart Title Company | Ownership | 49.9 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 75-1654378 | | | | Chadco Builders, Inc. | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 75-2254859 | | | | U.S. Title Company of Wichita County, Ltd | TX | NIA | Chadco Builders, Inc. | Ownership | 17.5 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 90-0952129 | | | | Classic Title, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 36-4606393 | | | | Crown Title Company of Houston, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 76-0608165 | | | | Dominion Title LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 74-1497558 | | | | Fulghum Inc. | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 47-0924720 | | | | GESS Management LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 73-1673752 | | | | GESS Real Estate Investments, LP | TX | NIA | Stewart Title Company | Ownership | 99.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 74-2823956 | | | | Stewart Title of Austin, LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 04-3813945 | | | | ABC Title, LLC | TX | NIA | Gracy Title Company LC | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 45-5091067 | | | | Graystone Title Company, LLC | TX | NIA | Gracy Title Company LC | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 46-4806805 | | | | Bedrock Title Company, LLC | TX | NIA | Gracy Title Company | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 20-3095762 | | | | HMH Title Company, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 94-2912200 | | | | Intercity Capital Corporation | CA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 68-0127878 | | | | InterCity Escrow Services | CA | NIA | Intercity Capital Corporation | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 20-3806261 | | | | Inwood Heritage Oaks Ltd | TX | NIA | Stewart Title Company | Ownership | 19.7 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 92-0184699 | | | | Stewart Land Title Services, LLC | VA | NIA | Stewart Title Company | Ownership | 60.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 20-5925300 | | | | Richmond Settlement Solutions, LLC | VA | NIA | Stewart Land Title Services, LLC | Ownership | 81.3 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 20-5654918 | | | | Three Chopt Title Services, LLC | VA | NIA | Stewart Land Title Services, LLC | Ownership | 35.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 20-4273370 | | | | Virginia Affordable Housing Title Services, LLC | VA | NIA | Stewart Land Title Services, LLC | Ownership | 50.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 20-5150053 | | | | Kemp Title Agency, LLC | KY | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 45-3690601 | | | | Landon Title Company, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |
| | | 00000 | 71-0937596 | | | | LCH Title Company, LC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | | 0 |

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|------------|------------|-------------------|------------|--------------|-----|--|--|----------------------|----------------------------------|--|--|--|--|----------------------------------|----|
| Group Code | Group Name | NAIC Company Code | ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries Or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity / Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/Person(s) | Is an SCA Filing Required? (Y/N) | * |
| | | 00000 | 39-1937180 | | | | Liberty Title & Abstract, Inc. | WI | NIA | Stewart Title Company | Ownership | 40.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-1875812 | | | | Adams Abstract, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 02-0553478 | | | | Bergenline Real Estate Services, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-8398203 | | | | Broadway Title & Settlement Services, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 13-4185865 | | | | Community Real Estate Services, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-2553660 | | | | Continental Title Services, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 50.5 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-2127803 | | | | Premier Asset Title, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 50.5 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-1203317 | | | | Vintage Title Agency, LLC | NJ | NIA | Main Street Title & Settlement Svcs LLC | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 45-2185905 | | | | Memorial Title, LLC | TN | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-2372524 | | | | Metropolitan Title and Escrow, LLC | MO | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 47-5236335 | | | | Broker's Title, LLC | MO | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-4366444 | | | | MidSouth Title Services II, LLC | TN | NIA | Stewart Title Company | Ownership | 10.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 76-0539097 | | | | Millennium Title of Houston LC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-2226245 | | | | Millennium Title of North Texas LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-0545133 | | | | NETC Title Company LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 73-1583533 | | | | Oklahoma Land Title Services, LLC | OK | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 75-2506271 | | | | Priority Title Company of Dallas LC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 76-0414764 | | | | Priority Title Company of Houston, LC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-2138887 | | | | Professional Real Estate Tax Service of North, TX LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-1062260 | | | | Professional Real Estate Tax Service, LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-5764898 | | | | PropertyInfo Corporation | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 47-3172962 | | | | Texas Guild Title, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 47-3840314 | | | | CTX Title, LLC | TX | NIA | Gracy Title | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-5764818 | | | | Advantage Title Solutions, LLC | TX | NIA | PropertyInfo Corporation | Ownership | 60.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | | | | | Advantage Title Solutions S.R.L. | ROU | NIA | Advantage Title Solutions, LLC | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 46-3045823 | | | | Red Oak Title, LLC | TX | IA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 45-0431725 | | | | Red River Title Services Inc | ND | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-5925300 | | | | Richmond Settlement Solutions, LLC | VA | NIA | Stewart Title Company | Ownership | 18.8 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-0338913 | | | | RET Solutions, LLC | OH | NIA | RT Holdings, Ltd. | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-0297087 | | | | S & S Title Company, LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 45-1473453 | | | | SAB Holdings, LLC | CO | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 26-1202085 | | | | Prestige Escrow & Title Services, LLC dba Colorado Profe | CO | NIA | SAB Holdings, LLC | Ownership | 35.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 45-0923423 | | | | Community Title, LLC | CO | NIA | SAB Holdings, LLC | Ownership | 35.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 41-2206132 | | | | The Group Guaranteed Title, LLLP | CO | NIA | SAB Holdings, LLC | Ownership | 30.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | | | | | Stewart Title Puerto Rico, Inc. | PRI | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 84-0508648 | | | | S-K-L-D Title Services, Inc. | CO | NIA | Stewart Title Company | Ownership | 12.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 73-1093494 | | | | Stewart Title of Oklahoma, Inc. | OK | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 75-3060361 | | | | Stewart Financial Services, Inc | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 76-0450977 | | | | Stewart Lender Services, Inc. | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 76-0570062 | | | | Electronic Closing Services, Inc. | PA | NIA | Stewart Lender Services, Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 47-0941826 | | | | Home Retention Services, Inc. | TX | NIA | Stewart Lender Services, Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 13-4359171 | | | | Stewart Valuation Services, LLC | DE | NIA | Stewart Lender Services, Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|------------|------------|-------------------|------------|--------------|-----|--|--|----------------------|----------------------------------|--|--|--|--|----------------------------------|----|
| Group Code | Group Name | NAIC Company Code | ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries Or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity / Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/Person(s) | Is an SCA Filing Required? (Y/N) | * |
| | | 00000 | | | | | Stewart Lender Services - Latin America, S.A. | CRI | NIA | Stewart Lender Services, Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 59-3138030 | | | | Stewart Properties of Tampa, Inc. | FL | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 59-3138251 | | | | Tampa Cypress Partners Inc. | FL | NIA | Stewart Properties of Tampa, Inc. | Ownership | 50.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-0726763 | | | | Stewart Solutions, LLC | TX | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 54-1595686 | | | | Stewart Title & Escrow Inc. | VA | NIA | Stewart Title Company | Ownership | 80.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 92-0184699 | | | | Stewart Land Title Services, LLC | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 10.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 03-0540257 | | | | Potomac Land Title Company | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 50.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 27-5102648 | | | | Red Fox Title, LLC | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 26.5 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 54-1723012 | | | | Signature & Stewart Settlements, L.C. | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 80.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 54-1710763 | | | | Stewart Title-Shenandoah Valley, L.C. | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 75.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 46-2103198 | | | | Superior Title Services, LC | VA | NIA | Stewart Title & Escrow Inc. | Ownership | 50.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 54-1473996 | | | | Stewart Title & Settlement Services, Inc. | VA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-0691210 | | | | Cooperative Title Services, L.L.C. | VA | NIA | Stewart Title & Settlement Services, Inc. | Ownership | 50.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 86-0223200 | | | | Stewart Title & Trust of Phoenix, Inc. | AZ | NIA | Stewart Title Company | Ownership | 83.2 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 42-2164006 | | | | Citizens Title Agency of Arizona, LLC | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 86-0192318 | | | | Citizens Title & Trust | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 86-0435889 | | | | Safford Title Agency, Inc. | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 86-0169247 | | | | Stewart Title & Trust of Tucson | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 36-4835883 | | | | Reliance Title Agency, LLC | AZ | NIA | Stewart Title & Trust of Phoenix Inc. | Ownership | 40.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 85-0446018 | | | | Stewart Title of Albuquerque, LLC | NM | NIA | Stewart Title Company | Ownership | 61.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 45-2605883 | | | | Stewart Title of Arkansas, LLC | AR | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 95-4607898 | | | | Stewart Title of California Inc. | CA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 75-1609998 | | | | Stewart Title of Lubbock Inc. | TX | NIA | Stewart Title Company | Ownership | 80.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 75-2895334 | | | | Lubbock Data, Inc. | TX | NIA | Stewart Title of Lubbock Inc. | Ownership | 50.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 52-1723834 | | | | Stewart Title of Maryland Inc. | MD | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 27-0050029 | | | | Stewart Title Group, LLC | MD | NIA | Stewart Title of Maryland Inc. | Ownership | 60.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 74-1729137 | | | | Stewart Title of Montgomery County, Inc | TX | NIA | Stewart Title Company | Ownership | 50.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 74-1534607 | | | | Stewart Title of the Coastal Bend, Inc. | TX | NIA | Stewart Title Company | Ownership | 80.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-1631816 | | | | Strategic Title Company LLC | TX | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 45-0491890 | | | | Summit Land Title, LLC | TN | NIA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 75-1006635 | | | | Texarkana Title & Abstract Company, Inc. | TX | NIA | Stewart Title Company | Ownership | 98.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 22-1953929 | | | | 1501 Tilton Road, Inc. | NJ | NIA | Stewart Title Company | Ownership | 13.3 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 81-0569576 | | | | Third Capital Title Agency of Greater Cincinnati, Inc. | OH | NIA | Stewart Title Company | Ownership | 40.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 84-1446701 | | | | Title Records, LLC | CO | NIA | Stewart Title Company | Ownership | 40.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 75-2254859 | | | | U.S. Title Company of Wichita County I, Ltd | TX | NIA | Stewart Title Company | Ownership | 48.4 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 20-1849071 | | | | United Title Guaranty Agency, LLC | AK | NIA | Stewart Title Company | Ownership | 40.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 71-0922599 | | | | Yankton Title Company, Inc. | SD | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 77-0354503 | | | | Asset Preservation, Inc. | CA | NIA | Stewart Title Company | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 35-2565708 | | | | API Stewart Holdings, LLC | CA | NIA | Asset Preservation, Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 57-2025106 | | | | Hedgerow Properties, LLC | TX | NIA | Asset Preservation, Inc. | Ownership | 50.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 26-2477928 | | | | Parked Properties NY, Inc. | NY | NIA | Asset Preservation, Inc. | Ownership | 100.0 | Stewart Information Services Corpora | 0 | |
| | | 00000 | 38-3954960 | | | | First Ohio Title Insurance Agency, LTD | OH | IA | Stewart Title Company | Ownership | 51.0 | Stewart Information Services Corpora | 0 | |

PART 1 – LOSS EXPERIENCE

| | Current Year to Date | | | | 5 Prior Year to Date Direct Loss Percentage |
|--------------------------------------|---------------------------------|---|--------------------------------|---|--|
| | 1 Direct Premiums Written | 2 Other Income (Page 4, Lines 1.2 + 1.3 + 2) | 3 Direct Losses Incurred | 4 Direct Loss Percentage Cols. 3 / (1 + 2) | |
| 1. Direct operations | 51,415,624 | 7,125,941 | 5,074,937 | 8.70 | 12.80 |
| 2. Agency operations: | | | | | |
| 2.1 Non-affiliated agency operations | 176,649,471 | 6,548,803 | 6,923,169 | 3.80 | 3.60 |
| 2.2 Affiliated agency operations | 78,211,385 | | 1,392,178 | 1.80 | 5.40 |
| 3. Totals | 306,276,480 | 13,674,744 | 13,390,284 | 4.20 | 5.60 |

PART 2 – DIRECT PREMIUMS WRITTEN

| | 1 Current Quarter | 2 Current Year to Date | 3 Prior Year Year to Date |
|--------------------------------------|-------------------------|------------------------------|---------------------------------|
| 1. Direct operations | 51,415,624 | 51,415,624 | 46,954,867 |
| 2. Agency operations: | | | |
| 2.1 Non-affiliated agency operations | 176,649,471 | 176,649,471 | 183,254,536 |
| 2.2 Affiliated agency operations | 78,211,385 | 78,211,385 | 81,079,626 |
| 3. Totals | 306,276,480 | 306,276,480 | 311,289,029 |

Page 4 - Continuation

STATEMENT OF INCOME

| | 1 | 2 | 3 |
|--|-------------------------|-----------------------|---------------------------------|
| REMAINING WRITE-INS AGGREGATED AT LINE 12 FOR MISCELLANEOUS INCOME OR (LOSS) | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| 1204. Realized gains(losses) on fixed assets | 80 | 33,585 | 212,022 |
| 1205. Fines and penalties | (77,924) | | (27,027) |
| 1297. Totals (Lines 1204 through 1296) (Page 4, Line 1298) | (77,844) | 33,585 | 184,995 |

SCHEDULE A - VERIFICATION**Real Estate**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 2,011 | 2,011 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Current year change in encumbrances | | |
| 4. Total gain (loss) on disposals | | 212,022 |
| 5. Deduct amounts received on disposals | | 212,022 |
| 6. Total foreign exchange change in book/adjusted carrying value | | |
| 7. Deduct current year's other than temporary impairment recognized | | |
| 8. Deduct current year's depreciation | | |
| 9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8) | 2,011 | 2,011 |
| 10. Deduct total nonadmitted amounts | | |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 2,011 | 2,011 |

SCHEDULE B - VERIFICATION**Mortgage Loans**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | 377,524 | 390,669 |
| 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 | 173,844 | 13,145 |
| 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) | 203,680 | 377,524 |
| 12. Total valuation allowance | | |
| 13. Subtotal (Line 11 plus Line 12) | 203,680 | 377,524 |
| 14. Deduct total nonadmitted amounts | | |
| 15. Statement value at end of current period (Line 13 minus Line 14) | 203,680 | 377,524 |

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 | 541,326 | 674,891 |
| 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) | | (28,216) |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | 2,904 | 105,349 |
| 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) | 538,422 | 541,326 |
| 12. Deduct total nonadmitted amounts | 147,162 | 150,065 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 391,260 | 391,261 |

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 | 996,610,843 | 906,658,597 |
| 2. Cost of bonds and stocks acquired | 5,569,886 | 179,287,530 |
| 3. Accrual of discount | 109,729 | 236,619 |
| 4. Unrealized valuation increase (decrease) | (7,513,337) | 3,281,055 |
| 5. Total gain (loss) on disposals | 267,034 | 3,291,470 |
| 6. Deduct consideration for bonds and stocks disposed of | 14,065,712 | 101,517,413 |
| 7. Deduct amortization of premium | 1,300,681 | 5,522,899 |
| 8. Total foreign exchange change in book/adjusted carrying value | (4,890,769) | 11,171,433 |
| 9. Deduct current year's other than temporary impairment recognized | | 275,549 |
| 10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees | | |
| 11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10) | 974,786,993 | 996,610,843 |
| 12. Deduct total nonadmitted amounts | | |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 974,786,993 | 996,610,843 |

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) | 498,077,056 | 2,710,278 | 11,777,537 | (5,929,727) | 483,080,070 | | | 498,077,056 |
| 2. NAIC 2 (a) | 28,898,340 | 2,500,274 | | (151,993) | 31,246,621 | | | 28,898,340 |
| 3. NAIC 3 (a) | | | | | | | | |
| 4. NAIC 4 (a) | | | | | | | | |
| 5. NAIC 5 (a) | | | | | | | | |
| 6. NAIC 6 (a) | | | | | | | | |
| 7. Total Bonds | 526,975,396 | 5,210,552 | 11,777,537 | (6,081,720) | 514,326,691 | | | 526,975,396 |
| 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 | 526,975,396 | 5,210,552 | 11,777,537 | (6,081,720) | 514,326,691 | | | 526,975,396 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of 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**

SCHEDULE E PART 2 - VERIFICATION

(Cash Equivalents)

| | 1 | 2 |
|---|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year | | |
| 2. Cost of cash equivalents acquired | | |
| 3. Accrual of discount | | |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | | |
| 6. Deduct consideration received on disposals | NONE | |
| 7. Deduct amortization of premium | | |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other than temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | | |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | | |

NONE Schedule A - Part 2 and 3

SCHEDULE B - PART 2

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

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

E02

SCHEDULE B - PART 3

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

| 1 Loan Number | Location | | 4 Loan Type | 5 Date Acquired | 6 Disposal Date | 7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year | Change in Book Value/Recorded Investment | | | | | 14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal | 15 Consideration | 16 Foreign Exchange Gain (Loss) on Disposal | 17 Realized Gain (Loss) on Disposal | 18 Total Gain (Loss) on Disposal |
|---|-----------------------|------------|----------------|--------------------------|--------------------------|--|--|---|--|--|---|--|---------------------|--|---|--|
| | 2 City | 3 State | | | | | 8 Unrealized Valuation Increase (Decrease) | 9 Current Year's (Amortization) / Accretion | 10 Current Year's Other than Temporary Impairment Recognized | 11 Capitalized Deferred Interest and Other | 12 Total Change in Book Value (8+9-10+11) | | | | | |
| 280004 300080 | Fernley Plainfield | NV NJ | | 09/23/2014 12/28/2008 | 03/31/2018 03/31/2018 | 148,684 58,694 | | | | | | 147,607 56,074 | 1,077 2,621 | | | |
| 0299999 Mortgages with partial repayments | | | | | | 207,378 | | | | | | 203,681 | 3,698 | | | |
| 090200 | Lakeland | FL | | 02/22/2011 | 01/23/2018 | 170,146 | | | | | | | 170,146 | | | |
| 0399999 Mortgages disposed | | | | | | 170,146 | | | | | | | 170,146 | | | |
| 0599999 Totals | | | | | | 377,524 | | | | | | 203,681 | 173,844 | | | |

E021

SCHEDULE BA - PART 2

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

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

EO3

SCHEDULE BA - PART 3

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

| 1 CUSIP Ident- ification | 2 Name or Description | Location | | 5 Name of Purchaser or Nature of Disposal | 6 Date Originally Acquired | 7 Disposal Date | 8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year | Change in Book/Adjusted Carrying Value | | | | | | 15 Book/Adjusted Carrying Value Less Encumbrances on Disposal | 16 Consideration | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Investment Income |
|---|-----------------------------|-----------|------------|---|-------------------------------------|-----------------------|---|--|--|---|--|---|--|--|---------------------|---|---|--|----------------------------|
| | | 3 City | 4 State | | | | | 9 Unrealized Valuation Increase (Decrease) | 10 Current Year's (Depreciation) or (Amortization)/ Accretion | 11 Current Year's Other Than Temporary Impairment Recognized | 12 Capitalized Deferred Interest and Other | 13 Total Change in B./A.C.V. (9+10-11+12) | 14 Total Foreign Exchange Change in B./A.C.V. | | | | | | |
| 00000-00-0 | New England Title, LLC | Portland | ME | New England Title, LLC | 11/22/2011 | 03/31/2018 | 150,065 | | | | | | | 147,162 | 2,903 | | | | |
| 2599999 Collateral Loans - Unaffiliated | | | | | | | 150,065 | | | | | | | 147,162 | 2,903 | | | | |
| 4499999 Total Unaffiliated | | | | | | | 150,065 | | | | | | | 147,162 | 2,903 | | | | |
| 4699999 Totals | | | | | | | 150,065 | | | | | | | 147,162 | 2,903 | | | | |

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) |
|-----------------------------------|--|--------------|--------------------|-----------------------|--------------------------------------|------------------|----------------|--|--|
| 135087-D9-2 | CANADA (GOVERNMENT) | | 03/26/2018 | RBC CAPITAL MARKETS | | 425,341 | 426,654.25 | 475 | 1FE |
| 1099999 | Subtotal - Bonds - All Other Governments | | | | X X X | 425,341 | 426,654.25 | 475 | X X X |
| 14040H-BU-8 | CAPITAL ONE FINANCIAL CORP | | 03/02/2018 | JP MORGAN | | 2,500,274 | 2,540,000.00 | 8,128 | 2FE |
| 00440E-AV-9 | CHUBB INA HOLDINGS INC | C | 01/29/2018 | WELLS FARGO BROKERAGE | | 1,531,375 | 1,525,000.00 | 12,488 | 1FE |
| 000000-00-0 | Compass Bank (South Dakota deposit) | | 03/31/2018 | Unknown | | 100,000 | 100,000.00 | | 1FE |
| 000000-00-0 | Security State Bank (Washington deposit) | | 03/31/2018 | Unknown | | 100,000 | 100,000.00 | | 1FE |
| 000000-00-0 | TD Bank (New Hampshire deposit) Replacement CD formerly BOA - NH deposit | | 03/31/2018 | Unknown | | 50,000 | 50,000.00 | | 1FE |
| 891160-LV-3 | TORONTO-DOMINION BANK | | 02/21/2018 | RBC CAPITAL MARKETS | | 753,563 | 790,888.96 | 1,482 | 1FE |
| 000000-00-0 | Twin City Bank (Washington deposit) | | 03/31/2018 | Unknown | | 100,000 | 100,000.00 | | 1FE |
| 3899999 | Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | X X X | 5,135,212 | 5,205,888.96 | 22,098 | X X X |
| 8399997 | Subtotal - Bonds - Part 3 | | | | X X X | 5,560,553 | 5,632,543.21 | 22,573 | 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 | 5,560,553 | 5,632,543.21 | 22,573 | X X X |
| 86046#-10-1 | STEWART TITLE COMPANY | | 03/31/2018 | Capitai Contribution | | (12,216) | | | K |
| 86047#-11-8 | STEWART TITLE INSURANCE COMPANY | | 03/31/2018 | Capitai Contribution | | 21,550 | | | K |
| 9199999 | Subtotal - Common Stock - Parent, Subsidiaries and Affiliates | | | | X X X | 9,334 | X X X | | X X X |
| 9799997 | Subtotal - Common Stock - Part 3 | | | | X X X | 9,334 | X X X | | X X X |
| 9799998 | Summary Item from Part 5 for Common Stocks | | | | X X X | X X X | X X X | X X X | X X X |
| 9799999 | Total - Common Stock | | | | X X X | 9,334 | X X X | | X X X |
| 9899999 | Total - Preferred and Common Stock | | | | X X X | 9,334 | X X X | | X X X |
| 9999999 | Totals | | | | X X X | 5,569,887 | X X X | 22,573 | 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 Ident- ification | 2 Description | 3 F o r e i g n | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consid- eration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/ Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/ Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Design- ation or Market Indicat (a) | |
|---|---|--------------------------------------|--|---|--|---|--|---|---|--|--|---|--|--|---|--|---|--|---|--|--|-------|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amort- ization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11+12-13) | 15 Total Foreign Exchange Change in B./A.C.V. | | | | | | | | |
| 346766-MK-1 366119-UU-7 442331-QC-1 442331-TP-9 549188-KV-1 | FORT BEND CNTY TEX GARLAND TEX HOUSTON TEX HOUSTON TEX LUBBOCK TEX | | 03/01/2018 02/15/2018 03/01/2018 03/01/2018 03/01/2018 | Call @ 100.00 Call @ 100.00 Call @ 100.00 Maturity @ 100.00 Maturity @ 100.00 | | 650,000 950,000 725,000 125,000 | 650,000.00 950,000.00 725,000.00 125,000.00 | 699,771 1,082,003 800,226 143,289 2,008,893 | 651,263 952,634 726,882 125,809 2,008,893 | (1,263) (2,634) (1,882) (809) (8,893) | | (1,263) (2,634) (1,882) (809) (8,893) | | 650,000 950,000 725,000 125,000 | | | | | 16,250 23,750 18,125 3,125 | 03/01/2024 02/15/2021 03/01/2022 03/01/2018 02/15/2018 | 1FE 1FE 1FE 1FE 1FE | |
| 2499999 | Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | X X X | 2,450,000 | 2,450,000.00 | 2,725,289 | 4,465,481 | | (15,481) | | (15,481) | | 2,450,000 | | | | 61,250 | X X X | X X X | |
| 549188-KV-1 | LUBBOCK TEX | | 03/01/2018 | Maturity @ 100.00 | | 2,000,000 | 2,000,000.00 | 2,321,280 | | | | | | 2,000,000 | | | | | 50,000 | 02/15/2018 | 1FE | |
| 3199999 | Subtotal - Bonds - U.S. Special Revenue and Special Assessment Non-Guaranteed Obligations | | | | X X X | 2,000,000 | 2,000,000.00 | 2,321,280 | | | | | | | 2,000,000 | | | | 50,000 | X X X | X X X | |
| 59018Y-N6-4 931142-BF-9 | BANK OF AMERICA CORP WAL-MART STORES INC. | | 02/20/2018 01/23/2018 | WELLS FARGO BROKERA Tender Offer | | 5,898,029 1,546,507 | 5,850,000.00 1,068,000.00 | 6,585,989 1,507,845 | 5,888,915 1,458,025 | (17,751) (1,651) | | (17,751) (1,651) | | 5,871,164 1,456,373 | | 26,864 90,133 | 26,864 90,133 | 130,711 35,837 | 04/25/2018 02/15/2030 | 1FE 1FE | | |
| 3899999 | Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | X X X | 7,444,536 | 6,918,000.00 | 8,093,834 | 7,346,940 | | (19,402) | | (19,402) | | 7,327,537 | | 116,997 | 116,997 | 166,548 | X X X | X X X | |
| 8199999 | Subtotal - Bonds - SVO Identified Funds | | | | X X X | | | | | | | | | | | | | | | X X X | X X X | |
| 8399997 | Subtotal - Bonds - Part 4 | | | | X X X | 11,894,536 | 11,368,000 | 13,140,403 | 11,812,421 | | (34,883) | | (34,883) | | 11,777,537 | | 116,997 | 116,997 | 277,798 | 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 | 11,894,536 | 11,368,000.00 | 13,140,403 | 11,812,421 | | (34,883) | | (34,883) | | 11,777,537 | | 116,997 | 116,997 | 277,798 | X X X | X X X | |
| 17275R-10-2 29336T-10-0 369604-10-3 458140-10-0 594918-10-4 | CISCO SYSTEMS ORD ENLINK MIDSTREAM COM UNT GENERAL ELECTRIC ORD INTEL ORD MICROSOFT ORD | | 02/20/2018 02/14/2018 02/20/2018 02/20/2018 02/20/2018 | INSTINET UNKNOWN INSTINET INSTINET INSTINET | 11,000.00 | 486,852 5,180 706,053 509,942 463,150 | | 369,614 5,180 1,229,078 229,481 187,787 | 421,300 15,180 834,546 507,760 427,700 | (51,686) | | (51,686) | | 369,614 5,180 1,229,078 229,481 187,787 | | 117,238 5,180 (523,025) 280,461 275,363 | 117,238 5,180 (523,025) 280,461 275,363 | 3,190 5,180 5,739 | | L L L L L | | |
| 9099999 | Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated) | | | | X X X | 2,171,177 | | 2,021,140 | 2,206,486 | (175,347) | | (175,347) | | 2,021,140 | | 150,037 | 150,037 | 14,109 | X X X | X X X | | |
| 9799997 | Subtotal - Common Stock - Part 4 | | | | X X X | 2,171,177 | X X X | 2,021,140 | 2,206,486 | (175,347) | | (175,347) | | 2,021,140 | | 150,037 | 150,037 | 14,109 | X X X | X X X | | |
| 9799998 | Summary Item from Part 5 for Common Stocks | | | | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X | X X X |

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

SCHEDULE D - PART 4

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

| 1 CUSIP Ident- ification | 2 Description | 3 F o r e i g n | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consid- eration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/ Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/ Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Desig- nation or Market Indicat (a) |
|-----------------------------------|-------------------------------------|--------------------------------------|-----------------------|---------------------------|--|-------------------------|-------------------|---------------------|---|--|--|---|--|--|---|--|---|--|---|---|--|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amort- ization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11+12-13) | 15 Total Foreign Exchange Change in B./A.C.V. | | | | | | | |
| 9799999 | Total - Common Stocks | | | | X X X | 2,171,177 | X X X | 2,021,140 | 2,206,486 | (175,347) | | | (175,347) | | 2,021,140 | | 150,037 | 150,037 | 14,109 | X X X | X X X |
| 9899999 | Total - Preferred and Common Stocks | | | | X X X | 2,171,177 | X X X | 2,021,140 | 2,206,486 | (175,347) | | | (175,347) | | 2,021,140 | | 150,037 | 150,037 | 14,109 | X X X | X X X |
| 9999999 | Totals | | | | | 14,065,713 | X X X | 15,161,543 | 14,018,907 | (175,347) | (34,883) | | (210,230) | | 13,798,677 | | 267,034 | 267,034 | 291,907 | X X X | X X X |

E05.1

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

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

SCHEDULE E - PART 1 - CASH

Month-End Depository Balances

| 1 Depository | 2 Code | 3 Rate of Interest | 4 Amount of Interest Received During Current Quarter | 5 Amount of Interest Accrued at Current Statement Date | Book Balance at End of Each Month During Current Quarter | | | 9 * |
|---|-----------|-----------------------|---|---|--|-------------------|------------------|--------|
| | | | | | 6 First Month | 7 Second Month | 8 Third Month | |
| Open Depositories - Section (A) - Segregated Funds Held for Others | | | | | | | | |
| Wells Fargo Bank, N.A. Tampa, FL | | | | | 1,430,950 | 1,426,966 | 1,426,966 | |
| Bank of America Fairfield, CT | | | | | 2,693,090 | 1,827,766 | 3,576,982 | |
| Bank of America Fairfield, CT | | | | | 1,872,056 | 1,872,079 | 2,182,107 | |
| TD Bank Wayne, PA | | | | | 4,115,177 | 3,497,325 | 3,396,196 | |
| Wells Fargo Bank, N.A. Houston, TX | | | | | 41,570,008 | 20,690,265 | 25,957,151 | |
| BBVA Compass Bank Houston, TX | | | | | 42,257,976 | 8,183,254 | 9,534,613 | |
| BBVA Compass Bank Houston, TX | | | | | 10,820,537 | 10,558,727 | 10,003,137 | |
| BBVA Compass Bank Houston, TX | | | | | (1,784,140) | 20,218,126 | 18,701,338 | |
| JP Morgan Chase New York, NY | | | | | 16,973,368 | 7,341,593 | 3,862,572 | |
| Wells Fargo Bank, N.A. Chicago, IL | | | | | (4,774,859) | 29,804,107 | 59,287,432 | |
| Bank United Chicago, IL | | | | | 22,155,600 | 39,267,864 | 34,659,361 | |
| JP Morgan Chase Chicago, IL | | | | | 4,400,760 | 5,736,655 | 5,768,627 | |
| Wells Fargo Bank, N.A. Atlanta, GA | | | | | 6,660,523 | 4,114,467 | 4,304,755 | |
| Wells Fargo Bank, N.A. Baltimore, MD | | | | | 6,246,094 | 5,514,973 | 4,629,382 | |
| Wells Fargo Bank, N.A. Boston, MA | | | | | 41,084,193 | 23,235,771 | 45,074,300 | |
| Wells Fargo Bank, N.A. Philadelphia, PA | | | | | 4,590,488 | 4,016,576 | 3,609,689 | |
| Wells Fargo Bank, N.A. Columbus, OH | | | | | 3,122,677 | 608,204 | 3,522,028 | |
| Wells Fargo Bank, N.A. Los Angeles, CA | | | | | 9,285,698 | 6,521,785 | 30,488,069 | |
| Wells Fargo Bank, N.A. San Francisco, CA | | | | | 1,804,407 | 1,140,904 | 949,653 | |
| Wells Fargo Bank, N.A. Seattle, WA | | | | | 22,020,455 | 21,146,851 | 17,287,185 | |
| Wells Fargo Bank, N.A. Charlotte, NC | | | | | 24,629,665 | 17,312,197 | 24,014,590 | |
| Wells Fargo Bank, N.A. Washington, DC | | | | | 1,567,762 | 1,679,270 | 4,879,062 | |
| Wells Fargo Bank, N.A. Washington, DC | | | | | 1,544,965 | 1,245,369 | 5,228,955 | |
| 0199998 Deposits in (25) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories | X X X | X X X | | | 2,566,428 | 3,519,764 | 1,743,459 | X |
| 0199999 Total Segregated Funds Held for Others | X X X | X X X | | | 266,853,878 | 240,480,858 | 324,087,609 | X |
| Open Depositories - Section (B) - General Funds | | | | | | | | |
| JP Morgan Chase Houston, TX | | | | | 5,150,755 | 3,823,096 | 3,649,261 | |
| Wells Fargo Bank, N.A. Houston, TX | | | | | 4,149,067 | 5,649,541 | 4,980,838 | |
| Canada Bank of Montreal Toronto, CN | | | | | 1,172,545 | 874,385 | 1,193,442 | |
| Canada Bank of Montreal Toronto, CN | | | | | 154,463 | 1,096,847 | 822,101 | |
| Canada Bank of Montreal Toronto, CN | | | | | 998,721 | 554,899 | 487,512 | |
| Canada Bank of Montreal Toronto, CN | | | 19,276 | | 9,022,819 | 7,991,399 | 7,803,602 | |
| Republic Bank Louisville, KY | | 0.070 | 57 | | 250,997 | 251,019 | 251,045 | |
| Iberia Bank Houston, TX | | 0.500 | 15,089 | | 4,418,260 | 673,825 | 7,428,046 | |
| Compass Custody Houston, TX | | 0.050 | 4,837 | | 1,478,738 | 3,537,643 | 1,051,667 | |
| Compass Bank Houston, TX | | 1.520 | 670 | | 214,074 | 318,592 | 325,712 | |
| Bank of Nova Socita Toronto, CN | | 1.350 | 6,114 | 6,114 | 2,664,973 | 2,562,837 | 2,548,270 | |
| Canadian Imperial Bank Toronto, CN | | 1.100 | 4,614 | 9,199 | 1,743,877 | 1,677,041 | 1,667,529 | |
| Canadian Imperial Bank Toronto, CN | | 1.100 | 4,561 | 11,072 | 1,724,121 | 1,658,042 | 1,648,637 | |
| Royal Bank of Canada Toronto, CN | | 1.000 | 4,080 | 12,481 | 1,696,190 | 1,631,182 | 1,621,929 | |
| Toronto-Dominion Bank Toronto, CN | | 1.180 | 465 | 465 | 2,495,158 | 2,399,528 | 2,397,913 | |
| 0299998 Deposits in (42) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories | X X X | X X X | 3,769 | 1,283 | 2,813,722 | 2,097,610 | 1,786,163 | X |
| 0299999 Total General Funds | X X X | X X X | 63,532 | 40,614 | 40,148,480 | 36,797,486 | 39,663,667 | X |
| Open Depositories - Section (C) - Reinsurance Reserve Funds | | | | | | | | |
| 0399998 Deposits in (0) 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 | 63,532 | 40,614 | 307,002,358 | 277,278,344 | 363,751,276 | X |
| Suspended Depositories - Section (A) - Seg. Funds Held for Others | | | | | | | | |
| 0599998 Deposits in (0) 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 (0) 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 (0) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories | X X X | X X X | | | | | | X |

NONE Schedule E - Part 2