50857200220100103

QUARTERLY STATEMENT

AS OF September 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

Security Union Title Insurance Company

NAIC Group Code 0670 (Current Period) 0670 (Prior Period) **NAIC Company Code** 50857 **Employer's ID Number** 95-2216067

Organized under the Laws of California **, State of Domicile or Port of Entry** California

Country of Domicile US

Incorporated: March 5, 1962 **Commenced Business:** April 30, 1962

Statutory Home Office: 4050 Calle Real Santa Barbara, CA 93110

Main Administrative Office: 171 North Clark Street 8th Floor Chicago, IL 60601 312-223-2000

Mail Address: 171 North Clark Street 8th Floor Chicago, IL 60601

Primary Location of Books and Records: 4050 Calle Real Santa Barbara, CA 93110 805-696-7000

Internet Website Address: www.fnf.com

Statement Contact: Jan B. Ramsey 805-696-7000 00000

jramsey@fnf.com (E-Mail Address) 805-696-7802 (Fax Number)

Policyowner Relations Contact: Kevin Chiarello, 17911 Von Karman, Suite 300 Irvine, CA 92614 949-622-4338 00000

OFFICERS

Chrmn, Pres & CEO	Patrick Francis Stone
VP & Corporate Secretary	Fernando (NMN) Velez, Jr
EVP & CFO	Alan Lynn Stinson
Actuary	

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Vice-Presidents

Christopher (NMN) Abbinante	Hon Wai Chan	Kevin Richard Chiarello	Francene Mary DePrez
Thomas Edgar Evans, Jr	Patrick Gerard Farenga	Ronald Ray Maudsley	Anthony John Park
Donald Eugene Partington	Raymond Randall Quirk	Burton James Rain	Peter Tadeusz Sadowski
Ernest Donald Smith			

DIRECTORS OR TRUSTEES

Richard Melvin Klarin	Burton James Rain	Patrick Francis Stone	

State of California
County of Santa Barbara 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.

(Signature)	(Signature)	(Signature)
Patrick Francis Stone	Fernando (NMN) Velez, Jr	Alan Lynn Stinson
(Printed Name)	(Printed Name)	(Printed Name)
Chrmn, Pres & CEO	VP & Corporate Secretary	EVP & CFO

Subscribed and sworn to before me this
7th day of November, 2002

Notary Public (seal)

RHONDA BOTTIANI
Commission # 1349436
Notary Public - California
Santa Barbara County
My Comm. Expires Apr 1, 2006

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols 1 - 2)	4 December 31, Prior Year Net Admitted Assets
1. Bonds	36,185,918	48,698	36,137,220	31,022,758
2. Stocks:				
2.1 Preferred stocks	454,375		454,375	861,063
2.2 Common stocks	23,604,354		23,604,354	19,086,628
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	17,367		17,367	20,086
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ 0 encumbrances)	2,275,790		2,275,790	4,354,502
4.2 Properties held for the production of income (less $ 0 encumbrances)				
4.3 Properties held for sale (less $ 0 encumbrances)				
5. Cash ($ 1,297,379) and short-term investments ($ 13,596,026)	14,893,405		14,893,405	17,726,262
6. Other invested assets	4,230,000		4,230,000	4,230,000
7. Receivable for securities	4,419,856		4,419,856	2,930,980
8. Subtotals, cash and invested assets (Lines 1 to 7)	86,081,065	48,698	86,032,367	80,232,279
9. Title plants, less $ 0 , charged off	12,537,902	509,339	12,028,563	12,028,563
10. Title insurance premiums and fees receivable	3,346,197	413,992	2,932,205	2,511,615
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)	1,928,594		1,928,594	701,634
14. Guaranty funds receivable or on deposit				
15. Electronic data processing equipment and software	580,105		580,105	1,344,204
16. Interest, dividends and real estate income due and accrued	489,901		489,901	566,783
17. Net adjustments in assets and liabilities due to foreign exchange rates				
18. Receivable from parent, subsidiaries and affiliates	334,900	134,970	199,930	4,614,429
19. Other assets nonadmitted	557,901	557,901		
20. Aggregate write-ins for other than invested assets	2,664,691	1,039,084	1,625,607	2,391,179
21. TOTALS (Lines 8 to 20)	108,521,256	2,703,984	105,817,272	104,390,686

DETAILS OF WRITE-INS				
2001. Title plant improvements	1,625,607		1,625,607	2,391,179
2002. Other Assets	106,247	106,247		
2003. Prepaid expenses	932,837	932,837		
2098. Summary of remaining write-ins for Line 20 from overflow page				
2099. Totals (Lines 2001 through 2003 + 2098) (Line 20 above)	2,664,691	1,039,084	1,625,607	2,391,179

A. The above assets include the following segregated assets of the Statutory Premium Reserve or other similar statutory reserve:
Bonds $ 21,000,000 , Short-term investments $ 0 ,
Mortgages $ 0 , Cash $ 0 , Total $ 21,000,000 .

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 $ 37,036 not included in the foregoing statement were held pursuant to the governing agreements of custody. These funds consist of $ 37,036 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	4,777,379	6,177,250
2. Statutory premium reserve	20,670,498	21,077,827
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)	4,482,879	5,564,907
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,283,022	926,545
8. Federal and foreign income taxes (including $ 0 on realized capital gains (losses) (including $ 2,598,823 net deferred tax liability)	2,598,823	173,840
9. Borrowed money $ 0 and interest thereon $ 0		
10. Dividends declared and unpaid		
11. Premiums and other consideration received in advance		
12. Unearned interest and real estate income received in advance		
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	(372)	228,022
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	7,265,464	10,031,578
19. Payable for securities		
20. Aggregate write-ins for other liabilities		
21. Total liabilities (Lines 1 through 20)	41,077,693	44,179,969
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	30,250,000	30,250,000
24. Preferred capital stock		
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus	12,777,384	12,777,384
28. Unassigned funds (surplus)	21,712,195	17,183,329
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)	64,739,579	60,210,713
31. Totals	105,817,272	104,390,682

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
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	40,574,799	33,908,240	47,388,999
1.2 Escrow and settlement services		130,745	
1.3 Other title fees and service charges	20,184,756	17,678,159	24,569,547
2. Aggregate write-ins for other operating income			
3. Total Operating Income (Lines 1 through 2)	60,759,555	51,717,144	71,958,546
DEDUCT:			
4. Losses and loss adjustment expenses incurred	631,214	2,920,098	5,016,765
5. Operating expenses incurred	56,040,056	47,976,682	66,283,269
6. Aggregate write-ins for other operating deductions			
7. Total Operating Deductions	56,671,270	50,896,780	71,300,034
8. Net operating gain or (loss) (Lines 3 minus 7)	4,088,285	820,364	658,512
INVESTMENT INCOME			
9. Net investment income earned	2,498,606	2,864,227	8,415,601
10. Net realized capital gains and (losses)	(4,706,095)	1,518,106	2,007,308
11. Net investment gain or (loss) (Lines 9 + 10)	(2,207,489)	4,382,333	10,422,909
OTHER INCOME			
12. Aggregate write-ins for miscellaneous income or (loss)			
13. Net income, before federal income taxes (Lines 8 + 11 + 12)	1,880,796	5,202,697	11,081,421
14. Federal and foreign income taxes incurred	(1,476,909)	1,480,575	2,367,764
15. Net income (Lines 13 minus 14)	3,357,705	3,722,122	8,713,657
CAPITAL AND SURPLUS ACCOUNT			
16. Surplus as regards policyholders, December 31 prior year	60,210,713	55,079,518	55,079,518
GAINS AND (LOSSES) IN SURPLUS			
17. Net income (from Line 15)	3,357,705	3,722,122	8,713,657
18. Net unrealized capital gains or (losses)	1,314,555	997,392	516,387
19. Change in net unrealized foreign exchange capital gain (loss)			
20. Change in net deferred income taxes	548,901	2,046,455	2,318,867
21. Change in nonadmitted assets	22,230	(425,266)	547,094
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		(1,280,224)	(1,280,224)
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			(5,500,000)
29. Change in treasury stock			
30. Aggregate write-ins for gains and losses in surplus	(714,525)	597,213	(184,586)
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)	4,528,866	5,657,692	5,131,195
32. Surplus as regards policyholders as of statement date (Lines 16 plus 31)	64,739,579	60,737,210	60,210,713

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.			
1202.			
1203.			
1298. Summary of remaining write-ins from overflow page			
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)			
3001. Statutory premium reserve augmentation	597,213	597,213	796,284
3002. Prior Period Accrued Pension Adjustment	(685,438)		(1,028,156)
3003. True up of PY tax	(626,300)		47,286
3098. Summary of remaining write-ins from overflow page			
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	(714,525)	597,213	(184,586)

CASH FLOW	1 Current Year to Date	2 Prior Year Ended December 31
1. Premiums and other charges collected	60,755,857	72,026,840
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	2,031,085	4,707,918
3. Total operating expenses paid	56,994,001	62,810,366
4. Cash from operations (Line 1 minus Line 2 minus Line 3)	1,730,771	4,508,556
5. Investment income (net of investment expense)	2,717,099	8,790,399
6. Other income received (expenses paid)		
7. Federal income taxes (paid) recovered	2,048,632	(2,753,228)
8. Net cash from operations (Lines 4 to 7)	6,496,502	10,545,727
9. Proceeds from investments sold, matured or repaid:		
9.1 Bonds	19,995,969	20,023,639
9.2 Stocks	76,876,667	84,633,983
9.3 Mortgage loans	2,719	3,197
9.4 Real estate	1,776,499	2,220,103
9.5 Other invested assets		530,000
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)	98,651,854	107,410,922
10. Other cash provided:		
10.1 Net transfers from affiliates	1,648,384	
10.2 Borrowed funds received		
10.3 Capital paid in		
10.4 Surplus paid in		
10.5 Other sources	2,377,277	3,693,792
10.6 Total other cash provided (Lines 10.1 to 10.5)	4,025,661	3,693,792
11. Total (Line 8 plus Line 9.8 plus Line 10.6)	109,174,017	121,650,441
12. Cost of investments acquired (long-term only):		
12.1 Bonds	24,848,102	15,936,049
12.2 Stocks	80,666,992	86,883,933
12.3 Mortgage loans		
12.4 Real estate	60,472	29,508
12.5 Other invested assets		
12.6 Miscellaneous applications	1,488,876	
12.7 Total investments acquired (Lines 12.1 to 12.6)	107,064,442	102,849,490
13. Other cash applied:		
13.1 Dividends to stockholders paid		5,500,000
13.2 Net transfers to affiliates		683,902
13.3 Borrowed funds repaid		
13.4 Other applications	4,942,432	4,919,354
13.5 Total other cash applied (Lines 13.1 to 13.4)	4,942,432	11,103,256
14. Total (Line 12.7 plus Line 13.5)	112,006,874	113,952,746
15. Net change in cash and short-term investments (Line 11 minus Line 14)	(2,832,857)	7,697,695
RECONCILIATION		
16. Cash and short-term investments:		
16.1 Beginning of year	17,726,262	10,028,567
16.2 End of period (Line 15 plus Line 16.1)	14,893,405	17,726,262

NOTES TO FINANCIAL STATEMENTS

It is presumed that the users of the interim financial statements have read or have access to the notes to the December 31, 2001 Annual Statement. Disclosures that would substantially duplicate the disclosures in the most recent Annual Statement have been omitted from the notes below.

1. Summary of Significant Accounting Policies:

The financial statements of Security Union Title Insurance Company are presented on the basis of accounting practices prescribed or permitted by the State of California Department of Insurance.

A. Accounting Practices:

To the extent possible, the accompanying financial statements have been prepared in substantial conformity with the National Association of Insurance Commissioners' *(NAIC) Accounting Practices and Procedures Manual*, version January 1, 2001, (NAIC SAP), except where the laws of the State of California differ. Significant variances between California basis of accounting and NAIC SAP are: investments in title plants under California laws are limited to 50% of an insurer's capital stock, as compared to NAIC SAP which allows the lesser of 20% of admitted assets or 40% of surplus; and recovery rates for amounts set aside in the statutory premium reserves differ.

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

1. Net Income, California basis	$3,357,705
2. State Prescribed/Permitted Practices (Income):	
Statutory Premium Reserve Recovery	399,153
3. Net Income, NAIC SAP	$3,756,858
4. Statutory Surplus, California basis	$64,739,579
5. State Prescribed/Permitted Practices (Surplus):	
Statutory Premium Reserve	399,153
Title Plants	0
6. Statutory Surplus, NAIC SAP	$65,138,732

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.

2. Accounting Changes and Correction of Errors:

A. During the current year's financial statement preparation, there was no individually material change in accounting principle or correction of errors.

10. Investment in Subsidiaries and Affiliates

The Company owns 100% of the stock of CTI Oregon, an insurance company, whose carrying value is in excess of 10% of the admitted assets of the Company. The Company carried this investment at the statutory equity of the insurer.

The statement value of CTI Oregon assets, liabilities and equity as of 09/30/2002 and 12/31/2001 was

	09/30/2002	12/31/2001
Assets	$23,382,419	$25,150,464
Liabilities	$11,740,891	$16,078,366
Equity	$11,641,528	$ 9,072,098

Net income of CTI Oregon for the period ending 09/30/2002 and 12/31/2001 was $3,006,294 and $4,407,310 respectively.

17 (c) Wash Sales :

Not applicable

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity 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 Domicilie, 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 [X] No [ ]

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. 12/31/1999

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. 12/31/1999

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). 08/23/2001

7.4 By what department or departments?
California Department of Insurance

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	$ 14,123,967	$ 20,060,505
13.24 Short-Term Investments	$	$
13.25 Mortgages, Loans or Real Estate	$	$
13.26 All Other	$ 4,230,000	$ 4,230,000
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	$ 18,353,967	$ 24,290,505
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	$	$
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
BNY Western Trust Company	700 S. Flower Street, Suite 200, Los Angeles, CA 90017-4104

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 [ ] No [X]

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

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

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
Assets managed in-house by Matthew Hartman	and Fred Engimann (Chicago Trust Co)	4050 Calle Real, Santa Barbara, CA 93110

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	2	3	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
Line of Business	Maximum Interest	Discount Rate	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	4,354,502	4,322,803	4,350,162	4,848,268
2. Increase (decrease) by adjustment	(31,699)	(33,113)	(31,040)	(119,690)
3. Cost of acquired				
4. Cost of additions to and permanent improvements		60,472		
5. Total profit (loss) on sales			(266,833)	1,846,027
6. Increase (decrease) by foreign exchange adjustment:				
7. Amount received on sales			1,776,499	2,220,103
8. Book/adjusted carrying value at end of current period	4,322,803	4,350,162	2,275,790	4,354,502
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)	4,322,803	4,350,162	2,275,790	4,354,502
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	4,322,803	4,350,162	2,275,790	4,354,502

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	20,086	19,651	19,403	23,283
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	435	248	2,036	3,197
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	19,651	19,403	17,367	20,086
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	19,651	19,403	17,367	20,086
12. Total nonadmitted amounts	19,651	19,403		
13. Statement value of mortgages owned at end of current period			17,367	20,086

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	4,230,000	4,230,000	4,230,000	4,760,000
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions				
2.2 Additional investment made after acquisitions				
3. Accrual of discount				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				530,000
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	4,230,000	4,230,000	4,230,000	4,230,000
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	4,230,000	4,230,000	4,230,000	4,230,000
12. Total nonadmitted amounts				
13. Statement value of long term invested assets at end of current period	4,230,000	4,230,000	4,230,000	4,230,000

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 Acquistions 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	46,437,961	35,066,107	33,822,132	444,808	39,610,989	46,437,961	48,126,744	43,513,247
2. Class 2	3,815,381		1,892,322	(516,557)	4,824,165	3,815,381	1,406,502	3,964,229
3. Class 3	709,283		507,120	(202,163)	239,307	709,283		569,289
4. Class 4				200,000			200,000	
5. Class 5								
6. Class 6	75,000		75,000			75,000		
7. Total Bonds	51,037,625	35,066,107	36,296,574	(73,912)	44,674,461	51,037,625	49,733,246	48,046,765
PREFERRED STOCK								
8. Class 1	248,751		10,000	11,250	502,501	248,751	250,001	269,188
9. Class 2								
10. Class 3	400,000		400,000		400,000	400,000		400,000
11. Class 4	219,688			(15,313)		219,688	204,375	
12. Class 5								
13. Class 6					238,125			191,875
14. Total Preferred Stock	868,439		410,000	(4,063)	1,140,626	868,439	454,376	861,063
15. Total Bonds & Preferred Stock	51,906,064	35,066,107	36,706,574	(77,975)	45,815,087	51,906,064	50,187,622	48,907,828

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	13,596,027	XXX	13,596,027	54,349	

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	17,024,007	8,506,777	10,484,032	9,397,320
2. Cost of short-term investments acquired	27,971,092	9,388,500	28,184,516	458,776,872
3. Increase (decrease) by adjustment				
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	36,488,322	7,411,245	25,072,521	451,150,184
7. Book/adjusted carrying value, current period	8,506,777	10,484,032	13,596,027	17,024,008
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	8,506,777	10,484,032	13,596,027	17,024,008
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	8,506,777	10,484,032	13,596,027	17,024,008
12. Income collected during period	91,407	55,490	54,349	529,939
13. Income earned during period	79,296	55,490	54,463	535,039

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

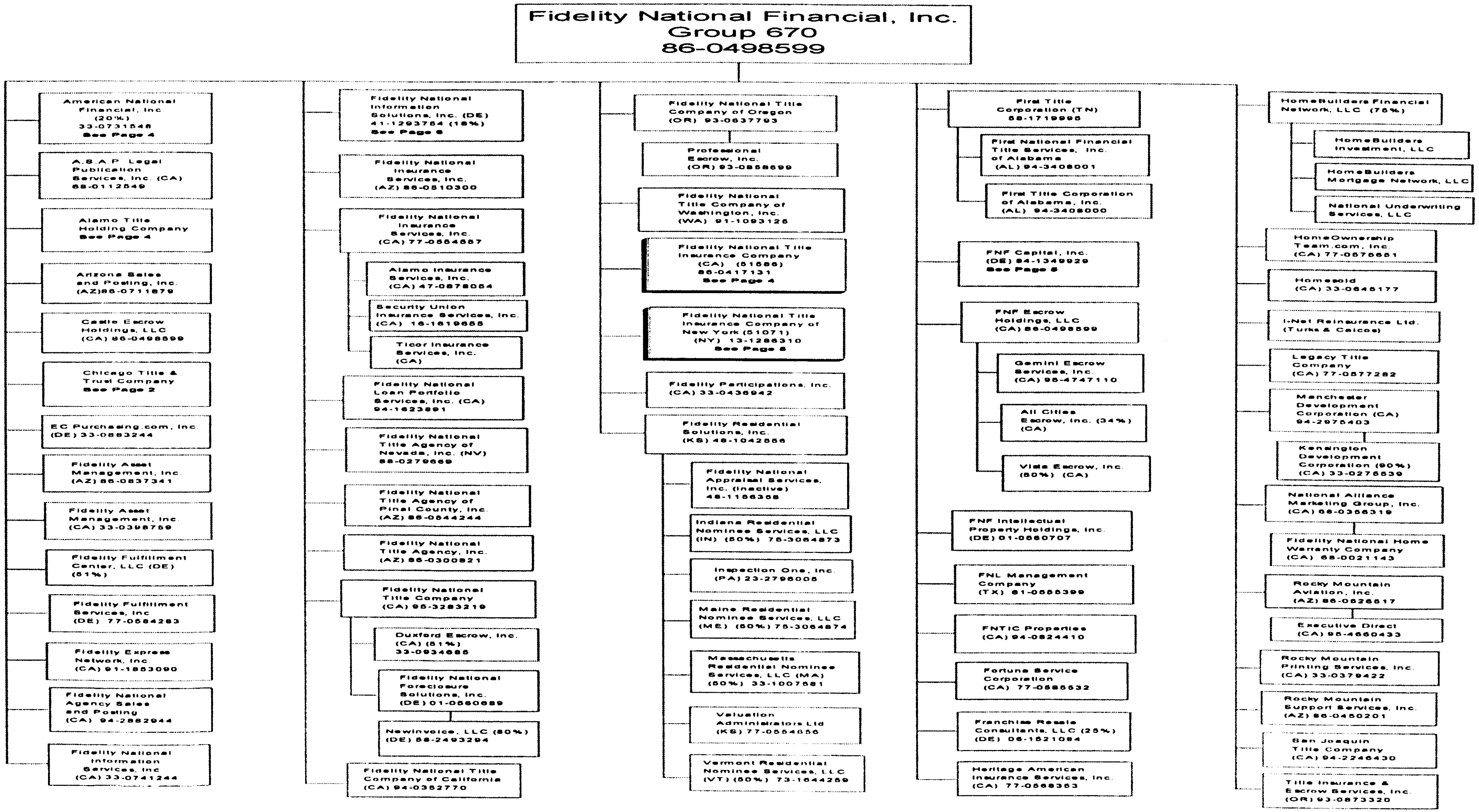
States, etc.		1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written 2 Current Year To Date	Direct Premiums Written 3 Prior Year To Date	Direct Losses Paid (Deducting Salvage) 4 Current Year To Date	Direct Losses Paid (Deducting Salvage) 5 Prior Year To Date	Direct Losses Unpaid 6 Current Year To Date	Direct Losses Unpaid 7 Prior Year To Date
1. Alabama	AL	YES			3,053	2,368	4,176	7,620
2. Alaska	AK	YES			3,359	3,587	(429)	2,892
3. Arizona	AZ	YES	12,573,271	12,077,446	(576,900)	859,837	135,411	339,359
4. Arkansas	AR	YES	40,744	21,511		296		
5. California	CA	YES	1,646,244	1,468,340	895,863	158,066	2,459,497	3,413,212
6. Colorado	CO	YES	664,384	451,653	80,499	30,947	203,993	30,778
7. Connecticut	CT	YES			193			3,000
8. Delaware	DE	YES	130,636	33,905				
9. Dist. Columbia	DC	NO						
10. Florida	FL	YES			32,988	17,514	6,699	25,304
11. Georgia	GA	YES			310	1,322	5,000	
12. Hawaii	HI	YES				6,224		3,671
13. Idaho	ID	YES		2,085	1,354	58,622	87,495	301,558
14. Illinois	IL	YES	2,894,842	1,733,379	33,731	97,252	22,594	133,640
15. Indiana	IN	YES	456,050	248,971	44,969	7,449	75,478	107,956
16. Iowa	IA	NO						
17. Kansas	KS	NO				335		
18. Kentucky	KY	YES	5,664		533	4,310		(3,907)
19. Louisiana	LA	YES	23,023	18,535	6,093	15,179	137,773	57,950
20. Maine	ME	YES						
21. Maryland	MD	NO			45,489		169,097	
22. Massachusetts	MA	YES			23,412	23,397	7,126	73,220
23. Michigan	MI	YES	9,260,653	8,435,341	769,290	514,010	366,010	365,105
24. Minnesota	MN	NO			2,619	4,766	11,064	11,460
25. Mississippi	MS	YES						
26. Missouri	MO	YES	167,779	205,300	86,853	455,338	24,887	68,521
27. Montana	MT	YES	2,050	1,700	12,978	8,145	45,385	34,501
28. Nebraska	NE	YES	25,861	9,796				
29. Nevada	NV	YES			433	(380)	4,108	
30. New Hampshire	NH	YES				95		8,350
31. New Jersey	NJ	YES			16,620	42,402	130,932	111,161
32. New Mexico	NM	YES			187	2,019		5,364
33. New York	NY	NO						2,942
34. North Carolina	NC	YES	282,214	354,975	360,608	51,145	219,917	246,697
35. North Dakota	ND	NO						
36. Ohio	OH	YES	2,508,580	1,834,837	21,977	2,288	45,074	52,905
37. Oklahoma	OK	YES	63,075	29,369				
38. Oregon	OR	NO			10,321	36,531	26,240	30,357
39. Pennsylvania	PA	YES			3,562		8,070	
40. Rhode Island	RI	NO						
41. So. Carolina	SC	YES						
42. So. Dakota	SD	YES	845,688	581,856	1,199			3,997
43. Tennessee	TN	YES	339,323	107,437	52,320		166,779	
44. Texas	TX	YES	4,589,876	3,797,296	(6,253)	36,243	68,346	134,738
45. Utah	UT	YES	2,260,658	1,245,281	15,540	20,501	18,000	23,866
46. Vermont	VT	YES						
47. Virginia	VA	YES	175,694	123,476		(16,926)		
48. Washington	WA	YES		214	59,146	60,683	296,639	302,671
49. West Virginia	WV	YES						
50. Wisconsin	WI	YES	1,817,588	936,096	6,380	31,151	22,830	46,161
51. Wyoming	WY	NO						
52. American Samoa	AS	NO						
53. Guam	GU	NO						
54. Puerto Rico	PR	NO					9,187	94,187
55. U.S. Virgin Is.	VI	NO			22,361	10,759		17,452
56. Canada	CN	NO						
57. Aggregate Other Alien	OT	XXX						
58. Totals		(a) 41	40,773,897	33,718,799	2,031,087	2,545,475	4,777,378	6,056,688

DETAILS OF WRITE-INS							
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.

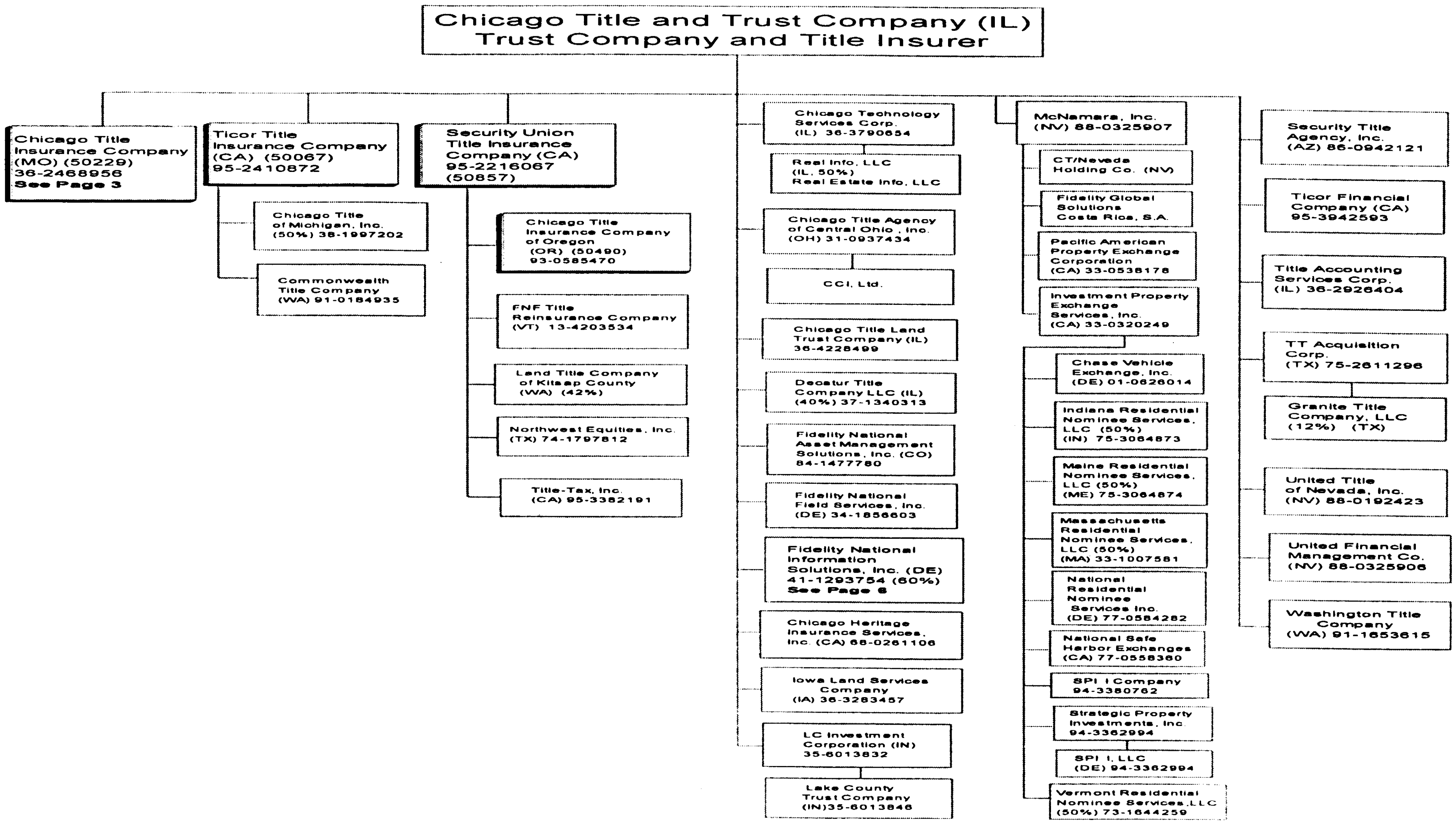
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



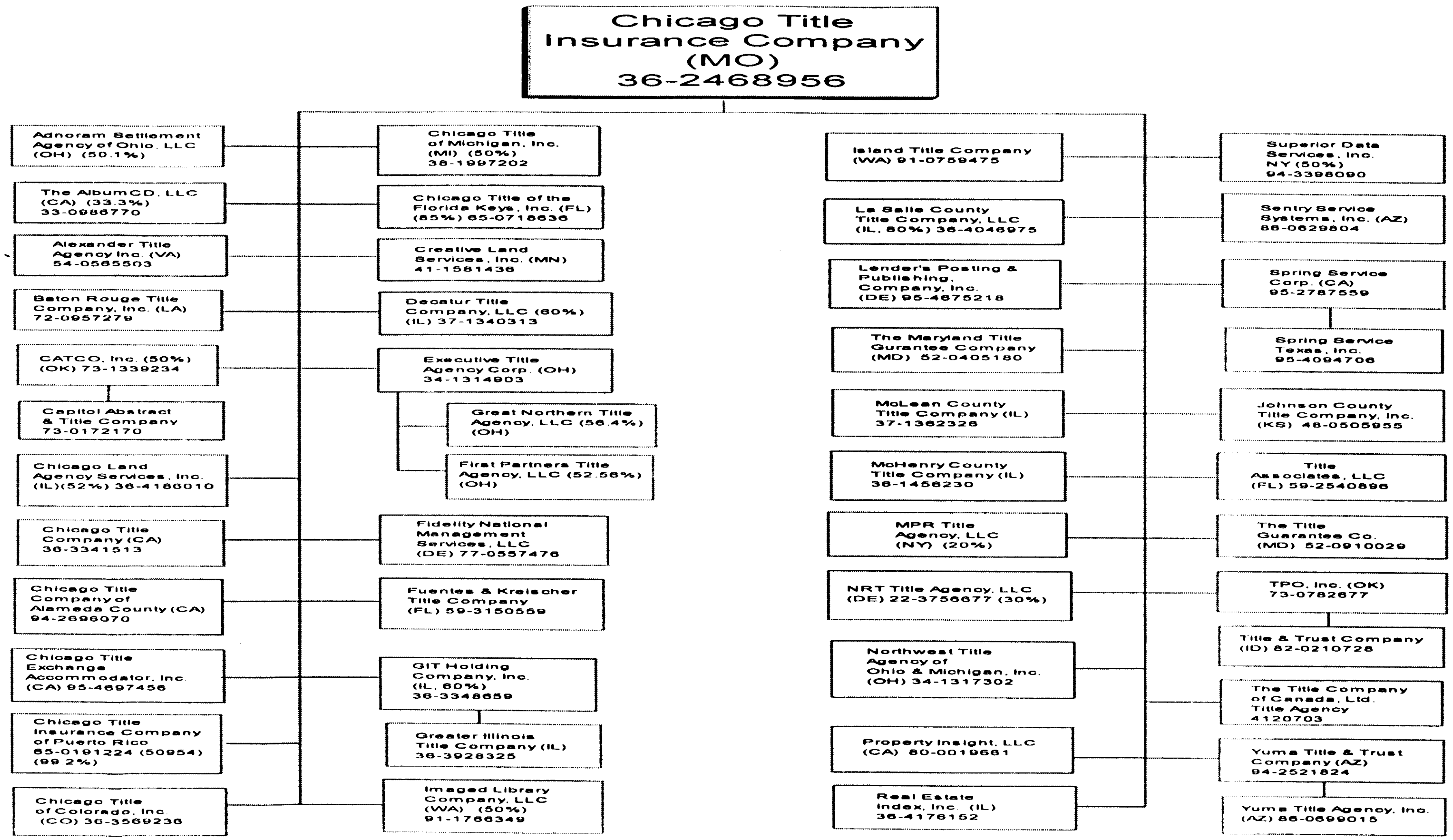
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



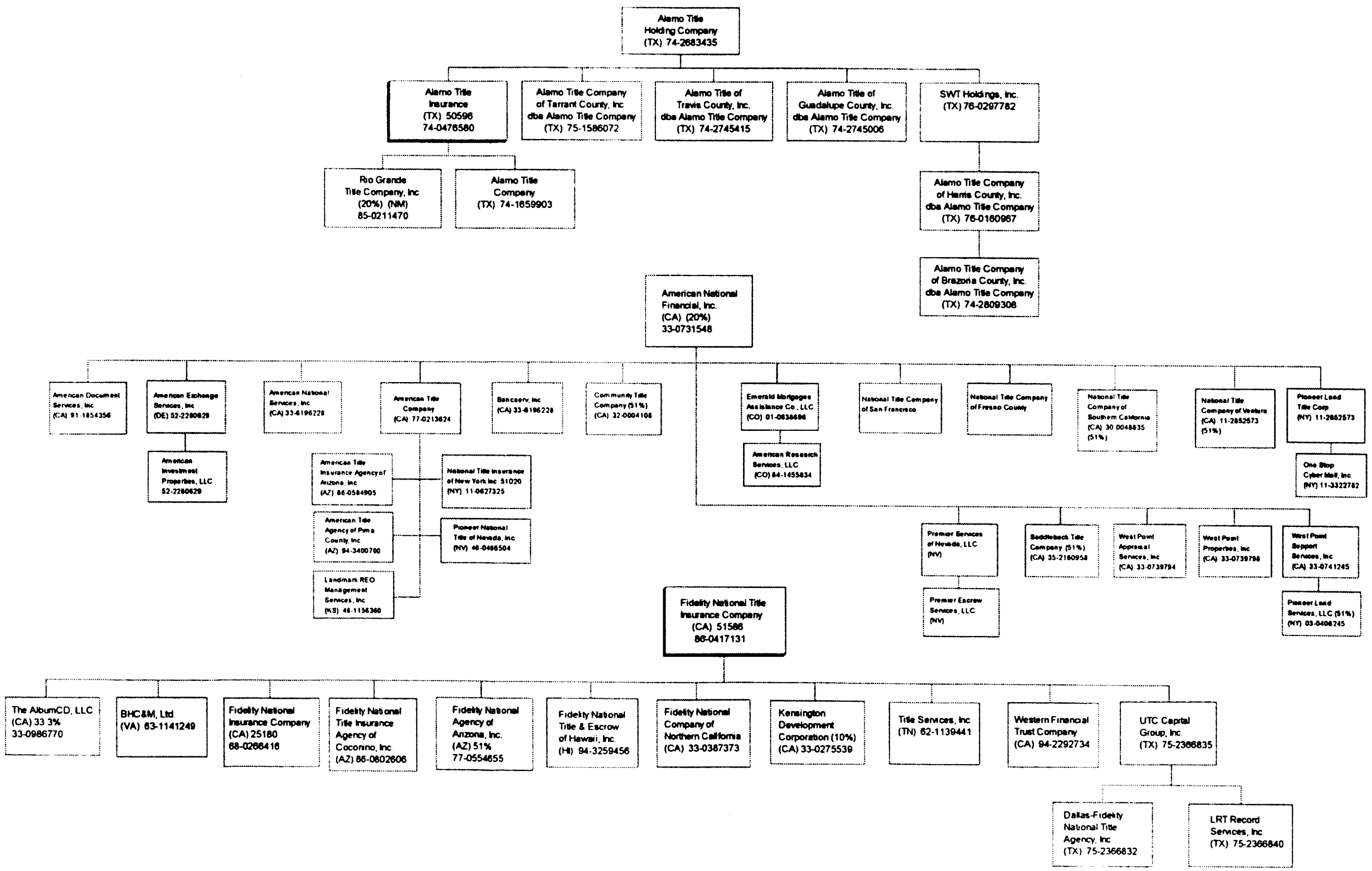
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



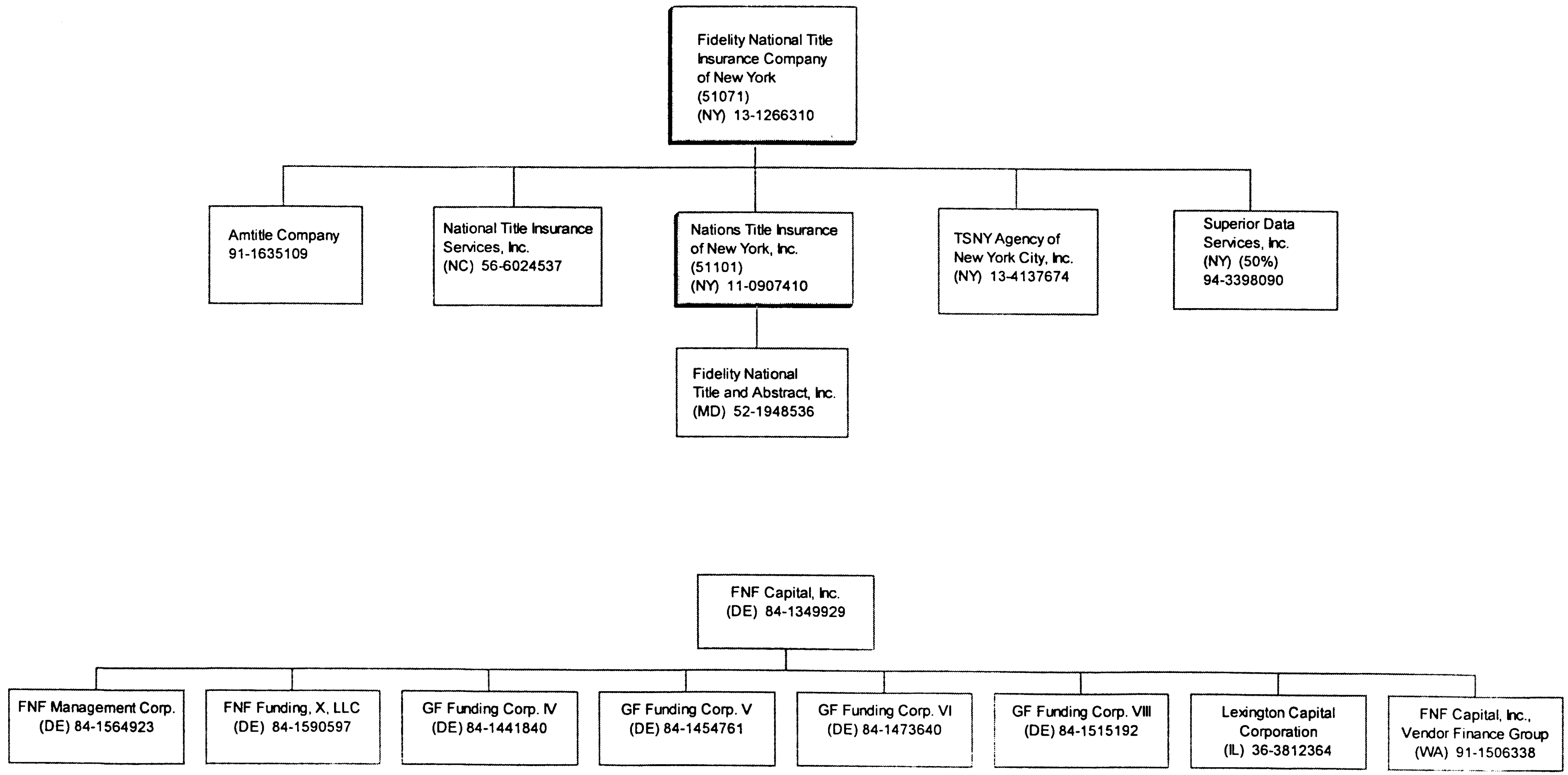
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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

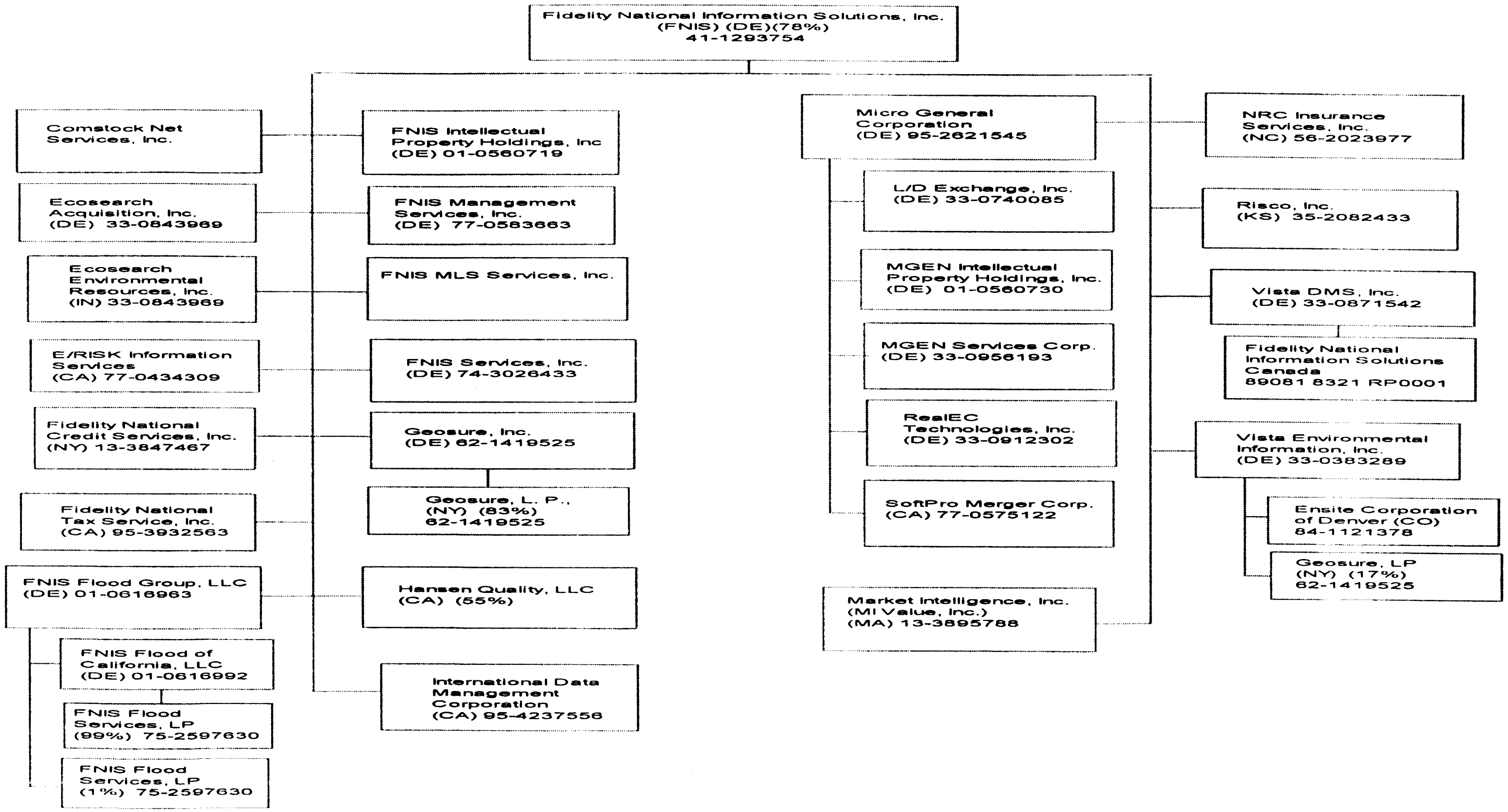
PART 1 - ORGANIZATIONAL CHART



Statement as of September 30, 2002 of the Security Union Title Insurance Company

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

PART 1 - ORGANIZATIONAL CHART



PART 1 - LOSS EXPERIENCE

	Current Year to Date				5
	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)	Prior Year to Date Direct Loss Percentage
1. Direct operations		20,184,756	383,375	1.899	0.860
2. Agency operations:					
2.1 Non-affiliated agency operations	28,200,626		247,838	0.879	12.780
2.2 Affiliated agency operations	12,573,271				
3. Totals	40,773,897	20,184,756	631,213	1.035	5.670

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Direct operations			
2. Agency operations:			
2.1 Non-affiliated agency operations	9,477,876	28,200,626	21,641,139
2.2 Affiliated agency operations	4,507,476	12,573,271	12,077,660
3. Totals	13,985,352	40,773,897	33,718,799

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

1	Location		4	5	6	7	8	9
	2	3						
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Expended for Additions and Permanent Improvements

NONE

SCHEDULE A - PART 3

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

1	Location		4	5	6	7	8	9	10	11	12	13	14	15	16
	2	3													
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Amounts Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs and Expenses Incurred
Fresno County Office	Fresno	CA	08/29/2002	Pilgrim Church	2,574,104				2,043,332	1,776,499		(266,833)	(266,833)		
0199999 Property Sold					2,574,104				2,043,332	1,776,499		(266,833)	(266,833)		
9999999 Total					2,574,104				2,043,332	1,776,499		(266,833)	(266,833)		

NONE Schedule B Part 1 and 2

NONE Schedule BA Part 1 and 2

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)
3133MJ-2A-7	FHLB 3.625% 10/15/04	08/22/2002	SALOMON SMITH BARNEY		1,023,870	1,000,000.00	12,889	1PE
3133MK-GD-3	FHLB 6.5% 12/13/11	07/08/2002	SALOMON SMITH BARNEY		1,014,720	1,000,000.00	4,694	1
3133MM-XQ-1	FHLB 4.625% 4/15/05	08/14/2002	MORGAN STANLEY		1,049,010	1,000,000.00	17,601	1
31359M-NG-4	FNMA 3% 6/15/04	08/22/2002	First Clearing Corp		860,328	850,000.00	4,392	1
912827-5S-7	U.S. TREASURY 5.875% 11/15/2004	09/24/2002	EXCHANGE / MERGER		518,253	500,000.00		1
0399999	Total Bonds U. S. Government			XXX	4,466,181	4,350,000.00	39,576	XXX
59455R-A2-2	MICHIGAN MUN BD AUTH 5% 10/01/06	08/09/2002	JP MORGAN		480,700	440,000.00	1,283	1PE
1723996	Bonds - States, Territories and Possessions - MI			XXX	480,700	440,000.00	1,283	XXX
1799999	Total Bonds States, Territories and Possessions			XXX	480,700	440,000.00	1,283	XXX
052414-BU-2	AUSTIN TX ELEC UTIL 4% 11/15/03	07/19/2002	LEHMAN SECURITIES		513,995	500,000.00	1,944	1PE
3144996	Bonds - Special Revenue and Special Assessment Obligations - TX			XXX	513,995	500,000.00	1,944	XXX
3199999	Total Bonds Special Revenue and Special Assessment Obligations			XXX	513,995	500,000.00	1,944	XXX
06406H-AS-8	BANK OF NY INC 3.9% 9/1/07	08/21/2002	BNY CAPITAL MKTS		398,448	400,000.00		1PE
94975C-AK-3	WELLS FARGO FIN'L 4.875% 6/12/07	09/12/2002	First Boston Corporation		522,780	500,000.00	6,432	1PE
4599999	Total Bonds Industrial and Miscellaneous			XXX	921,228	900,000.00	6,432	XXX
6099997	Total Bonds Part 3			XXX	6,382,104	6,190,000.00	49,235	XXX
6099998	Summary Item for Bonds Bought and Sold this Quarter			XXX	499,487	500,000.00		XXX
6099999	Total Bonds			XXX	6,881,591	6,690,000.00	49,235	XXX
294821-40-0	ERICSSON L M TEL CO ADR	09/19/2002	Rights Offering	403,152.000	251,278			L
428236-10-3	HEWLETT PACKARD COMPANY	08/23/2002	INSTINET	12,500.000	185,492			L
64352D-10-1	NEW CENTURY FINANCIAL CORP	07/11/2002	INSTINET	25,000.000	665,673			L
75409P-20-2	RATIONAL SOFTWARE CORP	08/21/2002	INSTINET	10,000.000	63,256			L
94975H-44-5	WELLS FARGO INVESTMENT CASH MMF	09/27/2002	BNY Western Trust	795,719.000	795,719			L
Y2573F-10-2	FLEXTRONICS INT'L LTD	09/26/2002	INSTINET	37,500.000	279,250			L
6899999	Total Common Stock Industrial and Miscellaneous			XXX	2,240,668	XXX		XXX
027717-10-7	AMERICAN NATIONAL FINANCIAL INC.	07/25/2002	BRIDGE TRADING CO	52,800.000	598,850			L
6999999	Total Common Stock Parent, Subsidiaries and Affiliates			XXX	598,850	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

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)
7099997	Total Common Stock Part 3			XXX	2,839,518	XXX		XXX
7099998	Summary Item for Common Stock Bought and Sold this Quarter			XXX	6,457,109	XXX		XXX
7099999	Total Common Stock			XXX	9,296,627	XXX		XXX
7199999	Total Preferred and Common Stock			XXX	9,296,627	XXX		XXX
7299999	Totals				16,178,218	XXX	49,235	XXX

(a) For all common stock bearing the NAIC designation "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 by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value at Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Desig-nation (a)
31294K-E3-5	FHLMC POOL #E01054	09/15/2002	PRINCIPAL RECEIPT		99,093	99,093.00	99,124	99,093	(31)					3,209		1
3133ME-HL-8	FHLB 4.875% 4/16/2004	08/22/2002	Spear Leeds		1,042,700	1,000,000.00	1,004,085	1,002,454	(904)			40,246	40,246	41,573		1
3133MM-N8-2	FHLB 6.01% 10/8/08	07/08/2002	CALLED @ 100.0000000		1,000,000	1,000,000.00	1,000,000	1,000,000						15,025		1PE
31359M-EG-4	FNMA 4.75% 11/14/03	08/22/2002	SALOMON SMITH BARNEY		878,501	850,000.00	854,284	852,252	(1,122)			26,248	26,248	31,178		1PE
31371K-MJ-7	FNMA POOL #254261	09/25/2002	PRINCIPAL RECEIPT		127,982	127,982.00	130,402	127,982	(2,420)					4,164		1
31390L-2C-9	FNMA POOL #649771	09/25/2002	PRINCIPAL RECEIPT		24,990	24,990.00	25,423	24,990	(433)					300		1
912827-5S-7	U.S. TREASURY 5.875% 11/15/2004	09/24/2002	EXCHANGE / MERGER		518,253	500,000.00	522,266	518,253	(4,012)					14,688		1
0399999	Subtotal - Bonds - U.S. Governments			XXX	3,691,519	3,602,065.00	3,635,584	3,625,024	(8,922)			66,494	66,494	110,137	XXX	XXX
917542-HS-4	Utah State GO	09/30/2002	Banc of America Securitie		556,760	500,000.00	535,075	520,082	(2,817)			36,679	36,679	31,389		1PE
1745996	Bonds - States, Territories and Possessions - UT			XXX	556,760	500,000.00	535,075	520,082	(2,817)			36,679	36,679	31,389	XXX	XXX
977056-RG-7	Wisconsin State GO	09/30/2002	SALOMON SMITH BARNEY		1,448,798	1,300,000.00	1,368,160	1,341,842	(5,423)			106,956	106,956	59,944		1PE
1750996	Bonds - States, Territories and Possessions - WI			XXX	1,448,798	1,300,000.00	1,368,160	1,341,842	(5,423)			106,956	106,956	59,944	XXX	XXX
1799999	Total - Bonds - States, Territories and Possessions			XXX	2,005,558	1,800,000.00	1,903,235	1,861,924	(8,240)			143,635	143,635	91,333	XXX	XXX
718814-CS-3	Phoenix Arizona GO	09/30/2002	Banc of America Securitie		1,335,252	1,200,000.00	1,288,092	1,245,806	(8,283)			89,446	89,446	79,853		1PE
2403996	Bonds - Political Subdivisions of States, Territories and Possessions - AZ			XXX	1,335,252	1,200,000.00	1,288,092	1,245,806	(8,283)			89,446	89,446	79,853	XXX	XXX
2499999	Total - Bonds - Political Subdivisions of States, Territories and Possessions			XXX	1,335,252	1,200,000.00	1,288,092	1,245,806	(8,283)			89,446	89,446	79,853	XXX	XXX
796253-HF-2	San Antonio Texas Electric & Gas	09/30/2002	First Albany		553,315	500,000.00	523,540	514,765	(1,807)			38,550	38,550	29,306		1PE
3144996	Bonds - Special Revenue and Special Assessment Obligations - TX			XXX	553,315	500,000.00	523,540	514,765	(1,807)			38,550	38,550	29,306	XXX	XXX
3199999	Total - Bonds - Special Revenue and Special Assessment Obligations			XXX	553,315	500,000.00	523,540	514,765	(1,807)			38,550	38,550	29,306	XXX	XXX
044204-AC-9	Ashland Inc. 144A Senior Note	08/01/2002	Banc of America Securitie		421,184	400,000.00	396,600	397,694	197			23,490	23,490	25,838		2PE
168894-AA-1	Chilgener S.A. Yankee Note	08/06/2002	Ubs Warburg		290,000	500,000.00	477,245	488,564	1,713			(198,564)	(198,564)	38,417		2PE
26882P-AA-0	ERAC USA Finance Company	07/26/2002	GOLDMAN SACHS		521,295	500,000.00	513,650	504,104	(1,366)			17,191	17,191	31,854		2
375766-AG-7	GILLETTE CO 4% 6/30/05	08/22/2002	EXCHANGE / MERGER		499,487	500,000.00	499,410	499,487	77					6,333		1PE
527288-AK-0	Leucadia Natl Corp Sr Sub Note	07/30/2002	Jeffries & Co		510,000	500,000.00	513,135	507,120	(820)			2,880	2,880	31,391		3Z
637432-CQ-6	NATIONAL RURAL UTIL 6% 5/15/06	08/21/2002	LEHMAN SECURITIES		520,295	500,000.00	503,965	503,099	(466)			17,196	17,196	23,417		1
653522-DH-2	Niagara Mohawk Power Sr Note	08/01/2002	Wachovia Securities		283,159	264,634.00	271,716	269,687	(829)			13,472	13,472	17,096		2PE
909317-AY-5	UNITED AIR LINES 6.071% 03/01/2013	07/15/2002	First Boston Corporation		212,391	231,174.00	232,339	232,273	(39)			(19,882)	(19,882)	13,270		2
98155K-AH-5	MCI WORLDCOM 6.4% 08/15/05	07/26/2002	First Boston Corporation		59,900	500,000.00	498,990	75,000	(424,422)			(15,100)	(15,100)	16,000		6
4599999	Subtotal - Bonds - Industrial and Miscellaneous			XXX	3,317,711	3,895,808.00	3,907,050	3,477,028	(425,955)			(159,317)	(159,317)	203,616	XXX	XXX

(a) For all common stock bearing the NAIC designation "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 by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value at Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Designation (a)
6099997	Subtotal - Bonds - Part 4			XXX	10,903,355	10,997,873.00	11,257,501	10,724,547	(453,207)			178,808	178,808	514,245	XXX	XXX
6099998	Summary Item for Bonds Bought and Sold this Quarter			XXX	535,885	500,000.00	499,487	499,505	18			36,380	36,380	5,167	XXX	XXX
6099999	Total Bonds			XXX	11,439,240	11,497,873.00	11,756,988	11,224,052	(453,189)			215,188	215,188	519,412	XXX	XXX
873168-40-5	Texas Utilities Electric	07/26/2002	LEHMAN SECURITIES	4.000	410,000		400,000	400,000				10,000	10,000		14,480	P3L
6199999	Subtotal - Preferred Stock - Public Utilities			XXX	410,000	XXX	400,000	400,000				10,000	10,000	XXX	14,480	XXX
6599997	Subtotal - Preferred Stock - Part 4			XXX	410,000	XXX	400,000	400,000				10,000	10,000	XXX	14,480	XXX
6599999	Total Preferred Stock			XXX	410,000	XXX	400,000	400,000				10,000	10,000	XXX	14,480	XXX
067901-10-8	BARRICK GOLD CORP	07/11/2002	INSTINET	2,500.000	46,674		50,123	50,123				(3,449)	(3,449)			L
48203R-10-4	JUNIPER NETWORKS	07/17/2002	INSTINET	39,600.000	359,391		685,736	685,736				(326,345)	(326,345)			L
64352D-10-1	NEW CENTURY FINANCIAL CORP	08/28/2002	STARR SECURITIES	17,500.000	530,409		465,971	465,971				64,438	64,438			L
651639-10-6	NEWMONT MINING CORP	07/11/2002	INSTINET	25,250.000	718,824		717,443	717,443				1,382	1,382			L
94975H-44-5	WELLS FARGO INVESTMENT CASH M	09/30/2002	WELLS FARGO	644,088.000	644,088		644,088	644,088							5,234	L
6899999	Subtotal - Common Stock - Industrial and Miscellaneous			XXX	2,299,386	XXX	2,563,361	2,563,361				(263,974)	(263,974)	XXX	5,234	XXX
7099997	Subtotal - Common Stock - Part 4			XXX	2,299,386	XXX	2,563,361	2,563,361				(263,974)	(263,974)	XXX	5,234	XXX
7099998	Summary Item for Common Stock Bought and Sold this Quarter			XXX	6,550,243	XXX	6,457,109	6,457,109				93,134	93,134	XXX	1,326	XXX
7099999	Total Common Stock			XXX	8,849,629	XXX	9,020,470	9,020,470				(170,840)	(170,840)	XXX	6,560	XXX
7199999	Total Preferred and Common Stock			XXX	9,259,629	XXX	9,420,470	9,420,470				(160,840)	(160,840)	XXX	21,040	XXX
7299999	Totals				20,698,869	XXX	21,177,458	20,644,522	(453,189)			54,348	54,348	519,412	21,040	XXX

(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 5 First Month	6 Second Month	7 Third Month	8 *
Open Depositories - Section (A)-Segregated Funds Held for Others							
0199998 Deposits in (4) depositories which do not exceed the allowable limit in any one depository (see instcructions)	XXX			83,217	83,247	37,036	XXX
0199999 Total Segregated Funds Held For Others	XXX			83,217	83,247	37,036	XXX
Open Depositories - Section (B) - General Funds							
Harris Bank Chicago IL				1,199,746	1,073,709	1,287,761	
Bank of America Chicago IL				233,055	23,733	(908)	
0299998 Deposits in (3) depositories which do not exceed the allowable limit in any one depository (see instcructions)	XXX			(89,646)	264	9,826	XXX
0299999 Total General Funds	XXX			1,343,155	1,097,706	1,296,679	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 instcructions)	XXX						XXX
0399999 Total Reinsurrance Reserve Funds	XXX						XXX
0499999 Total Open Depositories	XXX			1,426,372	1,180,953	1,333,715	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 instcructions)	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 instcructions)	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 instcructions)	XXX						XXX
0799999 Total Reinsurance Reserve Funds	XXX						XXX
0899999 Total Suspended Depositories	XXX						XXX
0999999 Total cash on Deposit	XXX			1,426,372	1,180,953	1,333,715	XXX
1099999 Cash in Company's Office	XXX	XXX	XXX	700	700	700	XXX
1199999 TOTAL CASH	XXX			1,427,072	1,181,653	1,334,415	XXX

50857200247000103

Security Union Title Insurance Company — Company Name

50857 — NAIC Code

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 ____________________

Kirsten Quinlan
Name of Investment Officer

Kirsten Quinlan
Signature of Investment Officer

Manager of Investment Accounting
Title of Signatory

11/06/2002
Date