



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2013
OF THE CONDITION AND AFFAIRS OF THE

The Bankers Guarantee Title &Trust Company

NAIC Group Code 0000, NAIC Company Code 50164 Employer's ID Number 340083590
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated/Organized August 11, 1911 Commenced Business August 11, 1911

Statutory Home Office 2872 W Market Street, Fairlawn, Ohio 44333
(Street and Number, City or Town, State, Country and Zip Code)

Main Administrative Office 2872 W Market, Fairlawn, Ohio, US 44333 3308671600
(Street and Number, City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address N/A
(Street and Number or P.O. Box, City or Town, State, Country and Zip Code)

Primary Location of Books and Records N/A
(Street and Number, City or Town, State, Country and Zip Code)
(Area Code) (Telephone Number)

Internet Website Address N/A

Statutory Statement Contact Richard L Pace 330 867 1600
(Name) (Area Code) (Telephone Number) (Extension)
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(E-Mail Address) (Fax Number)

OFFICERS

Richard L Pace (President)
Patricia K Smith (Vice Pres/Sec/Tres)
Richard M Herberich (Vice Pres)

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Richard L Pace
Patricia K Smith
Richard M Herberich
David Herberich
Joes D Crawfis, III
John P Davis

State of Ohio }
County of Summit } 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. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Richard L Pace President	Patricia K Smith Vice Pres/Sec/Tres	Richard M Herberich Vice Pres
Subscribed and sworn to before me this day of 2014		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 (Col 1 - Col 2)	4 Net Admitted Assets
1. Bonds (Schedule D)				
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	420,163	65,000	355,163	355,163
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	13,411,946		13,411,946	17,973,094
3.2 Other than first liens	896,167		896,167	896,508
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)	55,299		55,299	55,299
5. Cash (\$ 3,396,481 , Schedule E - Part 1) , cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$, Schedule DA)	3,396,481		3,396,481	394,193
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets	104,597		104,597	46,452
12. Subtotals, cash and invested assets (Line 1 through Line 11)	18,284,653	65,000	18,219,653	19,720,709
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued				
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)	55,061	55,061		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	12,412,889	4,451,960	7,960,929	9,203,044
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	30,752,603	4,572,021	26,180,582	28,923,753
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Line 26 and Line 27)	30,752,603	4,572,021	26,180,582	28,923,753
DETAILS OF WRITE-INS				
1101. Interest Receivable	104,597		104,597	46,452
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)	104,597		104,597	46,452
2501. Miscellaneous receivables and prepaids other than pension	3,317,463	3,317,463		
2502. Prepaid Pension	1,134,497	1,134,497		
2503. Funds Segregated for others	7,960,929		7,960,929	9,203,044
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	12,412,889	4,451,960	7,960,929	9,203,044

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE The Bankers Guarantee Title &Trust Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Known claims reserve (Part 2B, Line 3, Column 4)		
2. Statutory premium reserve (Part 1B, Line 2.6, Column 1)	95,647	84,050
3. Aggregate of other reserves required by law		
4. Supplemental reserve (Part 2B, Column 4, Line 10)		
5. Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers		
6. Other expenses (excluding taxes, licenses and fees)	193,311	260,102
7. Taxes, licenses and fees (excluding federal and foreign income taxes)		
8.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	(72,082)	160,484
8.2 Net deferred tax liability	131,804	66,145
9. Borrowed money \$ and interest thereon \$	7,733,248	9,644,554
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		
15. Provision for unauthorized and certified (\$) reinsurance		
16. Net adjustment in assets and liabilities due to foreign exchange rates		
17. Drafts outstanding		
18. Payable to parent, subsidiaries and affiliates		
19. Derivatives		
20. Payable for securities		
21. Payable for securities lending		
22. Aggregate write-ins for other liabilities	7,991,300	9,220,699
23. Total liabilities (Line 1 through Line 22)	16,073,228	19,436,034
24. Aggregate write-ins for special surplus funds		
25. Common capital stock		
26. Preferred capital stock	631,250	631,250
27. Aggregate write-ins for other than special surplus funds		
28. Surplus notes		
29. Gross paid in and contributed surplus	5,456,495	5,456,495
30. Unassigned funds (surplus)	4,019,609	3,399,974
31. Less treasury stock, at cost:		
31.1 shares common (value included in Line 25 \$)		
31.2 shares preferred (value included in Line 26 \$)		
32. Surplus as regards policyholders (Line 24 through Line 30 minus Line 31) (Page 4, Line 32)	10,107,354	9,487,719
33. TOTALS (Page 2, Line 28, Column 3)	26,180,582	28,923,753
DETAILS OF WRITE-INS		
0301.		
0302.		
0303.		
0398. Summary of remaining write-ins for Line 3 from overflow page		
0399. Totals (Line 0301 through Line 0303 plus Line 0398) (Line 3 above)		
2201. Loan Escrow	30,371	17,655
2202. Funds Segregated for others	7,960,929	9,203,044
2203. Rounding		
2298. Summary of remaining write-ins for Line 22 from overflow page		
2299. Totals (Line 2201 through Line 2203 plus Line 2298) (Line 22 above)	7,991,300	9,220,699
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page		
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)		
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)		

OPERATIONS AND INVESTMENT EXHIBIT
STATEMENT OF INCOME

	1	2
	Current Year	Prior Year
OPERATING INCOME		
1. Title insurance and related income (Part 1):		
1.1 Title insurance premiums earned (Part 1B, Line 3, Column 1)	145,723	100,645
1.2 Escrow and settlement services (Part 1A, Line 2, Column 4)		
1.3 Other title fees and service charges (Part 1A, Total of Lines 3, 4, 5 and 6, Column 4)		
2. Other operating income (Part 4, Line 2, Column 5)	1,424,283	1,855,470
3. Total Operating Income (Line 1 through Line 2)	1,570,006	1,956,115
EXPENSES:		
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Column 4)		
5. Operating expenses incurred (Part 3, Line 24, Column 4)	144,927	83,475
6. Other operating expenses (Part 4, Line 6, Column 5)	1,182,684	1,259,551
7. Total Operating Expenses	1,327,611	1,343,026
8. Net operating gain or (loss) (Line 3 minus Line 7)	242,395	613,089
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	290,315	548,092
10. Net realized capital gains (losses) less capital gains tax of \$ (Exhibit of Capital Gains (Losses))	67,072	
11. Net investment gain (loss) (Line 9 plus Line 10)	357,387	548,092
OTHER INCOME		
12. Aggregate write-ins for miscellaneous income or (loss) or other deductions		
13. Net income after capital gains tax and before all other federal income taxes (Line 8 plus Line 11 plus Line 12)	599,782	1,161,181
14. Federal and foreign income taxes incurred	172,434	378,038
15. Net income (Line 13 minus Line 14)	427,348	783,143
CAPITAL AND SURPLUS ACCOUNT		
16. Surplus as regards policyholders, December 31 prior year (Page 3, Line 32, Column 2)	9,487,719	9,550,588
17. Net income (from Line 15)	427,348	783,143
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$	67,072	(17,535)
19. Change in net unrealized foreign exchange capital gain (loss)		
20. Change in net deferred income tax	(22,777)	(12,354)
21. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3)	147,992	121,661
22. Change in provision for unauthorized and certified reinsurance (Page 3, Line 15, Column 2 minus Column 1)		
23. Change in supplemental reserves (Page 3, Line 4, Column 2 minus Column 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		(937,786)
29. Change in treasury stock (Page 3, Line 31.1 and Line 31.2, Column 2 minus Column 1)		
30. Aggregate write-ins for gains and losses in surplus		2
31. Change in surplus as regards policyholders for the year (Line 17 through Line 30)	619,635	(62,869)
32. Surplus as regards policyholders, December 31 current year (Line 16 plus Line 31) (Page 3, Line 32)	10,107,354	9,487,719
DETAILS OF WRITE-INS		
1201.		
1202.		
1203.		
1298. Summary of remaining write-ins for Line 12 from overflow page		
1299. TOTALS (Line 1201 through Line 1203 plus Line 1298) (Line 12 above)		
3001. Rounding		2
3002. Prior period adjustment after the completion of the 2010 report		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. TOTALS (Line 3001 through Line 3003 plus Line 3098) (Line 30 above)		2

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	145,723	100,645
2. Net investment income	357,387	548,092
3. Miscellaneous income	1,424,283	1,855,470
4. Total (Line 1 through Line 3)	1,927,393	2,504,207
5. Benefit and loss related payments		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	1,327,611	1,343,026
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	172,434	378,038
10. Total (Line 5 through Line 9)	1,500,045	1,721,064
11. Net cash from operations (Line 4 minus Line 10)	427,348	783,143
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		
12.2 Stocks		
12.3 Mortgage loans	59,283,973	95,984,578
12.4 Real estate		
12.5 Other invested assets		5,258
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	59,283,973	95,989,836
13. Cost of investments acquired (long-term only):		
13.1 Bonds		
13.2 Stocks		
13.3 Mortgage loans	54,722,484	94,468,844
13.4 Real estate		
13.5 Other invested assets	58,145	
13.6 Miscellaneous applications		
13.7 Total investments acquired (Line 13.1 through Line 13.6)	54,780,629	94,468,844
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	4,503,344	1,520,992
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds	(1,911,306)	(1,652,416)
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		937,786
16.6 Other cash provided (applied)	(17,098)	467,146
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(1,928,404)	(2,123,056)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	3,002,288	181,079
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	394,193	213,114
19.2 End of year (Line 18 plus Line 19.1)	3,396,481	394,193
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		

OPERATIONS AND INVESTMENT EXHIBIT

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

	1 Direct Operations	Agency Operation		4 Current Year Total (Columns 1 plus 2 plus 3)	5 Prior Year Total
		2 Non-Affiliated Agency Operations	3 Affiliated Agency Operations		
1. Direct premiums written (Sch. T, Line 59, Columns 3, 4 and 5)		157,321		157,321	107,760
2. Escrow and settlement service charges					
3. Title examinations					
4. Searches and abstracts					
5. Surveys					
6. Aggregate write-ins for service charges					
7. TOTALS (Lines 1 to 6)		157,321		157,321	107,760
DETAILS OF WRITE-INS					
0601.					
0602.					
0603.					
0698. Summary of remaining write-ins for Line 6 from overflow page					
0699. Total (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)					

PART 1B - PREMIUMS EARNED EXHIBIT

	1 Current Year	2 Prior Year
1. Title premiums written:		
1.1 Direct (Part 1A, Line 1, Column 4)	157,321	107,760
1.2 Assumed		
1.3 Ceded		
1.4 Net title premiums written (Line 1.1 plus Line 1.2 minus Line 1.3)	157,321	107,760
2. Statutory premium reserve:		
2.1 Balance at December 31 prior year	84,050	76,935
2.2 Aggregate write-ins for book adjustments to Line 2.1		
2.3 Additions during the current year	15,731	10,776
2.4 Withdrawals during the current year	4,134	3,661
2.5 Aggregate write-ins for other adjustments not effecting earned premiums		
2.6 Balance at December 31 current year (Line 2.1 plus Line 2.2 plus Line 2.3 minus Line 2.4 plus Line 2.5)	95,647	84,050
3. Net title premiums earned during year (Line 1.4 plus Line 2.1 plus Line 2.5 minus Line 2.6) (Sch. T, Line 59, Column 7)	145,724	100,645
DETAILS OF WRITE-INS		
2.201		
2.202		
2.203		
2.298 Summary of remaining write-ins for Line 2.2 from overflow page		
2.299 Total (Line 2.201 through Line 2.203 plus Line 2.298) (Line 2.2 above)		
2.501		
2.502		
2.503		
2.598 Summary of remaining write-ins for Line 2.5 from overflow page		
2.599 Total (Line 2.501 through Line 2.503 plus Line 2.598) (Line 2.5 above)		

Page 7
Operations and Investment Exhibit, Part 2A
NONE

OPERATIONS AND INVESTMENT EXHIBIT

PART 2B - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

	1 Direct Operations	Agency Operations		4 Total Current Year (Columns 1 plus 2 plus 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, Column 17)					
1.2 Reinsurance assumed (Schedule P, Part 1, Line 12, Column 18)					
2. Deduct reinsurance recoverable from authorized and unauthorized companies (Schedule P, Part 1, Line 12, Column 19)					
3. Known claims reserve net of reinsurance (Line 1.1 plus Line 1.2 minus Line 2)					
4. Incurred But Not Reported:					
4.1 Direct (Schedule P, Part 1, Line 12, Column 20)					
4.2 Reinsurance assumed (Schedule P, Part 1, Line 12, Column 21)					
4.3 Reinsurance ceded (Schedule P, Part 1, Line 12, Column 22)					
4.4 Net incurred but not reported (Line 4.1 plus Line 4.2 minus Line 4.3)					
5. Unallocated LAE reserve (Schedule P, Part 1, Line 12, Column 23)					
6. Less discount for time value of money, if allowed (Schedule P, Part 1, Line 12, Column 33)	X X X	X X X	X X X		
7. Total Schedule P reserves (Line 3 plus Line 4.4 plus Line 5 minus Line 6) (Schedule P, Part 1, Line 12, Column 34)	X X X	X X X	X X X		
8. Statutory premium reserve at year end (Part 1B, Line 2.6)	X X X	X X X	X X X	95,647	84,050
9. Aggregate of other reserves required by law (Page 3, Line 3)	X X X	X X X	X X X		
10. Supplemental reserve (a) (Line 7 minus (Line 3 plus Line 8 plus Line 9))	X X X	X X X	X X X		

(a) If the sum of Line 3 plus Line 8 plus Line 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	6	7	Totals	
		1	Agency Operations		4				8	9
			2	3						
		Direct Operations	Non-affiliated Agency Operations	Affiliated Agency Operations	Total (Column 1 plus Column 2 plus Column 3)	Unallocated Loss Adjustment Expenses	Other Operations	Investment Expenses	Curent Year (Column 4 plus Column 5 plus Column 6 plus Column 7)	Prior Year
1.	Personnel costs:									
1.1	Salaries		1,405		1,405		421,530	139,105	562,040	683,442
1.2	Employee relations and welfare		31		31		9,242	3,050	12,323	12,100
1.3	Payroll taxes		133		133		39,892	13,164	53,189	57,786
1.4	Other personnel costs		202		202		60,506	19,967	80,675	78,863
1.5	Total personnel costs		1,771		1,771		531,170	175,286	708,227	832,191
2.	Amounts paid to or retained by title agents		106,555		106,555				106,555	75,053
3.	Production services (purchased outside):									
3.1	Searches, examinations and abstracts									
3.2	Surveys									
3.3	Other									
4.	Advertising		12		12		3,521	1,162	4,695	7,754
5.	Boards, bureaus and associations		37		37		10,970	3,620	14,627	16,768
6.	Title plant rent and maintenance		43		43		13,132	4,333	17,508	14,448
7.	Claim adjustment services	X X X	X X X	X X X	X X X		X X X	X X X		
8.	Amounts charged off, net of recoveries						260,045	85,530	345,575	557,331
9.	Marketing and promotional expenses									
10.	Insurance		48		48		14,407	4,754	19,209	19,366
11.	Directors' fees		38		38		7,500	7,463	15,001	15,012
12.	Travel and travel items		13		13		3,916	1,292	5,221	6,137
13.	Rent and rent items		190		190		56,921	18,784	75,895	74,502
14.	Equipment		59		59		17,780	5,867	23,706	22,824
15.	Cost or depreciation of EDP equipment and software									57
16.	Printing, stationery, books and periodicals		27		27		8,152	2,690	10,869	13,693
17.	Postage, telephone, messengers and express		49		49		14,818	4,890	19,757	23,995
18.	Legal and auditing		142		142		45,067	16,438	61,647	101,567
19.	Totals (Line 1.5 to Line 18)		108,984		108,984		987,399	332,109	1,428,492	1,780,698
20.	Taxes, licenses and fees:									
20.1	State and local insurance taxes									
20.2	Insurance department licenses and fees		35,931		35,931				35,931	5,536
20.3	Gross guaranty association assessments									
20.4	All other (excluding federal income and real estate)		12		12				12	6,072
20.5	Total taxes, licenses and fees (Line 20.1 plus Line 20.2 plus Line 20.3 plus Line 20.4)		35,943		35,943				35,943	11,608
21.	Real estate expenses									
22.	Real estate taxes									
23.	Aggregate write-ins for other expenses						195,285	212,014	407,299	260,092
24.	Total expenses incurred (Line 19 plus Line 20.5 plus Line 21 plus Line 22 plus Line 23)		144,927		144,927		1,182,684	544,123	(a) 1,871,734	2,052,398
25.	Less unpaid expenses - current year									
26.	Add unpaid expenses - prior year									
27.	TOTAL EXPENSES PAID (Line 24 minus Line 25 plus Line 26)		144,927		144,927		1,182,684	544,123	1,871,734	2,052,398
DETAILS OF WRITE-INS										
2301.	Marketing fees & origination expense						(135,990)		(135,990)	(276,472)
2302.	Interest							194,578	194,578	266,975
2303.	G/fees, bank fees and other						331,275	17,436	348,711	269,589
2398.	Summary of remaining write-ins for Line 23 from overflow page									
2399.	Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above)						195,285	212,014	407,299	260,092

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

OPERATIONS AND INVESTMENT EXHIBIT

PART 4 - NET OPERATING GAIN/LOSS EXHIBIT

	1 Direct Operations	Agency Operations		4 Total (Column 1 plus Column 2 plus Column 3)	5 Other Operations	Totals	
		2 Non-affiliated Agency Operations	3 Affiliated Agency Operations			6 Current Year (Column 4 plus Column 5)	7 Prior Year
1. Title insurance and related income (Part 1):							
1.1 Title insurance premiums earned (Part 1B, Line 3, Column 1)		145,723		145,723	X X X	145,723	100,645
1.2 Escrow and settlement services (Part 1A, Line 2)					X X X		
1.3 Other title fees and service charges (Part 1A, Lines 3 through 6)					X X X		
2. Aggregate write-ins for other operating income	X X X	X X X	X X X	X X X	1,424,283	1,424,283	1,855,470
3. Total Operating Income (Line 1.1 through Line 1.3 plus Line 2)		145,723		145,723	1,424,283	1,570,006	1,956,115
DEDUCT:							
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Column 4)					X X X		
5. Operating expenses incurred (Part 3, Line 24, Column 1 to Column 3 and Column 6)		144,927		144,927	1,182,684	1,327,611	1,343,026
6. Total Operating Deductions (Line 4 plus Line 5)		144,927		144,927	1,182,684	1,327,611	1,343,026
7. Net operating gain or (loss) (Line 3 minus Line 6)		796		796	241,599	242,395	613,089
DETAILS OF WRITE-INS							
0201. Mortgage operations	X X X	X X X	X X X	X X X	1,424,283	1,424,283	1,855,470
0202.	X X X	X X X	X X X	X X X			
0203.	X X X	X X X	X X X	X X X			
0298. Summary of remaining write-ins for Line 2 from overflow page	X X X	X X X	X X X	X X X			
0299. Total (Line 0201 through Line 0203 plus Line 0298) (Line 2 above)	X X X	X X X	X X X	X X X	1,424,283	1,424,283	1,855,470

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U. S. Government bonds	(a)	
1.1 Bonds exempt from U. S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	11,277	11,277
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments		
7. Derivative instruments	(e)	
8. Other invested assets	(f)	
9. Aggregate write-ins for investment income	81,702	81,702
10. Total gross investment income	834,438	834,438
11. Investment expenses		(g) 544,123
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 (Line 11 through Line 15)		544,123
17. Net investment income (Line 10 minus Line 16)		290,315
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)		
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Line 1501 through Line 1503 plus Line 1598) (Line 15 above)		
(a) 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.	
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.	(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.	
(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.	(h) Includes \$ interest on surplus notes and \$ interest on capital notes.	
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.	(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.	
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Col. 1 + Col. 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
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)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)		67,072	67,072	67,072	
10. Total capital gains (losses)		67,072	67,072	67,072	
DETAILS OF WRITE-INS					
0901. unrealized loss on DB pension plan		67,072	67,072	67,072	
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)		67,072	67,072	67,072	

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks	65,000	65,000	
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			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1) , cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Line 1 to Line 11)	65,000	65,000	
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets	55,061	37,401	(17,660)
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other-than-invested assets	4,451,960	4,617,612	165,652
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	4,572,021	4,720,013	147,992
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Line 26 and Line 27)	4,572,021	4,720,013	147,992
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)			
2501. Misc Recievables and Prepaid Insurance	3,317,463	3,570,751	253,288
2502. Prepaid Pension	1,134,497	1,046,861	(87,636)
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	4,451,960	4,617,612	165,652

NOTES TO FINANCIAL STATEMENTS

Notes to 2013 Annual Financial Statement**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of The Bankers Guarantee Title & Trust Company and Subsidiary (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity.

1. Basis of Consolidation

The consolidated financial statements include the accounts of The Bankers Guarantee Title & Trust Company and its wholly owned subsidiary Ohio General Corp (both are corporations organized under the laws of the State of Ohio). All significant inter-company accounts and transactions have been eliminated in consolidation.

2. Business Activities

The Company is a title guarantee and trust company and a mortgage banker. The Company's primary activities include the origination of mortgage loans which are subsequently pooled and sold. The Company retains the servicing rights to the pooled mortgages. Other activities include the lending of funds for investment purposes. The Company grants credit to customers located primarily in Ohio.

3. Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash balances with financial institutions in excess of the Federal Deposit Insurance Corporation's (FDIC) insurance limitations, cash equivalents (Note B), and long-term mortgages held for investment (Note C).

4. Cash Equivalents

For purposes of the Consolidated Statement of Cash Flows, the Company considers all short-term investments purchased with a maturity of three months or less to be cash equivalents (Note B).

5. Mortgage Loans Held for Sale

Mortgage loans held for sale are valued, in aggregate, at the lower of cost or estimated fair market value. The lower of cost or market is determined by the

NOTES TO FINANCIAL STATEMENTS

FNMA bid price for delivery in January 2014, and any buy up or buy down adjustment at December 31. Net unrealized losses, if any, are recognized through a valuation allowance by charges to income. The details of the balances at December 31 are as follows:

	2013	2012
First mortgage loans	\$ 1,930,949	\$ 5,594,429
Less; Valuation allowance	-0-	-0-
	<u>\$ 1,930,949</u>	<u>\$ 5,594,429</u>

6. Real Estate Held for Sale

Real estate held for sale is recorded at the lower of cost or market. Real estate which is not expected to be sold during the next fiscal year is classified as non-current and included in Other Assets (Note C).

7. Property and equipment

Depreciation is computed using an accelerated method for furniture and fixtures and automobiles. Leasehold improvements on rental property are amortized over the life of the lease on the straight-line method.

8. Title Insurance Reserve

Title insurance reserves at December 31 are comprised of the following:

	2013	2012
Reserve for title insurance and unearned title insurance premiums	\$ 95,647	\$ 84,050

The reserve for unearned title insurance premiums has been established and adjusted annually in accordance with Section 3953.11 and Section 1735.03 of the Ohio Revised Code.

There are no known claims pending at December 31, 2013.

9. Income Taxes

The company is an accrual basis taxpayer which files with the Internal Revenue Service as part of a consolidated group with its parent, Nevada General Corporation. The company records its pro-rata share of federal income taxes based on the consolidated annual tax return and incurs a liability to Nevada General Corporation on this basis.

NOTES TO FINANCIAL STATEMENTS

Income taxes (Note K) are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due and deferred taxes. Deferred taxes relate primarily to differences between the financial and income tax reporting basis of depreciable property and equipment, pension plan assets, and loan servicing fees.

The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 740 requires management to evaluate its tax positions to determine if any might be considered uncertain. Management reviews its tax positions on an annual basis and when necessary, consults outside parties, to evaluate the risk that all of its tax positions would be sustained upon examination. Management is of the opinion that all of its tax positions are sustainable as of December 31, 2013. During the years ended December 31, 2013 and 2012, the Company has not incurred any interest or penalties on its income tax returns. Tax returns filed by the Company generally remain subject to examination by major tax jurisdictions for three years from the date on which the returns are filed.

10. Loan Origination Costs

The Company has chosen to continue expensing all costs associated with loan originations instead of capitalizing the cost of original loans and amortizing them in future periods. The Company does not believe the fair value of servicing rights can be accurately estimated without additional costs and the use of assumptions which would increase the likelihood of volatility in future periods. The practice of expensing origination costs is conservative and allows for continued comparability of prior years' results.

11. Foreclosed Assets

Assets acquired through, or in lieu of, loan foreclosure are held for sale and are initially recorded at cost at the date of foreclosure. Subsequent to foreclosure, any additional costs incurred are capitalized and included in the gain or loss on disposal. Historically, losses, if any, on foreclosure have not been material. In years where expected losses are considered material, an allowance is recorded. Due to existing market conditions as of December 31, 2013 and 2012, the Company established reserves of \$184,115 and \$124,466 respectively

12. Derivative Financial Instruments

Financial Accounting Standards Board (FASB) Accounting Standards Topic 815, Accounting for Derivatives Hedging Activities, requires that all derivatives be recorded as assets and liabilities in the balance sheet and measured at fair value. Included in their definition are loan commitments related to the origination of mortgage loans held for sale. The Company does enter into commitments to

NOTES TO FINANCIAL STATEMENTS

sell forward mortgage loans as a hedge against fluctuation in interest rates. However, such commitments are typically 60 days or less in duration from year end and utilize only forward sales into mortgage backed securities. The Company does not utilize other types of derivatives when hedging mortgages held for sale. Management has not recorded the fair value of such commitments as the value is not material.

13. Use of Estimates

The preparation of financial statements, and related disclosures, in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities as of the date of the balance sheet and reported amounts of revenue and expenses during the reporting year. Accordingly, actual results could differ from those estimates.

14. Date of Management's Review

Subsequent events were evaluated through March 1, 2014 which is the date the financial statements were available to be issued.

Note 2 – Accounting Changes and Corrections of Errors

None.

Note 3 – Business Combinations and Goodwill

None.

Note 4 – Discontinued Operations

None.

Note 5 – Investments

The company as a course of business lends money for real estate lending. The company does not invest outside of its defined benefit pension plan.

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

None.

Note 7 – Investment Income

Derived from its real estate lending business.

Note 8 – Derivative Investments

NOTES TO FINANCIAL STATEMENTS

None.

NOTE 9 - FEDERAL INCOME TAX

Income tax expense for the years ended December 31, 2013 and 2012 consists of federal income taxes currently due and deferred income taxes relating to temporary differences (Note A). The Company records deferred income taxes in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic No. 740 - Income Taxes.

The net deferred tax assets and liabilities in the balance sheet at December 31, 2013 and 2012 include the following components:

	2013	2012
Current deferred tax asset		
Deferred tax assets	\$ 91,800	\$ 90,350
Deferred tax liabilities	-0-	-0-
	\$ 91,800	\$ 90,350
Non-current deferred tax liabilities		
Deferred tax assets	\$ 532,190	\$ 606,889
Deferred tax liabilities	(755,796)	(763,384)
	\$ (223,604)	\$ (156,495)

NOTE 10 - RELATED PARTIES

Nevada General Corporation owns 98.42% of the capital stock of Bankers. Periodically, Nevada General Corporation advances and/or borrows funds to or from Bankers for operational needs. These advances bear interest. There were interest charges paid to Nevada General Corporation of \$25,903 and \$25,955 during 2013 and 2012, respectively, and there was \$2,589,000 and \$2,594,000 owed to Nevada General Corporation at December 31, 2013 and 2012. The Company received no interest income from Nevada General Corporation during 2013 and 2012.

NOTE 11 – Debt

WAREHOUSE LINE

The Company has a \$10,000,000 line of credit with Chase Bank which expires April 30, 2014. At December 31, 2013, the Company had no draws on this line of credit. The line of credit bears interest at the floating rate of the 1-month London Inter Bank Offered Rate (LIBOR) plus a margin (2.25% at December 31,

NOTES TO FINANCIAL STATEMENTS

2013). The line of credit is secured by promissory notes and mortgage deeds of un-pooled mortgages and related accounts receivable on pooled loans.

The line of credit agreement contains certain restrictions and covenants. Under these restrictions, the Company will not hereafter incur any indebtedness for borrowed funds either on a secured or unsecured basis in excess of \$14,000,000 in the aggregate of which \$4,000,000 may be with unrestricted creditors and of which \$10,000,000 may only be with the Federal Home Loan Bank. Management considers any loans or advances secured by real estate to be in its ordinary course of business. The Company has complied with these restrictions and covenants.

LONG-TERM DEBT

Notes Payable-FHLB

	2013	2012
The Company is a stockholder/member of the Federal Home Loan Bank of Cincinnati (FHLB). The FHLB makes advances to the Company which are secured by mortgage loans. Prepayment penalties may be required for early payment. Advances outstanding are as follows:		
Advances payable over 120 months including principal and interest with rates ranging from 2.70% to 4.08%	\$ 349,538	\$ 624,855
Advance with interest only payable monthly at 3.24% and due February, 2014	1,750,000	1,750,000
Advance payable in monthly installments of \$8,221 at 1.22% and a balloon payment of \$1,358,502 due May 1, 2017	1,619,910	1,704,769
Advance with interest only payable monthly at 4.07% callable quarterly after one year and due December, 2016	1,000,000	1,000,000
	4,719,448	5,079,624
Less: Current maturities	(1,913,883)	(360,176)
	\$ 2,805,565	\$ 4,719,448

Long-term debt maturing in succeeding years is:

December 31,	2014	\$ 1,913,883
	2015	151,225

NOTES TO FINANCIAL STATEMENTS

2016	1,144,726
2017	1,435,689
2018	50,666
2019	23,259
Thereafter	<u>\$ 4,719,448</u>

NOTE 12 - Retirement Plans

- EMPLOYEE 401 (k) PLAN

Effective January 1, 2003, The Bankers Guarantee Title & Trust Company implemented a 401 (k) Plan. This plan allows eligible participants to defer up to 25% of their qualifying compensation under IRC Section 401 (k), up to a maximum salary deferral of \$17,500 in 2013. In addition, the Company will contribute 25% of the amount deferred, up to 8% of each employee’s salary. Participating employees fully vest in the employer contributions after six years. The company’s matching contribution to the Plan totaled \$11,255 for 2013 and \$11,032 for 2012.

PENSION PLAN

The Company has a non-contributory defined benefit pension plan covering all full-time employees. The Company funds the pension plan by payment to an employee pension trust. Due to the over-funded status of the plan, no contributions were made in 2013 or 2012.

Effective December 31, 2008, the Company adopted certain required provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 715, *Compensation – Retirement Benefits*, which became effective for private companies with fiscal years ending after December 15, 2008. Net (cost) earnings due to net periodic (expense) benefits were \$(22,318) and \$4,824 for the years ended December 31, 2013 and 2012, respectively. ASC 715 does not recognize unrecognized investment gains or losses as a component of the prepaid asset, but requires these gains and losses to be recorded as part of comprehensive income. Unrecognized gains (losses) net of tax, included in comprehensive income, were \$78,068 and \$(17,535) for 2013 and 2012 respectively.

The Company uses a December 31 measurement date for all its plans.

	2013	2012
Projected benefit obligation December 31	<u>\$ 2,067,751</u>	<u>\$ 1,877,176</u>
Fair value of plan assets December 31	<u>3,202,248</u>	<u>2,924,037</u>
Funded status	<u>\$ 1,134,497</u>	<u>\$ 1,046,861</u>

NOTES TO FINANCIAL STATEMENTS

Prepaid pension cost	\$ 1,134,497	\$ 1,046,861
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The following are weighted-average assumptions used to determine benefit obligations at December 31, 2013 and December 31, 2012:

	2013	2012
Discount rate	5.00%	5.00%
Rate of compensation increase	3.50%	3.50%

The following are weighted average assumptions used to determine net periodic benefit cost for the years ended December 31, 2013 and December 31, 2012:

	2013	2012
Discount rate	5.00%	5.00%
Expected long-term return on plan assets	8.00%	8.00%
Rate of compensation increase	3.50%	3.50%

Beginning in 2009, the Company’s expected long-term return on plan assets and rate of compensation increase assumptions are based on historical analysis of actual results for the 20 year period ended December 31, 2009.

The Plan’s net periodic pension cost, employer contributions and benefits paid for the years ended December 31, 2013 and 2012 were:

	2013	2012
Benefit cost (income)	\$ (22,318)	\$ (4,824)
Employer contributions	\$ -0-	\$ -0-
Benefits paid	\$ 89,236	\$ 83,118

The accumulated benefit obligation for all defined benefit pension plans was \$1,615,804 and \$1,543,943 at December 31, 2013 and December 31, 2012, respectively.

The Company's pension plan weighted-average asset allocations at December 31, 2013 and December 31, 2012 by asset category are as follows:

	Plan assets at December 31	
	2013	2012
Asset Category		
Equity securities – preferred	1%	6%

NOTES TO FINANCIAL STATEMENTS

Equity securities – other	57%	51%
Debt securities	5%	5%
Cash and other	37%	38%
Total	100%	100%

The Company does not target an asset allocation, but instead consults periodically with investments professionals, and looks to replace maturing assets with similar instruments when it feels it is able to and in the best interest of the plan. The Company also uses its own judgment when consulting professionals.

Note -13 Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

CAPITAL REQUIREMENTS

The Company is subject to various capital requirements in connection with seller/servicer agreements that the Company has entered into with secondary market investors. Failure to maintain minimum capital requirements could result in the Company's inability to originate and service loans for the respective investor and, therefore could have a direct material effect on the Company's financial statements. The Company's actual capital amounts and the minimum amounts required for capital adequacy purposes, by investor, are as follows:

	Actual Capital	Minimum Required Capital
As of December 31, 2013		
GNMA	\$ 14,669,039	\$2,544,903
FHA/HUD	14,669,039	1,000,000
FNMA	14,669,039	3,071,556
As of December 31, 2012		
GNMA	\$ 14,195,896	\$ 2,523,507
HUD	14,195,896	1,000,000
FNMA	14,195,896	2,916,322

COMMITMENT

The Company's Board of Directors previously adopted a policy of paying a special dividend to shareholders, subject to approval of the Ohio Department of insurance, and subject to a floor of \$14,300,000 in stockholders' equity. In addition, the board normally approves payment of other regular dividends throughout the year. There were no dividends declared or paid during the year ended December, 2013.

NOTES TO FINANCIAL STATEMENTS

NOTE 14 – Contingencies

None

NOTE 15 – Leases

Operating Lease

The Company renewed its lease for five years during January, 2012 with no increase in rent. They have one (1) additional five year renewal option where rent will be adjusted in accordance with increases in the Consumer Price Index. The current monthly rental payments are \$4,494. The Company has the right to cancel the lease, giving a six month notice.

The annual minimum rental commitment for the next five years is approximately \$53,928, subject to the Company's six month termination notice clause.

Office rent expense was \$54,695 and \$54,742 for 2013 and 2012 respectively.

NOTE 16 – Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk.

In the normal course of business the Company is a party to financial instruments with off-balance-sheet risk. These financial instruments consist of mortgage loans pooled and sold with recourse. The majority of the Company's servicing portfolio consists of mortgage loans pooled and sold to FNMA and GNMA. The Company evaluates the credit extended to its mortgagors based on established mortgage bankers' credit approval criteria. These criteria are applied to both originated and purchased mortgages.

The Company also requires mortgagors to obtain private mortgage insurance whenever the loan amount exceeds eighty percent of the value of the real estate, unless originated under an approved Fannie Mae variance. The mortgage notes are collateralized by their respective real estate, the majority of which is located in Northeast Ohio. The company's mortgage servicing portfolio totals approximately \$265,150,003 at December 31, 2013, of which, \$49,993,795 contains a recourse provision.

The Company's exposure to credit loss on this portfolio, if the borrower completely fails to perform and if the collateral proves to be of no value, is represented by the amount of unpaid recourse loans less any private mortgage insurance. Historically, losses from foreclosed loans have been nominal and management believes any losses resulting from loans in foreclosure, as of December 31, 2013, will be within established allowances.

NOTE 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of

NOTES TO FINANCIAL STATEMENTS

Liabilities.

None

NOTE 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans.

None

NOTE 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators.

None

NOTE 20 – September 11 Events.

None

NOTE 21 – Other Items

None

NOTE 22 – Events Subsequent-Update of Prior Year Event.

None.

NOTE 23 – Reinsurance

None

NOTE 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination.

None.

NOTE 25 – Change in Incurred Losses and Loss Adjustment Expenses

Title – none.

NOTE 26 – Inter-company Pooling Arrangements.

None.

NOTE 27 – Structured Settlements.

NOTES TO FINANCIAL STATEMENTS

None.

NOTE 28 – Supplemental Reserve.

None

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NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

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?

If yes, complete Schedule Y, Parts 1, 1A and 2.

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:

.....

3.1

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

03/01/2013

3.2

State the as of date of the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2012

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).

05/31/2013

3.4

By what department or departments?
Ohio Department of Insurance

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes () No () N/A (X)

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes () No () N/A (X)

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)

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

GENERAL

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes () No (X)

5.2 If yes, provide the name of entity, the NAIC company code, and state of domicile (use two-letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
--	---	---

6.1 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? Yes () No ()

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 ()

7.2 If yes, 7.21 State the percentage of foreign control %

7.22 State the nationality(s) of the foregin 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
-------------------------------------	--

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes () No ()

8.2 If response to 8. 1 is yes, please identify the name of the bank holding company.
.....

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes () No ()

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
--	--	-----------------------------	-----------------------------	------------------------------	-----------------------------

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

GENERAL

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Stinnett, Padrutt & Aranyosi Co.
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule) , or substantially similar state law or regulation?

Yes () No (X)
- 10.2 If the response to 10. 1 is yes , provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes () No (X)
- 10.4 If the response to 10. 3 is yes , provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with domiciliary state insurance laws?

Yes () No () N/A (X)
- 10.6 If the response to 10. 5 is no or n/a, please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Exemption on file. Granted by the Ohio Dept. of Insurance
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes () No (X)

12. 11 Name of real estate holding company

12. 12 Number of parcels involved

12. 13 Total book/adjusted carrying value

\$
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13. 1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13. 2 Does this statement contain all business transacted for the reporting entity through its United States branch on risks wherever located?

Yes () No ()

13. 3 Have there been any changes made to any of the trust indentures during the year?

Yes () No ()

13. 4 If answer to (13. 3) is yes, has the domiciliary or entry state approved the changes?

Yes () No () N/A (X)
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller , or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes (X) No ()

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.
- 14.11 If the response to 14. 1 is No, please explain:
- 14.2 Has the code of ethics for senior managers been amended?

Yes () No (X)
- 14.21 If the response to 14. 2 is Yes , provide information related to amendment (s) .
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes () No (X)
- 14.31 If the response to 14. 3 is Yes, provide the nature of any waiver (s) .
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes () No (X)
- 15.2 If the response to 15. 1 is yes , indicate the American Bankers Association (ABA) Routing Number and the name of issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
--	--	--	-----------------

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

BOARD OF DIRECTORS

16.

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 () No (X)
17.

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 ()
18.

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 that is in conflict or is likely to conflict with the official duties of such person?

Yes () No (X)

FINANCIAL

19.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes () No (X)
- 20.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11

To directors or other officers

\$

20.12

To stockholders not officers

\$

20.13

Trustees, supreme or grand (Fraternal only)

\$
- 20.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21

To directors or other officers

\$

20.22

To stockholders not officers

\$

20.23

Trustees, supreme or grand (Fraternal only)

\$
- 21.1

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)
- 21.2

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

21.21

Rented from others

\$

21.22

Borrowed from others

\$

21.23

Leased from others

\$

21.24

Other

\$
- 22.1

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)
- 22.2

If answer is yes:

22.21

Amount paid as losses or risk adjustment

\$

22.22

Amount paid as expenses

\$

22.23

Other amounts paid

\$
- 23.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes () No (X)
- 23.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

INVESTMENT

24.01

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? (other than securities lending programs addressed in 24.03)

Yes (X) No ()

24.02

If no , give full and complete information relating thereto:
.....
.....

24.03

For the security lending programs , provide a description of the program including value for collateral and amount of loaned securities , and whether collateral is carried on or off-balance sheet . (an alternative is to reference Note 17 where this information is also provided)
.....
.....

24.04

Does the Company's security lending program meet the requirements for a conforming program as outlined in Risk-Based Capital Instructions?

Yes () No () N/A (X)

24.05

If answer to 24.04 is YES , report amount of collateral for conforming programs .

\$

24.06

If answer to 24.04 is NO , report amount of collateral for other programs .

\$

24.07

Does your security lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes () No () N/A (X)

24.08

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes () No () N/A (X)

24.09

Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

Yes () No () N/A (X)

24.10

For the reporting entity's security lending program , state the amount of the following as of December 31 of the current year:

24.101

Total fair value of reinvented collateral assets reported on Schedule DL , Parts 1 and 2

\$

24.102

Total book adjusted /carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$

24.103

Total payable for securities lending reported on the liability page

\$

25.1

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 , 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 21.1 and 24.03)

Yes () No (X)

25.2

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

25.21

Subject to repurchase agreements

\$

25.22

Subject to reverse repurchase agreements

\$

25.23

Subject to dollar repurchase agreements

\$

25.24

Subject to reverse dollar repurchase agreements

\$

25.25

Pledged as collateral

\$

25.26

Placed under option agreements

\$

25.27

Letter stock or securities restricted as to sale

\$

25.28

On deposit with state or other regulatory body

\$

25.29

Other

\$

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

INVESTMENT

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
----------------------------	------------------	-------------

.....

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

Yes () No ()
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes () No () N/A ()

If no, attach a description with this statement.
- 27.1 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 ()
- 27.2 If yes, state the amount thereof at December 31 of the current year.

\$
28. Excluding items in Schedule E - Part 3 - Special Deposits, 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 Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes () No ()

28.01 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
---------------------------	--------------------------

Federal Home Loan Bank Cincinnati Cincinnati, OH

28.02 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)
--------------	------------------	------------------------------

.....

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

INVESTMENT

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes () No (X)

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
--	-----------	--------------

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes () No ()

29.2 If yes, complete the following schedule:

1 CUSIP Number	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
-------------------	--------------------------	-----------------------------------

29.2999 - Total

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from question 29.2)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
--	--	---	------------------------

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

INVESTMENT

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	\$	\$	\$
30.2 Preferred stocks	\$	\$	\$
30.3 Totals	\$	\$	\$

30.4 Describe the sources or methods utilized in determining the fair values:
.....
.....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes () No (X)

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes () No ()

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
.....
.....

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes (X) No ()

32.2 If no, list exceptions:
.....
.....

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

OTHER

33.1 Amount of payments to Trade Associations , service organizations and statistical or Rating Bureaus , if any? \$ 1,630

33.2 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
Ohio Title Rating Bureau	\$ 1,000
Ohio Mortgage Bankers Associaiton	\$ 630
.....	\$
.....	\$

34.1 Amount of payments for legal expenses , if any? \$ 6,503

34.2 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
Retzel & Andres	\$ 6,500
.....	\$
.....	\$
.....	\$

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

35.2 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 departments of government during the period covered by this statement .

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

GENERAL INTERROGATORIES
PART 2 - TITLE INTERROGATORIES

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 this 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 consist of co-ordinate interest in first liens?

\$

9.1 Reporting entity assets listed on Page 2 include the following segregated assets of the Statutory Premium Reserve or other similar statutory reserves:

9.11 Bonds

\$

9.12 Short-term investments

\$

9.13 Mortgages

\$ 133,459

9.14 Cash

\$

9.15 Other admissible invested assets

\$

9.16 Total

\$ 133,459

9.2 List below segregate funds held for others by the reporting entity , set apart in special accounts and excluded from entity assets and liabilities .
(These funds are also included in Schedule E - Part 1D Summary , and the "From Separate Accounts , Segregated Accounts and Protected Cell Accounts" line on Page 2 except for escrow funds held by Title insurers) .

9.21 Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of:

\$

These funds consist of:

9.22 In cash on deposit

\$

9.23 Other forms of security

\$

FIVE-YEAR HISTORICAL DATA

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

	1 2013	2 2012	3 2011	4 2010	5 2009
Source of Direct Title Premiums Written (Part 1A)					
1. Direct operations (Part 1A, Line 1, Column 1)					
2. Non-affiliated agency operations (Part 1A, Line 1, Column 2)	157,321	107,760	61,827	78,603	97,419
3. Affiliated agency operations (Part 1A, Line 1, Column 3)					
4. Total	157,321	107,760	61,827	78,603	97,419
Operating Income Summary (Page 4 and Part 1)					
5. Premiums earned (Part 1B, Line 3)	145,723	100,645	59,074	74,187	90,700
6. Escrow and settlement service charges (Part 1A, Line 2)					
7. Title examinations (Part 1A, Line 3)					
8. Searches and abstracts (Part 1A, Line 4)					
9. Surveys (Part 1A, Line 5)					
10. Aggregate write-ins for service charges (Part 1A, Line 6)					
11. Other operating income (Page 4, Line 2)	1,424,283	1,855,470	1,408,515	1,254,056	1,169,064
12. Total operating income (Page 4, Line 3)	1,570,006	1,956,115	1,467,589	1,328,243	1,259,764
Statement of Income (Page 4)					
13. Net operating gain or (loss) (Line 8)	242,395	613,089	124,775	128,389	133,321
14. Net investment gain or (loss) (Line 11)	357,387	548,092	608,954	706,526	746,701
15. Total other income (Line 12)					
16. Federal and foreign income taxes incurred (Line 14)	172,434	378,038	203,337	269,035	329,372
17. Net income (Line 15)	427,348	783,143	530,392	565,880	550,650
Balance Sheet (Page 2 and Page 3)					
18. Title insurance premiums and fees receivable (Page 2, Line 15, Column 3)					
19. Total admitted assets excluding segregated accounts (Page 2, Line 26, Column 3)	26,180,582	28,923,753	29,008,293	30,081,073	29,094,091
20. Known claims reserve (Page 3, Line 1)					
21. Statutory premium reserve (Page 3, Line 2)	95,647	84,050	76,936	74,183	69,766
22. Total liabilities (Page 3, Line 23)	16,073,228	19,436,034	19,457,705	19,488,358	17,897,421
23. Capital paid up (Page 3, Line 25 plus Line 26)	631,250	631,250	631,250	631,250	631,250
24. Surplus as regards policyholders (Page 3, Line 32)	10,107,354	9,487,719	9,550,588	10,592,715	11,196,670
Cash Flow (Page 5)					
25. Net cash from operations (Line 11)	427,348	783,143	530,392	565,880	211,693
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Item divided by Page 2, Line 12, Column 3) x 100.0					
26. Bonds (Line 1)					
27. Stocks (Line 2.1 and Line 2.2)	2.3	1.8	1.7	1.6	1.6
28. Mortgage loans on real estate (Line 3.1 and Line 3.2)	78.3	95.7	96.8	95.2	91.8
29. Real estate (Line 4.1, Line 4.2 and Line 4.3)	0.3	0.3	0.3	0.1	0.2
30. Cash, cash equivalents and short-term investments (Line 5)	18.6	2.0	1.0	2.7	6.1
31. Contract loans (Line 6)					
32. Derivatives (Line 7)					X X X
33. Other invested assets (Line 8)					
34. Receivable for securities (Line 9)					
35. Securities lending reinvested collateral assets (Line 10)					X X X
36. Aggregate write-ins for invested assets (Line 11)	0.6	0.2	0.2	0.4	0.3
37. Subtotals cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
38. Affiliated bonds (Schedule D, Summary, Line 12, Column 1)					
39. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
40. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1)	65,000	65,000	65,000	60,000	60,000
41. Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10)					
42. Affiliated mortgage loans on real estate					
43. All other affiliated					
44. Total of above Line 38 through Line 43	65,000	65,000	65,000	60,000	60,000
45. Total investment in parent included in Line 38 through Line 43					
46. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 44 above divided by Page 3, Line 32, Column 1 x 100.0)	0.6	0.7	0.7	0.1	0.5

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2013	2 2012	3 2011	4 2010	5 2009
Capital and Surplus Accounts (Page 4)					
47. Net unrealized capital gains or (losses) (Line 18)	67,072	(17,535)	(27,466)	54,394	95,767
48. Change in nonadmitted assets (Line 21)	147,992	121,661	(938,042)	(749,144)	714,468
49. Dividends to stockholders (Line 28)		(937,786)	(537,825)	(475,710)	(446,925)
50. Change in surplus as regards policyholders for the year (Line 31)	619,635	(62,869)	(1,042,127)	(603,955)	32,648
Losses Paid and Incurred (Part 2A)					
51. Net payments (Line 5, Column 4)					
52. Losses and allocated LAE incurred (Line 8, Column 4)					
53. Unallocated LAE incurred (Line 9, Column 4)					
54. Losses and loss adjustment expenses incurred (Line 10, Column 4)					
Operating Expenses to Total Operating Income (Part 3) (%) (Line item divided by Page 4, Line 3 x 100.0)					
55. Personnel costs (Part 3, Line 1.5, Column 4)	0.1	0.1	0.1		0.1
56. Amounts paid to or retained by title agents (Part 3, Line 2, Column 4)	6.7	3.8	2.8	4.0	5.4
57. All other operating expenses (Part 3, Line 24 minus Line 1.5 minus Line 2, Column 4)	2.3	0.3	0.3	0.8	0.8
58. Total (Line 55 through Line 57)	9.1	4.2	3.2	4.8	6.3
Operating Percentages (Page 4) (Line item divided by Page 4, Line 3 x 100.0)					
59. Losses and loss adjustment expenses incurred (Line 4)					
60. Operating expenses incurred (Line 5)	9.2	4.3	3.2	90.3	89.4
61. Other operating expenses (Line 6)	75.3	64.4	88.3		
62. Total operating deductions (Line 7)	84.6	68.7	91.5	90.3	89.4
63. Net operating gain or (loss) (Line 8)	15.4	31.3	8.5	9.7	10.6
Other Percentages (Line item divided by Part 1B, Line 1.4 x 100.0)					
64. Losses and loss expenses incurred to net premiums written (Page 4, Line 4)					
65. Operating expenses incurred to net premiums written (Page 4, Line 5)	92.1	77.5	76.2	1,526.4	1,156.3

Note: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?
If no, please explain:

Yes () No ()

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 Columns (2 + 3 + 4 - 5)	Loss Payments			Allocated LAE Payments		
							7 Direct	8 Assumed	9 Ceded	10 Direct	11 Assumed	12 Ceded
1. Prior	X X X											
2. 2004												
3. 2005												
4. 2006												
5. 2007												
6. 2008												
7. 2009												
8. 2010												
9. 2011		62				62						
10. 2012		108				108						
11. 2013		157				157						
12. Totals	X X X	327				327						

	13 Salvage and Subrogation Received	14 Unallocated Loss Expense Payments	15 Total Net Loss and Expense Paid (Columns 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											
2. 2004											
3. 2005											
4. 2006											
5. 2007											
6. 2008											
7. 2009											
8. 2010											
9. 2011											
10. 2012											
11. 2013											
12. Totals											

	24 Total Net Loss and LAE Unpaid (Columns 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 and LAE Per \$1000 of Coverage ([Columns 29 + 14 + 23] / Column 1)	33 Discount For Time Value of Money	34 Net Reserves After Discount (Columns 24 - 33)
			26 Direct (Columns 7 + 10 + 17 + 20)	27 Assumed (Columns 8 + 11 + 18 + 21)	28 Ceded (Columns 9 + 12 + 19 + 22)	29 Net	30 Direct Basis ([Columns 14 + 23 + 26] / Column 2)	31 Net Basis ([Columns 14 + 23 + 29] / [Columns 6 - 4])			
1. Prior									X X X		
2. 2004											
3. 2005											
4. 2006											
5. 2007											
6. 2008											
7. 2009											
8. 2010											
9. 2011											
10. 2012											
11. 2013											
12. Totals							X X X	X X X	X X X		

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

By States and Territories

States, Etc.		1 Active Status	2 Premium Rate (b)	Direct Premiums Written		6 Other Income	7 Net Premiums Earned	8 Direct Losses and Allocated Loss Adjustment Expenses Paid	9 Direct Losses and Allocated Loss Adjustment Expenses Incurred	10 Direct Known Claim Reserve	
				3 Direct Operations	Agency Operations						
					4 Non-affiliated Agencies						5 Affiliated Agencies
1. Alabama	AL	N									
2. Alaska	AK	N									
3. Arizona	AZ	N									
4. Arkansas	AR	N									
5. California	CA	N									
6. Colorado	CO	N									
7. Connecticut	CT	N									
8. Delaware	DE	N									
9. Dist. Columbia	DC	N									
10. Florida	FL	N									
11. Georgia	GA	N									
12. Hawaii	HI	N									
13. Idaho	ID	N									
14. Illinois	IL	N									
15. Indiana	IN	N									
16. Iowa	IA	N									
17. Kansas	KS	N									
18. Kentucky	KY	N									
19. Louisiana	LA	N									
20. Maine	ME	N									
21. Maryland	MD	N									
22. Massachusetts	MA	N									
23. Michigan	MI	N									
24. Minnesota	MN	N									
25. Mississippi	MS	N									
26. Missouri	MO	N									
27. Montana	MT	N									
28. Nebraska	NE	N									
29. Nevada	NV	N									
30. New Hampshire	NH	N									
31. New Jersey	NJ	N									
32. New Mexico	NM	N									
33. New York	NY	N									
34. North Carolina	NC	N									
35. North Dakota	ND	N									
36. Ohio	OH	L		157,321			145,723				
37. Oklahoma	OK	N									
38. Oregon	OR	N									
39. Pennsylvania	PA	N									
40. Rhode Island	RI	N									
41. South Carolina	SC	N									
42. South Dakota	SD	N									
43. Tennessee	TN	N									
44. Texas	TX	N									
45. Utah	UT	N									
46. Vermont	VT	N									
47. Virginia	VA	N									
48. Washington	WA	N									
49. West Virginia	WV	N									
50. Wisconsin	WI	N									
51. Wyoming	WY	N									
52. American Samoa	AS	N									
53. Guam	GU	N									
54. Puerto Rico	PR	N									
55. U. S. Virgin Islands	VI	N									
56. Northern Mariana Islands	MP	N									
57. Canada	CAN	N									
58. Aggregate other alien	OT	X X X	X X X								
59. Totals	(a)	1	X X X	157,321			145,723				
DETAILS OF WRITE-INS											
58001		X X X									
58002		X X X									
58003		X X X									
58998 Summary of remaining write-ins for Line 58 from overflow page		X X X	X X X								
58999 Totals (Line 58001 through Line 58003 plus Line 58998) (Line 58 above)		X X X	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

(b) Each type of rate must be coded with a combination of the five Activity Codes (R, S, X, C, and/or E) listed in the instructions. Use the code combination corresponding to the State's statutory definitions of title insurance premium. If more than one combination of activities is indicated in the statutory definition, all relevant combinations must be listed. See the Schedule T Instructions.

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE The Bankers Guarantee Title & Trust Company
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

Nevada General Corporation (Ultimate Parent)

The Bankers Guarantee Title & Trust Company (Insurance Company)

Ohio General Corp. (100% owned subsidiary)

Title

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