

ANNUAL STATEMENT

Including Supplements

OF THE

of _____

in the state of _____

TO THE

Insurance Department

OF THE

STATE OF

FOR THE YEAR ENDED
December 31, 2002

TITLE

2002



50180200220100100

ANNUAL STATEMENT

For the Year Ended December 31, 2002
OF THE CONDITION AND AFFAIRS OF THE

THE GUARANTEE TITLE AND TRUST COMPANY

NAIC Group Code 0000 (Current Period) 0000 (Prior Period) NAIC Company Code 50180 Employer's ID Number 31-4196950

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

Country of Domicile US

Incorporated: April 29, 1899 Commenced Business: April 29, 1899

Statutory Home Office: 8230 MONTGOMERY ROAD SUITE 201 CINCINNATI, OH 45236

Main Administrative Office: 8230 MONTGOMERY ROAD SUITE 201 CINCINNATI, OH 45236 513-794-4020

Mail Address: 8230 MONTGOMERY ROAD SUITE 201 CINCINNATI, OH 45236

Primary Location of Books and Records: 8230 MONTGOMERY ROAD SUITE 201 CINCINNATI, OH 45236 513-794-4020

Internet Website Address: N/A

Statement Contact: BETTE E. ZUREICK 513-794-4020
bzureick@gttitle.com 513-794-4027
(E-Mail Address) (Fax Number)

Policyowner Relations Contact: 8230 MONTGOMERY ROAD SUITE 201 CINCINNATI, OH 45236 513-794-4020

OFFICERS

President THOMAS HUPP MONGAN
Secretary MARY JO ENZWEILER
Treasurer #JULIE MARIE BERTSCH
Actuary #JOSEPH L PETRELLI

Vice-Presidents

MICHAEL THOMAS HARLOR DEBRA MONGAN FINGERMAN ELEANOR GLEASON

DIRECTORS OR TRUSTEES

THOMAS HUPP MONGAN WILLIAM CAMPBELL COOK JON PHILIP HOGAN JAMES J. ZENNI
DEBRA MONGAN FINGERMAN

State of OHIO
County of HAMILTON 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) THOMAS HUPP MONGAN (Signature) DEBRA MONGAN FINGERMAN (Signature) JULIE MARIE BERTSCH
(Printed Name) President Secretary (CHIEF EXECUTIVE OFFICER) Treasurer

Subscribed and sworn to before me this 27TH day of FEBRUARY, 2003

a. Is this an original filing? YES [X] NO []
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols 1 - 2)	4 Net Admitted Assets
1. Bonds	1,159,490	3,023	1,156,467	1,135,041
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1)	217,860	18,204	199,656	194,684
2.2 Common stocks (Schedule D, Part 2, Section 2)	2,511,144		2,511,144	1,646,837
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	200,000		200,000	528,564
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)	311,050		311,050	311,050
5. Cash (\$ 1,118,343 Schedule E, Part 1) and short-term investments (\$ 0 Schedule DA, Part 2)	1,118,343		1,118,343	937,438
6. Other invested assets	114,065		114,065	550,000
7. Receivable for securities				
8. Subtotals, cash and invested assets (Lines 1 to 7)	5,631,952	21,227	5,610,725	5,303,614
9. Title plants (Schedule H), less \$ 0, charged off	375,925		375,925	375,925
10. Title insurance premiums and fees receivable	34,627	2,000	32,627	4,852
11. Funds held by or deposited with reinsured companies				
12. Reinsurance recoverables on loss and loss adjustment expense payments (Schedule F, Part 2, Col. 8)				
13. Federal and foreign income tax recoverable and interest thereon (including \$ 0 net deferred tax asset)	2,180,377	2,180,377		
14. Guaranty funds receivable or on deposit				
15. Electronic data processing equipment and software	253,482	225,022	28,460	23,285
16. Interest, dividends and real estate income due and accrued	17,374		17,374	32,133
17. Net adjustments in assets and liabilities due to foreign exchange rates				
18. Receivable from parent, subsidiaries and affiliates	671,912	550,193	121,719	18,906
19. Other assets nonadmitted (Exhibit 1)	204,196	204,196		
20. Aggregate write-ins for other than invested assets	124,812	38,557	86,255	3,171
21. TOTALS (Lines 8 to 20)	9,494,657	3,221,572	6,273,085	5,761,886

DETAILS OF WRITE-INS				
2001. DEPOSITS	25,060	25,060		
2002. PREPAID	(2,713)	(2,713)		
2003. OTHER ASSETS	102,465	16,210	86,255	3,171
2098. Summary of remaining write-ins for Line 20 from overflow page				
2099. Totals (Lines 2001 through 2003 + 2098) (Line 20 above)	124,812	38,557	86,255	3,171

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 \$ 10,910,489 not included in the foregoing statement were held pursuant to the governing agreements of custody. These funds consist of \$ 10,910,489 in cash on deposit and \$ 0 in other forms of security.

LIABILITIES, SURPLUS AND OTHER FUNDS	1 Current Year	2 Prior Year
1. Known claims reserve (Part 2B, Line 3, Col. 4)	240,327	200,481
2. Statutory premium reserve (Part 1B, Line 2.5, Col. 1)	3,755,561	3,432,217
3. Aggregate of other reserves required by law		
4. Supplemental reserve (Part 2B, Col. 4, Line 12)		
5. Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers		
6. Other expenses (excluding taxes, licenses and fees)	314,535	724,107
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	160,547	87,916
8. Federal and foreign income taxes (including \$ 0 on realized capital gains (losses)) (including \$ 0 net deferred tax liability)		
9. Borrowed money \$ 0 and interest thereon \$ 0		
10. Dividends declared and unpaid		
11. Premiums and other consideration received in advance		
12. Unearned interest and real estate income received in advance		
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	17,802	14,176
15. Provision for unauthorized reinsurance		
16. Net adjustment in assets and liabilities due to foreign exchange rates		
17. Drafts outstanding		
18. Payable to parent, subsidiaries and affiliates		
19. Payable for securities		
20. Aggregate write-ins for other liabilities		
21. Total liabilities (Lines 1 through 20)	4,488,772	4,458,897
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	278,100	278,100
24. Preferred capital stock	7,000,000	7,000,000
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus	6,511,002	6,511,002
28. Unassigned funds (surplus)	(12,004,789)	(12,486,113)
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)(Page 4, Line 32)	1,784,313	1,302,989
31. Totals (Page 2, Line 21, Col. 3)	6,273,085	5,761,886

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	2 Prior Year
OPERATING INCOME		
1. Title insurance and related income (Part 1):		
1.1 Title insurance premiums earned (Part 1B, Line 3, Col. 1)	8,542,533	8,175,905
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4)	1,375,989	1,588,341
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4)	1,781,219	2,238,711
2. Aggregate write-ins for other operating income		
3. Total Operating Income (Lines 1 through 2)	11,699,741	12,002,957
DEDUCT:		
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4)	240,447	880,000
5. Operating expenses incurred (Part 3, Line 24, Cols. 4 and 6)	11,653,571	12,051,176
6. Aggregate write-ins for other operating deductions		
7. Total Operating Deductions	11,894,018	12,931,176
8. Net operating gain or (loss) (Lines 3 minus 7)	(194,277)	(928,219)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net investment Income, Line 17)	464,220	280,997
10. Net realized capital gains and (losses) (Exhibit of Capital Gains (Losses))	(51,674)	211,125
11. Net investment gain or (loss) (Lines 9 + 10)	412,546	492,122
OTHER INCOME		
12. Aggregate write-ins for miscellaneous income or (loss)	2,537	8,038
13. Net income, before federal income taxes (Lines 8 + 11 + 12)	220,806	(428,059)
14. Federal and foreign income taxes incurred	100,000	(62,000)
15. Net income (Lines 13 minus 14)	120,806	(366,059)
CAPITAL AND SURPLUS ACCOUNT		
16. Surplus as regards policyholders, December 31 prior year (Page 3, Line 30, Column 2)	1,302,989	2,062,654
GAINS AND (LOSSES) IN SURPLUS		
17. Net income (from Line 15)	120,806	(366,059)
18. Net unrealized capital gains or losses	100,354	61,999
19. Change in net unrealized foreign exchange capital gain (loss)		
20. Change in net deferred income tax		
21. Change in nonadmitted assets (Exhibit 1, Line 6, Col. 3)	260,164	(455,605)
22. Change in provision for unauthorized reinsurance (Page 3, Line 15, Cols. 2 minus 1)		
23. Change in supplemental reserves (Page 3, Line 4, Cols. 2 minus 1)		
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 (Page 3, Lines (29.1) and (29.2), Cols. 2 minus 1)		
30. Aggregate write-ins for gains and losses in surplus		
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)	481,324	(759,665)
32. Surplus as regards policyholders, December 31 current year (Lines 16 plus 31) (Page 3, Line 30)	1,784,313	1,302,989

DETAILS OF WRITE-INS		
0201.		
0202.		
0203.		
0298. Summary of remaining write-ins for Line 2 from overflow page		
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 2 above)		
0601.		
0602.		
0603.		
0698. Summary of remaining write-ins for Line 6 from overflow page		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)		
1201. MISC INC	2,537	8,038
1202.		
1203.		
1298. Summary of remaining write-ins for Line 12 from overflow page		
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)	2,537	8,038
3001. REVERSAL OF FL SPR		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		

CASH FLOW	1 Current Year	2 Prior Year
1. Premiums and other charges collected	11,995,309	12,278,057
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	200,601	877,769
3. Total operating expenses paid	11,990,511	11,827,526
4. Cash from operations (Line 1 minus Line 2 minus Line 3)	(195,803)	(427,238)
5. Investment income (net of investment expense)	170,606	202,721
6. Other income received (expenses paid)	2,537	8,038
7. Federal income taxes (paid) recovered		
8. Net cash from operations (Lines 4 to 7)	(22,660)	(216,479)
9. Proceeds from investments sold, matured or repaid:		
9.1 Bonds	198,419	182,805
9.2 Stocks	71,655	797,861
9.3 Mortgage loans	328,564	6,725
9.4 Real estate		
9.5 Other invested assets	435,935	
9.6 Net gains or (losses) on cash and short-term investments		
9.7 Miscellaneous proceeds		
9.8 Total investment proceeds (Lines 9.1 to 9.7)	1,034,573	987,391
10. Other cash provided:		
10.1 Net transfers from affiliates		17,504
10.2 Borrowed funds received		
10.3 Capital paid in		
10.4 Surplus paid in		
10.5 Other sources	53,231	427,977
10.6 Total other cash provided (Lines 10.1 to 10.5)	53,231	445,481
11. Total (Line 8 plus Line 9.8 plus Line 10.6)	1,065,144	1,216,393
12. Cost of investments acquired (long-term only):		
12.1 Bonds	167,542	237,108
12.2 Stocks	636,072	461,199
12.3 Mortgage loans		475,903
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications		
12.7 Total investments acquired (Lines 12.1 to 12.6)	803,614	1,174,210
13. Other cash applied:		
13.1 Dividends to stockholders paid		
13.2 Net transfers to affiliates	80,625	
13.3 Borrowed funds repaid		
13.4 Other applications		
13.5 Total other cash applied (Lines 13.1 to 13.4)	80,625	
14. Total (Line 12.7 plus Line 13.5)	884,239	1,174,210
15. Net change in cash and short-term investments (Line 11 minus Line 14)	180,905	42,183
RECONCILIATION		
16. Cash and short-term investments:		
16.1 Beginning of year	937,438	895,255
16.2 End of year (Line 15 plus Line 16.1)	1,118,343	937,438

OPERATIONS AND INVESTMENT EXHIBIT

PART 1A - SUMMARY OF TITLE INSURANCE PREMIUMS WRITTEN AND RELATED REVENUES

	1	Agency Operations		4 Current Year Total (Cols. 1 + 2 + 3)	5 Prior Year Total
		2 Direct Operations	3 Non-Affiliated Agency Operations		
1. Direct premiums written	1,399,503	6,558,468	916,715	8,874,686	8,426,226
2. Escrow and settlement service charges	1,375,989	X X X	X X X	1,375,989	1,588,341
3. Other title fees and service charges (Part 1C, Line 5)	1,781,219	X X X	X X X	1,781,219	2,238,711
4. Totals (Lines 1 + 2 + 3)	4,556,711	6,558,468	916,715	12,031,894	12,253,278

PART 1B - PREMIUMS EARNED EXHIBIT

	1 Current Year	2 Prior Year
1. Title premiums written:		
1.1 Direct (Part 1A, Line 1)	8,874,686	8,426,226
1.2 Assumed		
1.3 Ceded	8,810	19,229
1.4 Net title premiums written (Lines 1.1 + 1.2 - 1.3)	8,865,876	8,406,997
2. Statutory premium reserve:		
2.1 Balance at December 31 prior year	3,432,218	3,201,126
2.2 Additions during the current year	323,343	231,092
2.3 Withdrawals during the current year		
2.4 Other adjustments to statutory premium reserves		
2.5 Balance at December 31 current year	3,755,561	3,432,218
3. Net title premiums earned during year (Lines 1.4 - 2.2 + 2.3)	8,542,533	8,175,905

PART 1C - OTHER TITLE FEES AND SERVICE CHARGES

	1 Current Year	2 Prior Year
1. Title examinations		
2. Searches and abstracts	1,781,219	2,238,711
3. Surveys		
4. Aggregate write-ins for service charges		
5. Totals	1,781,219	2,238,711
DETAILS OF WRITE-INS		
0401.		
0402.		
0403.		
0498. Summary of remaining write-ins for Line 4 from overflow page		
0499. Total (Lines 0401 through 0403 plus 0498) (Line 4 above)		

OPERATIONS AND INVESTMENT EXHIBIT
PART 2A - LOSSES PAID AND INCURRED

	1	Agency Operations		4	5
		2	3		
	Direct Operations	Non-Affiliated Agency Operations	Affiliated Agency Operations	Total Current Year (Cols. 1+2+3)	Total Prior Year
1. Losses and allocated loss adjustment expenses paid - direct business, less salvage	121,243	(136,206)	215,564	200,601	877,769
2. Losses and allocated loss adjustment expenses paid - reinsurance assumed, less salvage					
3. Total (Line 1 plus Line 2)	121,243	(136,206)	215,564	200,601	877,769
4. Deduct: Recovered during year from reinsurance					
5. Net payments (Line 3 minus Line 4)	121,243	(136,206)	215,564	200,601	877,769
6. Known claims reserve - current year (Page 3, Line 1, Col. 1)	36,477	161,950	41,900	240,327	200,481
7. Known claims reserve - prior year (Page 3, Line 1, Column 2)	1,000	194,981	4,500	200,481	198,250
8. Losses and allocated LAE incurred (Lines 5 plus Line 6 minus Line 7)	156,720	(169,237)	252,964	240,447	880,000
9. Unallocated loss adjustment expenses incurred (Part 3, Line 24, Column 5)					
10. Losses and loss adjustment expenses incurred (Line 8 plus Line 9)	156,720	(169,237)	252,964	240,447	880,000

OPERATIONS AND INVESTMENT EXHIBIT
PART 2B - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

	1 Direct Operations	Agency Operations		4 Total Current Year (Cols. 1 + 2 + 3)	5 Total Prior Year
		2 Non-Affiliated Agency Operations	3 Affiliated Agency Operations		
1. Loss and allocated LAE reserve for title and other losses of which notice has been received:					
1.1 Direct (Schedule P, Part 1, Line 12, Col. 17)	36,477	161,950	41,900	240,327	200,481
1.2 Reinsurance assumed (Schedule P, Part 1, Line 12, Col. 18)					
2. Deduct reinsurance recoverable from authorized and unauthorized companies (Schedule P, Part 1, Line 12, Col. 19)					
3. Known claims reserve (Line 1.1 plus Line 1.2 minus Line 2)	36,477	161,950	41,900	240,327	200,481
4. Incurred But Not Reported:					
4.1 Direct (Schedule P, Part 1, Line 12, Col. 20)		1,725,000		1,725,000	1,885,000
4.2 Reinsurance assumed (Schedule P, Part 1, Line 12, Col. 21)					
4.3 Reinsurance ceded (Schedule P, Part 1, Line 12, Col. 22)					
4.4 Net incurred but not reported		1,725,000		1,725,000	1,885,000
5. Unallocated LAE reserve (Schedule P, Part 1, Line 12, Col. 23)	X X X	X X X	X X X		X X X
6. Less discount for time value of money, if allowed (Sch. P, Part 1, Line 12, Col. 33)	X X X	X X X	X X X		X X X
7. Total Schedule P reserves (Lines 3 + 4.4 + 5 - 6)(Sch. P, Part 1, Line 12, Col. 35)	X X X	X X X	X X X	1,965,327	X X X
8. Statutory premium reserve at year end	X X X	X X X	X X X	3,755,560	X X X
9. Aggregate of other reserves required by law	X X X	X X X	X X X		X X X
10. Gross supplemental reserve (a) (Lines 7 - (3 + 8 + 9))	X X X	X X X	X X X		X X X
11. Unrecognized Schedule P transition obligation	X X X	X X X	X X X		X X X
12. Net recognized supplemental reserve (Lines 10 - 11)	X X X	X X X	X X X		X X X

(a) If the sum of Lines 3 + 8 + 9 is greater than Line 7, place a "0" in this Line.

OPERATIONS AND INVESTMENT EXHIBIT
PART 3 - EXPENSES

	Title and Escrow Operating Expenses				5 Unallocated Loss Adjustment Expenses	6 Other Operations	7 Investment Expenses	Totals	
	1 Direct Operations	Agency Operations		4 Total (Cols. 1 + 2 + 3)				8 Current Year (Cols. 4 + 5 + 6 + 7)	9 Prior Year
		2 Non-affiliated Agency Operations	3 Affiliated Agency Operations						
1. Personnel costs:									
1.1 Salaries	1,789,339	573,681		2,363,020			2,363,020	2,617,510	
1.2 Employee relations and welfare	326,513	10,261		336,774			336,774	436,036	
1.3 Payroll taxes	161,723	45,897		207,620			207,620	196,183	
1.4 Other personnel costs	66,560	28,362		94,922			94,922	113,176	
1.5 Total personnel costs	2,344,135	658,201		3,002,336			3,002,336	3,362,905	
2. Amounts paid to or retained by title agents		5,280,319	825,043	6,105,362			6,105,362	5,155,374	
3. Production services (purchased outside):									
3.1 Searches, examinations and abstracts	466,108	6,226		472,334			472,334	843,457	
3.2 Surveys									
3.3 Other	17,218			17,218			17,218	19,719	
4. Advertising	46,744	7,741		54,485			54,485	62,418	
5. Boards, bureaus and associations	7,097	21,075		28,172			28,172	27,759	
6. Title plant rent and maintenance									
7. Claim adjustment services									
8. Amounts charged off, net of recoveries	(306,815)	(72,895)		(379,710)			(379,710)	3,485	
9. Marketing and promotional expenses									
10. Insurance	10,981	54,111		65,092			65,092	23,509	
11. Directors' fees									
12. Travel and travel items	57,045	19,408		76,453			76,453	88,324	
13. Rent and rent items	333,826	166,789		500,615			500,615	576,207	
14. Equipment	90,468	64,348		154,816			154,816	196,963	
15. Cost or depreciation of EDP equipment and software	57,390	96,403		153,793			153,793	152,851	
16. Printing, stationery, books and periodicals	92,898	54,847		147,745			147,745	145,616	
17. Postage, telephone, messengers and express	253,743	47,885		301,628			301,628	348,329	
18. Legal and auditing	37,886	197,674		235,560			235,560	308,196	
19. Totals (Lines 1.5 to 18)	3,508,724	6,602,132	825,043	10,935,899			10,935,899	11,315,112	
20. Taxes, licenses and fees:									
20.1 State and local insurance taxes	7,529	144,796		152,325			152,325	135,825	
20.2 Insurance department licenses and fees	240	35,536		35,776			35,776	22,630	
20.3 Gross guaranty association assessments									
20.4 All other (excluding federal income and real estate)									
20.5 Total taxes, licenses and fees (Lines 20.1 + 20.2 + 20.3 + 20.4)	7,769	180,332		188,101			188,101	158,455	
21. Real estate expenses									
22. Real estate taxes									
23. Aggregate write-ins for miscellaneous expenses	103,723	425,848		529,571			529,571	577,609	
24. Total expenses incurred (Lines 19+20.5+21+22+23)	3,620,216	7,208,312	825,043	11,653,571			(a) 11,653,571	12,051,176	
25. Less unpaid expenses - current year		475,083		475,083			475,083	812,023	
26. Add unpaid expenses - prior year		812,023		812,023			812,023	588,373	
27. TOTAL EXPENSES PAID (Lines 24 - 25 + 26)	3,620,216	7,545,252	825,043	11,990,511			11,990,511	11,827,526	
DETAILS OF WRITE-INS									
2301. DEPRECIATION/AMORTIZATION/INTEREST	83,899	91,732		175,631			175,631	191,924	
2302. PROFESSIONAL EXPENSE	6,213	326,969		333,182			333,182	353,818	
2303. MISCELLANEOUS/CHARITABLE CONTRIBUTIONS	13,611	7,147		20,758			20,758	31,867	
2398. Summary of remaining write-ins for Line 23 from overflow page									
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	103,723	425,848		529,571			529,571	577,609	

(a) Includes management fees of \$ 0 to affiliates and \$ 0 to non-affiliates.

**OPERATIONS AND INVESTMENT EXHIBIT
PART 4 - NET OPERATING GAIN/LOSS EXHIBIT**

	1 Direct Operations	Agency Operations		4 Total (Cols. 1 + 2 + 3)	5 Other Operations	Totals	
		2 Non-affiliated Agency Operations	3 Affiliated Agency Operations			6 Current Year (Cols. 4 + 5)	7 Prior Year
1. Title insurance and related income (Part 1):							
1.1 Title insurance premiums earned (Part 1, Line 3, Col. 1)	1,367,633	6,306,128	868,772	8,542,533		8,542,533	8,426,226
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4)	1,375,989			1,375,989		1,375,989	1,588,341
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4)	1,781,219			1,781,219		1,781,219	2,238,711
2. Aggregate write-ins for other operating income							
3. Total Operating Income (Lines 1.1 through 1.3 + 2)	4,524,841	6,306,128	868,772	11,699,741		11,699,741	12,253,278
DEDUCT:							
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4)	156,720	(169,237)	252,964	240,447		240,447	880,000
5. Operating expenses incurred (Part 3, Line 24, Cols. 1 to 3, 6)	3,620,216	7,208,312	825,043	11,653,571		11,653,571	12,051,176
6. Aggregate write-ins for other operating deductions							
7. Total Operating Deductions (Lines 4 + 5 + 6)	3,776,936	7,039,075	1,078,007	11,894,018		11,894,018	12,931,176
8. Net operating gain or (loss) (Lines 3 minus 7)	747,905	(732,947)	(209,235)	(194,277)		(194,277)	(677,898)
DETAILS OF WRITE-INS							
0201.							
0202.							
0203.							
0298. Summary of remaining write-ins for Line 2 from overflow page							
0299. Totals (Lines 0201 through 0203 plus 0298)							
0601.							
0602.							
0603.							
0698. Summary of remaining write-ins for Line 6 from overflow page							
0699. Totals (Lines 0601 through 0603 plus 0698)							

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 51,540	51,540
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 11,723	8,767
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 3,237	3,237
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	31,745	31,745
2.21 Common stocks of affiliates	251,566	251,566
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash/short-term investments	(e) 60,492	67,865
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	49,500	49,500
10. Total gross investment income	459,803	464,220
11. Investment expenses		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		
17. Net investment income - (Line 10 minus Line 16)		464,220
DETAILS OF WRITE-INS		
0901.	49,500	49,500
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	49,500	49,500
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		
(a) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.		
(c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.		
(e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.		
(f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.		
(g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.		
(h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.		
(i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	Total
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	(9,682)			5,291	(4,391)
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)	(41,992)			(529)	(42,521)
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)				32,576	32,576
2.21 Common stocks of affiliates				63,016	63,016
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash/short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	(51,674)			100,354	48,680
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)					

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1	2	3
	End of Current Year	End of Prior Year	Changes for year (Increase) or Decrease
1. Summary of Items Page 2, Lines 9 to 15 and 17 and 18, Column 2	2,957,592	3,113,509	155,917
2. Other Assets:			
2.1 Deposits in suspended depositories, less estimated amount recoverable			
2.2 Furniture, equipment and supplies	204,196	292,900	88,704
2.3 Leasehold improvements			
2.4 Bills receivable			
2.5 Loans on personal security, endorsed or not			
2.6 Agents' balances (net)			
2.7 Cash advanced to or in the hands of officers or agents			
3. Total (Lines 2.1 to 2.7)	204,196	292,900	88,704
4. Aggregate write-ins for other assets (Page 2, Line 20, Column 2)	38,557	54,100	15,543
5. Total (Line 1 plus Lines 3 to 4)	3,200,345	3,460,509	260,164
DETAILS OF WRITE-INS			
0401. PREPAID	(2,713)	6,014	8,727
0402. OTHER ASSETS	16,210	24,026	7,816
0403. DEPOSITS	25,060	24,060	(1,000)
0498. Summary of remaining write-ins for Line 4 from overflow page			
0499. Totals (Lines 0401 through 0403 + 0498) (Line 4 above)	38,557	54,100	15,543

NOTES TO FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

The accompanying financial statements of the company have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio.

2. BASIS OF VALUATION OF INVESTED ASSETS

- A. Asset values generally stated as follows: cash at cost; bonds at amortized cost; securities at lower of cost or market; mortgage loans on real estate are stated at the aggregate unpaid balance.
- B. The company depreciates all of its property and equipment using the straight line method over the estimated useful lives of the assets.

3. FEDERAL INCOME TAX ALLOCATIONS

- A. The company's Federal Income Tax return is consolidated with its parent corporation, Mongan Financial Corporation, Inc.
- B. The method of allocation between the companies is subject to written agreement, approved by the Board of Directors.

4. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

- A. All outstanding shares of the company are owned by Mongan Financial Corporation, Inc.
- B. The company has executed a management contract with Mongan Financial Corporation, Inc. which provides for payment of a fee of \$20,000 per month.

5. EMPLOYEE RETIREMENT PLAN

- A. The company provides a 401-k plan for employees.
- B. The company participates with affiliated company in a contributory plan for which no contributions have been made.

6. CAPITAL AND SURPLUS

- A. Dividends are determined by the Board of Directors, subject to prior approval of the Director of the Ohio Department of Insurance.
- B. The company has \$7,000,000 of 10% non-cumulative preferred stock outstanding.

7. LEASES

The company has outstanding leases which do not have a material effect on the financial statement.

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	882,876	15.676	882,876	15.736
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies				
1.22 Issued by U.S. government sponsored agencies				
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations				
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations	276,614	4.912	273,591	4.876
1.5 Mortgage-backed securities (including residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA				
1.512 Issued by FNMA and FHLMC				
1.513 Privately issued				
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC				
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC				
1.523 All other privately issued				
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)				
2.2 Unaffiliated foreign securities				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated	217,860	3.868	199,656	3.558
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated	1,599,526	28.401	1,599,526	28.508
3.4 Other equity securities:				
3.41 Affiliated				
3.42 Unaffiliated	911,618	16.187	911,618	16.248
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties	200,000	3.551	200,000	3.565
4.4 Multifamily residential properties				
4.5 Commercial loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (includes \$ 0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (\$ 0 including property acquired in satisfaction of debt)	311,050	5.523	311,050	5.544
6. Policy loans				
7. Receivables for securities				
8. Cash and short-term investments	1,118,343	19.857	1,118,343	19.932
9. Other invested assets	114,065	2.025	114,065	2.033
10. Total invested assets	5,631,952	100.000	5,610,725	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? OHIO
-
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended. _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 06/30/2000
-
- 3.2 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. 03/21/2001
-
- 3.3 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). _____
-
- 3.4 By what department or departments? OHIO DEPARTMENT OF INSURANCE
.....
.....
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 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 the 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
	00000	
	00000	
	00000	
	00000	
	00000	

- 6.1 Has the 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]
- 6.2 If yes, give full information
.....
.....
.....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control 0 %
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager, or attorney-in-fact)

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES
(continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 GRANT THORNTON LLP
 6225 EDEN PARK DR SUITE 900 CINCINNATI, OH45202

9. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? JOSEPH L. PETRELLI
 2941 DONNYLANE BLVD
 DEMOTECH, INC

10. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

10.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

10.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]

BOARD OF DIRECTORS

11. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []

12. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []

13. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

14.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 14.11 To directors or other officers \$ _____
 14.12 To stockholders not officers \$ _____
 14.13 Trustees, supreme or grand (Fraternal only) \$ _____

14.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
 14.21 To directors or other officers \$ _____
 14.22 To stockholder not officers \$ _____
 14.23 Trustees, supreme or grand (Fraternal only) \$ _____

15.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]

15.2 If yes, state the amount thereof at December 31 of the current year:
 15.21 Rented from others \$ _____
 15.22 Borrowed from others \$ _____
 15.23 Leased from others \$ _____
 15.24 Other \$ _____

Disclose in Notes to Financial the nature of each obligation.

16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]

16.2 If answer is yes:
 16.21 Amount paid as losses or risk adjustment \$ _____
 16.22 Amount paid as expenses \$ _____
 16.23 Other amounts paid \$ _____

GENERAL INTERROGATORIES
(continued)
INVESTMENT

17. List the following capital stock information for the reporting entity:

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price If Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
Preferred	10,000	7,000			Yes [X] No []	Yes [] No [X]
Common	5,000	2,781		X X X	X X X X X X	X X X X X X

18.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 2 - Special Deposits? Yes [X] No []

18.2 If no, give full and complete information, relating thereto 0
0

19.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on Schedule E - Part 2 - Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 15.1). Yes [] No [X]

19.2 If yes, state the amount thereof at December 31 of the current year:

19.21	Loaned to others	\$
19.22	Subject to repurchase agreements	\$
19.23	Subject to reverse repurchase agreements	\$
19.24	Subject to dollar repurchase agreements	\$
19.25	Subject to reverse dollar repurchase agreements	\$
19.26	Pledged as collateral	\$
19.27	Placed under option agreements	\$
19.28	Letter stock or securities restricted as to sale	\$
19.29	Other	\$

19.3 For each category above, if any of these assets are held by other, identify by whom held:
19.31
19.32
19.33
19.34
19.35
19.36
19.37
19.38
19.39

For categories (19.21) and (19.23) above, and for any securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount

20.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
20.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

21.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year. \$

22. 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 []

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

1 Name of Custodian(s)	2 Custodian's Address
SALOMON SMITH BARNEY	140 58TH ST BROOKLYN NY

GENERAL INTERROGATORIES

(continued)

INVESTMENT

22.02 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)

22.03 Have there been any changes, including name changes, in the custodian(s) identified in 22.01 during the current year? Yes [] No []

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

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

22.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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 Number(s)	2 Name	3 Address

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ 55,538

23.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
DEMOTECH INC	\$ 31,912
	\$
	\$
	\$

24.1 Amount of payments for legal expenses, if any? \$ 155,754

24.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
AWERBACH & MURPHY	\$ 42,647
	\$
	\$
	\$

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ _____

25.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or department of government during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$
	\$

**GENERAL INTERROGATORIES
(continued)**

PART 2-TITLE INTERROGATORIES

- 1.1 Did any persons while an officer, director, trustee or employee receive directly or indirectly, during the period covered by this statement, any compensation in addition to his/her regular compensation on account of the reinsurance transactions of the reporting entity? YES [] NO [X]

- 2. Largest net aggregate amount incurred in any one risk. \$ _____

- 3.1 Has the reporting entity reinsured any risk with any other 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]

- 3.2 If yes, give full information _____

- 4. If the reporting entity has assumed risk from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? YES [] NO [X]

- 5.1 Has this reporting entity guaranteed policies issued by any other entity and now in force? YES [] NO [X]

- 5.2 If yes, give full information _____

- 6. Uncompleted building construction loans:
 - 6.1 Amount already loaned \$ _____
 - 6.2 Balance to be advanced \$ _____
 - 6.3 Total amount to be loaned \$ _____

- 7.1 Does the reporting entity issue bonds secured by certificates of participation in building construction loans prior to the completion of the buildings? YES [] NO [X]

- 7.2 If yes, give total amount of such bonds or certificates of participation issued and outstanding. \$ _____

- 8. What is the aggregate amount of mortgage loans owned by the reporting entity which consists of co-ordinate interest in first liens? \$ _____

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2002	2 2001	3 2000	4 1999	5 1998
Source of Direct Title Premiums Written (Part 1A)					
1. Direct operations (Part 1A, Line 1, Col. 1)	1,399,503	2,054,625	1,340,184	2,721,112	2,314,646
2. Non-affiliated agency operations (Part 1A, Line 1, Col. 2)	6,558,468	5,073,580	7,894,706	10,647,012	9,491,927
3. Affiliated agency operations (Part 1A, Line 1, Col. 3)	916,715	1,298,021	2,020,783	2,165,773	793,215
4. Total	8,874,686	8,426,226	11,255,673	15,533,897	12,599,788
Operating Income Summary (Page 4 & Part 1)					
5. Premiums earned (Part 1B, Line 3)	8,542,533	8,175,905	11,101,235	15,538,305	12,372,061
6. Escrow and settlement service charges (Part 1A, Line 2)	1,375,989	1,588,341	3,700,813	5,538,490	5,965,023
7. Title examinations (Part 1C, Line 1)					
8. Searches and abstracts (Part 1C, Line 2)	1,781,219	2,238,711	2,490,984	2,915,375	2,825,557
9. Surveys (Part 1C, Line 3)					
10. Aggregate write-ins for service charges (Part 1C, Line 4)					
11. Aggregate write-ins for other operating income (Page 4, Line 2)					
12. Total operating income (Page 4, Line 3)	11,699,741	12,002,957	17,293,032	23,992,170	21,162,641
Statement of Income (Page 4)					
13. Net operating gain or (loss) (Line 8)	(194,277)	(928,219)	(2,739,301)	(4,138,914)	(1,423,200)
14. Net investment gain or (loss) (Line 11)	412,546	492,122	4,858	156,682	750,970
15. Total other income (Line 12)	2,537	8,038	41,411	639	13,742
16. Federal income taxes incurred (Line 14)	100,000	(62,000)	(765,000)	(1,253,000)	(162,000)
17. Net income (Line 15)	120,806	(366,059)	(1,928,032)	(2,728,593)	(496,488)
Balance Sheet Items (Pages 2 and 3)					
18. Title insurance premiums and fees receivable (Page 2, Line 10, Col. 3)	32,627	4,852	9,674	36,277	503,558
19. Total admitted assets (Page 2, Line 21, Col. 3)	6,273,085	5,761,886	6,061,532	8,040,899	13,459,539
20. Known claims reserve (Page 3, Line 1)	240,327	200,481	198,250	631,949	1,135,853
21. Statutory premium reserve (Page 3, Line 2)	3,755,561	3,432,217	3,201,125	4,336,352	4,356,048
22. Total liabilities (Page 3, Line 21)	4,488,772	4,458,897	3,998,877	5,563,114	6,220,963
23. Capital paid up (Page 3, Lines 23 + 24)	7,278,100	7,278,100	7,278,100	7,278,100	7,278,100
24. Surplus as regards policyholders (Page 3, Line 30)	1,784,313	1,302,989	2,062,654	2,477,785	7,238,576
Percentage Distribution of Cash and Invested Assets (Page 2, Col. 3)					
(Item divided by Page 2, Line 8, Col. 3) x 100.0					
25. Bonds (Line 1)	20.6	21.4	21.8	29.5	4.3
26. Stocks (Lines 2.1 & 2.2)	48.3	34.4	39.8	31.6	23.4
27. Mortgage loans on real estate (Line 3)	3.6	10.0	1.3	0.5	0.3
28. Real estate (Lines 4.1, 4.2 & 4.3)	5.5	5.7			
29. Cash and short-term investments (Line 5)	19.9	18.1	18.9	25.6	60.4
30. Other invested assets (Line 6)	2.0	10.4	18.2	1.4	11.6
31. Receivable for securities (Line 7)					
32. Cash and invested assets (Line 8)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
33. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)					
34. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1)					
35. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 2)	911,618	597,035	296,107	552,938	
36. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11)					
37. Affiliated mortgage loans on real estate					
38. All other affiliated	114,055	550,000	550,000		
39. Total of above Lines 33, 34, 35, 36, 37 & 38	1,025,673	1,147,035	846,107	552,938	
40. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 39 above divided by Page 3, Line 30, Col. 1 x 100.0)	57.0	85.4	41.0	22.3	

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
Capital and Surplus Accounts (Page 4)					
41. Net unrealized capital gains or (losses) (Line 18)	100,354	61,999	(910,867)	(208,927)	(647,050)
42. Change in nonadmitted assets (Line 21)	260,164	(455,605)	(506,038)	(1,123,273)	(770,294)
43. Dividends to stockholders (Line 28)				(700,000)	(25,000)
44. Change in surplus as regards policyholders for the year (Line 31)	481,324	(759,665)	(415,131)	(4,760,791)	4,811,168
Losses Paid and Incurred (Part 2A)					
45. Net payments (Line 5, Col. 4)	200,601	877,769	992,103	3,853,625	1,182,218
46. Losses and allocated LAE incurred (Line 8, Col. 4)	240,447	880,000	558,405	3,349,720	1,545,790
47. Unallocated LAE incurred (Line 9, Col. 4)					
48. Losses and loss adjustment expenses incurred (Line 10, Col. 4)	240,447	880,000	558,405	3,349,720	1,545,790
Operating Expenses to Total Operating Income (Part 4)(%) (Line item divided by Page 4, Line 3 x 100.0)					
49. Personnel costs (Part 4, Line 1.5, Col. 4)	25.7	28.0	33.3	33.8	36.0
50. Amount paid to or retained by title agents (Part 4, Line 2, Col. 4)	52.2	42.9	42.9	39.9	36.0
51. All other operating expenses (Part 4, Lines 24 minus 1.5 minus 2, Col. 4)	21.8	29.4	36.4	29.6	28.0
52. Total (Lines 49 to 51)	99.6	100.3	112.6	103.3	100.0
Operating Percentages (Page 4) (Line item divided by Page 4, Line 3 x 100.0)					
53. Losses and loss adjustment expenses incurred (Line 4)	2.1	7.3	3.2	13.9	7.3
54. Operating expenses incurred (Line 5)	99.6	100.3	112.6	103.3	99.4
55. Aggregate write-ins for other operating deductions (Line 6)					
56. Total operating deductions (Line 7)	101.7	107.6	115.8	117.3	106.7
57. Net operating gain or (loss) (Line 8)	(1.7)	(7.6)	(15.8)	(17.2)	
Other Percentages (Line item divided by Part 1B, Line 1.4)					
58. Losses and loss expenses incurred to net premiums written (Page 4, Line 4)	2.7	10.4	5.0	21.6	12.3
59. Operating expenses incurred to net premiums written (Page 4, Line 5)	131.4	144.0	173.1	160.0	167.4

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1	2	3	4
		Book/Adjusted Carrying Value	Fair Value (a)	Actual Cost	Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	882,876	882,876	692,938	2,500,000
	2. Canada				
	3. Other Countries				
	4. Totals	882,876	882,876	692,938	2,500,000
States, Territories and Possessions (Direct and guaranteed)	5. United States				
	6. Canada				
	7. Other Countries				
8. Totals					
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada				
	11. Other Countries				
12. Totals					
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States				
	14. Canada				
	15. Other Countries				
16. Totals					
Public Utilities (unaffiliated)	17. United States				
	18. Canada				
	19. Other Countries				
20. Totals					
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	265,147	259,754	260,105	369,000
	22. Canada				
	23. Other Countries	11,467	10,744	11,468	9,000
24. Totals	276,614	270,498	271,573	378,000	
Parent, Subsidiaries and Affiliates	25. Totals				
	26. Total Bonds	1,159,490	1,153,374	964,511	2,878,000
PREFERRED STOCKS					
Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
30. Totals					
Banks, Trust and Insurance Companies (unaffiliated)	31. United States	72,701	77,717	72,701	
	32. Canada				
	33. Other Countries				
34. Totals	72,701	77,717	72,701		
Industrial and Miscellaneous (unaffiliated)	35. United States	145,159	126,815	145,159	
	36. Canada				
	37. Other Countries				
38. Totals	145,159	126,815	145,159		
Parent, Subsidiaries and Affiliates	39. Totals				
	40. Total Preferred Stocks	217,860	204,532	217,860	
COMMON STOCKS					
Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
44. Totals					
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	1,592,776	1,592,776	1,409,998	
	46. Canada				
	47. Other Countries				
48. Totals	1,592,776	1,592,776	1,409,998		
Industrial and Miscellaneous (unaffiliated)	49. United States	6,750	6,750	10,764	
	50. Canada				
	51. Other Countries				
52. Totals	6,750	6,750	10,764		
Parent, Subsidiaries and Affiliates	53. Totals	911,618	911,618	1,337,490	
	54. Total Common Stocks	2,511,144	2,511,144	2,758,252	
	55. Total Stocks	2,729,004	2,715,676	2,976,112	
	56. Total Bonds and Stocks	3,888,494	3,869,050	3,940,623	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$ 0.

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	3,002,551	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	803,614	6.1 Column 17, Part 1	
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Section 1	
3.1 Column 16, Part 1	56,564	6.3 Column 11, Part 2, Section 2	
3.2 Column 12, Part 2, Section 1		6.4 Column 11, Part 4	
3.3 Column 10, Part 2, Section 2	347,159	7. Book/adjusted carrying value at end of current period	3,888,494
3.4 Column 10, Part 4	354	8. Total valuation allowance	
4. Total gain (loss), Column 14, Part 4	(51,674)	9. Subtotal (Lines 7 plus 8)	3,888,494
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	270,074	10. Total nonadmitted amounts	21,227
		11. Statement value of bonds and stocks, current period	3,867,267

SCHEDULE P - PART 1 - SUMMARY
 (\$000 Omitted)

Years In Which Policies Were Written	1 Amount of Insurance Written in Millions	Premiums Written and Other Income					Loss and Allocated Loss Adjustment Expenses Payments						
		2 Direct Premium	3 Assumed Premium	4 Other Income	5 Ceded Premium	6 Net	Loss Payments			Allocated LAE Payments			
							7 Direct	8 Assumed	9 Ceded	10 Direct	11 Assumed	12 Ceded	
1. Prior	X X X	51,140			32	51,108	3,672				335		
2. 1993	X X X	7,860			10	7,850	452				201		
3. 1994	2,807	10,018			15	10,003	503				255		
4. 1995	2,247	8,252		450	15	8,687	552				389		
5. 1996	2,673	9,559		1,238	18	10,779	1,134				829		
6. 1997	2,670	9,715		3,253	7	12,961	339				313		
7. 1998	3,541	12,599		8,878	28	21,449	2,818				1,569		
8. 1999	4,577	15,534		8,453	15	23,972	992				215		
9. 2000	2,821	11,255		6,192	8	17,439	259				153		
10. 2001	1,760	8,426		3,827	19	12,234	3				22		
11. 2002	3,151	8,875		3,158	9	12,024					14		
12. Totals	X X X	153,233		35,449	176	188,506	10,724				4,295		

	13 Salvage and Subrogation Received	14 Unallocated Loss Expense Payments	15 Total Net Loss and Expense Paid (Cols. 7+8+10+11-9-12+14)	16 Number of Claims Reported (Direct)	Loss and Allocated Loss Adjustment Expenses Unpaid						23 Unallocated Loss Expense Unpaid
					Known Claim Reserves			IBNR Reserves			
					17 Direct	18 Assumed	19 Ceded	20 Direct	21 Assumed	22 Ceded	
1. Prior	109	37	4,044	7	1						
2. 1993	30	19	672	3							
3. 1994	47	35	793	6							
4. 1995	116	72	1,013	5	34						
5. 1996	750	138	2,101	13	1						
6. 1997	110	53	705	25	1			79			
7. 1998	458	195	4,582	59	105						
8. 1999	90	64	1,271	94	9			482			
9. 2000	90	65	477	147	45			299			
10. 2001		45	70	66	3			368			
11. 2002	1	15	29	16	41			497			
12. Total	1,801	738	15,757	441	240			1,725			

	24 Total Net Loss and LAE Unpaid (Cols. 17+18+20+21-19-22+23)	25 Number of Claims Outstanding (Direct)	Losses and Allocated Loss Expenses Incurred				Loss and LAE Ratio		32 Net Loss & LAE Per \$1000 Of Coverage (Cols. 29+14+23)/Col. 1)	33 Discount For Time Value of Money	34 Inter-company Pooling Participation Percentage	35 Net Reserves After Discount (Cols. 24-33)
			26 Direct (Cols. 7+10+17+20)	27 Assumed (Cols. 8+11+18+21)	28 Ceded (Cols. 9+12+19+22)	29 Net	30 Direct Basis ((Col. 14+23+26)/[Cols. 2+4])	31 Net Basis ((Cols. 14+23+29)/Col.6)				
1. Prior	1	1	4,008			4,008	0.079	0.079	X X X		1	
2. 1993			653			653	0.085	0.086	X X X			
3. 1994			758			758	0.079	0.079	0.283			
4. 1995	34	4	975			975	0.120	0.121	0.466		34	
5. 1996	1	1	1,964			1,964	0.195	0.195	0.786		1	
6. 1997	80	1	732			732	0.061	0.061	0.294		80	
7. 1998	105	7	4,492			4,492	0.218	0.219	1.324		105	
8. 1999	491	8	1,698			1,698	0.073	0.074	0.385		491	
9. 2000	344	8	756			756	0.047	0.047	0.291		344	
10. 2001	371	2	396			396	0.036	0.036	0.251		371	
11. 2002	538	6	552			552	0.047	0.047	0.180		538	
12. Total	1,965	38	16,984			16,984	X X X	X X X	X X X		X X X	

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN
Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed ? (Yes or No)	2 Premium Rate (b)	Direct Premiums Written			6 Other Income	7 Direct Premiums Earned	8 Direct Losses Paid	9 Direct Losses Incurred	10 Direct Losses Unpaid
			3 Direct Operations	Agency Operations						
				4 Non-affiliated Agencies	5 Affiliated Agencies					
1. Alabama	AL	NO								
2. Alaska	AK	NO								
3. Arizona	AZ	NO								
4. Arkansas	AR	NO								
5. California	CA	NO								
6. Colorado	CO	NO								
7. Connecticut	CT	NO								
8. Delaware	DE	NO								
9. Dist. Columbia	DC	NO								
10. Florida	FL	NO		44,739		318,317	44,739	243,890	307,359	135,950
11. Georgia	GA	NO								
12. Hawaii	HI	NO								
13. Idaho	ID	NO								
14. Illinois	IL	YES	R	44,585	1,107,706	80,927	1,023,857	6,804	8,304	1,500
15. Indiana	IN	YES	R	642,555	198,224	1,723,756	838,798	13,912	12	18,100
16. Iowa	IA	NO								
17. Kansas	KS	NO								
18. Kentucky	KY	NO								
19. Louisiana	LA	NO								
20. Maine	ME	NO								
21. Maryland	MD	NO								
22. Massachusetts	MA	NO								
23. Michigan	MI	YES	R							
24. Minnesota	MN	NO								
25. Mississippi	MS	NO								
26. Missouri	MO	NO								
27. Montana	MT	NO								
28. Nebraska	NE	NO								
29. Nevada	NV	NO								
30. New Hampshire	NH	NO								
31. New Jersey	NJ	NO								
32. New Mexico	NM	NO								
33. New York	NY	NO								
34. No. Carolina	NC	NO								
35. No. Dakota	ND	NO								
36. Ohio	OH	YES	R	712,363	2,225,564	899,218	2,870,676	(459,104)	(454,227)	36,877
37. Oklahoma	OK	NO								
38. Oregon	OR	NO								
39. Pennsylvania	PA	YES	AL		2,982,235	134,990	2,897,147	179,535	126,035	6,000
40. Rhode Island	RI	NO								
41. So. Carolina	SC	NO								
42. So. Dakota	SD	NO								
43. Tennessee	TN	NO								
44. Texas	TX	NO								
45. Utah	UT	NO								
46. Vermont	VT	NO								
47. Virginia	VA	NO								
48. Washington	WA	NO								
49. West Virginia	WV	NO								
50. Wisconsin	WI	NO								
51. Wyoming	WY	NO								
52. American Samoa	AS	NO								
53. Guam	GU	NO								
54. Puerto Rico	PR	NO								
55. U.S. Virgin Is.	VI	NO								
56. Canada	CN	NO								
57. Aggregate Other Alien	OT	X X X								
58. Totals	(a) 5		1,399,503	6,558,468	916,715	3,157,208	8,539,503	200,601	240,447	240,327

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 through 5703 plus 5798)(Line 57 above)	X X X									

(a) Insert the number of yes responses except for Canada and Other Alien.
(b) Insert "AI" if gross all-inclusive rate; "R" if gross risk rate; "O" if other and indicate rate type utilized:

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

50180

OH

31-4196950

THE GUARANTEE TITLE AND TRUST COMPANY

OVERFLOW PAGE FOR WRITE-INS
