

✓
QUARTERLY STATEMENT

OF THE

UNITED GENERAL TITLE

INSURANCE COMPANY

of _____ Denver

in the state of _____ Colorado

TO THE

Insurance Department

OF THE

STATE OF

FOR THE QUARTER ENDED
September 30, 2002

RECEIVED
NOV 15 2002
O.F.R.S.

TITLE

2002



51624200220100103

QUARTERLY STATEMENT

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

United General Title Insurance Company

NAIC Group Code 0947 0947 NAIC Company Code 51624 Employer's ID Number 72-0976930
(Current Period) (Prior Period)

Organized under the Laws of Colorado , State of Domicile or Port of Entry Colorado

Country of Domicile United States of America

Incorporated: September 2, 1983 Commenced Business: September 15, 1983

Statutory Home Office: 999 Eighteenth Street, Suite 3400 Denver, CO 80202

Main Administrative Office: 999 Eighteenth Street, Suite 3400 Denver, CO 80202 303-292-4848

Mail Address: 999 Eighteenth Street, Suite 3400 Denver, CO 80202

Primary Location of Books and Records: 999 Eighteenth Street, Suite 3400 Denver, CO 80202 303-292-4848

Internet Website Address: www.ugtic.com

Statement Contact: Roy A. Olofson 303-292-4848
rolofson@ugtic.com 303-297-3163
(E-Mail Address) (Fax Number)

Policyowner Relations Contact: Robert T. Edwards 999 18th St, Ste 3400 Denver, CO 80202 303-292-4848

OFFICERS

President John Patrick Dwyer, Jr.

Secretary Patrica Ann Garcia

Chief Financial Officer Bryan Ross Willis

Actuary _____

Vice-Presidents


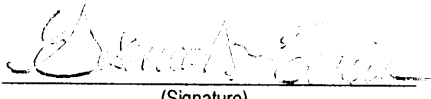

<u>Patrica Ann Garcia</u>	<u>Robert Thomas Edwards</u>	<u>Bryan Ross Willis</u>	<u>Elbert Wayne Johnston</u>
<u>Timothy John Redding</u>	<u>Henry Raymond Kellermann</u>	<u>Paul Joseph Moran</u>	

DIRECTORS OR TRUSTEES

<u>Patrica Ann Garcia</u>	<u>John Patrick Dwyer, Jr.</u>	<u>Charles Arthur Garney</u>	<u>Jerry Edwin Goldress</u>
<u>Charles James Kovaleski</u>			

State of Colorado
County of Denver 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)
<u>John Patrick Dwyer, Jr.</u> (Printed Name) President	<u>Patrica Ann Garcia</u> (Printed Name) Secretary	<u>Bryan Ross Willis</u> (Printed Name) Chief Financial Officer

Subscribed and sworn to before me this
25th day of October, 2002


MY COMMISSION EXPIRES 7/8/2006

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols 1 - 2)	
1. Bonds	25,953,604		25,953,604	22,322,849
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	22,421		22,421	214,440
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)				
5. Cash (\$ 1,271,152) and short-term investments (\$ 5,668,449)	6,939,601		6,939,601	4,169,021
6. Other invested assets	1,524,306	88,226	1,436,080	925,400
7. Receivable for securities				
8. Subtotals, cash and invested assets (Lines 1 to 7)	34,439,932	88,226	34,351,706	27,631,710
9. Title plants, less \$ 0 , charged off	60,000		60,000	60,000
10. Title insurance premiums and fees receivable	1,456,106		1,456,106	1,411,745
11. Funds held by or deposited with reinsured companies				
12. Reinsurance recoverables on loss and loss adjustment expense payments	390,259		390,259	479,978
13. Federal and foreign income tax recoverable and interest thereon (including \$ 140,232 net deferred tax asset)	140,232		140,232	116,614
14. Guaranty funds receivable or on deposit				
15. Electronic data processing equipment and software	136,917	3,410	133,507	107,165
16. Interest, dividends and real estate income due and accrued	449,150		449,150	359,103
17. Net adjustments in assets and liabilities due to foreign exchange rates				
18. Receivable from parent, subsidiaries and affiliates				
19. Other assets nonadmitted	88,297	88,297		
20. Aggregate write-ins for other than invested assets	5,716,259	284,631	5,431,628	5,750,282
21. TOTALS (Lines 8 to 20)	42,877,152	464,564	42,412,588	35,916,597

DETAILS OF WRITE-INS				
2001. Prepaid Items	196,868	196,868		
2002. Notes Receivable	87,763	87,763		
2003.				
2098. Summary of remaining write-ins for Line 20 from overflow page	5,431,628		5,431,628	5,750,282
2099. Totals (Lines 2001 through 2003 + 2098) (Line 20 above)	5,716,259	284,631	5,431,628	5,750,282

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 \$ 1,259,040 not included in the foregoing statement were held pursuant to the governing agreements of custody. These funds consist of \$ 1,259,040 in cash on deposit and \$ 0 in other forms of security.

LIABILITIES, SURPLUS AND OTHER FUNDS	1	2
	Current Statement Date	December 31 Prior Year
1. Known claims reserve	3,508,188	1,545,906
2. Statutory premium reserve	18,840,449	14,222,717
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	125,388	139,006
6. Other expenses (excluding taxes, licenses and fees)	1,876,320	1,860,031
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	541,419	588,952
8. Federal and foreign income taxes (including \$ 0 on realized capital gains (losses) (including \$ 0 net deferred tax liability)	30,129	500,051
9. Borrowed money \$ 0 and interest thereon \$ 0		
10. Dividends declared and unpaid		
11. Premiums and other consideration received in advance	642,045	357,750
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	39,441	39,224
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	411,071	231,874
19. Payable for securities		
20. Aggregate write-ins for other liabilities	70,305	57,166
21. Total liabilities (Lines 1 through 20)	26,084,755	19,542,677
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	2,010,000	2,010,000
24. Preferred capital stock		
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus	22,971,203	22,971,203
28. Unassigned funds (surplus)	(8,653,370)	(8,607,283)
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)	16,327,833	16,373,920
31. Totals	42,412,588	35,916,597

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. Reinsurance Premiums Payable	70,305	57,166	
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)	70,305	57,166	
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	2	3
	Current	Prior	Prior Year
	Year	Year	Ended
	to Date	to Date	December 31
OPERATING INCOME			
1. Title insurance and related income:			
1.1 Title insurance premiums earned	141,297,673	100,347,046	142,277,400
1.2 Escrow and settlement services			
1.3 Other title fees and service charges	3,045	903,030	3,520
2. Aggregate write-ins for other operating income	420,000		1,300,000
3. Total Operating Income (Lines 1 through 2)	141,720,718	101,250,076	143,580,920
DEDUCT:			
4. Losses and loss adjustment expenses incurred	5,136,605	2,918,438	4,178,490
5. Operating expenses incurred	137,339,295	99,679,118	140,123,648
6. Aggregate write-ins for other operating deductions			
7. Total Operating Deductions	142,475,900	102,597,556	144,302,138
8. Net operating gain or (loss) (Lines 3 minus 7)	(755,182)	(1,347,480)	(721,218)
INVESTMENT INCOME			
9. Net investment income earned	787,837	892,260	1,195,626
10. Net realized capital gains and (losses)	(273)	(1,624)	(3,639)
11. Net investment gain or (loss) (Lines 9 + 10)	787,564	890,636	1,191,987
OTHER INCOME			
12. Aggregate write-ins for miscellaneous income or (loss)		(9,830)	
13. Net income, before federal income taxes (Lines 8 + 11 + 12)	32,382	(466,674)	470,769
14. Federal and foreign income taxes incurred	90,351	170,205	461,854
15. Net income (Lines 13 minus 14)	(57,969)	(636,879)	8,915
CAPITAL AND SURPLUS ACCOUNT			
16. Surplus as regards policyholders, December 31 prior year	16,373,920	15,842,117	15,842,117
GAINS AND (LOSSES) IN SURPLUS			
17. Net income (from Line 15)	(57,969)	(636,879)	8,915
18. Net unrealized capital gains or (losses)			
19. Change in net unrealized foreign exchange capital gain (loss)			
20. Change in net deferred income taxes	23,671	331,728	116,614
21. Change in nonadmitted assets	(11,789)	288,167	406,274
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			
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			
29. Change in treasury stock			
30. Aggregate write-ins for gains and losses in surplus			
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)	(46,087)	(16,984)	531,803
32. Surplus as regards policyholders as of statement date (Lines 16 plus 31)	16,327,833	15,825,133	16,373,920

DETAILS OF WRITE-INS			
0201. Service Contract Fees	420,000		1,300,000
0202.			
0203.			
0298. Summary of remaining write-ins from overflow page			
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 2 above)	420,000		1,300,000
0601.			
0602.			
0603.			
0698. Summary of remaining write-ins from overflow page			
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)			
1201. Equity in Partnership		(9,830)	
1202.			
1203.			
1298. Summary of remaining write-ins from overflow page			
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)		(9,830)	
3001.			
3002.			
3003.			
3098. Summary of remaining write-ins from overflow page			
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)			

CASH FLOW	1 Current Year to Date	2 Prior Year Ended December 31
1. Premiums and other charges collected	145,874,089	146,033,742
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	3,084,604	4,837,074
3. Total operating expenses paid	137,525,940	139,612,739
4. Cash from operations (Line 1 minus Line 2 minus Line 3)	5,263,545	1,583,929
5. Investment income (net of investment expense)	802,067	1,266,838
6. Other income received (expenses paid)	420,000	1,300,000
7. Federal income taxes (paid) recovered	(355,900)	409,674
8. Net cash from operations (Lines 4 to 7)	6,129,712	4,560,441
9. Proceeds from investments sold, matured or repaid:		
9.1 Bonds	7,281,217	1,830,824
9.2 Stocks		
9.3 Mortgage loans	192,019	9,154
9.4 Real estate		
9.5 Other invested assets	126,820	75,760
9.6 Net gains or (losses) on cash and short-term investments		
9.7 Miscellaneous proceeds		1,218
9.8 Total investment proceeds (Lines 9.1 to 9.7)	7,600,056	1,916,956
10. Other cash provided:		
10.1 Net transfers from affiliates	179,197	
10.2 Borrowed funds received		
10.3 Capital paid in		
10.4 Surplus paid in		
10.5 Other sources	266,460	993,519
10.6 Total other cash provided (Lines 10.1 to 10.5)	445,657	993,519
11. Total (Line 8 plus Line 9.8 plus Line 10.6)	14,175,425	7,470,916
12. Cost of investments acquired (long-term only):		
12.1 Bonds	10,634,845	4,914,483
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets	770,000	35,170
12.6 Miscellaneous applications		
12.7 Total investments acquired (Lines 12.1 to 12.6)	11,404,845	4,949,653
13. Other cash applied:		
13.1 Dividends to stockholders paid		
13.2 Net transfers to affiliates		976,641
13.3 Borrowed funds repaid		
13.4 Other applications		142,124
13.5 Total other cash applied (Lines 13.1 to 13.4)		1,118,765
14. Total (Line 12.7 plus Line 13.5)	11,404,845	6,068,418
15. Net change in cash and short-term investments (Line 11 minus Line 14)	2,770,580	1,402,498
RECONCILIATION		
16. Cash and short-term investments:		
16.1 Beginning of year	4,169,021	2,766,523
16.2 End of period (Line 15 plus Line 16.1)	6,939,601	4,169,021

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

- A. The accompanying financial statements of United General Title Insurance Company have been completed in accordance with the NAIC Accounting Practices and Procedures manual, except to the extent that state law differs, and the State of Colorado.

The Colorado Division of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Colorado for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Colorado Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Colorado. The state has prescribed accounting practices that differ from those found in NAIC SAP. Specifically, accounting practices prescribed by the State of Colorado permit premiums, less agent retention, in the course of collection which are ninety days or less past due from the date of notification of the issuance of the policy as admitted assets.

The Company, with the explicit permission of the Commissioner of Insurance of the state of Colorado, records title insurance premiums and fees receivable, which are ninety days or less past due from the date of notification of the issuance of the policy as admitted assets. This permitted practice differs from NAIC statements of statutory accounting principles, which state that premiums related to a title insurance policy are due upon the effective date of the insurance, and any uncollected agent's receivable on a policy by policy basis which is over ninety days due shall be non-admitted. Under NAIC SAP, a large part of the premiums and fees receivable presented as admitted assets on the financial statements would be non-admitted. The Company is unable to determine the exact monetary effect on the statutory surplus by using the State of Colorado permitted practice described above due to the uncertain nature of the actual effective date of a title insurance policy.

9. Income Taxes

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

	December	September
1) The total of all DTAs (admitted and non-admitted)	\$1,695,260	\$1,765,279
2) The total of all DTLs	\$ 261,846	\$ 252,397
3) The total DTAs non-admitted in accordance with SSAP No. 10, Income Taxes	\$1,316,800	\$1,489,211
4) Increase in DTAs non admitted		\$ 172,411

- B. Not Applicable

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

1) Current tax expense is		\$ 90,351
2) DTAs:		
Change in reserves	\$ 69,107	
Change in miscellaneous accruals	\$ 912	
Change in DTAs		\$ 70,019
DTLs:		
Accounting change statutory reserves	\$ (34,733)	
Other liabilities	25,284	
Change in DTLs		\$ (9,449)
Net change in deferred taxes		\$ 79,468

- 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% for the following reasons:

Statutory pre-tax income	\$ 32,382
Federal tax rate	34%

NOTES TO FINANCIAL STATEMENTS

Income tax at statutory rate	\$	11,010
Change in deferred taxes	\$	79,468
Non-taxable income/(expense):		
Tax-exempt interest income	\$	(245,316)
Non-deductible expenses		<u>244,944</u>
	\$	(372)
Federal income tax expense	\$	<u>(127)</u> 90,351

- E. 1) There are no loss carry forwards to apply against taxable income.
- 2) The amount of federal income taxes incurred and available for recoupment in the event of future net losses is: current year \$500,051; first preceding year \$0*; second preceding year **\$334,009**; third preceding year \$202,445. *Loss utilized in the filing of the consolidation tax return.
- F. 1) The Company's federal income tax return is consolidated with United General Financial Services, Inc. (UGFS) and each of its subsidiaries. The following companies are included in the UGFS consolidated federal income tax return:
- United General Holding Company, Inc.
United General Title Insurance Company
- 2) The method of allocation is subject to written agreements approved by the Board of Directors. Allocation of tax liability or credit will be based on each entity's contribution to the consolidated return.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. All outstanding shares of the Company are owned by United General Holding Company Inc., (UGHC), a holding company domiciled in the state of Colorado.
- B. The Company has a support services agreement with UGFS for the purpose of establishing and servicing agencies for the issuance of title insurance policies in a limited geographic area. Said agreement has been in place since December 1992.
- C. The Company paid UGFS support fees in the amounts of \$1,023,752 and UGFS paid service contract fees to the Company of \$270,000 during 2002.
- D. Amounts due to UGFS from the Company at September 30, 2002 totaled \$411,071 and will be paid in the normal course of business.
- E. The Company has no guarantees or undertakings for the benefit of an affiliate.
- F. The Company has a service charge arrangement with UGFS where costs incurred by UGFS are reimbursed to the Company. These costs include services provided between related parties at the amount charged.
- G. UGHC owns all outstanding shares of the Company.
- H. The Company owns no shares of the stock of an upstream intermediate or ultimate parent, either directly or indirectly via a downstream subsidiary, controlled or affiliated company.
- I. Not Applicable
- J. The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.

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

- A. None
- B. UGFS sponsors a defined contribution benefit plan in which all employees who have completed 90 days of service are eligible to participate.

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

The Company makes matching contributions up to 2% of salary per year for each participant in an amount equal to 25% of the first 8% of each participant's compensation. Such percentage is subject to an annual re-determination by the Company's Board of Directors.

NOTES TO FINANCIAL STATEMENTS

At September 30, 2002 plan assets totaled \$2,056,035 including vested benefits of \$2,018,027.

The Company's net contributions to the plan total approximately \$149,529.

- C. None
- D. None

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities – None

20. Other Items

- A. None
- B. None
- C. The Company holds \$1,259,040 at 9/30/2002 in segregated escrow bank accounts pending the closing of real estate transactions. These accounts are excluded from the financial statements of admitted assets, liabilities and surplus as regards policyholders.

Assets in the amount of \$5,555,281 and \$4,780,152 at December 31, 2001 and September 30, 2002, respectively, were on deposit with government authorities or trustees as required by law.

The Company elected to use rounding in reporting amounts in the Annual Statement.

22. Reinsurance

A. Unsecured Reinsurance Recoverables

The Company does not have unsecured reinsurance recoverables that exceed 3% of the Company's policyholder surplus.

- B. Reinsurance Recoverable in Dispute – None
- C. Reinsurance Assumed and Ceded

Profit commission, predicated on loss experience, in this annual statement as a result of existing contractual arrangements is recorded as follows

	Direct	Assumed (\$000 omitted)	Ceded	Net
Other Profit Commission Arrangements	\$4,603	\$0	\$0	\$4,603
D. Uncollectible Reinsurance – None				
E. Commutation of Ceded Reinsurance – None				
F. Retroactive Reinsurance – 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.

12/31/1997
- 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).

04/25/1999
- 7.4 By what department or departments? Colorado Division 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 ☒
- 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 ☒
- 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 ☐ No ☒
- 13.2

If yes, please complete the following:

	1	2
	Prior Year-End Statement Value	Current Quarter Statement Value
13.21 Bonds	\$	\$
13.22 Preferred Stock	\$	\$
13.23 Common Stock	\$	\$
13.24 Short-Term Investments	\$	\$
13.25 Mortgages, Loans or Real Estate	\$	\$
13.26 All Other	\$	\$
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	\$	\$
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 ☒
- 14.2

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

Yes ☐ No ☒

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 ☒ No ☐

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

1	2
Name of Custodian(s)	Custodian Address
Hibernia National Bank Trust Group	PO Box 3597, Baton Rouge, LA 70821
Wells Fargo Bank	PO Box 1458, Minneapolis, MN 55479
Huntington Trust Bank	7575 Huntington Park, Worthington, OH 43235
Wachovia Bank	PO Box 3074, Winston Salem, NC 27150-1061
Sun Trust Investment Group	PO Box 26665, Richmond, VA 23261

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	2	3
Name(s)	Location(s)	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 ☒
- 15.4

If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	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	2	3
Central Registration Depository	Name(s)	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?
If yes, attach an explanation.

Yes ☐ No ☐ N/A ☒
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?
If yes, attach an explanation.

Yes ☐ No ☒
- 3.1

Have any of the reporting entity's primary reinsurance contracts been canceled?

Yes ☐ No ☒
- 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 ☒
- 4.2

If yes, complete the following schedule:

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

SCHEDULE A - VERIFICATION

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	21,557	21,557	21,557	21,557
2. Increase (decrease) by adjustment	0	0	(21,557)	0
3. Cost of acquired	0	0	0	0
4. Cost of additions to and permanent improvements	0	0	0	0
5. Total profit (loss) on sales	0	0	0	0
6. Increase (decrease) by foreign exchange adjustment:	0	0	0	0
7. Amount received on sales	0	0	0	0
8. Book/adjusted carrying value at end of current period	21,557	21,557	0	21,557
9. Total valuation allowance	0	0	0	0
10. Subtotal (Lines 8 plus 9)	21,557	21,557	0	21,557
11. Total nonadmitted amounts	21,557	21,557	0	21,557
12. Statement value, current period (Page 2, real estate lines, current period)	0	0	0	0

SCHEDULE B - VERIFICATION

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period	214,440	212,046	22,463	223,594
2. Amount loaned during period:				
2.1 Actual cost at time of acquisitions	0	0	0	0
2.2 Additional investment made after acquisitions	0	0	0	0
3. Accrual of discount and mortgage interest points and commitment fees	0	0	0	0
4. Increase (decrease) by adjustment	0	0	0	0
5. Total profit (loss) on sale	0	0	0	0
6. Amounts paid on account or in full during the period	2,394	189,583	42	9,154
7. Amortization of premium	0	0	0	0
8. Increase (decrease) by foreign exchange adjustment	0	0	0	0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	212,046	22,463	22,421	214,440
10. Total valuation allowance	0	0	0	0
11. Subtotal (Lines 9 plus 10)	212,046	22,463	22,421	214,440
12. Total nonadmitted amounts	0	0	0	0
13. Statement value of mortgages owned at end of current period	212,046	22,463	22,421	214,440

SCHEDULE BA - VERIFICATION
Other Invested Assets Included in Schedule BA

Description	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period	1,019,272	960,332	1,575,392	1,059,862
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions	0	600,000	0	0
2.2 Additional investment made after acquisitions	0	70,000	100,000	35,170
3. Accrual of discount	0	0	0	0
4. Increase (decrease) by adjustment	0	(21,000)	(117,146)	0
5. Total profit (loss) on sale	0	0	0	0
6. Amounts paid on account or in full during the period	58,940	33,940	33,940	75,760
7. Amortization of premium	0	0	0	0
8. Increase (decrease) by foreign exchange adjustment	0	0	0	0
9. Book/adjusted carrying value of long-term invested assets at end of current period	960,332	1,575,392	1,524,306	1,019,272
10. Total valuation allowance	0	0	0	0
11. Subtotal (Lines 9 plus 10)	960,332	1,575,392	1,524,306	1,019,272
12. Total nonadmitted amounts	56,372	105,372	88,226	93,872
13. Statement value of long term invested assets at end of current period	903,960	1,470,020	1,436,080	925,400

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	21,432,406	2,239,428	2,939,676	861,325	20,208,379	21,432,406	21,593,483	20,815,949
2. Class 2	3,294,205	1,601,352		(535,436)	1,007,426	3,294,205	4,360,121	1,506,900
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	24,726,611	3,840,780	2,939,676	325,889	21,215,805	24,726,611	25,953,604	22,322,849
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	24,726,611	3,840,780	2,939,676	325,889	21,215,805	24,726,611	25,953,604	22,322,849

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999Totals	5,668,449	X X X	5,668,449	12,162	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	3,547,818	4,203,255	3,024,540	180,426
2. Cost of short-term investments acquired	4,203,255	3,024,540	5,668,449	3,547,818
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	3,547,818	4,203,255	3,024,540	180,426
7. Book/adjusted carrying value, current period	4,203,255	3,024,540	5,668,449	3,547,818
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	4,203,255	3,024,540	5,668,449	3,547,818
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	4,203,255	3,024,540	5,668,449	3,547,818
12. Income collected during period	10,360	10,491	12,162	55,129
13. Income earned during period	10,678	9,599	14,401	58,168

NONE Schedule DB Part F Section 1

NONE Schedule DB Part F Section 2

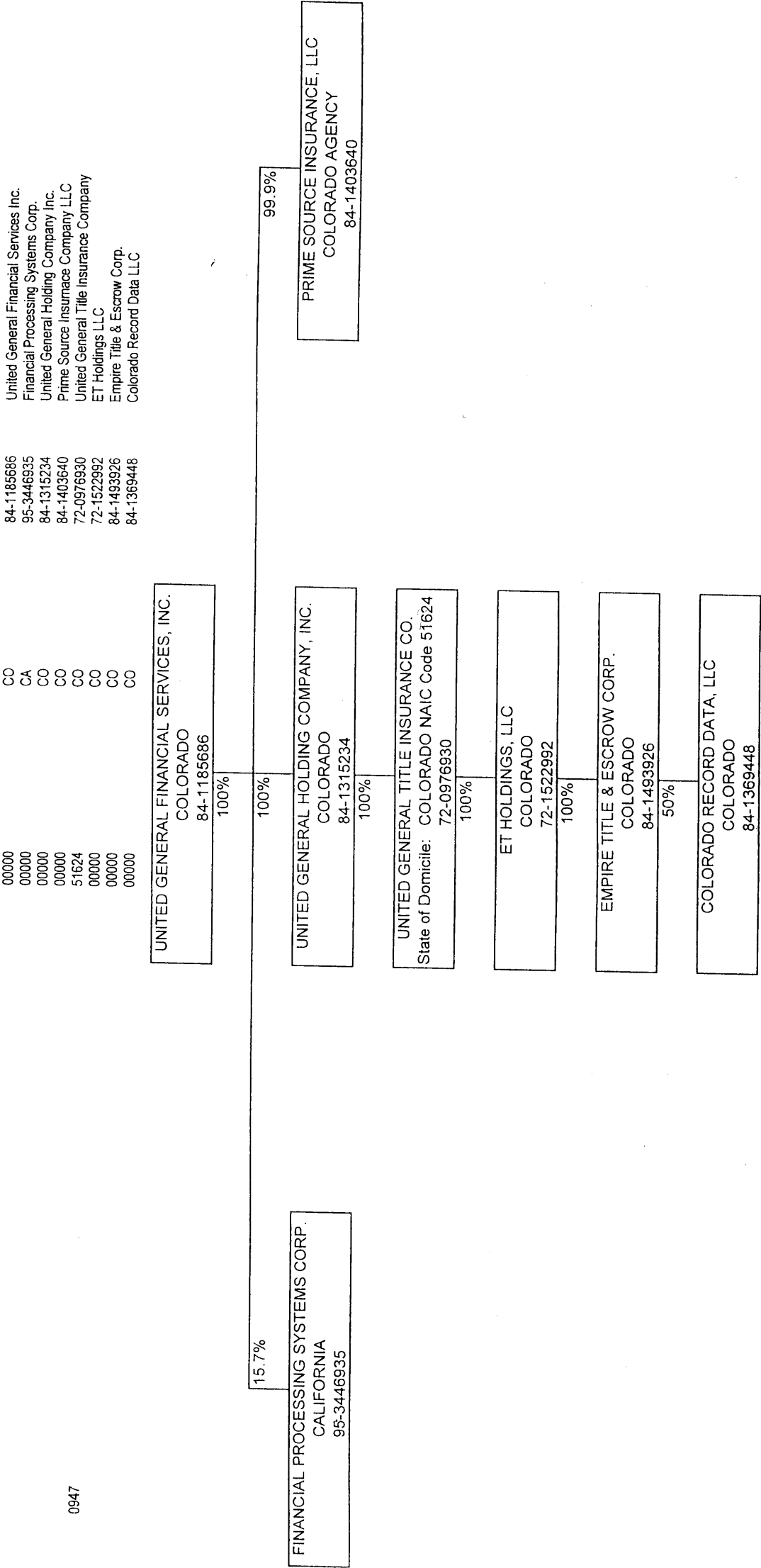
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

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	358,019	261,914	(1,942)	52,591	15,150	17,682
2. Alaska	AK	NO						
3. Arizona	AZ	YES	1,353,689	958,921	(87,307)	146,246	7,411	10,518
4. Arkansas	AR	YES	1,026,168	749,723	40,356	24,252	31,300	16,626
5. California	CA	YES	57,357,118	43,657,049	718,981	928,393	1,225,624	521,555
6. Colorado	CO	YES	8,886,194	6,782,142	169,921	205,654	59,541	80,342
7. Connecticut	CT	NO						
8. Delaware	DE	YES	122,148					
9. Dist. Columbia	DC	YES	230,154	101,765	(5,911)	74,282	11,469	38,700
10. Florida	FL	YES	9,978,264	7,124,521	238,601	225,633	327,724	173,270
11. Georgia	GA	YES	5,273,822	5,021,394	206,326	204,389	161,264	91,032
12. Hawaii	HI	NO						
13. Idaho	ID	YES	1,391,560	232,104	530		2,470	
14. Illinois	IL	YES	2,347,913	2,741,696	75,256	388,701	204,640	85,833
15. Indiana	IN	YES	610,184	213,520	16,238	44,799	22,621	26,537
16. Iowa	IA	NO	34,040	42,241				
17. Kansas	KS	YES	58,871	63,228	(3,782)	459		2,041
18. Kentucky	KY	YES	31,839	11,711	6,388	1,441	58,365	32,269
19. Louisiana	LA	YES	891,728	726,395	44,994	75,046	46,588	77,008
20. Maine	ME	NO						
21. Maryland	MD	YES	1,997,060	1,300,838	(33,940)	100,341	70,132	28,721
22. Massachusetts	MA	NO						
23. Michigan	MI	NO						
24. Minnesota	MN	NO						
25. Mississippi	MS	YES	67,176	17,515	4,957	6,684	103	2,832
26. Missouri	MO	YES	674,056	517,157	952,018	86,061	19,678	49,435
27. Montana	MT	NO						
28. Nebraska	NE	YES	345,416	869,357	7,245		18,338	925
29. Nevada	NV	YES	5,645,034	1,678,077	8,958	19,781	5,192	18,109
30. New Hampshire	NH	NO						
31. New Jersey	NJ	YES	2,825,743	1,701,895	1,564		3,219	
32. New Mexico	NM	YES	740,445	592,743	(6,054)	13,957	2,889	9,536
33. New York	NY	YES	17,078,126	10,212,932	473,041	444,817	433,496	117,876
34. North Carolina	NC	YES	57,207	71,097	17,527	29,578	6,219	4,755
35. North Dakota	ND	NO						
36. Ohio	OH	YES	1,848,803	1,138,993	37,642	21,934	27,266	15,834
37. Oklahoma	OK	YES	205,745	146,224	794	536	237	1,246
38. Oregon	OR	NO						
39. Pennsylvania	PA	YES	5,577,431	3,483,380	54,665	50,857	83,885	61,403
40. Rhode Island	RI	NO						
41. So. Carolina	SC	YES	209,369	77,168	27,586	(9,081)	18,020	18,662
42. So. Dakota	SD	NO						
43. Tennessee	TN	YES	755,509	480,714	148,133	70,302	95,499	35,554
44. Texas	TX	YES	11,387,147	8,846,464	182,850	26,909	422,280	345,395
45. Utah	UT	YES	4,957,383	3,145,737	144,481	112,818	111,197	20,592
46. Vermont	VT	NO						
47. Virginia	VA	YES	1,785,076	1,077,782	82,322	44,666	16,370	6,409
48. Washington	WA	YES	256,323	5,751				
49. West Virginia	WV	NO						
50. Wisconsin	WI	YES	19,919					
51. Wyoming	WY	YES	39,079	23,691				
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	X X X						
58. Totals	(a)	35	146,423,758	104,075,839	3,522,438	3,392,046	3,508,187	1,910,697
DETAILS OF WRITE-INS								
5701.		X X X						
5702.		X X X						
5703.		X X X						
5798. Summary of remaining write-ins for Line 57 from overflow page		X X X						
5799. TOTALS (Lines 5701 thru 5703 plus 5798) (Line 57 above)		X X X						

(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



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					
2. Agency operations:					
2.1 Non-affiliated agency operations	146,423,758	423,045	4,766,063	3.246	2.450
2.2 Affiliated agency operations					
3. Totals	146,423,758	423,045	4,766,063	3.246	2.450

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	54,223,764	146,423,758	104,075,839
2.2 Affiliated agency operations			
3. Totals	54,223,764	146,423,758	104,075,839

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.

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

RESPONSE

Yes

EXPLANATION:

BAR CODE:

OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation
ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols 1 - 2)	

REMAINING WRITE-INS AGGREGATED AT LINE 20 FOR OTHER THAN INVESTED ASSETS

2004.	Amounts On Deposit With Reinsurer	4,603,479		4,603,479	4,922,133
2005.	Amounts On Deposit With Regulatory Agency	828,149		828,149	828,149
2006.					
2007.					
2008.					
2009.					
2010.					
2011.					
2012.					
2013.					
2014.					
2015.					
2016.					
2017.					
2018.					
2019.					
2020.					
2021.					
2022.					
2023.					
2024.					
2025.					
2097.	Totals (Lines 2004 through 2025) (Page 2, Line 2098)	5,431,628		5,431,628	5,750,282

NONE Schedule A Part 2 and 3

NONE Schedule B Part 1 and 2

NONE Schedule BA Part 1 and 2

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	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	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)
912827G55	United States Treasury Notes	08/15/2002	Maturity		300,000	300,000.00	293,438	300,000	109					19,125		1PE
31376MTC6	FNMA 359747	09/25/2002	Principal Paydown		380	379.64	380	380								1PE
31376PQP3	FNMA 361462	09/25/2002	Principal Paydown		526	526.07	526	526								1PE
31376PQQ1	FNMA 361463	09/25/2002	Principal Paydown		35,745	35,745.47	35,745	35,745								1PE
31376PQR9	FNMA 361464	09/25/2002	Principal Paydown		1,898	1,897.85	1,898	1,898								1PE
31376PQU2	FNMA 361467	09/25/2002	Principal Paydown		10,809	10,808.87	10,809	10,809								1PE
31376PQV0	FNMA 361468	09/25/2002	Principal Paydown		3,298	3,298.09	3,298	3,298								1PE
31378PDJ9	FNMA 404305	09/25/2002	Principal Paydown		28,863	28,863.24	28,863	28,863								1PE
31378PDP5	FNMA 404310	09/25/2002	Principal Paydown		14,001	14,001.30	14,001	14,001								1PE
31379EB44	FNMA 416833	09/25/2002	Principal Paydown		29,426	29,425.66	29,426	29,426								1PE
31379EB00	FNMA 416835	09/25/2002	Principal Paydown		4,276	4,275.60	4,276	4,276								1PE
0399999	Subtotal - Bonds - U.S. Governments			X X X	429,222	429,221.79	422,660	429,222	109					19,125	X X X	X X X
927804CD4	Virgina Electric and Power	07/01/2002	Maturity		500,000	500,000.00	501,785	500,000						36,875		1PE
842434BF8	Southern California Gas Co 1st Mtg Ser Z	08/15/2002	Maturity		500,000	500,000.00	498,145	500,000	86					34,375		1PE
3899999	Subtotal - Bonds - Public Utilities			X X X	1,000,000	1,000,000.00	999,930	1,000,000	86					71,250	X X X	X X X
201615DQ1	Commercial Credit Group Inc	07/01/2002	Maturity		500,000	500,000.00	493,395	500,000						32,250		1PE
494368AV5	Kimberly-Clark	08/06/2002	JP Morgan		520,550	500,000.00	510,835	510,454	(353)			10,096	10,096	8,750		1PE
883203BF7	Textron Inc	09/15/2002	Maturity		500,000	500,000.00	494,780	500,000	390					33,750		1PE
4599999	Subtotal - Bonds - Industrial and Miscellaneous			X X X	1,520,550	1,500,000.00	1,499,010	1,510,454	37			10,096	10,096	74,750	X X X	X X X
6099997	Subtotal - Bonds - Part 4			X X X	2,949,772	2,929,221.79	2,921,600	2,939,676	232			10,096	10,096	165,125	X X X	X X X
6099999	Total Bonds			X X X	2,949,772	2,929,221.79	2,921,600	2,939,676	232			10,096	10,096	165,125	X X X	X X X
7299999	Totals			0	2,949,772	X X X	2,921,600	2,939,676	232			10,096	10,096	165,125		X X X

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

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

[illegible]



United General Title Insurance Company

Company Name

51624

NAIC Code

51624200247000103

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

Bryan Ross Willis

Name of Investment Officer

Bryan Ross Willis

Signature of Investment Officer

Chief Financial Officer

Title of Signatory

10/25/2002

Date