



# QUARTERLY STATEMENT

As of March 31, 2018  
of the Condition and Affairs of the

## THE BANKERS GUARANTEE TITLE & TRUST CO

NAIC Group Code..... 0, 0 (Current Period) (Prior Period)	NAIC Company Code..... 50164	Employer's ID Number..... 340083590
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... August 11, 1911	Commenced Business..... August 11, 1911	
Statutory Home Office	1113 Medina Rd. Suite 400 .. Medina .. OH .. .. 44256 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	1113 Medina Rd. Suite 400 .. Medina .. OH .. US .. 44256 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	3308671601 <i>(Area Code) (Telephone Number)</i>
Mail Address	N/A .. .. <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	N/A .. .. <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	<i>(Area Code) (Telephone Number)</i>
Internet Web Site Address		
Statutory Statement Contact	Richard L Pace <i>(Name)</i> rpace@bankersguarantee.com <i>(E-Mail Address)</i>	330 867 1601 <i>(Area Code) (Telephone Number) (Extension)</i> 330 867 1935 <i>(Fax Number)</i>

### OFFICERS

Name	Title	Name	Title
1. Richard L Pace	President	2. Patricia K Smith	Vice President
3. Michael Larsen	CFO/Treasurer	4. James C Hunt	CEO

### OTHER

James Flynn	Sr. Mnmt Director	Kara Harchuck	Exec Mgmt Dir, Sec, GC
David Miller	Vice Pres	Mustafa Haque	SVP, Asst GC, Asst Sec
Michael Bechtel	Vice Pres	Tracy Dennis	Vice Pres
		Claudia Ivey	Sr. Vice Pres

### DIRECTORS OR TRUSTEES

James C Hunt	James Flynn	Michael Larsen	Kara Harchuck
Clay Parker			

State of.....  
County of.....

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) Richard L Pace 1. (Printed Name) _____ President (Title)	_____ (Signature) Patricia K Smith 2. (Printed Name) _____ Vice President (Title)	_____ (Signature) Michael Larsen 3. (Printed Name) _____ CFO/Treasurer (Title)
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Subscribed and sworn to before me This _____ day of _____	a. Is this an original filing? _____ b. If no: 1. State the amendment number _____ 2. Date filed _____ 3. Number of pages attached _____	Yes [ X ] No [ ]
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**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.....	20,091,960		20,091,960	19,912,950
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	624,463		624,463	610,163
3. Mortgage loans on real estate:				
3.1 First liens.....	32,378,748		32,378,748	40,528,919
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....9,265,338), cash equivalents (\$.....0) and short-term investments (\$.....0).....	9,265,338		9,265,338	8,213,666
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....	1,333,923		1,333,923	1,391,376
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	63,694,432	0	63,694,432	70,657,074
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	170,080		170,080	213,497
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....			0	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			0	
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....	68,647	68,647	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	13,789,930	0	13,789,930	7,431,944
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	77,723,089	68,647	77,654,442	78,302,515
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	77,723,089	68,647	77,654,442	78,302,515

**DETAILS OF WRITE-INS**

1101. Interest Receivable.....			0	
1102. ....			0	
1103. ....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Receipt from sale of invested assets other than securities.....	8,030,771		8,030,771	
2502. Prepaid Pension.....			0	
2503. Funds Segregated for others.....	5,759,159		5,759,159	7,431,944
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	13,789,930	0	13,789,930	7,431,944

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Known claims reserve.....		
2. Statutory premium reserve.....	126,204	126,050
3. Aggregate of other reserves required by law.....	0	0
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).....	98,417	289,078
7. Taxes, licenses and fees (excluding federal and foreign income taxes).....		
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.....	26,428,126	26,467,042
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.....	5,759,157	7,431,944
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.....	170,876	170,876
23. Total liabilities (Lines 1 through 22).....	32,582,780	34,484,990
24. Aggregate write-ins for special surplus funds.....	0	0
25. Common capital stock.....	631,250	631,250
26. Preferred capital stock.....		
27. Aggregate write-ins for other-than-special surplus funds.....	0	0
28. Surplus notes.....		
29. Gross paid in and contributed surplus.....	43,186,275	43,186,275
30. Unassigned funds (surplus).....	1,254,137	
31. Less treasury stock, at cost:		
31.1.....0.000 shares common (value included in Line 25 \$.....0).....		
31.2.....0.000 shares preferred (value included in Line 26 \$.....0).....		
32. Surplus as regards policyholders (Lines 24 to 30 less 31).....	45,071,662	43,817,525
33. Totals (Page 2, Line 28, Col. 3).....	77,654,442	78,302,515

**DETAILS OF WRITE-INS**

0301. ....		
0302. ....		
0303. ....		
0398. Summary of remaining write-ins for Line 3 from overflow page.....	0	0
0399. Totals (Lines 0301 thru 0303 plus 0398) (Line 3 above).....	0	0
2201. Loan Escrow.....		
2202. Funds Segregated for others.....		
2203. Allowance Risk Share & Recourse and rounding.....	170,876	170,876
2296. Summary of remaining write-ins for Line 22 from overflow page.....	0	0
2299. Totals (Lines 2201 thru 2203 plus 2298) (Line 22 above).....	170,876	170,876
2401. ....		
2402. ....		
2403. ....		
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	0	0
2701. ....		
2702. ....		
2703. ....		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0

# THE BANKERS GUARANTEE TITLE & TRUST CO OPERATIONS AND INVESTMENT EXHIBIT

STATEMENT OF INCOME	1	2	3
OPERATING INCOME	Current Year to Date	Prior Year to Date	Prior Year Ended December 31
1. Title insurance and related income:			
1.1 Title insurance premiums earned.....	1,381	1,516	10,000
1.2 Escrow and settlement services.....			
1.3 Other title fees and service charges.....			
2. Aggregate write-ins for other operating income.....	303,499	1,056,648	1,525,120
3. Total Operating Income (Lines 1 through 2).....	304,880	1,058,164	1,535,120
<b>EXPENSES</b>			
4. Losses and loss adjustment expenses incurred.....			
5. Operating expenses incurred.....	1,872	1,272	10,035
6. Aggregate write-ins for other operating expenses.....	414,162	559,644	1,425,894
7. Total operating expenses.....	416,034	560,916	1,435,929
8. Net operating gain or (loss) (Lines 3 minus 7).....	(111,154)	497,248	99,191
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	1,137,470	315,591	4,128,589
10. Net realized capital gains and (losses) less capital gains tax of \$.....0.....	18,468	3,712	63,627
11. Net investment gain (loss) (Lines 9 + 10).....	1,155,938	319,303	4,192,216
<b>OTHER INCOME</b>			
12. Aggregate write-ins for miscellaneous income or (loss) or other deductions.....	0	0	0
13. Net income, after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12).....	1,044,784	816,551	4,291,407
14. Federal and foreign income taxes incurred.....			
15. Net income (Lines 13 minus 14).....	1,044,784	816,551	4,291,407
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
16. Surplus as regards policyholders, December 31 prior year.....	43,817,525	35,778,137	35,778,137
17. Net income (from Line 15).....	1,044,784	816,551	4,291,407
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	179,010	(486,499)	(198,557)
19. Change in net unrealized foreign exchange capital gain (loss).....			
20. Change in net deferred income taxes.....			
21. Change in nonadmitted assets.....	30,343	(23,246)	43,330
22. Change in provision for unauthorized and certified reinsurance.....			
23. Change in supplemental reserves.....			
24. Change in surplus notes.....			
25. Cumulative effect of changes in accounting principles.....			
26. Capital changes:			
26.1 Paid in.....		23,901,486	23,903,208
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.....			(20,000,000)
29. Change in treasury stock.....			
30. Aggregate write-ins for gains and losses in surplus.....	0	18,459	0
31. Change in surplus as regards policyholders for the year (Lines 17 through 30).....	1,254,137	24,226,751	8,039,388
32. Surplus as regards policyholders, as of statement date (Line 16 plus Line 31).....	45,071,662	60,004,888	43,817,525
<b>DETAILS OF WRITE-INS</b>			
0201. mortgage lending.....	303,499	1,056,648	1,525,120
0202. ....			
0203. ....			
0298. Summary of remaining write-ins for Line 2 from overflow page.....	0	0	0
0299. Totals (Lines 0201 thru 0203 plus 0298) (Line 2 above).....	303,499	1,056,648	1,525,120
0601. mortgage lending.....	414,162	559,644	1,425,894
0602. ....			
0603. ....			
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	414,162	559,644	1,425,894
1201. ....			
1202. ....			
1203. ....			
1298. Summary of remaining write-ins for Line 12 from overflow page.....	0	0	0
1299. Totals (Lines 1201 thru 1203 plus 1298) (Line 12 above).....	0	0	0
3001. Prior period.....		18,459	
3002. Prior period.....			
3003. Surplus adjustment from prior year.....			
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	18,459	0

# THE BANKERS GUARANTEE TITLE & TRUST CO

## 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.....	1,535	1,516	4,242
2. Net investment income.....	1,278,197	301,219	4,524,508
3. Miscellaneous income.....	334,498	1,056,648	1,525,120
4. Total (Lines 1 through 3).....	1,614,230	1,359,383	6,053,870
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.....	625,822	555,266	1,507,873
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....			
10. Total (Lines 5 through 9).....	625,822	555,266	1,507,873
11. Net cash from operations (Line 4 minus Line 10).....	988,408	804,117	4,545,997
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....			
12.2 Stocks.....			
12.3 Mortgage loans.....	5,014,086	13,506,258	38,016,164
12.4 Real estate.....		44,662	44,662
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	5,014,086	13,550,920	38,060,826
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....		12,002,507	
13.2 Stocks.....	14,300		110,900
13.3 Mortgage loans.....	4,857,749	16,237,444	28,722,271
13.4 Real estate.....			
13.5 Other invested assets.....	39,857		262,769
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	4,911,906	28,239,951	29,095,940
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).....	102,180	(14,689,031)	8,964,886
<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.....		23,901,486	
16.3 Borrowed funds.....	(38,916)	(6,888,996)	2,987,192
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			20,000,000
16.6 Other cash provided (applied).....		(254,560)	(47,930)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(38,916)	16,757,930	(17,060,738)
<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 Line 15 plus Line 17).....	1,051,672	2,873,016	(3,549,855)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	8,213,666	11,763,521	11,763,521
19.2 End of period (Line 18 plus Line 19.1).....	9,265,338	14,636,537	8,213,666
<b>Note: Supplemental disclosures of cash flow information for non-cash transactions:</b>			
20.0001 Mortgages.....	8,030,771		11,900,701
20.0002 Bonds.....			12,002,507
20.0003 Mortgage loan receivable suspense.....	8,030,771		

## NOTES TO FINANCIAL STATEMENTS

Notes required on a quarterly basis have been updated in their entirety. There have been no material changes to the following December 31, 2017 Annual Statement notes: 1(B), 3-4, 5(A-C, G-L), 6-10, 13-16, 18-19, 21-24, 26-28. Only material or significant changes from the Annual Statement have been updated for all other notes, or portions thereof.

### Note 1 – Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

	SSAP #	F/S Page	F/S Line #	2018	2017
<b>NET INCOME</b>					
(1) THE BANKERS GUARANTEE TITLE & TRUST CO Company state basis (Page 4, Line 15, Columns 1 & 2)	XXX	XXX	XXX	\$ 1,044,784	\$ 4,291,407
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 1,044,784	\$ 4,291,407
<b>SURPLUS</b>					
(5) THE BANKERS GUARANTEE TITLE & TRUST CO Company state basis (Page 3, line 32, Columns 1 & 2)	XXX	XXX	XXX	\$ 45,071,662	\$ 43,817,525
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 45,071,662	\$ 43,817,525

#### B. Accounting Policy

##### **Investments**

Bonds with an NAIC designation of 1 or 2, including loan-backed and structured securities (“LBASS”), are reported at amortized cost using the effective yield method. Bonds with an NAIC designation of 3 through 6 are reported at the lower of amortized cost or fair value, with the difference reflected in unassigned surplus as unrealized capital loss. In general, LBASS utilize a multi-step process for determining carrying value and NAIC designation in accordance with SSAP No. 43R, *Loan-backed and Structured Securities*.

Unaffiliated common stocks are reported at fair value. For unaffiliated common stocks, the differences between amortized cost or cost and fair value are recorded as a change in net unrealized capital gains (losses), which is a component of unassigned surplus. Restricted stock is stock from the Federal Home Loan Bank of Cincinnati (“FHLB”), which is restricted as to its marketability. Because no ready market exists for these investments and they have no quoted market value, the Bank’s investment in these stocks are carried at cost.

Mortgage loans are reported at unpaid principal balances, net of unamortized premiums and discounts and impairments. Impaired loans are identified by management when it is considered probable that all amounts due according to the contractual terms of the loan agreement will not be collected. Interest received on impaired loans is generally either applied against the principal or reported as revenue, according to management’s judgment as to the collectability of principal. Management discontinues accruing interest on impaired loans after the loans are 90 days delinquent as to principal or interest, or earlier when management has substantial doubts about collectability. Generally, a loan is restored to accrual status only after all delinquent interest and principal are brought current and, in the case of loans where interest has been interrupted for a substantial period, a regular payment performance has been established. The Company monitors the credit quality of mortgage loans to assess for losses inherent in the portfolio as of the balance sheet date. The Company assesses the credit quality of each loan by monitoring the financial condition of the borrower and the financial trends of the underlying property. Management considers the outstanding portfolio balance, delinquency status, historic loss experience, and other conditions influencing loss expectations, such as current economic conditions. The Company also considers loans collectively with similar risk characteristics when there may be no evidence of impairment on an individual loan basis.

Investments in real estate are reported at depreciated cost less encumbrances or the lower of depreciated cost or fair value, less encumbrances and estimated costs to sell the property.

Cash equivalents are reported at amortized cost. They are readily convertible into known amounts of cash and so near to their maturity that they present an insignificant risk of change in value because of changes in interest rates. Restricted cash represents cash held in a bank account to satisfy Ohio Department of Insurance requirements, of which the Company was in compliance with at March 31, 2018 and December 31, 2017.

Short-term investments are reported at cost or amortized cost.

Other invested assets consist of mortgage servicing rights. When a mortgage loan is sold, the Company retains the right to service the loan and recognizes the MSR at fair value. The initial fair value represents expected net cash flows from servicing, as well as interest earnings on escrows and interim cash balances, borrower prepayment penalties, delinquency rates, late charges along with ancillary fees that are discounted at a rate that reflects the credit and liquidity risk of the MSR over the estimated life of the underlying loan. After initial recognition, the Company amortizes all MSR’s in proportion to, and over the period that approximates when servicing income is recognized. The Company assesses MSR’s for impairment based on their estimated fair value compared to carrying values. Servicing fees are earned for servicing mortgage loans, including all activities related to servicing the loans, and are recognized as services are provided over the life of the related mortgage loan.

Investments in joint ventures, partnerships and limited liability companies are generally reported based on the underlying audited Generally Accepted Accounting Principles (“GAAP”) equity of the investee, with undistributed earnings or losses reflected in unassigned surplus as a change in net unrealized capital gains and losses and, are generally recognized on a delay due to the availability of financial statements.

All derivatives are stated at fair value.

The Company has not modified its capitalization policy from the prior period.

Investment income primarily consists of interest, dividends and amortization of any premium or discount. Interest is recognized on an accrual basis using the effective yield method and dividends are recorded at the ex-dividend date. Interest income for LBASS is determined considering estimated pay-downs, including prepayments, obtained from third party data sources and internal estimates. Actual prepayment experience is periodically reviewed and effective yields are recalculated when differences arise between the prepayments originally anticipated and the actual prepayments received and currently anticipated.

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## NOTES TO FINANCIAL STATEMENTS

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For LBASS that are purchased with high credit quality and fixed interest rates, the effective yield is recalculated on a retrospective basis. For all other LBASS, the effective yield is recalculated on a prospective basis. In periods subsequent to the recognition of an other-than-temporary impairment ("OTTI") on a bond, including LBASS, the difference between the new amortized cost basis and the cash flows expected to be collected is accreted as interest income. Accrual of income is suspended for other-than-temporarily impaired bonds when the timing and amount of cash flows expected to be received is not reasonably estimable. Accrual of income is suspended for mortgage loans that are in default or when the full and timely collection of principal and interest payments is not probable. Cash receipts on investments on nonaccrual status are generally recorded as a reduction of carrying value. Cash distributions received from investments in joint ventures, partnerships and limited liability companies are recognized in investment income to the extent they are not in excess of the undistributed accumulated earnings attributable to the investee and the unrealized gain would be reversed. Any distributions that are in excess of the undistributed accumulated earnings attributable to the investee reduce the carrying amount of the investment.

Realized capital gains and losses include gains and losses on investment sales, write-downs in value due to other than temporary declines in fair value and periodic changes in fair value and settlement of certain derivatives. Realized capital gains and losses on investment sales are determined on a specific identification basis.

The Company has a comprehensive portfolio monitoring process to identify and evaluate each bond, including LBASS, and common and preferred stock whose carrying value may be other-than-temporarily impaired. For each bond, excluding LBASS, in an unrealized loss position (fair value is less than amortized cost), the Company assesses whether management with the appropriate authority has made a decision to sell the bond prior to its maturity at an amount below its carrying value. If the decision has been made to sell the bond, the bond's decline in fair value is considered other than temporary and the Company recognizes a realized capital loss equal to the difference between the amortized cost and the fair value of the bond at the balance sheet date the assessment is made. If the Company has not made the decision to sell the bond, but the bond's decline in value is considered other-than-temporarily impaired, a write-down of the amortized cost to fair value is required. For securities with an NAIC designation of 3 through 6, unrealized losses that are not deemed other-than-temporarily impaired are reflected in the Company's unassigned surplus.

For LBASS, the Company assesses whether management with the appropriate authority has made a decision to sell each LBASS in an unrealized loss position or does not have the intent and ability to retain the LBASS for a period of time sufficient to recover the amortized cost basis. If either situation exists, the security's decline is considered other than temporary and the security is written down as a realized capital loss to fair value. If management has not made the decision to sell the LBASS and management intends to hold the security for a period of time sufficient to recover the amortized cost basis, the Company analyzes the present value of the discounted cash flows expected to be collected. If the present value of the discounted cash flows expected to be collected is less than the amortized cost, the security is considered other-than-temporarily impaired and the Company recognizes a realized capital loss for the difference between the present value of the discounted cash flows and the amortized cost. For securities with an NAIC designation of 3 through 6, unrealized losses that are not deemed other-than-temporarily impaired are reflected in the Company's unassigned surplus.

For common and preferred stocks, the Company considers various factors, including whether the Company has the intent and ability to hold the stock for a period of time sufficient to recover its cost basis. Where the Company lacks the intent and ability to hold to recovery, or believes the recovery period is extended, the stock's decline in fair value is other than temporary and the difference between the stock's cost and fair value is recognized as a realized capital loss. A decision to sell stock for an amount below its cost would be an other than temporary decline and a realized capital loss is recorded.

OTTI adjustments on mortgage loans are recorded when it is probable contractual principal and interest will not be collected. OTTI adjustments reduce the carrying value of mortgage loans to the fair value of the collateral less the estimated cost to sell. The carrying value of real estate is adjusted for OTTI only if it is not recoverable and exceeds fair value.

### ***Title Insurance Premiums Reserves***

The Company is a title insurance underwriter primarily for residential real estate transactions throughout the State of Ohio. Underwritten products include policies for both owners and lenders and are issued through a network of independent title agencies that have signed non-exclusive agreements with the Company.

Premiums are recorded at the date of policy issuance on a gross premium basis. Amounts paid to or retained by agents are reported as an expense. Premium revenue is deferred, and adjusted annually, to the extent necessary to maintain a Statutory or Unearned Premium Reserve determined in accordance with Section 3953.11 and Section 1735.03 of the Ohio Revised Code. There are no known claims pending at March 31, 2018. Reserves for losses and loss adjustment expenses are the estimated amounts necessary to settle all reported and unreported claims for the ultimate cost of insured losses, based upon the facts in each case and the Company's experience with similar cases.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred.

### ***Allowance for Risk-Sharing and Recourse Obligations***

The Company recognizes an allowance for risk-sharing and recourse obligations related to certain loans sold to Fannie Mae and HUD/FHA, for which the Company retains recourse. The Company's assessment of the allowance is based upon the average loss rate incurred by the Company for the trailing six-year period. The allowance is determined by multiplying the average annual loss rate by the average projected unpaid principal balance for the coming year.

### ***Income Taxes***

The application of SSAP No. 101, *Income Taxes*, requires the Company to evaluate the recoverability of deferred tax assets and to establish a statutory valuation allowance adjustment if necessary to reduce the deferred tax asset to an amount which is more likely than not to be realized. Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

On December 22, 2017, the Tax Cuts and Jobs Act (the "TCJA") was signed into law. The TCJA includes numerous changes in existing tax law, including wide-scale changes to individual, pass-through and corporation tax laws. These changes take effect on January 1, 2018. In accordance with SSAP No. 101, *Income Taxes*, we have reviewed the provisions of the law that pertain to the Company and have determined them to have no material income tax effect for financial statement purposes for the year ended December 31, 2017.

### ***Federal Home Loan Bank Advances***

The Company is a member of the Federal Home Loan Bank ("FHLB"). On January 20, 2016, the Federal Housing Finance Agency ("FHFA"), as the primary regulator overseeing the FHLB, adopted a final rule governing FHLB membership. Among other things, the rule excludes captive insurers from the defined term

## NOTES TO FINANCIAL STATEMENTS

"Insurance Company", thus making captives ineligible for FHLB membership. It also requires that any captives admitted as FHLB members after September 12, 2014 are withdrawn from FHLB membership.

The Company has been a third party title insurance company since 1911 and therefore remains an eligible member of the FHLB. However on March 31, 2016, the Company was informed by the FHFA that for purposes of the rules governing FHLB membership, the FHFA considers the Company to be a captive insurance company. The Company was admitted as a member of the FHLB prior to September 12, 2014 and therefore will remain a FHLB member for a five year period (through February 19, 2021) after which the Company will no longer be eligible for FHLB membership. During this five year period, the Company will be eligible to draw advances from the FHLB pursuant to FHLB's membership guidelines. As of March 31, 2018 and December 31, 2017, the Company had \$26.4 million and \$26.5 million, respectively, in advances outstanding with the FHLB.

C. Going Concern

The Company has not had any condition or event that would cause doubt about its ability to continue as a going concern.

**Note 2 – Accounting Changes and Corrections of Errors**

No significant changes

**Note 3 – Business Combinations and Goodwill**

No significant changes

**Note 4 – Discontinued Operations**

No significant changes

**Note 5 – Investments**

D. Loan-Backed Securities

(1) Description of Sources Used to Determine Prepayment Assumptions

Prepayment assumptions for loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.

(2) Other-Than-Temporary Impairments

As of March 31, 2018, the Company had no LBASS, within the scope of SSAP No. 43R, *Loan-backed and Structured Securities* with a recognized OTTI, classified on the basis of either, a) intent to sell or b) inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.

(3) Recognized OTTI securities

The Company had no OTTI recognized during 2018 for LBASS.

(4) As of March 31, 2018, all impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$	0
	2. 12 Months or Longer	\$	034,547
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$	0
	2. 12 Months or Longer	\$	020,091,960

(5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary

OTTI decisions are based upon a detailed analysis of a security's underlying credit and cash flows as described in the Accounting Policies at Note 1, Part C.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

The Company did not enter into any repurchase agreements or securities lending transactions in 2018 and 2017.

F. Real Estate

(1) The Company did not recognize impairment losses on real estate during 2018 or 2017.

(2) The Company did not have any real estate investments sold or classified as held for sale during the period ended March 31, 2018 and December 31, 2017.

M. Working Capital Finance Investments

The Company did not hold working capital finance investments as of March 31, 2018 and December 31, 2017.

N. Offsetting and Netting of Assets and Liabilities

The Company did not have any applicable transactions that are offset and reported in net in accordance with SSAP No. 65, *Offsetting and Netting of Assets and Liabilities*.

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**

No significant changes

## NOTES TO FINANCIAL STATEMENTS

**Note 7 – Investment Income**

No significant changes

**Note 8 – Derivative Instruments**

No significant changes

**Note 9 – Income Taxes**

No significant changes

**Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

No significant changes

**Note 11 – Debt****B. FHLB (Federal Home Loan Bank) Agreements****(1) Nature of the Agreement, Type of Borrowing and Use of Funding**

The Company is a member of the Federal Home Loan Bank of Cincinnati. The Company has been a third party title insurance company since 1911 and therefore remains an eligible member of the FHLB. However on March 31, 2016, the Company was informed by the FHFA that for purposes of the rules governing FHLB membership, the FHFA considers the Company to be a captive insurance company. The Company was admitted as a member of the FHLB prior to September 12, 2014 and therefore will remain a FHLB member for a five year period (through February 19, 2021) after which the Company will no longer be eligible for FHLB membership. During this period, the Company will be eligible to draw advances from the FHLB pursuant to FHLB's membership guidelines. As of March 31, 2018, commercial loans with a carrying value of \$31.8 million have been pledged as collateral for such advances. As of December 31, 2017, commercial loans with a carrying value of \$39.8 million have been pledged as collateral for such advances. In connection with the advances, the Company has purchased, as required under the terms of the advances, \$624,400 of FHLB stock as of March 31, 2018.

**(2) FHLB Capital Stock****a. Aggregate Totals****1. Current Year**

	Total
(a) Membership Stock – Class A	\$
(b) Membership Stock – Class B	624,400
(c) Activity Stock	
(d) Excess Stock	
(e) Aggregate Total (a+b+c+d)	\$ 624,400
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 29,307,458

**2. Prior Year**

	Total
(a) Membership Stock – Class A	\$
(b) Membership Stock – Class B	610,100
(c) Activity Stock	
(d) Excess Stock	
(e) Aggregate Total (a+b+c+d)	\$ 610,100
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 28,370,453

**b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption**

	1	2	Eligible for Redemption			
			3	4	5	6
Membership Stock	Current Year Total (2+3+4+5+6)	Not Eligible for Redemption	Less than 6 Months	6 Months to Less Than 1 Year	1 to Less Than 3 Years	3 to 5 Years
1. Class A	\$	\$	\$	\$	\$	\$
2. Class B	\$ 624,400	\$	\$	\$	\$	\$ 624,400

**(3) Collateral Pledged to FHLB****a. Amount Pledged as of Reporting Date**

	1	2	3
	Fair Value	Carrying Value	Aggregate Total Borrowing
Current Year Total Collateral Pledged	\$ 30,777,820	\$ 31,796,093	\$ 26,428,126
Prior Year Total Collateral Pledged	\$ 39,510,646	\$ 40,528,919	\$ 26,467,042

**b. Maximum Amount Pledged During Reporting Year**

	1	2	3
	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
Current Year Total Collateral Pledged	\$ 39,510,646	\$ 40,528,919	\$ 26,467,042
Prior Year Total Collateral Pledged	\$ 52,240,350	\$ 52,621,807	\$ 26,467,042

## NOTES TO FINANCIAL STATEMENTS

## (4) Borrowing from FHLB

## a. Amount as of the Reporting Date

## 1. Current Year

	1	2
	Total	Funding Agreements Reserves Established
(a) Debt	\$ 26,428,126	XXX
(b) Funding Agreements	\$	\$
(c) Other	\$	XXX
(d) Aggregate Total (a+b+c)	\$ 26,428,126	\$

## 2. Prior Year-End

	1	2
	Total	Funding Agreements Reserves Established
(a) Debt	\$ 26,467,042	XXX
(b) Funding Agreements	\$	\$
(c) Other	\$	XXX
(d) Aggregate Total (a+b+c)	\$ 26,467,042	\$

## b. Maximum Amount During Reporting Period (Current Year)

	Total
1. Debt	\$ 26,467,042
2. Funding Agreements	
3. Other	
4. Aggregate Total (Lines 1+2+3)	\$ 26,467,042

## c. FHLB – Prepayment Obligations

	Does the Company have Prepayment Obligations under the Following Arrangements (YES/NO)
1. Debt	YES
2. Funding Agreements	NO
3. Other	NO

**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

The Company did not have retirement plans, deferred compensation, postemployment benefits, compensated absences, and other postretirement benefit plans as of March 31, 2018 and December 31, 2017.

**Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

No significant changes

**Note 14 – Liabilities, Contingencies and Assessments**

No significant changes

**Note 15 – Leases**

No significant changes

**Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

No significant changes

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

## B. Transfer and Servicing of Financial Assets

MSRs represent servicing rights retained by the Company for loans it originates and sells. The servicing fees are collected from the monthly payments made by the borrowers. The Company generally receives other remuneration including rights to various loan fees such as late charges, loan prepayment penalties, and other ancillary fees. In addition, the Company is also generally entitled to retain the interest earned on funds held pending remittance related to its collection of loan principal and escrow balances. As of March 31, 2018 and December 31, 2017, the carrying value of MSR's was approximately \$1.33 million and \$1.39 million, respectively. As of March 31, 2018 and December 31, 2017, the fair value of MSR's was approximately \$2.01 million and \$2.09 million, respectively. As of March 31, 2018 and December 31, 2017, the Company had a servicing portfolio consisting of 1,843 and 1,868 loans, respectively, with an unpaid principal balance of \$215.4 million and \$237.1 million, respectively.

Activity related to MSR's for the periods ended March 31, 2018 and December 31, 2017 was as follows:

Balance - January 1, 2017	\$ 1,575,330
MSRs capitalized	262,769
Amortization	(446,723)
Balance - December 31, 2017	1,391,376
MSRs capitalized	39,857
Amortization	(97,310)
Balance - March 31, 2018	\$ 1,333,923

The Company's net carrying amount of MSR's at March 31, 2018 and December 31, 2017 is as follows:

## NOTES TO FINANCIAL STATEMENTS

	March 31, 2018	December 31, 2017
Gross carrying amount	\$ 2,709,939	\$ 2,670,083
Less: accumulated amortization	1,376,016	1,278,707
Net carrying amount	\$ 1,333,923	\$ 1,391,376

The Company's mortgage banking activities include originating and underwriting loans for sale to third parties and subsequently servicing these loans. Loans originated and/or underwritten by the Company are primarily self-funded until subsequent sale to investors. The servicing of all of the loans included in the Company's servicing portfolio under various mortgage banking programs are outlined below.

**Fannie Mae Program** — The Company is approved by Fannie Mae as a lender of residential mortgages. Under the Fannie Mae, the Company originates, underwrites, and services mortgage loans on single family residential properties and sells the mortgage loans directly to Fannie Mae. At March 31, 2018 and December 31, 2017 the Company had \$200,414,348 and \$202,598,226, respectively of Fannie Mae loans in its servicing portfolio. Of these, loans totaling \$19,332,717 and \$20,509,695, respectively contained recourse provisions. Fannie Mae maintained recourse on the balance of the loan servicing portfolio.

**FHA Program** — The Company is approved by the FHA as a nonsupervised mortgagee. As of March 31, 2018 and December 31, 2017, the Company serviced \$14,986,015 and \$30,500,989, respectively, of loans which were transferred into pools of Ginnie Mae securities after funding.

C. Wash Sales

The Company did not have any wash sales in 2018 or 2017.

**Note 18 – Gain or loss to the reporting entity from uninsured plans and the portion of partially insured plans**

Not Applicable for Title Companies

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

Not Applicable for Title Companies

**Note 20 – Fair Value Measurements**

A. Fair Value Measurements

Fair value is defined, per SSAP No. 100, Fair Value ("SSAP No. 100"), as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SSAP No. 100 identified three valuation techniques which are used, either independently or in combination, to determine fair value: (1) market approach; (2) income approach; and (3) cost approach. SSAP No. 100 also contains guidance about observable and unobservable inputs, which are assumptions that market participants would use in pricing an asset or liability. To increase consistency and comparability in fair value measurements, the fair value hierarchy prioritizes the inputs to valuation techniques into three broad levels: 1, 2 and 3. The hierarchy for inputs used in determining fair value maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

(1) Fair Value Measurements at Reporting Date

The following tables summarize the Company's assets and liabilities measured and reported at fair value in the Assets and Liabilities, Surplus and Other Funds pages as of March 31, 2018 and December 31, 2017:

	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV) Included in Level 2
<b>Assets at Fair Value</b>					
Bonds - Industrial and miscellaneous	\$	\$	\$ 20,091,960	\$ 20,091,960	\$
Total	\$	\$	\$ 20,091,960	\$ 20,091,960	\$

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

The following tables present the roll forward of Level 3 assets and liabilities measured and reported at fair value as of March 31, 2018:

	Beginning Balance at 1/1/2018	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2018
a. Assets										
	\$ 19,912,950	\$	\$	\$	\$ 179,010	\$	\$	\$	\$	\$ 20,091,960
Total	\$ 19,912,950	\$	\$	\$	\$ 179,010	\$	\$	\$	\$	\$ 20,091,960

(3) Policies when Transfers Between Levels are Recognized

There were no transfers between level categorizations during 2018 or 2017.

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

Listed below is a summary of the significant valuation techniques for assets and liabilities measured and reported at fair value.

**Bonds** — The Company relies on Level 3 measurements in determining the fair value of investments in illiquid securities. These securities are valued using dealer quotations when available, otherwise these securities are valued using the discounted cash flow method of the income approach, whereby market derived assumptions, including the credit risk of borrower, liquidity discounts, and subordination premiums relevant to the asset valued are incorporated into the discount rate. These assumptions are based on data gathered from industry publications, credit rating agencies, and financial data providers.

(5) The Company did not have derivative assets or liabilities during 2018 or 2017.

C. Fair Value Level

**NOTES TO FINANCIAL STATEMENTS**

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments as of March 31, 2018:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Bonds	\$ 20,091,960	\$ 20,091,960	\$	\$	\$ 20,091,960	\$	\$
Common stock	\$ 624,463	\$ 624,463	\$ 624,463	\$	\$	\$	\$
Mortgage loans	\$ 31,360,475	\$ 32,378,748	\$	\$ 32,378,748	\$	\$	\$
Mortgage servicing rights	\$ 2,006,878	\$ 1,333,923	\$	\$	\$ 1,333,923	\$	\$
Cash and cash equivalents	\$ 9,265,338	\$ 9,265,338	\$ 9,265,338	\$	\$	\$	\$
Borrowed money	\$ 26,428,126	\$ 26,428,126	\$	\$ 26,428,126	\$	\$	\$

**Note 21 – Other Items**

No significant changes

**Note 22 – Events Subsequent**

No significant changes

**Note 23 – Reinsurance**

No significant changes

**Note 24 – Retrospectively rated contracts and contracts subject to Redetermination**

Not Applicable for Title Companies

**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses**

The Company did not have any change in incurred losses and loss adjustment expenses in 2018 or 2017.

**Note 26 – Intercompany Pooling Arrangements**

Not Applicable for Title Companies

**Note 27 – Structured Settlements**

No significant changes

**Note 28 – Supplemental Reserves**

No significant changes

**Note 29 – Participating Policies**

No significant changes

**Note 30 – Premium Deficiency Reserves**

No significant changes

**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 [ X ]
- 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 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 [ ] No [ X ]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [ ] No [ X ]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

- 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 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 [ ] N/A [ X ]  
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. \_\_\_\_\_
- 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. \_\_\_\_\_
- 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). \_\_\_\_\_

6.4 By what department or departments? \_\_\_\_\_

- 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 [ ] No [ ] N/A [ X ]

- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [ X ]

- 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 ]

7.2 If yes, give full information: \_\_\_\_\_

- 8.1 Is the company a subsidiary of a bank holding company regulated with 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 [ X ] No [ ]

8.4 If the 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
Hunt Financial Securities, LLC	Rye Brook, NY				x

- 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? 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.

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). \_\_\_\_\_

**THE BANKERS GUARANTEE TITLE & TRUST CO**  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [ X ]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

**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 ]
- 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: \$ 0
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 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:

	1 Prior Year End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ 0	\$ 0
14.22 Preferred Stock	0	0
14.23 Common Stock	0	0
14.24 Short-Term Investments	0	0
14.25 Mortgage Loans on Real Estate	0	0
14.26 All Other	0	0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 0	\$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ 0	\$ 0

- 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 of current statement date:

- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.3 Total payable for securities lending reported on the liability page: \$ 0

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
FHLB	Cincinnati, OH
Wells Fargo Bank	Columbia, MD

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 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such "[...that have access to the investment accounts", "handle securities"]].

1 Name of Firm or Individual	2 Affiliation

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes [ ] No [ X ]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ ] No [ ]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [ ] No [ X ]

18.2 If no, list exceptions:

The Company's investment portfolio consists of a single security that is non-investment grade and carried at the lower of amortized cost or fair value.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

19. By self-designating 5\*GI securities, the reporting entity is certifying the following elements for each self-designated 5\*GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist.
  - b. Issuer or obligor is current on all contracted interest and principal payments.
  - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5\*GI securities?

Yes [ ] No [ ]

## GENERAL INTERROGATORIES (continued)

## PART 2 – TITLE INTERROGATORIES

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

- 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	\$	
5.12 Short-term investments	\$	
5.13 Mortgages	\$	
5.14 Cash	\$	140,011
5.15 Other admissible invested assets	\$	
5.16 Total	\$	140,011

- 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:	\$	5,759,157
5.22 In cash on deposit	\$	
5.32 Other forms of security	\$	

**THE BANKERS GUARANTEE TITLE & TRUST CO**  
**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 Reinsurer Rating
---------------------------	----------------	------------------------	----------------------------------	---------------------------	---	---

**NONE**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - By States and Territories

States, Etc.	1 Active Status (a)	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	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. District of 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	1,381	1,516		1,516		
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. US Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CAN	N						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....(a)XXX		1,381	1,516	0	1,516	0	0

**DETAILS OF WRITE-INS**

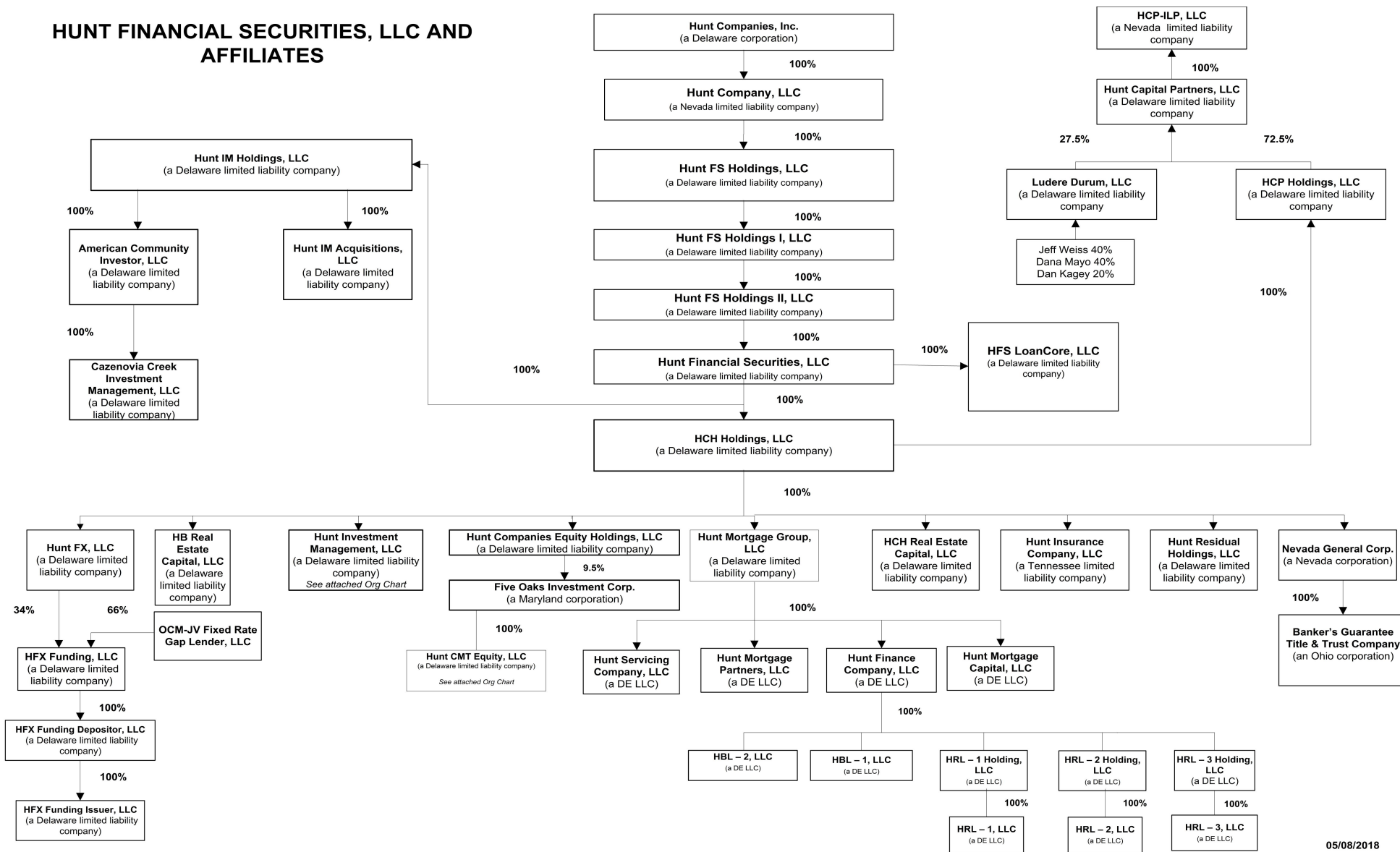
58001.....	XXX						
58002.....	XXX						
58003.....	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page.....	XXX	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above).....	XXX	0	0	0	0	0	0

(a) Active Status Count							
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....			1				0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state.....			0				0
R - Registered - Non-domiciled RRGs.....							0
Q - Qualified - Qualified or accredited reinsurer.....							0
N - None of the above - Not allowed to write business in the state.....							56

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

## PART 1 – ORGANIZATIONAL CHART

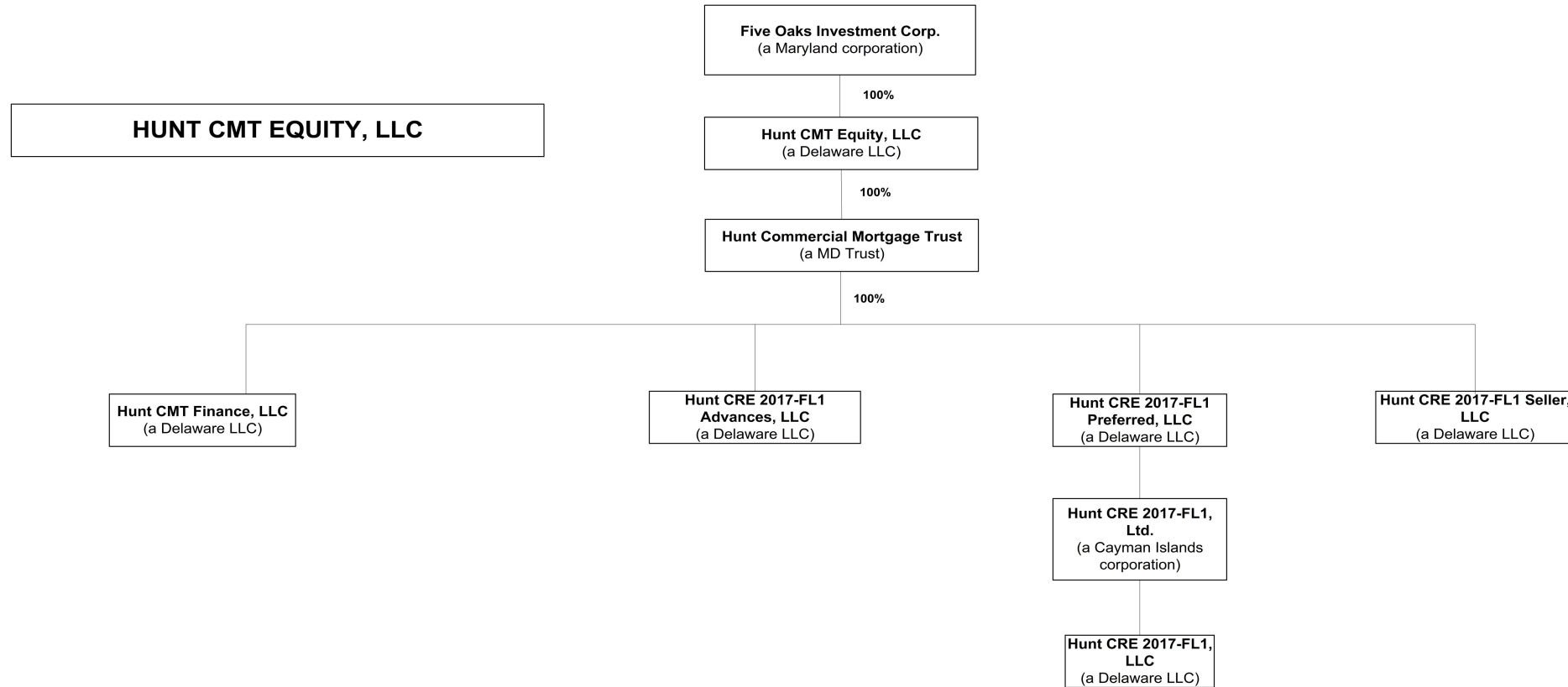
### HUNT FINANCIAL SECURITIES, LLC AND AFFILIATES



Q11

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

## PART 1 – ORGANIZATIONAL CHART

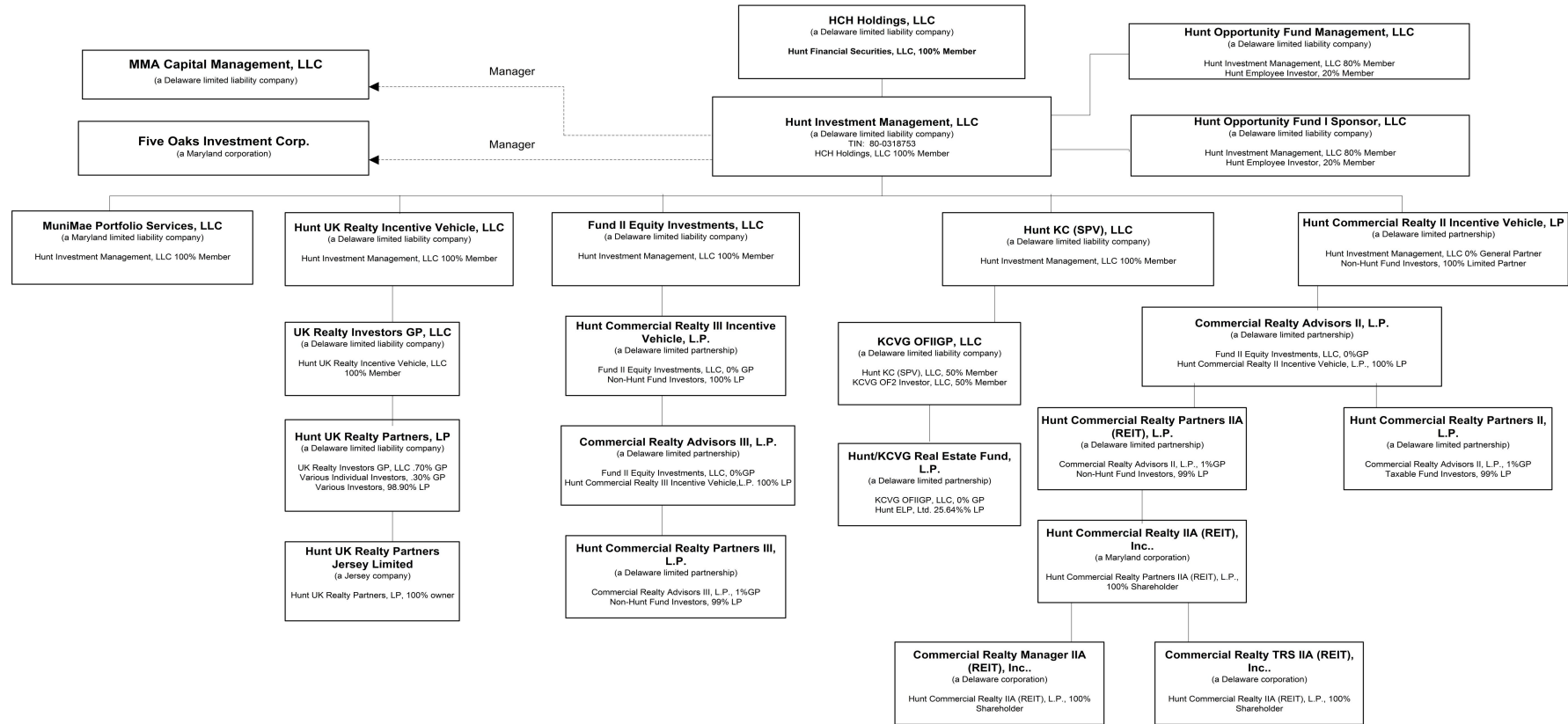


Q11.1

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

**PART 1 – ORGANIZATIONAL CHART**

**HUNT INVESTMENT MANAGEMENT, LLC**

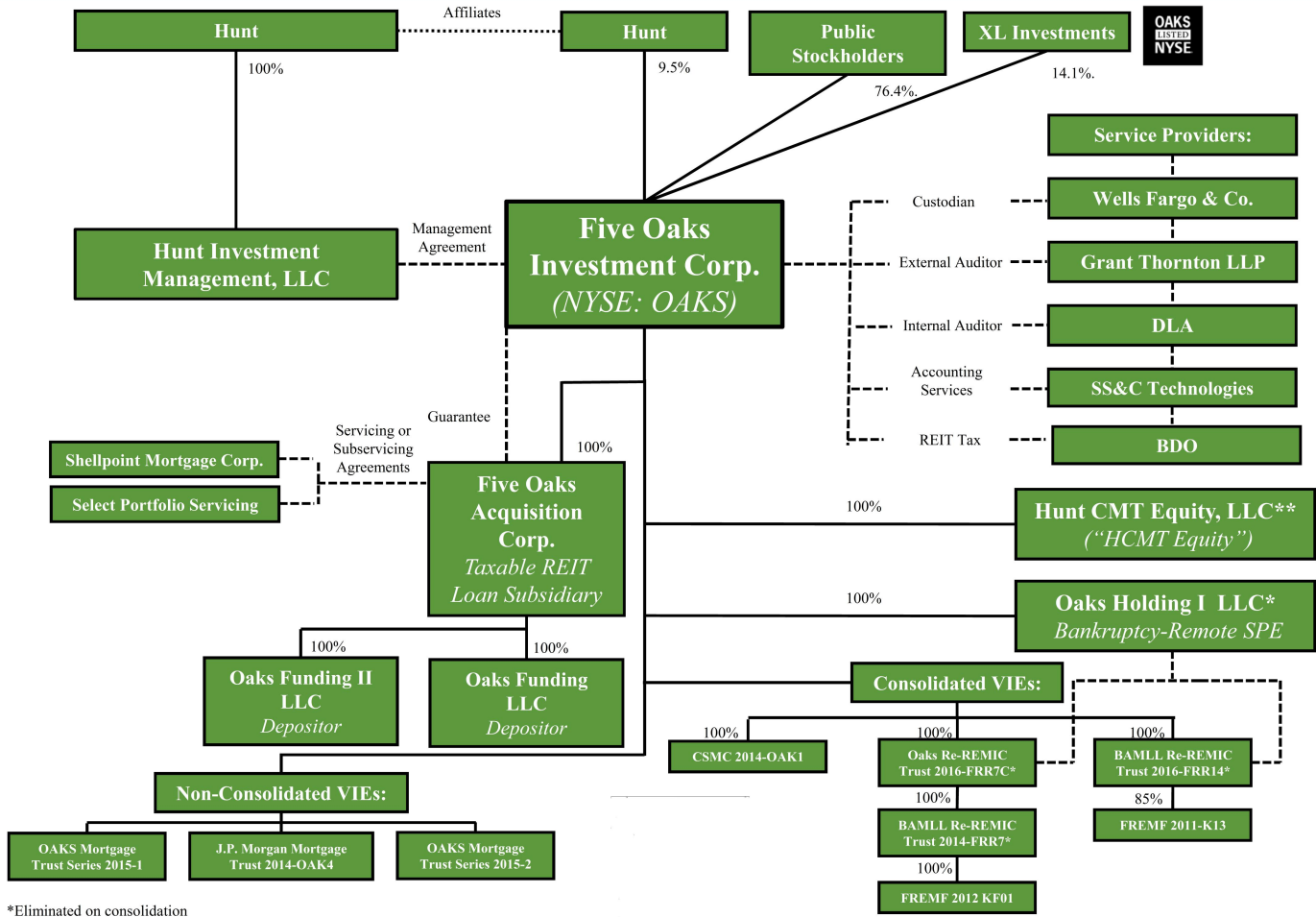


Q11.2

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

**PART 1 – ORGANIZATIONAL CHART**

**Five Oaks – Corporate Organization Chart As of May 2, 2018**



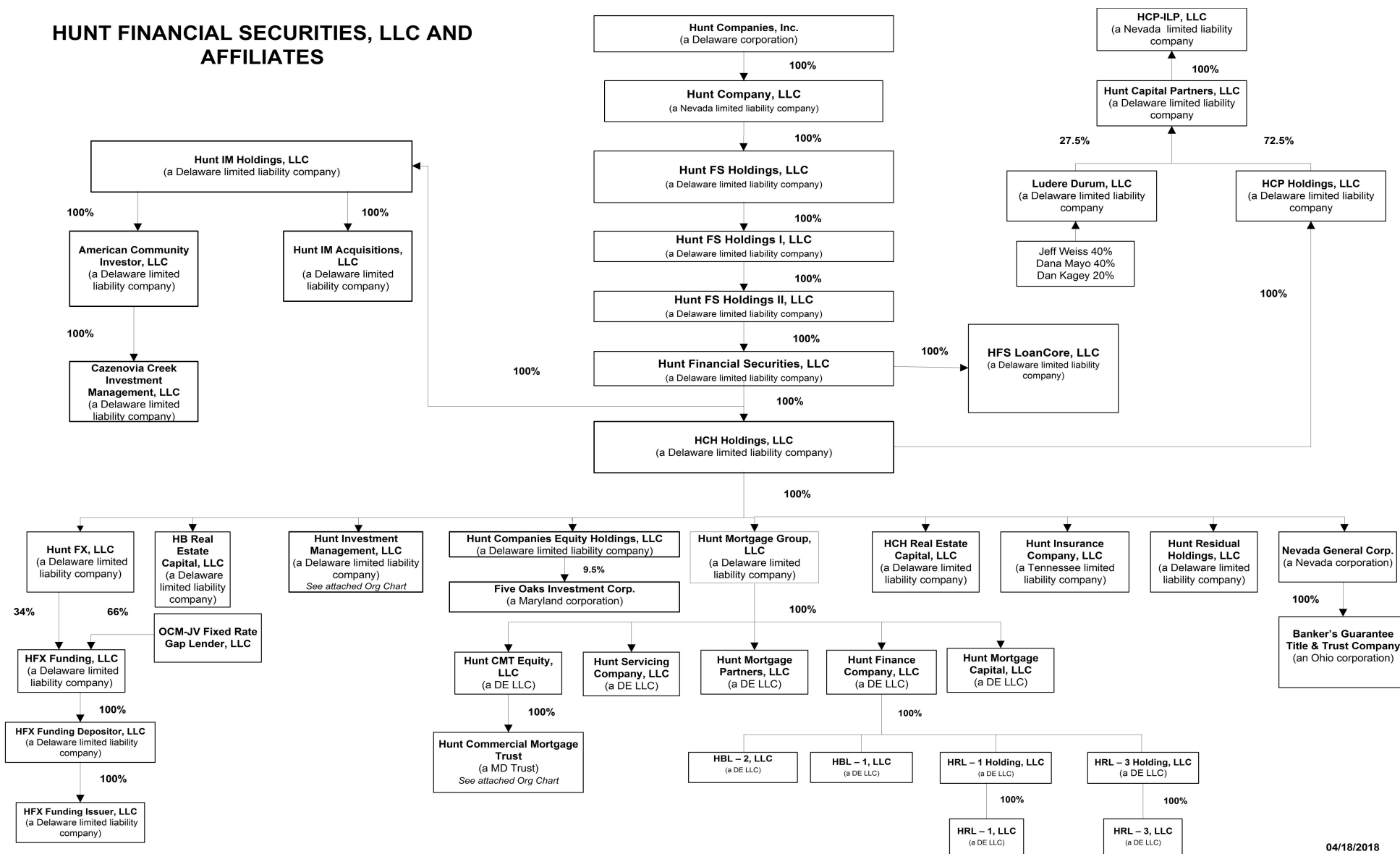
\*Eliminated on consolidation  
\*\*See Slide 2

Q11.3

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

## PART 1 – ORGANIZATIONAL CHART

### HUNT FINANCIAL SECURITIES, LLC AND AFFILIATES

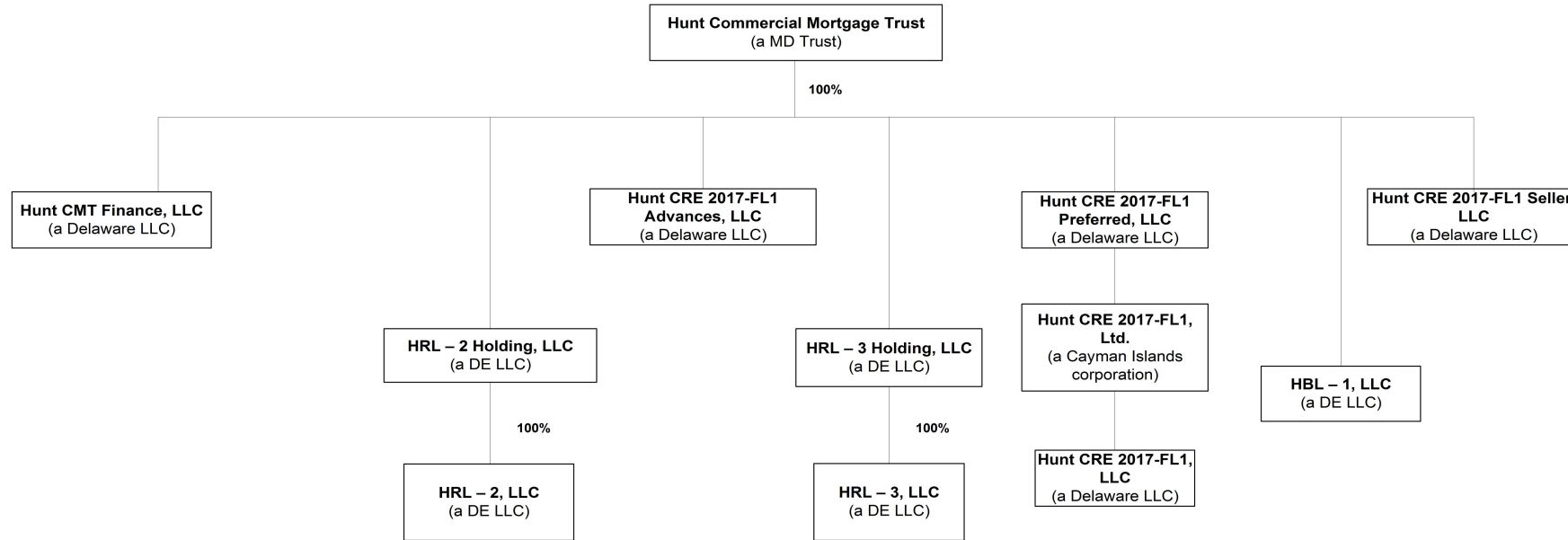


Q11.4

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

PART 1 – ORGANIZATIONAL CHART

**HUNT COMMERCIAL MORTGAGE TRUST**

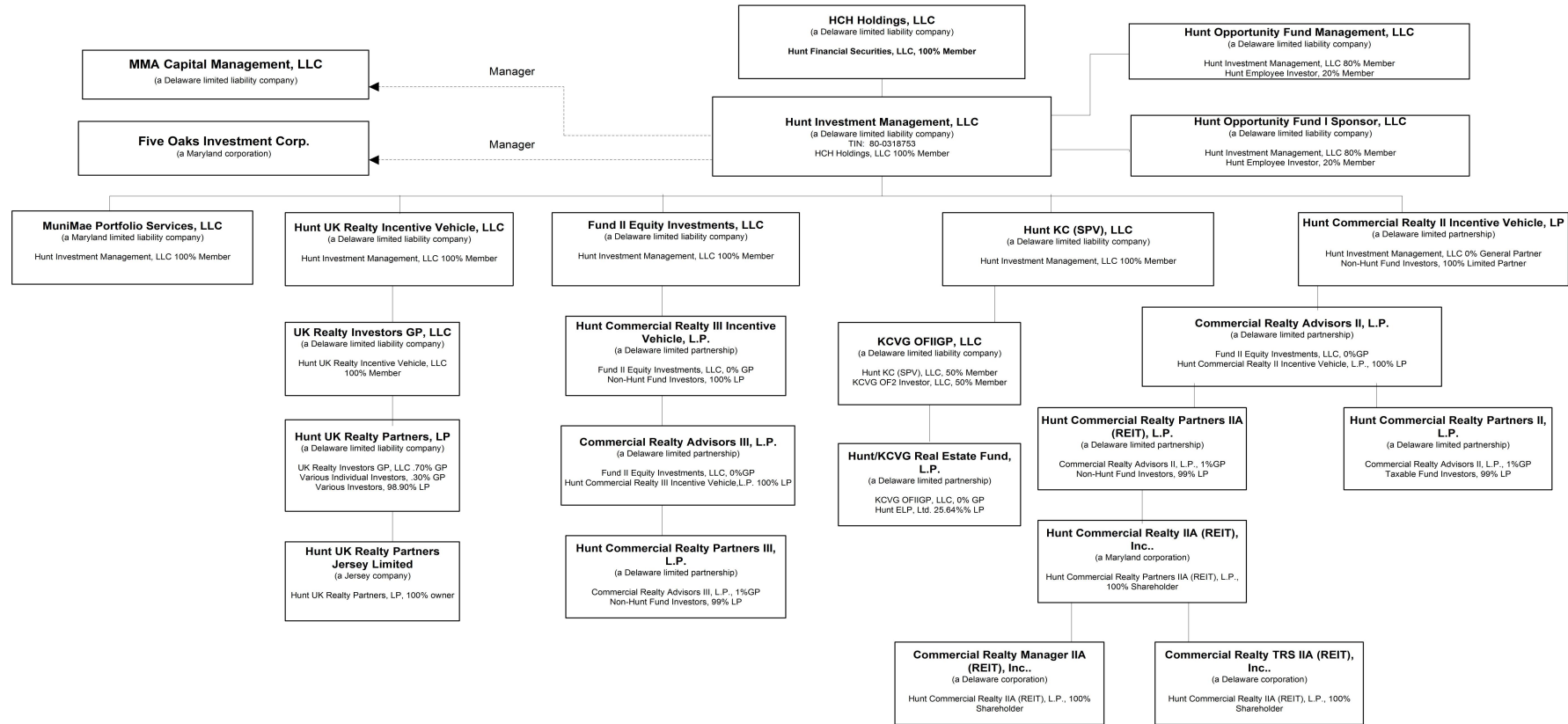


Q11.5

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

**PART 1 – ORGANIZATIONAL CHART**

**HUNT INVESTMENT MANAGEMENT, LLC**



Q11.6

**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	16
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(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*

**NONE**

**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.....				.00	
2. Agency operations:					
2.1 Non-affiliated agency operations.....	1,381	303,499		.00	
2.2 Affiliated agency operations.....				.00	
3. Totals.....	1,381	303,499	.0	.00	

**PART 2 - DIRECT PREMIUMS WRITTEN**

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Direct operations.....			1,516
2. Agency operations:			
2.1 Non-affiliated agency operations.....	1,381	1,381	1,516
2.2 Affiliated agency operations.....			
3. Totals.....	1,381	1,381	3,032

**NONE**

**THE BANKERS GUARANTEE TITLE & TRUST CO  
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.....	0	55,299
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.....		(10,637)
5. Deduct amounts received on disposals.....		44,662
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 end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

**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.....	40,528,919	37,847,847
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	4,857,749	40,622,972
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.....	18,468	74,264
7. Deduct amounts received on disposals.....	13,026,389	38,016,164
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).....	32,378,747	40,528,919
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	32,378,747	40,528,919
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	32,378,747	40,528,919

**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.....	1,391,376	1,575,329
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....	39,857	262,769
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.....	97,310	446,722
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).....	1,333,923	1,391,376
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	1,333,923	1,391,376

**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.....	20,523,113	8,608,263
2. Cost of bonds and stocks acquired.....	14,300	12,113,407
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....	179,010	(198,557)
5. Total gain (loss) on disposals.....		
6. Deduct consideration for bonds and stocks disposed of.....		
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. Total investment income recognized as a result of prepayment penalties and/or acceleration fees.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9-10).....	20,716,423	20,523,113
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	20,716,423	20,523,113

**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).....					.....0			
2. NAIC 2 (a).....					.....0			
3. NAIC 3 (a).....	.....19,912,950			.....179,010	.....20,091,960			.....19,912,950
4. NAIC 4 (a).....					.....0			
5. NAIC 5 (a).....					.....0			
6. NAIC 6 (a).....					.....0			
7. Total Bonds.....	.....19,912,950	.....0	.....0	.....179,010	.....20,091,960	.....0	.....0	.....19,912,950
<b>PREFERRED STOCK</b>								
8. NAIC 1.....					.....0			
9. NAIC 2.....					.....0			
10. NAIC 3.....					.....0			
11. NAIC 4.....					.....0			
12. NAIC 5.....					.....0			
13. NAIC 6.....					.....0			
14. Total Preferred Stock.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
15. Total Bonds and Preferred Stock.....	.....19,912,950	.....0	.....0	.....179,010	.....20,091,960	.....0	.....0	.....19,912,950

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of 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 <b>NONE</b> Par Value	3 Original Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....		XXX.....			

**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.....	.....0	.....
2. Cost of short-term investments acquired.....	.....	.....
3. Accrual of discount.....	.....	.....
4. Unrealized valuation increase (decrease).....	<b>NONE</b>	.....
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).....	.....0	.....0
11. Deduct total nonadmitted amounts.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11).....	.....0	.....0

**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 hedge 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).....	0
10. Deduct nonadmitted assets.....	_____
11. Statement value at end of current period (Line 9 minus Line 10).....	<u>0</u>

NONE

**SCHEDULE DB - PART B - VERIFICATION**

Futures Contracts

1. Book/adjusted carrying value, December 31, 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.....	0
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.....	0
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.....	0
Change in amount recognized:	
3.23 Section 1, Column 19, current year to date minus.....	_____
3.24 Section 1, Column 19, prior year.....	0
3.3 Subtotal (Line 3.1 minus Line 3.2).....	0
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.....	0
4.3 Subtotal (Line 4.1 minus Line 4.2).....	0
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 the 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).....	0
7. Deduct nonadmitted assets.....	_____
8. Statement value at end of current period (Line 6 minus Line 7).....	<u>0</u>

NONE

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

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

Replication (Synthetic) Asset Transactions								Components of the Replication (Synthetic Asset) Transactions							
1	2	3	4	5	6	7	8	Derivative Instrument(s) Open			Cash Instrument(s) Held				
								9	10	11	12	13	14	15	16
Number	Description	NAIC Designation or Other Description	Notional Amount	Book/Adjusted Carrying Value	Fair Value	Effective Date	Maturity Date	Description	Book/Adjusted Carrying Value	Fair Value	CUSIP	Description	NAIC Designation or Other Description	Book/Adjusted Carrying Value	Fair Value

**NONE**

## SCHEDULE DB - PART C - SECTION 2

### Reconciliation (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.....			.0	.0	.0	.0	.0	.0	.0	.0
2. Add: Opened or acquired transactions.....				<b>NONE</b>					.0	.0
3. Add: Increases in replication (synthetic asset) transactions statement value.....	XXX		XXX		XXX		XXX		XXX	.0
4. Less: Closed or disposed of transactions.....									.0	.0
5. Less: Positions disposed of for failing effectiveness criteria.....									.0	.0
6. Less: Decreases in replication (synthetic asset) transactions statement value.....	XXX		XXX		XXX		XXX		XXX	.0
7. Ending Inventory.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0

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# THE BANKERS GUARANTEE TITLE & TRUST CO 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).....	_____	0
4. Part D, Section 1, Column 5.....	_____	
5. Part D, Section 1, Column 6.....	_____	
6. Total (Line 3 minus Line 4 minus Line 5).....	_____	0

### Fair Value Check

7. Part A, Section 1, Column 16.....	<b>NONE</b>	_____	
8. Part B, Section 1, Column 13.....		_____	
9. Total (Line 7 plus Line 8).....		_____	0
10. Part D, Section 1, Column 8.....		_____	
11. Part D, Section 1, Column 9.....		_____	
12. Total (Line 9 minus Line 10 minus Line 11).....		_____	0

### 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).....	_____	0

**SCHEDULE E - PART 2 - VERIFICATION**

Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
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).....	0	0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	0	0

**NONE**

### SCHEDULE A - PART 2

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

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						

**NONE**

QE01

### SCHEDULE A - PART 3

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

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs, and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other-Than-Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							

**NONE**

### 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 Acquisition	9 Value of Land and Buildings
	2 City	3 State						
<b>Mortgages in Good Standing - Farm Mortgages</b>								
0199999. Total - Mortgages in Good Standing - Farm Mortgages.....								
				XXX	XXX	0	0	0
<b>Mortgages in Good Standing - Residential Mortgages - Insured or Guaranteed</b>								
various..... various..... oh.....								
				01/01/2018		998,069		1,068,802
				XXX	XXX	998,069	0	1,068,802
<b>Mortgages in Good Standing - Residential Mortgages - All Other</b>								
various..... various..... oh.....								
				01/01/2018		3,859,680		4,497,521
				XXX	XXX	3,859,680	0	4,497,521
				XXX	XXX	4,857,749	0	5,566,323
				XXX	XXX	4,857,749	0	5,566,323

QE02

### 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					
<b>Mortgages Closed by Repayment</b>																	
various..... various..... oh.....																	
				01/01/2018	03/31/2018	13,026,389					0		13,026,389	13,044,857		18,468	18,468
						13,026,389	0	0	0	0	0	0	13,026,389	13,044,857	0	18,468	18,468
						13,026,389	0	0	0	0	0	0	13,026,389	13,044,857	0	18,468	18,468

### SCHEDULE BA - PART 2

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

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Designation	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									
<b>Any Other Class of Asset - Unaffiliated</b>												
	Mortgage Servicing Rights.....	Various.....	OH..	N/A.....		01/01/2018...				39,857		
4299999	Total - Any Other Class of Asset - Unaffiliated.....							0	39,857	0	0	XXX.....
4499999	Subtotal - Unaffiliated.....							0	39,857	0	0	XXX.....
4699999	Totals.....							0	39,857	0	0	XXX.....

QE03

### SCHEDULE BA - PART 3

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

1 CUSIP Identification	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	Changes 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./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.						
<b>NONE</b>																			

### SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Common Stocks - Industrial and Miscellaneous</b>									
313586 10 9	FHLB Cincinnati.....		03/22/2018.....	none.....	143.000	14,300	XXX	0	XXX
9099999	Total - Common Stocks - Industrial and Miscellaneous.....					14,300	XXX	0	XXX
9799997	Total - Common Stocks - Part 3.....					14,300	XXX	0	XXX
9799999	Total - Common Stocks.....					14,300	XXX	0	XXX
9899999	Total - Preferred and Common Stocks.....					14,300	XXX	0	XXX
9999999	Total - Bonds, Preferred and Common Stocks.....					14,300	XXX	0	XXX

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

QE04

**SCHEDULE D - PART 4**

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)

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

**NONE**

QE05

**SCHEDULE DB - PART A - SECTION 1**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	C o d e	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Year-end (b)

**NONE**

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

Futures Contracts Open as of the Current Statement Date

1 Ticker Symbol	2 Number of Contracts	3 Notional Amount	4 Description	5 Description of Item(s) Hedged, Used for Income Generation or Replicated	6 Schedule / Exhibit Identifier	7 Type(s) of Risk(s) (a)	8 Date of Maturity or Expiration	9 Exchange	10 Trade Date	11 Transaction Price	12 Reporting Date Price	13 Fair Value	14 Book/Adjusted Carrying Value	Highly Effective Hedges			18 Cumulative Variation Margin for All Other Hedges	19 Change in Variation Margin Gain (Loss) Recognized in Current Year	20 Potential Exposure	21 Hedge Effectiveness at Inception and at Year-end (b)	22 Value of One (1) Point
														15 Cumulative Variation Margin	16 Deferred Variation Margin	17 Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item					

**NONE**

QE07

**SCHEDULE DB - PART D - SECTION 1**  
Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1 Description of Exchange, Counterparty or Central Clearinghouse	2 Master Agreement (Y or N)	3 Credit Support Annex (Y or N)	4 Fair Value of Acceptable Collateral	Book Adjusted Carrying Value			Fair Value			11 Potential Exposure	12 Off-Balance Sheet Exposure
				5 Contracts with Book/Adjusted Carrying Value > 0	6 Contracts with Book/Adjusted Carrying Value < 0	7 Exposure Net of Collateral	8 Contracts with Fair Value > 0	9 Contracts with Fair Value < 0	10 Exposure Net of Collateral		
1. Offset per SSAP No. 64.....											
2. Net after right of offset per SSAP No. 64.....					.0	.0					

**NONE**

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

Collateral for Derivative Instruments Open as of Current Statement Date

1 Exchange, Counterparty or Central Clearinghouse	2 Type of Asset Pledged	3 CUSIP Identification	4 Description	5 Fair Value	6 Par Value	7 Book/Adjusted Carrying Value	8 Maturity Date	9 Type of Margin (I, V or IV)
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**NONE**

QE09

**SCHEDULE DL - PART 1  
SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

(Securities lending collateral assets reported in aggregate on Line 10 of the Assets page and not included on Schedules A, B, BA, D, DB and E)

1	2	3	4	5	6	7
CUSIP Identification	Description	Code	NAIC Designation / Market Indicator	Fair Value	Book/Adjusted Carrying Value	Maturity Date

General Interrogatories:

1. The activity for the year: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
2. Average balance for the year: Fair 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

**NONE**

**SCHEDULE DL - PART 2  
SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

(Securities lending collateral assets included on Schedules A, B, BA, D, DB and E and not reported in aggregate on Line 10 of the Assets page)

1	2	3	4	5	6	7
CUSIP Identification	Description	Code	NAIC Designation / Market Indicator	Fair Value	Book/Adjusted Carrying Value	Maturity Date

General Interrogatories:

1. The activity for the year: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
2. Average balance for the year: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0

**NONE**

# THE BANKERS GUARANTEE TITLE & TRUST CO

## 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	
<b>Open Depositories</b>								
<b>Section (A) - Segregated Funds Held for Others</b>								
Chase, JP Morgan.....								
0199999. Total Segregated Funds Held for Others.....	.XXX.	.XXX.	0	0	0	0	0	XXX
<b>Section (B) - General Funds</b>								
Chase, JP MORGAN.....					8,188,863	8,742,846	9,265,338	
0299999. Total General Funds.....	.XXX.	.XXX.	0	0	8,188,863	8,742,846	9,265,338	XXX
0499999. Total Open Depositories.....	.XXX.	.XXX.	0	0	8,188,863	8,742,846	9,265,338	XXX
0999999. Total Cash on Deposit.....	.XXX.	.XXX.	0	0	8,188,863	8,742,846	9,265,338	XXX
1199999. Total Cash.....	.XXX.	.XXX.	0	0	8,188,863	8,742,846	9,265,338	XXX

### SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Amount Received During Year
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**NONE**

QE13