

QUARTERLY STATEMENT

OF THE

THE SECURITY TITLE

GUARANTEE CORPORATION

of **BALTIMORE**

in the state of **MARYLAND**

TO THE

Insurance Department

OF THE

STATE OF MARYLAND

FOR THE QUARTER ENDED
September 30, 2002

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TITLE

2002



QUARTERLY STATEMENT

AS OF September 30, 2002
OF THE CONDITION AND AFFAIRS OF THE

The Security Title Guarantee Corporation of Baltimore

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	50784	Employer's ID Number	52-0625962	
Organized under the Laws of		Maryland	, State of Domicile or Port of Entry		Maryland		
Country of Domicile							United States of America
Incorporated:		December 15, 1952	Commenced Business:		January 1, 1953		
Statutory Home Office:		6 South Calvert Street	Baltimore,	MD	21202		
Main Administrative Office:		6 South Calvert Street	Baltimore,	MD	21202	410-727-4456	
Mail Address:		6 South Calvert Street	Baltimore,	MD	21202		
Primary Location of Books and Records:		6 South Calvert Street	Baltimore,	MD	21202	410-727-4456	
Internet Website Address:		www.esecuritytitle.com					
Statement Contact:		Theresa Kathryn Kozel		410-727-4456	121		
		Tkozel@esecuritytitle.com (E-Mail Address)		410-727-7958	(Fax Number)		
Policyowner Relations Contact:		6 South Calvert Street	Baltimore,	MD	21202	410-727-4456	
		00000					

OFFICERS

President	Theodore Clemens Rogers
Secretary	Marlene Rosaire McGraw
Treasurer	Theresa Kathryn Kozel
Actuary	

Vice-Presidents

State of Maryland
County of Baltimore ss

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

Theodore Clemens Rogers
(Printed Name)

odore Clemens F
(Printed Name)

Marlene Rosaire McGraw

(Printed Name)

Theresa Kathryn Kozel

(Printed Name)
Treasurer

Subscribed and sworn to before me this

13th day of November 2002

CHARLES H. CAPLAN

NOTARY PUBLIC

BALTIMORE COUNTY, MD

COMMISSION EXPIRES FEB. 1, 2004

Notary Public (seal)

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	5,484,103		5,484,103	5,242,547
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	1,825,016		1,825,016	1,930,681
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
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)				300,000
5. Cash (\$ 1,488,553) and short-term investments (\$ 1,171,066)	2,659,618		2,659,618	1,989,078
6. Other invested assets	71,318		71,318	41,951
7. Receivable for securities				
8. Subtotals, cash and invested assets (Lines 1 to 7)	10,040,055		10,040,055	9,504,257
9. Title plants, less \$ 0, charged off	422,634	94,490	328,144	328,144
10. Title insurance premiums and fees receivable	526,997	473,714	53,283	70,615
11. Funds held by or deposited with reinsured companies				
12. Reinsurance recoverables on loss and loss adjustment expense payments				
13. Federal and foreign income tax recoverable and interest thereon (including \$ 0 net deferred tax asset)	18,750		18,750	53,920
14. Guaranty funds receivable or on deposit				
15. Electronic data processing equipment and software	21,851		21,851	22,379
16. Interest, dividends and real estate income due and accrued	59,010		59,010	67,993
17. Net adjustments in assets and liabilities due to foreign exchange rates				
18. Receivable from parent, subsidiaries and affiliates	106,457	9,450	97,007	110,932
19. Other assets nonadmitted	153,970	153,970		
20. Aggregate write-ins for other than invested assets	297,371	231,371	66,000	114,042
21. TOTALS (Lines 8 to 20)	11,647,095	962,995	10,684,100	10,272,282

DETAILS OF WRITE-INS				
2001. Accounts/Notes Receivable	145,476	145,476		48,042
2002. Life Insurance on Officers	66,000		66,000	66,000
2003. Prepaid Expenses and Deposits	85,895	85,895		
2098. Summary of remaining write-ins for Line 20 from overflow page				
2099. Totals (Lines 2001 through 2003 + 2098) (Line 20 above)	297,371	231,371	66,000	114,042

A. The above assets include the following segregated assets of the Statutory Premium Reserve or other similar statutory reserve:

Bonds \$ 0, Short-term investments \$ 0,
Mortgages \$ 0, Cash \$ 0, Total \$ 0.

SEGREGATED FUNDS HELD FOR OTHERS BY THE COMPANY

(Set apart in special accounts and excluded from company assets and liabilities)

B. Custodial funds in the amount of \$ 1,865,125 not included in the foregoing statement were held pursuant to the governing agreements of custody. These funds consist of \$ 1,865,125 in cash on deposit and \$ 0 in other forms of security.

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Known claims reserve	1,163,662	484,271
2. Statutory premium reserve	5,619,692	5,282,624
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)	139,817	106,017
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	106,193	55,461
8. Federal and foreign income taxes (including \$ 0 on realized capital gains (losses) (including \$ 121,400 net deferred tax liability)	121,400	315,800
9. Borrowed money \$ 0 and interest thereon \$ 0		
10. Dividends declared and unpaid		
11. Premiums and other consideration received in advance	65,836	105,317
12. Uneamed 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		435
15. Provision for unauthorized reinsurance		
16. Net adjustment in assets and liabilities due to foreign exchange rates		
17. Drafts outstanding		
18. Payable to parent, subsidiaries and affiliates		
19. Payable for securities		
20. Aggregate write-ins for other liabilities		
21. Total liabilities (Lines 1 through 20)	7,216,600	6,349,925
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	1,507,693	1,507,693
24. Preferred capital stock		
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus		
28. Unassigned funds (surplus)	1,959,807	2,414,664
29. Less treasury stock, at cost:		
29.1 0 shares common (value included in Line 23 \$ 0.)		
29.2 0 shares preferred (value included in Line 24 \$ 0.)		
30. Surplus as regards policyholders (Lines 22 to 28 less 29)	3,467,500	3,922,357
31. Totals	10,684,100	10,272,282

DETAILS OF WRITE-INS		
0301.		
0302.		
0303.		
0398. Summary of remaining write-ins for Line 3 from overflow page		
0399. Totals (Lines 0301 through 0303 plus 0398)(Line 3 above)		
2001.		
2002.		
2003.		
2098. Summary of remaining write-ins for Line 20 from overflow page		
2099. Totals (Lines 2001 through 2003 plus 2098)(Line 20 above)		
2201.		
2202.		
2203.		
2298. Summary of remaining write-ins for Line 22 from overflow page		
2299. Totals (Lines 2201 through 2203 plus 2298)(Line 22 above)		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)		

OPERATIONS AND INVESTMENT EXHIBIT		1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
STATEMENT OF INCOME				
OPERATING INCOME				
1. Title insurance and related income:				
1.1 Title insurance premiums earned	15,400,224	10,209,525	16,002,514	
1.2 Escrow and settlement services	64,999	210,363	69,369	
1.3 Other title fees and service charges	551,308	368,308	735,774	
2. Aggregate write-ins for other operating income				
3. Total Operating Income (Lines 1 through 2)	16,016,531	10,788,196	16,807,657	
DEDUCT:				
4. Losses and loss adjustment expenses incurred	953,358	214,381	618,103	
5. Operating expenses incurred	15,781,289	10,451,942	16,388,545	
6. Aggregate write-ins for other operating deductions				
7. Total Operating Deductions	16,734,647	10,666,323	17,006,648	
8. Net operating gain or (loss) (Lines 3 minus 7)	(718,116)	121,873	(198,991)	
INVESTMENT INCOME				
9. Net investment income earned	190,172	258,245	347,117	
10. Net realized capital gains and (losses)	18,611	3,842	(21,241)	
11. Net investment gain or (loss) (Lines 9 + 10)	208,783	262,087	325,876	
OTHER INCOME				
12. Aggregate write-ins for miscellaneous income or (loss)				855
13. Net income, before federal income taxes (Lines 8 + 11 + 12)	(509,333)	383,960	127,740	
14. Federal and foreign income taxes incurred	1,317	63,056	36,056	
15. Net income (Lines 13 minus 14)	(510,650)	320,904	91,684	
CAPITAL AND SURPLUS ACCOUNT				
16. Surplus as regards policyholders, December 31 prior year	3,922,357	4,122,109	4,122,109	
GAINS AND (LOSSES) IN SURPLUS				
17. Net income (from Line 15)	(510,650)	320,904	91,684	
18. Net unrealized capital gains or (losses)	(60,631)	(62,790)	(115,114)	
19. Change in net unrealized foreign exchange capital gain (loss)				
20. Change in net deferred income taxes	13,000	33,000	(41,800)	
21. Change in nonadmitted assets	(40,076)	(221,143)	(33,638)	
22. Change in provision for unauthorized reinsurance				
23. Change in supplemental reserves				
24. Change in surplus notes				
25. Cumulative effect of changes in accounting principles			(274,000)	(274,000)
26. Capital Changes:				
26.1 Paid in				
26.2 Transferred from surplus (Stock Dividend)				
26.3 Transferred to surplus				
27. Surplus Adjustments:				
27.1 Paid in				
27.2 Transferred to capital (Stock Dividend)				
27.3 Transferred from capital				
28. Dividends to stockholders				(73,546)
29. Change in treasury stock				
30. Aggregate write-ins for gains and losses in surplus	143,500		246,662	
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)	(454,857)	(204,029)	(199,752)	
32. Surplus as regards policyholders as of statement date (Lines 16 plus 31)	3,467,500	3,918,080	3,922,357	

DETAILS OF WRITE-INS				
0201.				
0202.				
0203.				
0298. Summary of remaining write-ins from overflow page				
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 2 above)				
0601.				
0602.				
0603.				
0698. Summary of remaining write-ins from overflow page				
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)				
1201. Earned on Life Insurance on Officers				855
1202. Disposal of Title Plant				
1203.				
1298. Summary of remaining write-ins from overflow page				
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)				855
3001. Prior period correction	143,500			246,662
3002.				
3003.				
3098. Summary of remaining write-ins from overflow page				
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	143,500			246,662

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FLOW		
1. Premiums and other charges collected	16,370,931	16,166,399
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	273,967	785,103
3. Total operating expenses paid	15,747,489	16,404,286
4. Cash from operations (Line 1 minus Line 2 minus Line 3)	349,475	(1,022,990)
5. Investment income (net of investment expense)	199,155	372,914
6. Other income received (expenses paid)		855
7. Federal income taxes (paid) recovered	(17,047)	195,292
8. Net cash from operations (Lines 4 to 7)	531,583	(453,929)
9. Proceeds from investments sold, matured or repaid:		
9.1 Bonds	735,301	1,349,221
9.2 Stocks	17,502	19,503
9.3 Mortgage loans		
9.4 Real estate	425,187	1,710
9.5 Other invested assets		
9.6 Net gains or (losses) on cash and short-term investments		
9.7 Miscellaneous proceeds		
9.8 Total investment proceeds (Lines 9.1 to 9.7)	1,177,990	1,370,434
10. Other cash provided:		
10.1 Net transfers from affiliates	13,925	3,292
10.2 Borrowed funds received		
10.3 Capital paid in		
10.4 Surplus paid in		
10.5 Other sources	112,302	607,274
10.6 Total other cash provided (Lines 10.1 to 10.5)	126,227	610,566
11. Total (Line 8 plus Line 9.8 plus Line 10.6)	1,835,800	1,527,071
12. Cost of investments acquired (long-term only):		
12.1 Bonds	962,790	565,368
12.2 Stocks	3,310	7,001
12.3 Mortgage loans		
12.4 Real estate		76,084
12.5 Other invested assets		150,000
12.6 Miscellaneous applications		259,000
12.7 Total investments acquired (Lines 12.1 to 12.6)	1,116,100	907,453
13. Other cash applied:		
13.1 Dividends to stockholders paid		73,546
13.2 Net transfers to affiliates		
13.3 Borrowed funds repaid		
13.4 Other applications	49,160	1,656,863
13.5 Total other cash applied (Lines 13.1 to 13.4)	49,160	1,730,409
14. Total (Line 12.7 plus Line 13.5)	1,165,260	2,637,862
15. Net change in cash and short-term investments (Line 11 minus Line 14)	670,540	(1,110,791)
RECONCILIATION		
16. Cash and short-term investments:		
16.1 Beginning of year	1,989,078	3,099,869
16.2 End of period (Line 15 plus Line 16.1)	2,659,618	1,989,078

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

The financial statements of The Security Title Guarantee Corporation of Baltimore are presented on the basis of accounting practices prescribed or permitted by the Maryland Insurance Department.

The Maryland Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of Maryland for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Maryland Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Maryland. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP, however none of these differences affect the Company.

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 Policy

Premiums are earned when the insurance policy is reported as issued. Expenses incurred in the connection with acquiring new insurance business, including such acquisition cost as sales commissions, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common Stocks are stated at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis. The shares of Title Reinsurance Company owned, which represent less than 20% of the outstanding shares of that company, are also carried on the equity method.
- (4) Not Applicable
- (5) Not Applicable
- (6) Not Applicable
- (7) The Company carries Security Holding, Inc. and Affiliated Title Management, LLC at GAAP equity plus the remaining Goodwill balance of \$ -0-.
- (8) Not Applicable
- (9) Not Applicable
- (10) Not Applicable
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on the assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

- A. During the current year's financial statement preparation, the Company discovered an error in the compiling and reporting of deferred taxes for the prior year. In the prior year, the net deferred tax liability was overstated by \$143,500. In 2002 this amount was recorded as the correction of an error and was recorded as aggregate write-ins for gains and losses in surplus.
- B. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Maryland. Effective January 1, 2001, the State of Maryland required that insurance companies domiciled in the State of Maryland prepare their statutory financial statements in accordance with the NAIC *Accounting Practices and Procedures* manual subject to any deviations prescribed or permitted by the State of Maryland insurance commissioner.

NOTES TO FINANCIAL STATEMENTS**9. INCOME TAXES**

A. The components of the net deferred liability at September 30, 2002 and December 31, 2001(as corrected) are as follows:

	<u>Sept. 30, 2002</u>	<u>Dec. 31, 2001</u>
(1) Total of all deferred tax assets (admitted and nonadmitted)	\$ 204,700	\$197,400
(2) Total of all deferred tax liabilities	(326,100)	(369,700)
(3) Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes	0	0
(4) Increase (decrease) in deferred tax assets nonadmitted	0	0

B. Not Applicable

C. The components of incurred income tax expense and the change in DTAs and DTLs are as follows:

For nine months ending September 30, 2002

(1) Current income tax expense (benefit)	
Change in DTAs	\$ (7,300)
Change in DTLs	<u>(43,600)</u>
(2) Net change in deferred taxes	<u><u>\$ (50,900)</u></u>
(3) Deferred income taxes include a benefit of \$-0- from net operating losses.	

D. The Company's income tax expense and change in DTA/DTL differs from the amount obtained by applying the federal statutory rate of 34% to Net Income, before federal income taxes for the following reasons:

For nine months ending September 30, 2002

Expected federal income tax expense	\$(166,200)
Losses available for carry forward	166,200
Change DTA/DTL	<u>(50,900)</u>
Difference between December 31, 2001 accrual and actual payments	<u>1,317</u>
Total incurred income tax expense including change in DTA/DTL	<u><u>\$ (49,583)</u></u>

E. (1) As of December 31, 2001 the Company had no operating loss carry forwards.

(2) There are no income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses.

F. (1) The Company's federal Income Tax return is consolidated with the following entity: Affiliated Title Management, LLC

(2) In accordance with Section 701 of the Internal Revenue Code, Affiliated Title Management, LLC is a partnership and is not subject to income tax. The Security Title Guarantee Corporation of Baltimore, as partner, is liable for the income taxes in their return. Therefore no allocation of the income taxes is made.

17. Wash Sales

C. None

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes [] No [X]

1.2 If yes, explain:

.....

2.1 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]

2.2 If yes, has the report been filed with the domiciliary state?

Yes [] No [X]

3.1 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]

3.2 If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [] No [X]

If yes, attach an organizational chart.

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]

5.2 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

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes [] No [] N/A [X]

If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/1997

7.2 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.

11/30/1999

7.3 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).

11/30/1999

7.4 By what department or departments? MARYLAND INSURANCE ADMINISTRATION

.....

8.1 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? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [] No [X]

8.2 If yes, give full information

.....

GENERAL INTERROGATORIES (Continued)

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

9.1 Has there been any change in the reporting entity's own preferred or common stock?

Yes [] No [X]

9.2 If yes, explain

.....

10.1 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]

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

.....

11. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ _____

12. Amount of real estate and mortgages held in short-term investments:

\$ _____

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds	\$ _____	\$ _____
13.22 Preferred Stock	\$ _____	\$ _____
13.23 Common Stock	\$ _____	\$ 27,058
13.24 Short-Term Investments	\$ _____	\$ _____
13.25 Mortgages, Loans or Real Estate	\$ _____	\$ 108,909
13.26 All Other	\$ _____	\$ 97,007
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	\$ 26,388	\$ 61,358
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$ 162,355	\$ 193,394
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$ _____	\$ _____

14.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [] No [X]

14.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No [X]

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No []

15.1 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
Allfirst Trust Company, N.A.	25 S. Charles Street, Baltimore, MD 21201
Wachovia Securities, Inc.	2350 W. Joppa Road, Lutherville, MD 21093

15.2 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)

15.3 Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year?

Yes [X] No []

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
First Union Securities	Wachovia Securities, Inc.	06/17/2002	Merger

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

1 Central Registration Depository	2 Name(s)	3 Address

GENERAL INTERROGATORIES

(continued)

PART 2 - TITLE

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

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

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

3.2 If yes, give full and complete information thereto

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

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Loses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
.....
.....
TOTAL										

SCHEDULE A - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	300,000	300,000	300,000	250,000
2. Increase (decrease) by adjustment				(26,084)
3. Cost of acquired				76,084
4. Cost of additions to and permanent improvements				
5. Total profit (loss) on sales			125,187	
6. Increase (decrease) by foreign exchange adjustment			425,187	
7. Amount received on sales				
8. Book/adjusted carrying value at end of current period	300,000	300,000		300,000
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)	300,000	300,000		300,000
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	300,000	300,000		300,000

SCHEDULE B - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period				
2. Amount loaned during period:				
2.1 Actual cost at time of acquisitions				
2.2 Additional investment made after acquisitions				
3. Accrual of discount and mortgage interest points and commitment fees				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period				

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

Description	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period	41,951	47,387	51,012	29,960
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions	50,000	50,000	50,000	20,000
2.2 Additional investment made after acquisitions				239,000
3. Accrual of discount				
4. Increase (decrease) by adjustment	(44,564)	(46,375)	(29,694)	(227,009)
5. Total profit (loss) on sale				(18,290)
6. Amounts paid on account or in full during the period				1,710
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book/adjusted carrying value of long-term invested assets at end of current period	47,387	51,012	71,318	41,951
10. Total valuation allowance	47,387	51,012	71,318	41,951
11. Subtotal (Lines 9 plus 10)	47,387	51,012	71,318	41,951
12. Total nonadmitted amounts	47,387	51,012	71,318	41,951
13. Statement value of long term invested assets at end of current period	47,387	51,012	71,318	41,951

SCHEDULE D - PART 1B

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

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
BONDS								
1. Class 1	5,354,859	1,872,959	575,731	3,083	5,382,636	5,354,859	6,655,170	5,445,205
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	5,354,859	1,872,959	575,731	3,083	5,382,636	5,354,859	6,655,170	5,445,205
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	5,354,859	1,872,959	575,731	3,083	5,382,636	5,354,859	6,655,170	5,445,205
15. Total Bonds & Preferred Stock								

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
8099999 Totals	1,171,066	XXX	1,170,094	319	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	202,660	76,243	51,227	1,149,864
2. Cost of short-term investments acquired	119,953	91,726	1,324,996	1,378,670
3. Increase (decrease) by adjustment			973	
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				
6. Consideration received on disposal of short-term investments	246,370	116,742	206,130	2,325,874
7. Book/adjusted carrying value, current period	76,243	51,227	1,171,066	202,660
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	76,243	51,227	1,171,066	202,660
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	76,243	51,227	1,171,066	202,660
12. Income collected during period	798	367	1,292	50,686
13. Income earned during period	798	367	1,292	32,871

NONE Schedule DB Part F Section 1

NONE Schedule DB Part F Section 2

NONE Schedule F

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		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	YES	115,940	90,449	19,805	23	90,777
2. Alaska	AK	NO					14,977
3. Arizona	AZ	NO					
4. Arkansas	AR	NO					
5. California	CA	NO					
6. Colorado	CO	YES			64	164	16,551
7. Connecticut	CT	NO					18,544
8. Delaware	DE	YES	393,239	174,519	3,948		15,491
9. Dist. Columbia	DC	YES	75,395	33,721	250	85	7,500
10. Florida	FL	NO			1,397		500
11. Georgia	GA	YES	5,631				
12. Hawaii	HI	NO					
13. Idaho	ID	NO					
14. Illinois	IL	NO					
15. Indiana	IN	NO					
16. Iowa	IA	NO					
17. Kansas	KS	NO					
18. Kentucky	KY	YES	41,589	54,189		70	
19. Louisiana	LA	YES	1,716,083	1,388,348	35,189	(1,583)	85,448
20. Maine	ME	YES	6,435	6,419			40,573
21. Maryland	MD	YES	6,904,085	4,478,564	165,816	250,211	669,293
22. Massachusetts	MA	NO					181,930
23. Michigan	MI	NO					
24. Minnesota	MN	NO					
25. Mississippi	MS	YES	617,572	393,807	(250)	119,153	15,000
26. Missouri	MO	NO					5,000
27. Montana	MT	NO					
28. Nebraska	NE	NO					
29. Nevada	NV	NO					
30. New Hampshire	NH	YES					
31. New Jersey	NJ	YES	371,045	223,268	(1,675)	3,629	24,665
32. New Mexico	NM	NO					24,677
33. New York	NY	NO					
34. North Carolina	NC	NO					
35. North Dakota	ND	NO					
36. Ohio	OH	YES	106,881	170,490	37,443	23,130	17,103
37. Oklahoma	OK	NO					47,386
38. Oregon	OR	NO					
39. Pennsylvania	PA	YES	4,386,621	1,540,735	16,226	12,241	28,673
40. Rhode Island	RI	NO					17,139
41. So. Carolina	SC	YES	729,780	699,087	22,731	2,487	123,748
42. So. Dakota	SD	NO					24,698
43. Tennessee	TN	YES	20,554	33,431	157		
44. Texas	TX	NO					
45. Utah	UT	NO					
46. Vermont	VT	NO					
47. Virginia	VA	NO			969	(200)	
48. Washington	WA	NO					
49. West Virginia	WV	YES	280,426	334,835	(28,102)	27,961	76,413
50. Wisconsin	WI	NO					45,356
51. Wyoming	WY	NO					
52. American Samoa	AS	NO					
53. Guam	GU	NO					
54. Puerto Rico	PR	NO					
55. U.S. Virgin Is.	VI	NO					
56. Canada	CN	NO					
57. Aggregate Other Alien	OT	XXX					
58. Totals	(a)	17	15,771,276	9,621,862	273,968	437,371	1,163,662
DETAILS OF WRITE-INS							428,280
5701.		XXX					
5702.		XXX					
5703.		XXX					
5798. Summary of remaining write-ins for Line 57 from overflow page		XXX					
5799. TOTALS (Lines 5701 thru 5703 plus 5798) (Line 57 above)		XXX					

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

The Security Title Guarantee Corporation	50784	MD	52-0625962	The Security Title Guarantee Corporation
The Security Title Guarantee Corporation		MD	52-0609851Security Holding Inc.
The Security Title Guarantee Corporation		MD	52-2289472Affiliated Title Management LLC
The Security Title Guarantee Corporation		MD	52-2337538Partners Settlement Services LLC

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	269,345	247,094	9,709	1.880	0.390
2. Agency operations:					
2.1 Non-affiliated agency operations	15,383,582	360,689	943,649	5.994	2.190
2.2 Affiliated agency operations	118,349	8,524			
3. Totals	15,771,276	616,307	953,358	5.818	2.100

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Direct operations	73,185	269,345	296,535
2. Agency operations:			
2.1 Non-affiliated agency operations	4,807,241	15,383,582	9,325,327
2.2 Affiliated agency operations	61,741	118,349	
3. Totals	4,942,167	15,771,276	9,621,862

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the SVO Compliance Certification be filed with this statement?

Yes

EXPLANATION:

BAR CODE:

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Current Quarter

SCHEDULE A - PART 3

Showing all Real Estate SOLD during the Quarter, including Payments during the Final Year on "Sales under Contract"

SCHEDULE B - PART 1

Showing all Mortgage Loans ACQUIRED during the Current Quarter

SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD, transferred or paid in full during the Current Quarter

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets ACQUIRED during the Current Quarter

1 Number of Units and Description	2 City	3 State	4 Name of Vendor	5 Date Acquired	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment
100% INTEREST IN AFFILIATED TITLE MANAGEMENT LLC.	BALTIMORE	MD	AFFILIATED TITLE MANAGEMENT LLC.	09/17/2002	50,000				(29,694)
1099999 Subtotal - Other - Joint Venture/Partnership Interests					50,000				(29,694)
9999999 Totals					50,000				(29,694)

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, transferred or paid in full during the Current Quarter

1 Number of Units and Description	2 City	3 State	4 Name of Purchaser or Nature of Disposition	5 Date Acquired	6 Book/Adjusted Carrying Value Less Encumbrances Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book/Adjusted Carrying Value Less Encumbrances at Disposition	10 Foreign Exchange Profit (Loss) on Sale	11 Realized Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale

SCHEDULE D - PART 3

Showing all Long-term Bonds and Stock Acquired by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
313350-U-A-5	FEDERAL HOME LOAN MTG CORP. STEP	07/29/2002	WACHOVIA SECURITIES		50,000	50,000.00		1
3136F2-GZ-5	FEDERAL NATIONAL MORTGAGE ASSOC.	08/28/2002	WACHOVIA SECURITIES		50,000	50,000.00		1
3136F2-JA-7	FEDERAL NATIONAL MORTGAGE ASSOC.	09/05/2002	WACHOVIA SECURITIES		50,000	50,000.00		1
0399999	Total Bonds U. S. Government			XXX				XXX
898116-TV-0	TRUMBULL CONNECTICUT RFDG-SER B	09/05/2002	FERRIS BAKER WATTS & CO.		150,000	150,000.00		1PE
1707996	Bonds - States, Territories and Possessions - CT			XXX				XXX
1799999	Total Bonds States, Territories and Possessions			XXX				XXX
776090-NW-1	PETERS TWP PA SCH DIST WASH CNTY	09/05/2002	FERRIS BAKER WATTS & CO.		50,681	50,000.00		1PE
2439996	Bonds - Political Subdivisions of States - PA			XXX				XXX
2499999	Total Bonds Political Subdivisions of States, Territories and Possessions			XXX				XXX
4 61334M-JS-0	MONTGOMERY COUNTY MD HSG OPPYS	09/19/2002	FERRIS BAKER WATTS & CO.		50,681	50,000.00		1PE
3121996	Bonds - Special Revenue and Special Assessment Obligations - MD			XXX				XXX
3199999	Total Bonds Special Revenue and Special Assessment Obligations			XXX				XXX
000000-00-0	AMISOUTH BANK CERTIFICATE OF DEPOSIT	08/07/2002	AMISOUTH BANK		50,000	50,000.00		1Z
000000-00-0	CHESAPEAKE BANK CERTIFICATE OF DEPOSIT	07/10/2002	CHESAPEAKE BANK		50,000	50,000.00		1Z
000000-00-0	CHEVY CHASE CERTIFICATE OF DEPOSIT	07/23/2002	CHEVY CHASE		42,281	42,281.00		1Z
000000-00-0	ETRADE BANK CERTIFICATE OF DEPOSIT	07/18/2002	ETRADE BANK		50,000	50,000.00		1Z
000000-00-0	GOLDEN PRAGUE FEDERAL S&L	08/24/2002	GOLDEN PRAGUE FEDERAL S&L		30,000	30,000.00		1Z
000000-00-0	MBNA CERTIFICATE OF DEPOSIT	09/16/2002	MBNA		24,000	24,000.00		1Z
4599999	Total Bonds Industrial and Miscellaneous			XXX				XXX
6099997	Total Bonds Part 3			XXX				XXX
6099999	Total Bonds			XXX				XXX
713291-10-2	PEPCO HOLDINGS INC.	08/01/2002	MERGER		170,000	3,310		L
6699999	Total Common Stock Public Utilities			XXX				XXX
7099997	Total Common Stock Part 3			XXX				XXX

(a) For all common stock bearing the NAIC designation "U" provide the number of such issues 0

SCHEDULE D - PART 3

Showing all Long-term Bonds and Stock Acquired by the Company During the Current Quarter

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues
7299999
Totals

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designation (a)				
3113M7-2N-5	FEDERAL HOME LOAN BANK	07/01/2002	CALLED @ 100.00000000	35,000	35,000.00	31,974	32,331	73		2,669	2,669	1PE				
3113M7-SF-4	FEDERAL HOME LOAN BANK	09/10/2002	CALLED @ 100.00000000	50,000	50,000.00	50,000	50,000			3,250	3,250	1				
3134A2-SK-5	FEDERAL HOME LOAN MORTGAGE	09/24/2002	CALLED @ 100.00000000	25,000	25,000.00	21,860	22,284	114		1,139	1,139	1				
912827-3C-4	U. S. TREASURY NOTE	07/31/2002	MATURITY	70,000	70,000.00	69,739	70,000	35		4,200	4,200	1				
0399899	Subtotal - Bonds - U.S. Governments		XXX	180,000	180,000.00	173,573	174,615	222		5,385	5,385	1PE				
207726-AG-5	CONNECTICUT RENTAL HOUSING SE	07/01/2002	MATURITY	5,000	5,000.00	4,688	5,000	12		263	263	XXX				
1707986	Bonds - States, Territories and Possessions - CT		XXX	5,000	5,000.00	4,688	5,000	12			263	XXX				
059132-TK-6	BALTIMORE COUNTY MD G.O.	08/01/2002	MATURITY	25,000	25,000.00	24,781	25,000	18		1,063	1,063	1PE				
442582-ET-3	HOWARD COUNTY MD METRO DIST	08/15/2002	MATURITY	25,000	25,000.00	24,767	25,000	19		1,219	1,219	1PE				
574216-JL-2	MARYLAND STATE HEALTH & HIGHER	07/01/2002	CALLED @ 100.00000000	5,000	5,000.00	5,000	5,000			256	256	1				
5	1721996	Bonds - States, Territories and Possessions - MD		XXX	55,000	55,000.00	54,548	55,000	37		2,538	2,538	XXX			
876315-KF-8	TARRANT COUNTY TEX REFUNDING	07/15/2002	CALLED @ 100.00000000	25,000	25,000.00	24,900	24,988	6		12	12	1,250				
1744996	Bonds - States, Territories and Possessions - TX		XXX	25,000	25,000.00	24,900	24,988	6		12	12	1,250				
1799999	Total - Bonds - States, Territories and Possessions		XXX	85,000	85,000.00	84,136	84,988	55		12	12	4,051				
643272-C2-1	NEW CASTLE COUNTY DE G.O. 1978	08/15/2002	MATURITY	10,000	10,000.00	6,713	10,000	231		600	600	1				
2408996	Bonds - Political Subdivisions of States, Territories and Possessions - DE		XXX	10,000	10,000.00	6,713	10,000	231		600	600	XXX				
2499999	Total - Bonds - Political Subdivisions of States, Territories and Possessions		XXX	10,000	10,000.00	6,713	10,000	231		600	600	XXX				
000000-00-0	GOLDEN PRAGUE FEDERAL CERT. OF	08/24/2002	MATURITY	30,000	30,000.00	30,000	30,000			1,238	1,238	12				
69416N-AB-8	PACIFIC CREST BANK CERTIFICATE O	06/21/2002	MATURITY	25,000	25,000.00	25,000	25,000			885	885	12				
000000-00-0	PROVIDENT BANK CERTIFICATE OF D	07/30/2002	MATURITY	44,999	44,999.00	44,999	44,999			1,341	1,341	12				
4599999	Subtotal - Bonds - Industrial and Miscellaneous		XXX	99,999	99,999.00	99,999	99,999			3,474	3,474	XXX				
6099997	Subtotal - Bonds - Part 4		XXX	374,999	374,999.00	364,421	369,602	508		5,397	5,397	146 L				
6099999	Total Bonds		XXX	374,999	374,999.00	364,421	369,602	508		5,397	5,397	146 L				
206829-10-3	CONNECTICUT PEPCO HOLDINGS INC.	08/01/2002	REDEEMED AT MERGER	200,000	5,000	4,109	4,109	15		891	891	XXX				
713291-10-2	Subtotal - Common Stock - Public Utilities		XXX	5,015	5,015	4,124	4,124	(789)		892	892	146 XXX				

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues.....

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Foreign Exchange Adjustment	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designation (a)		
7099997	Subtotal - Common Stock - Part 4			XXX	5,015	XXX	4,124	4,124	(789)		892	892	XXX	146	XXX	
7099999	Total Common Stock			XXX	5,015	XXX	4,124	4,124	(789)		892	892	XXX	146	XXX	
7199999	Total Preferred and Common Stock			XXX	5,015	XXX	4,124	4,124	(789)		892	892	XXX	146	XXX	
7299999	Totals															

(a) For all common stock bearing the NAIC designation "U" provide the number of such issues 0

NONE **Schedule DB Part A and B Section 1**

NONE **Schedule DB Part C and D Section 1**

SCHEDULE E - PART 1 - CASH
Month End Depository Balances

1 Depository	2 Rate of Interest	3 Amount of Interest Received During Current Quarter	4 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			8 *
				5 First Month	6 Second Month	7 Third Month	
Open Depositories - Section (A)-Segregated Funds Held for Others							
CHEVY CHASE BANK	BALTIMORE MARYLAND			33,931	231,473	1,785,331	
0199998 Deposits in (2) depositories which do not exceed the allowable limit in any one depository (see instructions)	XXX			79,180	79,484	79,794	XXX
0199999 Total Segregated Funds Held For Others	XXX			113,111	310,957	1,865,125	XXX
Open Depositories - Section (B) - General Funds							
CARROLLTON BANK	BALTIMORE MARYLAND	1.625	6,991	2,361,256	2,612,776	1,466,817	
0299998 Deposits in (3) depositories which do not exceed the allowable limit in any one depository (see instructions)	XXX	1,142		21,436	21,436	21,436	XXX
0299999 Total General Funds	XXX	8,133		2,382,692	2,634,212	1,488,253	XXX
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)	XXX						XXX
0399999 Total Reinsurance Reserve Funds	XXX						XXX
0499999 Total Open Depositories	XXX	8,133		2,495,803	2,945,169	3,353,378	XXX
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)	XXX						XXX
0599999 Total Segregated Funds held for others	XXX						XXX
Suspended Depositories - Section (B) - General Funds							
0699998 Deposits in (0) depositories which do not exceed the allowable limit in any one depository (see instructions)	XXX						XXX
0699999 Total General Funds	XXX						XXX
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)	XXX						XXX
0799999 Total Reinsurance Reserve Funds	XXX						XXX
0899999 Total Suspended Depositories	XXX						XXX
0999999 Total cash on Deposit	XXX	8,133		2,495,803	2,945,169	3,353,378	XXX
1099999 Cash in Company's Office	XXX	XXX	XXX	300	300	300	XXX
1199999 TOTAL CASH	XXX	8,133		2,496,103	2,945,469	3,353,678	XXX



The Security Title Guarantee Corporation of Baltimore
Company Name

50784
NAIC Code

50784200247000103

SVO COMPLIANCE CERTIFICATION

“The undersigned is an officer of the insurer responsible for reporting investments to the SVO and/or with performing all filings with appropriate state regulatory officials and the NAIC and is therefore required to be familiar with the requirements of such filings. The undersigned officer certifies that, to the best of his or her knowledge, information, and belief, all prices or NAIC designations for the securities reported in this statement have been obtained directly from the SVO except as specifically identified below. The officer further certifies that, to the best of his or her knowledge, information, and belief, since the last filing of a quarterly or annual statement:

1. All securities previously valued by the insurer and identified by a Z suffix have now been submitted to the SVO for a valuation or disposed of by sale or otherwise with the result that all prices and NAIC Designations reported in this statement have been provided by the SVO, except for new purchases identified in Schedule D and DA with a Z suffix or items submitted but not yet processed by the SVO.
2. Any newly purchased securities now identified with a Z suffix will be submitted to the SVO within 120 days of purchase.
3. All necessary information on securities that have been previously designated NR (not rated due to lack of current information) by the SVO have either been submitted to the SVO by the insurer for a valuation or disposed of by the insurer.
4. All material issuer events (as defined below) have been reported to the SVO.

A material issuer event is a generic or transaction specific credit event of which the insurer is currently aware, which by its nature would signify to a reasonably prudent insurer that a material change in the credit quality or price of the investment or security has occurred.

As an illustration, and not by way of limitation, the following shall be deemed to constitute material issuer events:

- a. Recapitalizations or capital restructuring whether within or without Chapter 11 of the U.S. Bankruptcy Code;
- b. Nonpayment, deferral, or payment in kind through waiver of any principal or contractual interest payment;
- c. Any change in the maturity of a security;
- d. Changes in the lender's collateral position, including releases of collateral, or the taking of a collateral position whether by operation of negative pledge covenant or otherwise;
- e. Events of a like character or of a like effect, which would be considered material to an investment professional.
- f. Exceptions Title Reinsurance Company is valued using the Equity Method

Theresa K. Kozel

Name of Investment Officer

Theresa Z. Kozel

Signature of Investment Officer

Treasurer

Title of Signatory

11/13/2002

Date

May 1 - 1900.

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