

**QUARTERLY STATEMENT**

**OF THE**

**ENTITLE INSURANCE COMPANY**

of \_\_\_\_\_ **INDEPENDENCE**  
in the state of \_\_\_\_\_ **OHIO**

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF**

**STATE OF OHIO**

**FOR THE QUARTER ENDED**

**June 30, 2016**

**TITLE**

**2016**



51632201620100102

# QUARTERLY STATEMENT

**AS OF JUNE 30, 2016**  
OF THE CONDITION AND AFFAIRS OF THE

EnTitle Insurance Company

NAIC Group Code	3483 (Current Period)	3483 (Prior Period)	NAIC Company Code	51632	Employer's ID Number	34-1252928
Organized under the Laws of Country of Domicile	Ohio United States of America		State of Domicile or Port of Entry OHIO			
Incorporated/Organized Statutory Home Office	April 7, 1978 3 Summit Park Drive, Suite 525 (Street and Number)			Commenced Business		April 7, 1978
				Independence, OH	US	44131 (City or Town, State, Country and Zip Code)
Main Administrative Office	3 Summit Park Drive, Suite 525 Independence, OH US 44131 (Street and Number) (City or Town, State, Country and Zip Code)			(216-524-3400) (Area Code) (Telephone Number)		
Mail Address	3 Summit Park Drive, Suite 525 (Street and Number or P.O. Box)			Independence, OH	US	44131 (City or Town, State, Country and Zip Code)
Primary Location of Books and Records	3 Summit Park Drive, Suite 525 (Street and Number)			Independence, OH	US	44131 (City or Town, State, Country and Zip Code)
Internet Website Address	216-524-3400 www.entitledirect.com					
Statutory Statement Contact	Maryse Jean-Pierre (Name) Maryse.Jean-Pierre@EntitledDirect.com (E-Mail Address)			(Area Code)	(Telephone Number)	(Extension) 216-524-3488 (Fax Number)

## OFFICERS

	Name	Title
1.	Lee H. Baskey	President
2.	Steven R. Palmer	Secretary
3.	Maryse Jean-Pierre	Assistant Secretary

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## VICE-PRESIDENTS

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**DIRECTORS OR TRUSTEES**

State of Ohio

County of Cuyahoga 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.

(Signature)  
Lee H. Baskey  
(Printed Name)  
1.  
President  
(Title)

(Signature)  
Steven R. Palmer  
(Printed Name)  
2.  
Secretary  
(Title)

(Signature)	
Maryse Jean-Pierre	
(Printed Name)	
3.	
Assistant Secretary	
(Title)	

Subscribed and sworn to before me this  
\_\_\_\_ day of August, 2016

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	3,132,882		3,132,882	4,156,660
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 10,963,220), cash equivalents (\$ 0), and short-term investments (\$ 0)	10,963,220		10,963,220	10,402,636
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	14,096,102		14,096,102	14,559,296
13. Title plants less \$ 0 charged off (for Title insurers only)	42,852		42,852	42,852
14. Investment income due and accrued	6,817		6,817	7,105
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	462,053	32,615	429,438	323,973
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)				
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	339,898	68,719	271,179	271,179
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	426,665	168,307	258,358	250,863
21. Furniture and equipment, including health care delivery assets (\$ 0)	145,803	145,803		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	618,424		618,424	1,111,243
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	439,031	439,031		
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	16,577,645	854,475	15,723,170	16,566,511
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	16,577,645	854,475	15,723,170	16,566,511

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. PREPAID EXPENSE	304,468	304,468		
2502. SECURITY DEPOSIT	106,474	106,474		
2503. A/R AFFILIATE P31 TAX SHARING	10,964	10,964		
2598. Summary of remaining write-ins for Line 25 from overflow page	17,125	17,125		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	439,031	439,031		

**NONE**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Known claims reserve	470,513	537,318
2. Statutory premium reserve	5,878,473	5,767,062
3. Aggregate of other reserves required by law		
4. Supplemental reserve		
5. Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers		
6. Other expenses (excluding taxes, licenses and fees)	721,602	813,864
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	5,203	59,805
8.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))		
8.2 Net deferred tax liability		
9. Borrowed money \$ 0 and interest thereon \$ 0		
10. Dividends declared and unpaid		
11. Premiums and other consideration received in advance	5,234	11,254
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 adjustments 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		
23. Total liabilities (Lines 1 through 22)	7,081,025	7,189,303
24. Aggregate write-ins for special surplus funds		
25. Common capital stock	2,000,000	2,000,000
26. Preferred capital stock		
27. Aggregate write-ins for other than special surplus funds		
28. Surplus notes		
29. Gross paid in and contributed surplus	21,332,700	20,832,700
30. Unassigned funds (surplus)	(14,690,555)	(13,455,492)
31. Less treasury stock, at cost:		
31.1 0 shares common (value included in Line 25) \$ 0		
31.2 0 shares preferred (value included in Line 26) \$ 0		
32. Surplus as regards policyholders (Lines 24 to 30 less 31)	8,642,145	9,377,208
33. Totals (Page 2, Line 28, Col. 3)	15,723,170	16,566,511

DETAILS OF WRITE-INS		
0301.		
0302.		
0303.		
0398. Summary of remaining write-ins for Line 03 from overflow page	<b>NONE</b>	
0399. Totals (Lines 0301 through 0303 plus 0398) (Line 03 above)		
2201. REINSURANCE PAYABLE		
2202.		
2203.		
2298. Summary of remaining write-ins for Line 22 from overflow page		
2299. Totals (Lines 2201 through 2203 plus 2298) (Line 22 above)		
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page	<b>NONE</b>	
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)		
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	<b>NONE</b>	
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)		

**OPERATIONS AND INVESTMENT EXHIBIT**

<b>STATEMENT OF INCOME</b>	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>OPERATING INCOME</b>			
1. Title insurance and related income:			
1.1 Title insurance premiums earned	5,174,510	5,799,080	11,660,426
1.2 Escrow and settlement services	1,520,658	2,433,093	4,028,288
1.3 Other title fees and service charges	394,310	840,570	1,405,002
2. Aggregate write-ins for other operating income			
3. Total Operating Income (Lines 1 through 2)	7,089,478	9,072,743	17,093,716
<b>EXPENSES:</b>			
4. Losses and loss adjustment expenses incurred	296,188	(121,686)	(185,938)
5. Operating expenses incurred	8,164,913	8,757,603	17,591,766
6. Aggregate write-ins for other operating expenses			
7. Total Operating Expenses	8,461,101	8,635,917	17,405,828
8. Net operating gain or (loss) (Lines 3 minus 7)	(1,371,623)	436,826	(312,112)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	6,549	3,402	7,612
10. Net realized capital gains (losses) less capital gains tax of \$	0		
11. Net investment gain (loss) (Lines 9 + 10)	6,549	3,402	7,612
<b>OTHER INCOME</b>			
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 (Lines 8 + 11 + 12)	(1,365,074)	440,228	(304,500)
14. Federal and foreign income taxes incurred			
15. Net income (Lines 13 minus 14)	(1,365,074)	440,228	(304,500)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
16. Surplus as regards policyholders, December 31 prior year	9,377,208	10,050,762	10,050,762
17. Net income (from Line 15)	(1,365,074)	440,228	(304,500)
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0	(1,531)	36
19. Change in net unrealized foreign exchange capital gain (loss)			125
20. Change in net deferred income taxes			(139,086)
21. Change in nonadmitted assets		131,541	(133,629)
22. Change in provision for unauthorized and certified reinsurance			2,972,789
23. Change in supplemental reserves			
24. Change in surplus notes			
25. Cumulative effect of changes in accounting principles			
26. Capital Changes:			
26.1 Paid in		500,000	1,000,000
26.2 Transferred from surplus (Stock Dividend)			
26.3 Transferred to surplus			
27. Surplus Adjustments:			
27.1 Paid in			
27.2 Transferred to capital (Stock Dividend)			
27.3 Transferred from capital			
28. Dividends to stockholders			
29. Change in treasury stock			
30. Aggregate write-ins for gains and losses in surplus			
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)	(735,064)	167,549	(673,554)
32. Surplus as regards policyholders as of statement date (Lines 16 plus 31)	8,642,144	10,218,311	9,377,208

<b>DETAILS OF WRITE-IN LINES</b>			
0201.			
0202.			
0203.			
0298. Summary of remaining write-ins for Line 02 from overflow page	<b>NONE</b>		
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 02 above)			
0601.			
0602.			
0603.			
0698. Summary of remaining write-ins for Line 06 from overflow page	<b>NONE</b>		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)			
1201.			
1202.			
1203.			
1298. Summary of remaining write-ins for Line 12 from overflow page	<b>NONE</b>		
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)			
3001.			
3002.			
3003.			
3098. Summary of remaining write-ins for Line 30 from overflow page	<b>NONE</b>		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)			

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance	5,245,287	5,919,545	12,350,570
2. Net investment income	9,180	6,963	12,541
3. Miscellaneous income	1,914,968	3,273,663	5,433,290
4. Total (Lines 1 to 3)	7,169,435	9,200,171	17,796,401
5. Benefit and loss related payments	362,993	(433,378)	(365,667)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	8,206,140	8,268,371	17,007,009
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)			
10. Total (Lines 5 through 9)	8,569,133	7,834,993	16,641,342
11. Net cash from operations (Line 4 minus Line 10)	(1,399,698)	1,365,178	1,155,059
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	1,139,000	500,000	500,000
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments	10,702	11,433	23,129
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,149,702	511,433	523,129
13. Cost of investments acquired (long-term only):			
13.1 Bonds	129,799	139,340	1,672,699
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	65,123	53,586	524,129
13.7 Total investments acquired (Lines 13.1 to 13.6)	194,922	192,926	2,196,828
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	954,780	318,507	(1,673,699)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock	1,000,000		
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders	5,502	1,571	78,388
16.6 Other cash provided (applied)			
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	1,005,502	1,571	78,388
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	560,584	1,685,256	(440,252)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	10,402,636	10,842,888	10,842,888
19.2 End of period (Line 18 plus Line 19.1)	10,963,220	12,528,144	10,402,636

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001			
20.0002			
20.0003			

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## NOTES TO FINANCIAL STATEMENTS

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### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

#### 1. Summary of Significant Accounting Policies

##### Accounting Practices

The financial statements of EnTitle Insurance Company (the “Company”) have been prepared in conformity with accounting practices prescribed or permitted by the Ohio Department of Insurance and the National Association of Insurance Commissioners (“NAIC”).

The Ohio Department of Insurance does not allow any prescribed or permitted practices for determining and reporting the financial condition and results of operations of a title insurance company and for assessing its solvency.

Reconciliation of the Company’s net income and capital & surplus between NAIC SAP and the State of Ohio is shown below.

Net Income	<u>6/30/2016</u>	<u>12/31/2015</u>
EnTitle Insurance Company – Ohio Basis	(1,365,074)	(304,500)
State Prescribed Practices that increase/decrease	-	-
NAIC SAP	-	-
State Permitted Practices that increase/decrease	-	-
NAIC SAP	-	-
NAIC SAP	<hr/> (1,365,074)	<hr/> (304,500)
Surplus	<u>6/30/2016</u>	<u>12/31/2015</u>
EnTitle Insurance Company – Ohio Basis	8,642,145	9,377,208
State Prescribed Practices that increase/decrease	-	-
NAIC SAP	-	-
State Permitted Practices that increase/decrease	-	-
NAIC SAP	-	-
NAIC SAP	<hr/> 8,642,145	<hr/> 9,377,208

##### Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements, in conformity with Statutory Accounting Principles, requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known and impacts the amounts reported and disclosed in the Financial Statements.

##### Accounting Policy

For premiums written in Ohio, Ohio insurance law requires the Company to establish an unearned premium reserve equal to 10% of the premium retained by the Company. The Company may release .5% of that which was added to the reserve during the previous 20 years. For all other states where the Company writes insurance, the Company follows the various state insurance department regulations when determining what statutory premium reserves are established. Premiums on title insurance policies issued by the Company are recognized as revenue when the Company is legally or contractually entitled to collect the

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## NOTES TO FINANCIAL STATEMENTS

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premium. Premiums from title policies issued by the Company through independent agents are recognized when the policies are reported by the agent.

Case loss and loss adjustment expense reserves are recorded for outstanding known claims at the time of determination.

Investments in bonds are generally reported at amortized cost, using the effective interest method, unless the National Association of Insurance Commissioners' (NAIC) rating specifies another value. Held-to-maturity investments are reported at amortized cost, and the remaining investments are at fair value, with unrealized holding gains and losses reported in operations for those designated as trading, and as a separate component of shareholder's equity for those designated as available-for-sale. Non-agency residential mortgage backed securities (RMBS) are valued using the NAIC financial model as approved by the Valuation of Securities Task Force and Financial Condition Committee.

Common stock is carried at NAIC prescribed market values.

### **2. Accounting Changes and Correction of Errors**

None

### **3. Business Combinations and Goodwill**

None

### **4. Discontinued Operations**

None

### **5. Investments**

- Mortgage Loans
  - a. None
- Debt Restructuring
  - b. None
- Reverse Mortgages
  - c. None
- Loan-Backed Securities
  - d. None
- Repurchase Agreements
  - e. None
- Real Estate
  - f. Impairment Loss: None
  - g. Investment in low-income housing: None
  - h. Restricted Assets : Refer to General Interrogatories Part 2 - 5.2

### **6. Joint Ventures, Partnerships and Limited Liability Companies**

- a. None

### **7. Investment Income**

- a. Investment income is recorded on the accrual basis of accounting with the appropriate adjustments made for amortization of premium and accretion of discounts relating to bonds and notes acquired at other than par value. Dividends on stocks are credited to income on the ex-dividend date. Realized gains or losses on disposition of securities

## NOTES TO FINANCIAL STATEMENTS

owned are determined on a specific identification basis and are reflected in the statement of income. Unrealized investment gains or losses are credited or charged directly to unassigned surplus net of allowed deferred income taxes. At June 30, 2016, the Company had no bonds or note investments in default as to principal and/or interest. Excluding U.S. Government fixed maturity securities; the company is not exposed to any significant concentration of credit risk.

### 8. Derivative Instruments

- a. None

### 9. Income Taxes

A. The components of the net deferred tax asset (liability) at June 30 are as follows:

1.

	<b>6/30/2016</b>		
	<b>Ordinary</b>	<b>Capital</b>	<b>Total</b>
	(1)	(2)	(3)
(a) Gross Deferred Tax Assets	4,854,209	3,665	4,857,874
(b) Statutory Valuation Allowance Adjustment	<u>4,517,976</u>	-	<u>4,517,976</u>
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	336,233	3,665	339,898
(d) Deferred Tax Assets Non Admitted	<u>68,719</u>	-	<u>68,719</u>
(e) Subtotal Net Admitted Deferred Tax Asset(1c-1d)	267,514	3,665	271,179
(f) Deferred Tax Liabilities	-	-	-
(g) Net Admitted Deferred Tax asset/(liability) (1e-1f)	267,514	3,665	271,179

	<b>12/31/2015</b>		
	<b>Ordinary</b>	<b>Capital</b>	<b>Total</b>
	(4)	(5)	(6)
(a) Gross Deferred Tax Assets	4,854,209	3,665	4,857,874
(b) Statutory Valuation Allowance Adjustment	<u>4,517,976</u>	-	<u>4,517,976</u>
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	336,233	3,665	339,898
(d) Deferred Tax Assets Non Admitted	<u>68,719</u>	-	<u>68,719</u>
(e) Subtotal Net Admitted Deferred Tax Asset(1c-1d)	267,514	3,665	271,179
(f) Deferred Tax Liabilities	-	-	-
(g) Net Admitted Deferred Tax asset/(liability) (1e-1f)	267,517	3,665	271,179

	<b>Change</b>		
	<b>Ordinary</b>	<b>Capital</b>	<b>Total</b>
	(7)	(8)	(9)
(a) Gross Deferred Tax Assets	-	-	-
(b) Statutory Valuation Allowance Adjustment	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	-	-	-
(d) Deferred Tax Assets Non Admitted	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	-	-	-
(f) Deferred Tax Liabilities	-	-	-
(g) Net Admitted Deferred Tax asset/ (liability) (1e-1f)	-	-	-

2. Admission Calculation Components SSAP No. 101

	<b>6/30/2016</b>		
	<b>Ordinary</b>	<b>Capital</b>	<b>Total</b>
	(1)	(2)	(3)
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	-	-	-
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) after Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 below.)	-	-	-

## NOTES TO FINANCIAL STATEMENTS

1. Adjusted Gross Deferred Tax Assets to be Realized following the Balance Sheet Date.	271,179	-	271,179
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	1,338,045	-	1,338,045
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.			
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total ( 2(a) + 2(b) + 2(c) )	271,179	-	271,179

<b>12/31/2015</b>		
<b>Ordinary</b>	<b>Capital</b>	<b>Total</b>

a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.			
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) after Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 below.)			
1. Adjusted Gross Deferred Tax Assets to be Realized following the Balance Sheet Date.	271,179	-	271,179
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	1,338,045	-	1,338,045
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.			
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total ( 2(a) + 2(b) + 2(c) )	271,179	-	271,179

<b>Change</b>		
<b>Ordinary</b>	<b>Capital</b>	<b>Total</b>

a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.			
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) after Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 below.)			
1. Adjusted Gross Deferred Tax Assets to be Realized following the Balance Sheet Date.	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	-	-	-
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.			
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total ( 2(a) + 2(b) + 2(c) )	-	-	-

3.	<b>2016</b>	<b>2015</b>
a. Ratio Percentage Used to Determine Recover Period And Threshold Limitation Amount.	4%	4%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	8,920,297	8,920,297

## NOTES TO FINANCIAL STATEMENTS

### 4. Impact of Tax Planning Strategies

	<b>6/30/2016</b>		
	<b>Ordinary</b> (1)	<b>Capital</b> (2)	<b>Total</b> (3)
(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.			
1 Adjusted Gross DTAs Amount From Note 9A1(c)	339,898	-	339,898

	<b>12/31/2015</b>		
	<b>Ordinary</b> (4)	<b>Capital</b> (5)	<b>Total</b> (6)
(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage			
1 Adjusted Gross DTAs Amount From Note 9A1(c)	339,898	-	339,898
2 Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact of Tax Planning Strategies			
3 Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	271,179	-	271,179
4 Percentage of Net Admitted Adjusted Gross DTAs by Tax Character Attributable To The Impact of Tax Planning Strategies			

	<b>Change</b>		
	<b>Ordinary</b> (7)	<b>Capital</b> (8)	<b>Total</b> (9)
a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage			
1 Adjusted Gross DTAs Amount From Note 9A1(c) )	-	-	-
2 Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact of Tax Planning Strategies			
3 Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	-	-	-
4 Percentage of Net Admitted Adjusted Gross DTAs by Tax Character Attributable To The Impact of Tax Planning Strategies			
c. Does the Company's Tax-planning Strategies include the use of reinsurance?	<u>No</u>		

### C. Current income taxes incurred consist of the following major components:

1. Current Income Tax	<b>6/30/2016</b> (1)	<b>12/31/2015</b> (2)	<b>Change</b> (3)
a. Federal	-	-	-
b. Foreign	-	-	-
c. Subtotal	-	-	-
d. Federal Income Tax on net capital gains	-	-	-
e. Utilization of capital loss carry-forwards	-	-	-
f. Other	-	-	-
g. Federal and foreign income taxes incurred	-	-	-

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## NOTES TO FINANCIAL STATEMENTS

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### 2. Deferred Tax Assets

#### a. Ordinary

	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>Change</u>
	(1)	(2)	(3)
(1) Discounting of unpaid losses	2,363	2,363	-
(2) Unearned premium reserve	269,492	269,492	-
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	37,849	37,849	-
(8) Compensation and benefits accrual	21,505	21,505	-
(9) Pension accrual	-	-	-
(10) Receivables – non-admitted	139,771	139,771	-
(11) Net operating loss carry-forward	4,383,230	4,383,230	-
(13) Other (including items <5% of total ordinary tax assets)	-	-	-
(99) Subtotal	<hr/> 4,854,209	<hr/> 4,854,209	<hr/> -
b. Statutory valuation allowance adjustment	4,517,976	4,517,976	-
c. Non-admitted	<hr/> 68,719	<hr/> 68,719	<hr/> -
d. Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	267,515	267,515	-
e. Capital:			
(1) Investments	3,665	3,665	-
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	3,665	3,665	-
f. Statutory valuation allowance adjustment	-	-	-
g. Nonadmitted	-	-	-
h. Admitted capital deferred tax assets (2e99 - 2f - 2g)	3,665	3,665	-
i. Admitted deferred tax assets (2d + 2h)	271,179	271,179	-

### 3. Deferred Tax Liabilities:

#### a. Ordinary

(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	<hr/> -	<hr/> -	<hr/> -
(99) Subtotal	-	-	-

#### b. Capital:

(1) Investments	-	-	-
(2) Real Estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	<hr/> -	<hr/> -	<hr/> -
(99) Subtotal	-	-	-

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## NOTES TO FINANCIAL STATEMENTS

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c. Deferred tax liabilities (3a99 + 3b99)	-	-	-
4. Net deferred tax assets/liabilities (2i - 3c)	271,179	271,179	-

### D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

The significant items causing a difference between the statutory federal income tax rate and the Company's effective income tax rate are as follows:

	<u>6/30/2016</u>	Effective Tax Rate
Provision computed at statutory rate	(103,530)	34.0%
Change in nonadmitted assets	( 6,779)	2.2%
Nondeductible Expenses	7,702	-2.5%
Dividends received deduction	-	0.0%
Accrual adjustment – prior year	-	0.0%
Other	-	0.0%
 Totals	 (102,607)	 33.7%
 Change in statutory valuation allowance	 -	 0.0%
Realized capital gains (losses) tax	-	0.0%
Change in net deferred income taxes	-	0.0%
	-	0.0%

### E. Operating Loss and Tax Credit Carryforwards

1. At June 30, 2016, the Company has net operating loss carryforwards of \$12,891,853 available to offset against future taxable income.
2. The following is income tax expense for 2015 and 2014 that is available for recoupment in the event of future net losses:

Year	Amount
2015	\$0
2014	\$0

3. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

### F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities: Entitle Direct Group
2. The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return. Intercompany tax balances are settled monthly.

### G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

For the quarter ended June 30, 2016 the Company has no current tax expense.

## **NOTES TO FINANCIAL STATEMENTS**

- a. The Company's tax expense at June 30, 2016 differs from the federal statutory rate applied to its pretax net income primarily due to permanent differences between book income and taxable income as a result of tax-exempt interest income, the dividends received deduction, and IRC Section 832 (b)(5)(B).
- b. At June 30, 2016, the Company had an estimated net operating loss of \$12,891,853 available to offset against future taxable income. This net operating loss will begin to expire in 2028.
- c. On September 2, 2008, EnTitle Insurance Company entered into a federal income tax allocation agreement with Entitle Direct Group, Inc. formerly BDT Holdings Inc. EnTitle Insurance Company is included in the Entitle Direct Group, Inc. affiliated group under federal income tax law and such affiliated group plans to file consolidated federal income tax returns. The tax allocation agreement was approved by the Ohio Department of Insurance on August 21, 2008.

### **10. Information Concerning Parent, Subsidiaries and Affiliates**

- a. On July 13, 2007, the Company was acquired by BDT Holdings Inc., now by change of name, Entitle Direct Group, Inc. ("EDG"), pursuant to a Stock Purchase Agreement with Guardian Financial Services, Inc. The Company's Articles of Incorporation were amended as of that date to increase the par value of its shares from \$4,000 per share to \$5,000 per share. The change in par value had the effect of increasing the Company's common capital stock from \$800,000 to \$1.0 million (200 shares of common voting stock being outstanding). As set forth in the Form A Statement filed with the Ohio Department of Insurance on May 16, 2007, EDG contributed \$2.0 million to the Company on July 16, 2007 in exchange for the issuance to EDG of an additional 200 shares of the Company's common voting stock, thus increasing the Company's common capital stock to \$2.0 million and its contributed and paid-in surplus to \$1.8 million. In addition, EDG contributed the following: \$3.0 million as additional paid-in capital and contributed surplus to the Company on July 25, 2007; \$3.0 million as additional paid-in capital and contributed surplus to the Company effective December 31, 2010; \$1.2 million as additional paid-in capital and contributed surplus to the Company effective June 30, 2011; \$1.2 million as additional paid-in capital and contributed surplus to the Company effective December 31, 2011; and \$10 million as additional paid-in capital and contributed surplus to the Company effective September 30, 2012. The Company currently operates as a wholly-owned subsidiary of EDG, a privately held Delaware corporation.

On August 15, 2012, Entitle Direct Group, Inc. (EDG), the sole shareholder of EnTitle Insurance Company, entered into an investment agreement with an affiliate of PartnerRe Ltd. (NYSE: PRE). PRE is a global reinsurance company based in Bermuda with total capital of \$6.7 billion and assets of \$22.9 billion as of December 31, 2012. The agreement called for PRE to invest \$19 million for a minority equity stake in EDG. Existing EDG shareholders invested an additional \$2 million alongside PRE. The transaction closed on October 3, 2012. In connection with that transaction, EDG contributed \$10 million to EnTitle Insurance Company as referenced above.

- b. At December 31, 2008, the Company had related party transactions with BDT Holdings Inc., now by change of name, Entitle Direct Group, Inc. ("EDG") as set forth in the Company's Form D approved by the Ohio Department of Insurance on October 3, 2008.

EDG and the Company share the costs of certain professional fees. The allocation method of these costs sharing arrangements between the parties is provided in the Company's intercompany agreement. These costs are included in the Statement of Income under operating expenses incurred.

- c. EnTitle Insurance Company is the sole member and parent of EnTitle LLC, an Ohio limited liability company (the "Company") incorporated on December 22, 2011. On October 28, 2015, EnTitle Insurance Company became the sole member of EnTitle LLC and on January 12, 2016, EnTitle LLC received a tax identification number. The purpose for which EnTitle LLC was formed

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## NOTES TO FINANCIAL STATEMENTS

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was to acquire and invest in real estate and, engage in any other business or activity for which limited liability companies may be formed under Chapter 1705.

There had not been activity recorded into EnTitle LLC's books prior to December 31, 2015 at which time, the Company purchased a residential property with the intent to resell. The transaction has been accounted for under SSAP 40R, Real Estate Investments, into the LLC book and recorded at a fair value price of \$111,243 inclusive of closing costs, less estimated costs to sell the property.

EnTitle Insurance Company advanced all costs to EnTitle LLC under an intercompany agreement that establishes payment terms as soon as the property is sold and proceeds collected.

On March 18, 2016, EXOR S.p.A., a publicly traded Italian corporation ("EXOR"), acquired, through certain wholly-owned subsidiaries, all of the outstanding common shares of PRE. EXOR filed a Form A for the transaction with the Department on September 8, 2015. By Order dated March 7, 2016, the Superintendent of the Ohio Insurance Department approved the acquisition of control of EIC by EXOR. As shown in the Organizational Chart attached as Exhibit A, following the transaction PRE is now 100% owned by Exor N.V.; Exor N.V. is 100% owned by EXOR S.A.; and EXOR S.A. is 100% owned by EXOR. Approximately 51.87% of the ordinary shares of EXOR are held by Giovanni Agnelli e C. S.a.p.az.; Dicembre s.s. holds 32.25% of the voting interest in Giovanni Agnelli e C. S.a.p.az.; and John Elkann (an individual) is the general partner of Dicembre s.s. Accordingly, John Elkann is now the "Ultimate Controlling Person" of EIC by way of John Elkann's controlling interest in EXOR and EXOR's indirect ownership of 100% of PRE's outstanding stock.

### **11. Debt**

- a. At June 30, 2016, the Company had no debt outstanding.

### **12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans**

- a. The Company's employees participate in a joint-contributory 401(k) plan, which includes Entitle Direct Group, Inc., the Company's parent.

### **13. Capital and Surplus, Dividend Restriction and Quasi-Reorganization**

- a. At June 30, 2016, the Company had 800 shares of common stock authorized, and 400 shares outstanding with a par value of \$5,000.
- b. The Company has no preferred stock outstanding.
- c. The Company may pay dividends only from statutory earned surplus, not exceeding the greater of the prior year's net investment income or 10% of the prior year's statutory surplus, without the approval of the Superintendent of Insurance.

### **14. Contingencies**

- a. Contingent Commitments - None
- b. Assessments – None
- c. Gain Contingencies – None
- d. All Other Contingencies - None

### **15. Leases**

2. a. The company leases its office facilities, title plants and some of its equipment under non-cancellable operating leases expiring at various times through December 2020. Rental expense for June 30, 2016 and as of December 31, 2015 was \$317,460 and \$624,375 respectively.  
b. Certain rental commitments have renewal options extending through the year 2020. Some of these renewals are subject to adjustment in future periods.
2. At June 30, 2016, the minimum aggregate rental commitments are as follows:

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## NOTES TO FINANCIAL STATEMENTS

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Year Ending December 31	Operating Leases
2016	\$532,649
2017	\$493,073
2018	\$357,755
2019	\$175,738
2020	<u>\$ 70,629</u>
	\$1,629,844

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

The Company does not invest in swaps, futures, derivatives or options.

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

At June 30, 2016, the Company has not sold, transferred or serviced any of its other assets and has not extinguished any of its liabilities.

**18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans**

Not applicable for title insurance companies

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

Not applicable for title insurance companies

**20. Fair Value Measurements**

Included in bonds in the statutory financial statements are certain financial instruments carried at fair value. The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties, that is, other than in a forced or liquidation sale. The fair value of a liability is the amount at which that liability could be incurred or settled in a current transaction between willing parties, that is, other than in a forced or liquidation sale.

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality (matrix pricing). In instances where there is little or no market activity for the same or similar instruments, the Company estimates fair value using methods, models, and assumptions that management believes market participants would use to determine a current transaction price. These valuation techniques involve some level of management estimation and judgment which becomes significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model, or input used.

The Company's financial assets and liabilities have been classified, for disclosure purposes, based on the SAP 100 hierarchy. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

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## NOTES TO FINANCIAL STATEMENTS

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Level 1 - Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The following table provides information as of June 30, 2016 about the Company's financial assets measured at fair value.

	Level 1	Level 2	Level 3	Total Fair Value	Assets Carried at Fair Value	Assets Not Carried Fair Value	Total
US Treasuries	\$3,069,276			\$3,069,276		\$3,066,335	\$3,066,335
Mortgage backed securities (Countrywide)		\$ 58,814		\$ 58,814	\$58,814		\$58,814
Mortgage backed securities (Res Asset)		\$ 7,722		\$7,722		\$ 7,733	\$ 7,733
	\$3,069,276	\$66,536	\$0	\$3,135,812	\$58,814	\$3,074,068	\$3,132,882

- As of June 30, 2016, the reported fair value of EnTitle Insurance Company's investments in Level 2, NAIC designated 1, Residential Asset SEC TR Series 200, issued on April 1, 2004, was \$7,722. These securities are Senior, Targeted Amortization Class Tranche that have a weighted-average coupon rate of 5.675 percent and a weighted-average maturity of 2.21 months. The underlying loans for these securities are normal whole loans with an original credit rating of AAA. The underlying loans have a weighted-average coupon rate of 5.675 percent and a weighted-average maturity of 228 months. The geographical concentration of those underlying loans is the United States. These securities are currently rated BBB (sf) by S&P and are collateralized by Residential Whole Loans with original and current credit enhancement of 4.5% and 17% respectively.
- As of June 30, 2016, the reported fair value of EnTitle Insurance Company's investments in Level 2, NAIC designated 6, Countrywide ALT Loan Trust Series 20, issued on September 1, 2005, was \$58,814. These securities are Senior Tranches that have a weighted-average coupon rate of 5.649 percent and a weighted-average maturity of 5.88 months. The underlying loans for these securities are normal whole loans with an original credit rating of AAA. The underlying loans have a weighted-average coupon rate of 5.649 percent and a weighted-average maturity of 250 months. The geographical concentration of those underlying loans is the United States. These securities are collateralized by Residential Whole Loans with original and current credit enhancement of 4.5% and -1% respectively.

### 21. Other Items

- Extraordinary Items

At June 30, 2016 the Company had no extraordinary items to report.

- Troubled Debt Restructuring: Debtors Not applicable.

- Other Disclosures None

### 22. Events Subsequent

The Company recorded a note receivable of \$1 million as of December 31, 2015 as a result of a capital contribution from its parent, Entitle Direct Group. That note was satisfied in cash in February 2016. The note recorded as of December 31, 2015 and subsequent receipt of cash prior to the filing date classified the contribution as a Type 1 Subsequent Event. The Company received approval from the Ohio Department of Insurance for the Type 1 Subsequent Event treatment.

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## NOTES TO FINANCIAL STATEMENTS

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The Company recorded a note receivable of \$500,000 as of June 30, 2016 as a result of a capital contribution from its parent, Entitle Direct Group. That note was satisfied in cash in August 2016. The note recorded as of June 30, 2016 and subsequent receipt of cash prior to the filing date classified the contribution as a Type 1 Subsequent Event. The Company received approval from the Ohio Department of Insurance for the Type 1 Subsequent Event treatment.

### **23. Reinsurance**

- a. Unsecured Reinsurance Recoverables  
At June 30, 2016, the Company had no unsecured reinsurance recoverables .
- b. Reinsurance Recoverable in Dispute  
At June 30, 2016, the Company had no reinsurance recoverables in dispute.
- c. Reinsurance Ceded
  - (1) At June 30, 2016, the Company had no reinsurance liability.
  - (2) There is no additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements.
- d. Uncollectible Reinsurance  
At June 30, 2016, the Company had no uncollectible reinsurance.
- e. Commutation of Ceded Reinsurance  
At June 30, 2016, there was no commutation of ceded reinsurance.
- f. Retroactive Reinsurance  
At June 30, 2016, the Company had no retroactive reinsurance.
- g. Reinsurance Accounted for as a Deposit  
At June 30, 2016, the Company did not do deposit accounting for any reinsurance agreements.

### **24. Retrospectively Rated Contracts & Contracts Subject to Re-determination**

Not applicable for title insurance companies.

### **25. Change in Incurred Losses and Loss Adjustment Expenses**

At June 30, 2016, there were no significant changes to the reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years.

### **26. Inter-company Pooling Arrangements**

Not applicable for title insurance companies.

### **27. Structured Settlements**

At June 30, 2016, the Company had no structured settlements.

### **28. Supplemental Reserve**

The Company does not use any discounting in the calculation of its supplemental reserve.

**GENERAL INTERROGATORIES****PART 1 – COMMON INTERROGATORIES****GENERAL**

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [ ] No [ X ]

1.2 If yes, has the report been filed with the domiciliary state?

Yes [ ] No [ ]

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:

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3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [ X ] No [ ]

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

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [ X ] No [ ]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

Change in Ultimate controlling party. EXOR S.p.A is the ultimate controlling party (see note 10).

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4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [ ] No [ X ]

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes [ ] No [ X ] N/A [ ]

If yes, attach an explanation.

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

12/31/2011

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

12/31/2011

6.3 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).

05/08/2013

6.4 By what department or departments?

Ohio Department of Insurance

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

Yes [ X ] No [ ] N/A [ ]

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

Yes [ X ] No [ ] N/A [ ]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [ ] No [ X ]

## GENERAL INTERROGATORIES

7.2 If yes, give full information

.....

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?  Yes [ ]  No [X]

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 [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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
.....	.....	.....	.....	.....	.....

9.1 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?

- (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.

Yes [X]  No [ ]

9.11 If the response to 9.1 is No, please explain:

.....

9.2 Has the code of ethics for senior managers been amended?  Yes [ ]  No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers?  Yes [ ]  No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

.....

## FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?  Yes [X]  No [ ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 500,000

## INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)  Yes [ ]  No [X]

## GENERAL INTERROGATORIES

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

.....

.....

.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ \_\_\_\_\_

13. Amount of real estate and mortgages held in short-term investments: \$ \_\_\_\_\_

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ ] No [X]

14.2 If yes, please complete the following:

	<b>1</b>	<b>2</b>
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ _____	\$ _____
14.22 Preferred Stock .....	\$ _____	\$ _____
14.23 Common Stock .....	\$ _____	\$ _____
14.24 Short-Term Investments .....	\$ _____	\$ _____
14.25 Mortgage Loans on Real Estate .....	\$ _____	\$ _____
14.26 All Other .....	\$ _____	\$ _____
<b>14.27 Total Investment in Parent, Subsidiaries and Affiliates</b>		
(Subtotal Lines 14.21 to 14.26) .....	\$ _____	\$ _____
<b>14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above</b> .....	\$ _____	\$ _____

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]

If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.3 Total payable for securities lending reported on the liability page	\$ _____

17. 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 [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
Century Trust .....	100 S. Federal Place Santa Fe, NM 87501
Bank of New York Mellon Trust Company N.A. ....	10161 Centuriion Parkway, Jacksonville, FL 32256
Xerox Business Services, LLC .....	100 Hancock Street, 10th Floor Quincy, MA 02171
Washington Trust Company .....	23 Broad Street Westerly, RI 02891
First Bank Trust N.A. ....	P.O. Box 1347 Sioux Falls, SD 57101
Harris N.A. ....	P.O. Box 755 Chicago, IL 60690
Huntington National Bank .....	7 Easton Oval EA4E95, Columbus, OH 43219
JP Morgan Chase .....	P.O. Box 260180 Baton Rouge, LA 70826
Merrill Lynch .....	1375 East 9th Street, Cleveland, OH 44114
Regions Bank .....	400 W. Capitol Little Rock, AR 72201
Regions Bank .....	1900 5th Avenue N. Suite 2500 Birmingham, AL 35203
Wells Fargo .....	1021 E. Cary Street MAC R3529-062, Richmond, VA 23219
US Bank .....	555 SW Oak St, Portland, OR 97204
US Bank .....	One Enterprise Street 255 Eater St., Suite 700 Jacksonville, FL .....
US Bank .....	One West Fourth Street, Winsaton-Salem, NC 27101
Texas Treasury Trust .....	208 East 10th Street Austin, TX 78701

## GENERAL INTERROGATORIES

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....
.....	.....	.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes [ ] No [ X ]

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

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

17.5 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	2 Name(s)	3 Address
.....	.....	.....
.....	.....	.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

Yes [ X ] No [ ]

18.2 If no, list exceptions:

.....  
.....

**GENERAL INTERROGATORIES****PART 2 - TITLE**

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?  Yes [ ]  No [ X ]  N/A [ ]  
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?  Yes [ ]  No [ X ]  
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled?  Yes [ ]  No [ X ]

3.2 If yes, give full and complete information thereto:

.....  
.....  
.....  
.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses discounted to present value at a rate of interest greater than zero?  Yes [ ]  No [ X ]

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total										

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

5.11 Bonds	\$ 250,000
5.12 Short-term investments	\$ _____
5.13 Mortgages	\$ _____
5.14 Cash	\$ _____
5.15 Other admissible invested assets	\$ _____
5.16 Total	\$ 250,000

5.2 List below segregated 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 1 and the "From Separate Accounts, Segregated Accounts and Protected Cell Accounts" line on Page 2 except for escrow funds held by Title insurers)

5.21 Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of: These funds consist of:	\$ 13,374,073
5.22 In cash on deposit	\$ 13,374,073
5.23 Other forms of security	\$ _____

## **SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
		<b>NONE</b>				

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN****Current Year To Date - By States and Territories**

States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Known Claim Reserve	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama	AL	L	16,592	11,873	992	9,754	
2. Alaska	AK	N					
3. Arizona	AZ	L	17,498	15,726			
4. Arkansas	AR	L	4,131	2,182			
5. California	CA	L	1,132,934	935,398	53,363	18,186	198,100
6. Colorado	CO	N					240,000
7. Connecticut	CT	L	74,173	62,370			
8. Delaware	DE	L	13,045	24,241			
9. District of Columbia	DC	L	16,775	29,501	4,400		
10. Florida	FL	L	209,410	637,310			
11. Georgia	GA	L	61,296	235,567	2,631		
12. Hawaii	HI	N					
13. Idaho	ID	N					
14. Illinois	IL	L	24,437	78,560	5,296		
15. Indiana	IN	L	7,105	23,441	364	1,661	
16. Iowa	IA	L					
17. Kansas	KS	L	1,373	2,125			
18. Kentucky	KY	L	798	4,429			
19. Louisiana	LA	L	3,952	12,753			
20. Maine	ME	N					
21. Maryland	MD	L	60,100	137,307	1,245	1,369	
22. Massachusetts	MA	L	24,969	12,165	11,637	3,183	
23. Michigan	MI	N					
24. Minnesota	MN	L	1,422	40,944	2,819	1,587	
25. Mississippi	MS	L	756	950			
26. Missouri	MO	L	1,149	7,290		270	
27. Montana	MT	L	16,855	3,814			
28. Nebraska	NE	L	396	3,494			
29. Nevada	NV	L			109,731	103,760	15,240
30. New Hampshire	NH	N					12,000
31. New Jersey	NJ	N					
32. New Mexico	NM	L					
33. New York	NY	L	2,466,584	2,097,461	130,956	6,982	16,673
34. North Carolina	NC	L	9,897	29,968	(725)	1,960	23,040
35. North Dakota	ND	L	2,571				
36. Ohio	OH	L	14,663	81,873	8,441	3,675	125,500
37. Oklahoma	OK	L	6,457				241,500
38. Oregon	OR	L					
39. Pennsylvania	PA	L	751,536	915,076	(98)	16,235	
40. Rhode Island	RI	L	323	8,986			
41. South Carolina	SC	L	12,577	67,498			
42. South Dakota	SD	L	6,151	2,122			
43. Tennessee	TN	L	8,717	55,037	17,470		115,000
44. Texas	TX	L	298,158	356,583			115,000
45. Utah	UT	L	731		2,700		
46. Vermont	VT	N					
47. Virginia	VA	L	109,455	205,721	11,773		
48. Washington	WA	L					
49. West Virginia	WV	L	1,173	1,495			
50. Wisconsin	WI	L	571	2,106			
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	XXX					
59. Totals	(a)	41	5,378,730	6,105,366	362,995	168,622	470,513
							669,825

DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX						
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX						

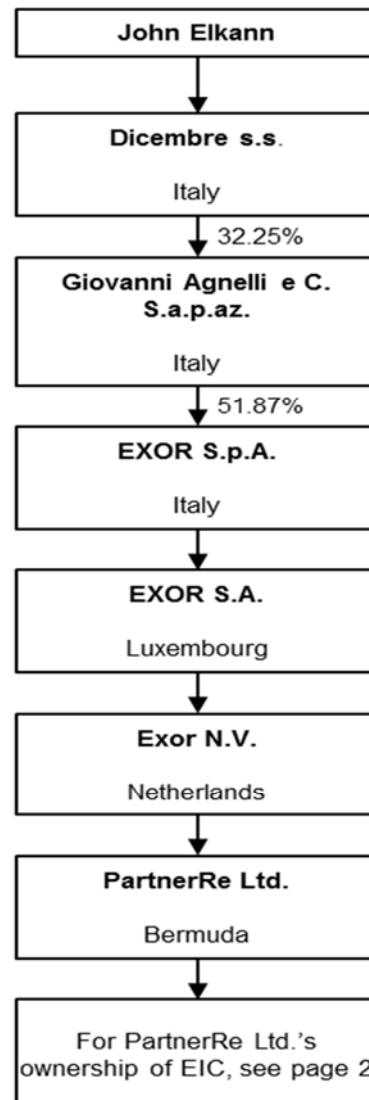
**NONE**

(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.

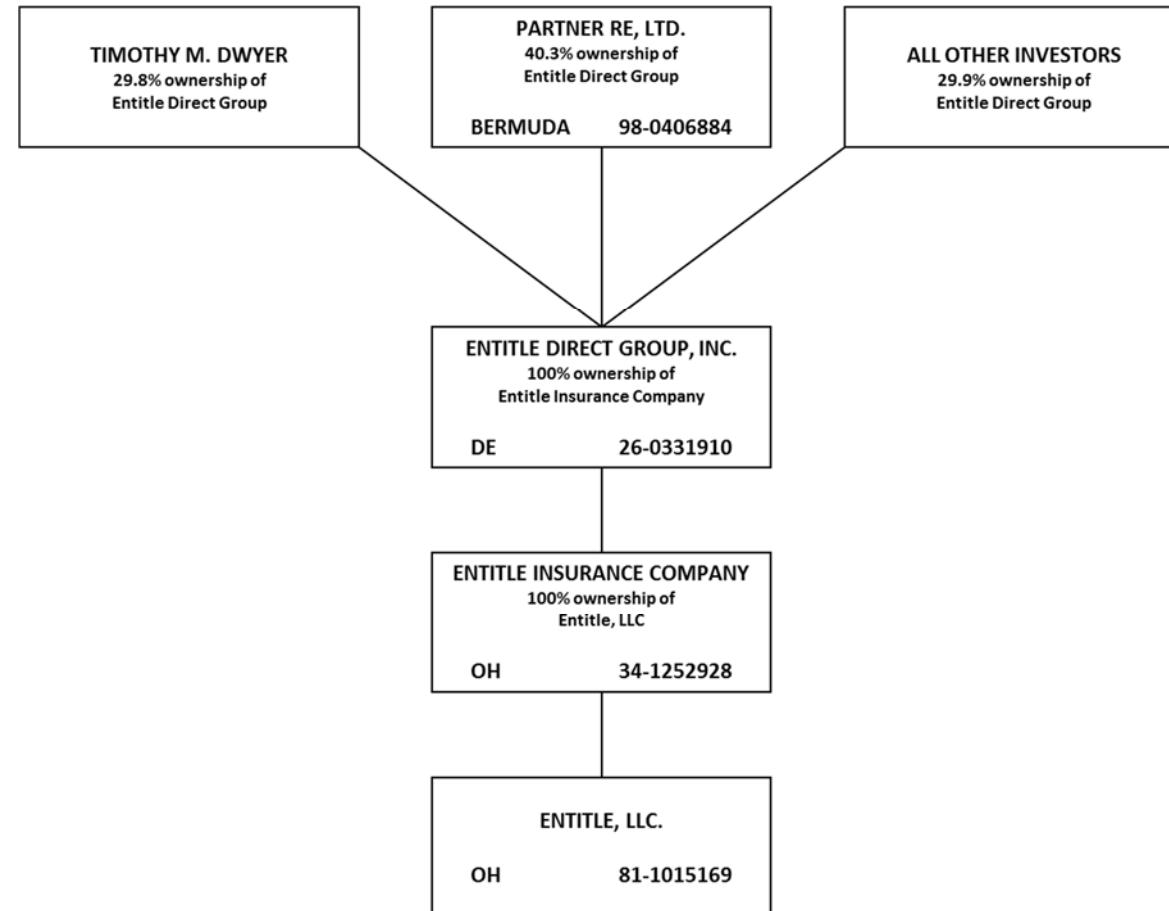
## SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

### PART 1 - ORGANIZATIONAL CHART



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

### PART 1 - ORGANIZATIONAL CHART



## SCHEDULE Y

## PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(es)/Person(s)	*
3483	PARTNERRE GRP	00000	26-0331910			ENTITLE DIRECT GROUP		CT	UDP	PARTNERRE, LTD	OWNERSHIP, BOARD	100.0	EXOR S.p.A	1
3483	PARTNERRE GRP	00000	26-0331910			ENTITLE DIRECT GROUP		CT	UDP	TIMOTHY M. DWYER	OWNERSHIP, BOARD	100.0	TIMOTHY M. DWYER	2
3483	PARTNERRE GRP	00000	26-0331910			ENTITLE DIRECT GROUP		CT	UDP	ENTITLE DIRECT GROUP	OWNERSHIP	100.0	ENTITLE DIRECT GROUP	3

Asterik	Explanation
1	PartnerRE, LTD owns 40.4% of the voting stock of Entitle Direct Group. PartnerRe, LTD. is 100% owned, through certain wholly-owned subsidiaries, by EXOR S.p.A. EXOR S.p.A is indirectly controlled, within the meaning od the insurance laws by John Elkann
2	Timothy M. Dwyer owns 29.8% of the voting stock of Entitle Direct Group
3	Entitle Direct Group, Inc. owns 100% of EnTitle Insurance Company

**PART 1 – LOSS EXPERIENCE**

	Current Year to Date				5 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Written	2 Other Income (Page 4, Lines 1.2 + 1.3 + 2)	3 Direct Losses Incurred	4 Direct Loss Percentage Cols. 3 / (1 + 2)	
1. Direct operations	3,209,762	1,914,968	121,274	2.40	-3.60
2. Agency operations:					
2.1 Non-affiliated agency operations	2,168,968		174,914	8.10	8.40
2.2 Affiliated agency operations					
3. Totals	5,378,730	1,914,968	296,188	4.10	-1.30

**PART 2 – DIRECT PREMIUMS WRITTEN**

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Direct operations	1,675,590	3,209,762	4,300,783
2. Agency operations:			
2.1 Non-affiliated agency operations	1,375,936	2,168,968	1,804,583
2.2 Affiliated agency operations			
3. Totals	3,051,526	5,378,730	6,105,366

**OVERFLOW PAGE FOR WRITE-INS****Page 2 - Continuation****ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
<b>REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS</b>				
2504. RETAINERS	10,000	10,000		
2505. RECEIVERS BOND	5,000	5,000		
2506. SUSPENSE	2,125	2,125		
2597. Totals (Lines 2501 through 2596) (Page 2, Line 2598)	17,125	17,125		

**SCHEDULE A - VERIFICATION**

## Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

**NONE****SCHEDULE B - VERIFICATION**

## Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

**NONE****SCHEDULE BA - VERIFICATION**

## Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

**NONE****SCHEDULE D - VERIFICATION**

## Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	4,156,660	3,014,514
2. Cost of bonds and stocks acquired	129,799	1,672,699
3. Accrual of discount	(1,531)	125
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	1,139,000	500,000
6. Deduct consideration for bonds and stocks disposed of	13,045	30,678
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	3,132,883	4,156,660
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	3,132,883	4,156,660

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a)	3,955,874	129,799	1,010,000	(1,605)	3,955,874	3,074,068		4,087,221
2. NAIC 2 (a)								
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)	65,086			(6,271)	65,086	58,815		69,439
7. Total Bonds	4,020,960	129,799	1,010,000	(7,876)	4,020,960	3,132,883		4,156,660
<b>PREFERRED STOCK</b>								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	4,020,960	129,799	1,010,000	(7,876)	4,020,960	3,132,883		4,156,660

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated, short-term and cash-equivalent bonds by NAIC designation:

NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

**SCHEDULE DA - PART 1**

## Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999		<b>NONE</b>			

**SCHEDULE DA - VERIFICATION**

## Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of short-term investments acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		

**SCHEDULE DB - PART A - VERIFICATION****Options, Caps, Floors, Collars, Swaps and Forwards**

1. Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year) .....
2. Cost Paid/(Consideration Received) on additions .....
3. Unrealized Valuation increase/(decrease) .....
4. Total gain (loss) on termination recognized .....
5. Considerations received/(paid) on terminations .....
6. Amortization .....
7. Adjustment to the Book/Adjusted Carrying Value of hedged item .....
8. Total foreign exchange change in Book/Adjusted Carrying Value .....
9. Book/Adjusted Carrying Value at End of Current Period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8) .....
10. Deduct nonadmitted assets .....
11. Statement value at end of current period (Line 9 minus Line 10) .....

**NONE****SCHEDULE DB - PART B - VERIFICATION****Future Contracts**

1. Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year) .....
2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column) .....
- 3.1 Add:
  - Change in variation margin on open contracts - Highly Effective Hedges .....
  - 3.11 Section 1, Column 15, current year to date minus .....
  - 3.12 Section 1, Column 15, prior year .....
  - Change in variation margin on open contracts - All Other .....
  - 3.13 Section 1, Column 18, current year to date minus .....
  - 3.14 Section 1, Column 18, prior year .....
- 3.2 Add:
  - Change in adjustment to basis of hedged item .....
  - 3.21 Section 1, Column 17, current year to date minus .....
  - 3.22 Section 1, Column 17, prior year .....
  - Change in amount recognized .....
  - 3.23 Section 1, Column 19, current year to date minus .....
  - 3.24 Section 1, Column 19, prior year .....
- 3.3 Subtotal (Line 3.1 minus Line 3.2) .....
- 4.1 Cumulative variation margin on terminated contracts during the year .....
- 4.2 Less:
  - 4.21 Amount used to adjust basis of hedged item .....
  - 4.22 Amount recognized .....
- 4.3 Subtotal (Line 4.1 minus Line 4.2) .....
5. Dispositions gains (losses) on contracts terminated in prior year:
  - 5.1 Total gain (loss) recognized for terminations in prior year .....
  - 5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year .....
6. Book/Adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2) .....
7. Deduct total nonadmitted amounts .....
8. Statement value at end of current period (Line 6 minus Line 7) .....

## **SCHEDULE DB - PART C - SECTION 1**

## Replication (Synthetic Asset) Transactions Open as of Current Statement Date

**SCHEDULE DB - PART C - SECTION 2**

## Replication (Synthetic Asset) Transactions Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date	
	1 Number of Positions	2 Total Replication (Synthetic Asset) Transactions Statement Value	3 Number of Positions	4 Total Replication (Synthetic Asset) Transactions Statement Value	5 Number of Positions	6 Total Replication (Synthetic Asset) Transactions Statement Value	7 Number of Positions	8 Total Replication (Synthetic Asset) Transactions Statement Value	9 Number of Positions	10 Total Replication (Synthetic Asset) Transactions Statement Value
1. Beginning Inventory										
2. Add: Opened or Acquired Transactions										
3. Add: Increases in Replication (Synthetic Asset) Transactions Statement Value										
4. Less: Closed or Disposed of Transactions										
5. Less: Positions Disposed of for Failing Effectiveness Criteria										
6. Less: Decreases in Replication (Synthetic Asset) Transactions Statement Value										
7. Ending Inventory										

NONE

## **SCHEDULE DB VERIFICATION**

### **Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts**

Book/Adjusted Carrying Value Check

1. Part A, Section 1, Column 14 .....
2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance .....
3. Total (Line 1 plus Line 2) .....
4. Part D, Section 1, Column 5 .....
5. Part D, Section 1, Column 6 .....
6. Total (Line 3 minus Line 4 minus Line 5) .....

**NONE**

Fair Value Check

7. Part A, Section 1, Column 16 .....
8. Part B, Section 1, Column 13 .....
9. Total (Line 7 plus Line 8) .....
10. Part D, Section 1, Column 8 .....
11. Part D, Section 1, Column 9 .....
12. Total (Line 9 minus Line 10 minus Line 11) .....

Potential Exposure Check

13. Part A, Section 1, Column 21 .....
14. Part B, Section 1, Column 20 .....
15. Part D, Section 1, Column 11 .....
16. Total (Line 13 plus Line 14 minus Line 15) .....

**SCHEDULE E - VERIFICATION**

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of cash equivalents acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		

**NONE**

## **SCHEDULE A - PART 2**

Showing All Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

E01

## **SCHEDULE A - PART 3**

## Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

**SCHEDULE B - PART 2**

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisitions	9 Value of Land and Buildings
	2 City	3 State						
3399999 Totals				XXX	XXX			

**NONE**

EO2

**SCHEDULE B - PART 3**

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment					14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization) / Accretion	10 Current Year's Other than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9+10+11)	13 Total Foreign Exchange Change in Book Value				
0599999 Totals																

**NONE**

**SCHEDULE BA - PART 2**

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Design- nation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
4699999	Totals											XXX

**NONE****SCHEDULE BA - PART 3**

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value					15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B.I.A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B.A.C.V.					
4699999	Totals																	

**NONE**

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
912828-H3-7	U.S. Treasury Note - SC		06/13/2016	Market		129,799	129,000.00	468	1Z
0599999	Total Bonds U. S. Government				XXX	129,799	129,000.00	468	XXX
8399997	Total Bonds Part 3				XXX	129,799	129,000.00	468	XXX
8399998	Summary Item from Part 5 for Bonds				XXX	XXX	XXX	XXX	XXX
8399999	Total Bonds				XXX	129,799	129,000.00	468	XXX
9999999	Totals				XXX	129,799	XXX	468	XXX

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues . . . . . 0.

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of  
During the Current Quarter

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)			
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.										
912828-C8-1	U.S. Treasury Note - IL		07/12/2016	Market					10,000	10,000.00	10,023	10,006	(6)					10,000				04/30/2016	1Z	
912828-C8-1	U.S. Treasury Note - IL		07/12/2016	Market					1,000,000	1,000,000.00	1,002,162	1,000,509	(509)					(6)	(509)			04/30/2016	1Z	
0599999	Total - Bonds - U.S. Governments					XXX	1,010,000	1,010,000.00	1,012,185	1,010,515			(515)				(515)		1,010,000				XXX	XXX
8399997	Total - Bonds - Part 4					XXX	1,010,000	1,010,000.00	1,012,185	1,010,515			(515)				(515)		1,010,000				XXX	XXX
8399998	Summary Item from Part 5 for Bonds					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999	Total Bonds					XXX	1,010,000	1,010,000.00	1,012,185	1,010,515			(515)				(515)		1,010,000				XXX	XXX
9999999	Totals								1,010,000	XXX	1,012,185	1,010,515												

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues . . . . . 0.

## SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

**NONE**

(a)

E06

Code	Description of Hedged Risk(s)
	<b>NONE</b>

**NONE**

(b)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
	<b>NONE</b>

**NONE**

## **SCHEDULE DB - PART B - SECTION 1**

#### Future Contracts Open as of the Current Statement Date

**NON**E

**NONE**

E07

Code	Description of Hedged Risk(s)
	<b>NONE</b>

**NONE**

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
	<b>NONE</b>

**NONE**

## SCHEDULE DB - PART D - SECTION 1

#### Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

0999999 Gross Totals

### 1. Offset per SSAP No. 64

2. Net after right of offset per SSAP No. 64

1. Offset per SSAP No. 64 .....  
2. Net after right of offset per SSAP No. 64

## **SCHEDULE DB - PART D - SECTION 2**

#### Collateral for Derivative Instruments Open as of Current Statement Date

#### Collateral Pledged by Reporting Entity

60E

#### Collateral Pledged to Reporting Entity

# **SCHEDULE DL - PART 1**

## **SECURITIES LENDING COLLATERAL ASSETS**

### Reinvested Collateral Assets Owned Current Statement Date

### General Interrogatories:

1. Total activity for the year to date	Fair Value \$	0
2. Average balance for the year to date	Fair Value \$	0

Book/Adjusted Carrying Value \$ . . . . . 0  
Book/Adjusted Carrying Value \$ . . . . . 0

3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:

NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0.

## **SCHEDULE DL - PART 2**

### **SECURITIES LENDING COLLATERAL ASSETS**

### Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 Code	4 NAIC Design- nation/ Market Indicator	5 Fair Value	6 Book / Adjusted Carrying Value	7 Maturity Dates

### General Interrogatories:

1. Total activity for the year
2. Average balance for the year

Fair Value \$ . . . . . (0)

Book/Adjusted Carrying Value \$ . . . . . 0

**SCHEDULE E - PART 1 - CASH**

## Month-End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories - Section (A) - Segregated Funds Held for Others					1,979,706	5,449,385	4,137,466	
PNC Bank	Pittsburgh, PA				129,821	129,821	129,264	
Capital One Bank	New York, NY				3,245,174	595,521	36,739	
Bank of the West	San Ramon, CA				292,650	296,207	211,237	
Dollar Bank	Cleveland, OH				10,089,500	36,425,455	8,859,367	
Wells Fargo	Dallas, TX							
0199998 Deposits in ( 0 ) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX						X
0199999 Total Segregated Funds Held for Others	XXX	XXX			15,736,851	42,896,389	13,374,073	X
Open Depositories - Section (B) - General Funds					14,608	483,593	187,532	
Dollar Bank	Cleveland, OH				6,860,885	6,356,071	6,553,263	
JP Morgan Chase	New York, NY				765,195	765,206	765,216	
First Republic Bank	San Francisco, CA				1,905,545	1,907,124	1,910,276	
Merrill Lynch	Cleveland, OH				3,125	3,125	3,125	
Huntington	Columbus, OH				30,259	1,042,152	1,042,152	
Harris N.A.	Chicago, IL				223	223		
Washington Trust	Westerly, RI							
US Bank - GA	Jacksonville, FL							
Regions Bank - NV	Birmingham, AL							
US Bank - NC	Jacksonville, FL							
US Bank - SC	Homewood, AL							
Wells Fargo	Richmond, VA							
Regions Bank	Birmingham, AL							
Texas Trust	Austin, TX							
0299998 Deposits in ( 0 ) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX						X
0299999 Total General Funds	XXX	XXX			10,209,994	11,187,648	10,962,718	X
Open Depositories - Section (C) - Reinsurance Reserve Funds								
0399998 Deposits in ( 0 ) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX						X
0399999 Total Reinsurance Reserve Funds	XXX	XXX						X
0499999 Total Open Depositories	XXX	XXX			25,946,845	54,084,037	24,336,791	X
Suspended Depositories - Section (A) - Seg. Funds Held for Others								
0599998 Deposits in ( 0 ) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	XXX	XXX						X
0599999 Total Segregated Funds Held for Others	XXX	XXX						X
Suspended Depositories - Section (B) - General Funds								
0699998 Deposits in ( 0 ) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	XXX	XXX						X
0699999 Total General Funds	XXX	XXX						X
Suspended Depositories - Section (C) - Reinsurance Reserve Funds								
0799998 Deposits in ( 0 ) depositories which do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	XXX	XXX						X
0799999 Total Reinsurance Reserve Funds	XXX	XXX						X
0899999 Total Suspended Depositories	XXX	XXX						X
0999999 Total Cash on Deposit	XXX	XXX			25,946,845	54,084,037	24,336,791	X
1099999 Cash in Company's Office	XXX	XXX	XXX	XXX	500	500	500	X
1199999 Total Cash	XXX	XXX			25,947,345	54,084,537	24,337,291	X

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

### Show Investments Owned End of Current Quarter

### 8699999 Total Cash Equivalents

E  
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