

ANNUAL STATEMENT

OF THE

FIRST AKRON CORPORATION

Of

AKRON

in the state of

OHIO

to the Insurance Department

of the State of

OHIO

For the Year Ended

December 31, 2002

2002

ANNUAL STATEMENT

For the Year Ended December 31, 2002

of the Condition and Affairs of the

FIRST AKRON CORPORATION

NAIC Group Code..... NONE (Current Period) (Prior Period) NAIC Company Code..... 50385 Employer's ID Number..... 34-0730005

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

Country of Domicile U.S.A.

Incorporated..... 3.6.46 Commenced Business..... 3.8.46

Statutory Home Office 611 W. MARKET ST. AKRON, OHIO 44303
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office SAME.....
(Street and Number) (City or Town, State and Zip Code) (330) 376-6811
(Area Code) (Telephone Number)

Mail Address SAME.....
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records S.A.M.E......
(Street and Number) (City or Town, State and Zip Code) SAME
(Area Code) (Telephone Number)

Internet Website Address jhunter@firstakroncorp.com

Statement Contact JAMES B. HUNTER, CPA.....
(Name) (330) 376-6811
(Area Code) (Telephone Number) (Extension)
jhunter@firstakroncorp.com
(E-Mail Address) (330) 376-7406
(Fax Number)

Policyowner Relations Contact samr......
(Street and Number) (City or Town, State and Zip Code) SAME
(Area Code) (Telephone Number) (Extension)

OFFICERS

President KATHRYN M. HUNTER Treasurer JAMES B. HUNTER Secretary ANN H. DURR

VICE PRESIDENTS

DAVID M. HUNTER
JAMES B. HUNTER

DIRECTORS OR TRUSTEES

KATHRYN M. HUNTER
DAVID M. HUNTER
JAMES B. HUNTER
ANN H. DURR

State of..... OHIO
 County of..... SUMMIT

The officers of this reporting entity being duly sworn, each depose and say that they are the above described officers of the 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.

Kathryn M. Hunter
(Signature)

KATHRYN M. HUNTER
(Printed Name)
 President

Ann H. Durr
(Signature)

ANN H. DURR
(Printed Name)
 Secretary

James B. Hunter, CPA
(Signature)

JAMES B. HUNTER, CPA
(Printed Name)
 Treasurer

Subscribed and sworn to before me this
28th day of FEBRUARY, 2003

Antonie T. White

ANTONIE T. WHITE, Notary Public
 Residence - Summit County
 State Wide Jurisdiction, Ohio
 My Commission Expires May 6, 2007

- a. Is this an original filing? Yes [] No []
- b. If no: 1. State the amendment number filed.....
 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.....	50,000		50,000	50,011
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1).....				
2.2 Common stocks (Schedule D, Part 2, Section 2).....	1,278,158		1,278,158	1,885,166
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	-		-	-
3.2 Other than first liens.....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$..... encumbrances).....	-		-	25,025
4.2 Properties held for the production of income (less \$..... encumbrances).....				
4.3 Properties held for sale (less \$.....0 encumbrances).....				
5. Cash (\$65,212 Schedule E-Part 1) and short-term investments (\$29,175 Schedule DA, Part 2).....	94,387		94,387	182,132
6. Other invested assets.....	412,770		412,770	-
7. Receivable for securities.....				
8. Subtotals, cash and invested assets (Lines 1 to 7).....	1,835,315		1,835,315	2,142,334
9. Title plants (Schedule H), less \$....., charged off.....				
10. Title insurance premiums and fees receivable.....				
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 \$..... net deferred tax asset).....				
14. Guaranty funds receivable or on deposit.....				
15. Electronic data processing equipment and software.....				
16. Interest, dividends and real estate income due and accrued.....	16,672	15,155	1,517	217
17. Net adjustments in assets and liabilities due to foreign exchange rates.....				
18. Receivable from parent, subsidiaries and affiliates.....	531		531	1,660
19. Other assets nonadmitted.....	764,929	764,929	-	-
20. Aggregate write-ins for other than invested assets.....	1,241	1,241	-	-
21. TOTALS (Lines 8 to 20).....	2,618,688	781,325	1,837,363	2,144,211

DETAILS OF WRITE-INS

2001. PREPAID INSURANCE.....	1,241	1,241	-	-
2002.....				
2003.....				
2098. Summary of remaining write-ins for Line 20 from overflow page.....				
2099. Totals (Lines 2001 thru 2003 plus 2098) (Line 20 above).....	1,241	1,241	-	-

A. The above assets include the following segregated assets of the Statutory Premium Reserve or other similar statutory reserve:
 Bonds \$50,000, Short-term Investments \$17,600, Mortgages \$....., Cash \$....., Total \$ 67,600

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 \$..... not included in the foregoing statement were held pursuant to the governing agreements of custody. These funds consist of \$..... in cash on deposit and \$..... 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).....		
2. Statutory premium reserve (Part 1B, Line 2.5, Col. 1).....	2,140	2,140
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).....	2,606	14,878
7. Taxes, licenses and fees (excluding federal and foreign income taxes).....	398	1,145
8. Federal and foreign income taxes (including \$..... on realized capital gains (losses)) (including \$..... net deferred tax liability).....		
9. Borrowed money \$ <u>10,000</u> and interest thereon \$ <u>6,000</u>	10,600	10,000
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.....	22,627	22,514
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).....	38,371	50,677
22. Aggregate write-ins for special surplus funds.....		
23. Common capital stock.....	117,000	117,000
24. Preferred capital stock.....		
25. Aggregate write-ins for other than special surplus funds.....		
26. Surplus notes.....		
27. Gross paid in and contributed surplus.....	56,317	56,317
28. Unassigned funds (surplus).....	1,625,675	1,920,217
29. Less treasury stock, at cost:		
29.1 shares common (value included in Line 23 \$.....)		
29.2 shares preferred (value included in Line 24 \$.....)		
30. Surplus as regards policyholders (Lines 22 to 28 less 29) (Page 4, Line 32).....	1,798,992	2,093,534
31. TOTALS (Page 2, Line 21, Col. 3).....	1,837,363	2,144,211

DETAILS OF WRITE-INS

0301.		
0302.		
0303.		
0398. Summary of remaining write-ins for Line 3 from overflow page.....		
0399. Totals (Lines 0301 thru 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 thru 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 thru 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 thru 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).....		
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4).....		
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4).....		
2. Aggregate write-ins for other operating income... <LOSS>	<147,993>	<225,075>
3. Total operating income (Lines 1 through 2)... <LOSS>	<147,993>	<225,075>
DEDUCT:		
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col 4).....	223,097	238,564
5. Operating expenses incurred (Part 3, Line 24, Cols. 4 and 6).....		
6. Aggregate write-ins for other deductions.....		
7. Total operating deductions.....	223,097	238,564
8. Net underwriting gain or (loss) (Lines 3 minus 7)... <LOSS>	<371,090>	<463,639>
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	106,151	100,597
10. Net realized capital gains or (losses) (Exhibit of Capital Gains (Losses)).....	375,558	99,411
11. Net investment gain or (loss) (Lines 9 + 10).....	481,709	200,008
OTHER INCOME		
12. Aggregate write-ins for miscellaneous income or (loss).....		
13. Net income before federal income taxes (Lines 8 + 11 + 12)... <LOSS>	110,619	<263,631>
14. Federal and foreign income taxes incurred.....		
15. Net income (Lines 13 minus 14)... <LOSS>	110,619	<263,631>
CAPITAL AND SURPLUS ACCOUNT		
16. Surplus as regards policyholders, December 31 prior year (Page 3, Line 30, Column 2).....	2,093,534	2,356,865
GAINS AND (LOSSES) IN SURPLUS		
17. Net income (from Line 15)... <LOSS>	110,619	<263,631>
18. Net unrealized capital gains or (losses).....	<486,155>	<64,358>
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 5, Column 3).....	80,994	64,658
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, Line 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).....	<294,542>	<263,331>
32. Surplus as regards policyholders, December 31 current year (Line 16 plus Line 31) (Page 3, Line 30).....	1,798,992	2,093,534
DETAILS OF WRITE-INS		
0201. EQUITY IN LOSS OF SUBSIDIARY.....	<147,993>	<225,075>
0202.		
0203.		
0298. Summary of remaining write-ins for Line 2 from overflow page.....		
0299. Totals (Lines 0201 thru 0203 plus 0298) (Line 2 above).....	<147,993>	<225,075>
0601.		
0602.		
0603.		
0698. Summary of remaining write-ins for Line 6 from overflow page.....		
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....		
1201.		
1202.		
1203.		
1298. Summary of remaining write-ins for Line 12 from overflow page.....		
1299. Totals (Lines 1201 thru 1203 plus 1298) (Line 12 above).....		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page.....		
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....		

CASH FLOW

	1 Current Year	2 Prior Year
1. Premiums and other charges collected.....	-	-
2. Loss and loss adjustment expenses paid (net of salvage and subrogation).....	-	-
3. Total operating expenses paid. <i>(223,097 + 16,023 - 3,004 - 4,270 - 375 - 1,384)</i>	230,087	221,888
4. Cash from operations (Line 1 minus Line 2 minus Line 3).....	<230,087>	<221,888>
5. Investment income (net of investment expense).....	94,033	99,523
6. Other income received (expenses paid).....	-	-
7. Federal income taxes (paid) recovered.....	-	-
8. Net cash from operations (Lines 4 to 7).....	<136,054>	<122,365>
9. Proceeds from investments sold, matured or repaid:		
9.1 Bonds.....		
9.2 Stocks.....	505,908	113,836
9.3 Mortgage loans.....		
9.4 Real estate.....	37,143	-
9.5 Other invested assets.....		
9.6 Net gains or (losses) on cash and short-term investments.....		
9.7 Miscellaneous proceeds. <i>FROM NON-ADMITTED NOTES RECEIVABLE</i>	75,518	67,288
9.8 Total investment proceeds (Lines 9.1 to 9.7).....	618,569	181,124
10. Other cash provided:		
10.1 Net transfers from affiliates.....		
10.2 Borrowed funds received.....		
10.3 Capital paid in.....		
10.4 Surplus paid in.....		
10.5 Other sources.....		
10.6 Total other cash provided (Lines 10.1 to 10.5).....	-	-
11. Total (Line 8 plus Line 9.8 plus Line 10.6).....	482,515	58,759
12. Cost of investments acquired (long-term only):		
12.1 Bonds.....		
12.2 Stocks.....	156,087	96,894
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....	414,173	
12.6 Miscellaneous applications.....		
12.7 Total investments acquired (Lines 12.1 to 12.6).....	570,260	96,894
13. Other cash applied:		
13.1 Dividends to stockholders paid.....		
13.2 Net transfers to affiliates.....		
13.3 Borrowed funds repaid.....		
13.4 Other applications. <i>COST OF NON-ADMITTED ASSETS ACQUIRED</i>	-	5,535
13.5 Total other cash applied (Lines 13.1 to 13.4).....	-	5,535
14. Total (Line 12.7 plus Line 13.5).....	570,260	102,429
15. Net change in cash and short-term investments (Line 11 minus Line 14).....	<87,745>	<43,670>
RECONCILIATION		
16. Cash and short-term investments:		
16.1 Beginning of year.....	182,132	225,802
16.2 End of year (Line 15 plus Line 16.1).....	94,387	182,132

OPERATIONS AND INVESTMENT EXHIBIT

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

	1 Direct Operations	Agency Operations		4 Current Year Total (Cols. 1 + 2 + 3)	5 Prior Year Total
		2 Non-Affiliated Agency Operations	3 Affiliated Agency Operations		
1. Direct premiums written.....					
2. Escrow and settlement service charges.....	<u>NONE</u>	XXX	XXX		
3. Other title fees and service charges (Part 1C, Line 5).....		XXX	XXX		
4. Totals (Lines 1 + 2 + 3).....					

PART 1B - PREMIUMS EARNED EXHIBIT

	1 Current Year	2 Prior Year
1. Title premiums written:		
1.1 Direct (Part 1A, Line 1).....		
1.2 Assumed.....		
1.3 Ceded.....		
1.4 Net title premiums written (Lines 1.1 + 1.2 - 1.3).....	<u>NONE</u>	
2. Statutory premium reserve:		
2.1 Balance at December 31 prior year.....		
2.2 Additions during the current year.....		
2.3 Withdrawals during the current year.....		
2.4 Other adjustments to statutory premium reserves.....		
2.5 Balance at December 31 current year.....		
3. Net title premiums earned during year (Lines 1.4 - 2.2 + 2.3).....		

PART 1C - OTHER TITLE FEES AND SERVICE CHARGES

	1 Current Year	2 Prior Year
1. Title examinations.....		
2. Searches and abstracts.....		
3. Surveys.....		
4. Aggregate write-ins for service charges.....	<u>NONE</u>	
5. Totals.....		

DETAILS OF WRITE-INS

0401.		
0402.		
0403.		
0498. Summary of remaining write-ins for Line 4 from overflow page.....		
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above).....		

OPERATIONS AND INVESTMENT EXHIBIT

PART 2A - LOSSES PAID AND INCURRED

	1 Direct Operations	Agency Operations		4 Current Year Total (Cols. 1 + 2 + 3)	5 Prior Year Total
		2 Non-Affiliated Agency Operations	3 Affiliated Agency Operations		
1. Losses and allocated loss adjustment expenses paid - direct business less salvage.....					
2. Losses and allocated loss adjustment expenses paid - reinsurance assumed, less salvage.....					
3. Total (Line 1 plus Line 2).....					
4. Deduct: Recovered during year from reinsurance.....					
5. Net payments (Line 3 minus Line 4).....		<u>NONE</u>			
6. Known claims reserve - current year (Page 3, Line 1, Col. 1).....					
7. Known claims reserve - prior year (Page 3, Line 1, Col. 2).....					
8. Losses and allocated LAE incurred (Line 5 plus Line 6 minus Line 7).....					
9. Unallocated loss adjustment expenses incurred (Part 3, Line 24, Col. 5).....					
10. Losses and loss adjustment expenses incurred (Line 8 plus Line 9).....					

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).....					
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 1.2 minus Line 2).....					
4. Incurred but not reported:					
4.1 Direct (Schedule P, Part 1, Line 12, Col. 20).....		NONE			
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.....					
5. Unallocated LAE reserve (Schedule P, Part 1, Line 12, Col. 23).....	XXX	XXX	XXX		XXX
6. Less discount for time value of money, if allowed (Sch. P, Part 1, Line 12, Col. 33).....	XXX	XXX	XXX		XXX
7. Total Schedule P reserves (Lines 3 + 4.4 + 5 - 6) (Sch. P, Part 1, Line 12, Col. 35).....	XXX	XXX	XXX		XXX
8. Statutory premium reserve at year end.....	XXX	XXX	XXX		XXX
9. Aggregate of other reserves required by law.....	XXX	XXX	XXX		XXX
10. Gross supplemental reserve (a) (Lines 7 - (3 + 8 + 9)).....	XXX	XXX	XXX		XXX
11. Unrecognized Schedule P transition obligation.....	XXX	XXX	XXX		XXX
12. Net recognized supplemental reserve (Lines 10 - 11).....	XXX	XXX	XXX		XXX

(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	8 Current Year (Cols. 4 + 5 + 6 + 7)	9 Prior Year
	1 Direct Operations	2 Agency Operations Non-affiliated Agency Operations	3 Agency Operations Affiliated Agency Operations	4 Total (Cols. 1 + 2 + 3)					
1. Personnel costs:									
1.1 Salaries.....						65,600	65,600	63,131	
1.2 Employee relations and welfare.....						17,795	17,795	16,223	
1.3 Payroll taxes.....						3,401	3,401	3,258	
1.4 Other personnel costs.....						9,746	9,746	8,445	
1.5 Total personnel costs.....						98,550	98,550	92,875	
2. Amounts paid to or retained by title agents.....									
3. Production services (purchased outside):									
3.1 Searches, examinations and abstracts.....									
3.2 Surveys.....									
3.3 Other.....									
4. Advertising.....						1,199	1,199	155	
5. Boards, bureaus and associations.....									
6. Title plant rent and maintenance.....									
7. Claim adjustment services.....									
8. Amounts charged off, net of recoveries.....									
9. Marketing and promotional expenses.....									
10. Insurance.....									
11. Directors' fees.....						1,946	1,946	2,032	
12. Travel and travel items.....						48,000	48,000	48,000	
13. Rent and rent items.....						3,062	3,062	1,601	
14. Equipment.....						4,800	4,800	4,800	
15. Cost or depreciation of EDP equipment and software.....									
16. Printing, stationery, books and periodicals.....						1,084	1,084	1,273	
17. Postage, telephone, messengers and express.....						2,819	2,819	2,787	
18. Legal and auditing.....						6,319	6,319	6,150	
19. Totals (Lines 1.5 to 18).....						41,007	41,007	42,527	
20. Taxes, licenses and fees:						208,586	208,586	225,220	
20.1 State and local insurance taxes.....									
20.2 Insurance department licenses and fees.....									
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).....						200	200	185	
21. Real estate expenses.....									
22. Real estate taxes.....						737	737	871	
23. Aggregate write-ins for miscellaneous expenses.....						13,574	13,574	11,858	
24. Total expenses incurred (Lines 19 + 20.5 + 21 + 22 + 23).....						224,004	224,004	239,766	
25. Less unpaid expenses - current year.....						9,994	9,994	10,000	
26. Add unpaid expenses - prior year.....									
27. Total expenses paid (Lines 24 - 25 + 26).....						230,087	231,287	223,088	

DETAILS OF WRITE-INS

2301. INTEREST EXPENSE.....						1,200	1,200	1,200	
2302. ENTERTAINMENT.....						3,178	3,178	3,869	
2303. DEPRECIATION + AMORTIZATION.....						4,645	4,645	5,031	
2398. Summary of remaining write-ins for Line 23 from overflow page MISCELLANEOUS						5,751	5,751	3,758	
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....						13,574	13,574	11,858	

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

OPERATIONS AND INVESTMENT EXHIBIT

PART 4 - NET OPERATING GAIN/LOSS EXHIBIT

	Agency Operations			4 Total (Cols. 1 + 2 + 3)	5 Other Operations	Totals	
	1 Direct Operations	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 1B, Line 3, Col. 1).....							
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4).....							
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4).....							
2. Aggregate write-ins for other operating income.....							
3. Total operating income (Lines 1.1 through 1.3 + 2).....						<147,993>	<225,075>
DEDUCT:						<147,993>	<225,075>
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4).....							
5. Operating expenses incurred (Part 3, Line 24, Cols. 1 to 3, 6).....						223,097	238,564
6. Aggregate write-ins for other operating deductions.....							
7. Total operating deductions (Lines 4 + 5 + 6).....						223,097	238,564
8. Net operating gain or (loss) (Lines 3 minus 7).....						<371,090>	<463,639>

DETAILS OF WRITE-INS

0201 EQUITY IN LOSS OF SUBSIDIARY						<147,993>	<225,075>
0202							
0203							
0298 Summary of remaining write-ins for Line 2 from overflow page.....							
0299 Totals (Lines 0201 thru 0203 plus 0298) (Line 2 above).....						<147,993>	<225,075>
0601							
0602							
0603							
0698 Summary of remaining write-ins for Line 6 from overflow page.....							
0699 Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....							

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a)	
1.1 Bonds exempt from U.S. tax.....	(a)	
1.2 Other bonds (unaffiliated).....	(a) 1,300	2,600
1.3 Bonds of affiliates.....	(a)	
2.1 Preferred stocks (unaffiliated).....	(b)	
2.11 Preferred stocks of affiliates.....	(b)	
2.2 Common stocks (unaffiliated).....	(b) 30,931	30,931
2.21 Common stocks of affiliates.....	(b) 60	60
3. Mortgage loans.....	(c)	
4. Real estate.....	(d) 12,118	12,118
5. Contract loans.....		
6. Cash/short-term investments.....	(e) 917	917
7. Derivative instruments.....	(f)	
8. Other invested assets.....	(f) 7,480	7,480
9. Aggregate write-ins for investment income.....	54,146	53,245
10. Total gross investment income.....	106,952	107,351
11. Investment expenses.....		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g)
13. Interest expense.....		(h) 1,200
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).....		1,200
17. Net investment income (Line 10 minus Line 16).....		106,151

DETAILS OF WRITE-INS

0901. INTEREST ON NON-ADMITTED NOTES RECEIVABLE.....	54,146	53,245
0902.....		
0903.....		
0998. Summary of remaining write-ins for Line 9 from overflow page.....		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	54,146	53,245
1501.....		
1502.....		
1503.....		
1598. Summary of remaining write-ins for Line 15 from overflow page.....		
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....		

- (a) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued interest on purchases.
- (b) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued dividends on purchases.
- (c) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued interest on purchases.
- (d) Includes \$..... for company's occupancy of its own buildings; and excludes \$..... Interest on encumbrances.
- (e) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued interest on purchases.
- (f) Includes \$..... accrual of discount less \$..... amortization of premium.
- (g) Includes \$..... investment expenses and \$..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$..... interest on surplus notes and \$..... interest on capital notes.
- (i) Includes \$..... depreciation on real estate and \$..... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Net Gain or (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
1. U.S. government bonds.....					
1.1 Bonds exempt from U.S. tax.....					
1.2 Other bonds (unaffiliated).....					
1.3 Bonds of affiliates.....					
2.1 Preferred stocks (unaffiliated).....					
2.11 Preferred stocks of affiliates.....					
2.2 Common stocks (unaffiliated).....	375,558			<486,155>	<110,597>
2.21 Common stocks of affiliates.....					
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).....	375,558			<486,155>	<110,597>

DETAILS OF WRITE-INS

0901.....					
0902.....					
0903.....					
0998. Summary of remaining write-ins for Line 9 from overflow page.....					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....					

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) Decrease
1. Summary of Items Page 2, Lines 9 to 15 and 17 and 18, Column 2.....			
2. Other Assets:			
2.1 Deposits in suspended depositories, less estimated amount recoverable.....			
2.2 Furniture, equipment and supplies.....	28,565	32,835	4,270
2.3 Leasehold improvements.....			
2.4 Bills receivable.....			
2.5 Loans on personal security, endorsed or not.....	736,364	811,882	75,518
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).....	764,929	844,717	79,788
4. Aggregate write-ins for other than invested assets (Page 2, Line 20, Column 2).....	16,396	17,602	1,206
5. Total (Line 1 plus Lines 3 and 4).....	781,325	862,319	80,994

DETAILS OF WRITE-INS

0401. PREPAID INSURANCE.....	1,241	1,546	305
0402. INTEREST RECEIVABLE ON NON-			
0403. ADMITTED NOTES RECEIVABLE.....	15,155	16,056	901
0498. Summary of remaining write-ins for Line 4 from overflow page.....			
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above).....	16,396	17,602	1,206